

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

* * *

Subject: - Turnover Incentive Scheme 2021.
Reference: Administrative Council decision No. 31/4/2021 dated 10.03.2021

Government Order No : 127 –IND of 2021
D a t e d : 21.05.2021

In order to provide support to the existing industrial units located in the Union territory of Jammu and Kashmir, sanction is hereby accorded to the promulgation of the Turnover Incentive Scheme 2021, as per Annexure-A to this order for a period of five years with effect from 1st April 2021.

By order of the Government of Jammu and Kashmir.

Sd/-

(Ranjan Prakash Thakur)

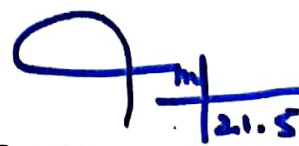
Principal Secretary to the Government

Dated: 21.05.2021

No. IND/DIC10/2020

Copy to the :-

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


21.5.2021

(Sartaj Hussain Madni)

Deputy Secretary to the Government

Annexure-A

1. **Short title and commencement-**

- (i) This shall be called "Turnover Incentive Scheme-2021".
- (ii) It comes into effect concurrently with J&K Industrial Policy 2021-30.

2. **Coverage-** The Scheme will cover all Existing Registered Industrial Units in Jammu & Kashmir.

3. **Definitions-** In this Scheme, unless the context otherwise requires:

- a. 'Appointed Date' means the date from which the J&K Industrial Policy 2021 -30 shall be effective.
- b. 'Assessed Capacity' shall be as defined under the J&K Industrial Policy 2021-30.
- c. "Existing Industrial Unit" shall be as defined under the J&K Industrial Policy 2021-30.
- d. "Finished Goods" means the goods actually produced by an industrial unit, for which it is registered under Goods and Services Tax Act, 2017/ Department of Industries & Commerce including the products obtained after processing.
- e. 'Gross Turnover' shall be as defined under the Jammu and Kashmir Goods and Services Tax Act, 2017.
- f. 'Industrial Unit' means a unit where any Manufacturing/Processing activity is carried on as defined under the J&K Industrial Policy 2021-30.
- g. 'Manufacturing Activity' shall be as defined under the J&K Industrial Policy 2021-30.
- h. 'Principals' means the companies for which the units were manufacturing their goods on job work basis prior to switching over to GST regime and were passing on the component of Central Excise exemption to them.
- i. 'Spare Manufacturing Capacity' means un-utilized assessed capacity of the unit.

4. **Duration of Incentive:** The Incentive shall be operative for a period of 5 years i.e. with effect from 01-04-2021 to 31-03-2026 or till the same is reviewed by the Government.

5. **Ineligible industries /goods/ movements:** The industrial units/items falling under the negative list of Industrial Policy 2021-30, shall not be eligible for subsidy under the Scheme.

6. **Applicability-** Unless otherwise specified;

- a) This scheme is applicable to all Existing Industrial Units, as defined in Para 3(c), except those falling under the negative list of


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of Industrial Policy 2021-30, located in the UT of Jammu and Kashmir, both in the public and the private sectors irrespective of their size.

- b) The units where their spare manufacturing capacity has been leased out to the Principals shall be eligible for the Turnover Based Incentive in case the Occupier/ Principal is registered under the Goods and Service Act as on 31-03-2021.
- c) The units which are engaged in contract manufacturing for their principals shall also be eligible to avail incentives under the Scheme.

7. Quantum of Refund:

- i. Unless otherwise specified, the quantum of incentive admissible to an Existing Industrial Unit located in Jammu and Kashmir as per applicability of Incentive given at Para 6 above is:
 - a. 3 % of the gross turnover of the industrial unit for the year, in case of Micro category units as defined under the MSMED Act 2006 and modified vide notification of Government of India, dated: 01-06-2020, subject to a maximum of Rs 10 lakh per annum per unit for a period of 5 years from the appointed date.
 - b. 2% of the gross turnover of the unit for the year, in case of Small, Medium and Large category industrial units as defined under the MSMED Act 2006 and modified vide notification of Government of India, dated: 01-06-2020, subject to a maximum of Rs 50 lakh per annum per unit for a period of 5 years from the appointed date.
- ii. Notwithstanding anything contained in this Scheme, the turnover incentive shall be available subject to availability of funds on proportionate basis of the turnover disclosed.
- iii. The incentive shall be calculated on the basis of turnover so determined. For the purpose of determining the turnover, the highest turnover of the three preceding financial years up to 2020-21 shall form the turnover for calculation of the incentives. However, in no case it shall be higher than the turnover of the current financial year.

Explanation: For example, for determining turnover for the current financial year 2025-26, the turnover for Financial Year 2018-19, 2019-20, 2020-21 & 2025-26 is Rs 2.00 Lakh, Rs 1.00 Lakh, Rs 4.00 Lakh & Rs 3.00 Lakh respectively. The turnover for determining turnover incentive shall be Rs 3.00 Lakh.

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8. **Eligibility-**

All industrial units as defined above, registered with Department of Industries & Commerce and having a GST Number as on 31-03-2021 would be eligible under the Scheme. No separate registration shall be required for availing incentives under the Scheme.

9. **Submission of claim under the scheme-**

- a. The eligible industrial units have to apply for the Turnover Based Incentive on yearly basis, the claims under the incentive shall be submitted by 31st December of the subsequent financial year.

Explanation: For example claims for April 1st, 2021 to 31st March, 2022 shall be filed before 31st December, 2022.

- b. The application has to be submitted as per prescribed format (Annexure-I) and has to be supported by following documents:

- i. Copy of Annual / Quarterly/Monthly return under GST for relevant claim period, depicting the turnover whichever is available with the applicant.
- ii. Audited Balance Sheet for the relevant Financial Year for which the Incentive claim is being filed.
- iii. Copy of Permanent Registration / EM-II / Acknowledgement of Date of Production of the unit from the concerned General Manager DIC.

10. General Manager of District Industries Centre shall verify the claim documents and give recommendations for placing the case before the Divisional Level Committee Meeting. The agenda note for the Divisional Level Committee giving details of the claim cases as per the devised format shall be circulated at least 15 days in advance to all the members.

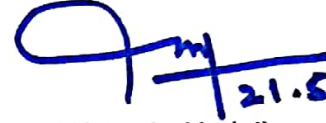
11. **Role and functions of Director Industries & Commerce:**

- i. He/ She shall ensure that at least one meeting of the Divisional Level Committee is held at regular intervals to avoid accumulation of claim cases.
- ii. He/ She shall ensure 30% audit of all claims under Turnover Based Incentive Scheme, cleared by Divisional Level Committee, by his /her office before disbursement.

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12. **Role of Divisional Level Committee:**

- a. The Divisional Level Committee of the respective Directorates of Industries & Commerce with the following composition shall sanction the incentives under the J&K Turnover Based Incentive Scheme, 2021 for disbursement by the General Manager concerned.
- i. Director, Industries and Commerce Chairman
 - ii. Joint Director (Dev), Directorate of I&C Member
 - iii. Chief Accounts Officer, Directorate of I&C ... Member
 - iv. Deputy Director (PDM), Directorate of I&C ... Member
 - v. General Manager DIC concernedMember Secretary
- b. The committee shall meet as frequently as required and at least once in a month for each district in the division. The concerned General Manager shall submit the cases to Director, Industries & Commerce within a period 21 days after its receipt and shall be disposed off by the concerned Divisional Level Committee within one month.



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(Sartaj Hussain Madni)

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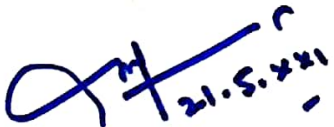
Annexure-I

Application for Turnover Based Incentives

Format for claiming Turnover Based Incentive

1. Name and address of the unit:
2. Line of activity:
3. Date of Production/ Commencement of operation:
4. Turnover during the year:
 - a. 2018-19
 - b. 2019-20
 - c. 2020-21
5. Rate of Turnover Based Incentive
6. Period (Year) of first claim:
7. Amount of Incentive eligible:

S.No	Year of Claim	Claim number under the Incentive	Turnover of the unit during the claim period (Current Turnover)	Turnover Determined (as per Para 7 iii)	Amount of Incentive claimed


21.5.21

Signature
Name :
Unit Detail: