



केंद्र शासित प्रदेश, लद्दाख

उद्योग एवं वाणिज्य विभाग

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THE ADMINISTRATION OF  
UNION TERRITORY OF LADAKH  
Industries and Commerce Department.

F.No:M-11012/101/2022-OFFICE OF DY SECY (InC)

यूटी सचिवालय/UT Secretariat

**Notification**

**Ladakh, the 17<sup>th</sup> January 2023**

S.O. 02 - The Ladakh Sustainable Industrial Policy 2022-27 as detailed in annexure, enclosed to this S.O is hereby notified. The new Ladakh Sustainable Industrial Policy 2022-27 and package of incentives and concessions shall come into effect immediately.

**By order of the Lieutenant Governor.**


Sd/-  
(Saugat Biswas), IAS  
Commissioner/Secretary

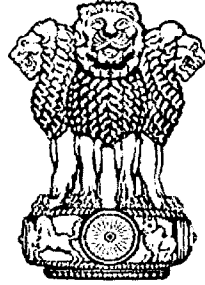
No:- Comm.Secy/I&C/UTL/141/2022/ 30-35

dated: 20.01.2023

Copy to the;

1. All the Administrative Secretaries UT Ladakh.
2. Additional Director General of Police (ADGP) Ladakh.
3. Joint Secretary (JKL), MHA, New Delhi.
4. Technical Director, NIC, Ladakh for uploading on the UT Website.
5. OSD to Lieutenant Governor, UT of Ladakh for information of the Hon'ble Lieutenant Governor.
6. Private Secretary to Advisor for kind information of the Advisor.
7. Office file.

  
(Rigzin Spalgon)  
Deputy Secretary



सत्यमेव जयते

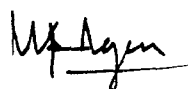
**THE ADMINISTRATION OF UNION TERRITORY OF  
LADAKH**

**LADAKH  
SUSTAINABLE INDUSTRIAL POLICY  
2022 – 2027**

**DEPARTMENT OF INDUSTRIES AND COMMERCE  
UT LADAKH**


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## Definitions

1. "Administration" means the Administration of Union Territory of Ladakh
2. "Applicant" means a person including an entrepreneur/unit owner, who himself / herself on behalf of a legal entity, on being so authorized makes an application for grant of requisite clearances or renewal thereof for setting up or operation of an industrial unit, a business, or its expansion.
3. "Appointed date" means date on the policy is notified by the Administration of the UT of Ladakh.
4. "Clearances" means grant or issue of no objection certificate, allotments, consents, approvals, permissions, registrations, memorandum, enrolments, licenses, and renewals thereof, by any competent authority or authorities designated to grant such clearances in connection with services in the UT under relevant laws and shall include all such clearances required by an applicant for establishment and operation of a unit.
5. "Competent Authority" means any department, corporations, statutory body or agency of the Central or the Administration of UT, Halqa Panchayat, Municipality, or other local body, entrusted with the powers and responsibilities of granting or issuance of clearances under any law in force.
6. "Consultant" means any consultancy organization registered/empaneled with the State or Central Government or agency thereof or registered as management consultant under MSME NIC Code-70200 for the purposes of preparation of feasibility reports and DPRs. Scientific & Educational Organisations with domain expertise in providing consultancy/ professional/ expert services for the above purposes will also come under the ambit.
7. "Commencement of commercial production/ operation" means the date on which the Industrial Unit commences commercial production or operations, as the case may be and taken on record by the District Industries Centre or any other officer authorized by the Industries & Commerce Department to do so.
8. "Department" means Department of Industries & Commerce, Union Territory of Ladakh
9. "Director" means Director of Department of Industries & Commerce, Union Territory of Ladakh
10. "Ease of Doing Business" and "Ease of Living" means Ease of Doing Business and Ease of Living initiatives under Business Reform Action Points and Reducing Regulatory Compliance Burden (RCB) of the Department for Promotion of Industries and Internal Trade (DPIIT), Ministry of Commerce and Industry, Government of India or any such other programme.
11. "Eligible Industrial Unit" means an industrial unit fulfilling the eligibility criteria as per the provisions made under Chapter 1.5 of this policy.
12. "Industrial Unit" means any entity engaged in manufacturing or processing, or both or services, or any entity engaged in manufacturing or service as defined from time to time under the Micro, Small and Medium Enterprises Development Act, 2006 (Central Act No 27 of 2006).
13. "Existing Industrial Unit" means an Industrial unit engaged in manufacturing of goods or in providing services and registered / acknowledged / taken on record by the Department and has commenced commercial production before the Appointed Date.

