

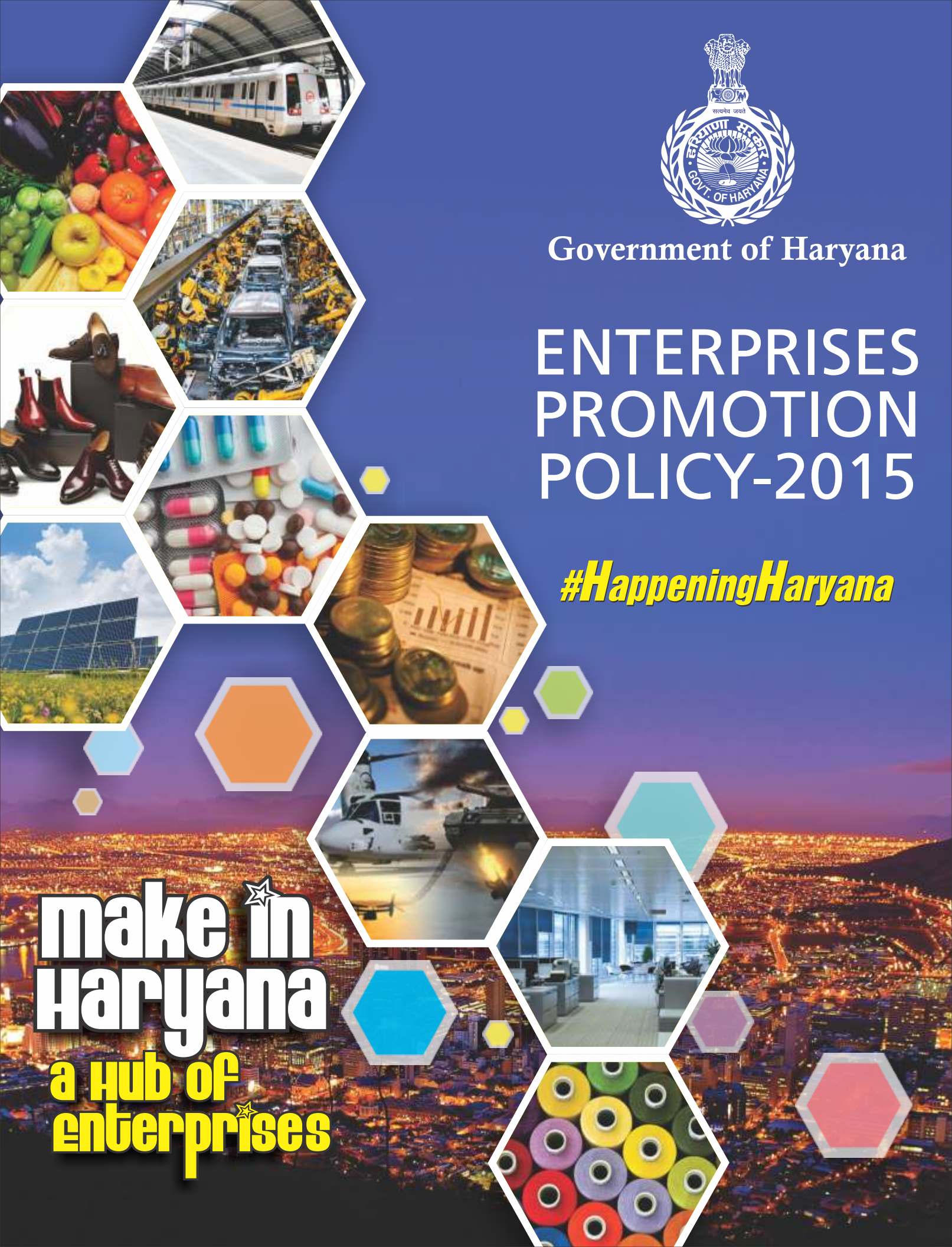


Government of Haryana

# ENTERPRISES PROMOTION POLICY-2015

*#HappeningHaryana*

**make in  
Haryana**  
**a hub of  
enterprises**



Shri Narendra Modi,  
Prime Minister of India



A major new national program, designed to facilitate investment, foster innovation, enhance skill development, protect intellectual property and build best-in-class manufacturing infrastructure.

There's never been a better time to ***Make in India.***



Shri Manohar Lal  
Chief Minister Haryana

“Our Enterprise Promotion Policy, 2015 is truly path breaking. It assures a New Industrial Regulation By Automatic Approvals and Delegation in Haryana so that enterprises can run in a NIRBAADH manner. It reflects our commitment to make business competitive by providing a FINE environment of Financial Incentives and No Enhancements. I am hopeful that a whole generation of PRANETAs would come up through our scheme for Professional and New Entrepreneurs' Task Assistance and lead to the long overdue VISTAAR of enterprises across the sacred land of Gita.

Come, invest in Haryana. We aim to kick start Haryana's economy by achieving 8% GDP growth, generate more than 4 lakhs jobs and attract investments of one lakh crore”.



"The Haryana Enterprises Promotion Policy-2015 provides a platform for an eclectic mix of Public and private investments which will catapult Haryana on a higher trajectory of Socio-economic growth with balanced regional development by providing conducive and cost effective environment for doing business, promoting innovation and entrepreneurship, with focus on MSME and skill development leading to large scale employment generation."

Capt. Abhimanyu  
Industries Minister, Haryana



## VISION

“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.”

## MISSION

- Reposition Haryana as a “ Pre-eminent Destination” for doing business;
- Facilitate State GDP growth rate in excess of 8%;
- Employment generation for 4 lakh persons;
- Investments into the State of Rs. 1 lakh crore;
- Increase contribution of secondary sector in the State GDP from 27% to 32% in tandem with the Government of India's National Manufacturing Policy and 'Make in India' initiative;
- Promote balanced regional development through geographical dispersal of industry;
- Increasing the competitiveness of the MSMEs through cluster development and adoption of “ Zero Defect Zero Effect” manufacturing practices.

## Document Index

Chapter 1:	Executive Summary	1
Chapter 2:	Need for the New Policy	7
Chapter 3:	Vision and Mission	11
Chapter 4:	Ease of Doing Business;	12
Chapter 5:	Making Enterprise Competitive;	15
Chapter 6:	Facilitating Balanced Regional Growth	18
Chapter 7:	Supporting the MSME Sector	22
Chapter 8:	Supporting the Services Sector	25
Chapter 9:	Estate Management Procedures	27
Chapter 10:	Thrust Areas	31
Chapter 11:	Promotion of exports	32
Chapter 12 :	Incentives	33
	Definitions	36
Chapter 13:	Policy Implementation, Monitoring and Grievance	37
Chapter 14:	General	38
Chapter 15:	Natural & Competitive Advantage of Haryana	40
	Concluding thought	42
	Annexures : 1-10	43-83

## List of Abbreviation

AKIC	Amritsar Kolkata Industrial Corridor
CAF	Composite Application Form
CEO	Chief Executive Officer
CETP	Common Effluent Treatment Plant
CFC	Common Facility Centre
CGTMSE	Credit Guarantee Trust for Micro, Small Enterprises
CIP	Critical Infrastructure Project
CLCSS	Credit Linked Capital Subsidy Scheme
CLU	Change of land use
CS	Chief Secretary
CST	Central Sales Tax
DAP	Design Awareness Program
DEITY	Department of Electronics & Information Technology
EAG	Enterprise Assistance Group
DHBNL	Dakshin Haryana BijliVitrان Nigam Limited
DIPP	Department of Industrial Policy and Promotion (Govt. of India)
DMIC	Delhi Mumbai Industrial Corridor
DY CEO	Deputy Chief Executive Officer
EDC	External Development Charges
EM	Entrepreneur Memorandum
EMC	Electronic Manufacturing Cluster
EMP	Estate Management Procedure
EOU	Export Oriented Unit
ESDM	Electronic System, Design and Manufacturing
FAR	Floor Area Ratio
FCI	Fixed Capital Investment
FDI	Foreign Direct Investment
FINE	Financial Incentives and No Enhancements
FOB	Free on Board
GDP	Gross Domestic Product
GOI	Government of India
HEPB	Haryana Enterprise Promotion Board
HPGCL	Haryana Power Generation Corporation Limited
HSIIDC	Haryana State Industrial & Infrastructure Development Corporation
HUDA	Haryana Urban Development Authority
IEM	Industrial Entrepreneur Memorandum
IIDS	Industrial Infrastructure Development Scheme

IIT	Indian Institute of Technology
ISO	International Standardization Organization
IT	Information Technology
ITES	Information Technology Enabled Services
MoMSME	Ministry of Micro, Small & Medium Enterprise
MRTS	Mass Rapid Transit System
MSECDP	Micro, Small Enterprises Cluster Development Program
MSME	Micro, Small and Medium Enterprise
NIFTEM	National Institute of Food Technology, Entrepreneurship and Management
NIRBAADH	New Industrial Regulation by Automatic Approvals and Delegation in Haryana
NIT	National Institute of Technology
NOC	No Objection Certificate
NRI	Non- Resident Indian
PHED	Public Health Engineering Department
PPP	Public Private Partnership
PRANETA	Professionals and New Entrepreneur Tax Assistance
PSCM	Principal Secretary to Chief Minister
PSI	Principal Secretary Industries
R&D	Research & Development
RTUFS	Revised Technology Up-gradation Fund Scheme
SGST	State Goods & Service Tax
SIDBI	Small Industrial Development Bank of India
SME	Small & Medium Enterprise
SPV	Special Purpose Vehicle
SWS	Single Window Service
T&CPD	Town and Country Planning Department
UHBVNL	Uttar Haryana BijliVitrان Nigam Limited
VAT	Value Added Tax
VISTAAR	Vat, Interest, Stamp Duty, Tax, Audit Assistance and Rating





## Chapter 1: Executive Summary

### 1. Introduction

- 1.1 Haryana is known for its vibrant agrarian economy and strong industrial base and is amongst the front runners of Industrial development in India that is showcased with its leading position in production of a number of industrial / consumer goods i.e. nearly 80% of escalators, 52% of cranes, 50% of cars and 33% of two-wheelers are manufactured in the State. The State enjoys its proximity to national capital along with access to international airport and network of national highways passing through the State.
- 1.2 The State has taken lead in terms of planned Industrial and Urban growth compared to neighbouring States, which has resulted in development of vibrant urban and industrial complexes close to the National Capital. However, a large part of the State away from National Capital did not experience similar growth in urban and industrial areas. The geographical spread of the Industrial Estates of HSIIDC, which is tasked with the role of creating land bank for the industry, and the number of industrial units set up in various districts, clearly bring out the disparity in quantum of industrial development across districts.
- 1.3 The Industrial growth of the State has exceeded 8% during the period of 2007-2014, but since 2009 the rate of growth has been around 4%. Although the growth of State economy has surpassed the National Growth Level, yet it has never been near its potential.
- 1.4 The State has about 1670 Large and Medium Enterprises which have catalysed investments of Rs. 49,000 crore and generated employment for 3.36 lakhs persons. Besides, there are around 90,000 MSMEs with total investment exceeding Rs.15,000 crore and employing more than 8.90 lakh persons. It is evident that the bulk of employment is generated by MSMEs. With the unemployment rate at 4.8%, it is imperative to focus on the MSMEs for creation of employment opportunities and to revitalize economic growth.
- 1.5 Although the decline in industrial growth has been primarily attributed to the great meltdown of 2008, there are a variety of other reasons for slow industrial growth in the State which were ascertained during a detailed and in depth study undertaken. There was a concern with the ease of doing business, non-availability of fiscal incentives, need for stronger focus on the MSMEs, changing market dynamics due launch of a number of initiatives by the Government of India like the Make in India, Skill and Digital India and liberalized investment environment in Defence, Aerospace, Railways and Electronics manufacturing sectors necessitating a paradigm shift in the industrial strategy. All these factors have created a strong need for the State Government to design and fashion the new Industrial Policy to cover gaps in extant Policy, arrest slowdown and put the State back on the growth path.

### 2. Vision & Mission of New Enterprises Promotion Policy

It is envisioned that the new industrial policy will catalyse Haryana's Position 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 Policy envisages generating investments of more than Rs.1 lakh crore and providing employment to in excess of 4 lakh.

### 3. The Foundation Pillars of New Industrial Policy are:

- Ease of doing business;
- Enhancing competitiveness of the Industry by reducing cost of doing business;
- Balanced Regional Growth through geographical dispersal of industries;
- Focus and support to the MSME Sector;
- Implementation structures/ mechanism to ensure monitoring and implementation of policy along with the promotion, outreach, grievance redressal and constant engagement with the industry.

#### 3.1 Ease of Doing Business (NIRBAADH - New Industrial Regulation by Automatic Approval and Delegation in Haryana):

a. **Two tier system for project clearances:** A Haryana Enterprise Promotion Board (HEPB) will be created. The Board will have a Governing Council headed by Hon'ble Chief Minister for overseeing time bound clearances, sanctioning special packages for mega projects and clearing further policy initiatives.

- Projects with investment more than Rs. 10 crore and involving CLU cases of more than one acre land will be cleared by the Empowered Executive Committee under PSCM.
- Projects with investment up-to Rs. 10 crore and CLU cases up-to one acre in conforming zones will be cleared by District Level Clearance Committee headed by Deputy Commissioner.

