



सत्यमेव जयते

Government of the National
Capital Territory of Delhi

Delhi Industrial Policy (2025-2035)

Department of Industries
Government of National Capital Territory of Delhi

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1. Preamble

As the capital of the world's largest democracy, India, Delhi is among the largest metropolises in the country and serves as a centre of international politics, trade, culture, and literature. Delhi is not only one of the fastest-growing states of India but also has a per capita income that is almost three times the per capita income of the entire country. Delhi lies at the heart of the National Capital Region (NCR) (approx. 55,083 sq. km. in area), surrounded by four important cities from the states of Uttar Pradesh and Haryana. This urban agglomeration acts as the consumption and distribution centre for North India, accounting for 7-8% of the national GDP, with Delhi's contribution being more than 50%.

The National Capital Territory of Delhi (NCTD) is the largest city in the country in terms of area, spread across approximately 1,486.5 sq. km. It comprises 367 villages, most of which are urban. There are eleven districts, thirty-three tehsils/ sub-divisions, 250 wards, and local bodies managing civic administration, viz., Municipal Corporation of Delhi, New Delhi Municipal Council, and the Cantonment Board. Delhi is divided into 18 Planning Zones for ease of planning and management.

The data further substantiates Delhi's narrative of a robust and expanding economy. Delhi's Gross State Domestic Product (GSDP) stood at INR 10.4 trillion (US\$ 130 billion) in 2022-23, marking a substantial growth of 13.07% compared to the previous year's INR 9.04 Lakh Cr. As is commonly observed in many urban economies, Delhi also follows the trend of having a predominant presence in the Service Sector, driving its economic structure. Remarkably, Delhi hosts more companies than all other States and Union Territories except Maharashtra.

If we look at current prices, the primary sector's contribution to GSVA has dwindled from 3.49% in 2011-12 to 1.58% in 2023-24. Concurrently, at current prices, the secondary sector's contribution to GSVA in Delhi has decreased from 13.09% to 13.02% within the same timeframe. In contrast, at current prices, the tertiary (service) sector's proportion in GSVA for Delhi has risen from 83.42% in 2011-12 to 85.40% in 2023-2024. The anticipated increase in Delhi's contribution to the national GDP from 3.94% in 2011-12 to 4.09% in 2022-23 is primarily attributed to the robust performance of the service sector.

The major sectors which contribute to the tertiary sector in order are Real estate, ownership of dwellings & professional services (30.99%), Transport, Storage & Communication (11.74%), Financial Services (13.81%), Trade, hotels & restaurants (12.06%) and others. Similarly, the major sectors in the secondary sector are Construction (5.53%), Electricity, Gas, Water Supply & other Utility Services (2.78%), and Manufacturing (4.72%), among others. The share of the secondary sector has declined due to the displacement of industrial units and the closure of polluting industrial units due to enforcement of environmental pollution standards. The Per Capita Income of Delhi at current prices reached INR 4.61 Lakh in 2023-24 compared to 3.89 Lakh in 2021-22 compared to INR 3.31 Lakh in 2020-21.

The above data also shows that the manufacturing sector now has a marginal role in contributing to the state's economy and focus should be on services, especially the frontier tech services like AI, Big data, IT, ITeS, BFSI, Gaming, Animation & Rendering, 3D printing, Biotechnology, R&D services, Hospitality sector etc which are non-polluting, non-water intensive and also provide high margin services to rest of

India and the world. Delhi's Master Plan-2041¹ has envisioned fostering a sustainable, liveable, and vibrant Delhi that is a hub of clean, high-technology & skilled economic activities with an emphasis on promoting industrial development without effluents, smoke, and noise pollution. Delhi has been grappling with manufacturing units functioning in non-conforming areas, leading to increased pollution levels. Also, the industrial development in the UT needs to be planned with minimum strain on Delhi's scarce resources like land, water, and electricity, among others. To efficiently make use of land resources available in Delhi, the PPP model of development should be brought into play for Greenfield Industrial Development as well as Redevelopment of existing industrial areas.

With a high literacy rate of 86.2%, Delhi also has a large, educated workforce with about 1.1 Mn people in the 15-59 years age group (2011 census). It houses a few of the country's most prestigious institutes, such as Indian Institute of Technology (IIT), Indian Institute of Foreign Trade (IIFT), and All India Institute of Medical Sciences (AIIMS).

The Government is committed to building Delhi as a leading business destination worldwide while acknowledging the UT's inherent strengths and practical challenges. The emphasis remains constant on creating a progressive business culture that prioritizes knowledge & an economy with focus on research and innovation based frontier technologies.

Recognizing the vast potential for exponential economic growth within Delhi, it is imperative for the Government to sustain and elevate the current growth trajectory proactively. This necessitates a clear, well-defined vision and a robust foundational policy framework. The formulation of this Policy stems from the Government's committed efforts to advance the goal of attaining economic excellence.

2. Opportunities and Challenges for Industrial Development at Delhi

With reference to discussion above, this section explores the opportunities and challenges to promote Industrial Development in Delhi.

2.1 Focus sectors

Delhi has experienced faster growth than rest of India and the global average as well. Services sector growth is leading it, driven by growth of professional services, real estate and other services including education and healthcare. For a city state like Delhi, with high population density, presence of institutions of high repute, good connectivity in terms of airport and highways, but limited land resources it is pertinent to promote investment in services sector. On the manufacturing side, there are sectors which Delhi has traditionally been performing better. Considering above, this policy identifies following sectors/ sub-sectors that this policy will focus on:

- a) **Frontier Tech Services** such as Banking, Financial Services & Insurance (BFSI), AI, Big Data, Gaming, Animation & Rendering, 3D Printing, BFSI, Biotech, IT & ITeS provide high value jobs and require lesser space. Investor-friendly initiatives needs to be introduced for fintech, AI, biotech, and research & development (R&D) sectors, encouraging leading global companies to set up headquarters in Delhi.

