

HARYANA ENTERPRISES PROMOTION POLICY, 2020

Department of Industries and Commerce,
Government of Haryana

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Abbreviations

| | |
|---------|---|
| AAI | Airports Authority of India |
| AE | Advance Estimates |
| AKIC | Amritsar Kolkata Industrial Corridor |
| BIPP | Bureau of Investment Policy & Promotion |
| BRAP | Business Reform Action Plan |
| CAFs | Composite Application Forms |
| CETP | Common Effluent Treatment Plant |
| CFC | Common Facility Centers |
| CFS | Container Freight Station |
| CIS | Central Inspection System |
| CLU | Change of Land Use |
| DHBVN | Dakshin Haryana Bijli Vitran Nigam |
| DIC | District Industries Centres |
| DMIC | Delhi - Mumbai Industrial Corridor |
| DPIIT | Department of Promotion of Industry and Internal Trade |
| EAC | Economic Advisory Council |
| EAG | Enterprise Assistance Group |
| EDC | External Development Charges |
| EoDB | Ease of Doing Business |
| ESDM | Electronics System Design & Manufacturing |
| EV | Electric Vehicle |
| FAR | Floor Area Ratio |
| FPO | Farmer Produce Organisation |
| FTA | Foreign Trade Agreement |
| FY | Financial Year |
| GMP | Good Manufacturing Practices |
| GRB | Gender Responsive Budgeting |
| GSDP | Gross State Domestic Product |
| GSVA | Gross State Value Added |
| HEPB | Haryana Enterprises Promotion Board |
| HEPC | Haryana Enterprise Promotion Centre |
| HSIIDC | Haryana State Industrial and Infrastructure Development Corporation |
| ICD | Inland Container Depot |
| IIT | Indian Institute of Information Technology |
| IIM | Indian Institute of Management |
| IMF | International Monetary Fund |
| IMT | Industrial Model Township |
| IoT | Internet of Things |
| IPR | Intellectual Property Rights |
| IT | Information Technology |
| ITeS | Information Technology Enabled Services |
| KMP | Kundli-Manesar-Palwal Expressway |
| MoU | Memorandum of Understanding |
| MSE-CDP | Micro, Small Enterprises Cluster Development Program |

| | |
|---------|--|
| MSME | Micro, Small and Medium Enterprise |
| NASSCOM | National Association of Software and Service Companies |
| NID | National Institute of Design |
| NIT | National Institute of Technology |
| NMA | National Monuments Authority |
| NoC | No Objection Certificate |
| NTM | Non-Tariff Measure(s) |
| PFT | Private Freight Terminal |
| PPP | Public Private Partnership |
| QMC | Quality Marking Centres |
| SEPC | Service Export Promotion Council |
| SWS | Single Window Service |
| TIES | Trade Infrastructure for Export Scheme |
| UHBVN | Uttar Haryana Bijli Vitran Nigam |
| ULB | Urban Local Body |

1. Executive Summary

1.1. Overview

At the time of its creation in 1966, Haryana was an agrarian State. Today, while the State continues to honor its agricultural roots it is also counted amongst the most industrialized and developed States in India. In the past five years alone, the State GSDP at constant prices has grown from INR 3.7 Lakh Crore (FY 2014-15) to INR 5.72 Lakh Crore (FY 2019-20, AE), registering a compounded annual growth rate of 9 percent¹. In 2019-20, the industrial contribution to GSDP was 33 percent and service sector contribution was 51 percent. Further in 2019-20, the industry sector grew at 6.8 percent and services sector at 8.8 percent versus the national average of 2.5 percent and 6.9 percent respectively. Haryana registered exports worth INR 96,570 Cr. in 2018-19, an annual growth of 12.8%².

Haryana's industrial ecosystem thrives on the back of 9.7 lakh MSMEs employing about 19.06 lakh people³. The major MSME footprint is in automobile, food & beverages, textiles, engineering and metals sector. The manufacturing MSME spectrum in the state comprises both state of the art medium enterprises (majorly located in Panipat, Faridabad and Gurugram) as well as a large number of traditional micro and small enterprises (majorly located in Panchkula, Ambala, Karnal, Rohtak and Kaithal).

The State has embodied the philosophy - "from red tape to red carpet" and as a result of continued emphasis on improving the regulatory environment for the industry, Haryana ranks 3rd in the Ease of Doing Business (EoDB) in India and 1st in North India (latest 2017-18 ranking released by DPIIT, Government of India).

Haryana also benefits from a unique strategic locational advantage, with nearly 57% of the State falling within the National Capital Region. The State offers robust industrial infrastructure with six Industrial Model Townships (IMTs), 24 Industrial Estates and 11 Industrial Clusters/ Theme Parks spanning over 27,137 acres. On macro infrastructure, Haryana has 9 ICDS, 3 CFS and 8 PFTs and entire state covered under at least one major industrial corridor i.e. Delhi - Mumbai Industrial Corridor (DMIC), Amritsar Kolkata Industrial Corridor (AKIC), Kundli-Manesar-Palwal Expressway (KMP), North South Corridor and Bharatmala offering immense opportunities for industrial development. Other key infrastructure projects in the pipeline include Integrated Hisar Aviation Hub, the KMP Economic Corridor, Panchgram, IMT Sohna, Global City Gurugram and a Multi Modal Logistics Hub at Narnaul.

¹Haryana Economic Survey 2019-20

² As per DGCIS data

³Ministry of MSME, Government of India, Annual report 2018-19

The State has also evolved over the years as a nesting destination for education and skilling. With over 40+ Universities, 800+ colleges, 150+ Engineering Colleges & 180+ Polytechnics, Haryana is also home to premier national institutes such as IIM, IIIT, NIT, NID and Central University. Haryana was amongst the first few States to launch a dedicated skill university – the Haryana Vishwakarma Skill University. The Skill Development and Industrial Training Department is presently providing training for certificate courses having duration one year & two years to 1,01,381 trainees.

The Enterprises Promotion Policy (EPP) in 2015 was launched to position Haryana as a pre-eminent investment destination and facilitate balanced regional and sustainable development supported by a dynamic governance system, wide scale adoption of innovation & technology, and skill development for nurturing entrepreneurship and generating employment opportunities.

The Industrial landscape both in India and Haryana has evolved significantly since the notification of the State's Enterprise Promotion Policy in 2015. While the State has made notable progress in enhancing the Ease of Doing Business and reducing the Cost of Doing business and in institutionalizing effective monitoring mechanisms, a new lens is required to chart the future growth story and to ensure the alignment of policy outlook and action with the present needs of the industrial ecosystem.

The Enterprises Promotion Policy, 2020, identifies the following five pillars for holistic socio-economic development of the State:

1. Industry competitiveness
2. Balanced regional growth
3. Export development
4. Innovation and entrepreneurship
5. Robust industrial infrastructure

This policy places a special emphasis on development of the MSME sector and their business growth. It envisages bringing up a paradigm shift from being a regulator to a facilitator of MSMEs.

1.2. Rationale for EPP 2020

A renewed focus on making factors of production more cost competitive, further easing the regulatory burden on the industry, ensuring balanced regional development, revival of MSME sector, enhancing productivity and leveraging technological progress.

1.3. Vision, Mission and Objective

The vision of the policy is to establish Haryana as a competitive and favoured investment destination, achieve regional development, export diversification and providing livelihood opportunities to its people through resilient economic development. The policy objective is to attract investments of INR 1 Lakh Crore and generate 5 Lakh jobs in the State.

1.4. Fostering Ease of Doing Business

In an atmosphere where all the States are competing against each other for attracting investments, the role of business facilitation becomes crucial. The Government of Haryana is determined to create an ecosystem in which the Ease of Doing Business in the State matches and even exceeds the best global standards. This policy proposes regulatory reforms in land, labour and institutional mechanisms.

1.5. Facilitating balanced regional development & value chain strengthening

The Policy emphasizes the need for a balanced regional growth across the State. This would be strategized through fiscal and non-fiscal interventions that assist dispersal of the industry to the industrially backward areas of the State and infrastructure led geographical dispersal driven by Mega Projects and Industrial Corridors.

1.6. Enhancing exports

The performance of the State on the export front has been excellent despite lack of natural resources and the distance of the State from seaports. However, the need has been identified, to provide adequate infrastructure, regulatory support & incentives to the exporting units for increasing exports from the state through strategic policy interventions.

1.7. Developing robust industrial infrastructure

Quality Infrastructure plays a crucial role for industrial development of the State. Availability of world class infrastructure enables industries to establish operations with lower. In addition to social development and generation of new employment opportunities, it helps in attracting indigenous and foreign investment. In this regard, various strategic infrastructure schemes have been included in this policy.

1.8. Supporting entrepreneurship and MSMEs

The MSME sector has emerged as a highly vibrant and dynamic sector contributing significantly to the socio-economic development of the country. The sector encourages the growth of entrepreneurship and generates employment opportunities at lower capital cost when compared to other sectors. These units are important since they are complementary to large industrial units and serve as ancillary units, contributing to inclusive development. This policy provides critical support to MSMEs for enhancing productivity, quality and market access and promoting entrepreneurial spirit. The policy promotes cluster development, regulatory easing and provision of attractive fiscal incentives for the future growth of MSME sector.

1.9. Promoting brand Haryana

This policy envisages to increase investor satisfaction through the entire business cycle from investment promotion to after-care. Further, the policy lays an emphasis on district level invest promotion and facilitation. Three tier grievances redressal committees have been constituted to address industrial disputes and grievances.

1.10. Generating livelihood opportunities & labour integration

The policy targets to generate 5 lakh jobs. The focus of the policy is on employment generation through promotion of greenfield and brownfield investments in the State, adoption of a labour intensive approach to industrial infrastructure development and maintenance, execution of strategic skill development initiatives and technological interventions. The policy also envisages to create a more inclusive labour-force with an increased focus on labour well-being.

1.11. Boosting investment in thrust sectors

The state has been at the forefront in promoting industrial growth by offering an array of attractive incentives to encourage rapid industrialization. Based upon an in-depth analysis of geographical advantages, skill base, available resources and manufacturing capabilities, the State has identified the following seven thrust sectors:

1. Auto, Auto Components & Light Engineering
2. Agro-based, Food Processing & Allied Industry
3. Textiles and Apparels
4. Electronics System Design & Manufacturing (ESDM)
5. Defence and Aerospace Manufacturing
6. Pharmaceutical & Medical Devices
7. Chemical and Petrochemicals

The Focus/Thrust Sectors and Clusters shall be supported through preferential fiscal support, regulatory easing and strategic interventions for development of sector specific infrastructure.

1.12. Strengthening service sector

The services sector contributes over 50% to the State's Gross Value Added. Further, the service sector supports several critical industries in the State therefore making it a crucial enabler for the overall socio-economic development of the State. IT & ITeS, Logistics, Retail & Warehousing, Research & Development, Healthcare & Education have been identified as focus areas within the service sector.

1.13. Providing competitive incentives framework

To reduce the cost of doing business in the State and enhance industry competitiveness the policy offers an array of attractive fiscal incentives to MSME, large, mega and ultra-mega enterprises, exporting units, thrust sector enterprises, large service sector enterprises and essential industrial units, including but not limited to investment subsidy, interest subsidy, stamp duty refund, electricity duty refund, employment subsidy and technology acquisition support, amongst others. Ultra-Mega and Mega projects as defined under this policy shall also be eligible for special package of incentives over and above the incentives offered under this policy. In support of micro enterprises in rural areas the Haryana Gramin Udyogik Vikas Yojna is also being introduced under this policy.

1.14. Implementation and Monitoring

A committee has been formulated to identify hurdles/bottlenecks in the implementation of the State's industrial policy and for redressal. A high profile Economic

Advisory Council has been constituted to harness the intellectual capital in the State on Policy matters and other issues of overall economic development of the State. A cell for monitoring and implementation support for central government schemes shall also be established under the purview of this policy.

1.15. General

The policy validity period shall be 15 August 2020 until 15 August 2025. All new Schemes proposed in Policy will have to be formulated with on a time frame of three months from the date of release of this policy and on-line platforms for project clearances would go online/live by December 31st, 2020.

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2. Rationale for EPP 2020

In 2020, India has become the world's 5th largest economy and is on steady path to become the 3rd largest economy in the next 5 years. The State of Haryana is poised to play a critical role in advancing the national economy. India is expected to witness positive economic growth as per IMF estimates. India is predicted to grow at 1.9 percent in FY20-21 with a sharp recovery in the following period. The COVID-19 pandemic has created several challenges and opportunities for the country and for Haryana.

To revitalize economic growth in Haryana during and post the COVID-19 pandemic and to propel the State towards an accelerated trajectory of growth, a renewed focus is required on making factors of production more cost competitive, further easing the regulatory burden on the industry, ensuring balanced regional development, revival of MSME sector, enhancing productivity and leveraging technological progress.

In lieu of the above, the new Enterprises Promotion Policy,2020 takes cognizance of the following:

- 2.1.** Need for building resilience in economic development and industrial growth through policy affirmations
- 2.2.** Opportunities arising out of changes in global economic order and political headwinds
- 2.3.** Alignment with national initiatives such as Atmanirbhar Bharat Mission and infrastructure development schemes of Govt. of India
- 2.4.** Advent of Industry 4.0 bringing to fore adoption of digital transformation, Artificial Intelligence, Internet of Things, Big Data and Analytics, Cloud and Cybersecurity amongst other interventions
- 2.5.** Leveraging emerging trends in Supply Chain & Logistics, Electric Mobility, e-commerce, Agri-tech, Green manufacturing & Climate change and Healthcare & Pharma and other new avenues for growth

3. Vision, Mission and Objectives

3.1 Vision

“To establish Haryana as a competitive and favoured investment destination, achieve regional development, export diversification and providing livelihood opportunities to its people through resilient economic development.”

3.1. Mission

- 3.2. Bringing systemic changes through rationalizing of State statutes for industrial development and bring ease to businesses
- 3.3. Focussing on supply chain strengthening across sectors & regional development
- 3.4. Diversifying in exports markets and commodities
- 3.5. Building robust industrial Infrastructure and utilize industrial corridors passing through Haryana
- 3.6. Focussed investment promotion and brand building
- 3.7. Building innovation & Start-up ecosystem in each district and developing entrepreneurial culture
- 3.8. Ensuring greater cohesion of workforce and generate opportunities for livelihood in each district
- 3.9. Promoting Thrust sectors
- 3.10. Providing Competitive incentives framework

3.11. Policy objectives

- 3.11.1. Generate 5 lakh jobs
- 3.11.2. Attract investments of INR 1 Lakh crores
- 3.11.3. Double the exports and take it to INR 2 lakh crores
- 3.11.4. Revalidate at least 100 State statutes (Acts, Rules and guidelines) and make them more suitable to investors
- 3.11.5. Build supply chain facilities, incentives and infra across 22 districts

4. Fostering Ease of Doing Business

Apart from easing regulations, Haryana has adopted a three-pronged approach for Ease of Doing Business. The State's EoDB strategy is being implemented in three phases i.e. 'Design & develop', 'Implement & use' and 'Improve'.

The ultimate objective of Haryana's 3 phase strategy is creating an investor conducive business environment and this strategy has helped the State in securing its position as one of the top States in India. Further, Haryana's Central Inspection System has been recognized as a Best Practice by DPIIT.

In an atmosphere where all the States are competing against each other for attracting investments, the role of business facilitation becomes crucial. The Government of Haryana is determined to create an ecosystem in which the Ease of Doing Business in the State matches and even exceeds the best global standards. The State Government is aware that a hassle-free regulatory environment is accorded the highest priority by the Industrialists/Investors, and accordingly the Government has implemented a very effective Clearance & Facilitation System and will continue to improve and strengthen the existing enablers of EoDB.

4.1. Project Clearance Mechanism:

A two-tier system for project clearances had been created for increasing efficiency under the Haryana Enterprise Promotion Board (HEPB):

- a) Projects with investments more than INR 10 crore and involving CLU cases of more than one-acre land will be cleared by the Empowered Executive Committee of HEPB.
- b) Projects with investments upto INR 10 crore and CLU cases upto one acre in conforming zones will be cleared by District Level Clearance Committee headed by Deputy Commissioner.

Further, HEPB is responsible for sanctioning of special packages for mega projects, and overseeing timely provision of clearances and deemed clearances. The statutory backing is provided for this implementation under The Haryana Enterprise Promotion Act, 2016.

4.2. Strengthening the Single Window Service (SWS):

- 4.2.1. The State has implemented a dedicated Single Window System, the Haryana Enterprise Promotion Centre (HEPC), with a statutory backing that provides online approvals in a timely manner and has provisions for deemed clearances. More than 100 industrial clearances such as Consent to Establish, Approval of Building Plans, Electricity Connection, Consent to Operate, Occupation certificate etc. are now being granted through HEPC with all services being delivered within a time frame of maximum 45 days.

4.2.2. To further strengthen the Single Window System the following initiatives will be undertaken:

- 4.2.2.1. More than 150 services/ clearances/ approvals etc. related to industrial units have been notified under Right to Service Act. Additional services / clearances relating to industrial activity shall be notified under the Right to Service Act with an ongoing focus on rationalising timelines, application procedures and application fees.
- 4.2.2.2. A process re-engineering exercise shall be conducted to identify and remove redundant processes and minimise interdependency of approvals (such as Change of Land Use (CLU) requirement for obtaining Factory Registration / licence and Consent to Establish (CTE)/ Consent to Operate (CTO) wherever viable.
- 4.2.2.3. Digi Locker shall be integrated in the Single Window System to avoid hassle to investors of re-uploading documents.
- 4.2.2.4. Investor Feedback mechanism has been integrated in the Single Window System to facilitate data collection and improve service delivery.
- 4.2.2.5. All requisite Districts Level Business Reforms shall be integrated in the Single Window System to increase information dissemination.
- 4.2.2.6. System of auto-notifications to the investor through SMS or Email for renewal of licenses and payment of fees has been integrated in the Single Window System.
- 4.2.2.7. Business clearances and approvals applicable for different sectors shall be grouped and made available on HEPC Portal in such a way that any industrial unit belonging to a particular sector shall be able to easily obtain information on the clearances and approvals required for operating in that sector in the State.
- 4.2.2.8. The business eco system shall be made more conducive by rationalising the existing rules, regulation in a way which reduces number of processes, time taken and cost.