Principal Secretary Industries will be the CEO of HEPB and Director Industries will be the Dy.CEO.

b. **Service Guarantee:** A system of online clearances will be put in place by creating an e-biz Haryana portal starting from 1st October 2015. This mechanism will be put in place within a period of three months. Moreover, 85 services under Right to Service Act have been notified under the revised *Industrial Promotion Act* for making a provision of deemed clearances and 34 services are proposed to be notified. The government has identified 64 most critical services for industries which will go online on eBiz portal by 31<sup>st</sup> December 2015.

c. **No CLU/Auto CLU: where is any** need to obtain CLU / NOC for setting up of Industrial Units in 31 blocks. In 75 blocks provision of Auto CLU with an automatic dispensation of deemed clearance and in case of thrust area/ focus cluster/ Rural function clusters CLU/ license will be permissible in agriculture zone.

d. **Liberalized and Simplified Estate Management Procedures (EMP) – HSIIDC/HUDA:** Liberalized EMP with provision of self-certification, third party verifications, and online approval/ clearances will be announced in one month. HSIIDC would also earmark Rs. 50 crore per year for creation of Secondary & tertiary infrastructure in its Industrial Estates.

e. It is also proposed that up to 25% of the plots in Industrial Estates of HSIIDC will be kept for Service Enterprises directly providing services to manufacturing enterprises.



- f. **Private Industrial Estates:** Simplified mechanism for Industrial Licenses for setting up of Private Industrial Parks. In addition to provision of lower threshold for licensing, Higher FAR, mixed land use, and reduced EDC for industrial use. Special thrust is laid on affordable worker housing by providing density of 900 per acre & FAR of 225.
- g. Labour & Environment related reforms with focus on self-certification, 3<sup>rd</sup> Party verifications and reduced frequency of inspections, prior notification of inspection and report to be submitted in 48 hours by the inspector.

### 3.2 Making Industries Competitive

#### 3.2.1 Reducing Cost of Doing Business:

- a. No enhancement will be charged to allottees of HSIIDC with in case of allotments to be made in future;
- b. Incentives amounting to (approx.) Rs. 1000 crore have been proposed for both Large & Medium and MSME Units and for thrust areas or focus sectors, rural functional clusters, defence/ aerospace/ railway sectors and extremely backward blocks (D-category) in particular. Special infrastructure fund of (approx.) Rs. 100 crore will be created for provision of last mile road/Water & power connectivity as decided by HEPB especially for Mega Projects and Clusters in D Category Blocks, projects in Aerospace/Defence/Electronics manufacturing and clusters under Thrust Areas & Rural Functional Clusters or any other areas /sectors as decided by HEPB.
- c. Employment Generation Subsidy of Rs. 36,000/- per annum for SC/ Women and Rs. 30,000/- per year for General category for 5 years for capacity building of persons (Skilled/ semi-skilled) belonging to Haryana.
- d. Higher FAR of 150% for industrial projects (Higher FAR on need base by HEPB)

#### 3.2.2 Enhancing Productivity:

- a. **Skill Development:** The State Government will set up Skill Development University in collaboration with Ministry of Skill Development, GOI. Skill Development programs through identified training providers using existing infrastructure of ITIs/Government Institutes on nominal lease with minimum 70% placement guarantee. In order to fast track and attained focused developments in skill development areas, Haryana State Skill Development Mission has already been setup.
- b. **IT/ITeS and ESDM Sector**
  - **Innovation Campus:** The policy proposes creation of Innovation Campus at cost of Rs. 4 crore and operational expenditure support of Rs. 1 crore for three years along with creation of additional 7 incubation centers at the cost of Rs. 30 lakh each in 7 universities in Haryana.
  - **Mobile Applications Development Center:** The policy proposes to set up Application Development Center with initial capital expenditure of Rs. 4 crore and operational expenditure support of Rs. 1 crore for three years.
  - **Rural BPO:** Leveraging on GoI schemes, Rural BPOs centers will be set up in University towns like Rohtak, Hisar, Kurukshetra, Sonipat and Sirsa where appropriate skill development training will also be provided to rural/ urban youth.



- **ESDM** – 50% top up infrastructure support by the State over and above those admissible under the DEITY Scheme.
- **National Optical Fiber Network (Bharat Net):** Under this policy, It is envisaged to connect 6000 villages with a broadband speed of 100mbps with 99.9% reliability.

### 3.3 **Balanced Regional Growth:**

- a. **Incentives led geographical dispersal:** The State has been divided into four categories of Development Blocks viz. A, B, C and D. D-category blocks, 41 in number do not have any large and medium unit at present. The best incentives offered industrially advanced states have been identified and included in this Policy. In addition, in B, C & D-category blocks, special incentives have been provided for the thrust areas/ focus clusters (i.e. textiles and food processing) industry utilizing raw material produced in the State and to rural functional clusters (i.e. footwear/dairy/apparel) which are employment intensive and will be propagated with generation of large scale employment in rural areas.
- b. **State industrial corridors:** Manufacturing and Industrial corridors planned to leverage the dedicated freight corridors - AKIC and DMIC along with Jhajjar notified as nodal district by ministry of Industry & commerce for industrial development with Japanese collaboration.
- c. Undertaking a mapping of the district based on the survey of the MoMSME to identify the potential of each district and to encourage local entrepreneurs to encourage as *group/cooperatives society* to set up enterprises in each District.
- d. Kundli-Manesar-Palwal Expressway – the width of one kilometer area has already been notified as controlled area to develop theme clusters.
- e. **Mega Projects:** Development of Global City in Gurgaon with investment potential of Rs. 1 lakh crore along with provision of World class exhibition-cum-convention center spread across 250 acres. MRTS between Gurgaon and Manesar and Bawal (investment of approx. Rs 20,000 crore) and Integrated Multi Modal Logistic Hub with investment of Rs. 5,000 crore in collaboration with DIPP, GoI. Jhajjar has been identified as Nodal District by DIPP for development of Industrial Corridor in and around this district with active collaboration and support of Japanese International Funding Agencies.
- f. **MahaNiveshYojana:** The State would support development of Iconic Projects in Industrial, Tourism and Logistics/Wholesale markets etc. sectors. This will attract major investments, creating spur in local economy and by creation of employment opportunities, through a special dispensation including mix land use etc. The project should invariably be developed over minimum 500 acres with a minimum investment of US\$ 1 billion (Rs. 6000 crore). Such project would also be eligible for a special package of incentives through the Haryana Enterprise Promotion Board (HEPB).
- g. Special incentives have been proposed for creation of mega projects/ mother units in *aerospace/ defense/ ESDM sector* at par with fiscal incentives in extremely backward blocks (D Category).
- h. Leveraging GoI schemes to establish downstream petro-chemical hub and Plastic Park in vicinity of Indian Oil Corporation Refinery at Panipat.
- i. 24X7 supply of power will be ensured.



- j. A scheme for development for Truckers Parks/Logistics Parks along with the necessary facilities would be framed.

### 3.4 Supporting the MSME Sector:

- a. Special focus on the MSMEs to leverage the Make in India drive of GoI. Initiatives include creation of adequate number of developed sheds/flatted factories in Industrial Estates for MSMEs on Panchayat lands on lease basis, Creation of a (approx.) Rs.1000 crore fund for under the CGTMSE Scheme of Government of India for collateral free loans of upto 1 Crore to MSMEs, Tool rooms/Technology Development Centres, revamped Quality Marking Centres as quality Certification & Skill development Centres, etc. Special focus is being laid on Traditional Clusters (Scientific Instruments, metal industry, plywood industry, light engineering and textile), Rural Functional Clusters (Apparel, Footwear and Dairy) and Thrust /Focus Clusters (Textiles and food processing).
- b. **Power Tariff Subsidy:** Rs. 2 per unit only for Micro and Small Enterprise in 'C' and 'D' Category blocks for 3 years from the date of release of electricity connection.
- c. Under a special scheme for start-up enterprises by first generation professionally and technically qualified youth (CA/ MBA/ B.Tech./ M.Tech. etc.) with five year work experience, no state taxes will be levied up-to a turnover of Rs. 3 crore or three years whichever is earlier. Flatted factory complexes of HSIIDC will provide built up space on hire-purchase/leasehold basis to such entrepreneurs. Panchayat land wherever available will also be made available on long term lease for such entrepreneurs and industrial units located in Rural Functional Clusters.

### 3.5 Structures for implementation:

- a. **Economic Advisory Council** – This high profile Economic Advisory Council will be constituted to harness the intellectual capital in the State on Policy matters and other issues of overall economic development of the State. The Council would be headed by the Chief Minister with Cabinet Ministers, Additional Chief Secretary/Principal Secretaries of relevant departments.
- b. **Policy Monitoring Mechanism** – Committee under the chairmanship of PSI to monitor the implementation and identifying hurdles/bottlenecks for redressal – MD, HSIIDC and Director Industries to be members of the Committee.
- c. **Grievance Redressal Committees** – 3 tier system :
- District level committee at the level of Deputy Commissioner – to meet once in a month.
  - Administrative Secretary level committee headed by PSI – to meet once in two months.
  - Haryana Enterprise Development Board
- d. **Creation of Bureau of Industrial Promotion** for Policy outreach, investment promotion, road shows, summits, inter Government interface, FDI, NRI issues etc. The Bureau official will actively track and identify investment opportunities both domestic & international and convert the same into firm commitments.
- e. The District Industries Centres would be strengthened and repositioned as Enterprise Assistance Group 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.

- f. **SPVs for DMIC Projects:** To be headed by Executive Chairpersons and professional CEOs with Board comprising representatives of Govt. of India, Govt. of Haryana and Financial Institutions. SPV would be staffed with professionals for managing day-to-day operations.

#### 4. Other features under this Policy

##### 4.1 Out of court settlement

Constitution of a Disputes Settlement Committee to decide the structure, process & mechanism to settle existing disputes/litigations pertaining to various Departments

##### 4.2 Turnaround time under this policy

- a. All the Policy proposals will have to be notified by concerned department in 1 month from the date of release of this policy.
- b. All the 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.
- c. On-line platform for project clearances to go online/live by December 31st, 2015.

##### 4.3 Energy

SUN (Saur UrjaNivesh) –

Under this initiative for Solar Parks – The HSIIDC would develop Solar Parks in Joint Venture with HPGCL by leveraging the MNRE Schemes. These solar parks will also be developed on Panchayat land, Land for 300 MW has already been identified and state utilities to purchase solar power.

Haryana is a power surplus State and will continue to remain so because of advanced planning for generation and procurement. Rs.20000 crore to be invested in transmission and distribution infrastructure to ensure 24x7 power supply to commercial and industrial enterprises.

##### 4.4 Cluster based warehousing/wholesale markets

Help decongest Delhi by providing Cluster based warehousing/wholesale markets established in Haryana.

Apart from the strategic advantage of proximity to National Delhi, and international airport, excellent connectivity with rest of the country of road and rail network, the various interventions proposed under this Policy viz. Ease of Doing Business with Single Window System housed in Chief Ministers Office; development of Private Industrial Parks, Labour & Environment Reforms, No CLU & Auto CLU Zones, establishment of Skill Development University etc.



## Chapter 2: Need for the New Policy

### Introduction

- 1.1 Haryana is known for its vibrant agrarian economy and strong enterprise (manufacturing & service) base. The State leads in manufacturing and production of a number of industrial / consumer goods e.g. nearly 80% of escalators, 52% of cranes, 50% of cars and 33% of two-wheelers are manufactured in the State. The State also leads in production of a number of goods like; footwear, scientific instruments and sanitary ware. The State is strategically located with 60% of its geographic area falling in the National Capital Region and has excellent connectivity with the Delhi international Airport, with more than 10 National Highways cross-crossing the State providing access to rest of the country and no part of Haryana is more than 250 kms away from Delhi.
- 1.2 The State has about 1670 Large and Medium Manufacturing Enterprises which have catalyzed investments of Rs. 49,000 crore and generated employment for 3.36 lakh persons. Besides, there are around 90,000 MSMEs with total investment exceeding Rs.15,000 crore and employing more than 8.90 lakh persons.
- 1.3 The services sector with around 57 % contribution to the gross domestic product (GDP), has emerged as the largest and fastest-growing sector of the economy. Besides being the dominant sector in State GDP, it has also contributed substantially to foreign investment flows, exports, and employment covering a wide variety of activities. The growth of the Services Sector has been at 13.5 per cent during 2004-05 till 2009-10 and @ 8.2% during the 11th Five Year Plan (CII Report 2011).
- 1.4 The State has taken lead in terms of planned Industrial and Urban growth compared to neighboring States, which has resulted in development of vibrant urban and industrial complexes close to the National Capital. However, a large part of the State away from National Capital did not experience similar growth in urban and industrial areas. HSIIDC was tasked with the primary responsibility of creating industrial infrastructure and industrial estates. It is evident that there is huge disparity in quantum of industrial growth & development across districts.
- 1.5 However, there is tremendous locational advantage enjoyed by Haryana along with advantages of connectivity that offers opportunities to harness the untapped potential in terms of industrial growth across the State.
- 1.6 The Industrial growth of the State has exceeded 8% during the period of 2005-2014, but since 2009 the rate of growth has been around 4%. Although the growth of State economy has surpassed the National Growth rate, yet it is nowhere near its true potential. Although the decline in industrial growth has been primarily attributed to the great meltdown of 2008, there are a variety of other reasons for slow industrial growth in the State which were ascertained during a detailed and in depth study undertaken for this purpose.
- 1.7 It was therefore, considered essential to address the concerns/ reasons for realizing the true potential in growth of enterprise in the State of Haryana through adoption of a new Policy and Strategy for promotion of enterprises. Moreover, since the publication of last Industrial Policy in 2011, the changing dynamics in market place, several recent policy initiatives of the Government of India and an extremely competitive environment amongst States to attract domestic/ foreign investments in industrial sector have together provided strong reasons for the State Government to



design and fashion the new Industrial Policy.