¹ https://dda.gov.in/sites/default/files/inline-files/Draft%20MPD%202041%20%28English%2909062021_compressed_0.pdf

- b) The **research and innovation** sector is vital for Delhi for several reasons. The sector can help create new industries and high value jobs for multiple sectors including IT, ITeS, AI, Biotech, and Healthcare among others. Delhi has a number of academic and research institutions. This provides a strong base for Research & Innovation industry to prosper at Delhi. The progress of the Research and Innovation sector in Delhi is crucial for fostering economic growth, technological advancement, and global competitiveness.
- c) **Hospitality sector-** Blessed with a plethora of tourism & hospitality products and a rich & diverse cultural heritage, Delhi is often used as a gateway for traveling to most cities of India. The hospitality sector is a cornerstone in the Policy, playing a pivotal role in fuelling economic growth across Delhi. The city's rich historical and cultural heritage, combined with its vibrant contemporary offerings, positions it as a prime destination for travellers worldwide. Focusing on this sector creates a ripple effect of job opportunities, infrastructure development, and revenue generation.

2.2 Land Utilization and limited availability

Delhi faces a severe land crisis, with real estate prices among the highest in India, making urban expansion increasingly difficult. The lack of structured zoning policies has resulted in overcrowding, congestion, and inefficient land utilization in commercial and residential sectors. Illegal land encroachments and slow regulatory approvals further restrict availability for formal businesses and infrastructure development. To address these issues, Delhi must leverage use of technology in land planning, streamline acquisition processes, promote vertical expansion, and implement affordable business space initiatives to optimize land use, foster economic growth, and ensure sustainable urban development.

An overarching thrust on flatted factories, technology hubs and commercial spaces is recommended to enhance Delhi's industrial ecosystem. The Policy also concentrates on providing greater FSI to boost the scale and competitiveness of enterprises. The proposed strategy of creating enabling infrastructure with flatted factories allows flexibility of transition between the manufacturing and services sectors in line with needs as per the evolving environment. Policy interventions are suggested to increase floor plate size and greater Floor Space Index (FSI) to boost scale and competitiveness of enterprises. Policy proposes a strategy of creating enabling infrastructure with flatted factories allows flexibility of transition between manufacturing sector and services sector is in line with needs as per evolving environment.

Incorporating a generous FSI allowance for factories, technology hubs and commercial spaces in Delhi is imperative to catalyse Delhi's economic growth. A higher FSI facilitates optimal land utilization, promoting vertical expansion and efficient use of available space. By encouraging larger FSI, creation of multi-functional complexes that accommodate various industries, commercial establishments, and even residential areas, will be possible. This maximizes resource efficiency and stimulates investment, job creation, and infrastructure development. The Policy's emphasis on larger FSI aligns with the Government's commitment to fostering a dynamic and sustainable urban landscape and economic vibrancy while addressing the challenges posed by space limitations in Delhi.

Higher FSI is allowed at other places across the globe. Tokyo's transit-oriented development (TOD) has successfully integrated high-rise living with public transport, reducing urban congestion and enhancing mobility. Additionally, underutilized

government-owned land and outdated industrial zones are repurposed into modern business parks, technology hubs, and commercial spaces. New York's Hudson Yards transformed old railway yards into a global financial center, showcasing the potential of converting neglected land into high-value urban assets. These initiatives will ensure balanced urban expansion while preserving Delhi's green spaces and reducing pressure on existing infrastructure. Hong Kong's land reclamation policies have expanded available land by 6%, allowing structured urban expansion without disrupting existing ecosystems. In India, Gujarat's GIFT City land pooling model enabled faster land acquisition, attracting global financial institutions and businesses, a strategy that can be replicated in Delhi to ensure rapid urban transformation.

Accordingly, a structured strategy for redevelopment of industrial areas is to be formulated to focus on high-rise projects, including collaboration with private sector/public-private partnerships (PPP), wherein the current allottees also participate in redevelopment. Single-window clearance system for land approvals and infrastructure projects is to be implemented, expediting approvals related with business park development and commercial real estate expansion. To encourage business expansion and economic decentralization, dynamic land pricing and affordable workspace initiatives are required. AI-driven land valuation models will determine demand-based pricing, ensuring that businesses can access affordable office spaces without market volatility.

Additionally, low-cost industrial parks and SME business zones will be developed, offering tax incentives to companies relocating to decentralized commercial hubs outside central Delhi. China's subsidized SME parks reduced rental costs for startups by 30%, fostering entrepreneurship and innovation. These interventions will distribute economic activity across multiple zones, reducing congestion while making Delhi a more accessible city for businesses of all sizes.

Through better land planning, high-rise developments and redevelopment, streamlined acquisition reforms, and development of affordable business space, Delhi can unlock underutilized land, create structured business districts, and attract global investments. These interventions will facilitate sustainable expansion, and enhance Delhi's competitiveness as a modern, investment-friendly metropolis.

2.3 Ever increasing demand for Transport and Logistics facilities

Transportation and distribution are critical for Delhi's businesses as a major trade hub, and a strong strategy could drive economic growth despite historical limitations, especially with its alignment to the Western Dedicated Freight Corridor and Delhi Mumbai Industrial Corridor; however, while Delhi's public transport is extensive, it faces inefficiencies like metro overcrowding, limited bus coverage, poor pedestrian infrastructure, and last-mile congestion. Metro inefficiencies due to feeder service gaps and peak-hour crowding deter public transport use, while unreliable bus networks increase private vehicle dependence, worsening congestion and pollution, and poor pedestrian infrastructure hinders sustainable mobility, further compounded by unregulated last-mile transport and e-commerce delivery congestion. To overcome these issues, Delhi needs to adopt AI-driven transit optimization, pedestrian-friendly infrastructure, expanded bus and last-mile services, and smart mobility integration for sustainable and efficient transportation.

2.4 Workforce Challenges and Skilled Labor

Delhi faces a critical workforce shortage in high-demand sectors such as IT, fintech, healthcare, and legal services, with a mismatch between industry needs and available talent. A lack of vocational training for the gig economy and informal sector workers further limits employability, while brain drain to NCR regions continues due to high living costs and limited business hubs within Delhi. To ensure Delhi remains a competitive business and innovation hub, the government must fasten AI-driven skill development, vocational training programs, economic incentives for professionals, and industry-academic collaboration to create a highly skilled, globally competitive workforce.

AI-powered labour market intelligence systems will map real-time workforce trends, identify skill gaps, and predict future job requirements in emerging industries such as AI, cybersecurity, fintech, and smart manufacturing. AI-driven personalized learning platforms will assess individual skill deficiencies and provide customized training, similar to Singapore's AI reskilling initiative, which successfully retrained over 500,000 professionals. Industry-focused vocational centers will be established to bridge the gap between education and employment, ensuring hands-on, job-ready skills. Germany's dual-education system, where 50% of students receive both classroom and practical training, serves as an ideal model for Delhi to adopt. These measures will enhance job readiness, reduce unemployment, and future-proof Delhi's workforce.

To integrate gig economy and informal sector workers into the formal economy, Delhi must establish state-funded vocational training centers offering certification in logistics, hospitality, security services, construction, and personal services. A government-backed certification framework will improve career mobility and allow gig workers to transition into higher-paying jobs. The UK's National Skills Fund has successfully subsidized vocational education, allowing workers to access stable employment opportunities. Public-private partnerships will encourage corporations to offer structured upskilling programs, with tax benefits for companies investing in employee training. Sweden's lifelong learning policy ensures continuous workforce development, reducing unemployment risks. These initiatives will increase earning potential, improve working conditions, and integrate informal workers into mainstream employment.

Retaining skilled professionals and preventing brain drain to neighbouring regions is essential for maintaining Delhi's economic competitiveness. Establishing Special Economic Zones (SEZs) with integrated business hubs, affordable housing, and co-working spaces will create self-sufficient urban centres with modern infrastructure and metro connectivity. Hong Kong's mixed-use business districts, which combine office spaces with residential facilities, have successfully retained talent within city limits. To encourage young professionals and startups to remain in Delhi, subsidized housing schemes, rental support, and tax benefits will be introduced for key industries such as IT, AI, fintech, and R&D. Dubai's free-zone initiatives provide tax incentives and infrastructure subsidies for entrepreneurs, ensuring workforce retention and boosting business growth. These strategies will enhance Delhi's appeal as a thriving commercial and residential hub.

Enhancing industry-academic collaboration and public-private partnerships is crucial for bridging the gap between education and market needs. Industry-sponsored research hubs within universities will focus on AI, robotics, fintech, biotechnology, and green energy, ensuring students gain practical, job-relevant experience. Corporations will be encouraged to co-develop academic curricula, ensuring that graduates possess

industry-specific expertise. Finland's technology-focused learning hubs, where academia and industry collaborate, have created a highly skilled, adaptive workforce. Additionally, fast-track immigration policies for high-skilled professionals, similar to Canada's Global Talent Stream, will attract global talent in technology, finance, and healthcare. These measures will strengthen Delhi's talent pool, making it a global leader in knowledge-driven industries.

Promoting workforce diversity and gender inclusion is key to expanding labour force participation. Flexible work policies, remote job opportunities, and extended maternity benefits will encourage more women to enter and remain in the workforce. Expanding childcare support programs and subsidized daycare facilities near workplaces will provide further assistance to working mothers. Japan's Womenomics policy increased female workforce participation by 10% over five years through targeted workplace reforms. Companies meeting diversity benchmarks will receive financial incentives, and scholarships will be offered to underrepresented groups to ensure equitable access to high-paying jobs. The U.S. Diversity & Inclusion Act successfully increased corporate hiring of marginalized workers, promoting workforce inclusivity. These initiatives will create a fair, competitive, and diverse job market, ensuring sustainable workforce expansion.

By integrating AI-driven skill development, vocational training, talent retention incentives, industry-academic collaboration, and workforce diversity policies, Delhi can strengthen its human capital, reduce unemployment, and attract top global businesses. These efforts will ensure that Delhi remains a hub for high-skill industries, driving economic growth and long-term prosperity.

2.5 Institutional Strengthening to improve business climate and licensing

Delhi's business environment suffers from significant regulatory inefficiencies, including lengthy 4-6 month registration and licensing processes, multiple agency approvals, bureaucratic delays, corruption, and complex tax policies that hinder businesses, especially SMEs, discouraging FDI and slowing infrastructure development, thus limiting its potential as a global business hub; to address this, Delhi must leverage AI-driven automation, digital governance, and investor-friendly frameworks to create a seamless and transparent economic ecosystem by implementing single-window business registration portals with blockchain verification for automated approvals and real-time tracking (inspired by Singapore's BizFile+ and Estonia's e-Residency), enhancing regulatory transparency through blockchain-based systems to prevent manipulation and delays (as seen in Dubai's Blockchain Strategy), accelerating commercial expansion and infrastructure development with one-stop digital approval systems and intimation-based regimes (like Hong Kong's E-Submission Hub), and creating pre-zoned commercial and industrial areas with predefined clearances to attract MNCs (similar to Shanghai's Pudong district); ultimately, by implementing AI-driven regulatory automation, simplifying taxes, eliminating corruption, fast-tracking commercial expansions, and adopting investor-friendly policies, Delhi can transform into a highly efficient and business-friendly hub, attracting investments, boosting employment, and accelerating economic growth.

3. Policy Framework

The policy framework combines strategies, such as creating an economic activity, fostering innovation and technology, and providing suitable incentives for sectoral development. This Policy takes a comprehensive approach that considers the UT's

unique socio-economic and environmental factors. In the current context opportunities that this policy may focus upon are listed as under:

- a) Supporting development of sectors with high value addition and building on existing ecosystem.
- b) Enhance the availability of commercial/ industrial space and its efficient use.
- c) Improving availability and reliability of Transport and Logistics infrastructure.
- d) Enhancing the Business Friendly Environment.
- e) Policy Governance & Implementation Mechanism.

3.1 Vision

With reference to above policy framework, vision for this policy will be **“To foster a future-ready, non-polluting industrial ecosystem in Delhi by promoting high-value, innovation-driven sectors like Frontier Technologies and R&D. The policy aims to harness the city’s skilled human capital, create quality employment opportunities, and ensure inclusive, sustainable economic growth, while making optimal use of Delhi’s limited land and environmental resources.”**

3.2 Mission

- a) Supporting development of sectors with high value addition and building on existing ecosystem
- b) Enhance the availability of commercial/ industrial space and its efficient use
- c) Improving availability and reliability of Transport and Logistics infrastructure
- d) Enhancing the Business Friendly Environment
- e) Policy Governance & Implementation Mechanism

3.3 Policy Period

This Policy shall be valid for 10 Years from the date of the notification until a new policy or an amendment is notified.