4.3. Strengthening Central Inspection System (CIS):

The Government of Haryana launched the Central Inspection System in October 2017 and it has been ranked as a Best Practice in the country as part of the EoDB State ranking 2017-18 by DPIIT, Govt. of India. To further strengthen the Central Inspection System in such a way that it optimizes benefits to investors in the State, the following initiatives shall be undertaken:

- 4.3.1. The Central Inspection System shall be integrated with the Single Window (HEPC).
- 4.3.2. Inspections will be treated as a service and will be integrated with Grievance Redressal System and HEPC feedback management system.
- 4.3.3. Inspection checklists shall be rationalised in consultation with concerned departments.
- 4.3.4. Inclusion of services of new departments under the ambit of CIS shall be examined and appropriately implemented.
- 4.3.5. A dedicated mobile app shall be launched to facilitate inspections and access to inspection reports.

- 4.3.6. A security audit shall be conducted of the CIS module and Digi Locker, Digital Signatures and QR codes shall be integrated in CIS.
- 4.3.7. To reduce the burden of inspections on State Departments and in interest of streamlining processes, assignment of Inspection to Empanelled Technical Experts in select regulations shall be examined.

4.4. Simplification of Regulations

In order to make a conducive business ecosystem in Haryana, the following reforms shall be undertaken with clear outcomes with focus on regulatory, governance and execution.

- 4.4.1. **Regulatory impact assessment:** The government shall undertake regulatory impact assessment exercise for all investor touch points in order to streamline the rules and ease burden on the investors.
- 4.4.2. **Focus on improving major parameters:** The effort shall be taken to reduce time, cost and number of procedures for Starting a Business, Construction Permits, Getting Electricity and Registering Property.

4.5. MSMEs:

- 4.5.1. MEMSEs shall be given all requisite business clearances within 15 days and beyond which there will be a provision for automated deemed clearances on HEPC portal.
- 4.5.2. No inspections shall be carried out for a period of 3 years from the date of starting business.

4.6. Labour Reforms:

- 4.6.1. **Mega and Ultra-mega projects:** Mega and ultra-mega projects shall be exempted from the purview of all labour laws in the state of Haryana, except The Minimum Wages Act, 1948, for a period of three years.
- 4.6.2. **Increase in coverage limit for small industries under Factories Act, 1948:** The limit of number of workers for exemption from coverage under Factories Act, 1948 shall be increased from 20 to 40 (for the industries operating without the aid of power) and from 10 to 20 (for the industries operating with aid of power). The State Government would be prompt in implementing the provisions after its approval for benefit of industries
- 4.6.3. **Increase in overtime working hours under the Factories Act, 1948:** The allowed overtime working hours shall be increased from present norms of 50 hours per quarter to 115 hours quarter, which would be immensely beneficial to the workers as well as the entrepreneurs. It would enable the workers to put-in more hours to work, thereby earning extra wages and would also help entrepreneurs to respond to greater production requirement, as and when required.
- 4.6.4. **Self-certification for factory license:** Provision for all industries to obtain factory licence under self-certification scheme (except those industries in high

risk category) shall be suitably examined.

- 4.6.5. The provision for allowing three shifts working for women shall be made for Data Park centers.

4.7. Land Reforms:

- 4.7.1. **Concession on land price:** For mega or ultra-mega projects, where the project proponent has been engaged in the manufacturing business (in India or abroad) for at least a period of 20 years and wherein the product proposed to be manufactured in the State fulfils the objective of import substitution, the project proponent shall be eligible for a concession in land allotment price by HSIIDC up to 50% of prevailing land allotment price of HSIIDC in C & D category Blocks and up to 25% in B Category Blocks. HEPB will be the competent authority to grant this concession on the recommendation of Empowered Executive Committee
- 4.7.2. **For General industrial:** The facility of enhanced FAR of 50% beyond the general level of 150% up to 200% in case of general industries shall be permissible subject to payment of proportionate increasing EDC and conversion charges at existing rates (in the form of augmentation charges) or as may be prescribed by the State Government /development agency.
- 4.7.3. **For Warehousing:** The facility of enhanced FAR of 75% beyond the general level of 75% upto 150% in case of warehousing shall be permissible subject to payment of proportionate increasing EDC and conversion charges at existing rates (in the form of augmentation charges) or as may be prescribed by the State Government /development agency.
- 4.7.4. A one-time opportunity shall be provided to units established without obtaining CLU in the confirming zones of the Town and Country Planning Department, to obtain the CLU at a rationalised compounded cost.
- 4.7.5. CLU conversion charges shall be rationalised for expansion of units which were originally setup outside controlled area of TCP with NOC but were subsequently brought under controlled area.
- 4.7.6. In order to enable Industry to buy land from private players, a mechanism for property title verification for authenticity of land shall be introduced to facilitate land purchase for industry. This authentication mechanism shall have following details:
- a) Land details (Title)
 - b) Land area as per map, textual record, cartographic map.
 - c) Current possession details
 - d) Litigations/disputes (encroachments etc.)
 - e) Any restriction of land (from NMA, AAI, vicinity of high-tension lines, Metro, gas pipelines etc.)
 - f) Convertibility (from Agriculture to Commercial or Industrial purpose and vice versa)
- 4.7.7. To bring ease for investor in property registration the land record shall be digitise with record of past 30 years' land transaction history.
- 4.7.8. The step shall be undertaken to move from presumptive land titling system to conclusive land titling system.
- 4.7.9. **Simplified Mechanism for Change of Land Use:**
- 4.7.9.1. In 31 blocks there shall be no need to obtain CLU/ NOC for setting up of

Industrial Units (Annexure-4). The provision of Auto CLU for land area upto 1 acre with an automatic dispensation of deemed clearance in industrial zones shall be explored in case the competent authority does not grant the CLU within the prescribed timelines under The Haryana Enterprise Promotion Act 2016 after submission of the requisite documents.

- 4.7.9.2. The provision for the lessee to obtain CLU (for minimum lease period of 30 years) on behalf of landowner shall be made.
- 4.7.9.3. Panchayat land shall be made available to the industry on lease to promote industrialization in rural areas. A suitable policy shall be formulated in this regard.

4.8. HSIIDC

- 4.8.1. **Old Industrial Areas of Panipat, Sonipat, Bahadurgarh and Yamuna Nagar:** HSIIDC may allow the utilization of land for commercial purposes in addition to industrial use subject to charging of conversion fee and regularizing of industrial plots bifurcated/ fragmented prior to the issue of the notification by charging bifurcation fee/ or transfer fee as the case may be.
- 4.8.2. **Timeline for completion of secondary infrastructure:** HSIIDC shall be encouraged to complete the secondary level infrastructure within 3 (Three) years of allotment of 25% of the total saleable area as provision of secondary infrastructure is critical to the success of industry.
- 4.8.3. **Transfer fee:** Transfer fee applicable on plots that were sold as freehold shall be rationalised.
- 4.8.4. **Increased FAR for Flatted Factories:** HSIIDC shall allot plot(s) of 2000 sq. mt. and above to developers for creating 'plug and play' facilities with permissible FAR of 250% in order to encourage uptake by micro and small enterprise in industrial estates
- 4.8.5. **Increased FAR for Labour Housing:** HSIIDC shall allot 2000 sq. mt. plot and above to developers for creating and providing quality labour housing facilities with permissible FAR of 250%. Labour housing shall be available on lease to the Industries in the industrial estate.
- 4.8.6. **Reservation for Labour Housing:** 10% of area of industrial estates shall be reserved for residential area for labour housing.
- 4.8.7. HSIIDC shall re-evaluate the Estate Management Procedures (EMP) and make it supportive industrial development of state by rationalising land procedures, charges, operation and maintenance of industrial area and other required activities.
- 4.8.8. HSIIDC shall actively utilise the Government of India Schemes for creation and up-gradation of infrastructure in the industrial estates.
- 4.8.9. HSIIDC shall formulate a policy to offer Land on Lease to companies bringing FDI in Haryana and for domestic investment in thrust sectors which may later be converted into free hold basis. The policy shall aim at reducing the upfront cost burden on investors by allowing them to operate on land taken on lease.
- 4.8.10. A scheme may also be formulated for creating dormitories for workers and industrial housing by HSIIDC in the industrial estates to ensure easier availability and better residential facilities for workers.

- 4.8.11. The service activities such as Bulk courier Services, Equipment rental & leasing (construction & Industry related), Equipment maintenance & repair, Environmental serves (sewage/ refuse disposal) shall also permitted in the industrial estates.
- 4.8.12. HSIIDC shall create CETPs in all industrial estates and provision for recirculation pipelines for reuse of treated water.

4.9. Other reforms

- 4.9.1. **Power:** Every HT industry must declare maximum Contract Demand i.e. maximum electricity load they can draw from the DHBVN/UHBVN. The penalty for exceeding the maximum contract demand shall be rationalised from 25% of the total month's electricity consumption to 25% of the day's (on which consumption was greater than contract demand) consumption, where feasible to evaluate the day's electricity consumption.
- 4.9.2. **Building by-laws:** Building bylaws under Haryana Building Code 2017 shall be suitably amended to include the provisions of Factories Act, 1948 and also to include a worker dormitory/ housing portion in total FAR.

5. Facilitating Balanced Regional Development & Strengthening Value Chains

The Policy emphasizes on the need for a balanced regional growth across the State. This would be strategized through fiscal and non-fiscal interventions that assist dispersal of the industry to the industrially backward areas of the State and infrastructure led geographical dispersal driven by Mega Projects and Industrial Corridors.

5.1. Incentives led geographical dispersal:

For promoting geographical dispersal of industry, the State has been divided into four categories of Development Blocks viz. A, B, C and D based on the level of industrialization, level of socio-economic development, locational advantage (connectivity), state of infrastructure development and level of skill development. The category of incentives, namely, SGST reimbursement, interest subsidy, electricity duty exemption, stamp duty refund etc. will be provided in the A, B, C & D category blocks along with the additional incentives of providing infrastructure support in terms of road connectivity, water and power availability to mega and large projects/ clusters of industrial units located in the backward and extremely backward blocks.

In addition, special incentives shall be provided for the thrust areas/ focus clusters i.e. textiles and food processing industry utilizing raw material produced in the State. Similarly, for rural functional clusters i.e. apparel, footwear and dairy decentralized production in rural areas and utilizing traditional skill of women/ rural artisan, with appropriate skill development support resulting in large scale employment and income enhancement shall be encouraged.

5.2. Enabling Infrastructure:

- 5.2.1. **Rural Industrial development** shall be accelerated by **providing basic urban services**, affordable housing, water, sanitation, health, education, and social security, and strengthening last mile connectivity in collaboration with other State Departments.
- 5.2.2. **Development of strategic production clusters** at suitable locations such as district headquarters or industrial developed blocks where industries get trade/export related infrastructure and market linkages shall be undertaken. Production and value chain-based clusters can emerge with support in the form of trade infrastructure and development of commodity hubs and trade centres.
- 5.2.3. **Market linkages and direct connectivity** between Rural Clusters and Consumption Centres of the State (typically urban areas) shall be suitably enhanced.
- 5.2.4. **Private sector participation** and investments in strategic infrastructure, focused at improving connectivity and logistics infrastructure in the State shall be encouraged through proactive outreach and marketing of shelf of projects in urban and rural areas.

5.3. EoDB Ground level Implementation:

Establishing and enabling centralised monitoring of the regulatory environment

in the Districts. Focused intervention in Districts lagging in ground implementation of reforms.

5.4. Branding of Districts:

District profiles will be created and made available on HEPC. The profile will be based on the inherent strengths of the district, opportunities and shelf of projects.

5.5. Value Chain Development:

Value chain strengthening can be useful for fighting inequality, favouring higher incomes for producers, and a more balanced appropriation of value added. The challenge doesn't consist simply of being part of a value chain, but rather is a matter of increasing participation in the generation of value added through upgrading and transforming the chain's structure and in the process helping it to rise in the value chain hierarchy, as it transitions from simple activities to more complex ones. The State Government shall identify strategic value chains in thrust sectors and develop them through:

5.5.1. Identification of bottlenecks and opportunities within each link of the chain, as well as their actual and potential linkages for:

5.5.1.1. Strengthening the weakest actors to address bottlenecks in the chain

5.5.1.2. Improving linkages that allow flows of knowledge and resources to take place that make firms in the chain more productive

5.5.1.3. Creating new or alternative links in the chain, e.g., linking local firms to global value chains or linking to new, additional lead firms

5.5.2. Setting up value chain development groups in public-private participation.

5.5.3. Identification of lead-firm or individual champion that could further engage in fostering value chain development wherever applicable.

5.5.4. Development and implementation of sector-specific value chain strategies in public-private partnerships with effective monitoring and evaluation mechanisms using the following methodology:

5.5.4.1. Definition of meta-objectives: These are understood as the ultimate objectives in terms of social and economic development, which are pursued through value chain strengthening.

5.5.4.2. Value Chain selection: In this phase a decision is made as to which value chains will be prioritized for the support of both the public and private sectors, the value chain selection will be congruent with meta-objectives.

5.5.4.3. Diagnostic: This exercise is aimed at arriving at a detailed identification of bottlenecks and opportunities within each link of the chain, as well as their actual and potential linkages. It begins with mapping the chain and identifying and delineating the main links and their functions. Then a study is made of six major areas i.e. the chain's national and international context, economic performance (employment, trade, costs and margins, among others), market analysis (competitors, customers, standards and certifications, among others), chain governance, support organizations and environment.

5.5.4.4. Primary Dialogue: For the purpose of discussing and validating diagnostic analysis with the various stakeholders across the value chain.

- 5.5.4.5. International Good Practices: These provide a reference point for determining the distance separating the value chain under study from similar chains in other countries, as well as the lessons needed for strategy elaboration.
- 5.5.4.6. Strategy: Development of strategies for overcoming bottlenecks and taking advantage of opportunities identified in the diagnostic. It is a matter of designing specific strategies at the micro level that ideally should make it possible to project timelines, resources, and the people to be in charge.
- 5.5.4.7. Secondary Dialogue: For the purpose of discussing and validating strategies with the various stakeholders across the value chain.
- 5.5.4.8. Implementation: Through specific activities such as training representatives of selected links of the chain, elaborating market analysis or preparing feasibility studies.
- 5.5.4.9. Communication: Launch of the chain-strengthening strategy and established commitments by the public and private participants are made public.

5.6. Strengthening Supply Chains of Thrust Sectors

- 5.6.1. A State level Business Continuity Platform, which will provide, end to end information services related to Upstream/ Downstream entities in the supply chain of thrust sectors will be designed and integrated with Single Window System.
- 5.6.2. A “whole of the supply chain” approach will be adopted for economic development of thrust sectors, that would imply bringing together a variety of service sectors and subsectors that are relevant that are relevant for the State’s manufacturing industry through policy interventions and regulatory easing.
- 5.6.3. Specific studies shall be undertaken on sectors, sub-sectors and products to strategies and plan the development through specific interventions.

6. Enhancing Exports

The performance of the State on the export front has been excellent despite lack of natural resources and the distance of the State from seaports. However, the need has been identified, to provide adequate infrastructure, regulatory support & incentives to the exporting units for increasing exports from the state.

6.1. Land Allotment and Infrastructure Development:

- 6.1.1. 100% Export Oriented Unit (EoU) shall be given priority for allotment of land in the Industrial Estates developed by HSIIDC.
- 6.1.2. State Government shall provide land at 50% of HSIIDC cost to the Export Promotion Councils for setting up their offices in the districts of Karnal, Panipat, Hisar and Ambala or any appropriate location decided by the Government for promotion of exports.
- 6.1.3. Steps shall be taken for setting up of Export Promotion Industrial Park at Panipat for textile exporting units.
- 6.1.4. Steps shall be taken for creation of Inland Containers Depots by private players or under PPP mode in the Districts of Karnal, Panipat and Hisar or any appropriate location decided by the Government. 50% stamp duty and external development charges shall be exempted for such projects.
- 6.1.5. In order to increase cost competitiveness of exporting units steps shall be taken to identify exporting clusters of thrust sectors in the State and provisioning of a dedicated fund to build common facilities such as design, training, testing and certification centres in these clusters shall be evaluated.

6.2. Leveraging Government of India Schemes:

- 6.2.1. The Government of India has launched the Trade Infrastructure for Export Scheme (TIES) from FY 2017-18 with the objective to assist Central and State Government Agencies for creation of appropriate infrastructure for growth of exports from the States. TIES will be leveraged to strengthen Export related infrastructure in Haryana.
- 6.2.2. The scheme of M/oMSME shall also be leveraged in respect of Government Quality Marking Centres.
- 6.2.3. Other Schemes / interventions of all central government ministries/ department/ agencies shall be leveraged for development of export infrastructure and enhancing export from the state.