## 2. Rationale of New Industrial Policy.

2.1 A detailed study was undertaken to identify decline in Industrial growth in Haryana. Some of the suggestions that were made during these comprehensive discussions highlighted the need for a more facilitative and conducive environment for attracting investments into the State. It has been the common refrain that though the Industrial Promotion Act was legislated way back in 2006 which envisaged single window mechanism and deemed clearances, yet the application and enforcement of provisions under this statute were conspicuous by their absence. Other issues that were pointed out were:

- i. Greater focus needs to be laid on self certification & 3<sup>rd</sup> party verification in obtaining sanctions/ clearances/ permits/ NOCs while establishing or operating an industrial unit, as an essential feature for ensuring ease of Doing Business in the State.
- ii. The Estate Management Procedures in industrial Estate of HSIIDC and HUDA need to be simplified to permit easy entry and exit. The allotment procedures need to be more transparent to restore the credibility and integrity of the system. The allottee needs to be insulated from the vagaries of enhancement of land acquisition costs by various Courts.
- iii. Need to have a robust mechanism for implementation of the Policy directives.
- iv. Need for a focus on promotion micro, small & medium enterprises (MSMEs) as an engine of growth.
- v. Adoption of a cluster approach to their development along with a focus on meeting their credit requirement, upgradation of their technology through common facilitation centres etc, should be the hallmark of the approach.
- vi. Promotion of Agro based & Food Processing, Automobiles & Auto parts, Textiles & Apparel, Electronics hardware manufacturing, Defence & Aerospace manufacturing,
- vii. Balanced regional development through dispersal of industry promoted through incentives and infrastructure support through manufacturing corridors;
- viii. Focus on sectoral industries like Agro & Food Processing, Footwear and Textiles/Apparel;
- ix. Leveraging the potential of National Capital Region (NCR) and the industrial corridors like DMIC and AKIC.
- x. Aligning the Policy with the Government of India initiatives – Make in India, skill India and Digital India.
- xi. Promoting Private sector investments in development of Industrial Parks;
- xii. MahaNiveshYojana - Seeking mega investments for theme parks/ entertainment/industrial/logistics hubs/wholesale markets etc. with mixed land use in the vicinity of Delhi by making available large tracts of land with HSIIDC for such ultra mega projects;
- xiii. Help decongest Delhi by inviting collective cluster based warehousing/wholesale markets to set up base in the State.

2.2 Haryana is one of the most developed States of the country with secondary and tertiary sectors contributing more than 80% of GDP (manufacturing 27%, services 57% of the State GDP). MSMEs (which by definition now include industries & services) are the backbone of the State and generate bulk of the employment opportunities in the State as evidenced above. Unemployment is one of the biggest challenges in the State with unemployment rate of 4.8%. The Agriculture Sector which





contributes 15% share in the State GDP and has more than 50% of the population dependent on it, offers little hope for creating further employment opportunities in this Sector, as growth in this sector is largely stagnant and the manufacturing & service sectors have the potential to create employment opportunities. Therefore, it is logical and natural to focus on MSMEs for generating employment prospects in the State.

- 2.3 The Traditional Clusters of MSMEs, namely, Scientific Instruments Industry at Ambala, Metal Industry at Jagadhari, Plywood Industry at Yamuna Nagar, Light Engineering at Faridabad and Textile Industry at Panipat have been in existence for the past more than 40 years. However, in the absence of constant technology upgradation, productivity improvement, skill development, and Marketing support, these clusters have not been able to achieve the next level of growth. The extant policy did not place adequate focus on addressing the issue of MSMEs in general and these traditional clusters in particular.
- 2.4 Further Thrust Areas/ Focus Sectors viz. Textiles and Food Processing Industries which utilize raw material produced in the State and have the potential of generating higher value and revenue realization generation to primary producers have not been paid adequate attention.
- 2.5 In addition, Rural Functional Clusters, which can generate large scale employment opportunities in the rural areas with focus on decentralized production and utilization of traditional skills of rural artisans, women and rural un-skilled population, like apparel, footwear & dairy industries have been largely ignored or not adequately emphasized in the schemes/ policies for state intervention.
- 2.6 A number of changes have taken place since the launch of the extant industrial policy, 2011. The Federal Government has launched a series of initiatives to realize the vision of Make in India. In addition, “Skill India” and “Digital India” initiatives supplement the overall vision of achieving higher level of economic development and growth in general and industrial growth and development in particular. Further, with the likely launch of GST regime in the country in the next year, there will be a paradigm shift in the industrial strategies which need to be adequately addressed in the new Industrial Policy. The new taxation regime will have two implications: -
  - (a) With the abolition of CST and barrier free movement of goods across the States, higher level of manufacturing output will not automatically translate into higher revenue base for the State which hitherto used to be prime movers of promoting industrialization in the State.
  - (b) Secondly Services which are being taxed by the Central Government will also become a part of the tax base of the State in the new regime.
- 2.7 Since services are primarily created and consumed within the State (e.g. Health, Education, Tourism, Warehousing etc.) as opposed to manufacturing, greater focus need to be placed on this sector for the purpose of generating both revenue and employment. It is for this reason again that MSMEs in general and traditional clusters/ thrust areas/ focus sectors and rural functional clusters with potential of generating higher levels of income and employment in the rural/ urban areas need special emphasis in the new policy regime.
- 2.8 Recent liberal policy regime with higher levels of FDI, flexibility in offset production and private procurement in Defense Manufacturing/ import and potential of creating/ stimulating investment through large mother units with spinoff benefits in terms of ancillarisation and large scale



employment, the new policy needs to factor in these changing dynamics. The creation of dedicated Eastern and Western freight corridors which traverse through North and South of Haryana, respectively, offer ample opportunities for leveraging the same to create industrial and manufacturing corridors.

- 2.9 Further, Govt. of India has envisaged that unless Electronic manufacturing is undertaken in a big way in the country, the import bill on account of electronic items (prominently hardware) will exceed the expenditure on petroleum import. Therefore, special emphasis and incentives have been proposed in ESDM sector which needs to be leveraged in State policy. Gurgaon in Haryana is known as the BPO capital of the world and time has come to leverage this strength of IT in India for innovation and product development in the field IT/ ITES. Moreover, with the ambitious program of Bharat NET (National optical fibre network) of Government of India proposing to connect of Urban and rural India with Broad Band Internet as part of Digital India Initiative, the new policy needs to leverage the same for promoting e-governance in the State of Haryana.
- 2.10 With the award of entire stretch of 135 Km. long Kundli Manesar Palwal Expressway by present Government, which connects four National Highways, (NH-1, NH-10, NH-8 and NH-2), tremendous possibilities have emerged for creating industrial and logistics hubs (e.g. entertainment hub, logistics Hub, Media Hub) along its entire alignment.
- 2.11 Further, the skewed industrial growth mentioned above is an important concern for the Government which needs to be addressed by designing and creating a policy environment, which encourages and promotes geographical dispersal of industries in the State.
- 2.12 All the reasons and concerns resulting in slow down of industrial growth and changing dynamics mentioned above necessitated evolution and creation of new Enterprise Promotion Policy, which focuses on the development of the Manufacturing as well as the Services Sector.



## Chapter 3: Policy Vision, Mission & Growth Strategy

### 3.1 The Haryana Vision

“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”.

### 3.2 Mission

- Reposition Haryana as a “Preferred Destination” then Ease of Doing Business & Cost of Doing Business
- Facilitate State GDP growth rate in excess of 8%;
- Generate more than 4 lakh jobs;
- Attract investments over Rs.1 lakh crore;
- Increase contribution of secondary sector in the State GDP from 27% to 32% in tandem with the Government of India’s National Manufacturing Policy and ‘Make in India’ initiative
- Promote balanced regional development through geographical dispersal of industry ;
- Increasing the competitiveness of the MSMEs through cluster development and adoption of “Zero Defect Zero Effect” manufacturing practices



## Chapter 4: Ease of Doing Business

### **NIRBADH – New Industrial Regulation by Automatic Approval and Delegation in Haryana**

#### **Salient Features**

*Implementation Mechanism*

*Project Clearance Mechanism*

*No Change of Land Use/ Auto – Change of Land Use*

*Simplified Estate Management Procedures*

*Service Guarantee/ Deemed Clearance*

*Integration with e-Biz Portal (Labor & Environmental Reforms)*

*Constitution of a Disputes Settlement Committee to decide the structure, process & mechanism to settle existing disputes/litigations pertaining to various Departments*

*One Stop clearance within 2 months for project by Empowered Executive Committee, housed in Chief Minister's office and by a Committee headed by Deputy Commissioner.*

*119 Services related to industrial activities under the Right to Service Act.*

*No CLU/NOC required in 31 Blocks*

*Automatic CLU in 75 Blocks*

*Liberalisation and simplification of Estate Management Procedure*

*Private Industrial Parks with Mixed Land Use*

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 to reduce delays as well as the costs of doing business. Haryana Government is aware that access to a hassle-free system is accorded the highest priority by the Industrialists/Investors, and accordingly the Government will implement a very effective Industrial Clearance & Facilitation System.



#### 4.1 **Single Window Service under One Roof for time bound clearances:**

4.1.1 SWS with online approvals through e-biz portal, deemed clearances and Right to Service will be created. It will be two-tier system for project clearances: -

- a) A Haryana Enterprise Promotion Board (HEPB) will be created. The Board will have a Governing Council headed by Hon'ble Chief Minister for overseeing time bound clearances, sanctioning special packages for mega projects and approving any policy initiative(s). The Council would comprise Finance Minister, Industries Minister, Tourism Minister, Public Works Minister, Labour Minister, environment & Forests Minister, Chief Secretary, PSCM and Industries Secretary as member Secretary.
- b) Projects with investment more than Rs. 10 crore and involving CLU cases of more than one acre land will be cleared by the Empowered Executive Committee of the Council under PSCM with administrative secretaries of T&C Planning, Industries & Commerce, PHED, Environment, Forests, PWD (B&R) & Finance. The Empowered Executive Committee will exercise concurrent powers of competent authorities of 12 departments. The EC will work under the overall supervision and guidance of HEPB headed by CM. Principal Secretary Industries will be the CEO of the HEPB with Director of Industries as the Deputy CEO. The Secretarial support to the HEPB and Empowered Executive Committee will be provided by the secretariat headed by CEO of HEPB.
- c) Projects with investment upto Rs. 10 crore and CLU cases upto one acre in conforming zones will be cleared by District Level Clearance Committee headed by Deputy Commissioner.

The statutory backing will be provided for this implementation mechanism by enacting special legislation within a period of three months through a revised/revamped Industrial Promotion Act.

4.1.2 A system of online clearances will be put in place by creating an e-biz Haryana portal where Composite Application Form can be submitted by an investor for 64 services with most frequent industry interface for seeking/ securing online clearances/ sanctions/ permits/ NOCs with effect from 1<sup>st</sup> October 2015. This mechanism will be put in place within a period of three months. The list is annexed as Annexure-1. All these services shall be delivered within 60 days except wherein the clearances are required from Gol.

4.1.3 Haryana being one of the pilot States is already in advanced stage of implementing e-biz portal in collaboration with Department of Industrial Policy and Promotion, GOI wherein integration of 24 States services across the Departments is under implementation. The online integration of these 24 services will be completed before 31<sup>st</sup> December 2015. The list is annexed as Annexure-2.

4.1.4 85 services relating to industrial activity have already been notified under the Right to Service Act and 34 more would become functional from 1<sup>st</sup> October 2015. All these services will also be notified under the revised Industrial Promotion Act for making a provision of deemed clearances which as mentioned above is proposed to be legislated within three months. The lists are annexed as Annexure-3 & 4.

#### 4.2 **Labour & Environment Reforms:**

Labour and Environment related reforms for streamlining of procedures which are listed at Annexure 5&6 will become operational from 1<sup>st</sup> October 2015. The relevant administrative



orders/notifications/instructions shall be issued by the concerned Departments in order to implement the same. This would be a continuing phenomenon with the State adopting any best practices prevalent in the other States as a part of Ease of Doing Business in Haryana.

### **4.3 Simplified Mechanism for issue of Industrial Licences/ Change of Land Use:**

#### **4.3.1 No CLU/ Auto CLU:**

Under this dispensation, in 31 blocks (list attached as Annexure-8), there would be no need to obtain CLU/ NOC for setting up of Industrial Units. In 75 blocks (list attached as Annexure-9) there will be provision of Auto CLU with an automatic dispensation of deemed clearance in case the competent authority does not decide or grant the CLU within the prescribed timeline under the Right to Service Act after submission of the requisite documents as per the checklist to be displayed on the e-biz portal. In addition to this, in case of Thrust Area/ Focus Cluster/ Rural Functional Clusters, CLU/ license will be permissible in agriculture zone also subject to certain condition & guidelines to be notified by TCP department within a period of one month. Necessary notification for deemed clearances under the revised Industrial Promotion Act and Right to Service Act will be made by 1<sup>st</sup> October 2015.