4. Supporting development of sectors with high value addition and building on existing ecosystem

The Policy envisages three focus sectors and associated sub-sectors that have the potential to contribute significantly to the UT’s economic development while keeping in mind the challenge of scarce land resources and sustainable development requirements. The sectors are identified after carefully analysing the UT’s existing industrial landscape, strengths and weaknesses, and future growth opportunities. Based on this analysis, a sectoral strategy is crafted to support growth and competitiveness. The focus sectors are detailed below.

1. Frontier Tech Services: BFSI, AI, Big Data, Gaming, Animation & Rendering, 3D Printing, BFSI, Biotech, IT & ITeS
2. Research & Development
3. Hospitality Sector (excluding Tourism)

4.1 Frontier Tech Services: BFSI, AI, Big Data, Gaming, Animation & Rendering, 3D Printing, BFSI, Biotech, IT & ITeS

As a predominantly service-oriented economy, the significance of the IT & ITeS sector cannot be overstated in driving the economic growth of Delhi. This sector plays a pivotal role in the Union Territory’s economic landscape by substantially contributing

to its gross domestic product (GDP), fostering substantial employment opportunities, innovation, and technology integration across diverse sectors. The IT & ITeS domain exhibits a remarkable diversity spanning areas like Banking, Financial Services, Insurance (BFSI), Telecommunications as well as catalysing the digital transformation of governmental services, education, healthcare, and other indispensable domains.

Despite the structural challenges faced by the IT sector in India, the Delhi National Capital Region (NCR) presents a vibrant and efficient ecosystem where investors, government policymakers, skilled professionals, entrepreneurs, Startup incubators, and accelerators converge. This confluence, combined with its expanded geographical scope, exceptional connectivity, and robust infrastructure, positions it on a steadfast trajectory to emerge as India's premier IT hub. As a result, Delhi's IT & ITeS industry is poised for sustained expansion, drawing increased investments and ushering in fresh employment prospects over the forthcoming years.

Nonetheless, the scarcity of available commercial office spaces has contributed to a notable reduction in the IT & ITeS sector's contribution to the economy's Gross Value Added (GVA). To fortify the sector, the Government aims to bolster its foundations by augmenting the supply of expansive office spaces, ensuring dependable power and transportation infrastructure, and fostering robust research and development endeavours in innovative technologies. The key sectoral interventions to achieve the objectives are listed below.

- a) Attracting investments through fiscal incentives -
 - i. **50% fixed capital investment (including land)** will be reimbursed over a period of **5 years** for businesses in the Frontier tech sectors up to a maximum limit of INR 50 Cr per project.
 - ii. In addition to the above, there shall be **additional 6% interest subsidy per annum** for businesses in sectors mentioned in point (i) above (for first 5 years).
 - iii. **Reimbursement of 100% NET SGST** will be provided to business in the Frontier Technology Services sector for 5 years
 - iv. **100% reimbursement of Patent filing** cost up to a **limit of INR 5 lakhs** per patent obtained.
 - v. **Exemption of 50% on wheeling charges and transmission charges**, on interstate purchase of power shall be provided for the period of 5 years from the date of commissioning of the project.
 - vi. **400 crore venture capital fund** will be established for Industries

- b) Greenfield Interventions
 - i. Promote the PPP model of development in Plug & Play IT parks/GCCs
 - ii. Industrial areas in Baprola, Ranikhera and Kanjhawala have been ear-marked for development of Frontier Tech Services sector.
 - iii. Organize events/ fests to showcase innovation by providing a dedicated platform for collaborations, and attract investments to Delhi
 - iv. Provide support to participate in marketing events to IT units for obtaining Quality & Security certifications and registering patents.
 - v. Leverage Rozgar Bazaar of Delhi Skill and Entrepreneurship University (DSEU) to onboard gig economy workers in Delhi.
 - vi. Support the IPR ecosystem with fast-track approvals on patents

- vii. To steer sectoral development, the 'Delhi Frontier Tech Services Cell' for sector promotion initiatives like attracting investors in Frontier Tech sector in Delhi as well as acting as an IFC for existing Frontier tech companies.

4.2 Research & Development

Research and Development (R&D) is crucial and serves as a catalyst for economic growth, technological advancement, and societal progress. As the capital of India, Delhi is not only a hub of political, economic, and cultural activities, but also houses premier R&D institutions. This positions Delhi to invest more in R&D to maintain its competitive edge and address urban challenges as well.

Building on this legacy and by investing further in R&D, Delhi can attract businesses that rely on cutting-edge technologies, thereby creating jobs and boosting the local economy. Innovation in sectors such as information technology, biotechnology, and renewable energy can position Delhi as a leader in these fields, attracting global investments and partnerships.

R&D also plays a vital role for addressing urban challenges such as pollution, traffic congestion, and waste management. Delhi faces significant environmental issues, and research can lead to the development of sustainable solutions. Advancements in clean energy technologies and efficient public transportation systems can significantly reduce the city's carbon footprint. Moreover, R&D in waste management can lead to innovative recycling and waste reduction techniques, contributing to a cleaner and healthier environment.

More opportunities in R&D and innovation enhances the quality of life for residents by improving healthcare, education, and infrastructure. By promoting a culture of knowledge and learning, encouraging collaboration between academic institutions, government bodies, and private enterprises. This collaboration can lead to the sharing of resources and expertise, driving further innovation and development. Following initiatives will be undertaken under this policy to promote R&D sector.

- a) Government of India in 2025 budget has allocated INR 20,000 Cr for private sector driven R&D and innovation. It is expected that Ministry of Science and Technology (MoST) India, will bring out a scheme for the same.
- b) Initiatives will be undertaken to expand reach within academic and R&D institutions in Delhi to leverage research expertise to address challenges of business and in public domain by providing support of up to **INR 10 lakhs in R&D/ Innovation** in focus sectors in this policy.
- c) A portal will be created to showcase available R&D laboratories, capacities and grants available across academic, government, public & private sectors for Industry and academia to collaborate for commercialisation of technology.
- d) 'Research & Innovation Foundation of Delhi', will be established at a flatted factory complex, with an ecosystem including investors, startups, corporates, institutions, etc.
- e) Sectoral Research & Innovation Mini Clusters will be established for technology upgradation, tech transfers, adoption of best practices, cross-fertilization of ideas, etc
- f) Design & Innovation challenges will be launched in collaboration with private sector and Government Departments to address public sector challenges.
- g) Support to private sector players will be provided for training & capacity building of employees for research through fellowships in respective sector.

- h) Sector-wise grants to be re-assessed, creating new grants/ re-modelling old grants to utilise them efficiently.

R&D is indispensable for Delhi's growth and sustainability. By prioritizing research and development, Delhi can address its urban challenges, enhance its economic prospects, and improve the quality of life for its residents.

4.3 Hospitality

Blessed with a plethora of tourism & hospitality products and a rich & diverse cultural heritage, Delhi is often used as a gateway for traveling to most cities of India. The hospitality sector is a cornerstone in the Policy, playing a pivotal role in fuelling economic growth across Delhi. The city's rich historical and cultural heritage, combined with its vibrant contemporary offerings, positions it as a prime destination for travellers worldwide. Focusing on this sector creates a ripple effect of job opportunities, infrastructure development, and revenue generation. The hospitality industry showcases Delhi's unique identity and contributes significantly to the local economy. The Policy recognizes the immense potential of hospitality, and through strategic initiatives, it aims to attract tourists and provide an exceptional and memorable experience, further bolstering Delhi's economic prosperity.

MICE tourism, which involves hosting meetings, incentives, conferences, and exhibitions, is also vital in driving economic growth and development. Delhi has been an important stage for MICE activities across the country and is home to the country's biggest MICE setups, such as ITPO Pragati Maidan, World Trade Centre at Nauroji Nagar, and Indira Gandhi Indoor Stadium, among others. Good international connectivity & regional linkages, and well-developed infrastructure, including modern convention centres and hotels, have made it a preferred destination for national and international events. The UT also secures a position within the top five cities nationwide in terms of hosting the highest number of hotel accommodations across diverse urban centres in the country.

The key sectoral interventions to boost the hospitality sector are listed below.

- a) Increasing the number of hotel rooms as well as worker housing close to ITPO convention centre near Pragati maidan, Yashobhoomi and other such centres in PPP mode.
- b) Hotels and serviced apartments may be permitted as part of commercial centres in Industrial zones. Facilities will be allowed to be developed by conversion of plots with access from 30 m wide road in industrial zones in an attempt to reduce congestion and walk to work methodology.
- c) Facilitate PPP model for developing tourism infrastructure on Government facilities.
- d) Make Delhi a restaurant and bistro-friendly city with streamlined compliance and regulatory burden, and a reasonable alcohol policy.
- e) Provide credit enhancement to MICE (Meetings, Incentives, Conferences, Exhibitions) infrastructure through a scheme and in coordination with banks by utilizing VC fund of 400 Cr established.
- f) Undertake capacity building of Hospitality Service Providers & Facilitators through skill initiatives of the Government.

5. Enhance the availability of commercial/ industrial space and efficient use

5.1 Redevelopment of conforming & non-conforming industrial areas

The industrialized areas in Delhi were developed in the seventies and, over the years, have deteriorated considerably in terms of physical infrastructure and, in some cases, deficiencies on this score have persisted in an overall sense. Besides, there have been changes in the nature of activities, and there have also been demands for using part of the plots for activities that could be classified as commercial. There is also a need to see whether further densification can create smaller plots by subdivisions to accommodate a more considerable number of industries/units. There is, therefore, a need for modernization and upgradation of the existing industrial areas with due regard to environmental considerations. This process of upgradation and redevelopment shall need to be conducted in a planned manner and in a public-private partnership framework, in which the entrepreneurs contribute to the betterment and subsequent maintenance through suitable Operation and Maintenance arrangements. Thus, redevelopment of conforming and non-conforming industrial areas in Delhi is a crucial activity involving renovating and upgrading these areas to align with the UT's urban planning and zoning regulations.

The Government intends to redevelop industrial areas in conforming & non-conforming zones to create more employment and investment opportunities. The redevelopment plan shall improve sewage, general waste treatment plants, drinking water supply, industrial waste disposal systems, and roads. Processing centres, accredited test labs, training centres, business convention centres, raw-material banks, and logistics centres shall also be set up in the redeveloped areas. Similarly, incentivizing the amalgamation and redevelopment of existing industrial plots to attract modern service industries shall also be planned. Measure that will be taken up for redevelopment of conforming and non-conforming areas are listed below.

- 1) Following interventions will be implemented Ease of Doing business initiatives will be implemented for redevelopment of industrial areas:
 - a) There is a need to redevelop industrial areas as well as congested areas for improved urban planning and better synergies in land use mix. In consultation with DDA and industry associations, develop a scheme to encourage consolidation of land parcels to enhance floor space availability in Industrial areas, compounded with higher permissible FAR in industrial areas. This consolidation will also enable possibilities of basement parking and other avenues to optimise land use. Under this scheme, option will be exercised, where DSIIDC will buyback or get back the lease rights from allottees. Alternatively, it may be redeveloped by a consortium of the lease holders or even by third party in PPP mode.
 - b) There are many sick and underperforming industries. Efforts will be made to transform them into modern flatted factory setups, enabling struggling industries to relocate into shared industrial facilities with better infrastructure.
 - c) Implement stringent fire laws and enhance industrial safety and compliance using automated tools.
 - d) Conduct drone-based land surveys to identify suitable pockets for industrial relocation.
 - e) Develop Waste Management & Recycling Hubs in identified industrial areas.
 - f) Establish dedicated recycling and waste processing plants in peripheral areas to ensure sustainable industrial practices.

- g) Upgrade infrastructure, utilities, and logistics facilities in current industrial markets to improve efficiency of operations.
- 2) Following Ease of Doing business initiatives will be implemented for redevelopment of industrial areas and relocation:
 - a) Streamlining and fast-tracking the permits and approvals required to facilitate quicker relocation of industries.
 - b) Initiatives will be undertaken for enhancing infrastructure and transportation systems to ensure industries have easy access to new locations and seamless connectivity in coordination with DDA and other Government agencies.

5.2 PPP Model of Industrial Development

The PPP model of industrial development involving collaboration between Government entities and private sector companies to invest in and develop public infrastructure and services is a significant measure to leverage the strengths of both the public and private sectors to achieve better outcomes in terms of efficiency, innovation, and sustainability. This can take various forms, including joint ventures, build-own-operate arrangements, and concession contracts. The Government proposes to bring private sector investment with public-private partnership mode as one of the preferred routes.

The key objective of this model is to leverage the resources of the UT Government to invite private sector investment in infrastructure at the best possible terms for the people of the UT. This shall also ensure the protection of users' interest and secure value for public money.

The Government intends to develop greenfield industrial areas with sector/ mixed-use focus at various locations such as Khanjhawala, Ranikhhera and Baprola among others. Additionally, considering the dilapidated infrastructure in the existing industrial areas, the importance of redeveloping such infrastructure is also increasing. Given that the contract is for long-term service delivery, the private partner in the model shall be incentivized to minimize costs and maximize efficiency for the entire length of the project's lifecycle as per requirement. Previous development of industrial areas has been very slow and erratic, decade old land parcels in Kanjhawala, Ranikhhera etc lay undeveloped and hence PPP model will lead to speedy and efficient development of the industrial areas.

- a) This Policy envisages focusing on developing industrial infrastructure and operations & maintenance of industrial areas via the PPP Model for long-term sustainability & operational efficiency.
- b) To support this mandate, a PPP Cell may be established to support the Government's operationalization of PPP mandates for Industrial Areas if need arises.

5.3 Improving availability and reliability of Transport and Logistics infrastructure

Transportation and distribution play a crucial role in the day-to-day functioning of businesses in Delhi as it is a major hub for trade and commerce in the country. A solid transportation & distribution strategy could be the fulcrum of economic growth in Delhi given historical constraints. The Government shall be releasing a separate Logistics and Warehousing Policy to address Transport and Logistics issues as announced in Delhi Budget.

6. Enhancing Business Friendly Environment

6.1 Enhanced Ease of Doing Business

This Policy aims to improve the business environment in Delhi by continuing to bring in regulatory reforms and simplify procedures across various departments in the UT. The Government is focused on undertaking a series of business reforms to create a conducive business environment and boost investor confidence by streamlining regulatory structures and creating an investor-friendly business climate. Sustained business reforms have resulted in Delhi witnessing improvement in its ranking under the Business Reform Action Plan by the Ministry of Commerce & Industry.

Provisions will be made for the simplification of regulatory requirements, reduction of permits and inspections, and the introduction of time-bound services to ensure quick and efficient business operations and unleash economic opportunities locked due to regulations. The Government shall explore initiatives to reduce the administrative burden on businesses. These shall include streamlining licensing requirements to avoid duplicity, providing Single-Window assistance to businesses through their entire lifecycle (from registration to closure), reducing repetitive documentation, and ensuring Ease of Doing Business. Following initiatives will be implemented:

- a) The Policy envisages developing a best-in-class Single Window System to process applications for clearances/ permissions and provide an investor-friendly environment in Delhi. The single window system shall provide a platform for the investor to avail of all the necessary regulatory services and clearances across all agencies. It will be an integrated and centralized G2B web application for streamlining and ensuring online workflow of various processes among all stakeholders for providing necessary approvals. Required information on services, departments, and UT agencies shall be provided, along with details on accessing and submitting relevant forms.
- b) In consultation with respective Departments, intimation based approval system will be introduced, wherein businesses will only require intimate the Government on Single Window portal instead of taking approvals. Alternatively, approvals will be automatically granted if a department fails to respond within the stipulated timeline.
- c) In the current practices globally, there greater emphasis on establishing third party ecosystem, in terms of empanelling, setting up performance standards, training and monitoring the outcome. This will require lot of coordination among Departments and may also be provisioned in this Act.
- d) Ease of Doing Business reforms will be implemented through enactment of a Single Window Act or Ease of Doing Business Act for GNCTD.

6.2 Business Support Professionals

Ease of Doing Business (EoDB) reforms in India have significantly improved the business climate, but challenges persist, and entrepreneurs often struggle with regulatory approvals, compliance, and navigating government schemes. Recognizing this gap, the Investor Facilitation Center (IFC) reform under the BRAP 2022 exercise was introduced to institutionalize structured business support mechanisms across

states. The reform aimed to establish dedicated Investor Facilitation Centers to provide end-to-end support, including query resolution, approvals, and post-establishment handholding.

While several states have formally adopted the IFC model, on-ground impact remains limited due to inconsistent implementation, lack of awareness, and inadequate resource allocation. Many IFCs function as information desks rather than proactive business enablers, with limited capacity to support businesses on filing approvals, address grievances effectively, or provide structured investor support. Several states have adopted investor facilitation models with varying levels of success:

- Maharashtra (MAITRI): A single-window system offering investor facilitation, approvals, and issue resolution.
- Goa (Investment Promotion Board - IPB): Provides end-to-end support for investment approvals and ease of doing business.
- Uttarakhand (Investment Promotion & Facilitation Centre - IPFC): Assists investors with approvals, licensing, and incentives.
- Karnataka (Udyog Mitra): A facilitation agency that supports industries in regulatory approvals

Despite these efforts, effectiveness varies across states due to differences in structure, resources, and coordination mechanisms. The lack of a unified approach leads to delays in grievance redressal, inconsistencies in regulatory support, and inefficiencies in application processing.

This highlights the urgent need for **Business Support Professionals (BSPs)**—a trained and digitally equipped cadre of professionals with a structured operational framework. BSPs will act as **specialized enablers** to facilitate **seamless business operations, regulatory compliance, and investment support at the district level**. Currently, also, business take help of professionals, like CA, CS and Advocates to file approvals. Opportunity is to formalise and standardise this ecosystem.

India has a range of professional support mechanisms such as Chartered Accountants, Company Secretaries, Architects, Legal Experts, and Environmental Consultants aiding businesses in specific domains. However, MSMEs often rely on informal agents for navigating regulatory approvals, DPR preparation, and accessing government schemes.

To address this gap, a structured ecosystem of Business Support Professionals (BSPs) is proposed. These professionals—CAs, CSs, lawyers, and domain experts—will be empanelled by State Industry Departments to provide formalized, end-to-end support to businesses across industrial clusters. BSPs will assist in scheme advisory, DPR preparation, bank loan facilitation, regulatory clearances, land acquisition, and technology upgradation.

The empanelment process includes online application, document verification, mandatory training, and a qualifying test. Certified BSPs will adhere to ethical standards, and performance will be periodically reviewed. Government may regulate BSP numbers per region and prescribe service structures.

The government will act as an enabler by offering training, standard DPR templates, and a public portal listing certified BSPs. It will ensure BSPs are compensated and permitted to offer value-added services like mentorship and credit linkage. A grievance redressal and rating system will ensure accountability. Partnerships with industry bodies (e.g., CII, FICCI) will support training and alignment with market needs.

This initiative aims to enhance Ease of Doing Business by improving regulatory navigation, accelerating project approvals, and expanding access to incentives and finance for MSMEs

6.3 Industry Facilitation Centre

The Government should set up an Industry Facilitation Centre (IFC) to assist businesses and entrepreneurs in the state. The Government shall also establish **IndusFC** (a Physical Office and a Web Portal) to improve the business climate in the UT. The IFC Centre shall provide information on various approvals/clearances and handle queries/grievances during the pre-establishment, post-establishment, and during-operations stages of establishing a business. Further, the Centre shall facilitate inward and outward investment promotion activities to uplift Delhi's economy.

- a) The IFC will serve as the single point of contact for all queries related to setting up and operating an enterprise.
- b) A response grid will be established, which will be an online tool to connect investors with the Department and facilitate the conversation through Customer Relationship Management and IVR based helpline.

A District Industries Centre (DIC) setup is proposed to strengthen administrative support and facilitate seamless coordination of industrial development activities at the district level. The DICs shall also function as a nodal point for timely redressal of investor grievances and facilitation-related issues at the district level.

IFC's monitoring committee is defined in **Annexure – I**

Common Facility Centres

Common Facility Centre offers support within the same area where a group of industries is located by providing necessary facilities. It motivates the members and new entrants to come forward to develop their business with the help of the Common Facility Centre; it can help them to reduce their operational costs and investment along with time management to complete the entrepreneurial commitment honestly. It provides support in the aspects of marketing, production, material testing laboratories, inspection with calibration and skill development training, and possible ways of supporting factors. The elements of a common facility centre include common infrastructure, raw material availability, common skill development centre, common marketing, and shared material testing/ inspection. The Policy envisages:

- a) Undertake an assessment of Common facilities required in respective industrial parks.
- b) Undertake development of Common Facility Centres in the industrial areas of Delhi that can be developed and managed, preferably in PPP mode.

7 Policy Governance & Implementation Mechanism

The Government is dedicated to creating a simplified regulatory environment that businesses can navigate quickly and efficiently. The economic development of the UT would be segregated into short, mid-term, and long-term goals. The short to mid-term goals would be optimal utilization of existing facilities & resources and taking forward the in-process initiatives focusing on value chain resilience. In contrast, the mid to long-term goals would focus on new interventions, greenfield infrastructure developments, and global value chain integrations. An action plan will be prepared to monitor the implementation of the policy. A transparent governance and implementation mechanism has been laid out to further reinforce Delhi's commitment to being a business-friendly destination.

- a) The Department of Industries is mandated to function as the administrative department for implementing the Policy and coordinate the incentives disbursement listed for various sectors. It shall oversee the functioning of all critical sections/agencies involved in the Policy implementation.
- b) The Inter-Departmental Committee constituted under the operational guidelines framed for implementation of the policy shall serve as a recommendatory body to the Cabinet for sanction of incentives across various sectors.
- c) A High-Level Review and Monitoring Committee under the Chairmanship of ACS/ Principal Secretary/ Secretary to Government, Department of Industries with ACS/ Principal Secretaries/ Secretaries of line departments shall be constituted to monitor the implementation progress of all the Policy provisions regularly. This Committee shall ensure the timely issue of enabling Government Orders by various departments concerning the Policy. The Committee shall implement a suitable mechanism that provides speed and transparency for the disbursement of incentives. The Committee shall also recommend mid-course corrections, if any, for smooth implementation of the Policy.
- d) This Committee shall be assisted by a Policy Implementation Cell headed by a Special Commissioner, Department of Industries and members from other Government departments/ agencies as required, including two representatives from Delhi based Industrial Associations and one from National Level Industrial Association. This cell shall have requisite staff and resources to conduct research, undertake studies and surveys, among others & assess the impact of policy initiatives and provide relevant feedback regarding the Policy and its implementation.
- e) Global Investor Summit and other events for promotion of policy and industrial development will be organised for Delhi, in association with industry partner and knowledge partners.
- f) Infrastructure related activities: Greenfield Industrial Development and Redevelopment of existing industrial areas will be carried out through DSIIDC. Other policy postulates will be implemented by Department of Industries itself.
- g) Subsidies will be sanctioned by the Commissioner of Industries, GNCTD.

IFC's (Investor Facilitation Centre) Monitoring Committee

The Investor Facilitation Centre (IFC) will be established to serve as a platform for addressing investor queries, expediting approvals, and ensuring smooth coordination among departments. It aims to enhance the ease of doing business and attract investments by providing end-to-end support throughout the project lifecycle. To monitor the functioning and efficiency of the IFC, a high-level committee comprising of following officials from the Industries Department will be formed:

S. No.	Designation	Role
1.	Commissioner of Industries	Chairperson
2.	Special Commissioner – I. Industries Department	Member
3.	Special Commissioner - II, Industries Department	Member
4.	Joint Commissioner, Industries Department	Member
5.	Deputy Commissioner, Industries Department	Member Secretary

Note: The committee may be reconstituted by the chairperson, if required.

A general meeting of the committee shall be held at least once a quarter but not later than 6 months of the preceding meeting at such time & place as the committee may from time to time determine for considering the reports of work done of the IFC.

INDUSTRIAL AREAS OF DELHI

A. List of Planned Industrial Areas of Delhi

1. G.T. Karnal Road Industrial Area
2. Rajasthani Udyog Nagar Industrial Area
3. S.M.A. Industrial Area
4. S.S.I. Industrial Area
5. Wazirpur Industrial Area
6. Lawrence Road Industrial Area
7. Udyog Nagar Industrial Area
8. DSIIDC Sheds, Nangloi
9. Mangolpuri Industrial Area (Both DDA & DSIIDC)
10. Badli Industrial Area
11. Narela Industrial Area
12. Bawana Industrial Area
13. Okhla Industrial Area, Phase I & Phase II (Both DDA & DSIIDC)
14. Okhla Industrial Estate, Phase III
15. Functional Industrial Estate for Electronics, S-Block, Okhla Industrial Area
16. Functional Industrial Estate for Electronics, A-Block, Okhla Industrial Area
17. Mohan Cooperative Industrial Estate.
18. Rani Jhansi Road Industrial Area.
19. Shahzada Bagh Industrial Area.
20. Naraina Industrial Area, Phase I & Phase II.
21. Mayapuri Industrial Area, Phase I & Phase II.
22. Tilak Nagar Industrial Area.
23. Kirti Nagar Industrial Area.
24. D.L.F. Industrial Area, Moti Nagar.
25. Najafgarh Road Industrial Area.
26. Jhilmil Industrial Area.
27. Friends Colony Industrial Area, Shahdara.
28. Patparganj Industrial Area.
29. Shahdara Industrial Area.
30. Baprola Industrial Area (Newly notified).
31. Ranikhera Industrial Area (Newly notified).
32. Kanjhawala Industrial Area (Newly notified).

B. List of Planned Flatted Factory Complexes

1. Flatted Factories Complex at Rani Jhansi Road.
2. Flatted Factories Complex, Okhla Industrial Area.
3. Flatted Factories for Leather Goods, Wazirpur Industrial Area.
4. Flatted Factories Complex at Jhilmil Industrial Area.

C. List of notified Unplanned Industrial Areas.

1. Anand Parbat.
2. Shahdara.
3. Samaipur Badli.
4. Jawahar Nagar.
5. Sultanpur Mazra.
6. Hastal Pocket-A.
7. Naresh Park Extension.
8. Libaspur.
9. Peeragari Village.
10. Khyala.
11. Hastal Pocket-D.
12. Village Shalamar.
13. New Mandoli.
14. Nawada.
15. Rithala.
16. Swaran Park, Mundka.
17. Haiderpur.
18. Karawal Nagar.
19. Dabri.
20. Basai Darapur.
21. Prahladpur Banger.
22. Mundka Udyog Nagar, South.
23. Phirni Road, Mundka.
24. Ranhola.
25. Nangli Sakrawati.
26. Tikri Kalan.
27. Mundka Udyog Nagar , North. (Godown cluster)

Abbreviations

1. ACS	Additional Chief Secretary	33. IIFT	Indian Institute of Foreign Trade
2. AIIMS	All India Institute of Medical Sciences	34. IIT	Indian Institute of Technology
3. BIS	Bureau of Indian Standards	35. IoT	Internet of Things
4. CETP	Common Effluent Treatment Plant	36. IT/ITeS	Information Technology/ Information Technology Enabled Services
5. CFS	Container Freight Stations	37. ITI	Industrial Training Institute
6. COE	Centre of Excellence	38. ITPO	India Trade Promotion Organization
7. CPCB	Central Pollution Control Board	39. JCI	Joint Commission International
8. CSR	Corporate Social Responsibility	40. JNU	Jawahar Lal Nehru University
9. DDA	Delhi Development Authority	41. LEED	Leadership in Energy and Environmental Design
10. DIDOM	Delhi Industrial Development Operation & Maintenance	42. MICE	Meetings, Incentives, Conferences, Exhibitions
11. DJB	Delhi Jal Board	43. MOOC	Massive Online Open Courses
12. DPCC	Delhi Pollution Control Committee	44. MPD	Master Plan of Delhi (DDA)
13. DSIIDC	Delhi State Industrial & Infrastructure Development Corporation Ltd.	45. MSME	Micro, Small & medium Enterprises
14. DTTDC	Delhi Tourism and Transportation Development Corporation	46. NAAC	National Assessment and Accreditation Council
15. EV	Electric Vehicles	47. NABH	National Accreditation Board for Hospitals & Healthcare Providers
16. FDI	Foreign Direct Investment	48. NABL	National Accreditation Board for Testing and Calibration Laboratories
17. FIEO	Federation of Indian Export Organisations	49. NCT	National Capital Territory
18. FMS	Faculty of Management Studies	50. NDMC	New Delhi Municipal Council
19. G2B	Government to Business	51. NEERI	National Environmental Engineering Research Institute
20. G2G	Government to Government	52. NEP	National Education Policy
21. GDP	Gross Domestic Product	53. NIRF	National Institutional Ranking Framework
22. GIS	Geographic Information System	54. PPP	Public Private Partnership
23. GNCTD	Government of National Capital Territory of Delhi	55. QR	Quick Response
24. GRIHA	Green Rating for Integrated Habitat Assessment	56. R&D	Research & Development
25. GSDP	Gross State Domestic Product	57. RFID	Radio Frequency Identification
26. GST	Goods & Services Tax	58. SGST	States Goods & Services Tax
27. GVA	Gross Value Added	59. SPV	Special Purpose Vehicle
28. HEI	Higher Education Institution	60. STP	Sewage Treatment Plant
29. ICD	Inland Container Depots	61. UT	Union Territory
30. ICT	Information & Communications Technology		
31. IFC	Industry Facilitation Centre		
32. IGBC	Indian Green Building Council		