

Government of Jammu & Kashmir
Information Technology Department
Civil Secretariat, Srinagar.

Subject: Jammu and Kashmir IT/ITEs Policy.

Government Order No:41- JK(ITD) of 2020
Dated: 21.08.2020

The Jammu and Kashmir IT/ITEs Policy approved by Administrative Council vide its Decision No. 46/6/2020 dated 18.03.2020, forming **Annexure** to this Government Order is hereby notified.

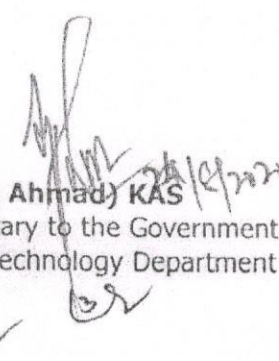
Sd/-
(Bipul Pathak) IAS
Principal Secretary to the Government
Information Technology Department

No: ITD/Gen/178/2019

Dated:21.08.2020

Copy to the: -

1. Ld. Advocate General, J&K.
2. All Financial Commissioners.
3. Director General of Police, J&K.
4. All Principal Secretaries to the Government.
5. Principal Secretary to the Lieutenant Governor.
6. Chief Electoral Officer, J&K
7. Joint Secretary (J&K), Ministry of Home Affairs, Government of India.
8. All Commissioner/Secretaries to the Government.
9. Divisional Commissioner, Kashmir/Jammu.
10. Chairperson, J&K Special Tribunal.
11. Director General, J&K Institute of Management & Public Administration & Rural Development.
12. Director, Information Department, J&K.
13. All Deputy Commissioners.
14. Sr. Deputy Director General, Department of Telecommunication, J&K.
15. All Head of Departments / Managing Directors / Chief Executive Autonomous Bodies.
16. Secretary, J&K Public Service Commission/Service Selection Board/Board of Professional Entrance Examination.
17. Director, Estates, J&K.
18. Director Archives, Archaeology & Museums.
19. Secretary, J&K, Legislative Assembly.
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(Afaq Ahmad) KAS
Deputy Secretary to the Government
Information Technology Department

Annexure to
Government Order No: 41-JK(IT) of 2020
Dated: 21.08.2020

Jammu and Kashmir
IT/ITeS Policy

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1. PREAMBLE

Jammu and Kashmir has undergone significant growth in the Information and Communication Technology (ICT) sector in the last one decade, due to the proactive initiatives taken by the Government in terms of creation of physical infrastructure, provision of basic amenities such as roads, water, sewerage and power to the doorsteps of IT layouts, availability of large English speaking and technical talent pool, lower cost of operation and innovation in e—Governance program. Today, Jammu and Kashmir is willing to establish itself as a valued destination for ICT Industry. Considering the fact, the Government has decided to notify a new IT/ITeSPolicy 2020 to promote Jammu and Kashmir as one of the pioneers in ICT hubs. The UT desires to become a leading destination for investment in Information and Communications Technology (ICT) industry in coming years and become a major partner in the Information Technology Economy across UT and India as whole.

Jammu and Kashmir Administration is aware of enormous potential in Electronics and Information Technology sector and has made significant efforts to ensure benefits of these sectors percolate to its common citizens.

This policy attempts to develop a modern and vibrant ecosystem for Electronics and IT industry to support electronic governance initiatives of the Government of India and attract investment and talent to such industries in Jammu and Kashmir.

The Government of Jammu and Kashmir shall endeavor to support industries in the sector by way of single window clearance and incentivizing the investors.

1. Definitions

- i. **Government** means the Government of Jammu and Kashmir, unless the context specifies it to mean the Government of India or any other Government.
- ii. **Information Technology** includes Information Technology, electronics, telecommunication, e Governance, m-Governance initiatives, e-Commerce, m-Commerce etc.
- iii. **Policy** means Jammu and Kashmir IT/ITeS Policy – **2020**.

- iv. **Information Technology industry** includes software industries, IT Services and **IT Services delivery Industries** and electronic/IT hardware manufacturing industries.
- v. **IT infrastructure company** means real estate infrastructure developers or a builder constructing IT office space for sale/ lease or for lease cum sale to IT industry/ Financial institution for IT activities by the IT industry defined above.
- vi. **Telecommunication companies** include basic telecom service providers (fixed), VSAT, cellular (mobile) companies, Telecom infrastructure companies, ISP's and any other value-added services licensed by Ministry of Electronics and Communication Technology, GoI.
- vii. **Date of commencement** of commercial operations, in respect of product or services, it is the date on which commercial operations of the company has commenced for that particular operation in the UT i.e., date of first commercial sale bill/ invoice raised by the ICT company concerning a particular product, goods or services.
- viii. **Micro, Small and Medium Enterprise (MSMEs)** MSME means small and Micro IT/ITES/ESDM companies/units/enterprise with investment in Plant & Machinery of less than INR 5 crores.
- ix. **Eligible unit's** unit means a IT/ITES/ESDM unit with minimum 15 employees on its permanent payroll involved in core economic activities of the unit such as software development, business development, hardware manufacturing etc. setting up its operations in Jammu and Kashmir during the operative period of the policy.
- x. **New Unit** means an IT unit in Jammu and Kashmir, which has commenced commercial operations on or after the date on which the policy is notified.
- xi. **Existing Unit** means an IT unit in Jammu and Kashmir, which is or was in commercial operation at any time prior to the date of notification of the policy
- xii. **100% Export Oriented unit** means an IT unit in the UT, which undertakes to export its entire value-added goods and services subject to relaxation as permitted by the Government of India from time to time.

- xiii. **Fixed Capital** Investment means investment in plant& machinery and building connected directly with manufacturing process, including operational space, laboratory, , hardware, software and other fixed assets required to produce IT/ITeS/ESDM product or services and its installation cost, pre-operative expenses capitalized, electrical and such other equipment, that are directly related to operational activities.
- xiv. **Implementing Agency** means the IT Department, or an agency nominated by IT department for administering this policy.
- xv. **BPO operation** includes IT enabled services which are defined by Central Board of Direct Taxes (CBDT) and NASSCOM, mentioned in the Annexure —I of the policy.
- xvi. **Start-up: An IT based entity** shall be considered as a Start-Up under this policy, if it fulfils all of the following criteria:
- a. It is incorporated/registered within a period of last 7 years.
 - b. Its turnover for any of the financial year since incorporation/registration has not exceeded INR 25 crore.
 - c. The entity is not formed by splitting up or reconstruction of an existing business.
 - d. It is not incorporated/registered as a subsidiary of an existing Indian or foreign company.
 - e. It is working towards innovation, development and improvement of products/processes/services or if it is a scalable business model with a high potential of employment generation or wealth creation, and
 - f. It is incorporated/ registered in Jammu and Kashmir or employees atleast 50 percent of the permanent workforce from Jammu and Kashmir.
- xvii. **Mega Project** means investment in fixed capital Investment above INR 100 Crores. or generating a minimum of 1000 regular employment over a period of 5 years.
- xviii. **Core operation** means employees engaged in the main economic activities of the unit and shall exclude people employed in support services such as security guards, gardening, drivers etc.

2. Vision

To use IT as an engine for rapid Inclusive and sustainable growth in the economy of J&K with the active participation of private initiative/entities.



3. Mission

Leveraging and harnessing the power of IT in areas of education, health, employment and productivity, entrepreneurship, industry and commerce employment and governance for ensuring a better quality of life for citizens.

4. Objectives

- To create and upgrade IT Infrastructure to meet existing and future demands of the Union Territory in e-Governance.
- To Increase digital literacy among youth and enhance employability by strengthening of the IT curriculum and infrastructure of educational institutions in the UT of J&K.
- To attract the average investment target of INR 500 crore per year for next 5 years.
- To utilize the existing and prospective IT Infrastructure resources to the best possible extent.
- To provide internet connectivity to all Halqa panchayats of the Union Territory of J&K.
- To use IT for Promoting Tourism in the Union Territory and to unleash the Jammu and Kashmir as an incubation engine thereby promoting

entrepreneurship, increasing foreign exchange earnings and increasing IT's contribution to the Union Territory's GDP.

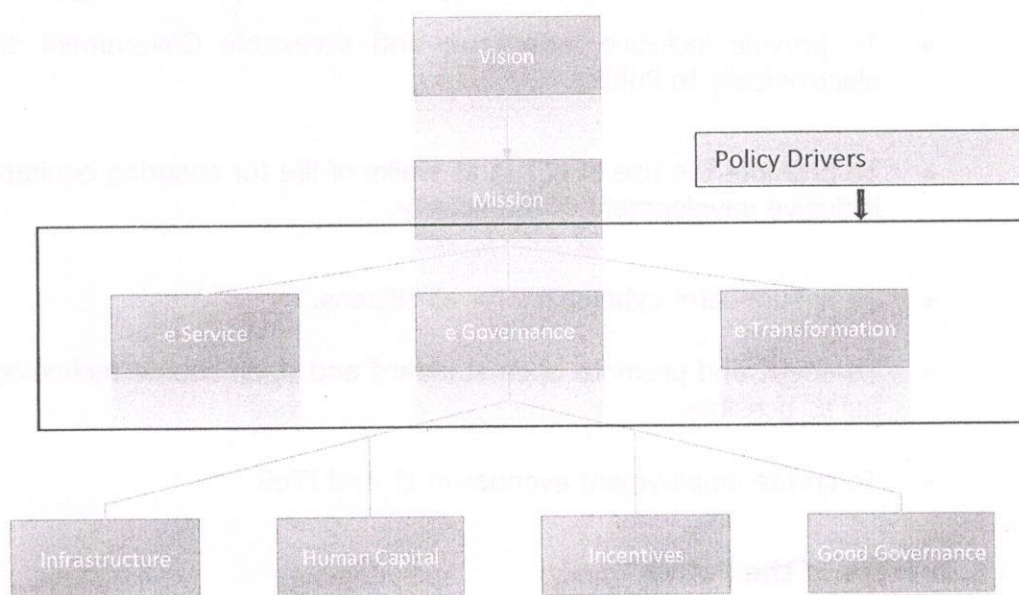
- To make individuals (at least one female) in every household e-literate to bridge the digital divide.
- To provide rapid and robust expansion of electronic hardware manufacturing, electronic design and IT design studio to the best possible extent within Jammu and Kashmir
- To Increase the quality and competitiveness of small and medium IT enterprises and promote them to international standards.
- To provide inclusive, affordable and accessible Government services electronically to Public.
- To promote the use of ICT in all walks of life for ensuring equitable and inclusive development of the society.
- To ensure safer cyberspace for all citizens.
- To adopt and promote open standard and open source technologies as far as possible.
- To create employment avenues in IT and ITeS.

5. Drivers of the Policy

1. **Citizen services** - The policy will focus on the expectation and constant demand by the citizens in terms of a (SSO) single sign on for Government Services and interactions, Digital governance and Right to Service. It will be aligned with the futuristic needs of the people and businesses.
2. **Industry Needs** —Keeping up with the favourable consideration for assistance in creating cost effective infrastructure for "work and life ", updated university curriculum for the availability of qualified employees and support and assistance for destination competitiveness
3. The Government to leverage initiatives and efforts put in by various organisations like NIC, STQC, NeGD and others in developing various e-Governance projects.

4. Innovative ideas and endeavours will be promoted, and its effective facilitation will be ensured in diverse production sectors. Leveraging disruptive technologies such as AI, Smart home and city technologies, Block chain, Machine learning as well as upgrading the skillset of prospective budding entrepreneurs.

6. Policy Outline



7. Introduction- IT Sector

Information Technology (IT) has emerged as an important aspect in today's global economy. IT has completely transformed the way of human life. With the introduction of computers, the business world has changed forever and evolved for better. Businesses use information technology in several different departments including human resources, finance, manufacturing, and security. The relative position of a country's economy and state of its governance are gradually becoming synonymous with its ability to participate and contribute in this important sector. Governments are increasingly applying IT tools in administration and moving towards e-Governance. The digital delivery of services has simplified the way citizens interact with the Government to avail various services and has enhanced the ease of living of the citizens. It

is with this spirit that the Digital India Programme of GoI, aims at transforming India into a knowledge-based economy and a digitally empowered society.

8. Jammu and Kashmir IT Snapshot

Jammu and Kashmir provide ample scope for the development of Electronics and IT / ITeS sector in the region. The Union Territory is geographically favorably positioned to cater to domestic as well as international markets of Bhutan, Bangladesh, Myanmar, Thailand, Vietnam, Cambodia etc. The presence of STPI in Jammu and Kashmir is one of the key building blocks for a vibrant MSME ecosystem in the IT sector. To provide last mile connectivity to the Gram Panchayat level, the Department of Telecommunication, Government of India, is implementing the Bharat Net, previously National Optical Fiber Network (NOFN) project in J&K. Business Process Outsourcing (BPO) units have also started operations at several locations, including, Bhaderwah, Budgam, Jammu, Sopore and Srinagar in Jammu and Kashmir.

The Information Technology Department, J&K has been continuously striving to fulfill its mandate of providing Government services to citizens through digital platforms. It is creating and upgrading the requisite IT infrastructure and building capacities of the Government officers in the latest technologies, enabling them to make use of the latest IT tools to deliver public services more efficiently. The focus is on e-Governance & minimizing the footfall of citizens in Government offices and to bring ease in availing of the services being offered by Government Departments. The IT Department, presently, is providing 26 Government to Citizen (G2C) services of 09 different Departments through a digital platform and many more are in the offering in the near future. IT Department, J&K has set up state-of-the-art State Data Centre (SDC) that provides a secure hosting environment for sensitive data of different departments of the Government. With a view to bring office reforms, IT Department, J&K has successfully implemented Online File Tracking System, Biometric Attendance System and is presently digitizing the official records of all Administrative Departments of J&K Government for introducing e-office in

every Department. IT Department also actively promotes and facilitates other offices in the implementation of their e-Governance initiatives. Further, to connect citizens and administration directly, Government of J&K, through IT Department is implementing the "Digital Village through Digital Means" program and is establishing Digital Villages Centers (DVCs) at Gram Panchayats across J&K. This will make rural masses, both agents as well as beneficiaries of growth. IT Department, to promote digital literacy in the UT of J&K, is successfully running the employment linked capacity building initiative for unemployed youth in collaboration with 3 Key Implementing Agencies to provide training and industrial skills to educated employable youth in 17 National Skill Qualification Framework (NSQF) courses across J&K. The objective is to impart industry relevant skills for their gainful employment.

9. Competitive Advantage

- **Institutes of Higher Learning imparting relevant IT skills:**

- Regarding Technical Education, the UT has 1 Indian Institute of Technology (IIT), 1 Indian Institute of Management (IIM), 1 National Institute of Technology (NIT), 2 Central universities, 08 UT Universities, 10 Engineering colleges. There are also 32 polytechnics and 88 industrial training institutes (ITIs) offer specialization options in various technical disciplines. Also, J&K has one specialized Agriculture University including one Open University.

- **Quality of Life:**

- i. Low Crime Rate: According to the National Crime record bureau, Ministry of Home Affairs report 2016 Jammu and Kashmir contributes to only 0.1% of total cognizable crimes in India as per IPC.
- ii. Air Quality Index (AQI) is much better in J&K as compared to rest of India.
- iii. Tourism and recreation: Tourism, Sightseeing and other leisure activities have huge scope in J&K and it draws a sizable number of tourists from all over the world to J&K.

- iv. Standard of living is good as compared to many other States in India.

• **Socio economic indicators:**

Indicators	J&K
Per capita income (Rs)	65,615
Life expectancy in years	73.5
Literacy Rate %	66
Health centers	3289

- i. The literacy rate is 66 percent as per 2011 Census, out of which male literacy figures are at 76.75 percent and female literacy figures are at 56.43 percent. Urban and Rural literacy rate is at 77.12 percent and 63.18 percent respectively. A large portion of the population in the age group of 15 to 30 years in the major towns are IT literate and skilled with good command on English language.
- ii. Robust Telecommunication Network and one of the fastest growing sectors in the UT.

• **Pro-Business approach of Government (Ease of Doing Business):**

- i. Jammu and Kashmir is implementing necessary reforms for simplifying processes and procedures for business to establish and operate their units in a transparent and hassle-free manner under ease of doing business (EoDB) program. Most of the services or interactions of the business with government today are delivered through the digital format in time bound manner.
- ii. Jammu and Kashmir is one of the developed UT in the Northern region of India and fast emerging as an economic and commercial hub for future business. The UT is very well connected to rest of the country and neighbouring countries.

- iii. UT and Central Government are making all efforts to further improve the connectivity in the UT. The citizens and businesses today have access to required bandwidth on demand in most of the areas.

Through competitive policy offerings, The Government of Jammu and Kashmir intends to promote investment in the information & communication technology and electronics sectors and thereby play a vital role in promoting region's market, while boosting skilled employment opportunities and overall socio-economic development.

10. Investment Horizon

1. IT Services

- Network Security Data Management
- Networking services
- Resiliency and business continuity services
- Systems services
- Technology support services

2. Business Process Management

- BPO
- BPM

3. Software Produce Design for Industry

- Banking
- Retail
- and others

4. Disruptive Technologies

- Internet of Things
- Artificial Intelligence
- Robotic Process Automation
- Data Science

- Wireless Sensor Networks
- Cyber Forensics
- Block Chain
- Multimedia/Augmented Reality
- Data Analytics
- 3D Printing and other technologies

11. Registering Authority

The Designated Agency (DA) will be Information Technology Department or its agency, Jammu and Kashmir e-Governance Agency (JaKeGA), will act as the registering authority of the IT Industry. The DA shall deal with all issues and act as a single window clearance in facilitating the registrations in consultation with the IT department. The DA to also handle inspections of various IT products procured by J&K.

12. Facilities to Promote IT Industry

To facilitate the growth of IT sector in J&K, the Government will further facilitate setting up of new IT, ITES, IT Services units in the UT by provision of:

- i. Single window clearance system for power, pollution control, land allotment and registration of the industrial unit.
- ii. Closer interaction with financial Institution and commercial banks, to ensure regular and adequate flow of finances to the IT sector.
- iii. Permanent and Dedicated Grievance Redressal System to remove bottlenecks in import and export of products to and from J&K.
- iv. Encouraging Research & Development, innovation and new technologies.
- v. Focusing on thrust areas in the UT and facilitating large investments in prestigious projects Units in the SME (Small & Medium Enterprises) sector and start-ups would be given special incentives such as incubation facility, access to venture capital and legal support (Copyrights, Patents and Trademarks).

- vi. Small and Medium Industries will be encouraged to take up value added services.
- vii. Industry Promotion Cell: Industry Promotion Cell will be established to provide all the necessary information to prospective investors and to assist them in the process of setting up IT industry in the UT. The cell will provide information on setting up IT units, VC support, legal issues, HR outsourcing etc.

13. Incentives

13.1 Human Capital:

The Availability of skilled manpower is essential for the development of IT Industry. While J&K has various educational institutes of national reputes including an IIT, an IIM, a NIT besides a large number of training institutions specialized in IT and computer sciences, it is necessary to create an environment that promotes quality of education in emerging technologies and alignment with the specific needs of the industry. To this end, the following initiatives shall be taken.

A. Changing Course Curriculum:

The course curriculum of colleges and Universities will be aligned to the requirements of the Industry, with introduction of courses in entrepreneurship development. Also, specialized programs in IT entrepreneurship would be introduced in (Jammu and Kashmir entrepreneur development institute (JKEDI) with a special focus on emerging technologies and innovation in IT. In addition, assistance for students for taking R&D in IT field will be encourages. Identifying the shortage of IT skills in the curricula of the existing professional courses of IT and updating the curricula as per the industry standards and requirements by involving the people from IT companies of repute at national and international level for the same with the support of IIT Jammu and NIT Srinagar.

B. Credits for Online Courses:

Special credits will be given to students completing online courses in Information Technology. Universities will be advised to partner with

online course providers to facilitate online learning. These courses will be provided to the students at discounted and subsidized rates.

C. Faculty Up gradation:

A scheme shall be introduced for faculty up gradation/ Training for staff of universities/colleges. Special focus would be on Information Technology

D. Establishment of Premier Institutes:

The Government would support the opening of the premier IT institutes in partnership with the top IT Companies and Foreign Universities.

E. Mandatory Apprenticeship:

All educational institutions offering under-graduate courses in software engineering, IT, electronics and computer sciences shall implement a mandatory scheme of internship / apprenticeship in the 3rd/4th Year of the course in association with the industry by implementing apprenticeship act.

F. e-Literacy:

An appropriate scheme would be announced to make at-least one-person e-literate in every household, in partnership with the industry with a special focus on women e literacy.

G. Training:

Different companies of national and international repute will be encouraged to provide training to students studying in different institutions across J&K to make them employable.

13.2 Infrastructure

The Government shall endeavour to establish state-of-the-art infrastructure of international standards suiting to the requirements of the IT / ITES Industry. Mega IT Hub will be developed, through an initial effort of developing an IT township with a built-up space of 2 million square feet. A signature tower of 1 million square feet shall form the nucleus of the Mega IT Hub.

IT Hubs:

1. Integrated Townships and IT Parks shall also likely to be taken up in addition to the above proposed IT Infrastructure / built-up space within the project comprising residential facilities along with commercial, retail and office spaces appropriately supported by other requisite infrastructure like Power / Water Linkage, Sewerage/ Drainage System, Street Lighting etc.
2. The following infrastructure facilities for the IT Built-up Space shall be given priority.
 - a. Twenty-four hours uninterrupted power supply
 - b. Reliable connectivity for uninterrupted and secure data transmission.
 - c. Central air-conditioning system –to be developed by individual units
 - d. Ready to use, furnished plug and play facility for end users

Public Private Partnership for IT Infrastructure:

- The facilities, in the form of IT Towers, IT Parks and IT Zones, shall be developed adopting a transparent PPP policy. The following principles will form part of such a policy:
 - a. For each project, J&K shall select a partner, who can be a developer or a consortium of developers and the industry players, through a bidding process involving the Quality and Cost Based Selection method.
 - b. The responsibility of marketing the facilities created shall be with the selected partner. The Government shall provide such promotional support as and when needed.
 - c. Appropriate relaxations will be provided from the zoning regulations and land usage conversions, subject to environmental safeguards.
 - d. The principles of green buildings, green IT, e-Waste management, Walk-to-Work and Cycle-to-Work shall be followed while designing the facilities.

13.3 IT/ITES Park

Government Owned IT Park

1. Two IT Parks are being developed one each at Jammu and Srinagar with an area of 5 Lakh square feet. Plug and Play facilities are expected to be given to interested parties by April 2021. The Parks are being developed in cluster mode and Dedicated/uninterrupted and secure technological infrastructure like optic fiber connectivity, Broad band connectivity, Wi-Fi access, Video Conferencing facilities etc. will be available with all the security arrangements in place.
2. Reimbursement up to 25% of lease / rental charges on the space, subject to a maximum limit of INR 10 lakhs per year, for a period of 5 years.
3. The Government will develop a world class IT park with proximity to Airport/ National highways/Rail terminals and Institute of higher professional education for attracting investment into the UT
4. The Government shall allot space in the IT Park at concessional rates on a long term lease basis to the prospective investors. The rates will be notified by the Government of Jammu and Kashmir.
5. The Government will create basic infrastructure amenities such as electricity, water, and sewerage treatment etc in the IT park for utilization of these facilities by the occupants of the IT park.
6. Adequate security measures will be put in place by the Government to ensure smooth and uninterrupted operations
7. Within the proposed Built-up Space, core activities related to IT, ITES and BPOs are proposed to be housed in a serene environment with an abundance of green areas supported by robust IT infrastructure, well-structured road network and other utility services. The activities shall be arranged in a suitable form as a combination of :
 - a. Customized built-up space for small and medium segment players. Built up spaces including semi-furnished office space.
 - b. Plug & Play Facilities.
 - c. Incubation Centres.

13.4 Incentives to the Industry

1. As a special dispensation for IT units, the land allotment cases for setting up of such units would be decided on top most priority. For registered IT units within the declared IT Park, relaxation of FAR to the extent of 50% of the prevailing norm will be available. In other areas (not including core/banned/restricted/ green areas), FAR relaxation up to the extent of 25% would be considered in individual cases subject to considerations relating to population densities, availability of infrastructure, local geology, etc.
2. Air Connectivity: The process of expansion and modernization of 11 airports in J&K namely Akhnoor, Chamb, Chushal, Fukche, Gurex, Jhangar, Miran Sahib, Panzgam, Poonch, Rajouri and Udhampur are afoot under UDAN 4.0. The Government shall take speedy and effective steps to develop the other airports in the UT to cater to needs of the industry.
3. Uninterrupted Power: The Government intends to make the UT power surplus. As an interim measure, the ICT industry would be exempt from the purview of statutory power cuts.
4. Governance of IT policy & time bound approvals: All clearances will be given for the start of IT/ITES related ventures within 30 days from the date of application.
5. IT Software units would be permitted to be set up in residential areas subject to load restrictions.
6. A scheme shall be introduced to promote use of high end ICT by existing Industries in Jammu and Kashmir.
7. Effective Single-Window System: Online 'Single Window Clearance Unit' will be created and operationalized for granting approvals & clearances for setting up New IT Units and for expansion of the existing IT units in Jammu and Kashmir.

8. Time-bound Approvals: The following procedural reform would be undertaken with an aim to provide approvals to the industry / investors within 4 weeks.

- i. Integrated Application for all permissions
- ii. Nodal Officer to be assigned the responsibility for getting approvals
- iii. Escalation at various levels and regular monitoring

9. ICT industry would be exempt from the purview of the JK Pollution Control Act, except in respect of power generation sets.

10. In addition to the self-certification exemption available to start-ups under start-up India Action plan for the first year. IT industry would be exempt from inspections under the following Acts and the Rules framed there under, barring inspections arising out of specific complaints. The IT units are permitted to file self-certifications, in the prescribed formats

- i. The Factories Act, 1948
- ii. The Maternity Benefit Act, 1961
- iii. Shops & Establishments Act, 1988
- iv. The Contract Labor (Regulations & Abolition) Act, 1970
- v. The Payment of Wages Act, 1936
- vi. The Minimum Wages Act, 1948
- vii. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959

11. General permission shall be available for 3 shift operations with women working in the night for IT / ITES Units / Companies, subject to the IT units taking the prescribed precautions in respect of safety and security of employees like hostels and transportation.

12. IT Software and Services industry would be treated as industrial consumers and electricity tariff applicable to the Industrial consumers would be levied on such industries. Industrial power tariff and all other

admissible incentives and concessions applicable to industries in respect of power would be applicable to the IT industry. The Government would ensure good quality uninterrupted power supply to the IT units which are located in clusters/estates set up for this purpose.

13. IT/ITeS industries would be entitled to "Industry" status and all incentives applicable to IT/ ITeS as per relevant Industrial Policy.
14. Mega Projects will be treated on priority under existing provisions and tailor-made benefits and incentives will be extended to them on a case-to-case basis as discussed and decided by the Consultative Committee for IT Industry (CCITI)
15. CCITI: An empowered 'Consultative Committee for the IT Industry' would be formed with the representatives of industry and the other stakeholders. The CCITI would administer the incentives in a speedy, time-bound and transparent manner. Government of J&K will notify the constitution of an empowered consultative committee (CCITI) for the IT industry in due course of time for granting incentives and resolve issues if any.
16. Business Networking and Promotional Events: The Government shall promote and encourage participation in various national and international events by the industry and by leading a Government-industry business delegation to identified Exhibitions and Conferences. The Government would also undertake various promotional events and participate domestic and international road shows from time to time.
17. Technology & Market Support: The Government will support IT Exporters Associations, STPI, or any such organisation (as decided by CCITI) for conducting surveys and / or research on trends in technology, market intelligence or other work useful to the IT Industry.
18. Patent Filing Cost: The cost of filing patents will be reimbursed to the companies registered in Jammu and Kashmir, as per **Jammu and Kashmir Industrial Promotion Policy 2020.**

19. IT Units shall be eligible for reimbursement of expenditure incurred for obtaining quality certifications as per **Jammu and Kashmir Industrial Promotion Policy 2020**.