#### **4.4 Private Industrial Parks:**

In view of enactment of “Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (LARR Act, 2013)”, the land acquisition of Industrial Estate by Government Agencies will become increasingly difficult and time consuming. Therefore, the policy seeks to encourage creation of private Industrial Parks. The provision of grant of industrial licence for creation of industrial parks has been in existence since 2001, but the actual number of fully functional private Industrial parks, is not more than 6.

All the approvals pertaining to private industrial parks will be granted by Empowered Executive Committee of Haryana Enterprises Promotion Board. Special dispensation would be provided including provision for lower thresholds for Industrial Licences, higher FAR, mixed land use and reduced EDC, with additional provision of granting delegated powers/authority for Estate Management to promote industrial development at par with HSIIDC. A special provision has been made for affordable housing in Industrial parks that will not only facilitate walk to work culture but also will make private industrial parks viable with possibilities of cross subsidizing cost of industrial plots with density of 900 per acre FAR of 225. The details of mixed land use provision along with EDC charges is attached as Annexure-7.

#### **4.5 Estate Management Procedures (HSIIDC/HUDA):**

- i. Liberalized EMP of HSIIDC will be notified in one month with provision of self certification, third party verifications, and online approval/ clearances. Similar EMP for approvals/clearances will be implemented by HUDA in its Industrial Estates. The EMP for both HUDA and HSIIDC will be uniform. HUDA will also undertake notification of the EMP in one month and provide comprehensive online clearances by 1<sup>st</sup> October 2015.
- ii. The allotment of plots will be transparent and based on an objective criteria.



## Chapter 5: Making Enterprise Competitive

### Salient Features

*Minimizing Cost of doing Business through No Enhancement in plots allotted by HSIIDC, Incentive amounting to 1000 Cr for industrialization and special assistance of 100 Cr for critical infrastructure*

*Enhancing Productivity through Haryana Skill Development Mission HSDM, Setting up Skill Development university, Institutes for Training and Virtual Employment Exchange Support to ESDM/IT/ITES through innovation campus, Mobile Application Development Centre, Rural BPO's in University Towns and leveraging on federal Governments Digital India initiative*

The cost of manufacturing is vital to the decision for setting up industry at a location. While implementation of the Single Window System is expected to facilitate approvals to the industry, the cost of Doing Business in the State is further sought to be minimized through a slew of measures as defined under:

#### 5.1 Minimizing Cost of Doing Business:

- 5.1.1 No enhancement will be charged to the allottees for allotments to be made by HSIIDC in future. A suitable scheme in this regard will be notified by HSIIDC before 1<sup>st</sup> October 2015.
- 5.1.2 A slew of fiscal incentives have been proposed for both Large & Medium and MSME Units, albeit on a calibrated scale, with significantly higher incentives for MSME in general and for thrust areas or focus sectors, rural functional clusters, defence/ aerospace/ ESDM sectors and extremely backward blocks (D-category) in particular. Summary of Incentives is given under Chapter of Incentives.
- 5.1.3 **Rs. 85 crore fund is proposed for creating zero liquid discharge facility** for textile processing industry in Panipat in HUDA Industrial Estate by leveraging Government of India Scheme for this purpose.
- 5.1.4 Industrial Workers Housing would be developed by leveraging the Pradhan Mantri Awas Yojana, which provides for subsidy and interest subvention for low cost housings.

#### 5.2 Enhancing Productivity:

##### 5.2.1 Skill Developmentt:

Ministry of Skill Development has identified Training Providers (Airtel/ILFS etc.), whose support would be solicited by offering them land and building in existing ITIs/Government Institutions on nominal lease with minimum guarantee of 70% placement of the outgoing batch of students. The Training Providers would be required to arrange equipment/ faculty and design the curriculum duly



approved from the Sector Skill Councils/ National Skill Development Agency/ Haryana Skill Development Mission. Any Industry or skill development institute can devise short term/ medium term courses and get those approved from Haryana Skill Development Mission and run these courses with the minimum guarantee of 70% placement by using the above infrastructure. The Private ITIs would be encouraged to share their infrastructure on long term lease basis with the Industry for imparting skill training. In addition, the existing infrastructure facilities in the Government Institutes would be utilized for skill delivery through double shift or weekend classes. The State would leverage the Government of India Schemes under the Skill India initiative.

The Haryana Skill Development Mission (HSDM) has been established to steer the Skill Development initiatives in the State.

The Engineering Colleges, ITIs, Polytechnics etc. would also be encouraged to accord 3<sup>rd</sup> Party Certifications on behalf of various Government Departments.

Setting up of skill development institutes for industry would be permitted in the plots developed by HSIIDC/ HUDA/ Private Industrial Estates.

Virtual Employment Exchange would be set up to act as the matchmaking platform for the Industry and the skilled manpower. Emphasis will also be laid on creation of the skills for the services sector.

The State Government will set up Skill Development University in collaboration with Ministry of Skill Development, GOI.

### 5.2.2 Tool Rooms

Tool Rooms/ Technology Development Centres at IMT, Rohtak and Growth Center Saha will be established within two years. Additional Tool Rooms/ Technology Development Centres are proposed to be set up in Gurgaon & Faridabad also. Quality Marking Centres will be converted into Quality Certification and Skill Development Centres with the assistance of Ministry of MSME, GoI.

### 5.2.3 Support to ESDM/IT/ITES Sector:

#### **Innovation Campus**

Setting up of **Innovation Campus** at Gurgaon at cost of **Rs. 4 crore and operational expenditure support of Rs. 1 crore for three years** in collaboration with NASSCOM in Hub and Spoke Model with creation of additional seven incubation centers at the cost of Rs. 30 lakh each in 7 universities in Haryana.

#### **Mobile Applications Development Centre**

Setting up of Mobile Application Development Centre with initial capital expenditure of Rs. 4 crore and operational expenditure support of Rs. 1 crore for three years in Gurgaon in Haryana in collaboration with Internet and Mobile Association of India. Both the initiatives will provide phenomenal boost to entrepreneurial talent to skilled youth.

#### **Rural BPOs**

To promote skill development and rural employment, GOI Scheme of Rural BPOs in Tier II and III cities/ towns will be suitably leveraged. Subsidy support of Rs. 1 lakh per seat by offering flatted factory complexes developed on HSIIDC/ Panchayat land on long time lease arrangement with the company.





To begin with Rural BPOs centers will be set up in University towns like Rohtak, Hisar, Kurukshetra, Sonipat and Sirsa where appropriate skill development training will also be provided to rural/ urban youth by taking advantage of skill development schemes of Ministry of Skill Development, GOI and utilizing services of skill training partner empanelled by Government of India/ Haryana Skill Development Mission.

**National Optical Fibre Network (Bharat Net):** Leveraging Government of India scheme to provide high speed broadband internet connection of 100 mbps to 6000 villages.

**Others:**

50% top up support for infrastructure over and above that provided by the DEITY to Brownfield and Greenfield Electronics Clusters would be provided by the State. The GoI has notified The Gurgaon-Manesar-Bawal belt and Panchkula-Barwala as Brownfield Clusters.

The State will also come out with a separate ESDM/IT/ITES Policy to address the specific issues.

**5.2.4 Support to the Traditional Clusters:**

Haryana has traditionally been a market leader in a number of products, however over the years due to various factors including lack of focus on technology up-gradation, Government support etc., these clusters have lost their competitive edge. In order to reposition these clusters and increase their competitiveness, there is a need to assess the gaps and identify specific interventions, which may include creation of common facility centres, Testing Laboratories/facilities, Technology up-gradation, common brand building & marketing, product design & quality improvement, capacity building & productivity improvement etc. It is expected that these initiatives would turn around these clusters and allow them to regain their lost leadership position. The following clusters have been identified for special focus:

- 1) Handicrafts
- 2) Plywood Cluster at Yamunanagar
- 3) Scientific Instruments Cluster at Ambala
- 4) Metal Utensils Cluster at Jagadhri
- 5) Textile Cluster at Panipat
- 6) Agriculture Implements Cluster at Karnal

Detailed Schemes identifying specific interventions would be brought out latest by 1<sup>st</sup> October 2015.

**5.2.5 Rural Functional Clusters**

The Rural Functional Clusters in Apparel and Footwear are being supported through flatted factory complexes on lease basis on panchayat lands, 24X7 power supply, reduced power tariff, employment generation subsidy and last mile connectivity through Industrial Infrastructure Development Fund, permission for CLUs in Agri zones in B, C & D category blocks.

**5.2.6 Focus/Thrust Sector Clusters:**

The Focus/Thrust Sectors Clusters in Agro Processing & Textiles are being supported through reduced power tariff, employment generation subsidy and last mile connectivity through Industrial Infrastructure Development Fund permission for CLUs in Agri zones in B, C & D category blocks..



## Chapter 6: Facilitating Balanced Regional Development

### **Salient Features**

*Incentives led geographical dispersal: Identification and Disbursement of India wide best incentive for D Category Blocks & Thrust Areas/ Focus Sectors*

*State industrial corridors: Leveraging the dedicated freight corridor such as AKIC and DMIC*

*Establish Group/ Cooperatives/ Society in each District for set up manufacturing units.*

*Development of Ultra Mega/Iconic Projects through Special Incentives*

(VISTAAR – VAT Interest Stamp Duty Audit Assistance & Rating)

The Policy emphasizes on the need for a balanced regional growth across the State. This would be strategized through fiscal Incentives 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.

### **6.1 Incentives led geographical dispersal:**

For promoting geological 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 and level of economic development. The category of incentives, namely, VAT remission, interest subsidy, electricity duty exemption, stamp duty refund etc. will be provided in the B, C & Dcategory blocks along with the additional incentives of providing infrastructure support in terms of road connectivity, water and power availability to mega projects/ clusters of industrial units located in the backward and extremely backward blocks.

In addition, in B, C & D-category blocks, special incentives have been 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 promoting 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.



## 6.2 Infrastructure Led Geographical Dispersal

### 6.2.1 State industrial corridors

Manufacturing and Industrial corridor will be created in medium to long term by appropriately leveraging the eastern and western dedicated freight corridors such as AKIC and DMIC respectively. For this purpose infrastructure led investment approach will be adopted through creation of trunk infrastructure (roads, power and water) in these corridors for the industrial clusters/ mega projects located in influence zones of these corridors. In addition Jhajjar has been identified as Nodal District by Ministry of Commerce and Industry, Government of India for development of Industrial Corridor in and around this district with active collaboration and support of Japanese International Funding Agencies. This will be suitably leveraged for the purpose of developing industrial corridors in this region.

Connectivity in Infrastructure policy of the State of Haryana will be suitably amended to ensure easy and expeditious clearances for installing infrastructure of telecom cluster to provide reliable telecom and broadband connectivity in the State.

A mapping of the districts would be undertaken based on the survey of the MoMSME to identify the potential of each district and to encourage local entrepreneurs to jointly establish group/cooperatives in each District to set up manufacturing units.

The **Kundli-Manesar-Palwal Expressway project**, 135 kilometer long expressway around Delhi, has been fast-tracked. Work on the Manesar-Palwal Section has been started and on the Kundli Manesar Section has been awarded under BoT (annuity). The project is expected to be completed within 3 years. The 1 kilometre belt on the either side of the KMP Expressway has been designated as Controlled area. A Development Plan for the corridor would be prepared to leverage the potential of this mega project for development of various theme parks and industrial hubs (e.g. auto, tourism, entertainment, logistics, medical services/ biotechnology hubs) along the entire stretch as KMP Global Economic Corridor.

The new expressway announced by the Union Ministry of Road Transport & Highways from Delhi going through Sitana, Safidon, Pundri etc. entering Punjab will also be leveraged.

### 6.2.2 Maha Nivesh Yojana:

The State would support development of Iconic Projects in manufacturing enterprises, Tourism, Logistics, Wholesale markets etc. which bring in mega investments into the State and have a cascading impact on the local economy in particular and the State economy in general and generate large scale employment opportunities through a special dispensation including mixed land use. Land may be allotted to such projects to be developed on land area of minimum 500 acres with a minimum investment of US\$ 1 billion (Rs. 6000 crore) at a price to be decided by the State Government. The 'Swiss Challenge Method' may be adopted for price discovery in a transparent manner. Such projects would also be eligible for special package of incentives through the Haryana Enterprise Promotion Board.



### 6.2.3 Land Bank for the Industry:

#### **Haryana State Industrial & Infrastructure Development Corporation Limited:**

HSIIDC will continue to be the Nodal Agency of the State for development of Infrastructure in the State. The future growth plan of HSIIDC would include development of Industrial Model Townships at Bidhal Lath Gohana (about 6000 acres) and Madina (about 3400 acres) under the PPP Model including the JV Model, and Industrial Estate at Dharuhera, besides expansion of a number of exiting Industrial Model Townships and Industrial Estates. New Industrial Clusters have also been planned including Textile Park at Panipat; Mega Food Park at Barhi; Greenfield Electronics Cluster at Gurgaon/ Rohtak; Leather Cluster at IMT Sohna.

To facilitate Geographical dispersal of industry, HSIIDC would explore the possibility of setting up new Rural/MSME Parks in industrially backward/ extremely backward blocks of the State on Panchayat lands.

In addition, the State Government would earmark a sum of Rs.50 crore annually for upgradation of pre-defined critical infrastructure in Old Industrial Estates/Areas.

HSIIDC would endeavour to form special purpose vehicles with Industry Associations for O&M activities in the Estates.

Upto 25% plots would be earmarked for identified services in the Industrial Estates.

A scheme would be developed for inviting collective cluster based warehousing/ wholesale markets to set up base in the State including industrial estates to help decongest Delhi.

In order to create additional land bank for the industry, HSIIDC would explore and devise Scheme(s) for procurement of land through negotiation/collaboration/pooling or other mechanisms.

### 6.2.4 Creation of additional Land Bank for the Industry in Private Sector

In order to supplement the efforts of HSIIDC in creation of Industrial Estates, the State would encourage involvement of the Private Sector in development of the Industrial parks. The State would encourage development of Industrial Parks by the private sector by way of simplified Industrial Licencing, reduced EDC and permitting mixed land use.

HSIIDC has identified two sites – about 6000 acres at Bidhal Lath Gohana District Sonipat and 3000 acres at Madina, Tehsil Meham, District Rohtak, for development of Industrial Model Townships under the PPP.

### 6.2.5 Virtual Land Bank

A virtual Land Bank Exchange would also be created to act as the platform for sourcing land for industry/projects. The landowners interested in sale/leasing of land would be able to upload details of their lands for access by the industry.



### 6.3 Mega Projects:

A few initiatives have been planned under the Delhi Mumbai Industrial Corridor Project, which includes development of Global City in Gurgaon with investment potential of Rs. 1 lakh crore along with provision of World class exhibition-cum-convention center over 250 acres; MRTS between Gurgaon-Manesar-Bawal (investment of approx. Rs 20,000 crore) and Integrated Multi Modal Logistics Hub (IMLH) with investment of Rs. 5,000 crore in collaboration with the DMICDC. Locational Analysis are being undertaken to finalize the site for the IMLH project in Southern Haryana along the alignment of the Dedicated Freight Corridor and a few other sites in its vicinity.

**Aviation Hub:** The existing airstrip at Hisar will be developed as an Aviation Hub which will include setting up of a Maintenance Repair and Overhaul (MRO), Fixed Base Operations (FBO) and Aerospace & defence manufacturing facility. A detailed project report-cum-feasibility study will be undertaken for the project to finalize the contours of the project.

The Government of India scheme under Ministry of Petroleum, Chemical and Fertilizer and Textile would be suitably leveraged for creation of downstream petro-chemical hub and Plastic Park in vicinity of Indian Oil Corporation Refinery at Panipat.

**Special incentives have been proposed** for creation of mega projects/ mother units in aerospace/ defence sectors and ESDM sector at par with incentives proposed in extremely backward blocks (D Category).

A Scheme will be framed for development of Truckers Parks/Logistics Parks with all necessary facilities.

### 6.4 Power:

Haryana is a power surplus State and it will continue to be the same due to advance planning in procurement and generation of power. About Rs.20,000 crore has been proposed for investment in the transmission and distribution infrastructure over the next a few years. There will be no dearth of power availability in the State and 24X7 power supply to the industrial and commercial units will be ensured. The major initiatives include:

- Independent sub-station in each Industrial Estate for supply of power;
- Reduction in general cross subsidy surcharge under Open Access from Rs. 2 to 93p per unit.
- Rebate of Rs. 2 per unit or exemption from the surcharge for Rural Clusters;
- A Pilot initiative would be undertaken in a town in the State within the next 6 months for implementation of differential tariff based on the Time of Day use;
- To promote Industrial Clusters in specific regions, special lower tariffs/rates are being charged;
- The developers of the Industrial Estates would be designated deemed Distribution Licensees for supply of power within the Parks;

#### **SUN (Saur Urja Nivesh):**

- A pilot initiative of a Solar Park is being taken by HSIIDC jointly with HPGCL;
- No cross subsidy would be applicable in case of power from the Solar parks set up in the State;
- Net metering has been introduced.



## Chapter 7: Supporting the MSME Sector

### Salient Features

*Development of Clusters- Traditional Clusters, Thrust Areas/Focus Sector and Rural Functional Clusters*

*Creation of MSME fund with corpus of Rs 1000 Crore to assist entrepreneur with collateral free debt upto Rs. 1 Crore*

*Infrastructure support and incentives of Rs. 1000 Crore*

*Power Tariff Subsidy*

7.1 A vibrant Micro, Small and Medium Enterprise Sector (MSME) is critical for investment, growth and employment generation in both rural and urban areas as it is relatively less capital intensive and more labour intensive. The 'Make in India – Made in Haryana' goal requires adoption of a comprehensive approach to assist the MSME Sector in becoming globally competitive by producing zero defect products. Various Schemes of the MoMSME have been identified for the purpose, which would be leveraged to support this sector. Following interventions have been envisaged under the policy to mitigate various MSME issues:

- Adequate number of smaller plots/developed sheds/flatted factories in Industrial parks for MSMEs on Panchayat lands on lease basis;
- Cluster development approach;
- Creation of a Rs.1000 crore fund for under the CGTMSE Scheme of Government of India for collateral free loans;
- Technology and R&D Support & Skilling support – Technology up gradation, Design clinics, Tool rooms,/Technology Development Centres, revamped Quality Marking Centres etc.;
- Market development Initiatives – Market access, Market facilitation etc.
- Bulk of the fiscal incentives proposed under this Policy is for the MSMEs.

### 7.2 Support to manufacturing Enterprises:

#### 7.2.1 Cluster Development:

More than 20 clusters have been identified for development/support across the state involving more than 6000 MSMEs. The diagnostic study reports have been prepared for 18 clusters & Detailed Project Reports have been completed for 11 clusters for establishing common facilities out of which 5 have already obtained Final sanction for funding support from the MoMSME. 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, Plywood Custer Yamuna Nagar, Metal Cluster Jagadhri etc. In addition to the above, the additional support would be provided by the State over & above the schemes of the Government of India:



In addition to the above, the additional support would be provided by the State over & above the schemes of the Government of India:

- i. **Cluster Support** - GoI implements MSE-CDP scheme for creating common facility centre with investment upto maximum of Rs.15.00 Crore for a group of atleast 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 Rs. 15.00 crore (upto maximum of Rs 20 crore )
- ii. **State Mini Cluster Development Scheme** – State Mini Cluster Scheme for creating Common Facility Centre (CFC) for a group of atleast to existing units with funding pattern of 90% State contribution 10% SPV for project cost upto Rs. 2 Crore.
- iii. **Critical Infrastructure Scheme** – State shall introduce new scheme for creating basic infrastructure need of industries with funding pattern of 80% State share restricted to Rs. 1.6 crore: 20% SPV of project cost upto Rs. 5 Crore in conforming zone within controlled area and anywhere outside the controlled area.

#### 7.2.2 Rural Functional Clusters

The Rural Functional Clusters in Apparel and Footwear are being supported through flatted factory complexes on lease basis on panchayat lands, 24X7 power supply, reduced power tariff, employment generation subsidy and last mile connectivity through Industrial Infrastructure Development Fund, permission for CLUs in Agri zones in B, C & D category blocks.

#### 7.2.3 Focus/Thrust Sector Clusters:

The Focus/Thrust Sectors Clusters in Agro Processing & Textiles are being supported through reduced power tariff, employment generation subsidy and last mile connectivity through Industrial Infrastructure Development Fund permission for CLUs in Agri zones in B, C & D category blocks.

#### 7.3 Institutional Support to the MSME Sector:

- i) The Directorate of Industries would prepare a compendium of all the application forms and formalities/ procedures for setting up of an industry and filing of subsequent returns. The District Industry Centres would be strengthened and re-positioned as Enterprise Assistance Group to provide all necessary support to the MSMEs right from 'Inception to Operation' including funding from Mudra Bank, identifying triggers for corrective action and preparing Corrective Action Plans etc. These Groups would be suitable strengthened by positioning professionals/ consultants specializing in Finance, Marketing, Operations, etc.
- ii) The Directorate of Industries would set-up a dedicated cell for MSMEs for an effective interface with the Ministry of MSME and the MSMEs.

#### 7.4 Other Support:

##### 7.4.1 Exit Policy:

The State Government will work closely with the Government of India in formulation and adoption of an Exit Policy for the MSMEs.



**7.4.2 e-Commerce Portal**

An e-commerce portal for online trading, marketing of MSMEs/ Khadi/ Handicraft products will be set up within six months. Financial provision of Rs. 10 crore will be made for this purpose.

- 7.4.3 Awards Scheme shall be put into place to motivate the MSMEs. Preference will be given to the MSMEs in the State in Government procurement. Entrepreneurship Development Programs shall be conducted through MoMSME for encouraging entrepreneurship.





## Chapter 8: Services Sector

### **Salient Features**

***Services Sector will be considered at par with Manufacturing sector and will now reap benefits to become even more competitive.***

***Up-to 25% of the plots in Industrial estates will be earmarked for identified services sector***

***Demand and Market driven curriculum in professional institutions***

- 8.1 The Services sector in the State has shown a steady growth, the high potential of the sector has not been effectively utilized, despite the fact that its contribution to State GDP is much higher than the manufacturing sector – 57% as against 27%. This can be effectively utilized for enterprises development and job creations. The role of the Services Sectors gains importance due to the GST regime coming into effect.
- 8.2 In line with the vision of this Policy, which aims at positioning Haryana as a preeminent business location and in order to shape Haryana’s new model of development for faster economic growth, the Government will give equal importance to the Service Sector.
- 8.3 Status of industry will be accorded to service enterprises having investment more than Rs. 10 crore in building & equipment viz. Healthcare, Education (Skill Development, Training-cum-incubation centres), IT, Tourism, Logistics/ warehousing (cargo handling services etc), Bulk Courier Services, Industrial R&D Labs, Industrial Testing Labs, Engineering & Design Services, Equipment rental & Leasing (construction & industry related), Equipment maintenance & repair, environmental services (sewage/refuse disposal), etc.for the purpose of availing fiscal incentives as provided in Annexure-10 .
- 8.4 All service enterprises falling under MSMEs category which provide services directly to the manufacturing sector, will also be eligible for incentives at par with the manufacturing MSMEs.
- 8.5 Upto 25% of the plots in Industrial estates will be earmarked for identified services which support the manufacturing activities for which detailed scheme will be framed.
- 8.6 Government will strive to introduce demand and market driven curriculum in professional institutions for developing skilled and efficient manpower for Services Sector particularly for creation of the matching soft skills.



## Chapter 9 – Estate Management Procedures

### **Salient Features**

*Liberalized Estate Management Procedures*

*Transparent evaluation criteria for allotment of industrial plots*

*Increase in period for project implementation with extension fee, for general category plots*

*Liberalization of norms for leasing, renting, transfer of plot, change of project and surrender of plot*

*Greater emphasis on self-certification and deemed approval with strict penalties for non-compliant cases*

*Efficient delivery of services through e-governance platform*

*Amnesty Scheme to address old cases – transfers/leasing/change in constitution, subject to certain conditions*

*Provision of basic infrastructure at the time of first allotment – water, power, roads & broadband connectivity*

- 9.1 The HSIIDC has been playing a pivotal role in the industrialization of Haryana by developing industrial infrastructure and providing hand holding services for setting up industrial ventures. Over the years, the HSIIDC has assumed the role of nodal agency of the State Govt. for promotion of industrialization in the State. HSIIDC has been laying down its Estate Management Procedures in tandem with the industrial policy. As such, the HSIIDC would revise its Estate Management Procedure in line with the economic environment and aspirations of the industry and notify its Estate Management Procedure to be known as EMP-2015.
- 9.2 The EMP-2015 would address the parameters for allotment, reservation and priority in allotment of industrial plots and other related matters concerned with Management of industrial estates. The government has taken following policy decision in this behalf:
- 9.2.1 The existing industrial estates have been grouped under three categories namely 'A', 'B' and 'C' respectively which may be revised from time to time.
- 9.2.2 HSIIDC has formulated a transparent evaluation criteria to evaluate the applications received for allotment of industrial plots.



9.2.3 Separate windows would be created for allotment of industrial plots to cater to different categories of entrepreneurs such as;

- a) Mega projects involving fixed capital investment (i.e. land, building, plant and machinery and misc. fixed assets) of Rs. 100 crore and above or projects involving employment generation of more than 200 persons and serving as anchor units for proliferation of ancillaries shall be considered under this category.
- b) Proposals involving fixed capital investment of Rs. 50 crore, 40 crore and Rs. 30 crore for category A, B & C estates respectively shall be considered as prestigious projects category, eligible for allotment of industrial plots under on-going basis.
- c) Well known Central/State Govt. PSUs would be considered for allotment of industrial plots under fast track scheme.
- d) In unsaturated estates, 10% of the industrial plots would be reserved for allotment to NRI/FDI cases and 2% for persons with disability.

9.2.4 As a general rule, wherever the number of applications received are more than the number of plots offered for allotment, the allotment would be made through limited e-auction. Further, after 90% of the area of carved out industrial plots has been allotted, each sector/phase of the estate shall be declared as saturated.

9.2.5 The allotment price would be revised on 1<sup>st</sup> of April of each year by the Board of Directors by the Corporation. Subsequently, the price shall be revised from time to time by MD/HSI IDC taking into consideration the weighted average of auction price during the last auction.

9.3 The HSI IDC would simplify its Estate Management Procedure and lay greater emphasis on efficient delivery of its services through e-governance platform. The Government is considering following post allotment services for liberalization, subject to certain conditions:

9.3.1 Increase in period for project implementation with extension fee, for general category plots.

9.3.2 Liberalization of norms for leasing, renting, transfer of plot, change of project and surrender of plot.

9.3.3 Greater emphasis on self-certification and deemed approval with strict penalties for non-compliant cases.

9.4 One time Voluntary disclosure & Amnesty scheme:

It has been noticed that the old allottees have committed certain violations of terms and conditions of allotment pertaining to unauthorized transfer, unauthorized leasing, change in constitution etc. Such allottees are not coming forward either due to ignorance or for fear of payment of penalties. The HSI IDC would come out with a One Time Amnesty Scheme for regularization of such cases subject to the restrictions stipulated in the scheme itself.



