



Jammu & Kashmir

<u>Fiscal Incentives, Exemptions & Subsidies</u>	
Capital investment subsidy (CIS)	<p>30% capital investment subsidy is available to industrial units in backward blocks subject to the following ceiling:</p> <ul style="list-style-type: none"> a) Rs. 30.00 lacs for General Category b) Rs. 45.00 lacs for units under thrust area category c) Rs. 60.00 lacs for units under Prestigious category d) Rs. 75.00 lac. for units under both Thrust area and prestigious category. <p>In case of blocks other than industrially backward blocks, the new industrial units shall be eligible for CIS only under the central scheme. However, in case of blocks other than backward blocks, if the eligible amount of CIS under the central scheme exceeds Rs. 30.00 lakhs, which is maximum limit under that scheme, the state government shall provide the amount exceeding Rs. 30.00 lakhs subject to a ceiling of Rs. 15.00 lakhs, Rs. 30.00 lakhs and Rs. 45.00 lakhs, in case of thrust area units, prestigious units and prestigious units in backward blocks</p>
Interest Subsidy.	<p>In addition to the 3% interest subsidy available to new industrial units under the Government of India package, 3% subsidy shall be payable on the working capital facilities available from the commercial banks to all existing units for the remaining period of their eligibility, subject to the conditions prescribed, under the Government Order No.</p>

	202- Ind of 1998 dated: 27-5-1998 and to the units not getting interest subsidy under the Central package.
Toll Tax	Exemption on toll tax to be continued up to 31-03-2015, subject to the negative lists. No toll tax on empty containers brought into the state for stuffing of industrial products for export out of the state
GST Exemption	GST exemption to be continued till VAT is imposed or till 31- 03-2015 for existing and new units, whichever is earlier, subject to the negative lists. The exemption of GST on the raw material procured by the local industrial units shall be available only to SSI units, subject to negative list.
CST Exemption	CST exemption to SSI units to be continued up to 31-03-2015. Extended to Medium & Large Industrial units, subject to a negative list.
Air Freight Subsidy	Air freight subsidy shall be continued up to 31-03-2015 at the rate of 50% subject to the ceiling of Rs. 5.00 lakhs per year per unit. Also made applicable to incoming raw material
Research &Development	50% subsidy on the expenditure incurred on R&D subject to ceiling of Rs. 5.00 lakhs.
Capital Investment Subsidy for modernization	CIS of the State Government shall be available to SSI units, undergoing modernization subject to the limits as prescribed under CIS scheme of the State Government.
Earnest Money/Security Deposit	SSI units required to pay only 50% of earnest money or Rs.5000/-, whichever is lower. Tender documents to SSI units @ 50% of the price of document or Rs.100/-, whichever is lower.