

## **BARI BRAHMANA INDUSTRIES ASSOCIATION (REGD.)**

BBIA BHAWAN, SIDCO INDUSTRIAL COMPLEX,  
BARI BRAHMANA, JAMMU (J&K) - 181133  
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Date: 20-02-2021

### **"PRESS RELEASE"**

#### **SAVE EXISTING WORKING INDUSTRIAL UNITS of JKUT FROM CLOUSER - BBIA**

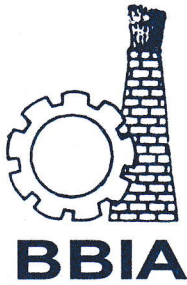
A Meeting of the Bari Brahmana Industries Association (Regd.) was held under the President Ship of Sh. Lalit Mahajan, Chairman Federation of Industries, Jammu in presence of Sh. Tarun Singla Sr. Vice President, Sh. Ajay Langer Vice President, Sh. Viraaaj Malhotra General Secretary, Sh. Rajesh Jain Secretary, Sh. Vivek Singhal Treasurer & other members of the Association to discuss the notification issued by Ministry of Commerce & Industry, Govt. of India in respect of "Industrial Development Package-2021" for J&K Industrial Units.

While going through the Notification No. F/1(1)/2020-SSS dated 19-02-2021 issued by Ministry of Commerce & Industry, Govt. of India, Members present in the Meeting raised serious concern towards the uncertainty prevailing in the mind of Working MSME Micro and Small Scale Industrial Units of J&K due to inadequate Fiscal Incentives granted with the denial of Reimbursement of Gross GST to Existing Units and Unit under Substantial Expansion as per the said Notification due to which Unhealthy Competition may be faced from the New Investors in the State who will get the Benefits of Gross GST Reimbursement of 300% on the Investment of Plant & Machinery.

It is worthwhile to mention here that majority of the MSME Units set up by the Sons of the Soil working in the State facing Militancy since last 30 years, with limited marketing avenues, Higher Production cost and keeping in mind the above facts, the Central/State Govt. provided Fiscal Incentives from Time to Time but with the introduction of GST, the Fiscal Incentives of State as well as Central Govt. has been diluted in Post GST Regime and only Incentives of IGST/CGST/SGST Refund on the Value Addition was given w.e.f 08-07-2017 to Existing units. Moreover no State Fiscal Incentive available to Units set up after 8<sup>th</sup> July 2017 resulting very limited growth reported against the IDS-2017 Scheme announced by Govt. of India. We fear that the working Existing Industrial Units may opt for the Clouser of their Units in future due to non availability of Central Govt. Fiscal Incentives as per with the Industrial Development package 2021 for New Units which may be resulting into mass scale Retrenchment of Local Industrial Workers & it is the need of the hour to provide all the Central Fiscal Incentives as per the Industrial Development Package 2021 to all the existing Units and Units under Substantial Expansion to save the Local Existing working Units from Clouser.

We also wish to draw the kind attention of Hon'ble Lt. Governor that no Fiscal Incentive provided to the New Units on the Working Capital Loan in the said Scheme whereas as per previously announced press statement of State Govt. the Interest Subvention of 5% on the Working Capital to New Units also was the part of the package of Incentives.

*Lalit Mahajan*  
20/2/21



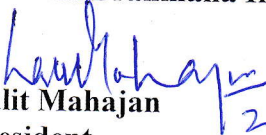
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We request Hon'ble Lt. Governor Sh. Manoj Sinha, Sh. A.K. Mehta, (IAS) Financial Commissioner, Finance Department and Sh. M. K. Dwivedi, IAS, Commissioner/Secretary, Industries & Commerce, for their kind intervention for the modification in the said Notification with the grant of Gross GST Reimbursement to Existing working Units and Units under Substantial Expansion also and 5% Interest Subvention to New Units with the grant of following State Fiscal Incentives which are under the active consideration in the proposed New State Industrial Policy 2021 for Existing Units, Units under Substantial Expansion & New Units for their survival which also save the Local MSME Units from the stiff competition being faced from outside the State after the removal of Toll Tax w.e.f.01-01-2020:-

- a. Road Freight Reimbursement on the import of Raw Materials from outside the State & Export of Finished Goods to other part of Country.
- b. Turnover Incentives to all the units selling their products within the UT of J&K.
- c. Budgetary support of 2% Turnover on Interstate Sale to all the Units as marketing support as per SRO 431 without any riders of 2016-17 sale.
- d. State CGST/SGST Reimbursement Benefits to Existing Units, Units under Expansion, new Units and the Units covered under SRO 519/521 whose Residual period is going to be expired in near future.

For Bari Brahmana Industries Association,

  
Lalit Mahajan  
President

20/2/21