## Chapter 10 – Promotion of Thrust Sectors

### **Salient Features**

***Thrust Areas have been identified based on competitive strength/advantages of the State - geographical location, available resources and skill-base, raw material availability, existing manufacturing practices and expertise, and; growth potential and Sunrise area offering new growth opportunities***

***Mega Project/Mother Units – land on lease to projects which support ancillarization or employment generation, use green technologies or use of local raw material, involving Hi-tech manufacturing and requiring lesser space like Electronics etc.***

***Industry by Invitation – Fortune 500 companies/large Corporates/MNCs would be invited to set up projects in the State***

The Haryana State Government has conducted detailed studies through Sectoral Committees and consultations to identify the competitive strength/advantages of the State given its geographical location, available resources and skill-base, raw material availability, existing manufacturing practices and expertise, and growth potential and Sunrise areas offering new growth opportunities, vis-à-vis different Sectors. Accordingly, the Haryana Government recognizes the following thrust areas, investments in which will be accorded a higher priority. These areas would include the following:

### **10.1 Auto, Auto Components & LightEngineering:**

10.1.1 The automobile industry is an important sector for any State. The upstream and downstream supplier opportunities have a great potential to boost the light engineering MSME sector too. Maruti Suzuki plants at Gurgaon & Manesar, Honda two-wheeler Plant at Manesar and Hero MotoCorp's motorcycle Plant at Gurgaon/Dharuhera are the anchors which have facilitated the growth in the automobile and automobile components sector and would catalyze future growth too. The State would endeavor to provide the necessary support by way of creating the necessary land bank, tool room facilities and railway siding and logistics facility to facilitate exports.

10.1.2 The role of the Light Engineering sector is very important if the State has to capture the entire value chain of the automobile, aero-space, petro-chemicals, domestic appliances, and paper and textile sectors. This sector has the potential to provide the supply chain to the other thrust area sectors particularly aerospace and defence manufacturing. Incentives such as investment subsidy on VAT



@50% - 75%, Interest Subsidy @5%, Power Tariff Subsidy Rs.2 per unit and 50% exemption from EDC will be available to these sectors for the categories which are detailed in Annexure 10.

### 10.2 Agro-based, Food Processing & Allied Industry:

Food processing industry plays a significant role in development of economy because of the integration and synergy it provides between agriculture and industry, the two pillars of economic prosperity. The growth of food processing sector is also essential to meet the twin national objective of 'inclusive growth' and 'food security'. Haryana is predominantly an agricultural state with favourable weather conditions for both Rabi and Kharif crops. It has achieved self-sustainability status in food production and milk products. Haryana the second largest food grains producer in the country. The State enjoys the locational advantage of its proximity to one of the largest consumer market of NCR. The State has a huge potential for establishment of agro-based and food processing industry. Due to lack of proper post-harvest handling facilities and inadequate infrastructure facilities along the supply chain, a substantial quantity of farm produce especially perishable commodities get wasted. Therefore, food processing sector's utmost requirement is investment for creating infrastructure facilities for post-harvest operations including food processing. The State endeavours to help in reduction of these losses. The State Government has provided special incentives like grant-in-aid of 50% to Primary Processing Centres, Interest Subsidy @6%, investment subsidy on VAT @75% - 100 %, 50% exemption from EDC and 80% - 100% refund of stamp duty etc. for the categories as per the details given at Annexure 10.

### 10.3 Textiles / Apparel / Knitting / Embroidery / Technical textiles:

- 10.3.1 Haryana is fourth largest Cotton producer in the country, it contributes 6% of the total production of cotton in the country with a total of 5.57 lakh hectares under cotton cultivation during the year 2013-14 major cotton growing areas in the State are Hisar, Sirsa, Fatehabad and Jind. There are more than 150 ginning units established in the western region of the State. Panipat Town is famous for handloom products, furnishing fabrics, terry-towels and blankets. There are about 125 carpet manufacturing units, 400 dyeing units, 42 Open End Units, 20-25 Blanket manufacturing units and 250 Shoddy Yarn manufacturing units, 4000 Shuttle-less Looms and 8000 Power Looms units besides other textile based industries. The Government of India has approved setting up of an Integrated Textile Park at Panipat spread over an area of 30 acres with a project cost of about Rs.140 crore by a group of private entrepreneurs.
- 10.3.2 Gurgaon has emerged as hub for manufacturing of Readymade Garments. Some of the largest manufacturers of Readymade Garments in Asia are having their manufacturing facilities in Gurgaon. There are about 300 Readymade Garment Units, 4 weaving units having more than 50 power looms, around 15 Process houses & 50 Hosiery units in Gurgaon. Similarly, Faridabad has also emerged as a hub for textile processing industry in the State. There are 70-80 Dyeing/Printing units, 10 Hosiery units, 10 -15 units of Readymade Garments (exporting units) and around 100 Denim Washing and Dyeing units.
- 10.3.3 A Textile Incubation Center at Panipat has already been approved by the Ministry of Textiles. HSIIDC has filed an application for setting up a Textile Park at Panipat under the SITP Scheme over an area of about 85 acres. An International Trade and Convention Centre is also being developed at Panipat to promote handloom products. The Government would explore possibility of setting up of Integrated Textile Parks in Hisar, Fatehabad, Jind and Sirsa districts under the Government of India Scheme of Integrated Textile Park (SITP) to locate spinning units in these districts. A variety of Micro



Units viz. Surgical Cotton, Bandage, Napkins etc. in the Cotton growing areas would also be encouraged and promoted. Special incentives have been provided to this sector like power tariff subsidy @Rs.2 per unit, interest subsidy @6%, investment subsidy on VAT @50% - 75%, EDC exemption @50% and refund of 80% - 100% stamp duty for the categories as per the details given in Annexure 10.

#### 10.4 Footwear & Accessories:

The footwear sector is labour intensive and provides gainful employment in the State. The non-leather footwear segment largely targets domestic demand. Significantly, this sector comprises of micro and small enterprises (MSE) units. In Bahadurgarh, there is a concentration of non leather footwear units. A Common Facility Centre (CFC) is being set up under MSE-CDP scheme of GOI. All major brands/companies like Liberty, Action, Relaxo, Lancer, Today, Columbus, Aeroback, Welcome etc. have their presence in Haryana. Karnal City has been the centre/hub of footwear production since 1966 and currently employing about 50,000 workers (direct and indirect). A footwear hub is proposed to be established at Karnal with footwear fashion, research & development and Footwear Technology Institute which would realize the dreams of footwear industry. Special incentives have been provided to this sector like power tariff subsidy @Rs.2 per unit, interest subsidy @6%, investment subsidy on VAT @50%-75%, reduction in VAT on footwear above Rs.500/-, refund of 80% - 100% stamp duty and 50% exemption from EDC etc. for the categories as per the details given in Annexure 10.

#### 10.5 Electronics & IT/ITES:

Haryana has a robust IT Software sector which will complement the electronics hardware manufacturing industry. Gurgaon is known as the BPM capital of the world, as it employs nearly 5% of the worldwide BPM workforce. Haryana is also the third largest exporter of software in India. Innovation campus is proposed to be developed in Gurgaon along with 7 incubation centres in seven universities in the State. Besides, a mobile application development centre will also be set up.

As per the GoI survey, the import of electronic items will cross the fuel import bill by the year 2020 and thus places a lot of emphasis on development of the electronic manufacturing sector. The Gurgaon-Manesar-Bawal and Panchkula-Barwala belts have been declared as Brownfield Electronics Cluster by the Government of India. Companies like Panasonic, and Denso have already set up their base in the State. Special incentives have been proposed for creation of mega projects/ mother units in ESDM sector at par with fiscal incentives in extremely backward blocks (D Category). To tap the available potential, the State would come out with an Electronics & IT Policy within the next three months.

#### 10.6 Defence and Aerospace Manufacturing:

10.6.1 Bharat Electronics Limited, Panchkula, a navratna public sector undertaking supplies Military Communication Systems to the Armed Forces. Yamuna Nagar has been supplying ammunition boxes to the Armed Forces for the past number of years. The Gurgaon and Faridabad have strong base in Engineering, Secondary Metal Processing Industry manufacturing various metal alloys, Automobile and Auto Components Industry and other related ancillary industries which provide a strong industry/ ancillary base to locate Defence Production industries in the Haryana State.

10.6.2 The state will leverage GoI National Defence Production Policy increasing foreign direct investment



(FDI) limit to 49 per cent in the defence production sector for establishing industrial units in the state for production of defence equipments viz. weapons/ ammunition/ platforms and systems. The Haryana Government will offer land sites in the State which would be ideal for locating defence production industry in public and private sectors aligning with National Defence Production Policy.

- 10.6.3 The offset obligations under the Defence Offset Policy provide a great opportunity to the State to leverage its Competitive advantage in manufacturing and information technology for setting up such projects by the OEMs & their suppliers. The Aerospace Industry in India is also on the growth path, which also provides a great opportunity for aerospace equipment manufacturing. Special incentives have been proposed for creation of mega projects/ mother units in aerospace and defence sectors at par with maximum incentives proposed for any sector and any category of industry.

#### 10.7 Renewable Energy & Solar Parks:

This sector is a priority in India, with the Government of India imposing Renewable Power Obligations (RPO) on the States. The State of Haryana has large extents of land eminently suitable for non-conventional and renewable energy installations particularly Solar energy. The State has come out with a Solar Parks Policy to support the development of the Solar Parks by the private sector. Under the SUN (Saur Urja Nivesh) initiative of the HSIIDC and HPGCL proposed to develop a solar park for which an area of 300 acres has been identified.

#### 10.8 Pharmaceutical & Chemical Industry:

The Pharma Sector has a vast growth potential in the country and the State recognizes the need for development of this Sector on a sustainable basis. The State would explore the possibility of setting up a Pharma Park. In addition, the raw-material from the Indian Oil Refinery at Panipat offers a great scope for development of the downstream industries for which a petrochemical hub/ plastic parks would be developed. Incentives such as investment subsidy on VAT @50% - 75%, Interest Subsidy @5%, Power Tariff Subsidy Rs.2 per unit and 50% exemption from EDC will be available to these sectors for the categories which are detailed in Annexure 10



## Chapter 11: Promotion of Exports

### **Salient Features**

100% EOU shall be given priority for allotment of land in the Industrial Estates developed by HSIIDC.

State Government shall provide land at 50% of HSIIDC cost to the Export Promotion Councils

Setting up of Export Promotion Industrial Park at Panipat for textile exporting units.

Creation of Inland Containers Depots by private players or under PPP mode

Development of Truckers park

The performance of the State on the export front has been excellent inspite of lack of natural resources and the distance of the State from the sea ports. Starting with an export of Rs. 4.5 crore at the time of its creation (1967-68), the State accounts for exports of more than Rs. 68032.46 crore in the year 2013-14, because of conducive environment, state policies and initiatives. However, a comparative study reveals that Haryana's contribution in total exports of the country was approximately 4.12% in the year 2012-13. As such, a need has been felt to provide infrastructure support & incentives to the exporting units for increasing exports from the state.

### **11.1 Land Allotment:**

- 11.1.1 100% EOU shall be given priority for allotment of land in the Industrial Estates developed by HSIIDC.
- 11.1.2 State Government shall provide land at 50% of HSIIDC cost to the Export Promotion Councils like AEPC, EPCH, HEPC, CEPC, TEXPROCIL, PDEXCIL, APEDA, ECSEPC, Engineering, FIEO, EPC 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.
- 11.1.3 Steps shall also be taken for setting up of Export Promotion Industrial Park at Panipat for textile exporting units.
- 11.1.4 Steps shall also 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.

### **11.2 ASIDE Scheme:**

The State shall keep the ASIDE 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. for promotion of exports. The scheme of MoMSME shall also be leveraged in respect of Government Quality Marking Centres.

**Note:** The incentives and schemes have been specified under Annexure – 10 of the Policy.





## Chapter 12-Incentives

### **Salient Features**

- Investment Subsidy in lieu of VAT**
- Interest Subsidy**
- Contribution to CGTMSE**
- Support to Start-Ups**
- Support to Thrust Sectors**
- Creation of Industrial Infrastructure Development Fund**

### PRANETA – Professionals & New Entrepreneurs Tax Assistance

The vision of new Industrial 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, Rural Functional Clusters and especially for Micro, Small & Medium Enterprises in the State as defined under.

- 12.1 Investment Subsidy in lieu of VAT/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 net VAT/ SGST paid through online mechanism to reduce the transaction cost. By following this principle, the State Government will continue to provide this facility even in GST regime by reimbursement of appropriate percentage of State GST component. It is estimated to provide this incentive to the tune of Rs.200 crore yearly, @ 50% - 75% of VAT/ SGST net paid for 8-10 years.
- 12.2 Interest Subsidy:** It has been observed that a large numbers 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 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 Rs.100 crore yearly, @ 5% - 6% on term loan for 3-5 years.
- 12.3 Contribution to CGTMSE:** The State Government shall contribute an amount of Rs.100 crore in CGTMSE fund, which will provide window opportunities to new as well as existing Micro and Small Enterprises for availing collateral free loan to the extent of Rs.1 crore from Lending Institutions.



