



Jammu & Kashmir

Power

Power tariff for the industrial sector is subsidised. The Power Development Department shall revise and announce the tariff from time to time. Keeping in view the policy of the government to encourage the development of industry in the State and till such time as assured power supply is made available to industrial units 100% subsidy shall be allowed on new DG sets from 10KW to 1000 KW capacity purchased from reputed/standard companies subject to the maximum limit of Rs. 25 Lakhs. The subsidy shall be available to

a) The amount of subsidy on purchase of DG set shall be paid only through a bank (or the concerned financing agency, if any) even if the promoter may not have taken any loan for purchase of the DG set.

b) 50% of the amount of subsidy on DG set shall be paid on verification of installation and the remaining 50% shall be paid after expiry of one year of installation.

c) The DG set shall not be shifted from the State for a period of ten years counted from the date of installation or to any other unit except with the approval of the Director I&C. If the unit makes any such request to shift the DG set to outside the State, the same shall be considered only in case the unit deposits the entire amount of the subsidy availed of together with interest thereon at the prevailing rate of interest on term loans.

d) The amount of subsidy claimed as part of Government of India's CIS scheme for this item shall be deducted from the amount to be calculated under the state government scheme.

e) Government shall allow setting up of Captive Power Generating units and also mini/micro power generating unit anywhere in the state, subject to obtaining usual clearances required including from the State Pollution Control Board. There shall be no electricity duty/state excise on generation of electrical energy through such Power Generating Stations for a period of 25 years. The station may be set up by an individual promoter or a group of promoters and the energy thus generated may be shared by them or sold to other consumer(s). In case the energy thus generated is given to the State

Government at the point of production, the promoter shall be eligible to draw an equivalent amount of energy for his own bona fide industrial purpose, from the PDD anywhere else in the State. If his requirement is less than what is generated by him, the excess power can be sold to the state as per the policy of Power Development Department.

Power Tariff/Diesel Generating Sets.

- I. Subsidy to be allowed on purchase of New Diesel Generating Set of .1MW to 1 MW only. The subsidy will be 100% and would be available to the units after it has been verified that the diesel sets have been actually installed. The subsidy would be available only to Diesel Generating Sets purchased from the reputed companies.
- II. Government will allow setting up of Captive Thermal or Generating Sets are hereby given as follows;-
 - a) For entitlement of this subsidy the loan shall have to be raised from financial institutions meeting thereby that the entrepreneur purchasing generating sets on their own will not be entitled to the subsidy.
 - b) The amount of subsidy shall not be paid directly to the entrepreneurs but shall be credited to the financial institutions towards adjustment of the loans sanctioned in favour of the entrepreneurs for the purchase of Generators.
 - c) The Generating sets shall not be shifted from the State to another until a period of ten years has elapsed from the date of its installation. In case any such transfer is requested by the entrepreneur on some valid grounds before the expiry of the stipulated period of ten years from the date of its installation, the unit-holder
 - Will have to refund the total capital subsidy granted to him together with interest thereon at bank rates operative from time to time.