20. The UT will reimburse up to 50% of the cost of technology acquisition up to a maximum of INR 1Crore, one time in 5 years. This acquisition reimbursement would be valid for the acquisition of new technologies which enhance the capacity and capability of the unit. Max. of 10 Units per year will be eligible for this benefit.

21. One time Recruitment assistance of Rs. 26000 per employee/year for a minimum annual recruitment of 50 new IT/ITeS professionals and Maximum of 500 annual recruits. This assistance will be applicable for the period of 5 years from date of start of operations.

22. Bandwidth Subsidy: Bandwidth Subsidy to new and existing IT unit's setup within J&K will be extended to the unit holders at 25% of the Usage per year, subject to a maximum cap of INR 2 Lakh per year and in comparison, with market rates of bandwidth at the time of notifying the subsidy.

23. 15% of the plug and Play premises in designated IT Parks will be reserved for women entrepreneurs.

24. The Government would encourage private sector participants to become Internet Service Providers and facilitate their expansion in the districts of Jammu and Kashmir to enable high speed internet connectivity in all Halqa Panchayat of Jammu and Kashmir.

14. Government of India MSME schemes for Information Technology Sector

Various Ministries and Departments of Government of India have been running schemes targeted towards MSME Sector. Various support services and schemes for IT related industries offered by various Central Government Ministries for proper dissemination and use by all concerned and especially those interested in venturing their enterprises are enclosed at Annexure 2 of this policy document for ready reference.

15. Policy Implementation

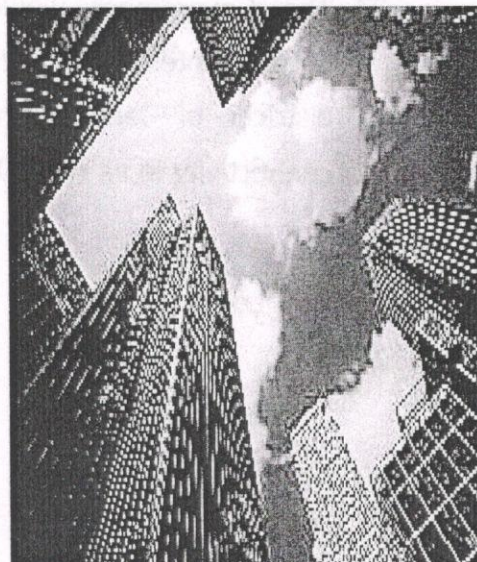
A high-powered committee under the chairmanship of Chief Secretary will be formed to lay down the detailed implementation guidelines of the policy.

16. Operative Period of Policy

This Policy shall come into force with effect from the date of notification of the policy and shall remain in force for a period of **10 years or till the declaration of a new or revised Policy, whichever is earlier.**

17. Rights of the J&K Government

1. The UT Government reserves the right to amend any provision(s) including amendments or withdrawal of any of the incentives/ Concessions as and when necessary for development of the ICT industries and in the interest of the general people of the UT from time to time under provision of this policy.



2. The Government of J&K reserves the right to review the matter regarding sanction/Disbursement of incentives to the eligible IT/ITeS

units at any point in time whenever the Government feels appropriate and, in this connection, the UT Governments decision shall be final and binding.

3. The UT Government reserves the right to make /amend the necessary rules for implementation of this policy as and when required.
4. The decision of IT Department, Government of J&K, about the interpretation of this policy shall be final.

18. Exclusive Jurisdiction

The courts in Jammu and Kashmir shall have exclusive jurisdiction to try any case arising out of the J&K Industrial Policy, 2020.

Note: The incentives listed herein would be available to the new companies and to the expansions of existing companies, unless the same has been claimed earlier.

ANNEXURE - 1

As per the Central Board of Direct Taxes (CBDT) notification No. 890E dated 26.9.2000, the list of eligible IT enabled services considered in IBPS are as under:

1. Back office operations
2. Call centres
3. Content Development or Animation
4. Data Processing
5. Geographic information System Services
6. Engineering and design
7. Human Resource Services
8. Insurance Claim processing
9. Legal Databases
10. Medical Transcription
11. Payroll
12. Remote Maintenance
13. Revenue Accounting
14. Support Centres
15. Website services

As per NASSCOM, BPO includes following processes that may be IT-enabled, and which do not necessitate on—shore presence and are hence, offshore-able:

Customer Interaction & Support (CIS) — CIS includes all forms of IT—enabled customer contact; inbound or outbound, voice or non-voice-based support used to provide customer services, sales and marketing, technical support and help desk services.

Finance & Accounting (F&A) — F&A includes activities such as general accounting, transaction management (account receivables and payables management), corporate finance (e.g. treasury and risk management, and tax management); compliance management and statutory reporting etc.

Horizontal-specific BPM services — Services that are reasonably similar across industries. Horizontal BPM services include Customer Interaction and support (CIS) Finance and accounting (F&A) and other related processing services, Knowledge services, Human Resource Management, (HRM), Procurement BPM.

Human Resource Processing- HR Processing services include services that support the core HR activities plus talent management activities and associated business processes such as benefits, payroll, and talent management. Knowledge Services—Business research, Market research, Data Management, & reporting, Data analytics, Social media research, risk management. The IT Department will update the list as and when necessary.

ANNEXURE2

Government of India MSME schemes w.r.t Information Technology Sector:

Related Scheme	R&D Funding
Description	Grant to institutions, organisations for R&D, technical collaboration, etc.
Nature of Assistance	Funding varies based on the total cost of project
How to apply	To Miety
Who can Apply	Any institution/firm incorporated at least for 2 years
Related Scheme	Technology Incubation and Development of Entrepreneurs (TIDE)
Description	Financial and policy support for setting up/strengthening technology incubation centres leading to indigenous products and packages in ICT sector
Nature of Assistance	Grant-in-aid of up to Rs.155 lakh, payable in instalments
How to apply	To MeitY
Who can Apply	Institutions
Related Scheme	Multiplier Grants (MG)
Description	To industries and consortia for developing R&D that can be commercialised in collaboration with institutions
Nature of Assistance	Grant for projects of less than 2 years duration, with a limit of Rs.2 crore
How to apply	To MeitY
Who can Apply	Industries and academic institutions
Related Scheme	Support to International Patent Protection in Electronics and IT (SIP-EIT)
Description	Financial support to technology start-up units for filing international patents
Nature of Assistance	Up to 50% of total patent cost by reimbursement, with Rs.15 lakh limit
How to apply	In prescribed format
Who can Apply	Any registered MSME or TIC
Related Scheme	Software Technology Parks of India (STPI)
Description	To promote software exports
Nature of Assistance	Tax and duty exemptions
How to apply	Through registration with www.stpi.in
Who can Apply	Software companies
Related Scheme	Special Economic Zone (SEZ)
Description	To create world class infrastructure, utilities and services for globally oriented businesses and for export promotion
Nature of Assistance	Tax and duty exemptions of varying definitions; single window clearance
How to apply	In the prescribed proforma
Who can Apply	Medium and large industries
Related Scheme	Electronics Hardware Technology Park (EHTP)
Description	Under the Ministry of Commerce and Industry, Government of India
Nature of Assistance	100% FDI, duty-free imports, 100% tax exemption, etc.
How to apply	In the prescribed proforma

Who can Apply	Net foreign exchange earners
Related Scheme	Export Promotion of Capital Goods (EPCG)
Description	Allows import of spares and refurbished/ reconditioned capital goods, and fulfilment of export obligation by supplying ITA-1 items to DTA against realisation in free foreign exchange
Nature of Assistance	Zero duty to electronic products exporters, concessional 3% on import of capital goods, including pre- & post-production, and software systems
How to apply	Apply to DGFT with necessary documents
Who can Apply	Manufacturer exporters, merchant exporters, certified service providers
Related Scheme	Duty Exemption and Remission
Description	To enable duty-free import of inputs needed for export production
Nature of Assistance	Issues advance licence, permits duty-free replenishment of inputs and drawback of import charges
How to apply	Apply to DGFT with necessary documents
Who can Apply	All the licensed exporter`s
Related Scheme	Deemed Exports
Description	Payment for goods received in Indian Rupee or in free foreign exchange
Nature of Assistance	Exemption of terminal excise duty against ICB, or refund
How to apply	Apply to DGFT with necessary documents
Who can Apply	All licensed exporters
Related Scheme	Manpower Development for Export Industry
Description	To create high standard mentors, faculty, skilled graduates as also course material through virtualisation of technical education, ToTs, etc
Nature of Assistance	State-of-the-art facilities to be created in identified institutions across the country
How to apply	HRD division of MeitY
Who can Apply	Graduates, engineers in IT, professionals, mentors/teacher