- 12.4 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% VAT/ SGST up-to turnover of Rs. 3 Crore, creating incubation centres with financial support of Rs. 30 Lakhs per university, Start-Ups IT warehouse and Mobile Apps Development Centres with capital expenditure of Rs. 4 Crore and operational expenditure of Rs. 1 crore.
- 12.5** The industry will also be incentivized for providing employment to local persons by providing employment generation subsidy. 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 20% reservation in procurement policy has been felt a necessity.
- 12.6 Zero Defect and Zero Effect:** To adopt this concept, the financial support for quality certification, technology acquisition @ 50% maximum of Rs. 25 Lakh, patent registration @ 50% maximum of Rs. 25 Lakh, testing equipment @ 50% maximum of Rs. 5 Lakh, technology up-gradation and assistance for establishment of Effluent Treatment Plant for environment compliance @ 50% maximum of Rs. 25 Lakh will be provided. The financial support for, availability of finance through credit linked interest subsidy scheme @ 5% maximum of 5 lakh per year, credit rating will also be extended.
- 12.7 Support to Thrust Sectors:** The special incentives have been provided to the thrust sectors i.e. Textiles (Apparel, Knitting, Embroidery & Technical Textiles), Food Processing & Agro Based Industries, Footwear Industries, Defence/ Aerospace Industries. To make the export oriented units competitive in the global market, the freight subsidy up-to Rs. 20 Lakh have also been provided to defray the transportation cost from premises of the unit to the port including other non-fiscal incentives.
- 12.8 Service Sector:** In order to attract investment in Service Sector for the identified services, incentives have also been 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%.
- 12.9 Land Related Incentives:** To give relief to the Industrial plot holder, the State Government has decided that henceforth, no enhanced compensation shall be charged from them in future and the same shall be absorbed by HSIIDC. In addition, the high cost of land is sought to be offset by way of reduced EDC charges @ 50% and Stamp Duty refund @ 50% - 100%.
- 12.10 Increase FAR:** Higher FAR of 150% has been provided wherever feasible, higher FAR on need based approach will be permitted with the approval of HEPB.
- 12.11 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/ Industrial Estates for which sum of Rs. 100 crore will be earmarked. Similarly, HSIIDC has also been given mandate to earmark Rs.50 crore in secondary and tertiary infrastructure such as power sub-station, ESI hospital, parking lots and other amenities required in existing Industrial Estates of the Corporation.



- 12.12 Categorization of Blocks:** The entire State has been divided into 4 categories of blocks based on the level of industrial/ economic development 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 shall be finalized by the Government.
- 12.13** The detail of incentives available for Mega Projects, Large Projects and Micro, Small & Medium Enterprises has been given in the Annexure-10. The financial incentives under the policy will not be available to the industries covered under the restrictive list of industries except exclusive incentives of Freight Assistance and State Export Awards to export oriented units and State Awards for MSMEs. Such list shall be finalized by the Government.
- 12.14** The guidelines for Administration of each scheme of incentives will be notified separately by the State Government.



## Definitions

### 1. Ultra Mega Project:

Iconic Projects in manufacturing enterprises, Tourism, wholesale markets and Logistics etc. which bring in mega investments minimum of US\$ 1 billion (Rs. 6000 crore) on land area of minimum 500 acres and have a cascading impact on the local economy in particular and the State economy in general and generate huge employment opportunities.

### 2. Mega Project:

Mega projects are the projects involving fixed capital investment of over Rs. 100 Crore and above, or generating direct employment of more than 200 persons in 'D' category blocks and fixed capital investment over 100 crore or generating direct employment of more than 500 persons in 'B' & 'C' category blocks. The projects undertaking expansion/ diversification with same criteria of Investment and Employment shall also be treated as Mega Projects. Besides, the projects related to industries sector, other sector projects including Health, Education, Skill Development, Research & Development, Logistics, Testing Labs, exhibition centers, power sector etc. would also qualify as mega projects subject to fulfilling the above mentioned criteria. [Special package of incentives over and above of the standard package for Mega Projects having potential to develop ancillary enterprises will also be considered by Haryana Enterprise Promotion Board]

### 3. Large Project:

Where the investment in plant & machinery is more than 10 crore rupees (or over and above of limit of Medium units defined under MSMED the Act, 2006 time to time) and does not exceed 100 crore rupees.

### 4. Medium Enterprise:

Where the investment in plant & machinery is more than 5 crore rupees but does not exceed 10 crore rupees or amended under MSMED the Act, 2006 from time to time.

### 5. Small Enterprise:

Where the investment in plant & machinery is more than 25 lakh rupees but does not exceed 5 crore rupees or amended under MSMED the Act, 2006 from time to time.

### 6. Micro Enterprise:

Where the investment in plant & machinery does not exceed 25 lakh rupees or amended under MSMED the Act, 2006 from time to time.

### 7. Large Service Enterprise:

Where the investment in building and equipment is more than rupees 10 crore and above.

### 8. Micro Small & Medium Service Enterprise:

As per Criteria of investment in equipment defined under MSMED Act, 2006 or amended from time to time.

### 9. Thrust Rural Cluster:

Cluster for development of Agro, Food Processing and Textile sector by a group of industries/ individual unit using local raw-material and resulting in value addition to the farmers in 'B', 'C' & 'D' category blocks.

### 10. Rural Functional Cluster:

Cluster for development of Apparel/ Footwear/ Dairy sector by a group of industries/ individual unit under taking decentralized production center resulting in employment to rural local female/ rural traditional artisans/ local work force in 'B', 'C' & 'D' category blocks.



## Chapter 13:

### Policy Implementation, Monitoring & Grievance Redressal Structures

#### Salient Features

**Economic Advisory Council**

**Policy Monitoring Mechanism**

**Grievance Redressal Committees**

**Creation of Bureau of Industrial Promotion**

**SPVs for DMIC Projects**

- (i) **Economic Advisory Council** – This high profile Economic Advisory Council will be constituted to harness the intellectual capital in the State on Policy matters and other issues of overall economic development of the State. The Council would be headed by the Chief Minister with Cabinet Ministers, Additional Chief Secretary/Principal Secretaries of Finance, Town & Country Planning, Power, Revenue, Excise & Taxation, Labour, Environment and Industries; MD/ HSIIDC and Director Industries. Representatives of seven Apex Industry Associations; Industry Leaders; Chairman/CEOs of Banks with regional/national headquarters in Haryana, Global/National heads of large enterprises located Haryana; Consultancy Organisations etc. as members. The Council would meet bi-annually.
- (ii) **Policy Monitoring Mechanism** – Committee under the chairmanship of PSI to monitor the implementation and identifying hurdles/bottlenecks for redressal – MD, HSIIDC and Director Industries to be members of the Committee.
- (iii) **Grievance Redressal Committees** – 3 tier system :
  - District level committee at the level of Deputy Commissioner – to meet once in a month.
  - Administrative Secretary level committee headed by PSI – to meet once in two months.
  - Haryana Enterprise Development Board
- (iv) **Creation of Bureau of Industrial Promotion** for Policy outreach, investment promotion, road shows, summits, inter Government interface, FDI, NRI issues etc. The Bureau official will actively track and identify investment opportunities both domestic & international and convert the same into firm commitments. The Bureau would be suitably fortified by professional staff on contract and officers on deputation from key Departments like Power, Environment, Labour, etc. A Foreign Investment Promotion/NRI Cell will be created within the Bureau for handling the FDI/NRI issues.
- (vii) The District Industries Centres would be strengthened and repositioned as Enterprise Assistance Group 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.
- (viii) **SPVs for DMIC Projects:** To be headed by Executive Chairpersons and professional CEOs with Board comprising representatives of Govt. of India, Govt. of Haryana and Financial Institutions. SPV would be staffed with professionals for managing day-to-day operations.



## Chapter 14: General

### 14.1 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. Reliable data is not forthcoming at the central point as the entrepreneurs are reluctant to impart such information. 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.

### 14.2 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. It has been decided that the HSIIDC would prepare a Directory of all such prominent persons and keep it updated. The Directory would be placed on the Haryana State portal HSIIDC.

### 14.3 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.)

### 14.4 Out of Court Settlement:

A Disputes Settlement Committee shall be constituted to decide the structure, process & mechanism to settle existing disputes/litigations pertaining to various Departments.

### 14.5 Turnaround time under this policy

All the Policy proposals will have to be notified by concerned department(s) in 1 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 December 31st, 2015.

#### **14.6 Savings and clarifications**

This policy replaces the Industrial & Investment Policy 2011 and would take effect from 15.08.15. 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.

## Chapter 15

### Natural & Competitive Advantage of Haryana

Natural Advantage			
Competitive Comparative Advantage			
Ease of Doing Business	Enhancing competitiveness of the Industry	Balanced Regional Growth through geographical dispersal of industries	Focus and support to the MSME Sector
<p><b>Strategic Location</b> 60% of geographical area in National Capital Region Strategically at Stone throw distance from Delhi International Airport 10 National Highways criss-crossing the state Delhi Mumbai Industrial Corridor and Agra Kolkata Industrial Corridor passing through state from North &amp; South Haryana</p>	<p><b>Enhancing competitiveness of the Industry</b> Special focus on Services Sector – special support to identified services; Setting up of Skill University, Innovation Campus with link to 7 Incubation Centers, App Development Centre by IMC; Rs. 50 cr to be earmarked by HSIIDC for secondary &amp;</p>	<p><b>Balanced Regional Growth through geographical dispersal of industries</b> No enhancements on plots allotted by HSIIDC in future (prospective effect) Fiscal Incentives for the Industry Approx. 1000 Cr) and higher incentives in extremely backward blocks – Best in class Geographical dispersal of industry through special set of incentives loaded in favor of backward blocks and infra-led initiatives (industrial/manufacturing corridors);</p>	<p><b>Implementation structures/mechanism</b> Creation of Policy implementation, monitoring &amp; grievance redressal structure. Enterprise Assistance Group – Correction Plan to detect stress and corrective plan. Creation of Bureau of Investment Promotion and NRI Cell Economic Assistance Group</p>



<p>sectors in Agricultural zones in Backward Blocks</p> <p>Private Industrial Parks: Liberalized Industrial Licensing with mixed land use with special focus on affordable housing for industrial workers, reduced EDC for industrial use, Approvals by Empowered Executive Committee</p> <p>Liberalized measures for Ease of Doing Business with streamlined/online mechanism in Town &amp; Country Planning, Urban Local Bodies, Labour, Environment Departments and HSIIDC;</p>	<p>Tertiary Infrastructure development</p> <p>Skill Development University</p> <p>Innovation Campuses</p> <p>Rural BPO</p> <p>50% top-up fund by state government for infrastructure in Brownfield and greenfield electronics manufacturing clusters</p> <p>BharatNet (National Optical Fiber Network): 100 mbps across 6000 villages</p>	<p>MahaNiveshYogna for Ultra Mega or iconic project with minimum area requirement of 500 acres and investment of Rs.6000 Crore</p>	<p>Rs.85 crore earmarked for Textile Industry at Panipat for setting up of CETPs for Zero Liquid Discharge</p> <p>Development of Clusters i.e. Thrust Areas/ Focused Clusters, Traditional Clusters and Rural Development Clusters</p>	<p>Timely Implementation of All Schemes – Within 1 to 3 Months</p> <p>Reservation for NRIs and FDI projects</p>
--	---	--	--	---



### The Concluding Thoughts...

This Industrial Policy promises to revolutionize the way the Enterprises have been viewed by Governments in this country. This Policy will set a new paradigm. We strongly believe that with the new Enterprises Promotion Policy in place, a growth rate higher than the national growth rate in the manufacturing and services Sectors can be achieved. The Government welcomes industrialists, investors and entrepreneurs to Haryana and promises to fulfil their expectations both in letter and in spirit as espoused in this document.

While it will be our endeavour to stay tuned to the new issues and opportunities that may emerge due to the dynamic business environment in which the enterprises operates, there may emerge issues that may lie beyond the scope/horizon of the present Policy contours.

