



The Department of Promotion of Industry and Internal Trade (**DPIIT**) has issued a press note dated July 21, 2023 ([available here](#)) and provided *guidelines for streamlining the procedure for grant of industrial licenses*.

In order to promote ease of doing business in India, the period of *initial validity* of industrial license has been extended from *3 years* to *15 years* for all kinds of licenses *to be granted henceforth* under the Industries (Development and Regulation) Act, 1951 (“**IDR Act**”).

The press note has prescribed new guidelines in case of extension of validity of the industrial license for existing license holders who have not commenced production of items within 15 years of issue of license, and certain key conditions are set out hereunder:

- The status of the entity mentioned in the license should be the same, unless the change has been endorsed in the existing license.
- The *land* should have been acquired either under *ownership* or on *lease* for a minimum period of *30 years* and the construction on the project should have been completed.
- Extension of validity would be allowed for a further period of *3 years* i.e., up to a maximum of *18 years*.

This Update is meant for general information and shall not be deemed to be a legal advice or opinion. This Update is neither intended to be an advertisement or solicitation.

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