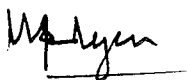


14. "Export Oriented Unit " (EOU) means an Industrial Unit which has a valid letter of permission as an Export Oriented Unit from the Director General of Foreign Trade, or any other authority notified by the Government of India from time to time.
15. "Feasibility Report" means a report on the economic and technical feasibility of an enterprise.
16. "Finished goods" are products that have passed or completed the manufacturing process. The process of value addition is complete, and the product is ready for being sold to its consumer.
17. "Industrial Estate" means an area notified as Industrial Estate by the Administration of UT Ladakh.
18. "Investment Promotion & Facilitation Cell (IPFC)" means a cell as to be constituted for the Investment Promotion and Facilitation of Industries and eligible applicants on Single Window Facilitation System. It may also be called Investment Promotion Agency.
19. Manufacturing Unit means a unit which carries out processing of raw material or inputs in any manner that results in emergence of a new product having a distinct name, character and use.
20. Micro, Small and Medium Enterprises (MSME) means enterprises engaged in the manufacture or production of goods or rendering services in which the investment in plant and machinery or equipment, as the case may be, is within such investment level as prescribed under 'Micro, Small and Medium Enterprises Development Act; 2006 [MSME Act 2006 No. 27 of 2006] by the Government of India, as amended from time to time.
  - Micro Units – Investment not more than Rs. 1 Crore & Turnover less than Rs. 5 Crore
  - Small Units – Investment not more than Rs. 10 Crores & Turnover less than Rs. 50 Crore
  - Medium Units– Investment not more than Rs. 50 Crores & Turnover less than Rs. 250 Crore
21. "Negative List" means the categories of industries listed in Annexure I of these Rules.
22. "New Industrial Unit" means an Industrial Unit located within the Union Territory which commences commercial production / operation on or after the Appointed Date and registered/ acknowledged/ taken on record by the District Industries Centre. A new unit will be required to fulfill the following conditions:
  - i. It is not formed by splitting up, or reconstruction of a business already in existence.
  - ii. It is not formed by transfer of plant or machinery previously used for any other purpose to the new unit.
  - iii. It has not been relocated from elsewhere and/or is not an existing unit re-opened under a new name and style.
23. "Plant and Machinery" means the investment made in Plant and Machinery by manufacturing enterprise(s). For Service sector units' investment in Plant and Machinery means cost of construction of building and all other durable physical assets basic to the running of that particular service industry but exclude cost of land and consumables, disposables or any other item charged to revenue.
24. "Person(s) with Disabilities" means person(s) defined under Rights of Persons with Disability Act, 2016
25. "Prescribed" means prescribed by rules made under this Policy



26. "Relevant Laws" means Act, Rules or Regulations as may be prescribed.
27. Service Unit means a unit providing "services" defined as anything other than goods, money and securities but includes activities relating to the use of money or its conversion by cash or any other mode from one form, currency or denomination to another form, currency or denomination for which a separate consideration is charged.
28. "Single Window Facilitation System" means a Single Window online application system for enterprises under which clearances will be time-bound.
29. Substantial Expansion means an additional investment of minimum twenty five percent of the total amount of investment already made in the existing unit in plant and machinery (for manufacturing sector) or construction of building and other durable physical assets (for service sector) for the purpose of enhancement of capacity, modernization, diversification or additional line of activity.
30. "Timeline" means timelines as prescribed for granting specified clearance (s) under the Single Window Facilitation System as notified from time to time.

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## CHAPTER 1

### 1.1 Introduction

Located in the Indian Trans-Himalayan region, the Union Territory (UT) of Ladakh is surrounded by the mighty Himalayan range in the south, and Karakoram and Kunlun ranges in the north. It extends from the Siachen Glacier in the north to the main Great Himalayas in the south. The region has high mountain valleys in the west and highland plateau interspersed with lakes and river basins in the east. Owing to its geographic location, the region experiences extreme winters.

Ladakh is a cold desert lying in the rain shadow of the Great Himalayas. It is characterized as a cold and arid region. Climatic conditions are quite extreme: summer temperatures can go up to 35 degrees Celsius, whereas winter temperatures can easily fall below minus 20 degrees Celsius. Its arid climate makes conditions harsh for agriculture however agro-pastoralism remains the main source of livelihood in Ladakh.

Ladakh became a new Union Territory on October 31, 2019. Today, Ladakh has become integrated in the global economic system and the region has made a mark in tourism sector. The youth of Ladakh after completing higher education and training are equipped with various skillsets but there is limited scope of employment in the region. Understanding the need for more employment opportunities in the Union Territory, the Administration of UT Ladakh is making its first ever comprehensive Industrial Policy document for the UT of Ladakh, that will dovetail Union Government's Industrial Schemes as well as various Centrally sponsored and Central Sector Schemes of the Government of India, for encouraging meaningful economic development in the region, thereby providing opportunities for self-employment in the region.

**Ladakh Sustainable Industrial Policy 2022 - 2027** aims at harnessing its unique strengths such as its local resources, traditional skillsets by employing modern technology and exploring economic opportunities where the region has an advantage. This would be done in line with its goal of achieving Carbon Neutrality.

### 1.2 Vision

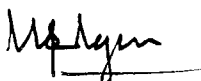
*"To create an enabling ecosystem for balanced growth of industrial sector while empowering the local populace; ensure sustainable development and generate substantial income and employment avenues for the people of Ladakh."*

### 1.3 Objective

This policy aims to:

1. To create a congenial investment climate for existing business enterprises to grow as well as encourage new investment in the Union Territory and to ensure overall development of Industries in the manufacturing and service sector.
2. Promote integrated growth of the region, while preserving region's ecology.
3. Maximizing growth opportunities by optimum utilization of local resources.

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4. Realizing the potential of local entrepreneurship development and employment generation, through skill development of the youth and stakeholders.
5. Encourage exports of exotic products from the region to global markets and create market linkages and investment opportunities to nurture businesses in Ladakh.
6. Specifically address issues impeding industrial growth and ensure simplification of procedures, develop key industrial and social infrastructure, focus on human resource development, access to credit and market.
7. Promote Ease of Doing Business by digitization of all processes. Additionally, streamline processes for implementation of schemes that facilitate entrepreneurship along with relevant regulatory mechanisms.
8. Provide impetus to food processing industry by establishing effective forward and backward linkages, promoting Agri-Horticulture and rural prosperity in accordance with One District One Product (ODOP) program, the flagship program of Union Government.
9. Promote MSME sector for uniform sustainable growth of industrial sector throughout the Union Territory of Ladakh.
10. Encourage production of consumer products at reasonable cost by taking advantage of strategic geographical location of the region
11. Promote Startups and entrepreneurship to create and generate local entrepreneurial base through support structure such as Incubation Centers.
12. Uplift the underprivileged sections of the society.