Our strategy would remain to keep this Policy Framework as a “Living Document” - DYNAMIC and RESPONSIVE



**Annexure-1**

**The Time Schedule prescribed for clearances by various authorities shall be as follows:**

<b>Sr. No.</b>	<b>Concerned Department/ Organization</b>	<b>Clearances required</b>	<b>Time limit for asking additional information</b>	<b>Time limit for issuing clearances</b>
1.	Uttar Haryana BijliVitrان Nigam/ Dakshin Haryana BijliVitrان Nigam	Release of electric connection (a) For loads upto 20 Kilo Watt (b) For loads upto 70 Kilo Watt (c) For loads above 250 Kilo Watt (d) For loads above 1 MW	7 days 7 days 7 days 7 days	21 days * 45 days * 60 days * 60 days *
		(i) Release of new connection/additional load/ demand  (a) Release of connection where service is feasible from existing network	7 days	30 days
		(ii) (b) Release of connection where network expansion/enhancement required for providing connection (except agricultural)  (i) For L.T. Connection	7 days	30 days
		(iii) (ii) For 11 KV connection	7 days	71 days
		(iv) (iii) for 33 KV connection	7 days	97 days
		(v) (iv) Above 33 KV level connection	7 days	167 days
		Transfer of title and conversion of services (vi) (a) Transfer of title and/or change of category	7 days	7 days
		(vii) (b) Conversion of LT single phase to LT three phase or vice-versa	7 days	30 days
		(viii) (c) Conversion of LT to HT or vice-versa	7 days	30 days
		(ix) (d) Conversion of HT to EHT or vice-versa	7 days	30 days
		(x) Sanction of Electricity Duty Exemption	7 days	60 days
(xi) Certificate from Chief	7 days	30 days		



Sr. No.	Concerned Department/ Organization	Clearances required	Time limit for asking additional information	Time limit for issuing clearances
		Electrical Inspector for electric installation		
2.	<b>Town and Country Planning</b>	(i) Change of land use in industrial zone	7 days	60 days
		(ii) No Objection Certificate for establishment of industrial unit under the Urban Area Act	7 days	30 days
		(iii) NOC for the unit falling outside controlled area and urban area	7 days	10 days
		(iv) Sanction/Approval of building plan of industrial units	7 days	45 days
		(a) upto 2 acres		
		(b) above 2 acres to 5 acres	7 days	60 days
		(c) above 5 acres	7 days	90 days
		(v) Occupation Certificate/ Completion Certificate to industrial units	7 days	45 days
		(a) upto 500 sq. mtr		
		(b) above 500 sq.mtr to 5 acres	7 days	60 days
		(c) above 5 acres	7 days	90 days
		(vi) License for the brick kilns, charcoal kilns, stone crushers	7 days	30 days
3.	<b>Environment Department/ Haryana State Pollution Control Board</b>	(1) Environmental Clearance (EC) under Aravali Notification 1992 & 1999	7 days	90 days
		(2) Consent for establishment under Water Act,1974 and the Air Act,1981	7 days	120 days
		(3) Consent to operate under Water Act,1974 and the Air Act,1981	7 days	120 days
		(4) Registration for Recycle/ reprocessing under Hazardous Waste (Management Handling & Trans boundary & Movement)Rules 2008	7 days	120 days



Sr. No.	Concerned Department/ Organization	Clearances required	Time limit for asking additional information	Time limit for issuing clearances
		(5) Authorization under Bio Medical Waste (Management & Handling Rules, 1998	7 days	120 days
		(6) Authorization under e-waste (Management & Handling) Rules, 2011	7 days	90 days
		(7) Registration under Plastic Manufacture, Sale and Usage Rules, 1999.	7 days	90 days
		(8) Clearance of environment plan after the site appraisal/approval.	7 days	120 days
		(9) Authorization under Municipal Solid Wastes (Management & Handling) Rules, 2000	15 days	90 days
4.	<b>Labour Department/ Chief Inspector of Factories</b>	(i) Approval of factory plan under the Factories Act, 1948 (Act 63 of 1948)	7 days	45 days
		(ii) Licence for running factory	7 days	45 days
		(iii) Factories License under Factories Act, 1948	7 days	15 days
		(iv) Shop Registration under Shops and Establishment Act	7 days	30 days
		(v) Registration of Principal employer's establishment and License for contractors under provision of Contract Labour Act, 1970		
5.	<b>Industries &amp; Commerce Department</b>	(i) Registration of boilers	7 days	10 days
		(ii) Renewal of Boiler Registration under the Indian Boiler Act, 1923	7 days	7 days
		(iii) Approval for modification, alteration, repair of boiler under Indian Boiler Act, 1923	7 days	7 days
		(iv) Issuing of Entrepreneurs Memorandum Part-I acknowledgement under MSME Act, 2006	3 days	3 days
		(v) Issuing of Entrepreneurs	3 days	3 days



Sr. No.	Concerned Department/ Organization	Clearances required	Time limit for asking additional information	Time limit for issuing clearances
		Memorandum Part-II acknowledgement under MSME Act,2006		
6.	<b>Directorate of Health Services</b>	(i) Drug Licence (ii) Renewal of Drug Licence	7 days 7 days	30 days 30 days
7.	<b>Excise and Taxation</b>	(1) Sales Tax registration (2) Registration for Tax on luxuries provided in hotels and lodging houses	7 days 7 days	15 days 15 days
8.	Haryana State Industrial & Infrastructure Development Corporation Ltd. (HSIIDC)	(i) Demarcation of plots (ii) Registration of Lease/ Conveyance Deed (iii) Sanction of Building plans/ revised building plans (Industrial) (iv) Issue of plinth level certificate (v) Issue of completion/ occupation certificate for factory buildings (vi) Mortgage 1 <sup>st</sup> charge (vii) Release of Water connection and Sewerage connection	7 days 7 days 7 days 7 days 7 days 7 days 7 days	5 days 30 days 30 days 7 days 15 days 30 days 3 days
		(viii) Allotment of Land/ Shed in IE/IDA	30 days	90 days
9.	Haryana Urban Local Bodies Department (Municipal Corporation)	(i) Issuance of Trade License Under section 330 for factory, workshop or trade premises, in which it is intended to employ steam, electricity, water or other mechanical power (ii) Renewal of Trade License Under section 330 for factory, workshop or trade premises, in which it	7 days 7 days	15 days 12 days



Sr. No.	Concerned Department/ Organization	Clearances required	Time limit for asking additional information	Time limit for issuing clearances
		is intended to employ steam, electricity, water or other mechanical power		
		(iii) Issuance of permanent water/ sewerage connection	7 days	7 days
		(iv) Approval of Building Plan	7 days	60 days
		(v) Change of Land Use.	7 days	60 days
		(vi) NOC for Fire	7 days	60 days
		(vii) Property Tax Registration	7 days	15 days
10.	Revenue Department	(1) Demarcation of land	7 days	45 days (where police help is required within 15 days from concerned Distt. Magistrat for the such police help
		(2) Mortgage 1 <sup>st</sup> charge	7 days	15 days
		(3) Registration of lease / Conveyance Deed	7 days	15 days
		(4) Conversion from Lease to Free Hold	7 days	30 days
		(5) Stamp Duty exemption	7 days	30 days
11.	Non-Conventional Energy/ Renewal Energy Deptt.	(1) Registration and approval for setting up of Biomass based power projects in the state	7 days	60 days
		(2) Registration and approval for setting up of Solar power projects in the state	7 days	60 days
12.	Food and Supply Department	Weights and measures registration/ certificates	7 days	15 days



**Annexure-2**

**List of 24 online Services for Haryana State and linkage with e-Biz portal of DIPP upto December,2015**

Sr. No	Department	Services
1	Registrar of Firms and Societies	Registration of firms under the Partnership Act,1932
2.	Revenue Department	Land Mutation
3.	Town and Country Planning Department, Urban Local Bodies Department	Change in land use
4.	Excise & Taxation Department	VAT Registration
5.	Excise & Taxation Department	Luxary Tax Registration, Passenger Goods Tax Registration
6.	State Drug Controller	Issue of License for Manufacturing Bulk Drugs/formulations
7.	Chief Inspector of Factories Department/ Labour Department	Approvals of plans from Factories Department under Factories Act,1948
8.	Chief Inspector of Factories Department/ Labour Department	Factories License under Factories Act,1948
9.	Urban Local Bodies Department/ Fire Department	NOC from Fire Services Department
10.	Haryana State Industrial & Infrastructure Development Corporation Ltd.	Allotment of Land/Shed in IE/IDA
11.	Labour Department	Shop Registration under Shops and Establishment Act
12.	Urban Local Bodies Department/ Municipal Corporation	Property Tax Registration
13.	Urban Local Bodies Department/ Municipal Corporation	Trade License
14.	Urban Local Bodies Department/ Municipal Corporation	Issuance of permanent water/ sewerage connection
15.	Urban Local Bodies Department/ Municipal Corporation	Permission of Municipality for Site and Building.
16.	Haryana State Pollution Control Board	Consent for establishment under Water Act,1974 and the Air Act,1981
17.	Haryana State Pollution Control Board	Consent to operate under Water Act,1974 and the Air Act,1981
18.	Uttar Haryana BijliVitrان Nigam Ltd and Dakshin Haryana BijliVitrان Nigam Ltd./ State Power Distribution Company	New Power Connection & Permission to change the line
19.	Uttar Haryana BijliVitrان Nigam Ltd and Dakshin Haryana BijliVitrان Nigam Ltd./ State Power Distribution Company	Release of additional load/demand from the existing network/by expansion of network
20.	Revenue Department/HSIIDC/HUDA/ Urban Local Bodies Department	Registration of conveyance deed/sale deed
21.	Town and Country Planning Department/HSIIDC/HUDA/Urban Local Bodies Department	Completion cum occupancy certificate
22.	HSIIDC/HUDA/Urban Local Bodies	Permission for mortgage





Sr. No	Department	Services
	Department	
23.	Department of Food and Supplies	Weights and measures registration/certificate
24.	Director of Industries & Commerce	Registration under Boilers Act/Renewal of registration under Boilers Act



Annexure-3

List of 85 Services already notified under RTS on 7.5.2015

Sr. No	Name of Department	Name of Service (with Public interface)	Service notified under RTS Act (Yes/No)	Timeline prescribed for sanction/ approval/ delivery of service	Remarks Sr.No. as per RTS notification on dt. 7-5-2015
1	2	3	4	5	
1	Department of Industries & Commerce, Haryana	Issuing of Entrepreneurs Memorandum Part-I acknowledgement under MSMED Act 2006	Yes	3 days	82
2	-do-	Issuing of Entrepreneurs Memorandum Part-II acknowledgement under MSMED Act 2006.	Yes	3 days	83
3	-do-	Boiler Registration under the Indian Boiler Act 1923.	Yes	10 days	84
4	-do-	Renewal of Boiler Registration under the Indian Boiler Act 1923.	Yes	7 days	85
5	-do-	Approval for modification, alteration, repair of boiler under Indian Boiler Act 1923.	Yes	7 days	86
6	-do-	Provisional Licence for processing under Lubricating Oils and Greases (Processing Supply and Distribution Regulation) Order,1987.	Yes	20 days	87
7	-do-	Provisional Licence for Trading under Lubricating Oils and Greases (Processing Supply and Distribution Regulation) Order,1987.	Yes	20 days	88
8	-do-	Licence for processing under Lubricating Oils and Greases(Processing Supply and Distribution Regulation) Order,1987.	Yes	20 days	89
9	-do-	Licence for Trading under Lubricating Oils and Greases (Processing Supply and Distribution Regulation) Order,1987.	Yes	20 days	90



Sr. No	Name of Department	Name of Service (with Public interface)	Service notified under RTS Act (Yes/No)	Timeline prescribed for sanction/ approval/ delivery of service	Remarks Sr.No. as per RTS notification dt. 7.5.2015
1	2	3	4	5	
10	-do-	Renewal of licence for processing under Lubricating Oils and Greases(Processing Supply and Distribution Regulation) Order,1987.	Yes	20 days	91
11	-do-	Renewal of licence for Trading under Lubricating Oils& Greases (Processing Supply and Distribution Regulation) Order,1987.	Yes	20 days	92
12	-do-	Registration of Firms under Indian Partnership Act 1932.	Yes	3 days	93
13	-do-	Approval for change in partners under Indian Partnership Act 1932.	Yes	3 days	94
14	-do-	Approval for change of Registered Office under Indian Partnership Act 1932.	Yes	3 days	95
15	<b>Haryana State Industrial &amp; Infrastructure Development Corpn. Ltd. (HSIIDC)</b>	Mortgage 1 <sup>st</sup> charge	Yes	30 days	109
16	<b>Haryana State Industrial &amp; Infrastructure Development Corporation Ltd. (HSIIDC)</b>	Registration of Lease/ Conveyance Deed	Yes	15 days	105
17	-do-	Sanction of Building plans/ revised building plans (Industrial/Residential)	Yes	15 days working days	101
18	-do-	Sanction of Building plans/ revised building plans (Commercial)	Yes	30 days	102
19	-do-	Issue of completion/ occupation certificate for buildings	Yes	15 days	103
20	-do-	Issue of No Due Certificate	Yes	15 days	106



Sr. No	Name of Department	Name of Service (with Public interface)	Service notified under RTS Act (Yes/No)	Timeline prescribed for sanction/ approval/ delivery of service	Remarks Sr.No. as per RTS notificati on dt. 7.5.2015
1	2	3	4	5	
21	-do-	Transfer of Plots in case of sale etc.	Yes	30 days	107
22	-do-	Attested copy of any Document	Yes	3 days	110
23	-do-	Demarcation of plots	Yes	5 days	112
24	-do-	Issue of plinth level certificate	Yes	7 days	113
25	-do-	Issue of No Objection Certificate/ Re-allotment	Yes	20 days	104
26	-do-	Transfer of Plot uncontested	Yes	45 days	108
27	-do-	Change of Ownership (other than death case)	Yes	30 days	111
28	<b>Haryana Urban Development Authority</b>	Conveyance deed	Yes	16	118
29	-do-	Revised Building plan Superceded Building plan Revalidate Building Plan	Yes	22	115
30	-do-	Transfer of Property	Yes	20 days	120
31	-do-	No Dues Certificate	Yes	10 days	119
32	-do-	Mortgage	Yes	7	122
33	-do-	OC Certification	Yes	15	116
34	-do-	Sewerage Connection	Yes	9	127
35	-do-	Site Demarcation	Yes	3	125
36	-do-	Water Connection	Yes	9	128
37	-do-	Issue of No objection certificate (Transfer permission)/duplicate allotment letter/re-allotment letter	Yes	20 days	117
38	-do-	Issue of Plinth (DPC) