



The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)



Jammu & Kashmir State MSME Policy



MSME & Startup Committee, ICAI

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Message from Committee Leadership

Dear MSME & Startup Stakeholders,

We are pleased to share details about the ICAI MSME Clinic, an initiative designed to provide valuable guidance, support, and professional assistance to MSMEs and Startups across the country. This weekly walk-in, pro-bono advisory service aims to address key challenges faced by MSMEs, including finance, accounting, technology support and marketing.

About ICAI MSME Clinic

The ICAI MSME Clinic will be hosted every Friday by ICAI branches, where MSMEs and Startups can receive expert advice from two dedicated advisory desks:

- **Business Support Desk:** Led by Chartered Accountants specializing in MSME and Startup advisory, financial planning, compliance, and business strategy.
- **Institutional Support Desk:** Led by Bankers and Government Representatives, offering assistance with credit access, grievance redressal, and awareness of government schemes.

Introduction to the State-Specific MSME Policy

We are also excited to present the State-Specific MSME Policy, an essential resource for MSMEs & Startups in the ICAI MSME Clinic initiative. As part of this initiative, the Committee has developed a Resource Handbook and State-Specific MSME Policies, aimed at enhancing the knowledge base of MSMEs and Startups.

These State-Specific Handbooks serve as practical and accessible tools for navigating the unique opportunities, policies, and regulatory frameworks specific to each state. By consolidating available schemes, incentives, and support across states, we aim to provide MSMEs & Startups with the guidance they need to grow at the grassroots level and develop the capacity.

Vision of ICAI MSME Clinic

Through consistent, pro-bono engagement and sustainable operations, each branch becomes a local hub and incubation centre of MSME transformation, bridging professional excellence with grassroots economic development. ICAI aims to empower MSMEs & Startups annually, driving financial literacy, compliance discipline, and business growth.

Acknowledgement

We would like to extend our sincere gratitude to **CA Vishal Thappa** for their tireless efforts and contributions in preparing the **State-Specific MSME Policy of Jammu & Kashmir**, which will play a crucial role in this initiative.

MSME & Startup Commitment Growth

The MSME & Startup Committee, ICAI, is deeply committed to ensuring the success of the ICAI MSME Clinic and providing continuous support to MSMEs & Startups. Together, we look forward to contributing to the sustainable growth and empowerment of MSMEs & Startups, which are the backbone of the Indian economy.

CA Gyan Chandra Misra
Chairman
MSME & Startup Committee, ICAI

CA. Sanjay Kumar Agarwal
Vice Chairman
MSME & Startup Committee, ICAI

JAMMU & KASHMIR STATE SPECIFIC POLICIES OVERVIEW

Jammu and Kashmir has emerged as a dynamic hub for entrepreneurial activity, particularly in the micro, small, and medium enterprise (MSME) sector. The region offers a unique blend of natural resources, strategic location, and robust government support that creates fertile ground for business growth. J&K is actively fostering an ecosystem where startups and MSMEs can thrive, contributing significantly to economic development and employment generation.

Jammu & Kashmir’s **Industrial Policy 2021–30**, along with the **Private Industrial Estate Development Policy** and the **Land Allotment Policy 2021–30**, represents the UT’s largest push toward industrial transformation and private investment since its reorganisation. The policies collectively focus on transparent land allotment, cluster-based industrialization, and equitable regional growth. Under these initiatives, the UT has received over **8,532 applications** through its Single Window System, proposing investments worth **₹1.69 lakh crore** with a job potential of more than **6 lakh**. Land allotment has been approved for **213 non-local** and **1,751 local investors**, covering around **80,669 kanals** of land. The new policies incentivize private developers to create industrial estates with full reimbursement of registration and land-use charges, while ensuring strict timelines for project completion. This integrated policy framework has already attracted sectors like food processing, pharmaceuticals, renewable energy, and textiles, marking Jammu & Kashmir’s entry into a competitive investment environment.

Complementing these structural reforms, the government has expanded its **entrepreneurship and livelihood schemes**. Through the **PMEGP**, over **44,500 projects** have been assisted between 2021–24, generating around **3.56 lakh jobs** and disbursing **₹921 crore** in subsidies. The **JKREGP** and **Mission YUVA** further aim to empower youth and rural entrepreneurs—Mission YUVA alone targets **1.37 lakh new enterprises** and **4.25 lakh jobs**. Together with MSME cluster initiatives and allied **Animal Husbandry and Horticulture support schemes**, these programs have generated over **9.58 lakh employment opportunities** in the last four years.

reforms have also been proposed through mandatory CPSE onboarding, CGTMSE-backed invoice financing, and GeM integration to improve MSME liquidity and reduce delayed payments. Additionally, the government announced the “Corporate Mitras” initiative to provide professional guidance and compliance support to MSMEs in Tier-II and Tier-III cities.

Glossary

Acronym	Full Form
MSME	Micro, Small and Medium Enterprises
UT	Union Territory
IDC	Industrial Development Corporation
DIC	District Industries Centre
JKEDI	Jammu & Kashmir Entrepreneurship Development Institute
JKTPO	Jammu & Kashmir Trade Promotion Organization
KVIC	Khadi and Village Industries Commission
KVIB	Khadi and Village Industries Board

Acronym	Full Form
PMEGP	Prime Minister’s Employment Generation Programme
JKREGP	Jammu & Kashmir Rural Employment Generation Programme
SIDBI	Small Industries Development Bank of India
SCDF	SIDBI Cluster Development Fund
MoMSME	Ministry of Micro, Small and Medium Enterprises
MSE-CDP	Micro and Small Enterprises Cluster Development Programme
SFURTI	Scheme of Fund for Regeneration of Traditional Industries
RAMP	Raising and Accelerating MSME Performance
SGST	State Goods and Services Tax
DPIIT	Department for Promotion of Industry and Internal Trade
GI	Geographical Indication
ONDC	Open Network for Digital Commerce
CGTMSE	Credit Guarantee Fund Trust for Micro and Small Enterprises

1. JAMMU AND KASHMIR INDUSTRIAL POLICY 2021-30

1.1 Introduction:

The Jammu and Kashmir Industrial Development Policy 2021-30, introduced by the government, aims to transform Jammu and Kashmir into an industrially developed region. This policy was launched to promote sustainable and balanced industrial development in the Union Territory (UT) following its reorganization in 2019. The policy focuses on several key areas to attract investment, generate employment, and ensure the socio-economic development of the region.

Vision:

To transform Jammu & Kashmir into an industrial powerhouse by fostering convergence and collaboration, guided by the principle of “Tradition, Growth, and Transformation”. This aims at creating a supportive ecosystem for Ease of Doing Business to unlock the region’s full potential.

Mission:

To stimulate industrial expansion within a stable and competitive environment, enhancing both traditional sectors (Agriculture, Food processing, Tourism, Handicrafts, Health, Education) and modern industries (Pharmaceuticals, IT/ITes, Skill development), thereby ensuring economic growth and human resource development in Jammu & Kashmir.

1.2 About the Policy:

1.2.1 Name: The Jammu and Kashmir Industrial Development Policy (2021-30)

1.2.2 Eligibility & Focused Area

Manufacturing and service sector units will receive incentives as per this policy.

Units producing restricted products are not eligible. Service sector incentives apply only to approved service units. Incentives are disbursed after certification of production or operation by the concerned GM DIC.

The list of focus sectors is as follows:



1.3 Policy Incentives, Subsidies & Benefits:

1.3.1 Benefits/Subsidies that can be availed under the Policy are categorised as under:

- **Subsidy on DG (Diesel Generator) Set all new units**

All new units: existing units and existing units undertaking substantial expansion will get 100% subsidy on purchase and installation of a single new DG set having capacity ranging from 10 KW to 2000 KW, with the capping of Rs. 40 lakhs in Zone A and Rs. 45 lakhs in Zone B. The incentive can be availed only once under the Policy.

- **Exemption Stamp duty and Court fee**

New units and existing units undertaking substantial expansion shall be eligible for 100% exemption of Stamp duty on land transactions in Government Industrial Estates, including lease deed and mortgage deed.

- **Subsidy on procurement of Quality Certificate**

New units; existing units and existing units undertaking substantial expansion, procuring Quality Certification like ISO, ISI, BIS, FPO, BEE, AGMARK, ECOMARK, ZED Rating etc. shall be given a subsidy of 30% of the total cost incurred for obtaining the said certificate, subject to a maximum of Rs 2 lakhs, as certified by the Chartered Accountant. This incentive, however, can be availed only once.

- **Subsidy on Automation**

New units, existing units and existing units undertaking substantial expansion incurring expenditure on automation / software / hardware /Business process re-engineering (BPR) through computers/IT/ Online Pollution Control Devices shall be provided subsidy of 25% of expenditure incurred on the same up to a limit of Rs. 2 lakhs, after due verification by the Industries & Commerce Department/Pollution.

1.3.2 Incentives and Concessions categorised as below:

- **Green and Environment Protection Initiative**

New units; existing units and existing units undertaking substantial expansion shall be eligible 50% subsidy on the expenditure incurred on installation of new equipment of rainwater harvesting, wastewater recycling, zero discharge process/ solid waste management.

- **Turnover Incentive**

For existing Micro units, 3% Turnover incentive shall be provided for all existing units registered under GST in the UT of Jammu & Kashmir on or before 31.03.2021. Units can avail incentive for 5 years, maximum up to Rs. 10 lakhs per annum.

For existing SME and Large Units, 2% Turn over incentive shall be provided for all existing units registered under GST in the UT of Jammu & Kashmir on or before 31.03.2021. Units can avail incentive for 5 years, maximum up to Rs. 50 lakhs per annum.

Units can avail the incentive for 5 consecutive years within the applicable time period of this policy. This incentive shall however be subject to an annual overall capping of Rs 50.00 crore. The process of filing the refund claim is fully digitalised.

- **SGST Incentive**

Existing units registered under GST in the UT of Jammu & Kashmir on or before the date of 31.03.2021 shall be eligible for 100% Net SGST reimbursement for 10 years from 01.04.2021. The process of filing the refund claim is fully digitalised and processed through the jurisdictional GST state taxes officer.

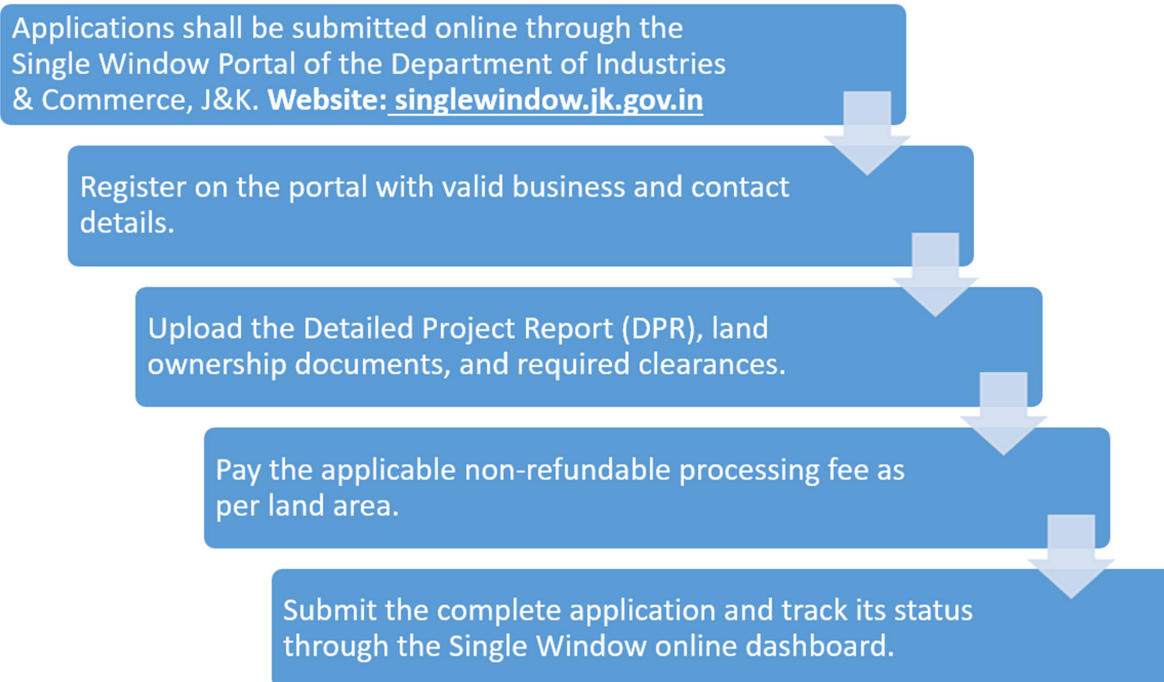
- **Sanction of Incentives under Jammu & Kashmir Package**

All the incentives under the Jammu & Kashmir Package up to Rs. 5.00 lakhs shall be sanctioned and disbursed by the concerned General Manager.

The incentives above 5.00 lakhs and up to 50.00 lakhs shall be sanctioned by the Divisional Level Committee of respective Directorates of Industries and Commerce, Jammu/Kashmir.

The incentives above 50.00 lakhs shall be sanctioned by the UT Level Committee of Department of Industries and Commerce, Jammu and Kashmir.

1.4 **Where and How to Apply:**



2. **JAMMU & KASHMIR PRIVATE INDUSTRIAL ESTATE DEVELOPMENT POLICY 2021-30**

2.1 **Introduction:**

The **Jammu & Kashmir Private Industrial Estate Development Policy 2021-30** aims to promote industrial growth in the Union Territory by allowing private entities to develop industrial parks on a minimum of **5 acres** (or 2 acres for IT/ITES parks). Key objectives include creating jobs, attracting investment, and fostering a balanced economy through sustainable industrialization by providing a framework for private sector land development and offering incentives. .

2.2 **About the Policy:**

2.2.1 Name: JAMMU & KASHMIR PRIVATE INDUSTRIAL ESTATE DEVELOPMENT POLICY (2021-30)

2.2.2 Eligibility:

2.2.2.1 Promoter / Applicant

- Eligible applicants include private individuals, companies, or firms with valid legal registration.
- Must demonstrate financial credibility and technical capability to develop and operate an industrial estate.
- Past experience in development or related activities is considered an advantage.

2.2.2.2 Land Requirements

- Minimum land area: 5 acres for mixed-use industrial estates; 3 acres for sector-specific estates; smaller plots (e.g., 2 acres) for IT/ITeS flatted accommodation parks.
- Land must have clear title and comply with legal and regulatory approvals.

2.2.2.3 Project Documentation

- Submission of a Detailed Project Report (DPR) covering layout, investment, utilities, employment, and timelines is mandatory.
- Compliance with environmental, forest, and pollution control norms is required.

2.2.2.4 Infrastructure & Utilities

- Estates must provide common infrastructure including roads, drainage, water, electricity, street lighting, communication networks, effluent treatment, and other standard facilities.
- Infrastructure standards must align with government benchmarks.

2.2.2.5 Operational & Maintenance Obligations

- Promoters are responsible for the development, operation, and maintenance of estate facilities.
- Estates must be operational within 2 years of provisional approval; deviations may lead to government intervention.

2.2.2.6 Application & Approval Process

- Applications are evaluated by divisional and project clearance committees for technical and financial compliance.
- Incentives and subsidies are granted after successful development of estate infrastructure.

2.2.2.7 Use of Estate

- Land and facilities must be used strictly for industrial purposes. Misuse may result in penalties or revocation of approvals.

2.2.2.8 Zone Classification Impact

- The UT is divided into Zone A (developed districts) and Zone B (backward districts).
- Estates in Zone B are eligible for higher incentives and relaxed conditions to encourage industrial growth in underdeveloped areas.

2.2.2.9 Definition of Zone Classification:

Zone	Districts Covered	Nature / Characteristics
Zone A	Jammu, Samba, Kathua, Budgam, Pulwama, Srinagar, Ganderbal	Developed / Industrially advanced areas – near highways, cities, or existing industrial hubs
Zone B	Udhampur, Reasi, Doda, Kishtwar, Ramban, Rajouri, Poonch, Anantnag, Kulgam, Shopian, Baramulla, Kupwara, Bandipora	Industrially backward / hilly or remote areas with lesser infrastructure

(Source: J&K Industrial Policy 2021–30, Government Order No. 65-IND of 2021 dated 08.03.2021 and related notifications from the Department of Industries & Commerce.)

2.3 Policy Incentives and Support:

2.3.1 Government Support:

Government shall provide road connectivity, water connection and electricity up to the proposed Estate/Park.

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 healthcare
- Tool rooms
- Recreational facilities or any other common industrial/social infrastructure development activity duly approved by the government.

2.3.2 Subsidies:

The rate for the Capital Infrastructure Subsidy shall be:

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.

For investment above Rs 25 Crore:

- a) **Zone 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) **Zone 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.
- c) **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.

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.

2.4 **Where to Apply:**

Website: <https://singlewindow.jk.gov.in>

3. **JAMMU AND KASHMIR INDUSTRIAL LAND ALLOTMENT POLICY 2021-30**

3.1 **Introduction:**

The policy is aimed at evolving a fair and transparent mechanism for land allotment for industrial use, including Education and Health sector. This is envisaged with a vision to achieve inclusive growth and bring economic prosperity through sustainable industrialization & employment generation.

The Policy Vision, in the aforesaid context, has to be: "... to augment the industrially viable land into a highly structured industrial land bank readily available for allotment to genuine entrepreneurs, that would transform the regional economy from a land constrained one to a receptive industrial investment destination in tune with the national policies."

3.2 **About the Policy:**

3.2.1 Name: JAMMU AND KASHMIR INDUSTRIAL LAND ALLOTMENT POLICY (2021-30)

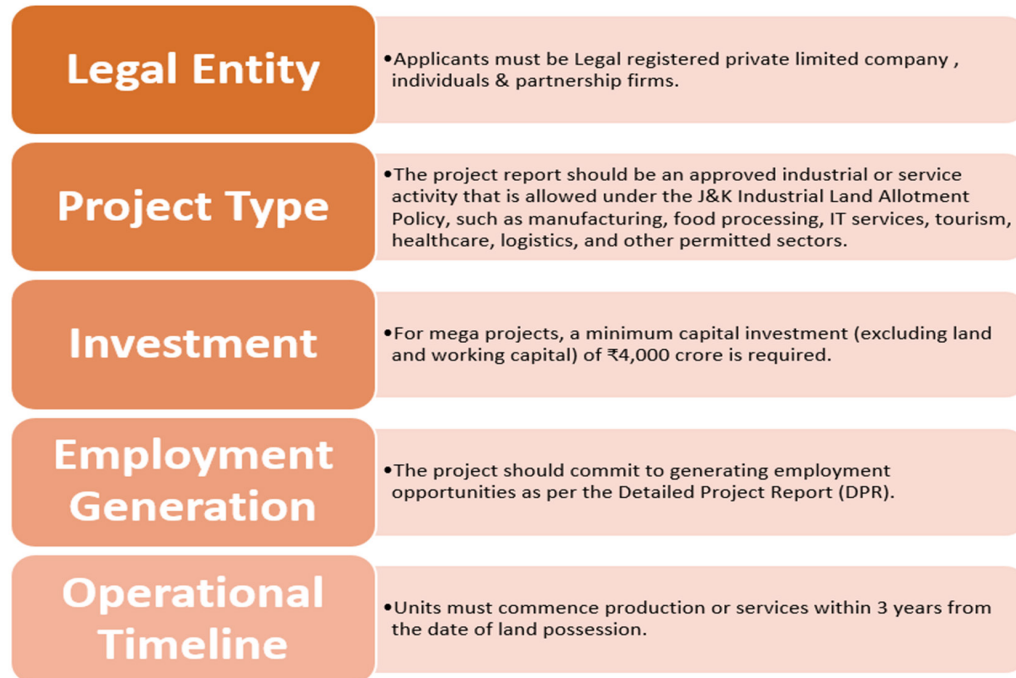
3.2.2 **Objectives**

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

- To provide an efficient and transparent mechanism for industrial land allotment in a time bound manner.
- To encourage, promote and facilitate more investment in enterprises and build a strong, responsive and vibrant business environment in the region.
- To create employment opportunities for the unemployed youth.
- To enable environment of "Ease of Doing Business" i.e. creating of conducive industrial environment.

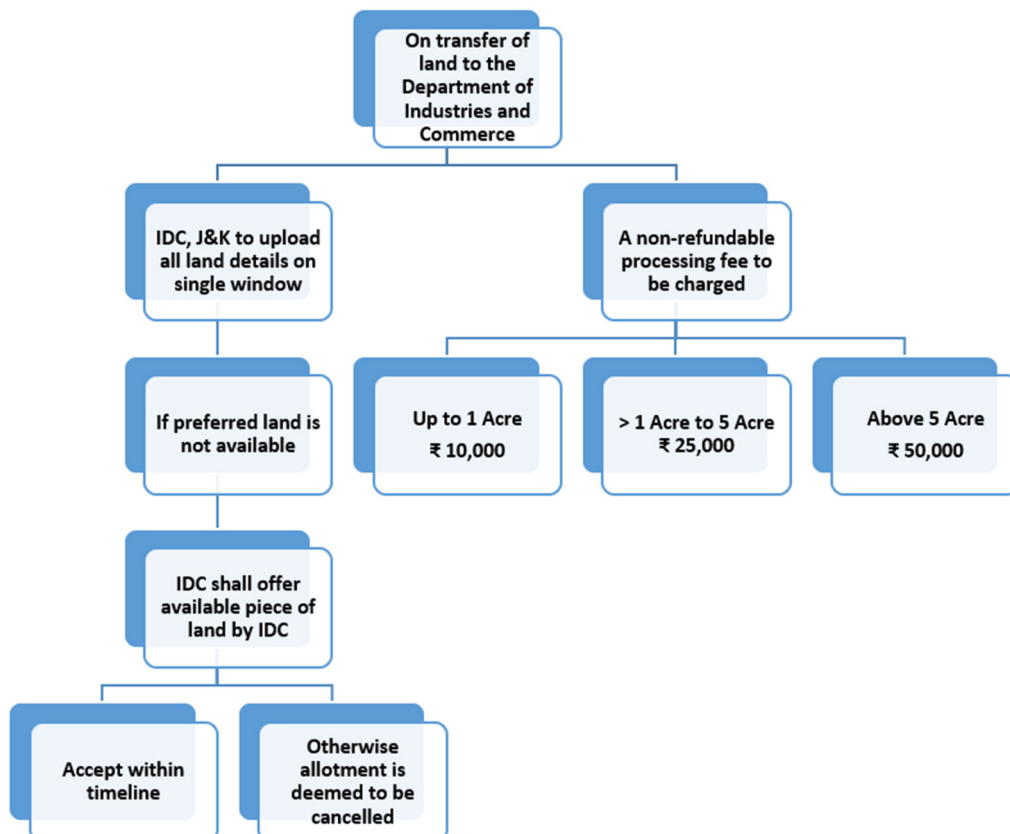
3.2.3 Eligibility Criteria

The policy outlines specific eligibility requirements for applicants seeking industrial land allotment:



3.2.4 Terms & Conditions

Land Allotment Procedure



3.2.5 Monitoring procedure

Inspection & Monitoring Committee will be formed by the respective Directorate of Industries and Commerce for monitoring progress of the work by the units as per the timelines/Implementation schedule provided in the DPR. The inspection and monitoring committee shall submit its comprehensive assessment report to concerned Director industries & Commerce, including on the progress of work as per following yardsticks:

- a. 1st 6 months: All required approval and permissions
- b. Requisite fund mobilization by the industrial unit: 1 year
- c. Initiation and completion of Construction: 2nd year
- d. Procurement of equipment & installation: 3rd year

3.3 Policy Incentives for early operations:

Concession in land premium

Subject to provisions laid down in clause 10, the allotments made to units under this policy shall be eligible for reimbursement as under;

- a) **10% of land premium** in case of units commencing production/operations (as per capacity proposed in DPR) in its 1st year from the date of possession.
- b) **05% of land premium** in case of units commencing production/operations (as per capacity proposed in DPR) in its 2nd year from the date of possession.

3.4 Where to Apply:

Website: <https://singlewindow.jk.gov.in>

4. MSME CLUSTER DEVELOPMENT INITIATIVES

4.1 Introduction:

SIDBI has been engaged in clusters through its direct lending business as also through promotion and development interventions. For focused attention, SIDBI has now set up Cluster Development Vertical to attend to cluster development from both soft and hard infrastructure. In line with Shri UK Sinha committee recommendations, SIDBI has set up SIDBI Cluster Development Fund (SCDF) with support from RBI. SCDF shall extend support to State Governments to create infrastructure towards development of MSME clusters.

The Small Industries Development Bank of India (SIDBI) has entered into an agreement with the Finance Department of the UT of Jammu & Kashmir to make the *SIDBI Cluster Development Fund* available in J&K.

4.1.1 **Purpose:**

To support modernization / upgradation or establishment of infrastructure related to MSME clusters, improve connectivity, and cover social sector projects around MSME clusters.

4.1.2 Categories:

- (i) Industrial & Agri-allied sectors in MSME clusters,
- (ii) Social Sector projects in/around MSME clusters,
- (iii) Connectivity improvements to MSME clusters.

The Ministry of Micro, Small and Medium Enterprises (MoMSME), Government of India (GoI) has adopted the cluster development approach as a key strategy for enhancing the productivity and competitiveness as well as capacity building of Micro and Small Enterprises (MSEs).

Cluster development programmes are being implemented by MoMSME, GoI through the following two major schemes:

- I. **Micro and Small Enterprises Cluster Development Programme (MSE-CDP)**
- II. **Scheme of Fund for Regeneration of Traditional Industries (SFURTI)**

4.2 About the Policy:

4.2.1 Scheme1: Name: Micro and Small Enterprises Cluster Development Programme (MSE-CDP) 2003-Ongoing - The MSE-CDP is a Government of India initiative implemented in Jammu & Kashmir through the Department of Industries & Commerce. It aims to enhance productivity, competitiveness, and market access of micro and small enterprises by organizing them into clusters.

4.2.1.1 Eligibility Criteria:

Special Purpose Vehicles (SPVs): Registered companies with at least 10 MSEs as members.

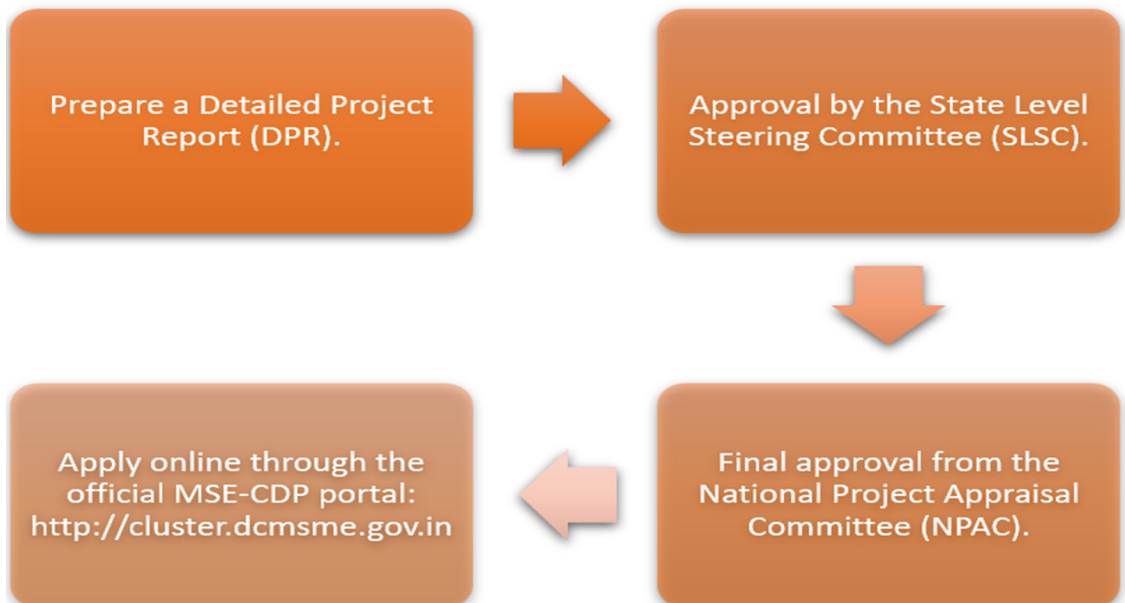
State/UT Agencies: Departments or agencies of the J&K Government involved in industrial promotion.

MSE Units: Must be engaged in manufacturing, processing, or service activities with valid Udyam Registration.

4.2.1.2 Policy Incentive:

- Common Facility Centers (CFCs): Assistance for establishing shared facilities such as testing labs, training centers, and effluent treatment plants.
- Infrastructure Development: Support for creation or upgradation of industrial estates or cluster infrastructure.
- Cost Sharing: Funded jointly by the Central Government, State Government, and SPVs, with higher support for special category regions (hilly/backward areas).

4.2.1.3 Where & How to Apply:



4.2.2 Scheme 2:

4.2.2.1 Name: Scheme of Fund for Regeneration of Traditional Industries (SFURTI) 2005-Ongoing

The Scheme of Fund for Regeneration of Traditional Industries (SFURTI) is a Government of India initiative aimed at revitalizing traditional industries by organizing artisans into clusters, enhancing their competitiveness, and providing sustainable livelihoods. In Jammu and Kashmir, the Jammu and Kashmir Khadi and Village Industries Board (JKKVIB) is responsible for implementing this scheme. The scheme continues to be implemented actively, with project-specific timelines generally spanning about 3 years per cluster from the date of approval.

4.2.2.2 Eligibility Criteria

Beneficiary Families: A minimum of 100 families (50 in North Eastern Region and hilly states) engaged in traditional industries such as khadi, coir, honey, and village industries.

Geographical Concentration: Beneficiaries should be located within one or two revenue sub-divisions in a district.

Implementing Agencies (IAs): Eligible organizations include NGOs, cooperatives, producer companies, trusts, and Panchayati Raj Institutions with at least 3 years of experience in cluster development.

4.2.2.3 Policy Incentive:

- Regular Clusters: Up to ₹2.5 crore subsidy.
- Major Clusters: Up to ₹5 crore subsidy.

4.2.2.4 Where & How to Apply:

Proposal Submission:

- Eligible organizations submit proposals to the respective State Office or the Khadi and Village Industries Commission (KVIC).

Approval Process:

- Proposals are scrutinized at the State and Zonal levels before being sent to the Steering Committee for final approval. <http://cluster.dcmsme.gov.in>

5. RAISING AND ACCELERATING MSME PERFORMANCE (RAMP) SCHEME

5.1 Introduction:

Government of India launched a World Bank supported Scheme called “Raising and accelerating MSME Performance (RAMP) which support the overall Covid Resilience and Recovery Programme of MoMSME and aims at improving market access, access to credit, strengthening institutions and governance at the Centre and State, improving Centre-State linkages and partnerships, addressing issues of delayed payments, and greening of MSMEs.

The Government of Jammu and Kashmir has identified Raising & Accelerating MSME Performance (RAMP) Programme of MoMSME, Government of India as useful scheme for the development of MSME Sector in the Union Territory of Jammu and Kashmir and entrusted the responsibility for the implementation of RAMP Programme to Jammu and Kashmir Trade Promotion Organization (JKTPO).

Total allocation to J&K under RAMP is **₹74.03 crore**.

- Of which **₹66.63 crore** is the **Central share**.
- **₹7.40 crore** comes from the UT’s own contribution.
- Scheme’s national outlay is around **₹6,062.45 crore** till FY 2026-27.
- Target-**555,000** MSMEs

Under the RAMP Scheme, Jammu & Kashmir is focusing on digital MSME enablement, ONDC onboarding, export readiness, ZED Certification, Lean Manufacturing, and delayed payment grievance redressal. The scheme also promotes capacity building, market linkage support, and sustainable MSME development through JKEDI and JKTPO.

5.2 **About the Policy:**

5.2.1 **Name: Raising And Accelerating MSME Performance (RAMP) Scheme (2022-27)**

5.2.2 **Eligibility:**

- Udyam/UAP registration All MSMEs registered under Udyam (or UAP earlier) are eligible.

5.2.3 **UT specific Innovative Projects**

Jammu & Kashmir MSME Health Clinic Project.

Turnover Incentive for the MSMEs, who have Turnover losses during COVID Lockdown Period

MSME Producers Company/ Association for GI/ODOP/DEH/Unique products under Cluster Development Programmes.

Creation of RAMP Monitoring & Evaluation and Raw Material & Inventory Dashboard Management for MSMEs

Human Resources/Experts (RAMP-SPIU + JKUT support team) for RAMP Implementation.

5.3 **Policy Benefits & Incentives:**

5.3.1 **Capacity Building & Training**

- Management Development Programs (MDPs) for existing MSMEs/entrepreneurs to build business-management skills, marketing, digital tools, financial literacy. Delivered by JKEDI.
- Entrepreneurship & Skill Development Programmes (ESDPs) for aspiring entrepreneurs.

5.3.2 **Formalization, Market Access & Branding**

- Formalization of MSMEs via Udyam Registration.
- Support for packaging and promotion of products that are GI (Geographical Indication), ODOP (One District One Product), DEH (special product categories) or unique local products.

5.3.3 **Monitoring & Institutional Support**

- Establishment of an M&E dashboard for tracking RAMP implementation.
- A "MSME Health Clinic" in J&K.
- JKTPO (J&K Trade Promotion Organisation) is the nodal agency for coordination; Dept. of Industries & Commerce is implementing partner.

5.4 **Where to Apply:**

Website: ramp.msme.gov.in

6. PRIME MINISTERS EMPLOYMENT GENERATION PROGRAMME(PMEGP)

6.1 Introduction:

Government of India has approved the introduction of a new credit linked subsidy programme called Prime Minister's Employment Generation Programme (PMEGP) by merging the two schemes that were in operation till 31.03.2008 namely Prime Minister's Rojgar Yojana (PMRY) and Rural employment Generation Programme (REGP) for generation of employment opportunities through establishment of micro enterprises in rural as well as urban areas. PMEGP will be a central sector scheme to be administered by the Ministry of Micro, Small and Medium Enterprises (MoMSME). The Scheme will be implemented by Khadi and Village Industries Commission (KVIC), a statutory organization under the administrative control of the Ministry of MSME as the single nodal agency at the National level.

Under the scheme, the beneficiary is required to invest his/her own contribution of 10 per cent of the project cost. In case of Schedule Castes/Schedule Tribes and beneficiaries from other weaker sections, the beneficiary's contribution is 5 per cent of the project cost. The remaining 90 and 95% as of the project cost, as the case may be, is granted by banks specified under the scheme. The Beneficiaries under the scheme are refunded a certain amount of the loan (25% for General, 35% for weaker sections in rural areas) which is credited after three years from the date that the loan was extended. Prime Minister's Employment Generation Programme (PMEGP) is a credit linked subsidy programme administered by the Ministry of Micro, Small and Medium Enterprises (MoMSME), Government of India. Khadi & Village Industries Commission (KVIC), a statutory organisation under the administration of Ministry of MSME is the nodal agency at national level for implementation of the scheme. At state level the scheme is implemented through KVIC, KVIB and District Industries center.

6.2 About the Policy:

6.2.1 Name: Prime Ministers Employment Generation Programme (2021- 2026)

6.2.2 **Objectives:**

- Generating employment opportunities in rural as well as urban areas through setting up of self-employment ventures.
- To bring together widely dispersed traditional artisans/ rural and urban unemployed youth and give them self-employment opportunities to the extent possible, at their place and also to increase their income
- To provide continuous and sustainable employment to a large segment of traditional and prospective artisans and unemployed youth, so as to help arrest migration of rural youth to urban areas.

6.2.3 **Eligibility Criteria:**

Eligible Entrepreneurs / Borrowers:

- Any individual, above 18 years of age
- There will be no income ceiling for assistance for setting up projects under PMEGP.

- The beneficiaries should have passed at least VIII standard, for setting up of project costing above Rs.10 lakh in the manufacturing sector and above Rs. 5 lakh in the business /service sector,
- Self Help Groups (including those belonging to BPL provided that they have not availed benefits under any other Scheme) are also eligible for assistance under PMEGP.
- Institutions registered under Societies Registration Act,1860
- Production Co-operative Societies
- Charitable Trusts.
- Existing units (Under PMRY,REGP or any other scheme of Government of India or State Government) and the units that have already availed Government Subsidy under any other scheme of Government of India or State Government are not eligible.

6.2.4 Terms & Conditions:

6.2.4.1 Selection of Beneficiaries:

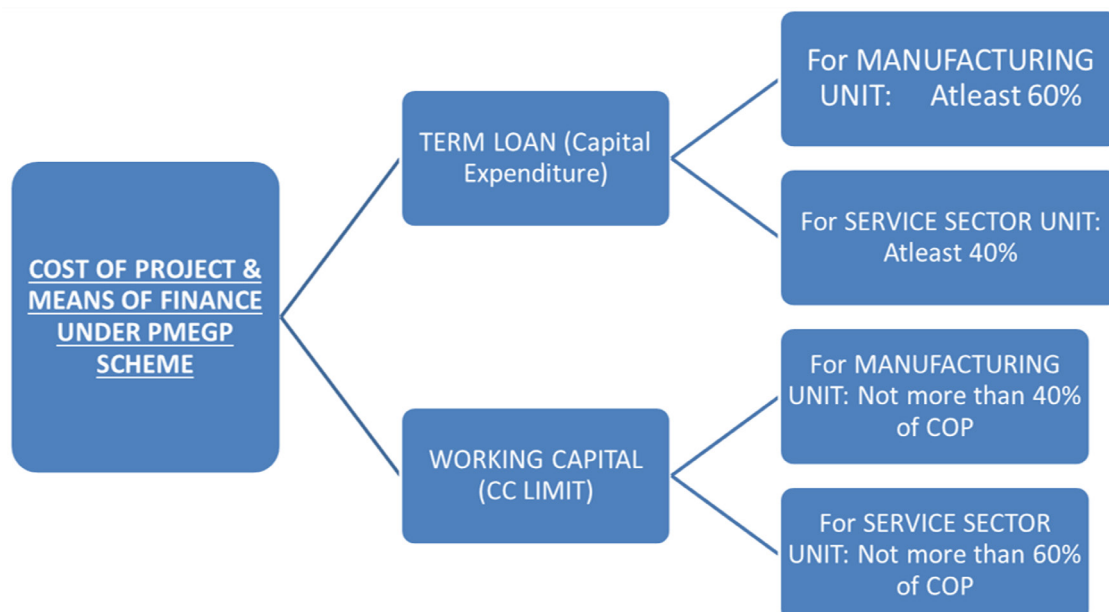
The beneficiaries will identified & selected at the district level by a Task Force consisting of representatives from KVIC/State KVIB/ State DICs and Banks and headed by the District Magistrate / Deputy Commissioner / Collector concerned.

6.2.4.2 Project Cost:

Cost of the project should not exceed Rs. 25 lakhs in respect of manufacturing activity and Rs. 10 lakhs in respect of Service / business activity for all categories of eligible borrowers.

Category	Bank finance	Subsidy from KVIC/KVIB		Promoter's contribution
		Urban area	Rural area	
General Category beneficiary / institution	90%	15%	25%	10%
Special category beneficiary/institution/ Physically Handicapped/ Ex-servicemen	95%	25%	35%	5%





6.2.4.3 Rate of Interest:

As applicable to the type of activity (industry/service).

6.2.4.4 Repayment:

3 to 7 years with an initial moratorium not exceeding 6 (six) months.

6.2.4.5 Security:

- Assets created out of the bank’s finance.
- Personal guarantee of the proprietor / promoter.
- No collateral security up to Rs. 5 lakhs.
- Eligible units to be covered under Credit Guarantee Fund scheme for Micro & small Enterprises – CGMSE. (excluding Margin Money / subsidy component)

6.3 Policy Incentives & Benefits:

6.3.1 Subsidies for setting up NEW PROJECTS:

The core incentive is a “margin money” subsidy on bank loans for new micro-enterprises. The subsidy amount varies based on the beneficiary’s category and location.

General category:

- 25% of the project cost for rural areas.
- 15% of the project cost for urban areas.

Special category:

- 35% of the project cost for rural areas.
- 25% of the project cost for urban areas.

The special category includes:

- Scheduled Castes (SC)
- Scheduled Tribes (ST)
- Other Backward Classes (OBC)
- Minorities
- Women
- Ex-servicemen
- Physically challenged
- Beneficiaries in Hill and Border areas, which includes Jammu and Kashmir.]

6.3.1.1 Project cost and beneficiary contribution

To make the projects accessible, the PMEGP scheme requires only a small contribution from the beneficiary, particularly for those in special categories.

6.3.1.2 Maximum project cost:

- Manufacturing sector: Up to ₹50 lakh.
- Business/Service sector: Up to ₹20 lakh.

6.3.1.3 Beneficiary's own contribution:

- General category: 10% of the project cost.
- Special category: Only 5% of the project cost.

6.3.2 Incentives for UPGRADING existing units:

- The PMEGP scheme also provides incentives for expanding and upgrading successful micro-enterprises that were previously funded under PMEGP, REGP, or MUDRA.
- Subsidy rates: A flat 20% subsidy is available for units in hill states, which includes Jammu and Kashmir.

6.3.3 Higher project limits:

- Manufacturing units: Financial assistance is available up to ₹1 crore.
- Business/Service units: Financial assistance is available up to ₹25 lakh.

6.3.4 Other benefits:

- **No collateral required:** For loans up to ₹20 lakh under PMEGP, beneficiaries do not need to provide collateral security.
- **Credit Guarantee:** Projects are covered under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE).

- **Training:** The scheme offers Entrepreneurship Development Programme (EDP) training to equip applicants with the necessary skills to run their businesses successfully.
- **Marketing support:** The Khadi and Village Industries Commission (KVIC) helps market products from PMEGP units through its sales outlets and by arranging events like exhibitions.

6.4 Where & How to Apply:

Applications with project report and all relevant documents may be submitted to KVIC/KVIB/ Banks.