#### 1.4 Strategy

The Union Territory of Ladakh needs development that enables its residents to realize their aspirations, while preserving its cultural identity and ecological balance. As large-scale industries are yet not sustainable in the region owing to extremities of climate and remoteness of location, thus the objectives of this policy will be achieved by:

1. Developing requisite industrial infrastructure, policy architecture, skill development centers and conducive climate to encourage entrepreneurship.
2. Planning a roadmap for implementation of various Union Territory of Ladakh and Central Government Schemes to ensure that people in Ladakh can benefit from them.
3. Developing the rollout for a promotion campaign for highlighting 'Ladakh' as a brand along with various facets.
4. Streamlining rules/procedures, digitalization of all clearances in a time bound manner to ensure Ease of Doing Business (EODB). Regulatory mechanisms for ensuring accountability, safeguarding vulnerable communities, regions' ecology and compatibility with current laws and policies.
5. Creating and up gradation of existing and developing new industrial infrastructure such as CETP (Common Effluent Treatment Plant), common warehouse, Common Facility Centre (Testing, Tooling, R&D, Design Studio, Skill Development Centre)
6. Ensuring availability of quality power at competitive rates.
7. Recognizing the importance of cottage industry and other rural economy based critical sectors such as food processing, handloom & handicraft and provision of backward and forward linkages with Agro-Horticulture and Tourism.
8. To bring about technology and skill up gradation in the traditional sectors like Handicrafts, Handlooms, Agriculture and Processed Food products to enhance value addition and quality competitiveness.





9. Discouraging polluting industries to assure a responsible eco-friendly environment and incentivize adoption of cleaner production technologies.
10. Focusing and providing support, an ideal ecosystem and handholding to boost Startups & Entrepreneurship.
11. Recognizing the role of specified services activities in employment generation.
12. Providing special incentives for Women, Specially Abled Persons and Third Gender persons.

#### 1.5 Eligible units for availing incentives under this policy

Industrial units eligible under Manufacturing and Service sector for incentive(s) under this scheme are as defined below:

These units will be eligible for incentives, concessions and facilities announced under this policy subject to fulfillment of the eligibility criteria &/or conditions as specified for each of the incentives in the rules/guidelines.

1.
  - a. New Industrial Units engaged in manufacturing except manufacturing units engaged in activities specified in the "Negative List" in Annexure 1;
  - b. New Industrial Units under service sector engaged in "Positive List for Service Sector" in Annexure II this policy;
  - c. Existing Industrial Units of manufacturing sector undertaking Substantial Expansion except industrial activities as specified in the Negative List
  - d. Existing Industrial Units of service sector engaged in Positive List for Service Sector undertaking Substantial Expansion
  - e. Existing Industrial Units in the manufacturing or service sector irrespective of undertaking substantial expansion for specified incentives.
2. Incentives provided under this policy will be admissible to the Unit from the date of commencement of commercial production/operation or the Appointed Date whichever is later, unless otherwise mentioned in the Incentive specifically in the policy document OR the procedural guidelines for implementation of the policy.
3. Units availing incentives under other schemes of the Government of India will not be eligible for incentives that overlap with benefits under this policy. Such units can avail other incentive(s) under this Policy as per eligibility.
4. Period for availing incentive(s): All eligible units can avail specified incentive under this policy up to a period as specified in the respective incentives.

#### 1.6 Registration of Units

1. New industrial units intending to avail incentives under this policy will have to Register with the Industries & Commerce Department through an appropriate mechanism to be set up by the department.
2. The Date of Production/Date of Operation has to be authenticated by the concerned General Manager, DIC.

#### 1.7 De-registration of units

The power to de-register the units for the purpose of the incentives in this policy shall be vested with Director, Industries & Commerce of UT Ladakh. The applicant shall have to apply to the concerned General Manager, DIC with all requisite formalities who shall forward the same to the Director, I&C. De-registration can also be done in for stopping of incentives to any unit due to default or frauds.

## CHAPTER 2

### 2. Resources

#### 2.1 Agriculture and Horticulture

There is discernible potential for agriculture in Ladakh, despite its high altitude and arid climate. The agricultural food production for Leh and Kargil districts (including food grains, fruits and vegetables) is estimated to be approximately 4150 kgs/hectare<sup>1</sup>. The mild summer condition provides opportunity for farmers to produce off-season vegetables and fruits. The Western Himalayan agro-climatic zone of Ladakh region is ideal for exotic vegetables, which are usually imported into India such as Broccoli, Chinese Cabbage, Zucchini, Lettuce, Bok-Choy, Celery etc. There is sizeable demand for imported varieties of exotic produce in India, which is expected to grow by 15% - 20% per annum in the coming years<sup>2</sup>. Low domestic production volumes in India adds to increase in imports. Additionally, agriculture and horticultural produce such as buckwheat, barley, wheat, sea-buckthorn, apricot, apples, watermelon, etc. have immense market potential. Introduction of appropriate technologies and an efficient marketing network coupled with necessary quality control measures shall usher a green revolution in the region. Further, forward linkages such as food processing industry with value addition for agricultural and horticulture produce can add to growth of the industry.

#### 2.2 Textiles: Wool

The climatic condition of the Ladakh region is highly conducive for breeding four species of animals (Changthangi goat, sheep, yak, double hump camel), from which also comes world famous Pashmina, internationally known as "cashmere". Majority of the "finest wool" in India is produced by Ladakh's 'Changthang' region, with an annual production of 46 tonnes<sup>3</sup> of pashmina wool. While total sheep wool production in the district is 102 tonnes<sup>4</sup>. The pashmina shawls are marketed internationally in various ratios of Cashmere and Silk. For promoting this handloom cottage industry in the region, Administration of UT Ladakh will incentivize artisans, weavers and others in the various stages such as spinning, weaving, designing, product, and encourage seamless supply chain management.

#### 2.3 Medicinal & Aromatic Plants

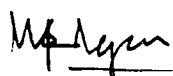
Ladakh has rich medicinal flora and endemic diversity. The traditional knowledge on native plant species is highlighted in 'Amchi system of medicine' and their traditional health-care system. The Medicinal plant resources are for use in the pharmaceutical industry. There is abundance and variety of exotic species such as *Bergenia ligulata*, *Cinnamomum zeylanicum*, *Crocus sativus*, *Elettaria cardamomum*, *Emblica officinalis*, *Ficus religiosa*, *Mangifera indica*, *Punica granatum*, *Santalum album*, *Spondias axillaris*,

<sup>1</sup> Figure estimated based on 2021 data from Horticulture & Agriculture Department, Leh & Kargil.

<sup>2</sup> EMR Report on Exotic Vegetables 2022 - 2027

<sup>3</sup> Sheep Husbandry Department, Leh Statistical Review 2019

<sup>4</sup> Sheep Husbandry Department, Leh Statistical Review 2019



Terminalia bellerica, Zingiberofficinale, etc. These medicinal plants are used for the treatment of various diseases such as for kidney and urinary disorders, stomach problems and many more. Scientific harnessing of the rich flora has immense potential that shall yield good results. Administration of UT Ladakh will encourage research and development, infrastructural facilities and incentivize entities in Ayurveda and pharma sector.

#### 2.4 Animal Husbandry

The Union Territory of Ladakh has a high potential for dairy and allied products for processing. There is potential for dairy processing, which can generate revenue and employment. There is scope for production and marketing of other value-added dairy products if provided with adequate support in machinery and transportation. Similarly, scientific processing of poultry, meat and fish products is lacking in the region and there is potential demand for setting up processing units for the same.

#### 2.5 Tourism

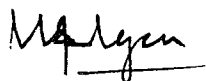
The Union Territory of Ladakh is known as the “Land of Passes”. Hidden behind this harsh and forbidding façade is an ancient civilization and captivating people. Ladakh is a magnificent and an unexplored wonderland of the Himalayas. Apart from its distinct natural beauty, Ladakh has a rich art and culture which is also a major tourist attraction. Opportunities exist in eco-tourism, adventure tourism, anthropological tourism, ethnic cultural tourism etc. Tourism sector potential lies in various domains such as hotels, restaurants, transport management, hiking/adventure equipment, entertainment facilities etc. All these activities and other allied activities related to tourism facilitation will be applicable for the policy, as per the thrust areas mentioned.

#### 2.6 Human Resources

With a literacy rate of 77.20<sup>5</sup> Ladakh has the potential of leveraging a substantial skilled labour force. There are approximately 300 schools, 5 colleges and 2 Industrial Training Institute (ITI). In addition to ITIs run by the authorities, private training institutes, particularly in computer education are also growing. With increased quality technical education and development of skills of locals by utilizing services of reputed training institutions/ organizations anticipated demand for skilled manpower for growing industries in the region will be met. Development of managerial capability of local youth will be done through Executive Development Programmes.

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<sup>5</sup> [Leh NIC website](#)



## CHAPTER 3

### 3. Business Environment and Facilitation

#### 3.1 Environment related reforms

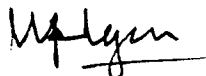
- i. Categorization of industries in Red, Orange, Green, White categories will be made as per the norms by Ministry of Environment and all industrial units will be adhering to environmental protection measures as applicable under law.
- ii. Adequate land will be earmarked in all new industrial areas/estates for setting up CETP and other necessary equipment. Infrastructure for zero discharge will be installed in new as well as existing industrial estates.
- iii. Eco-friendly modes of conveyance for industrial use will be encouraged in industrial units.
- iv. Initiatives and investments for clean and eco-friendly industrial units will be encouraged in the UT of Ladakh by offering special incentives.
- v. Activities such as water-harvesting, wastewater-recycling, waste management, green sources of energy will be encouraged & incentives have been proposed in this policy.
- vi. Units not complying with environment standards or not having applicable Environmental Clearance from M/o Environment & Forests and Climate Change or State Environmental Impact Assessments Authority (SEIAA) or not having requisite consent to establish and operate from the concerned Central Pollution Control Board/State Pollution Control Board also will not be eligible for incentive under the scheme. This will apply to all industries unless such category of industry falls under those exempted from pollution control norms.

#### 3.2 Land Allotment in Industrial Estates

UT Administration will develop Industrial Estates for the setting up of Industries. Such Estates will have basic facilities for the setting up of various industries. The Department will notify a land Allotment Policy separately specifying therein reservation of land for priority sector industries and the underprivileged sections.

#### 3.3 Skill Development

- i. Department of Industries will facilitate technical tie-ups with ITIs in each industrial estate to identify skillset needs and train local manpower for meeting clusters skill requirement.
- ii. Funding support will be provided to institutions specialized in skilled manpower development.
- iii. Initiatives to promote innovation and skill training in school, colleges, and other such institutes.
- iv. ITIs/ Polytechnics and other professional programs will be encouraged to align their curriculum with the industry requirement to make graduates industry ready
- v. District level entrepreneurship development training programs will be organized in collaboration with District Industries Centres and various educational institutions.



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- vi. Provision of integrated single online platform having details of various skill development programs offered by prestigious institutes across the country and to facilitate employment opportunities in the local industries.

### 3.4 Startups

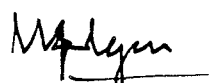
In order to turn the educated youth from job seekers to job creators and to give support to 'Startups' and 'innovative projects' in the Union territory and to provide skills to youth and potential investors to develop entrepreneurship, Startup Initiatives will be promoted through a separate Startup Policy of the UT of Ladakh.

### 3.5 Technology Upgradation

In order to gainfully exploit emerging opportunities in the national and global markets and to facilitate substantial industrial development in the UT through optimum utilisation of existing resources, the Department will extend institutional support for technology upgradation and research & development. The policy encourages adoption of new and innovative technologies for introducing greater efficiency in operations. With a view to improve the competitiveness of industrial units, a programme for modernisation and up-gradation of technology will be implemented by way of collaboration and technology transfer with various research institutions and other relevant organisations.

- i. The Department will promote the use of new technology for ensuring innovative product development and improvement in quality and quantity of production.
- ii. The Administration will bring in technology through common facility centres, incubation centres for the use of potential entrepreneurs.
- iii. The Department will also organise "technology fairs" for bringing in contemporary technologies for various facets of production
- iv. The Department will send entrepreneurs for exposure visits with a purpose of adoption of modern technological interventions.

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## CHAPTER 4

### 4. EASE OF DOING BUSINESS (EODB)

#### 4.1 Single Window Facilitation System

The Administration of UT Ladakh will implement 'Ease of Doing Business and Ease of Living' to streamline the procedures and processes by bringing grant of various Licenses, Registration, Permission, Approvals, NoC, Certificate, etc., through online portal mode without any physical touch point.

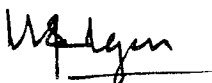
The Administration of UT Ladakh, for promotion of investment and Industries in the region, is invested to develop a Ladakh Single Window System, which will act as a One Stop Window for applications for clearances from concerned departments or governmental agencies. Approval of clearances will be time-bound. Single Window Facilitation System aims to provide expeditious processing/ approvals as required, for the setting up/ operation of an enterprise. It will provide a hassle-free business-friendly ecosystem in the UT and bring transparency to the system.

For ensuring EoDB and reduction in cost of compliances, the Administration of UT Ladakh will resort to Single Window Systems as per requirement. All such matters and reforms either recommended under BRAP by DPIIT or others will be defined by the Administration of UT Ladakh and would be notified from time to time.

#### 4.2 Features of the Single Window Facilitation System

- a. System for all approvals/ services pertaining to concerned departments which would be developed under Single Window or Department portal in UT would have the listed salient features:
  - i. Online application submission
  - ii. Online payment of fee
  - iii. Online Scheduling of Inspection/ Verification based on Checklist if any
  - iv. Application tracking status and Notification at each level of approval through SMS and Email
  - v. Auto Escalation to designated senior officer after prescribed timeline is lapsed
  - vi. Download Certificate option
  - vii. Third-Party verification when required
- b. To streamline rules/ procedures, digitization of all clearances in a timebound manner to ensure ease to business communities.
- c. All e-services availed through Single Window shall be processed in online mode to remove the offline processing mechanism.
- d. Investment Promotion & Facilitation Cell (IPFC) or Investment Promotion Agency (IPA) – The Administration of UT Ladakh shall set up an IPFC/IPA in the Directorate of Industries and Commerce to provide handholding support to industries/ service units/ individuals in resolving any functional difficulties through their approval cycle and renewal thereof. IPFC/IPA would set up a grievance redressal mechanism and the same would-be setup at department level.

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- e. The Administration of UT Ladakh shall have the power to make rules to carry out the purposes of the Single Window Facilitation System.

#### 4.3 Procedure for Disposal

- a. The applications submitted for clearances shall be disposed of by following such procedure, as may be prescribed.
- b. The applications referred to in sub-section (a), shall be disposed of within timeline as prescribed.
- c. While granting clearances, the Appropriate Authority may ask for any additional information from the applicants.
- d. Provided that such additional information shall be sought by the Appropriate Authority within the timeline prescribed for such clearances.
- e. Provided further that any additional informational shall be called for only at one time.
- f. If no additional information is sought by the Appropriate Authority from the applicant, it shall pass orders on the application about clearances before the expiry of the stipulated period.
- g. In case, additional information is sought for clearances, the application shall be disposed of within the stipulated period, which shall be counted from the date of receipt of the additional information.

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## CHAPTER 5

### 5. Market Promotion

With a view to creating more business opportunities for local Micro and Small Enterprises and promoting local businesses, the Administration of UT Ladakh will initiate following measures:

1. Participation at domestic and international shows, exhibitions etc by the Administration of UT Ladakh and various stakeholders will be promoted on regular basis through concerned departments for exploring new markets for their products/ services. This will also provide an opportunity to showcase potential that exists in Ladakh and create a network of business associates to facilitate the growth of businesses.
2. Ensure that Startups developed in Ladakh are given equal treatment (at par with established units), while procuring goods and services by the Administration of UT Ladakh provided all necessary certifications and registrations of the same are available.
3. Ensure that tenders for procurement of goods and services follow the MSME Procurement Guidelines.
4. Encourage local products, which meet specifications and quality standards, and assure necessary support to them.
5. Organise trade fairs, exhibitions, buyer-seller meets, etc. to promote local produce and businesses and build synergy between different stakeholders. Such events can be held in Ladakh and outside to link various markets with locally produced goods and services.
6. Promote unique products of Ladakh through print and electronic media from time to time.

#### 5.1 Export Facilitation

##### 5.1.1 Export Development

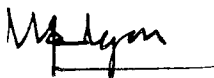
Exports from the Ladakh region will ensure overall development in the region and provide boost to the local entrepreneurs. To boost exports from the region, the Administration of UT Ladakh intends to initiate following measures:

- Formation of an effective, proactive, and supportive institutional mechanism for growth of exports, **ODOP Program**.
- Identification of potential sectors for promotion & enhancing competitiveness
- Identification of new markets and leverage India's Trade Agreements with developed/ developing countries.
- Create an effective such as quality and certification center for exports products, training center for exports, logistics facilities for exports.
- Provision for concessions/ incentives for the products exported by local industries in the UT.
- Coordinate with national level institutions for the promotion of exports.

##### 5.1.2 Export Promotion

###### i. Export Data & Analytics

- Creation of Ladakh's export data portal with export data repository
- Analyzing the import data for various countries for identifying suitable market





- Leveraging business intelligence, data analytics to identify target countries and products

Expected Outcome: Data driven policy framework enabling informed decision making in the field of exports

#### ii. **Export Clusters & Infrastructure**

- Identification and analysis of existing and potential export clusters
- Facilitating sectoral exports, Gap analysis and Diagnostic study for Identified export clusters
- Leveraging GoI Schemes like MSE-CDP, etc. for infra development

Expected Outcome: Development of export conducive infrastructure providing better business support to exporters

#### iii. **Branding & Promotion**

- Creation of Ladakh brand, logo, slogan, theme, and brand positioning
- Promoting products through GI tagging, conventional and digital channels
- Tie-ups and Partnership for Branding and Promotion

Expected Outcome: Increase in global market penetration and marketing assistance

#### iv. **Market Outreach**

- Country and Product specific market outreach programs based on Analytics
- Partnering with Export associations/ Country Missions and participation in expos.
- Partnering with international e-commerce platforms for product listing

Expected Outcome: Identification of new avenues to increase export share in GSDP

#### v. **Capacity Building**


- Export oriented skill development programs in design, quality, regulations, and promotion
- Development of all segments of Logistics to connect produce of Ladakh to global markets.
- Encouraging quality and value addition and pursuing for necessary infrastructure and eco system.
- Department to promote sector and product specific quality control programs

Expected Outcome: development of Export related infrastructure and skilled manpower, which will result in increased export from the region.

### 5.2 **Cluster Development**

The Administration of UT Ladakh will promote cluster development of industries under existing schemes of Government of India wherever cluster approach will be necessary. All necessary support shall be extended for cluster development of industries under the relevant schemes of Government of India viz Small Industry Cluster Development Programme of Ministry of MSME.

Efforts for identification and developing potential clusters of industries based on various crafts such as stone-carving, pottery work, metal work, etc; and food



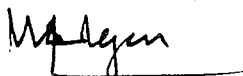
processing industries and any other new clusters as identified by the Department of Industries, will be made. Clusters will be implemented to increase productivity, upgrade skills, competitiveness and capacity building of enterprises and coordination with district level Industry associations will be encouraged for this purpose.

### 5.3 Awards and Recognition

In order to identify, appreciate and motivate the entrepreneurs/units of the UT, The Administration of UT Ladakh may constitute awards for achieving excellence through growth in production and profit, quality improvement measures, environment measures and innovation and new products/process/technology development once a year as under:

- i. Outstanding entrepreneurs
- ii. Outstanding women entrepreneurs
- iii. Innovation in technology
- iv. Green and Eco-friendly measures
- v. Outstanding Artisans of the year

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## CHAPTER 6

### 6. Incentives

Keeping in view the policy objective, promoting MSME sector for uniform sustainable growth of service and manufacturing sector throughout the Union Territory of Ladakh, eligible units as specified will be entitled to avail following incentives, concessions, and facilities.

#### 6.1 Subsidy towards the cost of preparing Detailed Project Report

Eligible industrial units (*New units and Existing units undertaking substantial expansion*) will be reimbursed **50% of expenditure** incurred towards the cost paid to consultant for **preparation of Detail Project Report (DPR)** subject to a **maximum amount of Rs. 50,000**. The subsidy will be applicable only for industrial units with a minimum project investment cost of Rs. 25 Lakhs.

#### 6.2 Subsidy towards Stamp Duty and Registration Fee

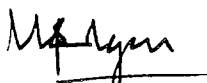
Eligible industrial units (*New units only*) will be **reimbursed 100% of amount paid towards Stamp Duty and Registration fee** charged on instrument of conveyance deed or lease deed. This reimbursement will be admissible only after date of commencement of commercial production/operation. The subsidy will be applicable only to units that are allotted land in the Industrial Estates of UT Ladakh.

#### 6.3 Transport Subsidy

Eligible industrial units (*New units and Existing units irrespective of substantial expansion*) will be incentivized to compensate high cost of air-transportation of finished goods out of Ladakh. Air freight will be reimbursed **@ 50% of freight amount for transportation of finished goods** out of Ladakh to any final destination within the country, subject to a maximum amount of **Rs. 5 Lakhs per year per unit for a maximum period of five years**. The subsidy will be claimable on an annual basis. Units will be allowed to avail only one incentive out of the two subsidies - Transport Subsidy OR Export Subsidy (Incentive 6.7) provided under this policy. However, for the transport of such finished goods, which may have a perpetual cost disadvantage in markets out of Ladakh due to factors such as perishability (by other modes of transport) maybe provided the subsidy till such limitations exist. The applicability of this subsidy beyond five years will be considered for extension in the next policy period.

#### 6.4 Assistance to encourage Green Energy, Wastewater Recycling, Pollution Control

- **Green Energy:** Industrial units (*New units and Existing units irrespective of substantial expansion*) willing to install green and environmentally friendly technologies such as Solar/ Wind Generator/ Hybrid Solar wind Systems of 10KW to 2000 KW capacity will be reimbursed **@ 50% of cost on purchase and installation of green and environmentally friendly technology**, subject to a **maximum amount of Rs. 25 Lakhs**. The subsidy will be applicable only for setting up green technology systems for industrial units with a minimum project investment cost of Rs. 25 Lakhs. Existing units will be allowed to avail the subsidy only in cases of replacement of DG Set for powering the industrial unit.



The subsidy amount will be provided in three installments and shall be released after verification of installation of green technology by joint team of concerned DIC and Power Department:

- 40% of subsidy amount shall be released after six months of installation and operation;
  - 40% shall be released after one year of installation and operation;
  - 20% shall be released after two years of installation and operation of the technology in the industrial unit.
- **Wastewater Recycling:** Industrial units (*New units and Existing units irrespective of substantial expansion*) willing to develop infrastructure and facilities for **wastewater recycling and waste management** will be reimbursed @ **50%** of total expenditure incurred towards the **procurement of technology, machinery & equipment subject to a maximum amount of Rs. 2 Lakhs**. The subsidy will not include expenditure on construction or civil works.
  - **Pollution Control:** Industrial units (*Only Existing units irrespective of substantial expansion*) willing to install latest, online monitoring and/or high-quality **Pollution Control Device** (PCD) in the factories/ unit, will reimbursed @ **50%** subsidy on the **cost of purchase of equipment, subject to a maximum Rs. 20 Lakhs**. The subsidy shall be released only after a satisfactory commissioning report of the installed equipment from Ladakh Pollution Control Committee.

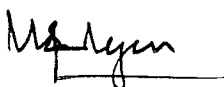
#### 6.5 Assistance for access to Competitiveness, Innovation and Quality Control

- As product quality has a significant role in national and international markets, promoting world class quality standards is one of the key objectives of this policy. Industrial units (*New units and Existing units irrespective of substantial expansion*) willing to install in-house **testing facilities and equipment and obtaining quality certifications** will be reimbursed at **35%** on cost of such equipment or certification, subject to a **maximum amount of Rs. 5 Lakhs**. The incentive shall be sanctioned only after a unit desiring to avail the same, obtains a National/ International quality mark certificate on the lines of GMP, ISO, ISI, BIS, FPO, BEE, AGMARK, ECOMARK, ZED Rating, GHP etc. The subsidy is not applicable for machinery or equipment used directly in manufacturing process or rendering of services.

#### 6.6 Support for Marketing and Common Facility Centers

*Eligible sector enterprises include registered MSMEs, Cooperatives, and Farmer Producer Organizations (FPOs)*

- **Financial assistance for participation in National and International fashion shows/ trade fairs/ Exhibition, etc.**  
Industrial units (*new units and all existing units irrespective of substantial expansion*) and registered Cooperatives, FPOs in the Handicraft, Handloom, Agro & Food processing and Aromatic/Medicinal plants sectors participating in prestigious and recognized National and/or international fashion shows/ trade fairs/ Exhibitions, Buyers Seller Meet, etc. will be reimbursed:



- i. **50% of the participation cost**, subject to a maximum amount of **Rs. 2 Lakhs per enterprise for the 1<sup>st</sup> time**.
- ii. **50% of the participation cost**, subject to a maximum amount of **Rs. 1 Lakh per enterprise for the 2<sup>nd</sup> time**.
- iii. **50% of the participation**, subject to a maximum amount of **Rs. 50,000 per enterprise for the 3<sup>rd</sup> time**.

The subsidy will be admissible only for registration fee and space rental charges for these fairs or exhibitions etc.

- **Reimbursement for using Common Facilitation Centers**

Industrial units (*new units and all existing units irrespective of substantial expansion*) and registered cooperatives & FPOs will be incentivized with **reimbursement @ 50% of cost incurred on utilizing any recognized Common Facility Center** (Research Center/Testing Lab facilities for R&D purposes/Packaging etc.), subject to a **maximum of Rs. One Lakh per unit per year for a maximum period of three years**. Industrial units and registered cooperatives & FPOs from the Handicraft, Handloom, Agro & Food processing and Aromatic/Medicinal plant sectors will be allowed to avail this incentive.

#### 6.7 Incentivizing Export Oriented Units (EOUs')

- Industrial units (*New units and Existing units irrespective of substantial expansion*) will be incentivized for export of finished goods from Ladakh to a final destination anywhere outside of India, by reimbursement **@ 60% of transportation cost** up-to the international port (air or sea) within the country, **subject to a maximum amount of Rs. 5 Lakh per year per unit for a maximum period of five years**. This incentive will be admissible only for units registered as export units. Units will be allowed to avail only one incentive out of the two subsidies - Transport Subsidy (Incentive 6.3) OR Export Subsidy provided under this policy.
- Reimbursement of cost incurred for shipment of export samples to an overseas buyer (outside of India), subject to a **maximum amount of Rs. 50,000 per enterprise per year for two years**. This incentive will be admissible only for units registered as export units.

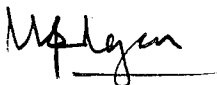
#### 6.8 Incentives to underprivileged sections of the Society

The Administration of UT Ladakh acknowledges its role of uplifting underprivileged sections of societies (such as women, Specially-Abled persons & third gender persons) by providing additional incentives over and above as provided to MSMEs:

- Reimbursement **@ 95%** consulting fee for preparation of DPR up to maximum amount of **Rs. One Lakh**.
- 10% allotment of plots for the underprivileged sections in the Industrial Estates

Applicability for these incentives will be limited to the following persons:

- Women Category: Single mothers and Widows
- Specially Abled Category: 40% physical disability of vision, hearing or locomotive skills
- All third gender persons



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## CHAPTER 7

### 7. Policy Grievance Redressal

#### 7.1 Grievance Redressal

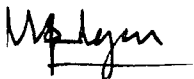
With the belief that satisfaction of existing or new investor/ entrepreneur in the UT of Ladakh is critical for promoting brand Ladakh, therefore a special emphasis shall be placed on Investor After-Care. Grievances Redressal Committees will be constituted to resolve the grievances received on the industries portal from individual units or from Industrial Associations/ Institutions regarding issues of simplification of the provisions of Acts, policies, programs and official. This will ensure cordial relations between the Administration of UT Ladakh and stakeholders. It will also enhance trust of entrepreneurs and become the cornerstone of a sustainable industrial developmental structure.

The Administration of UT Ladakh will appoint and empower ombudsman at different levels to oversee mechanisms through which grievances are processed and redressed.

#### 7.2 Period and Review of Policy

The Industrial Policy will remain in effect for a period of 5 Years from the date of notification. During the implementation period of this policy, the Administration of UT Ladakh will reserve the right to review the provisions of this Industrial Policy on outcomes of the implementation of the policy and it may amend/rescind or add new provisions as and when necessary.

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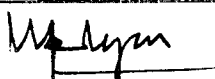


## Annexure – I

**Negative List of Manufacturing Goods**

The following industries will not be eligible for benefits under this Sustainable Industrial Policy of Ladakh 2022:

- i. All goods falling under Chapter 24 of the Central GST Tariff Act, 2017 which pertains to tobacco and manufactured tobacco substitutes.
- ii. All goods falling under Chapter 25 of the Central GST Tariff Act, 2017 which pertains to Salt; Sulphur, earths and stones; plastering materials, lime and cement
- iii. All goods falling under Chapter 26 of the Central GST Tariff Act, 2017 which pertains to Ores, Slag and Ash
- iv. All goods falling under Chapter 36 of the Central GST Tariff Act, 2017 which pertains to Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations.
- v. All goods falling under Chapter 93 of the Central GST Tariff Act, 2017 which pertains to Arms and ammunition, parts and accessories thereof
- vi. Pan Masala as covered under Chapter 21 of the Central GST Tariff Act, 2017.
- vii. Plastic carry bags of all thickness and size.
- viii. Goods falling under Chapter 27 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) produced by Petroleum or Gas refineries.
- ix. Plantation, Refineries and Power generating Units above 10 MW except Renewable power generation units.
- x. Coke (including Calcined Petroleum Coke), Fly Ash, Cement, Steel, Steel rolling mills
- xi. Gold and gold ore
- xii. Molasses
- xiii. Marble, Travertine & Granite.
- xiv. Revolvers and pistols.
- xv. Any item/product/unit found to be socially and environmentally undesirable/unsustainable as determined by the Industries Department, Ladakh.
- xvi. Any other industry/activity placed in negative list through a separate notification as and when considered necessary by the Administration/Government. It will be effective from the date of such notification.



## Annexure – II

**Positive List for Service Sector**

The following industries are the thrust areas in the service sector under this Sustainable Industrial Policy of Ladakh 2022:

- i. IT & Electronics industry, Online Services, Film/Video Production and Music Studio based industry
- ii. Commercial Green House for Floriculture/Agriculture
- iii. Cold Storage/Controlled Atmosphere
- iv. Hospitals/Medical Diagnostic Centre
- v. Eco-Tourism Infrastructure/Activity (Trekking/Camping/Hiking etc.)
- vi. Cable Car, Amusement/ Theme/ Leisure Park, Adventure Camps/Parks
- vii. Hotel, Guest House & Resorts (*New units shall be eligible only if they install solar panels for water heating*)
- viii. Hotels, Guest Houses, and resorts made/constructed using conventional methods and locally available material including earthen/stone/wooden structure
- ix. Restoration of Heritage Property for commercial purposes
- x. Coaching/Training & Skill development services under educational/employment/sports domain
- xi. Maintenance and Repair Services (*adhering to pollution control norms*)
- xii. Testing, R&D, Analysis and Certification Services
- xiii. Printing Services (Digital/Flex etc.)
- xiv. Replacement of fossil fuel-based car taxi by EVs/ Carbon neutral transportation / Charging related infrastructure for EVs.
- xv. Any other industry/activity notified by the Administration/Government. It will be effective from the date of such notification.