6.3. Institutional Strengthening:

- 6.3.1. A dedicated **strategy and action plan** shall be devised to showcase and develop export markets for Haryana's produce and industrial goods based on global trends.
- 6.3.2. An **Export Promotion Bureau** shall be set-up in the State, under the Department of Industries and Commerce, to perform the following functions:
 - 6.3.2.1. Identify the products in which the country is depended on import and wherein the State can utilize its inherent strength for import substitution,

- trade diversification and promote production of the same to achieve balance of trade targets in support of Atmanirbhar Bharat
- 6.3.2.2. Export consulting (including Legal, Regulatory, Financial and Marketing consulting support to Exporting Units or businesses with high potential for Export from the State)
 - 6.3.2.3. Providing one-stop platform for trade information
 - 6.3.2.4. Regulatory simplification & Intergovernmental coordination
 - 6.3.2.5. Policy Advocacy at State and National Level
 - 6.3.2.6. Promoting national and international collaboration & market linkages for Exporting Units
 - 6.3.2.7. Need-Gap analysis and advocacy for Export Infrastructure Development
 - 6.3.2.8. Export Awards to recognize exporter of the state shall be accorded
- 6.3.3. Haryana Export Promotion Council in collaboration with industry shall be set-up. The purpose of the Export Promotion Council shall be to act as the sounding board to the State Government on various export issues and development strategies, advocacy on policy matters and other areas of export development targeted at doubling the exports from the State and job creation. The Export Promotion Council will guide the development in the State based on the changing economic environment and market trends.

6.4. Skill Development:

- 6.4.1. Technical courses for educating youth in pre-export inspections and procedures shall be explored with Haryana Vishwakarma University and other prominent Skill and Training Institutions of the State in consultation with industry and academia.

6.5. Enhancing Services Exports:

- 6.5.1. Haryana has high potential in the Services Export especially in IT/ITeS, Healthcare and Education. The State Export promotion strategy shall also focus on identifying high potential sub-domains within the services sector and appropriating support to boost these service sectors exports.

6.6. Trade and Business facilitation Cell

- 6.6.1. Trade and Business facilitation cell shall be established at centre level and at regional level under Export Promotion Bureau. The Cell shall perform following activities:
 - 6.6.1.1. Undertake commodity analysis and potential export markets to boost exports
 - 6.6.1.2. Implementation-tariff barriers action plan which shall make it clearer and easier for businesses to understand the support available, and will point businesses in the right direction, depending on the specific challenges they face.
 - 6.6.1.3. Assists exporters on trade and market access for agricultural goods and processed food, and regulates their export
 - 6.6.1.4. Support stakeholders in leveraging FTAs and enable job creation in the state and augment regional value chain
 - 6.6.1.5. Support and examine the feasibility of Certification and Mutually recognized facilities.

7. Developing Robust Industrial Infrastructure

Quality Infrastructure plays an important role for industrial development of the State. As a result of availability of world class infrastructure, industries get established with less capital investment and can function without obstructions. These infrastructure facilities assist in growth of business and industry along with promoting fair competition. In addition to social development and generation of new employment opportunities, it helps in attracting indigenous and foreign investment. In this regard, certain infrastructure schemes have been included in this policy.

7.1. Sectoral Intervention:

7.1.1. The Government of India's infrastructure schemes such as Electronics Manufacturing Cluster, Mega Food Park, Cluster Development Programme for Pharma Sector, Creation of Bulk Drug parks, Medical Device Park shall be leveraged to setup an Electronics Manufacturing Cluster at Sohna, Bulk Drug Park and Medical Device Park at Panipat, Mega food park at Barhi to boost the sectoral manufacturing growth within the state.

7.1.2. Promote the development of common infrastructure such as Cluster facility centres, Central effluent treatment plants, Common testing labs, logistic park, Training Centres, Display centres, Business centres etc under various central/state government schemes and /or in collaboration with industries.

7.1.3. Creating Tehsil Wise Industrial Area: HSIIDC shall examine feasibility of developing an industrial area in each tehsil of each district. This area may be constructed in the tehsils of the entire district in such a way that the borders of every tehsil are covered, this will increase access to employment in all tehsils of the State.

7.2. Panchgram Yojna:

The Kundli Manesar Palwal (KMP) expressway of 135 Km across Kundli, Manesar and Palwal abutting Delhi from 3 sides to decongest traffic is completed and has started functioning. Another bright side to this project is a Global Economic Corridor, which is proposed to be developed alongside the expressway with an estimated investment potential of USD 50 billion. The 2-6 km belt on the either side of the KMP Expressway has been designated as Controlled area.

The state is also working on development of 8 cities on approx. 50,000 ha of area along KMP corridor as a part of "Panchgram" vision. To fast track the progress, a Panchgram Development Authority is being constituted. The new cities will act as new urban centres and also open opportunities for trade and commerce.

7.3. State Industrial Infrastructure Development Schemes:

The State shall keep the Scheme continue under the State budget for creating/ up-gradation of technical infrastructure such as Testing Laboratory, R&D centres, Exhibition-cum-Convention Centre, CFC, Critical Infrastructure, ICD, Design

Development Centre etc. to spur infrastructure development. The scheme of M/oMSME shall also be leveraged in respect of Government Quality Marking Centres.

Note: The Infrastructure schemes have been specified under Annexure – 2 of the Policy.

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8. Supporting Entrepreneurship & MSMEs

The Agenda for Sustainable Development Goals, 2030 along with the set goals and targets demonstrates the joint commitment of the states to free humanity from poverty, secure a healthy and sustainable planet, foster peace & inclusive society that promotes dignity and prosperity for all. To meet these aspirational goals, the contribution of Micro, Small and Medium Enterprises is extremely crucial.

The MSME sector has emerged as a highly vibrant and dynamic sector contributing significantly to the socio-economic development of the country. The sector encourages the growth of entrepreneurship and generates employment opportunities at lower capital cost when compared to other sectors. These units are important since they are complementary to large industrial units and serve as ancillary units, contributing to inclusive development of the country.

With more than 9.7 Lakhs MSMEs and generating employment for more than 19 lakh people, the MSME sector has emerged as the backbone of Haryana's industrial growth story. The MSMEs in the state have undergone a vast transformation in the last four decades. They have recorded tremendous growth and progress in terms of quality production, exports innovation, product development and self-reliance. Entrepreneurial efforts have made it possible to domestically produce a range of items, which were earlier imported. These units have also been successful in producing new variants with the help of local innovation, thereby adding value and solving a multitude of user problems. This has become possible because of various initiatives adopted by the state.

In line with its commitment to promote the MSME sector, the State recently launched the Haryana MSME Policy, 2019. A dedicated scheme for Skill Development & Training for potential/exiting workers is being undertaken as part of the MSME policy for imparting training to the workers of existing MSMEs through technical training providers and shop-floor training.

The State has also constituted 'Haryana Micro and Small Enterprises Facilitation Council' to facilitate recovery of delayed payments stuck beyond 45 days with the buyers of MSME products anywhere in India, for those Micro Small Enterprises that are established in the State of Haryana & provision shall be made to effect recovery as arrear of land revenue.

As part of the 'Make in India - Made in Haryana', several initiatives have been taken by the State Government to assist the MSME sector in becoming globally competitive.

Cluster development, enhancing market linkages and international collaboration, enhancing access to infrastructure and technology, regulatory simplification, infrastructure support and fiscal incentives are envisaged to provide an impetus to the growth of MSME sector in the State and to promote Entrepreneurship.

- Adequate number of smaller plots/developed sheds/flatted factories in Industrial parks for MSMEs on Panchayat lands on lease basis;

8.1. Cluster Development

Haryana places a special emphasis on a cluster-based approach for MSME development and has come up with a first of its kind Mini Cluster Development Programme. This shall promote the traditional clusters (scientific instruments, metal industry, plywood industry, light engineering and textile), Rural Function Clusters (Apparel, Footwear and Dairy) and Thrust sectors as identified under Enterprises Promotion Policy, 2020. The MSME policy identifies 25 clusters for development and support across the state. Major clusters in the state include Gurgaon-Leather, Faridabad- Light Engineering, Manesar-Auto components, Gurgaon-Readymade Garments, Karnal-Printing & Packaging, Karnal-Agri implements, Panipat-Textile Machinery, Yamunanagar-Engineering, Kundli-Stainless Steel, Karnal-Pharmaceuticals, Yamuna Nagar- Plywood and Jagadhri- Metal.

8.2. MSE-CDP

The central government implements MSE-CDP scheme for creating common facility centre with investment up to a maximum of INR 20 Crore for a group of at least 20 existing industries in a cluster with financial support (GoI: State: SPV - 70:10:20). The State will provide 20% share for each cluster over and above its share of 10% whereas SPV will contribute only 10% share in place of 20%. State Govt. will also contribute 30% of the cost of the project exceeding INR 20 crore (up to a maximum of INR 25 crore).

Under the scheme, 8 clusters have received final approval from Government of India. Apart from these 8 clusters, 5 more clusters shall be developed.

8.3. State Mini Cluster Development Scheme

The State Government has also revamped the Mini Cluster Development Scheme which now will provide 90% grant-in-aid (upto INR 5 crore per project) for setting up of common facility centre, providing a positive flip to the MSME sector in the state. The scheme has been recognized as one of the best practices by GoI.

8.4. Enhancing access to markets

- 8.4.1. Price Preference to MSMEs: The state government has formulated a public procurement for MSMEs under which micro and small enterprises will receive several benefits such as exemption on payment of tender fee, earnest money deposit and concession on performance security. The purchase preference would be 50% of the total tendered quantity.
- 8.4.2. The state shall leverage new-age marketing platforms such as e-commerce portal for online trading, marketing of MSMEs/ Khadi and Handicraft products. This will aid in promoting "Brand Haryana" to a national and international audience.
- 8.4.3. The state shall focus on handicraft sector including artisan/craft persons/weavers and link them effectively with market organizations, institutions, agencies with access to the e-commerce portal.
- 8.4.4. To promote MSME units, the state government will take initiative to organize buyer-seller meet, vendor development programmes and Annual Global Handicraft Summit.
- 8.4.5. National Small Industries Corporation (GoI) schemes shall be leveraged by the State to further strengthen market linkages and international collaboration.
- 8.4.6. International knowledge exchange programs for creating an enabling framework for effective tie-ups with MSMEs in countries like Germany, Japan and Singapore

shall be encouraged.

- 8.4.7. The DICs will act as a nodal agency for the development of MSMEs in the state. They shall be positioned as Enterprise Assistance Group (EAG). The mandate of this group is to facilitate enterprise across the entire lifecycle from inception to operation. The DIC shall also be tasked to position professionals specializing in finance, sales & marketing, operations, procurement and technology, across all DICs of the state in a phased manner.

8.5. District Industries Centres (DICs):

- 8.5.1. Functional challenges of regional development shall be addressed by monitoring overall development patterns, creating a framework for capacity building and assisting district authorities (DICs) in the creation of local planning instruments.
- 8.5.2. DICs shall be strengthened to play critical role in driving and nurturing entrepreneurship in Districts all the way from ideation at local level to marketing in global markets.
- 8.5.3. DICs shall be strengthened to provide all necessary support to the Industry particularly the MSMEs, by positioning/appointing young professionals/consultants in the fields of Finance, Marketing and Operations etc.
- 8.5.4. DICs shall also be given the mandate to conduct a need gap analysis in the districts with respect to infrastructure and skills to facilitate corrective policy action.
- 8.5.5. DIC shall provide proactive support to MSME and new entrepreneurs in the access of central/state government scheme, filling of application, support in DPR preparation, provide information of technology & market, provide market and supplier linkages through dedicated cell

8.6. Quality Improvement

The state will also take initiatives to revive, upgrade and expand the quality of market centres and create sector-focused testing, calibration, IPR facilitation centres. It will also undertake awareness programmes to educate MSMEs of schemes initiated by Government of India for the adoption of cutting-edge technology, Quality Management Standards and Quality Technology Tools) and Zero Effect Zero Defects.

8.7. Enhancing Productivity

- 8.7.1. The State shall undertake measures for technological up-gradation of MSMEs to withstand global competition.
- 8.7.2. Online training platforms and modules shall be promoted as cost-effective measures for skill-upgradation.
- 8.7.3. The state shall develop database and case studies of Good Manufacturing Practices(GMP) and provide its access to other industry for the enhancement of productivity and quality.

8.8. Promoting Entrepreneurship

- 8.8.1. The state government shall promote entrepreneurship in the state through financial assistance under the Entrepreneurship Development Programme.
- 8.8.2. Incubation Centre for promoting start-ups: Govt shall handhold setting up of world-class incubation centres to provide much needed thrust to promote start-ups and cultivate innovative ideas Govt shall encourage setting up of incubation

centres in premier educational institutes, Universities, Mega Industrial parks and start-up villages.

- 8.8.3. Development of incubators which provide safe office space, free data and cloud access and handholding support to start-ups shall be encouraged.
- 8.8.4. Capacity building of DICs shall be undertaken so that they are equipped to support start-ups through the registration process.
- 8.8.5. Identify the infrastructural gaps of every districts for development and support of start-ups and role out district start-up promotion plan.

8.9. Tool Rooms

The Government of India in its endeavor to provide the right stimulus for growth of the industry in the country – particularly to help SMEs has established ten Tool Rooms across the country. These Tool Rooms provide support to the Indian industry by way of precision tooling and providing skilled manpower in the area of the tool and die making. Today these Tool Rooms are highly proficient in the mould and die making technology and promote precision and quality in development and manufacture of sophisticated moulds, dies and tools. Each Tool Room has achieved the apex position in its respective region.

To promote the MSME sector manufacturing and Skill Development two projects of Tool Rooms/ Technology Centres are being set-up at IMT Rohtak (over 19.8 acres) and Industrial Growth Centre, Saha (10 acres) with an approximate investment of INR 150 crore, by the Government of India. The land for these projects has been provided by HSIIDC as State contribution. Each technology centre is expected to train 10,000 trainees every year through various long-term and short-term training programmes.

Additional Tool Rooms/ Technology Development Centres are proposed to be set up in Gurgaon & Faridabad also. Faridabad Quality Marking Centres (QMC) has been operational and 3 more QMC at Bahadurgarh, Jagadhari and Hisar are coming up. More Quality Marking Centres shall be converted into Quality Certification and Skill Development Centres with the assistance of Ministry of MSME, GoI.

8.10. Haryana Gramin Udyogik Vikas Yojna

The scheme shall offer an array of attractive incentives for micro enterprises in rural areas such as:

- 8.10.1. **Capital Subsidy** – 15% max up to INR 15 lakh & max up to INR 20 lakh for Women/SC/ST on the investment made on plant & machinery and building for setting up micro enterprises outside the municipal limits in rural areas in B, C and D Category Blocks.
- 8.10.2. **Interest subsidy** - 6% for micro-enterprises on term loan or maximum upto INR 8 lakh per year for 5 years.
- 8.10.3. **DG Set subsidy** - INR 8000 per KVA, maximum up to 50% of the cost of the DG set for micro enterprises.

8.11. Fiscal Incentives

A detailed list of fiscal incentives offered for MSMEs is included in “Chapter-13”.

9. Promoting Brand Haryana

9.1. Strengthening Bureau of Investment Policy & Promotion:

9.1.1. The Department of Industries and Commerce has created the Bureau of Investment Policy & Promotion (BIPP), which is responsible for policy outreach, continuous engagement with the industry in an ongoing basis, tracking investment proposals, investment promotion, resolving issues related to non-resident Indian and Foreign Direct Investment, handholding investors and converting investment queries into investment commitments.

9.1.2. BIPP is being further strengthened to empower it to perform proactive solicitation of investments, encompassing series of activities targeting proactive investor outreach and promoting the State as an attractive destination of investments. This would involve identifying and communicating competitive advantages, lead generation, investor targeting and investor relationship management.

9.1.3. Basic study of national and international best practices, the institutional structure BIPP is being re-organized and supplemented with the following key features:

9.1.3.1. Headed by Chief Operating Officer (COO), a Government Official of Selection Grade

9.1.3.2. An office of BIPP existing at New Delhi shall be headed by a Deputy COO (Investment Promotion), reporting to COO

9.1.3.3. Deputy COO (Investment Promotion) will be supported by Sector Leads/Investment Promotion Officers (focusing on Auto, Food Processing, Textile, IT & ESDM and MSME) from the Private Sector

9.1.3.4. Deputy COO (Grievance Redressal and BRAP) shall be placed in BIPP Chandigarh office along with his team of Investment Facilitation Officer and Relationship Executives

9.2. HEPC shall supplement the capabilities of BIPP by augmenting the Investment Facilitation and Aftercare competencies within its framework. The Deputy COO (Investor Facilitation & Aftercare), shall directly manage three key components within HEPC including Facilitation & Aftercare, Marketing & Branding and IT along with the overall maintenance and upkeep of the Single Window System.

9.2.1. Feeling a resilient need to supplement manpower for improving district level investment facilitation mechanisms given the quantum of Composite Application Forms (CAFs) being filed in districts like Gurugram, Faridabad, Sonapat, Panipat, Jhajjar, Rewari and Karnal, dedicated Relationship Executives will be deployed in these districts.

9.3. Promotion at District Level:

9.3.1. For district branding, **district profiles** shall be created and made available on the State Single Window System, HEPC. The district profile will be based on the inherent strengths of the district, opportunities and shelf of projects.

9.3.2. A **district ranking mechanism** on Ease of Doing Business will be integrated with the State's Single Window System, HEPC to enable centralised monitoring of

the regulatory environment in the Districts. Focused intervention in Districts lagging in the rankings will be undertaken.

9.4. Investment promotion and engagement

- 9.4.1. Sector specific Investment Promotion strategy shall be developed for the reach out to the potential investor of the state, nation and international.
- 9.4.2. State shall organise virtual events/meetings/ webinar including sector specific events, regional events, buyer seller meets, B2G meetings for investment promotion.
- 9.4.3. Regular industrial consultations shall be conducted for resolving industrial issues, improve facilitation services for inputs of the industry and Policy advocacy from industry.
- 9.4.4. State shall organise and actively participate in investment promotion events and activities.
- 9.4.5. State shall establish investment facilitation desk at potential national and international locations
- 9.4.6. Quarterly investment promotion plan, event calendar, participation plan shall be prepared in advance for every quarter.
- 9.4.7. State shall establish Non-Resident Haryanvis (NRH)-NRI Cell/council with various regional chapters to increase NRHs interaction with government and utilise their reach and strength in the development of state.
- 9.4.8. Support in establishment of Ancillary Units: State shall promote the establishment of ancillary units of any major industry and shall provide fiscal incentives and facilitate with fast track approval and land allotment.

9.5. Grievances Redressal:

- 9.5.1. In light of the belief that satisfaction of existing investors in the State is critical to promoting brand Haryana, special emphasis will be placed on Investor After-Care.
- 9.5.2. **Three Tier Grievances Redressal Committees** have been constituted to resolve the grievances of industries received on the HEPC portal from individual unit or from Industrial Association/Institutions regarding the issues of simplification of the provision of Acts, policies, programs and official procedures which create bottlenecks for the industry.
 - 9.5.2.1. The Apex Level Grievances Committee (ALGC) is headed by the Hon'ble Chief Minister of Haryana
 - 9.5.2.2. The State Level Grievances Committee (SLGC) is headed by Administrative Secretary to Govt. of Haryana, Department of Industries and Commerce
 - 9.5.2.3. The District Level Grievances Committee (DLGC) is headed by the Deputy Commissioner of District concerned

10. Generating Livelihood opportunities & Labour Integration

10.1. Employment Generation through Bureau of Industrial Policy and Promotion (BIPP)

- 10.1.1. The State Investment Promotion Agency shall be encouraged to place a special emphasis on proactively soliciting investment in employment-intensive industries.
- 10.1.2. Information regarding new foreign and domestic investments as well as communicating new information and studies of specific value chains and market assessments shall be the responsibilities of the BIPP.
- 10.1.3. BIPP shall be tasked to promote better information and data sharing across departments. The agency will work in close tandem with the representatives of the private sector and employers to ensure that employment considerations are taken seriously by all relevant private stakeholders.

10.2. Employment generation through Industrial Infrastructure Development

- 10.2.1. A labour-intensive approach will be undertaken that favours and optimizes the use of local resources in the development and maintenance of industrial infrastructure assets. This approach shall be adopted in road rehabilitation and water supply and other areas of utilities and public investment.

10.3. Skill Development:

- 10.3.1. Provision for a **grant of a maximum of INR 5 Crores per cluster** shall be made towards the cost of the building and machinery & other training equipment for setting up Cluster specific skill centres in the identified cluster
- 10.3.2. **Haryana Skill Development Mission and Shri Vishwakarma Skill University shall be further strengthened** & new skilling programmes shall be introduced in emerging sectors such as Logistics, ESDM, and Automobile (Electric Vehicle segment), Industry 4.0 (Data analytics, Machine Learning, Internet of Things, Robotics, Cloud etc.).
- 10.3.3. Further, the digitisation of skilling programmes shall be pursued.
- 10.3.4. **Setting up of centres of excellence** for specialized sectors including emerging sectors such in Industry 4.0 and sectors of strategic importance to the State such as Healthcare and Pharma will be explored.
- 10.3.5. **Multi-Skill Training Centres** will be established in every district to help deliver quality education, where accessibility remains a challenge, ideas like mobile vans and container schools will be explored.
- 10.3.6. Implement the **Technical and Vocational Education and Training Plan (TVET)**
 - 10.3.6.1. To improve the quality and quantity of its education system and to improve the human resources of the country, TVET is a crucial area for increasing the employability and productivity of the labour force
 - 10.3.6.2. The TVET will include efficient investment in training, building the capacity of trainers, undertaking training programmes, business engagement in development skills, national partnerships and institutions and governance &

monitoring training

- 10.3.7. The State shall strive to introduce demand and market driven curriculums in professional institutions for developing skilled and efficient manpower for Services Sector particularly for creation of the matching soft skills.
- 10.3.8. Identify and develop opportunities for services employment in rural areas such as agricultural equipment repair.

10.4. Targeted Training for Overseas Employment

- 10.4.1. Target countries for promotion of overseas employment shall be identified.
- 10.4.2. Training programme shall be developed and aligned with the requirements of the target country so that there is a clear understanding of the job roles and skill requirements of those countries.

10.5. Labour Market Information System (LMIS)

- 10.5.1. It is extremely important to have a robust up-to-date evidence-based analysis and aggregated data to have a strengthened understanding of employment implications across Government and other relevant stakeholders.
- 10.5.2. A robust information system shall be designed and include details on demographics, human resources, economic, gender and labour market analysis.
- 10.5.3. To have an up to date LMIS system in place. The disaggregated data shall be collected and collated every 6 months.
- 10.5.4. This will also aid in identifying current and emerging skills shortage which can be addressed in TVET planning.

10.6. Labour Well-Being

- 10.6.1. **Safety Net Scheme:** for the industrial labour in collaboration with the industry to protect the livelihood of labour in times of crisis.
- 10.6.2. **Labour Housing:** HSIIDC shall earmark plots for industrial labour housing for sale/ rent/ lease in all Industrial Estate.

10.7. Gender Inclusion

- 10.7.1. For **capacity building** of persons belonging to Haryana (skilled/semi-skilled), the subsidy @ INR 48,000/- per year for Women.
- 10.7.2. **Capital Subsidy @ 15%**, max. of INR 15 lakh & max. of INR 20 lakhs for Women on the investment made on Plant and Machinery for setting up of Micro Enterprises outside the municipal limits in rural areas under Mukhya Mantri Gramin Udyogik Vikas Yojna in B, C and D Category Blocks.
- 10.7.3. **Programmes aimed at reducing women's unemployment** and promoting women's access to employment in the formal sector as well as social security coverage shall be prioritized.
- 10.7.4. **Gender Responsive Budgeting (GRB)**, a globally followed practice that acknowledges the fiscal expenditure with a gender perspective and prorates funds for the gender-specific outcome to address the persistent gender inequality that hinders the overall growth and development, shall be adopted. Women's economic empowerment shall be treated as a baseline agenda in all industrial policy decisions.

11. Boosting Investment in Thrust Sectors (TBC)

The state has been at the forefront in promoting industrial growth by offering an array of attractive incentives to encourage rapid industrialization. Based upon an in-depth analysis of geographical advantages, skill base, available resources and manufacturing capabilities, the State has identified the following seven thrust sectors:

1. Auto, Auto Components & Light Engineering
2. Agro-based, Food Processing & Allied Industry
3. Textiles and Apparels
4. Electronics System Design & Manufacturing (ESDM)
5. Defence and Aerospace Manufacturing
6. Pharmaceutical & Medical Devices
7. Chemical and Petrochemicals

The Focus/Thrust Sectors and Clusters shall be supported through preferential power tariff, employment generation subsidy and last mile connectivity through Industrial Infrastructure Development Fund.

11.1. Auto, Auto Components and Light Engineering

The Auto sector in India has been one of the biggest recipients of foreign direct investment between April 2000 and March 2020. Major interventions and technologies such as electronic vehicles, amongst other, are changing the face of the industry and adding to further growth, Light Engineering and associated components are crucial in supporting the overall manufacturing scenario. The sector lends support to agriculture, industrial and various other production sectors of the economy, adding to employment generation for skilled and semi-skilled labour.

Haryana manufacturers 80% of excavators, 52% of cranes, 50% of cars and 33% of two wheelers in India. Due to existing forward and backward linkages with several segments of automotive industry 50 of 150 (33%) large OEMs in India are located in Haryana. The sector witnessed exports of over INR 12,000 Cr. with over 4,276 Cr. in Motor Car and Scooters & 7,728 Cr. in components in 2019⁴. The sector is a significant contributor to Gross State Value Added (GSVA) and to the employment.

Gurugram is an existing hub of auto manufacturing and Rewari, Faridabad and Palwal are emerging as key districts. The region of Gurgaon-Manesar-Bawal has been termed as the auto-hub by the Govt. of India.

In addition to the incentives in Chapter 13, the State shall also provide support to this sector through the following interventions:

⁴DGCIS

- 11.1.1. Encourage the setting-up of supplier parks for automobile sector through proactive investor outreach and enabling access to land at competitive prices.
- 11.1.2. State shall promote and support the new establishment and expansion of existing Automobile units in B, C and D category districts through low cost land (including land for establishment of ancillary units), establishment of training centres, linkages with ITIs and polytechnics and development of social infrastructure for official and workers.
- 11.1.3. Encourage and incentivize EV manufacturing and promote green automotive technology through policy interventions and development of EV charging infrastructure in the State.
- 11.1.4. Provide support to exhibitors for hosting trade shows and expos in the State.

11.2. Agro-based, Food Processing and Allied Industries

Agriculture, along with its allied sectors, is the largest source of livelihoods in India. The development of the sector is a direct influencer on conditions of poverty, especially in the rural areas. The growth of allied sector of Food Processing is essential to meet the two-fold objective of inclusive growth and increased food security.

Haryana is a significant producer of food grains, vegetables, dairy, poultry & meat. The main crops of the State include rice, wheat, sugarcane, cotton, oilseeds, pearl millet, gram and barley. The State additionally enjoys proximity advantage to markets of National Capital Region which have significant potential for retail of agro-based and processed-food products.

To promote investments in the sector the State notified a dedicated Haryana Agri-Business and Food Processing Policy 2018, which provides support for the development of the industry by enabling forward and backward linkage creation.

Incentives offered under the Haryana Agri-Business and Food Processing Policy 2018 capital subsidy for creation, expansion and diversification of units, capital subsidy for developing cold-chain and value-added infrastructure, capital subsidy for developing backward and forward linkages in rural areas and SGST reimbursement amongst other provisions.

New drivers of growth such as agro-marketing reforms, establishment of Mega & Mini food parks, special support to Farmer Producer Organization, support to agri and food processing cooperatives and promotion of start-up initiatives in this sector space shall also be given due emphasis by the State.

In addition to the incentives in Chapter 13, the State shall also provide support to this sector through the following interventions:

- 11.2.1. Encourage investment in developing supply chain including primary processing facilities, cold storage/cold chains, chilling centres and distribution hubs.
- 11.2.2. Strengthen linkages between industry and farmers to ensure access to markets for selling local produce and uninterrupted supply for industries.
- 11.2.3. Strive to position state as an ideal destination for agri-based outsourcing for countries dependent on agricultural imports.

- 11.2.4. Increase national and global awareness about the State's raw material base, agri-production capabilities and processing capabilities.
- 11.2.5. Promote cultivation of processable variety of crop, sorting grading at farm gate and direct shipment to processing units of processable outputs.
- 11.2.6. Encourage export related activities and invest in development of export infrastructure.

11.3. Textiles and Apparel

The Textile and Apparel industry is one of the earliest industries to have developed in India. The state of Haryana exhibits strength across the textile and apparel value chain. Haryana is one of the leading cotton producers in the country with Sirsa, Fatehabad, Bhiwani, Hisar and Jind being the main cotton producing districts. The expansive availability of raw materials supporting the textile industry, gives the state a ready competitive advantage.

Textiles and Apparel is one of the top contributing sectors towards GSDVA and State employment. Further, it is dominant employment generating sector in multiple districts of the State. Haryana's contribution to national exports of Textiles and Apparel is over 36% for carpets and other textile floor coverings, 18% for apparel and clothing (woven), 8% for apparel and clothing (knitted) and 9% for other made-up textile articles.

The cluster-based approach to industrial development has produced robust textile centres in cities such as Panipat, Gurugram, Faridabad, Hisar and Sonapat. Gurgaon has also emerged as a hub for the manufacturing of readymade garments, with the city being home to some of the largest readymade garment manufacturers in Asia.

To promote investments in the sector the State notified a dedicated Haryana Textile Policy 2019, which aims to promote development of a robust textiles industry and make the State a ready destination of global textiles majors. Further, the State shall encourage the development of Textile Clusters for manufacturing of hosiery (in Sirsa), carpets (in Panipat) and garments (in Gurugram), a Textile Park exclusively for Dyers & Processors in Faridabad, Apparel Park exclusively for apparel manufacturing units in Mewat and Integrated Textile Park in Hisar.

In addition to the incentives in Chapter 13, the State shall also provide support to this sector through the following interventions:

- 11.3.1. Encourage setting-up of micro units such as surgical cotton, masks, baggage, napkins. in cotton producing areas.
- 11.3.2. Tap into new opportunities and encourage investments across entire value chain for inclusive growth through proactive investment promotion and outreach.
- 11.3.3. Promote R&D in the area of manufacturing of manmade fibres and technical textiles to promote environment friendly process/technologies in textile sector.
- 11.3.4. State shall development integrated textile park with provision of water supply and treatment for water intensive textile units.
- 11.3.5. State shall support water and energy audit and its implementation by textile and

apparel units

- 11.3.6. Provide funding support to develop textiles infrastructure in additional areas of the State on need basis.
- 11.3.7. Leverage Central Govt. Policies and Schemes such as Integrated Processing Development Scheme and Incubation Centres in Apparel Manufacturing to develop state infrastructure and boost investment.

11.4. Electronics System Design & Manufacturing (ESDM)

The Electronics industry is one of the fastest-growing industries in India, both in terms of production and exports. Being driven by macro factors such as the growing middle-class population and rising disposable income, the industry presents significant investment opportunities and rising demand. The State of Haryana has a robust IT & Software sector which additionally complements the hardware manufacturing industry. Proximity to the National Capital Region, abundance of local labor and availability of a number of notified Brownfield clusters, the State has an unmatched enabling ecosystem for the ESDM industry.

In addition, the State has notified a dedicated policy to promote investments in the ESDM sector. The Haryana IT & ESDM Policy 2017 targets all-round development of the sector by providing significant emphasis on talent acquisition and creation, development of enabling smart infrastructure and working towards a conducive business climate. A start-up warehouse and a mobile application development sector have been set-up under the policy in Gurugram.

In addition to the incentives in Chapter 13, the State shall also provide support to this sector through the following interventions:

- 11.4.1. Leverage EMC 2.0 scheme of MEITEY, Govt. of India to create an Electronics Manufacturing Cluster in Sohna.
- 11.4.2. Following the success of the NASSCOM start-up hub and the IAMAI mobile applications development centre, similar infrastructure shall also be created in Panchkula.
- 11.4.3. Encourage development of R&D facilities, Centers of Excellence for IoT, ESDM incubators and Mobile Design centers.
- 11.4.4. Encourage electronics exports and framing an export-oriented strategy and create an enabling strategy for import substitution.
- 11.4.5. Promote skill development in the sector with industry linkages which may assure the supply of workforce with requisite skill set.

11.5. Defence and Aerospace Manufacturing

The Defence and Aerospace Manufacturing sector in India is at an inflection point, given the modernization and indigenization programs being undertaken by all the three services of the second largest military force in the world. With a pre-established ecosystem comprising of a strong ancillary base, abundant land banks, proximity to international airports and availability of technically skilled workforce, the State of Haryana is suitably poised to become a leader in D&A manufacturing. The State shall

leverage manufacturing prowess in auto-components and machinery to become an ideal destination for aerospace and defence components manufacturing.

Haryana is equipped with 5 civil airstrips present at Hisar, Bhiwani, Karnal, Narnaul & Pinjore, 2 defence aerodromes located in Sirsa & Ambala and 3 institutes of Civil Aviation Centers at Hisar, Karnal and Pinjore. The State also has existing production facilities for defence equipment at Panchkula and armed forces ammunition production facility at Yamunanagar.

An Integrated Aviation Hub over 4200-acres is being set-up in Hissar, it has the potential to serve as a satellite airport for the Indira Gandhi International Airport at New Delhi. With Phase I of the project already completed, the airport was inaugurated in 2018. The State shall encourage the development of maintenance, repair, and operations (MRO) facilities and centre for drone manufacturing and institute for flight training in the Aviation Hub.

In addition to the incentives in Chapter 13, the State shall also provide support to this sector through the following interventions:

- 11.5.1. Seek and encourage private sector partnerships in order to realize the full potential of the Aviation Hub.
- 11.5.2. Attract global investors to setup MRO facilities at Hissar Civil Aviation Hub.
- 11.5.3. Encourage private sector participation is required for setting up a flight training school.
- 11.5.4. Enhance connectivity of the Hissar airport with the New Delhi International Airport by rail and road to divert traffic of goods and passengers from Delhi to Hissar.
- 11.5.5. Make the Hissar airport equipped for all weather use as this will encourage more flight operators to use the airport.
- 11.5.6. Develop marketing and outreach plan for the parking facility for planes at the Hissar Airport to airline operators in New Delhi and other nearby airports.
- 11.5.7. Promote defence production in the state which provide strategic logistic advantage for defence forces and reduce overhauling transportation cost and time.

11.6. Pharmaceuticals and Medical Devices

The Indian Pharmaceutical Industry is an important strategic industry for the country as it caters to the drugs and vaccines market both, domestically and abroad. The Pharmaceutical sector in Haryana has witnessed compounded annual growth rate of over 16% between 2007-08 and 2017-18.

The State has launched a dedicated Haryana Pharmaceutical Policy 2019 to provide an impetus to sectoral growth. Under the ambit of the Haryana Pharmaceutical Policy 2019 the State is developing a state-of-the-art Pharmaceutical Park in Karnal and the policy provides an array of incentives to those units which will set-up operations there. Additionally, the State shall also make an effort to provide common pharma facilities such as Common Cluster Labs and Common Effluent Treatment Park.

In addition to the incentives in Chapter 13, the State shall also provide support to this sector through the following interventions:

- 11.6.1. Leverage Government of India Scheme for Promotion of Bulk Drugs Parks to develop a Bulk Drugs Manufacturing Park in Panipat over 850 acres.
- 11.6.2. Leverage Government of India Scheme for Promotion of Medical Devices Parks to develop a Medical Devices Manufacturing Park in Haryana.
- 11.6.3. Exhibit and market strategic offerings of Modern Pharma Park at Karnal on nationwide and international platforms to attract investment and generate employment.
- 11.6.4. Assess and facilitate provision of essential infrastructure requirements of prospective investors such as development of dedicated cargo zones to handle pharma stocks and support supply chain.
- 11.6.5. Promote establishment of cold-chain supply network to improve shelf-life of pharma products and additionally enhance export capability of important drugs.
- 11.6.6. To enhance competitiveness in bulk drug manufacturing sector, state shall provide low cost power to the bulk drug manufacturers
- 11.6.7. Common facilities for testing, Research & development, Trainings and incubation centres shall be developed in upcoming pharma, medical devices and bulk drug parks.

11.7. Chemicals and Petrochemicals

The Indian Chemical industry is interlinked to important sectors including Agriculture, Manufacturing, Food, Pharmaceutical and Transportation, and hence is an important contributor to the national economy. Haryana is home to various chemical manufacturing and trading establishments. The Chemicals sector in the State grew at a compounded annual growth rate of over 12% over the 10 years between 2007-08 and 2017-18. The export of petroleum products, paint and other dying materials from the State grew at over 30% in the five-year period between 2013-14 and 2018-19. The Indian Oil Refinery at Panipat offers a significant scope for the development of downstream industry for which a petrochemical hub/ plastic parks may be developed by private sector participants.

In addition to the incentives in Chapter 13, the State shall also provide support to this sector through the following interventions:

- 11.7.1. Promote and facilitate, through buyer-seller linkages, existing chemical manufacturers to tap dependent sector demand thereby reducing dependence on chemicals from other-states or countries.
- 11.7.2. Fast and transparent approval mechanism shall be developed for non-hazardous chemical manufacturing.
- 11.7.3. Chemical and petrochemical manufacturing zone shall be developed with provision of safety measures such as escape route, fire safety measures etc.
- 11.7.4. Promote investment in downstream petrochemicals industry.

12. Strengthening Service Sector

The services sector contributes over 50% to the State's Gross Value Added. Further, the service sector supports several critical industries in the State therefore making it a crucial enabler for the overall socio-economic development of the State.

12.1. The following provisions shall be made to encourage investment in the services sector in addition to the incentives offered in Chapter 13:

12.1.1. Up to 15% of the plots in Industrial estates will be earmarked for identified services which support the manufacturing activities for which detailed scheme will be framed.

12.1.2. **Service export competitiveness** for MSMEs shall be enhanced by leveraging the benefits and Schemes offered by SEPC (Service Export Promotion Council), Government of India, is an apex trade body to facilitate service exporters of India and serving as a platform of interaction between service exporters and policy makers.

12.1.3. Incentives to **support research & development in the services sector** in the State shall be introduced to enhance competitiveness of services. Financial assistance to set R&D laboratories may be provided. Further, commercialization of innovation and research through academia industry linkage and innovator-services industry linkage programmes will be promoted.

12.2. The following sub-sectors shall be treated as thrust sectors in the services industry:

1. IT & ITeS
2. Logistics, Retail and Warehousing
3. Research & Development
4. Healthcare
5. Education

12.2.1. IT & ITeS

The IT & ITeS sector makes a significant contribution to exports and employment. Gurugram is considered to be the BPO hub of the world, employing 5% of the global BPO workforce.

In addition to the incentives in Chapter 13, the State shall also provide support to this sector through the following interventions:

12.2.1.1. Encourage and incentivize private participants to develop Data Centres in the State and address specific issues for development of Data Centres in the State.

12.2.1.2. In order to promote skill development and rural employment, the Govt. of India scheme of rural BPOs in Tier II & III towns shall be leveraged by the State. Rural BPOs shall be set up in University towns such as Rohtak, Hisar, Kurukshetra, Sonapat and Sirsa. Skill development training shall also be additionally provided under the schemes of Ministry of Skill Development and Govt. of India/ Haryana Skill Development Mission.

12.2.2. Logistics, Retail & Warehousing

With a large consumer base, increasing per-capita income and rapid urbanization, Haryana presents enormous potential to become one of the leading destinations for Logistics, Warehousing & Retail in the country. Additionally, a robust connectivity network, proximity to international airports and to major industrial corridors of DMIC & AKIC, have been the drivers of growth of the sector. Moreover, 13 districts of Haryana are now a part of NCR region which is well known to a prominent trade and consumption hub of India.

Taking lead in creation of a simplified regulatory environment to facilitate investors, the State has notified a dedicated policy, the Haryana Logistics, Warehousing & Retail Policy, 2019. The policy is targeted to attract investment of INR 10,000 Cr. and generate 25,000 plus employment opportunities through the creation of 5 Integrated Logistic Parks across Haryana. The provisions of the policy include capital subsidy, interest subsidy, stamp duty refund and EDC refund along with relaxations in FAR amongst other incentives.

In addition to the incentives in Chapter 13, the State shall also provide support to this sector through the following interventions:

- 12.2.2.1. Develop Integrated Multi Modal Logistics Hub in PPP mode as one of the largest logistics hubs in North India on 1200 acres of land at Nangal Chaudhary, Narnaul.
- 12.2.2.2. Encourage development of Truckers Parks along the National Highways in Haryana on a minimum of 10 acres.
- 12.2.2.3. Earmarking a “Logistics Zone” along the KMP expressway and all new enterprises setting up in this zone shall be exempt from requirement of CLU
- 12.2.2.4. Earmark land for developing Warehouses, Logistics Parks, Warehousing Cum Retail hubs and Integrated/Multi Modal Logistics Park in the master plan of Panchgram Cities.
- 12.2.2.5. Provision last-mile-connectivity and access to critical utilities such as water, power and access roads up to the Integrated/Multi Modal Logistics Park & Logistic Parks.
- 12.2.2.6. Facilitate skill development initiatives to ensure adequate supply of competent and trained workforce.

12.2.3. Research & Development

India ranked as the 52nd most Innovative Nation in the world in 2019 by Global Innovation Index (GII), a significant jump from the 81st rank in 2015. Investment in R&D has increased at the CAGR of 9.7% in the last decade. Research has shown that 1% increase in R&D expenditure can results in over 2% growth in GDP⁵. The State shall increase its focus on boosting R&D investments.

⁵R&D expenditure and economic growth: EU28 evidence for the period 2002–2012

In addition to the incentives in Chapter 13, the State shall also provide support to this sector through the following interventions:

- 12.2.3.1. Tenure for staggered land cost payment shall be increased specifically for R&D companies to provide relief in inception years.
- 12.2.3.2. Commercialization of innovation and research through academia-industry linkage and innovator- industry linkage programme shall be promoted. This will support the research of institution and individual through talent search programme, R&D support and commercial linkages.

12.2.4. Healthcare

The State is committed to providing quality healthcare to all citizens. With the objective to make healthcare reasonable to all, several path breaking initiatives have been taken and innovative schemes launched in Haryana. The health services are being provided through a network of many hospitals including PGIMS, Rohtak, Community Health Centres, Primary Health Centres, Sub Centres, and Trauma Centres, Urban RCH Centres and Delivery Huts.

Cities such as Faridabad and Gurgaon are hubs of globally renowned healthcare institutions. Cities such as Rohtak, Panipat, Sonapat and Karnal also have a strong infrastructure of professional medical training centres and medical colleges. The State has also earmarked Pharma Park in Karnal. Additionally, the State has supported the growth of the sector by introducing schemes such as Ayushman Bharat Haryana & Mukhyamantri Muft Ilaj Yojna, aimed at improving access to quality healthcare services.

In addition to the incentives in Chapter 13, the state shall also provide support to the sector through the following interventions:

- 12.2.4.1. Encourage the creation of Medi-City and Healthcare Parks in close proximity to pharma-parks to enable a holistic ecosystem for innovation in healthcare.
- 12.2.4.2. Promote development of research centres and training institutes to encourage new-age research in domains such as gene-therapy and precision medicines.
- 12.2.4.3. Encourage the establishment of telemedicine services through provision of clinical services to patients by practitioners in the State via tools of electronic communication such as video conferencing.
- 12.2.4.4. Promote the establishment of small and mid-sized healthcare establishments by providing similar incentives and financial benefits such as those to Micro, Small & Medium Enterprises.
- 12.2.4.5. Facilitate already established small and mid-sized healthcare facilities by providing collateral-free loans.
- 12.2.4.6. Collaborate with international governments, leading medical firms and medical institutions to facilitate better access to state-of-the-art therapies, medicines and medical equipment.

12.2.5. Education

The education sector of India is termed to be highly lucrative and essentially recession-proof. With the increase in formal education and tutorial education entities in the country, the sector has been witnessing rapid growth. The sector has additionally witnessed significant FDI and has also seen a growing trend of PPPs, which has further added to the growth of the sector.

The education sector in Haryana is robust with presence of a significant number of pre-primary, primary, secondary, higher-secondary and degree education institutes. Cities such as Sonapat are already emerging as a hub for higher learning and centre for research with state-of-the-art Universities. The State is also creating an Educational spread over 2026 acres in Sonapat. Gurgaon, Faridabad, Karnal, Kurukshetra and Hisar are also home to some of the leading National and State Educational Institutes.

In addition to the incentives in Chapter 13, the state shall also provide support to the sector through the following interventions:

- 12.2.5.1. Encourage signing of MoUs through State educational centres/ universities to enable cross-functional teaching, student-exchange programmes amongst other areas of collaboration.
- 12.2.5.2. Promote setting up of Educational Parks inclusive of multi-disciplinary educational institutions with world-class facilities and infrastructure.
- 12.2.5.3. Partner with private entities to enable employment opportunities.

13. Providing Competitive Incentives Framework

The vision of this policy is to position Haryana as a pre-eminent Investment destination and facilitate balanced regional and sustainable development supported by a dynamic governance system, wide scale adoption of innovation & technology, and skill development for nurturing entrepreneurship and generating employment opportunities.

In order to implement the vision, it is felt that infrastructure support and ease of doing business alone will not be able to attract investment in the backward areas rather there is a need to provide fiscal incentives for reducing cost of doing business to make the industry competitive and sustainable. In depth study was undertaken of Fiscal Incentives of industrially progressive states and since our vision is to position Haryana as preferred destination, the State Government has tried to provide best package of incentives to Ultra Mega Projects, Mega projects, Thrust Sectors and especially for Micro, Small & Medium Enterprises in the State as defined under.

13.1. Investment Subsidy in lieu of SGST: Although the quantum of incentive has been differentiated across different sectors Micro, Small, Large & Mega Projects, the primary principle followed by providing investment subsidy in lieu of SGST paid through online mechanism to reduce the transaction cost. By following this principle, the State Govt. will provide this facility by reimbursement of appropriate percentage of State GST component. It is estimated to provide this incentive to the tune of INR 200 crore yearly, @ 30% - 75% of SGST net paid for 5-10 years.

13.2. Interest Subsidy: It has been observed that a large number of Micro & Small units which provide alternative employment opportunities in rural areas are not able to setup/ expand/modernize due to high cost of capital which makes it unaffordable to Small units. Therefore, interest subsidy will go in a long way in fulfilling much needed fillip to these units to scale up and grow in size and induct latest technology in the manufacturing process, primarily a tool to reduce cost of production. It is estimated to provide this incentive to the tune of INR 10 crore yearly, @ 5% - 6% on term loan for 3-5 years.

13.3. Employment Generation Subsidy: Labour cost is one of the major costs incurred by any industry. The industry will also be incentivized for providing employment to local persons by providing employment generation subsidy. This policy has tried to reduce it by providing Employment Generation Subsidy upto INR 48,000 for 5 years on employing persons belonging to Haryana (skilled/semi-skilled) having Haryana Resident Certificate.

13.4. Support to Rural Industries: In order to boost rural industries, a specific scheme namely Haryana Gramin Udyogik Vikas Yojna shall be introduced/ formulated under which Capital Subsidy @15% upto INR 20 lakh for setting up of Micro Enterprises outside the municipal limits in rural areas, Interest Subsidy @ 6% for Micro Enterprises on term loan upto INR 8.00 lakh per year for 5 years and DG set subsidy has @INR 8000 per KVA upto 50% of cost of DG set shall be provided. It is estimated to provide incentive to the tune of INR 82 Cr. Yearly.

- 13.5.** Being highly employment oriented, MSMEs will be facilitated with focused approach by providing vast range of incentives. In order to create market for the products of MSMEs, provisions for financial support in respect of Market Development Assistance, Brand Building Support, and 50% reservation in procurement policy has been felt a necessity.
- 13.6. Zero Defect and Zero Effect:** To adopt this concept, the financial support for quality certification, technology acquisition @ 50% maximum of INR 25 Lakh, patent registration @ 50% maximum of INR 25 Lakh, testing equipment @ 50% maximum of INR 10 Lakh, technology up-gradation and assistance for establishment of Effluent Treatment Plant for environment compliance @ 50% maximum of INR 25 Lakh will be provided. The financial support for, availability of finance through credit linked interest subsidy scheme @ 5% maximum of INR 10 lakh per year, credit rating will also be extended.
- 13.7. Collateral Free Credit Facilitation:** The State Government shall reimburse 100% guarantee fee, which will provide window opportunities to new as well as existing Micro and Small Enterprises for availing collateral free loan from Lending Institutions/ banks.
- 13.8. Support to Start-Ups:** The facility for providing collateral free loan will also give tremendous support to the prospective entrepreneurs especially Start-Ups/first generation entrepreneurs of the state. A special provision has been made for Start-ups/ first generation entrepreneurs by offering special package for refund of 100% SGST up-to turnover of INR 3 Crore, creating incubation centres with financial support of INR 30 Lakhs per university, Start-Ups IT warehouse and Mobile Apps Development Centres with capital expenditure of INR 4 Crore and operational expenditure of INR 1 crore.
- 13.9. Support to Thrust Sectors:** The special incentives shall be provided to the thrust sectors i.e. Auto, Auto Components & Light Engineering, Agro-based, Food Processing & Allied Industry, Textiles and Apparels, Electronics System Design & Manufacturing (ESDM), Defence and Aerospace Manufacturing, Pharmaceutical & Medical Devices, Chemical and Petrochemicals Industries.
- 13.10. Support for Exporting Units:** To make the export units Micro & Small Category competitive in the global market, the freight subsidy up-to INR 10 Lakh will be provided to defray the transportation cost from premises of the unit to the seaport/ Air cargo/ International borders including other non-fiscal incentives.
- 13.11. Service Sector:** In order to attract investment in Service Sector for the identified services, incentives shall also be offered such as investment subsidy in lieu of VAT/CGST net paid @ 50%, Electricity Duty Exemption @50% - 75% and Refund of Stamp Duty @ 30% - 50%.
- 13.12. Increased FAR:** Higher FAR of 200% shall be permitted on need based approach.

13.13. Industrial Infrastructure Development Fund: In order to achieve geographical dispersal and to provide infrastructure led development in dedicated manufacturing corridors, rural clusters, thrust area clusters, it has been decided to provide independent power feeder, water supply and road connectivity of adequate width up-to periphery of such clusters/mega projects/ large enterprises/ Industrial Estates for which sum of INR 200 crore will be earmarked.

13.14. Categorization of Blocks: The entire State has been divided into 4 categories of blocks based on the level of industrialization (weightage- 40%), level of socio-economic development (weightage- 15%), locational advantage i.e. connectivity to highway, airport etc. (weightage- 25%), state of infrastructure development (weightage- 15%) and level of skill development (weightage- 5%) that has taken place in these areas/blocks. The four categories are – Developed (A), Intermediate (B), Backward (C), & Most Backward (D) blocks. The list of these blocks is attached at Annexure-1. The Government may change the category of any block at any time depending upon the changed scenario.

13.15. The detail of incentives available for Mega Projects, Large Projects and Micro, Small & Medium Enterprises has been given in the Annexure-2. The incentives will not be available without obtaining CLU/ NoC from competent authority. The financial incentives under the policy will not be available to the industries covered under the restrictive list of industries except State Export Awards and State Awards. The Government may modify this list at any time depending upon the changed scenario.

13.16. The guidelines for Administration of each scheme of incentives and infrastructure will be notified separately by the State Government.

Note: The detailed incentives/ infrastructure related schemes have been specified under Annexure – 2 of the Policy.

14. Implementation & Monitoring

- 14.2. **Policy Monitoring Mechanism:** A Committee shall be constituted to identify hurdles/bottlenecks in the implementation of the State's industrial policy and for redressal.
- 14.3. **Economic Advisory Council:** A high profile Economic Advisory Council (EAC) has been constituted in 2019 to harness the intellectual capital in the State on Policy matters and other issues of overall economic development of the State. Subsequently, in order to adopt a sector-focused approach to development, Sub-Sectoral Task Forces/Committees shall be formulated and notified, comprising Members from within the EAC itself or new Members as proposed by existing Members. These Sub-Sectoral Task Forces/Committees will support with facilitating development and growth, job creation and investment promotion pertaining to key thrust sectors of Haryana.
- 14.4. **Establishment of Atmaribhar Bharat Facilitation Cell:** Steps shall be taken to leverage schemes under Atmaribhar Baharat Mission (Self-Reliant India Movement) and transmit the benefits to the industries. The cell shall focus on central scheme related with Common Facility Centers (CFC), Trade facilitation, Cluster development, Establishment of sector specific park, integrated development of the sector, etc. which support industrial development in the state. Cell shall co-ordinate with central government and promote scheme through awareness, provide support in documentation and co-ordinate with central government and departments.
- 14.5. **Develop industry emergency response system:** Steps will be taken to develop a system involving all State departments dealing with industry and other stakeholders i.e. Industry & Commerce Department, Pollution Control Board, Disaster Management, Health Department, Labour Department, Home Department, DISCOMs and DM of the districts, amongst others, to deal with economic and social emergencies and other issues which may affect productivity of the industry in the State.

15. General

15.1. Creation of Data Bank

Authenticated and correct data pertaining to number of units in the State, classification product-wise, investment, production, employment, turnover and export etc. is of paramount importance in policy making. It is proposed to make it compulsory on the part of industrial units for submission of periodical returns through enabling provisions in the Industrial Promotion Act.

15.2. Directory of Prominent professionals belonging to Haryana

It has been observed that there are large number of prominent entrepreneurs, investors and professionals belonging to Haryana State who are settled at various places across the country or overseas and excelled in various fields. BIPP would prepare a Directory of all such prominent persons and keep it updated. The Directory would be placed on the HEPC Portal.

15.3. Industrial Retention Policy

The State shall formulate a mechanism to address the issues relating to Industry which need immediate attention and preventive/corrective action plan. The mechanism would also include supporting the existing industry in the State as they are expected to be our brand Ambassadors.

The District Industries Centres would be strengthened and repositioned as Enterprise Assistance Groups (EAG) to provide all necessary support to the Industry particularly the MSMEs, by positioning finance/operations/marketing professionals. The support to be provided by these EAGs would interalia include:

- Trigger action on issues relating to Industry which need immediate attention and preventive/corrective action;
- Identifying triggers like slowdowns/industrial Disputes/Troubleshooting etc. (identifying reasons for failure)/for corrective actions;
- Provide economic development services (Information sharing, data Collection, consultancy support, Entrepreneurship Development Programs etc.)

15.4. Turnaround time under this policy

All the Policy proposals will have to be notified by concerned department(s) in one month from the date of release of this Policy unless otherwise specified. All new Schemes proposed in Policy will have to be formulated with on a time frame of three months from the date of release of this policy and on-line platforms for project clearances would go online/live by 31st December, 2020.

15.5 Savings and clarifications

This policy replaces the Haryana Enterprise Promotion Policy 2015 and would take effect from 15.08.2020. All actions taken under the previous policies or commitments made under those policies would remain protected. Any other issue, which has not been specifically covered under this policy or requires any clarification, would be referred to the Government in the Industries & Commerce Department for decision/clarification and the decision of the Government thereon would form part of the Policy.

15.6 Relaxations

The Haryana Enterprise Promotion Board (HEPB), in its discretion, if it is of the opinion that if a project is of strategic importance to the State and is likely to have a substantial impact on the industrial development of the State, for reasons to be recorded in written, can grant any benefit over and above what is already provisioned in the policy and may also relax any of the policy provisions mentioned in this policy.

15.7 Policy validity period

This policy shall remain valid for 5 years from the date of its notification.

16. Definitions

1. **Ultra-Mega Project:** Iconic Projects having minimum Fixed Capital Investment of INR 6000 Cr. in A Blocks, INR 4,500 Cr. in B Blocks, INR 3,000 Cr. in C Blocks and INR 1,500 Cr. in D Blocks.
2. **Mega Project:** Projects having minimum Fixed Capital Investment (FCI) of INR 200 Cr. & min. direct employment of 750 in B Blocks, FCI of over INR 100 Cr. & min. direct employment of 500 in C Blocks and FCI of over INR 50 Cr. & min. direct employment of 200 in D Blocks. The projects undertaking expansion/diversification with same criteria of investment and employment shall also be treated as Mega Projects.

[Special Package of incentives for Mega Projects having potential of ancillarisation shall be decided by HEPB over and above standard package of incentives on the basis of Cost Benefit Analysis under this policy and other sectoral policies i.e. Logistics, Warehousing & Retail Policy and IT & ESDM Policy].
3. **Large Project:** Fixed Capital Investment greater than INR 50 crore and turnover greater than INR 250 crore (over and above of limit of Medium units defined under MSMED the Act, 2006, amended from time to time by GoI).
4. **Medium Enterprise:** Fixed Capital Investment INR 50 crore and annual turnover not more than INR 250 crore or amended under MSMED the Act, 2006 time to time by GoI.
5. **Small Enterprise:** Investment in Plant and Machinery or Equipment not more than INR 10 crore and Annual Turnover not more than INR 50 crore or amended under MSMED the Act, 2006 time to time by GoI.
6. **Micro Enterprise:** Investment in Plant and Machinery or Equipment not more than INR 1 crore and Annual Turnover not more than INR 5 crores or amended under MSMED the Act, 2006 time to time by GoI.
7. **Essential sectors:** Essential Goods and Services are classified as those activities, which are necessary for the survival of citizens, employment generation, business linkages and ancillary industries, have seasonality of commodities (Raw material seasonality) and required in dealing with disaster (e.g. Pandemic related goods and industries).
8. **Data Centre Unit** - A physical facility that enterprises and cloud service providers use to store and manage their business-critical applications and information on a network of IT servers. The facility typically comprises of DC Server Room that has server racks, storage racks and networking equipment, NOC (Network Operation Centre) Room, Centralized Building Management System (BMS room), Help/ Desk area and Testing/ Lab room, Electrical Room

(Power Supply Room), Telecom Room, UPS and Battery Room, AHU (Air Handling Units) and Fire Suppression System⁶.

9. **Co-location Facility** - A standalone building in which multiple companies share space for storing and running their IT and/or network equipment, akin to a multi-tenant office building; the co-location facility provides the building, cooling, power, bandwidth and physical security while the customer provides servers and other storage equipment, which is used for data management and storage. Space in the facility is often leased by the rack, cabinet, cage or room.

⁶ MEITY Data Centre Guidelines (https://meity.gov.in/writereaddata/files/Annexure-1_sdc.pdf)

Annexure - 1

List of block categorization:

| Sr. No. | Category of Blocks | Status of Development |
|---------|--------------------|---|
| 1. | 'A' | Comprising of the industrially developed areas |
| 2. | 'B' | Comprising of the areas of 'intermediate development' |
| 3. | 'C' | Comprising of industrially backward areas |
| 4. | 'D' | Comprising of industrially most backward areas |

1. Category 'A' Blocks:

| Sr. No. | District | Block |
|---------|--------------|-----------------|
| 1. | Faridabad | 1. Faridabad |
| | | 2. Ballabgarh |
| 2. | Gurgaon | 3. Gurgaon |
| | | 4. Sohna |
| 3. | Panipat | 5. Panipat |
| | | 6. Samalkha |
| 4. | Sonapat | 7. Rai |
| | | 8. Sonapat |
| | | 9. Ganaur |
| 5. | Jhajjar | 10. Bahadurgarh |
| | | 11. Jhajjar |
| 6. | Rewari | 12. Bawal |
| 7. | Palwal | 13. Prithla |
| 8. | Ambala | 14. Ambala-I |
| | | 15. Ambala-II |
| 9. | Panchkula | 16. Pinjore |
| 10. | Yamuna Nagar | 17. Jagadhri |

2. Category 'B' Blocks:

| Sr. No. | District | Block |
|---------|----------|-------------|
| 1. | Ambala | 1. Saha |
| 2. | Bhiwani | 2.. Bhiwani |
| 3. | Hisar | 3. Hisar-I |
| | | 4. Hisar-II |
| | | 5. Hansi-I |

| Sr. No. | District | Block | |
|---------|-------------|-------|------------------------|
| 4. | Jhajjar | 6. | Matenhail |
| 5. | Karnal | 7. | Karnal |
| | | 8. | Gharaunda |
| | | 9. | Nilokheri |
| 6. | Panipat | 10. | Bapauli |
| 7. | Palwal | 11. | Palwal |
| 8. | Rewari | 12. | Rewari |
| 9. | Rohtak | 13. | Rohtak and IMT, Rohtak |
| | | 14. | Sampla |
| 10. | Sonepat | 15. | Murthal |
| 11. | Faridabad | 16. | Tigaon |
| 12. | Gurugram | 17. | Pataudi |
| | | 18. | Farukh Nagar |
| 13. | Fatehabad | 19. | Fatehabad |
| 14. | Jind | 20. | Jind |
| 15. | Kaithal | 21. | Kaithal |
| 16. | Kurukshetra | 22. | Thanesar |
| | | 23. | Pipli |
| 17. | Sirsa | 24. | Sirsa |

3. Category 'C' Blocks:

| Sr. No. | District | Block | |
|---------|-----------|-------|--------------|
| 1. | Ambala | 1. | Barara |
| | | 2. | Naraingarh |
| | | 3. | Shehzadpur |
| 2. | Bhiwani | 4. | Tosham |
| 3. | Fatehabad | 5. | Tohana |
| | | 6. | Ratia |
| | | 7. | Bhattu Kalan |
| 4. | Hisar | 8. | Adampur |
| | | 9. | Barwala |
| 5. | Jhajjar | 10. | Beri |
| | | 11. | Badli |
| 6. | Jind | 12. | Safidon |
| | | 13. | Narwana |
| | | 14. | Julana |

| Sr. No. | District | Block | |
|---------|--------------|-------|---|
| 7. | Kaithal | 15. | Guhla at Cheeka |
| | | 16. | Kalayat |
| | | 17. | Pundri |
| | | 18. | Dhand |
| | | 19. | Siwan |
| 8. | Karnal | 20. | Assandh |
| | | 21. | Indri |
| | | 22. | Nissing at Chirao |
| | | 23. | Kunjpura |
| 9. | Kurukshetra | 24. | Pehowa |
| | | 25. | Ladwa |
| | | 26. | Shahabad |
| | | 27. | Ismailabad |
| 10. | Mewat | 28. | Nuh |
| | | 29. | Taoru |
| 11. | Mahendergarh | 30. | Narnaul |
| | | 31. | Nangal Chaudhary |
| 12. | Palwal | 32. | Hassanpur |
| | | 33. | Hathin |
| | | 34. | Badoli |
| | | 35. | Hodel |
| 13. | Panipat | 36. | Israna |
| | | 37. | Madlauda & HSIIDC, Indl. Estate Near Refinery Panipat |
| | | 38. | Sanauli Khurd |
| 14. | Rewari | 39. | Khol at Rewari |
| | | 40. | Jatusana |
| | | 41. | Dahina |
| 15. | Rohtak | 42. | Meham |
| | | 43. | Kalanaur |
| | | 44. | Lakhan Majra |
| 16. | Sirsa | 45. | Rania |
| | | 46. | Ellanabad |
| 17. | Sonapat | 47. | Gohana |
| | | 48. | Kharkhoda |
| 18. | Yamuna Nagar | 49. | Bilaspur |
| | | 50. | Chhachhrauli |

| Sr. No. | District | Block | |
|---------|--------------|-------|--------------|
| | | 51. | Radaur |
| | | 52. | Sadhaura |
| | | 53. | Khizrabad |
| 19. | Panchkula | 54. | Barwala |
| | | 55. | Morni |
| | | 56. | Raipur Rani |
| 20. | Charki Dadri | 57. | Charki Dadri |

4. Category 'D' Blocks:

| S. No. | District | Block | |
|--------|--------------|-------|--------------------|
| 1. | Bhiwani | 1. | Loharu |
| | | 2. | Bawani-Khera |
| | | 3. | Kairu |
| | | 4. | Siwani |
| | | 5. | Bahal |
| 2. | Charki Dadri | 6. | Badhra |
| | | 7. | Bond Kalan |
| | | 8. | Jhojhu Kalan |
| 3. | Fatehabad | 9. | Jakhal |
| | | 10. | Bhuna |
| | | 11. | Nagpur |
| 4. | Hisar | 12. | Narnaund |
| | | 13. | Uklana |
| | | 14. | Agroha |
| | | 15. | Hansi-II |
| 5. | Jhajjar | 16. | Sahalwas |
| 6. | Jind | 17. | Pillu Khera |
| | | 18. | Uchana |
| | | 19. | Alewa |
| | | 20. | Ujhana |
| 7. | Kaithal | 21. | Rajound |
| 8. | Mewat | 22. | Nagina |
| | | 23. | Ferozpur Jhirka |
| | | 24. | Punhana |
| | | 25. | Pingwan |
| | | 26. | Indri |
| 9. | Mahendergarh | 27. | Ateli Nangal |
| | | 28. | Kanina |
| | | 29. | Mahendergarh |

| S. No. | District | Block | |
|--------|--------------|-------|---------------------|
| | | 30. | Sihma |
| | | 31. | Nizampur |
| | | 32. | Satnali |
| 10. | Rewari | 33. | Nahar |
| 11. | Sirsa | 34. | Dabwali |
| | | 35. | Baragudha |
| | | 36. | Odhan |
| | | 37. | Nathusari Chopta |
| 12. | Sonapat | 38. | Kathura |
| | | 39. | Mundlana |
| 13. | Yamuna Nagar | 40. | Mustafabad |
| 14. | Karnal | 41. | Munak |
| 15. | Kurukshetra | 42. | Babain |

Fiscal Incentives and Infrastructure Schemes:

1. ULTRA MEGA PROJECTS:

Ultra-Mega Projects shall be offered customized package of incentives by Haryana Enterprise Promotion Board throughout the State.

2. MEGA PROJECTS (standard package of incentives):

2.1 Investment Subsidy on SGST:

- 75% for first 5 years, 35% for next 3 years in 'D' category blocks with cap of 125% of FCI.
- 50% for first 5 years, 25% for next 3 years in 'C' category blocks with cap of 100% of FCI.
- 30% for first 5 years, 15% for next 3 years in 'B' category blocks with cap of 100% of FCI.

2.2 Employment Generation Subsidy:

For capacity building of persons belonging to Haryana (skilled/semi-skilled) [having Haryana Resident Certificate] Subsidy @ Rs 36,000/- per year for SC/ Women and Rs 30,000/- per year for general category for 5 years in 'B' & 'C' category blocks for direct employment with ESI/PF Number. However, the employment subsidy shall be provided for all the persons employed by the units in D Category Blocks.

2.3 Electricity Duty Exemption:

100% exemption for 10 years in 'D' category blocks, 7 years in 'C' category blocks and 5 years in 'B' category blocks.

2.4 Stamp Duty Refund:

100% refund of stamp duty in 'D' category blocks; 75% in 'C' category blocks and 50% in 'B' category blocks on the land meant for industrial use after commencement of commercial production, within 5 years from the date of purchase of land.

2.5 EDC Charges:

50% Exemption of External Development Charges in 'B', 'C' & 'D' category blocks.

Note:

- i. Special Package of incentives in B, C and D blocks having potential of ancillarisation shall be decided by HEPB over and above standard package of incentives on the basis of Cost Benefit Analysis.

- ii. Mega Projects in thrust sectors / sectors helping in reducing carbon footprint / generating intensive employment in C and D blocks may be considered for enhanced incentives.

3. LARGE UNITS:

3.1 Investment Subsidy on SGST:

- 75% for first 7 years, 35% for next 3 years in 'D' category blocks with up to 125% of FCI.
- 50% for first 5 years, 25% for next 3 years in 'C' category blocks with up to 100% of FCI.
- 30% for first 5 years, 15% for next 3 years in B category Blocks with up of 100% of FCI.

Expansion/Diversification- These benefits shall be also be applicable to units undergoing 50% additional investment in plant and machinery for expansion/diversification of existing unit with cap of 100% of new fixed capital investment on expanded FCI.

3.2 Employment Generation Subsidy:

For capacity building of persons belonging to Haryana (skilled/semi-skilled) [having Haryana Resident Certificate] Subsidy @ Rs 36,000/- per year for SC/ Women and Rs 30,000/- per year for general category for 5 years in 'B' & 'C' category blocks for direct employment with ESI/PF Number. However, the employment subsidy shall be provided for all the persons employed by the units in D Category Blocks.

3.3 Electricity Duty Exemption:

100% exemption for 10 years in 'D' category blocks, 7 years in 'C' category blocks and 5 years in 'B' category blocks.

3.4 Stamp Duty Refund:

100% refund of stamp duty in 'D' category blocks; 75% in 'C' category blocks and 50% in 'B' category blocks on the land meant for industrial use after commencement of commercial production, within 5 years from the date of purchase of land.

3.5 EDC Charges:

50% Exemption of External Development Charges in 'B', 'C' & 'D' category blocks

4. MICRO, SMALL AND MEDIUM ENTERPRISES:

4.1 Investment Subsidy on SGST:

- 75% of Net SGST for first 7 years, 35% for next 3 years in 'D' category blocks with up to 150% of FCI.

- 75% of Net SGST for first 7 years, 35% for next 3 years in 'C' category blocks with up to 125% of FCI.
- 50% of Net SGST for first 5 years, 25% for next 3 years in 'B' category blocks with up to 100% of FCI.

Expansion/Diversification- These benefits shall be also be applicable to units undergoing 50% additional investment in plant and machinery for expansion/diversification of existing unit with cap of 100% of new fixed capital investment on expanded FCI.

4.2 Interest Subsidy:

- 5% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 5 years in 'C' & 'D' Categories Blocks
- 5% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 3 years in 'B' Categories Blocks

4.3 Employment Generation Subsidy:

For capacity building of persons belonging to Haryana (skilled/semi-skilled) [having Haryana Resident Certificate] Subsidy @ Rs 36,000/- per year for SC/ Women and Rs 30,000/- per year for general category for 5 years in 'B' & 'C' category blocks for direct employment with ESI/PF Number. However, the employment subsidy shall be provided for all the persons employed by the units in D Category Blocks.

4.4 Market Development Assistance:

For Micro and Small enterprises

- **International fair:** For space size up to 9 sq.m., 75% space charges, shipment of exhibits, cost of product literature, display material, stall/stand construction/fabrication/ designing charges or maximum up to Rs. 6.5 lakh and air fare by economy class up to Rs. 1.5 lakh (maximum 2 person) will be reimbursed for participation in the international fairs / exhibitions for one fair in a year.
- **Domestic fair:** For space size up to 9 sq.m., charges towards space, transportation charges of exhibits, cost of product literature, display material, stall/stand construction/ fabrication/ designing charges or maximum up to Rs. 4 lakh and air fare by economy class up to Rs. 0.50 lakh and boarding charges @ Rs.5000/- per day per person (maximum two persons) will be reimbursed for participation in the domestic fairs / exhibitions for one fair in a year.

4.5 Testing Equipment Assistance:

In order to ensure 'Zero Defect' in the quality of products to make globally competitive, Financial support of 50% as subsidy or maximum of Rs. 10 lakh per year for the purchase of testing equipment shall be provided to Micro and Small Enterprises.

4.6 Assistance for Technology Acquisition:

50% of cost for adopting/acquiring technology from premier National/International Institutes/Patented Technology from Private Companies, max. of Rs. 25.00 lakh.

4.7 Patent Cost:

Financial support by reimbursement of 50% of the actual expenses (including filing fees, consultancy fees, search fees, maintenance fees and Publishing fees) with a maximum of Rs. 25 lakhs for domestic patent registration and international patent registration.

4.8 Assistance for Environment Compliance:

50% financial support or maximum of Rs. 25.00 lakh on capital cost for setting up of Effluent Treatment Plant and for installation of Air Pollution Control Devices for Micro, Small and Medium Enterprises of **all sectors** (The Units adopting zero effluent will be considered for higher subsidy on case to case basis).

4.9 Energy Audit:

75% reimbursement or maximum of Rs. 2 lakhs for conducting energy audit. Also 50% subsidy on cost of capital equipment required for undertaking measures to conserve energy, subject to maximum of Rs. 20 lakhs once in every 5 years.

4.10 Water Audit:

75% reimbursement of cost of Water audit subject to maximum of Rs. 1 lakh. Also, subsidy up to 50% or maximum of Rs. 20 lakhs on the cost of capital equipment required for Water Conservation/ Harvesting System.

4.11 Safety Audit:

75% reimbursement of expenses incurred on safety audit subject to maximum of Rs. 1 lakh for conducting safety audit. Also 50% subsidy on cost of capital equipment and capital expenditure required for undertaking safety measures, subject to maximum of Rs. 10 lakhs once in every 5 years [for compliance of Safety provision under Factory Act, 1948].

4.12 Credit Linked Capital Subsidy for Technology Up-gradation:

State Credit Linked Interest Subsidy Scheme for Technology Up-gradation of existing enterprises- @5% up to a maximum of INR 10 lakh per year for a period of 3 years to an eligible unit in specified sectors/products (appraisal by HSIIDC).

4.13 Stamp Duty Refund:

100% refund in 'D' category blocks; 75% in 'C' category blocks and 50% in 'B' category blocks on the land meant for industrial use after commencement of commercial production, within 5 years from the date of purchase of land.

4.14 Power Tariff Subsidy:

Rs. 2 per unit up to connected load of 40kWat source only for Micro and Small Enterprise in 'C' and 'D' Category blocks for 5 years from the date of release of electricity connection. The funds shall be provided by the Govt to UHBVN/DHBVN for DBT of subsidy amount.

4.15 Credit Rating:

Reimbursement of the expenses incurred towards the credit rating to the extent of 75% or maximum of Rs. 2 lakhs for Micro & Small enterprises carried out by SIDBI / Govt. accredited credit rating agency after every 5 years.

4.16 Quality Certification:

75% reimbursement of the total expenditure incurred for obtaining certification and logistics charges thereof subject to a maximum of Rs. 5 lakhs for obtaining ISO/ HACCP/ BSI/ WHO-GMP/ ZED/TS/ Hallmark certifications/ other country specific certifications for export etc. after every 3 years and would be in addition to the support being provided by Government of India.

4.17 MSME State Awards:

Outstanding Entrepreneurship State Awards shall be provided to Micro and Small Enterprises of Rs. 5 lakh each separately for growth in production and profit, for innovation & development of new products, quality products and lean manufacturing techniques in the field of Agro and Food processing, Automobiles and auto parts, Textiles, Engineering, Pharmaceuticals, IT & Electronics etc. The unit once selected for award shall not be considered again during next 5 years.

4.18 CLU/EDC charges:

50% refund of Conversion Charges and EDC in 'B', 'C' & 'D' category blocks

4.19 Electricity Duty Exemption/ Open Access Charges:

- 100% exemption for 10 years in 'D' category blocks, 7 years in 'C' category blocks and 5 years in 'B' category blocks.
- Exemption from open excess charges maximum up to Rs. 1.00 per unit (Wheeling Charges, Transmission Charges, Cross subsidy Surcharge and Additional Surcharge in case of Medium and Large units in Thrust sectors.

4.20 Special provisions for Start-Ups / First Generation Entrepreneurs:

- Interest subsidy of 8% per annum for a period of 5 years
- Reimbursement of 25% of lease rental subsidy period of 1 year up to Rs. 3 lakh per annum
- Seed Grant up to Rs.3 Lakh per start-up
- 100% Net SGST Reimbursement for 7 years

4.21 Entrepreneurship Development Program:

The financial support of Rs. 5 lakhs shall be provided to Government Universities/ NIT/ IIT/ Technical Institutes for conducting entrepreneurship development program.

4.22 Collateral Free Credit Guarantee Scheme:

Reimbursement @ 100% guarantee cover fee charged by the Financial Institution/ baaks from Micro Enterprises for collateral free term loan/working capital under CGTMSE for the period of 05 years.

4.23 Price Preference to MSMEs:

Haryana Government has formulated a public procurement policy for the MSEs in the state under which the micro and small enterprises (MSEs) will get several benefits such as exemption on payment of tender fee, earnest money deposit and concession on performance security. The purchase preference would be 50% of the total tendered quantity by the Supplies and Disposal Department.

4.24 Haryana Gramin Udyogik Vikas Yojna in B, C and D Category Blocks

i. Capital Subsidy:

15%, maximum of Rs. 15 lakh & max. of Rs. 20 lakhs for Women/ SC/ST on the investment made on Plant & Machinery and building for setting up of Micro Enterprises outside the municipal limits in rural areas.

ii. Interest Subsidy:

6% for Micro Enterprises on term loan or maximum up to Rs. 8.00 lakh per year for 5 years

iii. DG Set Subsidy

@ 8000 per KVA, max. upto 50% of the cost of the DG Set purchased from authorized dealer for Micro enterprises.

Note:- The other incentives specified for MSME sector shall also be permissible.

4.24 Vendor Development Programme:

For promotion of sales, Vendor Development Programmes (Rs.10.00 lakhs) at least 02 per year shall be organized incollaboration with Micro, Small and Medium Enterprises Development Institute, Karnal of GoI.

5. Auto, Auto Components & Light Engineering

5.1 Investment Subsidy on net SGST:

- 75% of net SGST for 10 Years in D Category blocks with cap of 150% of FCI
- 75% of net SGST for 8 Years in C Category blocks with cap of 125% of FCI

- 50% of net SGST for 7 years in B Category blocks with cap of 100% of FCI.

5.2 Employment Generation Subsidy:

For capacity building of persons belonging to Haryana (skilled/semi-skilled) [having Haryana Resident Certificate] Subsidy @ Rs 48,000/- per year for SC/ Women and Rs 36,000/- per year for general category for 5 years in 'B' & 'C' category blocks for direct employment with ESI/PF Number. However, the employment subsidy shall be provided for all the persons employed by the units in D Category Blocks.

5.3 Interest Subsidy:

- 6% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 5 years in 'C' & 'D' Categories Blocks
- 5% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 3 years in 'B' Categories Blocks

5.4 Stamp Duty:

100% refund in 'C' and 'D' category blocks; 80% in 'B' category blocks on the land meant for industrial use after commencement of commercial production, **within 5 years from the date of purchase of land.**

5.5 EDC Charges:

50% exemption of EDC in 'B', 'C' & 'D' category blocks

5.6 Electricity Duty Exemption:

- 100% exemption for 10 years in 'D', for 7 years in 'C' and for 5 years in 'B' category blocks

5.7 Open Access Charges:

- Exemption from open excess charges maximum up to Rs. 1.00 per unit (Wheeling Charges, Transmission Charges, Cross subsidy Surcharge and Additional Surcharge in case of Medium and Large units in Thrust sectors.

Note:

- The other incentives specified for MSME sector would also be permissible for MSMEs under this thrust sector.
- Special Package of incentives in B, C and D blocks having potential of ancillarisation shall be decided by HEPB over and above standard package of incentives on the basis of Cost Benefit Analysis.

6. Agro-based, Food Processing & Allied Industry

6.1 Investment Subsidy on net SGST:

- 75% of net SGST for 10 Years in D Category blocks with cap of 150% of FCI
- 75% of net SGST for 8 Years in C Category blocks with cap of 125% of FCI
- 50% of net SGST for 7 years in B Category blocks with cap of 100% of FCI.

6.2 Employment Generation Subsidy:

For capacity building of persons belonging to Haryana (skilled/semi-skilled) [having Haryana Resident Certificate] Subsidy @ Rs 48,000/- per year for SC/ Women and Rs 36,000/- per year for general category for 5 years in 'B' & 'C' category blocks for direct employment with ESI/PF Number. However, the employment subsidy shall be provided for all the persons employed by the units in D Category Blocks.

6.3 Interest Subsidy:

- 6% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 3 years in 'B' Categories Blocks
- 5% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 5 years in 'C' & 'D' Categories Blocks

6.4 Stamp Duty:

100% refund in 'C' and 'D' category blocks; 80% in 'B' category blocks on the land meant for industrial use after commencement of commercial production, **within 5 years from the date of purchase of land.**

6.5 EDC Charges:

50% exemption of EDC in 'B', 'C' & 'D' category blocks

6.6 Mandi Fees Exemption:

100% refund of market fee paid for purchase of raw material by the manufacturing enterprises for a period of 5 years

6.7 Electricity Duty Exemption:

- 100% exemption for 10 years in 'D', for 7 years in 'C' and for 5 years in 'B' category blocks

6.8 Open Access Charges:

- Exemption from open excess charges maximum up to Rs. 1.00 per unit (Wheeling Charges, Transmission Charges, Cross subsidy Surcharge and Additional Surcharge in case of Medium and Large units in Thrust sectors.

6.9 Primary Processing Centre:

Capital subsidy @ 50% of FCI on plant & machinery and technical works, maximum of Rs. 1.75 crore for eligible entrepreneurs engaged in washing, grading,

waxing, drying, packaging, cold chain and processing of fruits & vegetables using local produce as raw material for bank finance project in 'B', 'C' and 'D' category blocks. The subsidy will also include 35% grant-in-aid being provided by GoI.

6.10 Excise Duty Exemption:

Wines/ Liquors/ Brandy etc. made from 100% fruits and Barley produced in the State will be exempted from the Excise Duty in 'B', 'C' and 'D' category blocks.

Note:

- i. The other incentives specified for MSME sector would also be permissible for MSMEs under this thrust sector.
- ii. Registered Farmer Producer Organisation (FPO)/ Integrated Pack Houses (having grading, sorting, packaging etc facilities) shall also be eligible for aforementioned incentives and incentives specified for MSMEs.
- iii. Special Package of incentives in B, C and D blocks having potential of ancillarisation shall be decided by HEPB over and above standard package of incentives on the basis of Cost Benefit Analysis.

7. Textiles and Apparels

7.1 Investment Subsidy on net SGST:

- 75% of net SGST for 10 Years in D Category blocks with cap of 150% of FCI
- 75% of net SGST for 8 Years in C Category blocks with cap of 125% of FCI
- 50% of net SGST for 7 years in B Category blocks with cap of 100% of FCI.

7.2 Employment Generation Subsidy:

For capacity building of persons belonging to Haryana (skilled/semi-skilled) [having Haryana Resident Certificate] Subsidy @ Rs 48,000/- per year for SC/ Women and Rs 36,000/- per year for general category for 5 years in 'B' & 'C' category blocks for direct employment with ESI/PF Number. However, the employment subsidy shall be provided for all the persons employed by the units in D Category Blocks.

7.3 Interest Subsidy:

- 6% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 5 years in 'C' & 'D' Categories Blocks
- 5% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 3 years in 'B' Categories Blocks

7.4 Stamp Duty:

100% refund in 'C' and 'D' category blocks; 80% in 'B' category blocks on the land meant for industrial use after commencement of commercial production, **within 5 years from the date of purchase of land.**

7.5 EDC Charges:

50% exemption of EDC in 'B', 'C' & 'D' category blocks

7.6 Mandi Fees Exemption:

100% refund of market fee paid for purchase of raw material by the manufacturing enterprises for a period of 5 years

7.7 Electricity Duty Exemption:

- 100% exemption for 10 years in 'D', for 7 years in 'C' and for 5 years in 'B' category blocks

7.8 Open Access Charges:

- Exemption from open excess charges maximum up to Rs. 1.00 per unit (Wheeling Charges, Transmission Charges, Cross subsidy Surcharge and Additional Surcharge in case of Medium and Large units in Thrust sectors.

Note:

- i. The other incentives specified for MSME sector would also be permissible for MSMEs under this thrust sector.
- ii. Special Package of incentives in B, C and D blocks having potential of ancillarisation shall be decided by HEPB over and above standard package of incentives on the basis of Cost Benefit Analysis.

8. Electronics System Design & Manufacturing (ESDM)

8.1 Capital Subsidy:

50% top up of Capex support provided by DEITY to units setting up in notified EMCs under M-SIPS of GoI [Scheme has been discontinued by GoI]. The support shall be provided to first 10 Anchor units limited to maximum INR 10 Cr. per unit

8.2 Investment subsidy on Net SGST:

100% reimbursement on net SGST subject to maximum of 100% of Fixed Capital Investment (FCI) for 10 years in B, C & D Blocks

8.3 Interest Subsidy:

- 6% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 5 years in 'C' & 'D' Categories Blocks

- 5% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 3 years in 'B' Categories Blocks

8.4 Stamp Duty Refund:

100% reimbursement of stamp duty paid on sale / lease deeds paid on the first transaction for setting up units in notified EHTPs or land earmarked by the State Government for ESDM industry. ESDM units shall be eligible for 100% reimbursement of stamp duty paid on sale / lease deeds paid on the first transaction for setting up units in B, C, D blocks.

8.5 Electricity Duty Exemption:

100% exemption for a period of 7 years from commercial operations

8.6 Employment Generation Subsidy:

For capacity building of persons belonging to Haryana (skilled/semi-skilled) [having Haryana Resident Certificate] Subsidy @ Rs 48,000/- per year for SC/ Women and Rs 36,000/- per year for general category for 5 years in 'B' & 'C' category blocks for direct employment with ESI/PF Number. However, the employment subsidy shall be provided for all the persons employed by the units in D Category Blocks.

Note:

- The other incentives specified for MSME sector would also be permissible for MSMEs under this thrust sector.
- Special Package of incentives in B, C and D blocks having potential of ancillarisation shall be decided by HEPB over and above standard package of incentives on the basis of Cost Benefit Analysis.

9. Data Centres and Co-location facilities:

9.1 100% Net SGST reimbursement for the developer of the co-location facility for first 3 years and 50% Net SGST for subsequent 7 years, and 100% Net SGST reimbursement for Data Centre Units (not in co-location facilities) for a period of 10 years, subject to a maximum of 100% of Fixed Capital Investment.

9.2 100% reimbursement of stamp duty

9.3 100% reimbursement of electricity duty Data Centre industry shall be eligible for getting power subsidy of INR 1 per unit

9.4 100% reimbursement for Transmission and Wheeling charges up to the extent of consumption of power for captive use from captive renewable plant within State

9.5 100% exemption from banking charges up to the extent of consumption of power by the Co-location Facility from captive renewable plant within State

10. Defence and Aerospace Manufacturing

10.1 Investment Subsidy on net SGST:

- 75% of net SGST for 10 Years in D Category blocks with cap of 150% of FCI

- 75% of net SGST for 8 Years in C Category blocks with cap of 125% of FCI
- 50% of net SGST for 7 years in B Category blocks with cap of 100% of FCI.

10.2 Employment Generation Subsidy:

For capacity building of persons belonging to Haryana (skilled/semi-skilled) [having Haryana Resident Certificate] Subsidy @ Rs 48,000/- per year for SC/ Women and Rs 36,000/- per year for general category for 5 years in 'B' & 'C' category blocks for direct employment with ESI/PF Number. However, the employment subsidy shall be provided for all the persons employed by the units in D Category Blocks.

10.3 Interest Subsidy:

- 6% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 5 years in 'C' & 'D' Categories Blocks
- 5% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 3 years in 'B' Categories Blocks

10.4 Stamp Duty:

100% refund in 'C' and 'D' category blocks; 80% in 'B' category blocks on the land meant for industrial use after commencement of commercial production, **within 5 years from the date of purchase of land.**

10.5 EDC Charges:

50% exemption of EDC in 'B', 'C' & 'D' category blocks

10.6 Electricity Duty Exemption:

- 100% exemption for 10 years in 'D', for 7 years in 'C' and for 5 years in 'B' category blocks

10.7 Open Access Charges:

- Exemption from open excess charges maximum up to Rs. 1.00 per unit (Wheeling Charges, Transmission Charges, Cross subsidy Surcharge and Additional Surcharge in case of Medium and Large units in Thrust sectors.

Note:

- The other incentives specified for MSME sector would also be permissible for MSMEs under this thrust sector.
- Special Package of incentives in B, C and D blocks having potential of ancillarisation shall be decided by HEPB over and above standard package of incentives on the basis of Cost Benefit Analysis.

11. Pharmaceutical & Medical Devices

11.1 Investment Subsidy on net SGST:

- 75% of net SGST for 10 Years in D Category blocks with cap of 150% of FCI
- 75% of net SGST for 8 Years in C Category blocks with cap of 125% of FCI
- 50% of net SGST for 7 years in B Category blocks with cap of 100% of FCI.

11.2 Employment Generation Subsidy:

For capacity building of persons belonging to Haryana (skilled/semi-skilled) [having Haryana Resident Certificate] Subsidy @ Rs 48,000/- per year for SC/ Women and Rs 36,000/- per year for general category for 5 years in 'B' & 'C' category blocks for direct employment with ESI/PF Number. However, the employment subsidy shall be provided for all the persons employed by the units in D Category Blocks.

11.3 Interest Subsidy:

- 6% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 5 years in 'C' & 'D' Categories Blocks
- 5% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 3 years in 'B' Categories Blocks

11.4 Stamp Duty:

100% refund in 'C' and 'D' category blocks; 80% in 'B' category blocks on the land meant for industrial use after commencement of commercial production, **within 5 years from the date of purchase of land.**

11.5 EDC Charges:

50% exemption of EDC in 'B', 'C' & 'D' category blocks

11.6 Electricity Duty Exemption:

- 100% exemption for 10 years in 'D', for 7 years in 'C' and for 5 years in 'B' category blocks

11.7 Open Access Charges:

- Exemption from open excess charges maximum up to Rs. 1.00 per unit (Wheeling Charges, Transmission Charges, Cross subsidy Surcharge and Additional Surcharge in case of Medium and Large units in Thrust sectors.

Note:

- The other incentives specified for MSME sector would also be permissible for MSMEs under this thrust sector.
- Special Package of incentives in B, C and D blocks having potential of

ancillarisation shall be decided by HEPB over and above standard package of incentives on the basis of Cost Benefit Analysis.

12. Chemical and Petrochemicals

12.1 Investment Subsidy on net SGST:

- 75% of net SGST for 10 Years in D Category blocks with cap of 150% of FCI
- 75% of net SGST for 8 Years in C Category blocks with cap of 125% of FCI
- 50% of net SGST for 7 years in B Category blocks with cap of 100% of FCI.

12.2 Employment Generation Subsidy:

For capacity building of persons belonging to Haryana (skilled/semi-skilled) [having Haryana Resident Certificate] Subsidy @ Rs 48,000/- per year for SC/ Women and Rs 36,000/- per year for general category for 5 years in 'B' & 'C' category blocks for direct employment with ESI/PF Number. However, the employment subsidy shall be provided for all the persons employed by the units in D Category Blocks.

12.3 Interest Subsidy:

- 6% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 5 years in 'C' & 'D' Categories Blocks
- 5% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 3 years in 'B' Categories Blocks

12.4 Stamp Duty:

100% refund in 'C' and 'D' category blocks; 80% in 'B' category blocks on the land meant for industrial use after commencement of commercial production, **within 5 years from the date of purchase of land.**

12.5 EDC Charges:

50% exemption of EDC in 'B', 'C' & 'D' category blocks

12.6 Electricity Duty Exemption:

- 100% exemption for 10 years in 'D', for 7 years in 'C' and for 5 years in 'B' category blocks

12.7 Open Access Charges:

- Exemption from open excess charges maximum up to Rs. 1.00 per unit (Wheeling Charges, Transmission Charges, Cross subsidy Surcharge and Additional Surcharge in case of Medium and Large units in Thrust sectors.

Note:

- i. The other incentives specified for MSME sector would also be permissible for MSMEs under this thrust sector.
- ii. Special Package of incentives in B, C and D blocks having potential of ancillarisation shall be decided by HEPB over and above standard package of incentives on the basis of Cost Benefit Analysis.

13. EXPORT ORIENTED UNITS

13.1 Freight Assistance:

1% of Free on Board (FOB) value or actual freight excluding government fee and taxes on transportation of goods from place of manufacture to the seaport/ air cargo/ by road up to international borders from where they are shipped, whichever is less and maximum up to Rs. 10 lakh per annum to all exporting micro and small enterprises having turnover Rs. 10 Cr. located anywhere in the State.

13.2 State Export Awards:

The State Government provides a total of 18 State Export Awards, one Outstanding Woman Exporter Award for Micro & Small category and Large & Medium category and 19 Consolation Prizes to the Outstanding Exporting Units in the State. The Award Amount for the State Export Awards shall be enhanced to Rs. 5 lakh each and Consolation Prizes to Rs. 51,000/- each for acknowledging and recognizing the contribution of Exporters. The exporting unit once selected for award shall not further be considered during 5 years.

13.3 ECGC:

Reimbursement @50% of premium paid, maximum up to Rs 1.5 lakh per annum per unit for Micro, Small and Medium Enterprises.

Note: The other incentives specified for MSME sector would also be permissible for Exporting MSME units.

14. Additional benefit to Essential Sector Units:

14.1 Extension of Incentives to B and C Blocks

The incentives applicable under D category blocks shall be available in 'B' and 'C' category blocks for Essential Goods and Services Industry as per EPP 2020.

14.2 Support for R&D

- i. Financial assistance @50% of project cost [cost of land and building subject to maximum of 25% of Project cost], machinery & equipment upto Rs. 2.5 Crore to facilitate setting up of R&D Centers/ Testing Labs
- ii. The establishment of such R&D centers shall address the need of various functions such as design, packaging, software, automation and others across sectors

14.3 Employment Generation

100% reimbursement of Employer's contribution towards ESIC and EPFO for employees of Haryana domicile earning wages up to INR 30,000 per month, for a period of 5 years

14.4 Technology

- i. 50% of cost for adopting technology from premier National/International Institutes/Patented Technology from Corporation, max. of Rs. 50.00 lakh
- ii. Financial support of 50% as subsidy or maximum of Rs. 20 lakh per year for the purchase of testing equipment shall be provided for Essential Enterprises

15. LARGE SERVICE ENTERPRISES

Health Care, Education (Skills Development, Training-cum-incubation centres), IT, Logistics, Warehousing (Cargo handling services etc.), Bulk courier Services, R&D centers/ Labs, Testing labs, Engineering & Design services, Equipment rental & leasing (construction & Industry related), Equipment maintenance & repair, environmental services (sewage/ refuse disposal), Entertainment Parks except Cinema Halls having investment in Building and equipment more than Rs. 10 crores. [Any other service enterprises notified by the State Government for inclusion in the list from time to time]

15.1 Investment Subsidy on net SGST:

50% of net SGST paid for new enterprise for a period of 5 years in 'B', 'C' & 'D' category blocks from the date of commencement of service.

15.2 Entertainment Tax/ SGST (except cinema halls):

Exemption from payment of 50% tax for 5 years for new enterprise in 'B', 'C' & 'D' category blocks with cap of 100% of fixed capital investment.

15.3 Stamp duty:

50% refund of stamp duty in 'C' & 'D' category blocks and 30% in 'B' category blocks for new enterprise after commencement of service, within 5 years from the date of filing of IEM.

15.4 Electricity Duty Exemption:

75% exemption only for new enterprise for 5 years in 'C' & 'D' category blocks and 50% in 'B' category blocks

15.5 Support for R&D:

Financial assistance @50% of project cost [cost of land and building subject to maximum of 25% of Project cost), machinery & equipment] up to Rs. 2 Crore to facilitate setting up of R&D Centers/ Testing Labs. The establishment of such R&D centers shall address the need of various functions such as design, packaging, software, automation and others across sectors.

16. HANDICRAFT SECTOR:**16.1 State Handicrafts Awards:**

The Outstanding artisans/weavers belonging to the State shall be provided 13 State Handicrafts Awards of Rs. 3 lakh each including one for outstanding woman artisan in the category of Painting, Terracotta, Clay objects, Stone & Marble, Embroidery & Textile, Wood & Bamboo, Metal, Leather, Handloom, Jute, Wax & Lakh, miscellaneous and 12 consolation prizes of Rs.51000/- each would also be conferred on artisans. The artisan once selected for award shall not further be considered during 5 years.

16.2 Assistance for Product Promotion:

To assist in the sale of handicrafts items, 01 State level (Rs.12 lakh) and 04 District level (Rs.3 lakh) fairs/ exhibitions shall be organized on the special occasions for duration of one to two weeks through Trade Fair Authority Haryana. There shall be at least 50 participants/stalls for the State level fair and 20 participants/stalls for the District level fair.

17. INFRASTRUCTURE RELATED SCHEMES:**17.1 Cluster Development Program (MSE-CDP):**

GoI implements MSE-CDP scheme for creating common facility centre with investment up to maximum of Rs. 20.00 crore for a group of at least 20 existing Industries in a cluster with Financial support (GoI, State, SPV – 70:10:20). The State will provide 20% share for each cluster in place of 10% whereas SPV will contribute only 10% share in place of 20%. State Govt. will also contribute 50% of the cost of project exceeding Rs. 20.00 Crore and up to Rs. 25.00 Crore, as State share

17.2 State Mini Cluster Development Scheme:

State Mini Cluster Development Scheme for creating Common Facility Centre (CFC) for a group of at least 10 existing units with funding pattern of 90% State contribution: 10% SPV for project cost up to Rs. 5 Crore.

17.3 Incubation Centre

The financial assistance for creating incubation centre in universities to the extent of Rs. 30 Lakh per incubator and Rs. 10 Lakh yearly for recurring expenditure for 3 years.

17.4 Start-ups warehouse / Innovation campus:

Financial support of Rs. 4 Crore for capital expenditure, for creating IT start-ups warehouse in collaboration with NASSCOM, for furnishing and equipping (Networking, bandwidth, lease line, air conditioning & furniture etc.) the bare shell space and Rs. 1 Crore yearly for 3 years recurring expenditure support at Panchkula. The recurring expenditure shall also be provided for further 3 years for the incubation center established at Gurugram

17.5 Mobile Apps. Development Centre:

Financial supports of Rs. 4 Cr. for capital expenditure for creating Mobile Apps Development Centre in collaboration with Internet & Mobile Association of India and yearly support of Rs. 1 Cr. for three years at Panchkula

17.6 Creation of Industrial Infrastructure Development Scheme:

IIDS will be introduced for providing adequate width of road connectivity with nearest State/ National highway, water independent power feeder, Broadband Internet Connectivity up to the premises/periphery of Mega & Large projects and identified service enterprises, thrust rural clusters and rural functional clusters set up in 'B', 'C' and 'D' category blocks and Industrial Estates developed by the Private Developer in 'C' & 'D' category blocks.

17.7 State Industrial Infrastructure Development Scheme:

The scheme for creating/ up-gradation of infrastructure in respect of technical infrastructure such as Testing Laboratory, R&D centers, Exhibition-cum Convention Center, CFC, basic Infrastructure in Industrial estates/ clusters, Design Development Centre, CETP, Firefighting stations etc. The funding for the project shall generally be on cost sharing basis in the ratio of 50:50.

17.8 Creation /up-gradation of Quality Marking Centers (QMC):

The TIES scheme of Department of Commerce (GoI) shall also be leveraged in respect of Government Quality Marking Centers for upgradation/ creation of infrastructure enabling these centers to obtain accreditation from National Accreditation Board for Testing and Calibration Laboratories (NABL) to facilitate MSMEs. The Quality marking/ testing centers shall be created at Hisar, Yamuna Nagar and Bahadurgarh.

17.9 Modified Special Incentive Package Scheme:

Modified Special Incentive Package Scheme Under EMC 2.0: GoI provides assistance for Electronics Manufacturing Clusters to attract investment in Electronics System Design & Manufacturing (ESDM) Industries @ 50% of the project cost, maximum of Rs. 70.00 crore for every 100 acres of land. For larger areas, prorata ceiling would apply but not exceeding Rs. 350 Cr. per project. The remaining project cost will be borne by State Govt./ State Agency. The State shall contribute 50% of the project cost subject to cap of Rs. 30.00 crore for setting of EMC by HSIIDC at Sohna. The benefit of the State contribution shall be passed by the corporation to the allottees.

17.10 Assistance for Zero Liquid Discharge Common Effluent Treatment Plants (Supplement to GoI Scheme):

GoI provides assistance for establishing Zero Liquid Discharge Plant @50% or maximum up to Rs.75 crore with 25% state share & 25% by SPV (15% + 10% bank loan). The State shall supplement the scheme of GoI and shall provide funding support to HSVP for establishing Zero Liquid Discharge Plant of 30 MLD capacity at Panipat with contribution of 25% State share. The state shall also provide 25% SPV contribution and differential cost to HSVP

17.11 Aviation Hub

Aerospace/ Defense manufacturing park shall be set up at Hissar.

17.12 MEGA FOOD PARK

GoI provides capital grant @ 50% of the project cost maximum upto Rs. 50 Cr. for creation of Mega Food Park on land area of 50 acres by SPV/ State Govt. agencies. The State shall supplement the scheme by contributing 50% of the contribution of stake holders subject to cap of Rs. 25.00 crore for setting up of Food Park by HSIIDC in B, C and D Category Blocks. The benefit of the State contribution shall be passed by the developing agency to the allottees.

17.13 Cluster Development Programme for Pharma Sector (CDP-PS)

GoI provides one-time grant-in-aid to a Maximum of Rs.20 crore or 70% of project cost, whichever is less for creation of infrastructure and common facilities by SPV with minimum of 10 manufacturing enterprises of Pharma products. The State shall supplement the scheme by contributing 50% of the contribution of stake holders subject to cap of Rs. 7.00 crore

17.14 Creation of Bulk Drug parks

Government of India provides Grants-in-Aid to States with a maximum limit of Rs. 1000 Crore per Bulk Drug Park. Park will have common facilities such as solvent recovery plant, distillation plant, power & steam units, common effluent treatment plant etc. The State shall facilitate creation of Bulk Drug Park at Panipat over 1000 acre.

17.15 Medical Device Park

GoI provides one-time grant aid to four Medical device parks with a maximum limit of Rs. 100 Crore per park or 70% of the project cost of common infrastructure facilities, whichever is less. The State shall facilitate creation of Medical Device Park at Karnal by HSIIDC.

17.16 Agricultural Testing Center at Karnal

To facilitate the agriculture implements manufactures, the State Govt. shall provide financial assistance to the Haryana Agriculture University Hisar for setting up of Agricultural testing center in Village Uchani, Karnal.

17.17 Tool Rooms

Tool Rooms/ Technology development center will be established at Nilokhedi (Karnal) to cater agricultural implements manufactures and other units. Tool room shall also be setup at Growth Center Saha (Ambala) and Gurugram with assistance of GoI.

17.18 Consultancy Scheme:

The budget provision of Rs. 10 crores for seeking consultancy Services/ support for getting maximum benefit of the infrastructure related schemes of GoI as well as for implementation of schemes for MSMEs sector will be made.

17.19 Stamp Duty Refund for Industrial Park:

50% stamp duty refund to the developer of Industrial Estates in 'C' and 'D' category blocks.

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Restrictive list:

The incentives under the policy will not be available to these industries except State Export Awards and State Awards for MSMEs. The State would not encourage the following categories of Industries for reasons of pollution or water scarcity or planning perspective:

1. Industrial units involving trade effluents and air emissions setup within or operating from the residential areas;
2. Cigars and Cigarettes of Tobacco and manufacture of Tobacco including other Tobacco products;
3. Industrial units for soft drinks/ aerated water and packaged drinking water, (consuming high-water content) located in areas notified as “Dark Zones” for water availability;
4. Stone crushers/ Washeries for reasons of Air and Water Pollution;
5. Lime kilns, Brick kilns except refractory bricks, fly Ash bricks and cement blocks;
6. Copper smelter/ Zinc smelter recovery of Zinc metal from Zinc ash, Dross and Waster for reason of pollution;
7. Manufacture of Ethyl Alcohol/ Distillery/ Fermentation/ Brewery except wines/ liquors/ brandy etc. made from 100% fruits and Barley produced in the State;
8. Sulphuric acid/ thinners & varnishes/ electroplating for reason of pollution;
9. Dyes and Dye intermediates for reasons of high pollution except units covered under zero liquid discharge;
10. Dyeing Industry for yarn and cloth except units covered under zero liquid discharge;
11. Refining of used oil for reason of pollution;
12. Tanneries for reason of air and water pollution;
13. Poultry excluding Hatcheries;
14. Fire crackers Manufacturing for reason of explosive & hazardous industry;
15. Hot mix plants including site-oriented industries for reason of pollution;

List of No CLU Blocks:

| Sr.No. | District | Block |
|--------|--------------|-------------------|
| 1. | Ambala | Shehzadpur |
| 2. | Bhiwani | Tosham |
| 3. | Bhiwani | Badhra |
| 4. | Bhiwani | Bawani Khera |
| 5. | Bhiwani | Bond Kalan |
| 6. | Bhiwani | Kairu |
| 7. | Hisar | Adampur |
| 8. | Jhajjar | Sahlawas |
| 9. | Jhajjar | Matenhail |
| 10. | Jind | PilluKhera |
| 11. | Jind | Alewa |
| 12. | Kaithal | Rajound |
| 13. | Kaithal | Siwan |
| 14. | Karnal | Nissing at Chirao |
| 15. | Kurukshetra | Babain |
| 16. | Mewat | Nagina |
| 17. | Mehendergarh | AteliNangal |
| 18. | Mehendergarh | Kanina |
| 19. | Mehendergarh | Nagal Chaudhary |
| 20. | Palwal | Hassanpur |
| 21. | Rewari | Khol at Rewari |
| 22. | Rewari | Jatusana |
| 23. | Rewari | Nahar |
| 24. | Rohtak | LakhanMajra |
| 25. | Sirsa | Rania |

| Sr.No. | District | Block |
|---------------|-----------------|-----------------|
| 26. | Sirsa | Baragudha |
| 27. | Sirsa | Ellenabad |
| 28. | Sirsa | Odhan |
| 29. | Sirsa | Nathusri Chopta |
| 30. | Sonepat | Mundlana |
| 31. | Sonepat | Kathura |