Application formats may be obtained from the website of KVIC at www.kvic.org.in Conditions apply. The information provided above is only illustrative and not exhaustive.

The credit decision rests with the Bank, on the basis of viability of each project.

The selected beneficiary has to undergo EDP/Skill Development training for 2-3 weeks at KVIC/KVIB/accredited training centers is mandatory.

7. Comparison Between PMEGP and JKREGP

Feature	PMEGP	JKREGP
Type of Scheme	Central Government Scheme (National Level)	UT-level Scheme for Jammu & Kashmir
Implementing Agency	KVIC / State KVIB / DIC across India	J&K Khadi & Village Industries Board (JK-KVIB)
Objective	Generate employment by supporting new micro-enterprises in manufacturing & services	Promote employment by supporting new micro & village industries specifically in J&K
Beneficiary Contribution (Own Share) Margin money	10% (General), lower for special categories i.e 5%	5% of project cost
Government Subsidy	15%–35% depending on category & location	35% of project cost
Bank Loan Component	Remaining project cost after subsidy & contribution (major share is bank loan)	60% of project cost

Feature	PMEGP	JKREGP
Maximum Project Cost	Manufacturing up to ₹50 lakh; Service up to ₹20 lakh.	Defined by JKREGP norms; subsidy calculated up to 35%
Eligible Applicants	Individuals above 18 years; SHGs; institutions; entities setting up new units	Individuals, youth of J&K; one beneficiary per family; only new units
Geographical Coverage	All India (Rural + Urban)	Only Jammu & Kashmir (Rural and Micro-industry sector)
Sectors Covered	Manufacturing , Service and Trading (some restrictions)	Village industries, micro-manufacturing and service units (with negative list)
Special Features	Higher reach, national scale, wide sector coverage	Higher subsidy, low beneficiary contribution, tailored for J&K employment generation

8. MISSION YUVA AND YOUTH ENTREPRENEURSHIP PROMOTION

8.1 Introduction:

Mission YUVA is a flagship initiative to transform Jammu & Kashmir into a thriving hub for entrepreneurship and employment. The region faces high unemployment due to a lack of private-sector opportunities, especially among youth and women. Mission YUVA tackles this by creating a supportive ecosystem where businesses can start, grow, and succeed.

The J&K Budget 2026–27 reaffirmed the Government’s commitment to Mission YUVA by strengthening entrepreneurship financing, startup support, skill development, and employment-oriented enterprise creation across the Union Territory.

FY26–27 recent updates:

- AI-enabled entrepreneur tracking
- District entrepreneurship hubs
- Startup mentorship cells
- Rural innovation funding
- Nano enterprise financing expansion
- Youth skilling + startup integration

8.2 About the Policy:

8.2.1 Name: Mission Yuva And Youth Entrepreneurship Promotion (2021-2030)

8.2.2 Objectives:

Mission YUVA is a flagship initiative to transform Jammu & Kashmir into a thriving hub for entrepreneurship and employment. The region faces high unemployment due to a lack of private-sector opportunities, especially among youth and women. Mission YUVA tackles this by creating a supportive ecosystem where businesses can start, grow, and succeed.

8.2.3 Eligibility Criteria:

8.2.3.1 Nano Enterprises

Small-scale businesses with a maximum project cost of ₹10 lakh.

Includes businesses such as street vending, tailoring, grocery stores, and small-scale manufacturing.

Open to first-time entrepreneurs with no prior formal credit history required

8.2.3.2 New MSMEs in Focus & Sunrise Sectors

Businesses in high-growth sectors like renewable energy, pharma, IT, and advanced manufacturing

Loan assistance of up to ₹2 crore with 6% interest subvention for 5 years.

Formal registration under MSME is mandatory.

8.2.3.3 Existing Enterprises (Business Acceleration)

Micro-enterprises looking to expand their operations.

Eligible for interest subvention of 6% per annum for 5 years, with a maximum cap of ₹10 lakh.

Must be an existing, registered enterprise operating for at least 5 years.

8.2.3.4 Early-Stage Startups & Knowledge-Based Enterprises

Micro-enterprises looking to expand their operations.

Eligible for funding under ₹250 Cr venture capital fund.

Support is provided through innovation hubs and incubators

8.3 Policy Incentives & Support:

8.3.1 Subsidies:

- Government to cover 25% of the project cost for general entrepreneurs, up to ₹1,00,000.
- 30% subsidy for women entrepreneurs and persons with disabilities, up to ₹1,00,000.
- The maximum approved project cost under this scheme is ₹10,00,000.
- Subsidy is credited in two tranches: Initial incentive at loan sanction and completion incentive upon business setup.

8.3.2 Interest Subvention:

- **Nano Enterprises:** 5% interest subvention for 5 years.
- **MSMEs:** 6% interest subvention for 5 years.
- **Startups:** Venture Capital support with micro-equity funding.
- Initial investment support for nano and micro enterprises with a 25-30% government contribution.

8.4 Where & How to Apply:

Registration is fully online via the Mission YUVA portal (missionyuva.jk.gov.in) or the dedicated mobile app

Required documents include a photograph, Aadhaar, PAN card, domicile certificate, and a Detailed Project Report (DPR), which the employment department assists youths in preparing.

Website: missionyuva.jk.gov.in

9. ANIMAL HUSBANDRY AND HORTICULTURE SCHEMES IN JAMMU & KASHMIR

9.1 Introduction:

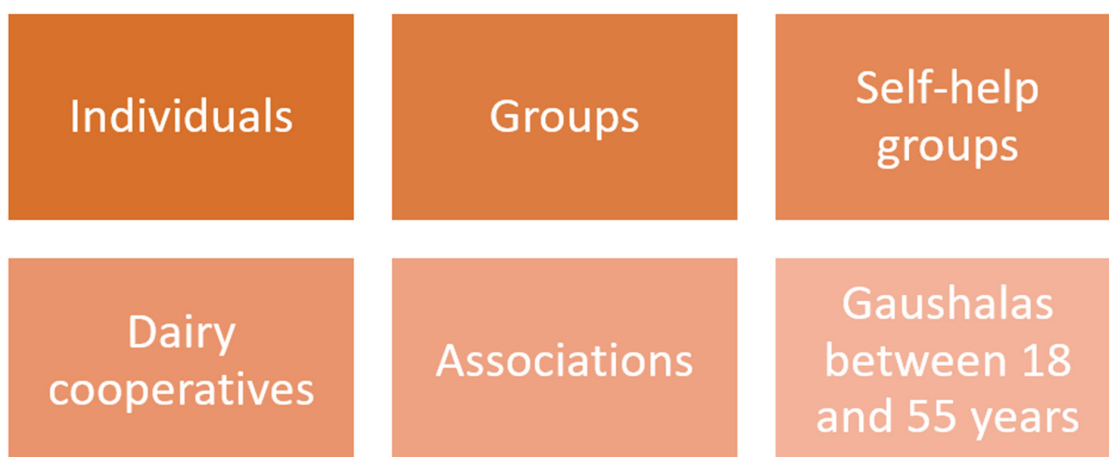
Jammu & Kashmir (J&K) has several government schemes targeting animal husbandry and horticulture to empower farmers and unemployed youth, boost agriculture productivity, increase income, and promote sustainable development. These schemes provide financial incentives, subsidies, infrastructure, technical support, and training to farmers and entrepreneurs across the region.

9.2 Animal Husbandry Schemes

9.2.1 Scheme1:

9.2.1.1 **Name:** Integrated Dairy Development Scheme (IDDS) 2021- Ongoing.

9.2.1.2. **Eligibility Criteria:**



9.2.1.3 **Policy Incentives:**

- Supports establishment of dairy units with 2 to 20 dairy animals.
- Provides subsidies up to 50% of project cost, with ceilings (e.g., ₹17.5 lakh for 50 animals).
- Milk Processing Equipment: 50% subsidy for Bulk Milk Coolers (up to ₹5.00 lakh), Automatic Milk Collection Units (up to ₹1.50 lakh), and Modular Milk Pasteurization/Packaging units (up to ₹15.00 lakh).
- Includes support for milk collection, chilling, processing infrastructure, marketing, and environment management of dairy farms.
- Promotes doubling farmers' income through modern dairy practices.
- Monitoring via PMUs and digital platforms to ensure transparency and impact.

9.2.2 Scheme 2:

9.2.2.1 **Name:** Integrated Sheep Development Scheme (ISDS) 2021- Ongoing

9.2.2.2 Eligibility Criteria:

Aims to promote income through sheep/goat units.

Selected beneficiaries receive 10 ewes free initially; 2 ewes are retrieved from the 3rd year for future distribution.

9.2.2.3 Policy Incentives:

- Subsidy up to 50% for unit establishment and infrastructure.
- Focus on breed improvement and meat production enhancement.

9.2.3 Scheme 3:

9.2.3.1 Name: Poultry Development Incentives 2020 - Ongoing

9.2.3.2 Eligibility Criteria:

New farmers, individual entrepreneurs, NGOs, companies/cooperatives, organized/unorganized groups (SHGs, JLGs etc).

The unit must be a commercial broiler or layer farm with rearing capacity of more than 10,000 birds per unit

9.2.3.3 Policy Incentives:

- Capital investment subsidy (30%) up to ₹50 lakh for farms over 10,000 birds.
- Interest incentives on working capital loans (3% for five years).
- Insurance premium reimbursements (100% for five years).
- Support for poultry infrastructure including sheds, equipment, and renewables.

9.3 Horticulture Schemes

9.3.1 Scheme1:

9.3.1.1 Name: Mission for Integrated Development of Horticulture (MIDH) 2014 – Ongoing

9.3.1.2 Applicability: 2014 – Ongoing

9.3.1.3 Eligibility Criteria:

- **Individual Farmers**

Farmers engaged in horticulture activities such as cultivation of fruits, vegetables, spices, flowers, and medicinal plants.

- **Farmer Groups and Cooperatives**

Collectives involved in horticulture production, processing, or marketing.

- **Farmer Producer Organizations (FPOs)**

Registered FPOs working in horticulture value chains.

- **Self Help Groups (SHGs)**

SHGs promoting horticulture-based livelihoods and community farming.

- **Public Sector Institutions**

Includes State Agricultural Universities (SAUs), ICAR institutes, and Krishi Vigyan Kendras (KVKs) involved in research and extension.

- **Private Entrepreneurs and Companies**

Individuals or firms investing in horticulture infrastructure like nurseries, cold storage, and processing units.

- **State Government Departments**

Departments responsible for implementing horticulture schemes and infrastructure development

9.3.1.4 Policy Incentives:

- Central scheme supporting orchard establishment, high-density plantations, and rejuvenation.
- Provides subsidies for planting materials, canopy management, and drip irrigation.
- Supports creation of post-harvest facilities such as pack houses and cold storages.

9.3.2 Scheme 2:

9.3.2.1 Name: Holistic Agriculture Development Programme (HADP) 2024- Ongoing

9.3.2.2 Eligibility Criteria:

Individuals	Farmers	unemployed youth
agripreneurs	Self-Help Groups (SHGs)	Farmer Interest Groups (FIGs)
Co-operatives	Farmer Producer Organizations (FPOs)	Joint Liability Groups (JLGs)

9.3.2.3 Policy Incentives & Support:

- A 29-project comprehensive program covering horticulture, livestock, and crop sectors.
- Promotes high-density plantations (targeting 5,500 hectares) and protected cultivation.
- Established poly greenhouse nurseries for year-round fruit plant cultivation and faster fruiting through grafting techniques.
- Subsidies up to 95% on polyhouse/greenhouse costs to encourage modern cultivation methods.

10. JAMMU & KASHMIR WOOL PROCESSING, HANDLOOM, AND HANDICRAFTS POLICY, 2020

10.1 Introduction:

The J&K Wool Processing, Handloom, and Handicrafts Policy 2020 was launched to revive and modernize the wool, handloom, and handicrafts sectors in Jammu & Kashmir.

- J&K is India’s largest fine wool producer (around 7,218 MT in 2018–19) but lacks local processing facilities — most wool is sent outside for processing.
- The policy aims to promote local wool/silk processing units, reduce costs, and strengthen the handloom and handicraft value chain.
- It also seeks to preserve traditional crafts like carpets, shawls, papier mâché, and wood carving while improving income, exports, and employment for artisans and weavers.

10.2 About the Policy:

10.2.1 Name: Jammu & Kashmir Wool Processing, Handloom, and Handicrafts Policy (2020-2030)

10.2.2 Eligibility criteria:

Entrepreneurs / Startups establishing new wool, silk, handloom, or handicraft units.

Existing units expanding or modernizing under MSME category.

Registered artisans, weavers, SHGs, co-operative societies, and craft clusters engaged in traditional crafts.

Institutions / NGOs implementing training, design, or marketing projects under Central or State schemes.

Investors partnering with the government under PPP/JV/SPV models for Craft Cities, Clusters, or Parks.

10.3 Policy Incentives:

10.3.1 Sector Wise Incentive

10.3.1.1 Wool Processing Units

- Eligible for all incentives under the J&K Industrial Promotion Policy 2020.
- Additional support under Ministry of Textiles and MSME schemes (e.g., for modernization, testing, and marketing).

10.3.1.2 Handicrafts Sector

- Artisan Credit Scheme: Loan up to ₹2 lakh with 10% interest subvention for 5 years.
- Managerial Subsidy: Up to ₹1 lakh over 3 years (50:25:25).
- Training Stipends: ₹1,500 (advanced) and ₹800 (elementary) per month.
- Awards: Cash awards up to ₹1 lakh for best artisans and craft categories.

10.3.1.3 Handloom Sector

- Industrial Promotion Policy incentives extended.
- Working Capital Subsidy: 10% (max ₹5 lakh).
- Export Subsidy: 10% of total exports.
- Micro Credit Loan: Up to ₹2 lakh with 10% interest subvention for 5 years.
- Education Scholarships: ₹1,500–₹2,000 per student (up to Class 10), actual fees for higher studies.

- E-commerce & Marketing Support: 50:50 cost sharing for online registration and promotion.
- State Awards: ₹50,000 / ₹30,000 / ₹20,000 for 1st, 2nd, and 3rd place weavers.

10.3.2 Common Incentives

- Access to land at concessional rates in industrial estates or proposed Wool & Craft Parks.
- Cluster-based development, Craft Villages, and PPP Craft Cities (one in Jammu, one in Kashmir).
- 100% reimbursement for obtaining G.I. certification.

10.4 Where to Apply:

Website: dirhandicraftshandloomjmu.jk.gov.in

11. THE JAMMU & KASHMIR RURAL EMPLOYMENT GENERATION PROGRAMME (JKREGP)

11.1 Introduction:

The Jammu & Kashmir Rural Employment Generation Programme (JKREGP) is a credit-linked subsidy scheme launched to promote the establishment of productive micro-industrial enterprises and create employment opportunities in rural and urban areas of the Union Territory. The scheme is implemented by the Jammu & Kashmir Khadi and Village Industries Board (J&K KVIB) and operates through partner banks like J&K Bank to route subsidies directly to beneficiaries' accounts.

11.2 About the Policy:

11.2.1 Name: The Jammu & Kashmir Rural Employment Generation Programme (JKREGP) 2017-Ongoing

11.2.2 Eligibility criteria

Individuals aged between 18 and 40 years residing in rural areas of J&K are eligible.

Beneficiaries must be domiciles/residents of Jammu & Kashmir with valid supporting documents

The scheme excludes towns, district headquarters, and capital cities from the rural area definition.

Only new, viable projects not covered by other government subsidies or schemes are eligible.

Educational qualifications affect the maximum permissible project cost under the scheme.

11.3 Policy Incentives:

The financial assistance under JKREGP follows this pattern for project funding:

- Beneficiary’s contribution (equity): 5%
- Government subsidy (margin money): 35%
- Bank credit: 60%

The maximum project cost ceilings vary by sector and education:

- Manufacturing projects: up to ₹25 lakh
- Service/trading projects: up to ₹10 lakh (₹20 lakh for rural and public transport)
- Agriculture and allied sectors: up to ₹25 lakh

Subsidy amounts also vary with educational qualifications of beneficiaries, ranging from ₹5 lakh to ₹25 lakh project costs based on matric to postgraduate levels.

11.4 Where to Apply:

Website: jkkvib.org.in

12. THE NEW CENTRAL SECTOR SCHEME (NCSS)

12.1 Introduction:

The New Central Sector Scheme (NCSS) is a government initiative, primarily focused on the industrial development of Jammu and Kashmir, to encourage new investments and boost job creation. The scheme, officially notified in 2021, provides various financial incentives to eligible businesses, including Capital Investment Incentive (CII), Capital Interest Subvention (CIS), Goods & Services Tax Linked Incentive (GSTLI), and Working Capital Interest Subvention (WCIS)

The New Central Sector Scheme (NCSS) for the Industrial Development of Jammu and Kashmir has not expired, but its registration period for new applicants ended on September 30, 2024. The scheme itself is currently scheduled to run until March 31, 2037.

12.2 About the Policy:

12.2.1 Name: The New Central Sector Scheme (NCSS) 1.04.2021-30.09.2024 (scheduled to run until March 31, 2037)

12.2.2 Eligibility Criteria:

- Commence commercial production/operation within 3 years from the date of grant of registration.
- Any Eligible investment made on or after 1.4.2019 will be taken into consideration to decide the eligible value of investment, however date of commencement of commercial production/ operation has to be on or after 1.4.2021.
- Units availing benefits under other schemes of the Government of India (i.e any Central Government scheme) will not be eligible for similar incentives under this Scheme..
- Service sector units with a minimum investment of Rs.1 Crore in building and other durable physical assets will be eligible for incentives under this scheme.
- Exclusion for Investment Purpose : Cost of land, consumables, disposables or any other item charged to revenue.

12.3 Policy Incentives:

12.3.1 **Capital Investment Incentive (CII) (For New & Existing units)-**

- For Manufacturing sector: Installs new plant and machinery.
- For Service sector : Constructs New building (except value of Land) and other durable physical assets. [Minimum investment for Service Sector is Rs. 1 Crore].
- **Zone A** - Capital Investment Incentive @30% of the Eligible Investment made with maximum limit of Rs. 5 Crore.
- **Zone B** - Capital Investment Incentive @50% of the Eligible Investment made Maximum limit of Rs.7.50 Crore.

12.3.2 **Capital Interest Subvention (CIS) for Term Loan. (For New & Existing Units) –**

- Interest on loan up to the principal amount of Rs. 500 Crores taken for Eligible Investment shall be eligible for CIS.
- Capital Interest Subvention at the annual rate of interest of 6% for a maximum of 7 consecutive years from any date after the date of application for registration under this scheme but subject to where Disbursements made only after commencement of commercial production].

12.3.3 **Goods & Services Tax Linked Incentive (GSTLI) (For New & Existing units)-**

- Eligible Incentive = 100% of Gross payment of GST [through cash and input tax credit] maximum up to 300% of Eligible Value of Investment.
- The Amount of Incentive paid in a financial year will not exceed one-tenth of the total amount of Eligible Incentive under this component subject to full payment of GST as per GST return filed for the claim period.

12.3.4 **Working Capital Interest Subvention (WCIS) for Working Cap. (For Existing Units)-**

- Interest subvention @ 5% on working capital loan for a maximum of 5 consecutive years from the date of grant of registration under this scheme.
- Maximum benefit = 1Crore in 5 Years.
- If the annual rate of interest charged by a bank falls below 6%, a minimum amount@1% per annum of interest will still have to be paid by the eligible unit.

12.4 Where to Apply:

Website: jknis.dpiit.gov.in

13. POLICY FOR PROMOTION OF FOREIGN INVESTMENT IN THE INDUSTRIAL SECTOR, J&K – 2022

13.1 Introduction:

The Policy for Promotion of Foreign Investment in the Industrial Sector, Jammu & Kashmir – 2022 was introduced by the Government of the Union Territory of Jammu and Kashmir to attract large-scale foreign investments and integrate the region into global industrial value chains. Issued under Government Order No. 33-IND of 2022, the policy aims to create an investor-friendly ecosystem by providing fiscal incentives, simplified procedures, and dedicated land for foreign enterprises. It seeks to boost industrial growth, generate employment opportunities, and promote technology transfer through partnerships with global investors. The policy complements the J&K Industrial Policy 2021–30 and aligns with the New Central Sector Scheme (NCSS) to ensure ease of doing business and balanced regional development.

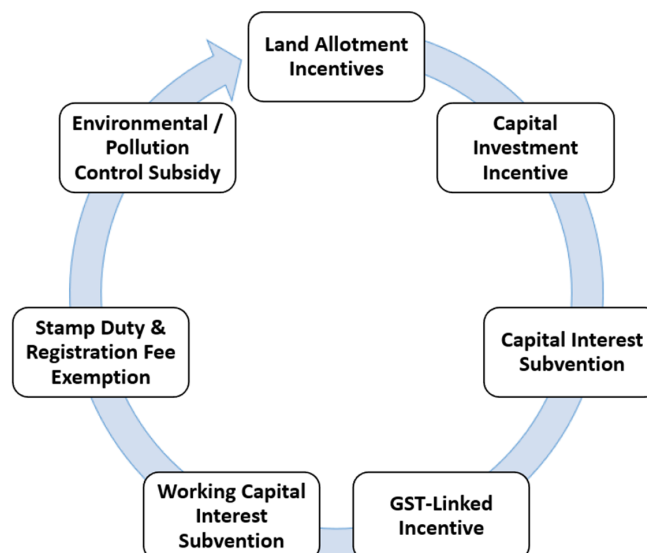
13.2 About the Policy:

13.2.1 Name: Policy for Promotion of Foreign Investment in the Industrial Sector, (2022-2032)

13.2.2 Eligibility Criteria:

- Minimum investment size:, the investment must be above ₹100 crore
- Foreign stake requirement: A foreign equity stake of at least 51% is often cited in media coverage.
- The units must be in the industrial sector — i.e. manufacturing or related industrial activity (not just trading).
- Such units are expected to be eligible for benefits/incentives under the J&K Industrial Policy 2021-30 and the New Central Sector Scheme for industrial development. .
- The units must follow the land allotment rules under the J&K Industrial Land Allotment Policy, 2021-30
- The policy may offer reserved / exclusive industrial land parcels with plug & play facilities for foreign investment units.

13.3 Policy Incentives and Benefits:



13.3.1 Eligibility for Industrial Policy Incentives (2021-30)

- Units with $\geq 51\%$ foreign stake and investment above ₹100 crore are eligible for all benefits under the J&K Industrial Policy 2021-30 and New Central Sector Scheme (NCSS).

13.3.2 Land Allotment Incentives

- Exclusive land parcels reserved for foreign investment projects in industrial estates.
- Plug-and-play infrastructure and multi-storey industrial complexes proposed for such units.
- Allotment as per J&K Industrial Land Allotment Policy 2021-30.

13.3.3 Capital Investment Incentive (CII)

Financial support on new plant & machinery investment:

- Zone A: 30% of investment (max ₹5 crore).
- Zone B: 50% of investment (max ₹7.5 crore).

13.3.4 Capital Interest Subvention (CIS)

6% interest subsidy on term loans for 7 years, up to ₹500 crore loan limit.

13.3.5 GST-Linked Incentive (GSTLI)

100% reimbursement of gross GST for 10 years, up to 300% of the eligible investment.

13.3.6 Working Capital Interest Subvention (WCIS)

5% interest subsidy on working capital loans for 5 years, up to ₹1 crore.

13.3.7 Stamp Duty & Registration Fee Exemption

100% exemption or reimbursement of stamp duty, registration charges, and land use conversion fees for eligible foreign investment projects.

13.3.8 Environmental / Pollution Control Subsidy

- Up to 60% subsidy (max ₹50 lakh) for installation of pollution control or eco-friendly equipment.
- 50% subsidy for expenses on environmental protection measures.

13.4 Where to Apply:

Website: jknis.dpiit.gov.in

14. TURNOVER INCENTIVE SCHEME 2021

14.1 Introduction:

The Turnover Incentive Scheme 2021 was launched to support existing industrial units operating in the Union Territory of Jammu & Kashmir. It aims to boost industrial productivity and competitiveness by offering financial incentives based on annual turnover. This scheme aligns with the broader objectives of the J&K Industrial Policy 2021–30 and is intended to encourage sustained growth and formalization of industrial operations.

14.2 About the Policy:

14.2.1 Name: Turnover Incentive Scheme (2021-2026)

14.2.2 Eligibility Criteria:

To qualify for incentives under this scheme, an industrial unit must:

Be an existing registered industrial unit located in Jammu & Kashmir.

Be registered with the Department of Industries & Commerce.

Possess a valid GST number as of 31st March 2021.

Not fall under the negative list of industries as defined in the J&K Industrial Policy 2021–30.

Units engaged in contract manufacturing or those that have leased spare manufacturing capacity to principals (registered under GST) are also eligible.

14.3 Policy Incentives and Benefits:

14.3.1 Micro Units:

- Eligible for 3% of gross turnover as incentive.
- Maximum benefit: ₹10 lakh per annum per unit.
- Duration: 5 years from 01-04-2021.

14.3.2 Small, Medium & Large Units:

- Eligible for 2% of gross turnover as incentive.
- Maximum benefit: ₹50 lakh per annum per unit.
- Duration: 5 years from 01-04-2021.

14.3.3 Turnover Calculation:

- Incentive is based on the highest turnover among the three financial years preceding 2020–21.
- However, it cannot exceed the turnover of the current financial year.

14.4 Where to Apply:

Website: jknis.dpiit.gov.in

15. THE JAMMU & KASHMIR FILM POLICY 2024

15.1 Introduction:

Indian Cinema emerged as a powerful medium of socio-cultural transformation in the country during 20th century. Cinema has played a major role in promoting tourism by familiarizing with a large no. Of scenic and culturally rich locations. As the global impact of cinema increasing, the GOI has decided to accord the status of an industry to films.

The JAMMU & KASHMIR FILM POLCY-2024 shall came into force from 14-03-2024 and shall extend to the whole UT of J&K. This Policy has been formulated to attract greater investment in the film sector & will make J&K a choicest destination for film shooting of both national and international producers.

Jammu & Kashmir Film Development Council (JKFDC)

A body called the Jammu & Kashmir film development council (JKFDC) shall be constituted to realize the objective of J&K Film Policy . JKFDC shall be an Apex body which shall make & issue detailed guidelines, rules & enter into such agreements essential for implementation of this policy & all matters of interpretation regarding this policy shall be decided by JKFDC whose decision will be final & binding.

15.2 About the Policy:

15.2.1 Name: The Jammu & Kashmir film policy (2024-Ongoing)

15.2.2 Eligibility Criteria

15.2.2.1 Eligibility Criteria (For Films):

Films need to capture as per industried standards
Minimum running time is 100 minutes.
Dubbed, copied , mixed, films with CBFC"A" certificate will not qualify.
Producer shall provide to atleast 10 locals artist from J&K..
Minimum cop of film shall be 10 crore & must be screened on 25 screend across country.
Films that violate copyright will not qualify.
Minimum cop of film for J&K domiciles shall be 50 lakhs & film must be screened on 3 screens

15.2.2.2 Eligibility For Tv Serials/ Shows

Serials/ shows need to capture with full frame camera/4k resolution& minimum 5.1 sound & 2k projection.

Dubbed, copied, mixed, etc tv shows/ serials will not qualify.

Minimum cop should be 50 lakhs& for J&K domiciles 25 lakhs.

Producer shall provide work to minimum of 5 local artist from J&K.

15.2.2.3 Eligibility For Web Series/ Ott Platform Shows

Series/ shows needs to be captured with minimum full frame camera/4k resolution & minimum 5.1 sound projection 2k minimum.

Dubbed, mixed, plagiarized, etc series/ott shows will not qualify.

Web series/ original show should be displayed on one of the ott platform.

Producer shall provide work to atleast five local artist from J&K

Minimum cop should be 50 lakhs& for J&K domiciles 25 lakhs

Minimum runtime of webseries is 120 minutes or 6 to 8 episodes.

15.2.2.4 Eligibility for Documentaries

Minimum running time is 30 minutes.

Documentaries need to be captured with minimum full frame camera/4k resolution & minimum 5.1 sound projections 2k minimum.

Dubbed, copied, blow up etc documentaries will not qualify

Documentaries that violate copyright will not qualify

Minimum cop should be 15 lakhs & for J&K domiciles 10 lakhs

15.3 **Policy Incentives and Subsidies**

15.3.1 **Subsidy On Films (Minimum 20 days shot in UT):**

15.3.1.1 **Produced By J&K Domicile:**

- Normal films- 10% of COP or 1 crore
- Awardee/ patriotic films- additional subsidy equal to 25%
- J&K films- additional subsidy equal to 25%

15.3.1.2 **Produced By Others:**

- Normal films- 5% of COP or 1 crore
- Awardee/patriotic films- additional subsidy equal to 25%
- J&K films- additional subsidy equal to 25%

15.3.2 **Subsidy Allocation on TV Serials/Shows/Web Series/Documentaries/Ott Shows- (Minimum 20 Days in UT)**

15.3.2.1 **Produced by J&K domiciles:**

- 15% of cop or 25 lakhs
- Additional subsidy equal to 25% of (a)

15.3.2.2 **Produced by others:**

- 10% of cop or 25 lakhs
- Additional subsidy equal to 25%

15.4 **Where to Apply:**

Website:singlewindow.jk.gov.in

16. **JAMMU & KASHMIR STARTUP POLICY 2024-27**

16.1 **Introduction:**

The Jammu & Kashmir Startup Policy 2024–27 is a strategic initiative by the Department of Industries & Commerce, Government of Jammu & Kashmir, aimed at fostering a vibrant startup ecosystem in the Union Territory. It builds on the previous 2018–2023 policy and aligns with the national Startup India vision.

16.2 **Objectives**

- Establish 2,000 startups in J&K by 2027.
- Set up 6 government-supported incubators and 2 private sector incubators.
- Facilitate seed funding, mentorship, and market access.
- Promote women-led startups and startups in rural areas.

16.3 About the Policy:

16.3.1 Name: The Jammu & Kashmir Startup Policy 2024-27

16.3.2 Eligibility:

To avail benefits under this policy, a startup must:

Be recognized by the Jammu & Kashmir Startup Cell (managed by JKEDI).

Be DPIIT-recognized under the Startup India initiative.

Be headquartered and operating in Jammu & Kashmir

Be working on innovative products, services, or processes with potential for job creation and scalability.

16.4 Incentives and Support:

The policy offers a robust package of fiscal and non-fiscal incentives:

16.4.1 Seed Funding Support

- Up to ₹20 lakh as seed funding to eligible startups.
- Disbursed in milestone-based tranches for product development, marketing, and scaling.

16.4.2 Monthly Sustenance Allowance

- ₹10,000 per month for up to one year for early-stage startups.
- ₹12,000 per month for women-led startups.

16.4.3 Performance-Based Incentives

- ₹5 lakh for startups generating minimum ₹15 lakh annual revenue for two consecutive years.

16.4.4 Patent Filing Assistance

- Reimbursement of up to ₹1 lakh for Indian patents and ₹5 lakh for international patents.

16.4.5 Marketing and Promotion Support

- Reimbursement of up to ₹2 lakh for participation in national/international events.

16.4.6 Incubation Support

- Free access to co-working spaces at JKEDI and other government-supported incubators.
- Access to mentorship, legal, IPR, and accounting support.

16.4.7 Women and Rural Startups

- Special incentives and priority support for women entrepreneurs and startups from rural areas.

16.5 Where to Apply:

Website: <https://www.startupjk.com/>

17. Special Policy for Women / Weaker Sections

Jammu & Kashmir is transforming into a hub for women-led entrepreneurship and inclusive growth. Recognizing that women and members of weaker sections are not just beneficiaries but drivers of economic development, the government has introduced a suite of initiatives designed to empower them financially, technically, and socially.

From interest-free loans and capital subsidies to specialized training and mentorship programs, these schemes are opening doors for women to turn ideas into thriving businesses, whether it's a boutique in Srinagar, a bakery in Jammu, or a handicraft venture in a rural area. Programs like Tejaswini (Mission Youth), Women Entrepreneurship Programme (JKWDC), Labour Dept. Loan Scheme, Nari Shashaktikaran (J&K Grameen Bank), and JKEDI Entrepreneurship Training together create a supportive ecosystem where women can confidently start, scale, and sustain their ventures.

By combining financial assistance, skill development, and continuous guidance, Jammu & Kashmir is not only promoting entrepreneurship but also shaping a future where women are equal partners in driving economic prosperity and social progress. These initiatives showcase how targeted policies can turn ambition into opportunity, and opportunity into real, measurable impact.

17.1 Tejaswini – “The Radiant” Scheme (Mission Youth, J&K)**17.1.1 Introduction**

The Tejaswini Scheme, launched in June 2021 under *Mission Youth*, empowers young women to establish or expand income-generating ventures. It provides financial assistance, subsidies, and interest relief to promote sustainable self-employment, particularly among educated unemployed women.

17.1.2 About the Policy:**17.1.2.1 Name:** Tejaswini – “The Radiant” Scheme (2021-Ongoing)

17.1.2.2 Eligibility

Female domicile of Jammu & Kashmir
Age: 18–35 years
Minimum educational qualification: 10th pass or above
Must be unemployed and registered with the District Employment & Counselling Centre
Not a defaulter with any bank or financial institution
No prior subsidy under other government schemes
Women ownership of 50% or more in proposed venture

17.1.3 Incentives and Subsidies

17.1.3.1 Financial Assistance:

Loan facility up to **₹5 lakh** through *Mudra loan* from J&K Bank or partner institutions.

17.1.3.2 Capital Subsidy:

₹50,000 or 10% of the total project cost (whichever is lower), directly provided by Mission Youth.

17.1.3.3 Interest Subsidy:

Up to **₹60,000 per beneficiary** for interest payment reimbursement, effectively making loans **interest-free**.

17.1.3.4 Equipment / Machinery Support:

Financial coverage for purchase of new equipment, machinery, furniture, or setup materials for launching new ventures.

17.1.3.5 Training and Handholding Support:

Priority access to **JKEDI's Entrepreneurship Development Programme (EDP)** for business management and skill-building.

17.1.3.6 Project Categories Covered:

Boutique/tailoring units, beauty parlours, cyber cafés, fitness centres, food stalls, small manufacturing, handicrafts, and digital services.

17.1.4 Where To Apply

Website - myscheme.gov.in

17.2 Women Entrepreneurship Programme (WEP) – J&K Women's Development Corporation (JKWDC)

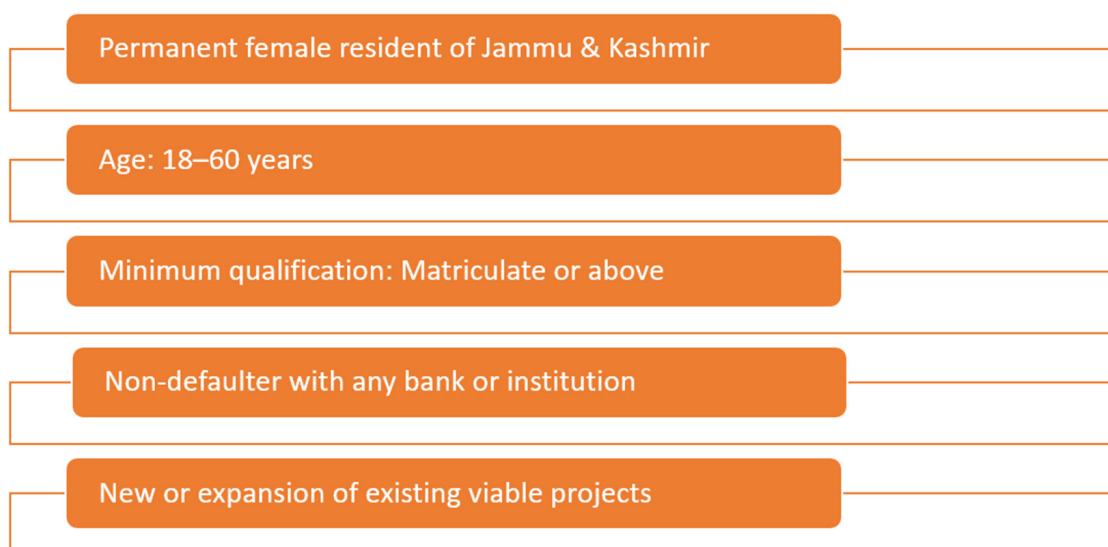
17.2.1 Introduction

The Women Entrepreneurship Programme (WEP) by JKWDC promotes women-led enterprises by offering low-interest loans and institutional handholding to both urban and rural women. It aims to economically empower women through income-generating activities and enhance their participation in the formal sector.

17.2.2 About the Policy

17.2.2.1 Name: Women Entrepreneurship Programme (WEP)

17.2.2.2 Eligibility



17.2.3 Incentives and Subsidies

17.2.3.2 Loan Facility:

- Maximum loan limit up to **₹3 lakh** per beneficiary for eligible projects.

17.2.3.3 Funding Structure:

- **90%** of the project cost funded by JKWDC as a loan.
- **10%** contribution by the beneficiary.

17.2.3.4 Interest Rate:

- Concessional rate of **6% per annum** to ensure affordability.

17.2.3.5 Moratorium Period:

- **6 months** relaxation before repayment starts.

17.2.3.6 Repayment Period:

- Up to **5 years**, payable in **20 quarterly instalments**.

17.2.3.7 Eligible Sectors:

- Tailoring, handicrafts, dairy, poultry, bakery, beauty parlours, food processing, and other micro-enterprises.

17.2.3.8 Support Services:

- Assistance in documentation, loan processing, and project evaluation.

17.2.4 Where To Apply

Website – jkwdc.com

17.3 Loan Scheme for Women Entrepreneurs – Labour & Employment Department, J&K

17.3.1 Introduction

The Loan Scheme for Women Entrepreneurs under the Labour & Employment Department supports financially weaker women to start small enterprises through soft loans and simplified procedures. It particularly benefits first-generation women entrepreneurs in rural and semi-urban areas.

17.3.2 About The Policy

17.3.2.1 Name : Loan Scheme for Women Entrepreneurs – Labour & Employment Department, J&K

17.3.2.2 Eligibility

- Female domicile of J&K
- Age: 18–45 years
- Educational qualification: **Matriculation or higher**
- Not a defaulter with any financial institution
- Must present a viable project proposal

17.3.3 Incentives and Subsidies

17.3.3.1 Soft Loan Amount:

- Financial assistance up to **₹3 lakh** per entrepreneur.

17.3.3.2 Interest Rate:

- 6% per annum, much lower than market rates.

17.3.3.3 Moratorium Period:

- 6 months grace period before repayment begins.

17.3.3.4 Repayment Tenure:

- 5 years, through quarterly instalments.

17.3.3.5 Purpose of Loan:

- For establishment or expansion of small-scale income-generating activities like tailoring, retail, food stalls, crafts, or service units.

17.3.3.6 Priority Preference:

- Women from economically weaker sections or self-help group members.

17.3.4 Where To Apply

Website – jklabouremp.nic.in

17.4 Nari Shashaktikaran Scheme – J&K Grameen Bank (Under NABARD Guidance)

17.4.1 Introduction

The Nari Shashaktikaran Scheme promotes women empowerment through bank-linked credit support for members of women Self-Help Groups (SHGs). It encourages micro-entrepreneurship among rural women and bridges the gap between informal and formal financial systems.

17.4.2 About the Policy

17.4.2.1 Name Nari Shashaktikaran Scheme

17.4.2.2 Eligibility

Active women SHG members under JKRLM or linked with J&K Grameen Bank.

SHG operational for at least one year.

Satisfactory credit history and repayment record.

Viable business or income-generating project.

17.4.3 Incentives and Subsidies

17.4.3.1 Credit Access:

- Bank-linked micro-loans for business expansion or setting up small enterprises.

17.4.3.2 Subsidized Interest:

- Interest subvention under **NABARD / NRLM guidelines**, reducing effective cost of borrowing.

17.4.3.3 Group-based Guarantee:

- Collateral-free loans, leveraging group creditworthiness.

17.4.3.4 Loan Quantum:

- Typically up to **₹5 lakh** for SHGs, depending on credit rating and business viability.

17.4.3.5 Capacity Building:

- Financial literacy and entrepreneurship training for SHG members.

17.4.3.6 Support Type:

- Encourages transition from group livelihood activities to formal micro and small businesses.

17.4.4 Where To Apply

Website - myscheme.gov.in

17.5 Entrepreneurship Training under JKEDI (Mission Youth & Tejaswini)

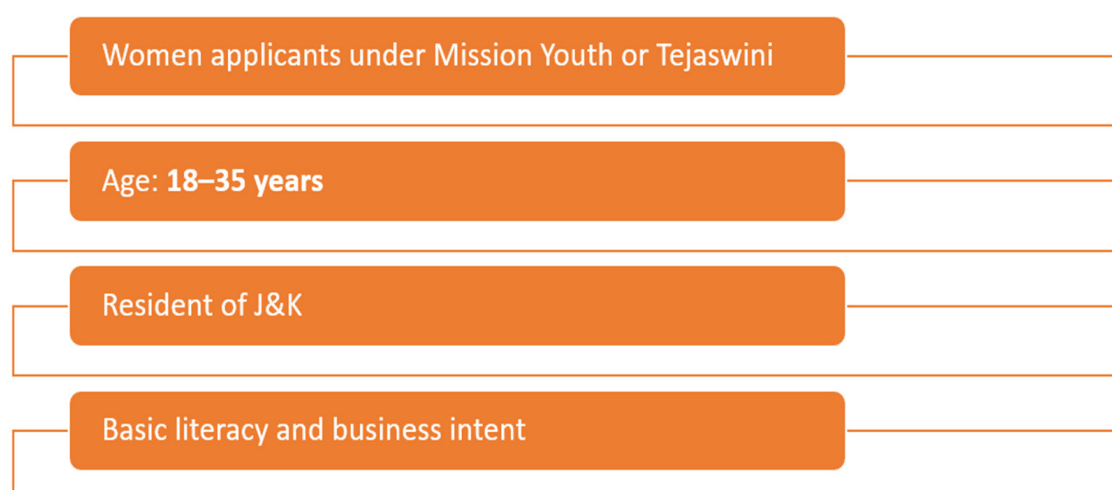
17.5.1 Introduction

The J&K Entrepreneurship Development Institute (JKEDI) provides entrepreneurship training under Mission Youth and Tejaswini to enhance women’s managerial and business skills before launching enterprises.

17.5.2 About The Policy

17.5.2.1 Name Entrepreneurship Training under JKEDI

17.5.2.2 Eligibility



17.5.3 Incentives and Benefits

17.5.3.1 Free / Subsidized Training:

- Comprehensive EDP courses on entrepreneurship, finance, and marketing.

17.5.3.2 Curriculum Coverage:

- Business plan formulation, record keeping, cost control, marketing strategies, and legal compliance.

17.5.3.3 Certification:

- Participants receive a **completion certificate** from JKEDI, which strengthens loan applications under Tejaswini or WEP.

17.5.3.4 Post-Training Support:

- Mentorship, project report preparation assistance, and handholding till enterprise setup.

17.5.3.5 Networking:

- Access to potential investors, women entrepreneurs, and government support agencies.

17.5.4 Where To Apply

Website – jkedi.org

18. PRIME MINISTER VISHWAKARMA SCHEME**18.1 Introduction:**

The PM Vishwakarma Scheme is a flagship Government of India initiative launched to support traditional artisans and craftspeople engaged in family-based occupations. The scheme aims to strengthen traditional skills, improve product quality, provide affordable credit, and integrate artisans into domestic and global value chains. The scheme is particularly beneficial for Jammu & Kashmir's handicraft and artisan sectors, including carpet weaving, shawl making, embroidery, wood carving, copperware, tailoring, and other traditional crafts.

18.2 About the Policy:

18.2.1 Name: PM Vishwakarma Scheme (2023–Ongoing)

18.2.2 Eligibility Criteria:

- Traditional artisans and craftspeople engaged in family-based occupations.
- Minimum age: 18 years.
- Applicant should not have availed benefits under similar self-employment schemes in the last five years.
- Only one member per family is eligible under the scheme.

18.3 Policy Incentives and Benefits:**18.3.1 Skill Training:**

Basic and advanced skill training with stipend support.

18.3.2 Toolkit Incentive:

Toolkit incentive of ₹15,000 for purchase of modern tools and equipment.

18.3.3 Collateral-Free Credit Support:

- First loan up to ₹1 lakh.
- Second loan up to ₹2 lakh after successful repayment.
- Concessional interest rate of 5%.

18.3.4 Digital Incentive:

- Incentives for digital transactions and digital business adoption.

18.3.5 Marketing and Branding Support:

- Support for product branding, quality certification, and market linkage.

18.4 Eligible Trades:



18.5 Where to Apply:

Website: <https://pmvishwakarma.gov.in>

19 CREDIT GUARANTEE FUND TRUST FOR MICRO AND SMALL ENTERPRISES (CGTMSE)

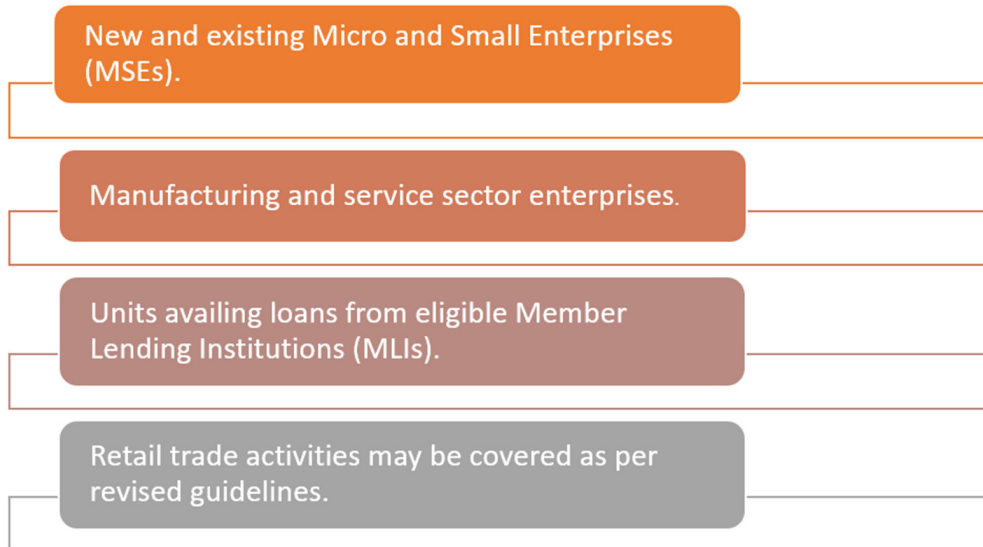
19.1 Introduction:

The Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) is a Government of India initiative jointly established by the Ministry of MSME and SIDBI to facilitate collateral-free credit to micro and small enterprises. The scheme encourages banks and financial institutions to provide loans to MSMEs without requiring third-party guarantees or collateral security.

19.2 About the Policy:

19.2.1 Name: Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)

19.2.2 Eligibility Criteria:



19.3 Policy Incentives and Benefits:

19.3.1 Collateral-Free Credit:

Collateral-free loans up to ₹5 crore.

19.3.2 Credit Guarantee Coverage:

Guarantee coverage provided by CGTMSE to lending institutions against loan default.

19.3.3 Special Support Categories:

Higher guarantee coverage for women entrepreneurs, SC/ST entrepreneurs, and enterprises in aspirational or hilly regions.

19.3.4 Reduced Credit Risk:

- Encourages easier access to institutional finance for startups and MSMEs.

19.3.5 Eligible Activities:



19.4 Where to Apply:

Website: <https://www.cgtmse.in>

20. ONE DISTRICT ONE PRODUCT (ODOP) INITIATIVE

20.1 Introduction:

The One District One Product (ODOP) Initiative is a flagship programme aimed at promoting indigenous and specialized products from different districts through branding, value addition, market linkage, and export promotion. In Jammu & Kashmir, the initiative supports traditional crafts, horticulture products, food processing, and local industries to strengthen district-level economic development and employment generation.

20.2 About the Initiative:

20.2.1 Name: One District One Product (ODOP) Initiative

20.2.2 Eligibility Criteria:

Individual entrepreneurs, MSMEs, artisans, startups, SHGs, FPOs, cooperatives, and producer groups.

Units engaged in production, processing, packaging, branding, or marketing of identified ODOP products.

Existing as well as new enterprises linked with district-specific products.

20.3 Incentives and Benefits:

20.3.1 Branding and Marketing Support:

- Assistance for packaging, branding, quality improvement, and promotion of local products.

20.3.2 Export Promotion:

- Support for participation in trade fairs, exhibitions, and export-oriented activities.

20.3.3 Skill Development and Capacity Building:

- Training programmes for artisans, entrepreneurs, and producer groups.

20.3.4 Financial and Infrastructure Support:

- Convergence with schemes such as PMFME, MSME schemes, Startup India, and industrial development programmes.

20.3.5 Major ODOP Products in J&K:



20.4 Where to Apply:

Website: <https://www.odop.mofpi.gov.in>

21. HOW UT-SPECIFIC INCENTIVES COMPLEMENT CENTRAL GOVERNMENT SCHEMES

Jammu & Kashmir’s Union Territory–specific policies have been designed to function in convergence with major Central Government schemes, creating a two-layer support system that strengthens entrepreneurship, industrial growth, and employment generation. While Central schemes such as PMEGP, NCSS, RAMP, SFURTI, and MSE-CDP provide broad-based national incentives, the UT-level policies bridge the local gaps by offering higher subsidies, ease of land access, local market support, cluster development, interest subvention, and youth-oriented incentives.

Together, these layers ensure that beneficiaries in J&K receive dual advantages—national financial backing and UT-specific facilitation. This complementary structure enhances affordability of projects, improves credit access, accelerates industrial setup, and expands market opportunities. As a result, entrepreneurs and industries in J&K operate in a uniquely favourable environment where central funding is reinforced by UT execution, UT incentives amplify central benefits, and both frameworks work in harmony to promote balanced regional development.

SUMMARY OF INCENTIVE SCHEMES

S. No.	Policy Name	Period of Applicability	Eligibility	Attractive For
1	Jammu & Kashmir Industrial Policy 2021–30	2021–2030	New/existing industrial units registered under policy	Manufacturing, agro-processing, renewable energy, MSMEs, tourism-linked services
2	J&K Private Industrial Estate Development Policy 2021–30	2021–2030	Private developers with approved industrial estate proposals	Industrial park developers, logistics & infrastructure providers
3	J&K Industrial Land Allotment Policy 2021–30	2021–2030	Eligible industrial projects fulfilling investment & employment criteria	Manufacturing, large & medium projects needing land

S. No.	Policy Name	Period of Applicability	Eligibility	Attractive For
4(i)	Micro and Small Enterprises Cluster Development Programme (MSE-CDP)	2003-Ongoing	MSMEs / SPVs under approved clusters	Common facility centers, infrastructure for small industries
4(ii)	Scheme of Fund for Regeneration of Traditional Industries (SFURTI)	2005-Ongoing	Traditional artisans, SHGs, cooperatives	Handloom, handicrafts, village industries
5	Raising and Accelerating MSME Performance (RAMP)	2022-2027	State MSME agencies, cluster organizations	MSME reforms, technology and quality enhancement
6	Prime Minister's Employment Generation Programme (PMEGP)	2021-2026	Individuals, SHGs, NGOs for new micro-enterprises	Micro manufacturing & service start-ups
8	Mission YUVA & Youth Entrepreneurship Promotion	2021-2030	Youth entrepreneurs & start-ups	Skill-based ventures, micro & small businesses
9	Animal Husbandry & Horticulture Schemes (IDDS, ISDS, Poultry, MIDH, HADP)	2021-ongoing	Farmers, FPOs, cooperatives	Dairy, poultry, sheep rearing, fruit & horticulture units
10	J&K Wool Processing, Handloom & Handicrafts Policy 2020	2020-2030	Registered weavers, artisans, cooperatives	Wool processing, pashmina, carpets, handloom products
11	J&K Rural Employment Generation Programme (JKREGP)	2017-ongoing	Rural entrepreneurs, SHGs, cooperatives	Agro-based & rural manufacturing units
12	New Central Sector Scheme (NCSS) for J&K	01.04.2021-30.09.2024 (running till 2037)	New industrial units meeting NCSS norms	Large, export-oriented, and strategic industries
13	Policy for Promotion of Foreign Investment in Industrial Sector, J&K – 2022	2022-Ongoing	FDI investors & joint ventures approved under policy	Large projects, export manufacturing, infrastructure

S. No.	Policy Name	Period of Applicability	Eligibility	Attractive For
14	Turnover Incentive Scheme 2021	2021–2026	Existing registered industrial units	Units seeking annual turnover-linked subsidy
15	J&K Film Policy 2024	2024-ongoing	Film producers, studios, and production houses meeting criteria	Film shooting, web series, OTT content, film tourism
16	Jammu & Kashmir Startup Policy 2024–27	2024-2027	Recognized by DPIIT under Startup India; Headquartered & operating in J&K; Recognized by JK Startup Cell (JKEDI); Innovative & scalable products/services	Early-stage startups, Women-led startups, Rural entrepreneurs, Tech & service-based ventures
17.1	Tejaswini – “The Radiant” Scheme (Mission Youth, J&K)	June 2021 – Ongoing	Women aged 18–35, J&K domicile, minimum 10th pass, unemployed, not defaulter	Young women entrepreneurs, women-led micro-enterprises, self-employment ventures
17.2	Women Entrepreneurship Programme (WEP) – JKWDC	Ongoing	Women 18–60 years, J&K domicile, matriculate or above, non-defaulter	Small-scale business setup & expansion, urban & rural women
17.3	Loan Scheme for Women Entrepreneurs – Labour & Employment Dept	Ongoing	Women 18–45 years, J&K domicile, matriculate, viable project proposal	Small enterprise financing, first-generation women entrepreneurs
17.4	Nari Shashaktikaran Scheme – J&K Grameen Bank	Ongoing	Active women SHG members under JKRLM / J&K Grameen Bank, operational >1 year	Rural SHG members, women micro-entrepreneurs
17.5	Entrepreneurship Training – JKEDI / Mission Youth	ongoing	Women 18–35, registered under Tejaswini / Mission Youth	Skill & capacity building for women-led startups, business management training

S. No.	Policy Name	Period of Applicability	Eligibility	Attractive For
18.	PM Vishwakarma Scheme	2023–ongoing	Traditional artisans and craftspeople engaged in family-based occupations	Handicrafts, carpet weaving, embroidery, tailoring, wood carving, artisans
19.	Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)	Ongoing	New and existing Micro & Small Enterprises availing loans through eligible lending institutions	Collateral-free MSME financing, startups, manufacturing and service enterprises
20.	One District One Product (ODOP) Initiative	Ongoing	MSMEs, artisans, SHGs, FPOs, cooperatives, startups linked with district-specific products	Pashmina, saffron, handicrafts, carpets, dry fruits, regional branding and expo

FAQS FOR J&K INCENTIVE POLICIES

1. Are there any special provisions for women entrepreneurs?

Jammu and Kashmir is actively championing the cause of women entrepreneurship, recognizing their pivotal role in economic growth and social development. Nationally, women owned enterprises constitute a significant portion of the MSME sector, with 38% of Registered MSMEs being women-owned as of 2024-25. This robust participation underscores the immense potential and contribution of women to the Indian economy.

There are several dedicated schemes, incentives, and reservation policies for women-entrepreneurs in Jammu & Kashmir. Entrepreneurs and industries in J&K operate in a uniquely favourable environment where central funding is reinforced by UT execution, local incentives amplify national benefits, and both frameworks work in harmony to promote balanced regional development. Women artisans, weavers, handicraft workers, and self-help groups may also benefit from schemes such as PM Vishwakarma and ODOP, which promote traditional crafts, local products, skill development, branding, and market linkage support.

2. Does the State offer subsidies or incentives for specific industries?

Covered above respectively with every scheme.

3. What are the State’s export promotion measures?

Jammu & Kashmir is actively working on sector-specific export promotion policies (for example, agriculture), with committees and expert bodies in place as of 2025. There is already a Trade & Export Policy (2018-28), but new or more focused export policies are under development. Key measures observed include:

Export Policy and Institutional Framework

- The Jammu Kashmir Trade Promotion Organization (JKTPO) is the designated nodal agency for export promotion in Jammu & Kashmir. It coordinates export-related activities including marketing support, creating export infrastructure, and facilitating trade.
- The draft Jammu & Kashmir Export Policy-2024 aims to transform J&K into a competitive export-led economy with a target of ₹10,000 crore exports in the next five years. It emphasizes boosting sector-specific exports like handicrafts, agriculture, pharmaceuticals, IT, and electric mobility. However, final approval is pending due to financial and administrative reviews.

Export Promotion Incentives

- The government provides incentives such as export subsidies, marketing aid, and trade infrastructure support for key export sectors like handicrafts and handlooms. For example, an Export Subsidy Scheme offers 10% incentives on total export volumes of handicrafts, capped at ₹5 crore per exporter.
- Jammu & Kashmir participates actively in national and international trade fairs and exhibitions to enhance market access for local exporters.
- JKTPO conducts export awareness programs and e-commerce onboarding drives to facilitate digital trade and MSME integration into export markets.

Special Economic Zones (SEZs)

- Jammu & Kashmir is developing SEZs to incentivize export-oriented units by providing infrastructure, tax benefits, and regulatory ease. Recent amendments at the central level facilitate easier SEZ setups for sectors like electronics manufacturing with relaxed land requirements.
- While Jammu & Kashmir does not have as many SEZs as larger states, ongoing investments and policy focus aim to increase SEZ presence for boosting exports.

International Trade Facilitation

- Enhanced connections through ports like Jawaharlal Nehru Port Authority (JNPA) help link J&K's agribusiness and handicraft exporters with national and global markets, improving logistics and reducing trade barriers.
- The government is preparing district-specific export action plans and facilitating skill development, quality certification, and innovation to raise competitiveness in international trade.
- National export promotion missions and trade agreements with global partners (such as India-UK and India-EU FTAs) also benefit J&K exporters by expanding market access.

4. What funding or financial assistance is available for entrepreneurs?

Entrepreneurs in Jammu and Kashmir (J&K) have access to various funding and financial assistance programs, including state-sponsored grants, seed funds, venture capital, and interest and credit support. Key initiatives include the New Central Sector Scheme (NCSS) for

Industrial Development and several startup schemes managed by the Jammu and Kashmir Entrepreneurship Development Institute (JKEDI).

Grants and seed funds

- **J&K Startup Policy Seed Funding:**

Startups recognized by JKEDI are eligible for one-time seed funding of up to ₹20 lakhs. This is disbursed in four installments and can be used for activities such as prototype development, market entry, and scaling up the venture.

- **Seed Capital Fund Scheme (SCFS):**

A component of the Sher-e-Kashmir Employment and Welfare Programme for Youth (SKEWPY), this scheme provides eligible youth with seed money. The amount varies based on educational qualification, from ₹4 lakhs for undergraduates to ₹10 lakhs for technical graduates. The seed money is a one-time grant to help make business plans bankable.

- **MUMKIN Scheme:**

This livelihood-generation scheme provides financial support to the youth of J&K to encourage entrepreneurship and self-employment. The scheme is supported by Mission Youth.

Loans and interest subvention

- **Spurring Entrepreneurship Initiative (SEI):**

Under Mission Youth, this scheme offers startup loans of ₹2 lakh to ₹20 lakh through the J&K Bank. Entrepreneurs only have to repay the principal amount, as Mission Youth pays the interest component (up to ₹2 lakh), provided there is no default. 25% of the cases sanctioned each year are reserved for women.

- **Youth Startup Loan Scheme (YSLS):**

Offered directly by JKEDI, this program provides soft loans with a 6% simple interest rate. It can finance up to 90% of a project's cost, with maximum loan amounts varying by the entrepreneur's educational background.

- **NCSS Capital Interest Subvention:**

As part of the New Central Sector Scheme, this subvention offers interest rate support to eligible new or expanding businesses on term loans.

- **NCSS Working Capital Interest Subvention:**

This scheme provides a 5% interest subvention on working capital loans for up to five years for existing businesses registered under GST before the scheme was announced. The maximum benefit is capped at ₹1 crore.

- **Women Entrepreneurship Programme (WEP):**

This program provides low-interest loans (6% per annum) of up to ₹3 lakhs to women entrepreneurs. It is implemented through the Women Development Corporation.

- **J&K Development Finance Corporation (JKDFC) Loans:**

JKDFC offers various loan schemes for entrepreneurs, covering new industrial units, equipment procurement, modernization of existing units, hotels, and schools.

J&K Venture Capital Fund

The J&K Venture Capital Fund is designed to provide equity funding to startups in Jammu & Kashmir to help them grow, scale, and commercialize innovative products and services. The fund is part of the broader J&K Startup Policy to promote entrepreneurship, job creation, and innovation.

Funding Mechanisms

- **Equity-Based Investment:** The fund invests in startups in exchange for an ownership stake (equity), rather than providing loans.
- **Co-Investment Model:** The fund often invests **alongside private investors or venture capital firms**, reducing risk and leveraging additional capital.
- **Stage-Based Investment:** Funding is provided at different startup stages:
 - **Seed Stage:** Early-stage startups needing initial capital for product development or proof-of-concept.
 - **Growth Stage:** Startups that have validated products and need capital to scale operations or enter new markets.

Eligibility

- Startups must be registered and recognized under the J&K Startup Policy.
- Must demonstrate innovative solutions, scalability, and a clear business model.
- Certain sectors may be prioritized (e.g., IT, biotechnology, renewable energy, tourism, handicrafts, or regional specialties).

Credit guarantee support

Credit Guarantee Support is a financial mechanism where a government-backed fund provides a guarantee to banks and financial institutions for loans extended to startups or Micro, Small, and Medium Enterprises (MSMEs). This reduces the lending risk for banks, making it easier for startups to access debt financing without needing substantial collateral.

- Credit Guarantee Scheme for Startups (CGSS): Through its Startup Policy, J&K facilitates access to the national CGSS, which provides credit guarantees on loans extended to startups by member institutions (MIs).
- CGSS offers collateral-free debt funding for DPIIT-recognized startups, with the guarantee amount recently revised to up to ₹20 crore per borrower.
- JKEDI helps connect eligible startups with MIs for faster processing of CGSS claims.

Coverage:

- Typically, a certain percentage of the sanctioned loan (e.g., **75% to 85%**) is covered by the guarantee.

- The guarantee amount and terms depend on the scheme (e.g., CGTMSE for MSMEs, J&K Startup Fund tie-ups).

5. How can startups/MSMEs benefit from incubation and innovation support in the State?

Startups and MSMEs in Jammu & Kashmir benefit from a growing ecosystem of incubation and innovation support encompassing state incubation centers, accelerators, research and development (R&D) support, and collaboration with universities and research institutions.

State Incubation Centers and Accelerators

JKEDI Innovation and Incubation Center:

The Jammu & Kashmir Entrepreneurship Development Institute (JKEDI) operates innovation and incubation centers providing startups access to mentoring, technical assistance, prototype development, and seed funding. It focuses on fostering entrepreneurial skills and connecting startups with financial institutions.

Technology Business Incubator (TBI) at Universities:

Universities like University of Kashmir and Shri Mata Vaishno Devi University host TBIs that support technology startups through infrastructure, business advisory, and market linkages. They offer co-working spaces, R&D labs, and industry networking opportunities.

JK Startup Accelerators:

Several accelerators operate in the State, often in collaboration with central government schemes or private entities, offering training, mentorship, access to venture funds, and demo days to attract investors and customers.

University-Industry Collaboration:

Universities in J&K actively encourage collaboration between faculty and industry to promote innovation-driven startups, especially in agro-tech, healthcare, IT, and handicrafts sectors. Incubators facilitate commercialization of research and provide patent filing support.

Government R&D Grants:

The State offers grants and subsidies encouraging startups and MSMEs to engage in R&D activities, especially in agriculture, horticulture, animal husbandry, and renewable energy sectors.

Innovation Clusters and Tech Parks:

Plans are underway to develop innovation clusters focusing on high-tech manufacturing and IT services through public-private partnerships, thereby augmenting facilities for MSMEs and startups to scale their research capabilities and products.

Other Support Facilities

Capacity Building and Skill Development:

Periodic workshops, boot camps, and training sessions organized by government agencies and incubation centers help entrepreneurs stay updated with latest technology and business strategies.

Access to Funding:

Incubators and accelerators often assist startups in accessing state seed funds, venture funds, and central government financial schemes, improving chances for early-stage investment.

Networking and Market Access:

Innovation hubs organize investor meets, trade fairs, and industry connect programs to facilitate market access and partnerships for incubated startups and MSMEs.

6. Are there tax exemptions or financial relaxations under this policy?

Jammu & Kashmir offers several tax exemptions and financial relaxations under its industrial and entrepreneurship policies.

Benefit	Details	Applicable J&K Policies
SGST Reimbursement	100% reimbursement of State GST on eligible goods and services for up to 10 years, linked to investment and turnover	Industrial Policy 2021–30, Private Industrial Estate Policy 2021–30
Stamp Duty Exemption	100% exemption on stamp duty for purchase/lease of land or buildings in industrial estates and SEZs	Industrial Policy 2021–30, Industrial Land Allotment Policy 2021–30
Electricity Duty Waiver	Full waiver or concession on electricity duty for industrial units, including power consumed for processes and machinery	Industrial Policy 2021–30
Power Subsidy	Subsidy on purchase and installation of DG sets and incremental power load for industrial use	Industrial Policy 2021–30, MSME Cluster Schemes
Interest Subsidy	6% interest subvention on term loans and 5.5% on working capital loans for specified periods	Industrial Policy 2021–30, J&K Venture Capital Fund
GST-Linked Incentives	Up to 300% of plant & machinery investment as cash incentives against GST paid	Industrial Policy 2021–30, Private Industrial Estate Policy 2021–30, New central sector scheme 2021-2037
Environment Subsidies	50–60% subsidy on pollution control equipment, rainwater harvesting, and waste management systems	Industrial Policy 2021–30, MSE Cluster Development Programme (MSE-CDP)
Exemption from Court Fees	On land acquisition and transfer related to industrial projects	Industrial Policy 2021–30, Industrial Land Allotment Policy 2021–30

7. What is the process to apply for these schemes or benefits?

Steps to Apply

- Registration on the respective scheme portal (mention above).
- Submission of personal, project, and eligibility documents such as Aadhaar, domicile

certificate, bank details, education certificates, and business/project reports.

- Verification and approval by designated authorities or district task forces.
- Sanction of subsidies, loans, or other benefits directly through bank accounts via Direct Benefit Transfer (DBT).
- Periodic monitoring and compliance checks by the concerned department.

Application Process Overview

Single-Window Clearance System:

- Jammu & Kashmir has implemented a Single-Window Clearance System (SWCS) aimed at providing end-to-end facilitation for approvals, clearances, and registrations required under various schemes.
- The SWCS reduces multiple visits to different departments by acting as a one-stop platform for submission and tracking of applications.

Online Portals and Mobile Apps:

- Most schemes, including Mission YUVA, JKREGP, and MSME support programs, use dedicated online portals for application submission, document uploads, and status tracking.
- The Jammu & Kashmir State e-District portal provides access to numerous citizen services and scheme applications digitally, minimizing physical paperwork.

8. Which nodal agency/department implements this policy?

Specialized Departments and Agencies

- Schemes related to entrepreneurship, industry, and MSMEs are primarily managed through the Department of Industries & Commerce and Jammu & Kashmir Khadi & Village Industries Board (KVIB) for schemes like JKREGP.
- Agriculture and allied scheme applications are handled through the Department of Agriculture Production and Horticulture, often involving local block or district agriculture offices for verification and facilitation.
- The Jammu Kashmir Trade Promotion Organization (JKTPO) assists exporters and export-related scheme applications.

9. Who are the key contact persons for assistance?

Department of Industries & Commerce (Nodal Department)

- Nodal Officer: Mr. Arun Kumar Manhas, JKAS, Director Industries & Commerce, Jammu
- Phone: 0191-2474085, 0191-2475092 (DDP), Mobile: 9419182589
- Email: directorindcomjammu@gmail.com
- Official Website: industriescommerce.jk.gov.in

JKREGP (JK Khadi and Village Industries Board)

- Secretary/CEO: Shri Rashid Ahmad Qadri
- Phone: 0191-2565918
- Email: jkregp.jk@gmail.com
- Website: jkkvib.in/jkreg

Mission YUVA (Youth Entrepreneurship Scheme)

- Business Helpline: 1800-180-4969
- Official Portal: missionyuva.jk.gov.in
- Support: Available at all SDM/ACR offices across J&K

Jammu & Kashmir Entrepreneurship Development Institute (JKEDI)

- Contact (Kashmir): 01933-224362 / 65 / 67
- Contact (Jammu): 01923-222412 / 13
- Website: jkedi.org
- Jammu Kashmir Startup Cell
- Contact Number: 7006504038
- Email: jkediciibm@gmail.com
- **Website: startupjk.com**

Single-Window Clearance System (SWCS)

- Official Portal: jksinglewindow.gov.in
- Helpline: 0194-2470102, 0191-2475734
- Email: swcs@jk.gov.in

10. How does this policy align with Central Government initiatives?

These policies align with major Central Government programmes like Startup India, Make in India, Digital India, and MSME Schemes by promoting entrepreneurship, technology-driven manufacturing, and investment-friendly reforms. It complements Startup India through support for new ventures, Make in India via industrial growth and FDI attraction, Digital India through single-window digital approvals, and MSME Schemes by integrating cluster-based and credit-linked support for small enterprises.



The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

MSME & Startup Committee, ICAI

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Email: msme@icai.in, msmeclinic@icai.in



Startup Portal:
startup.icai.org



MSME Portal:
msme.icai.org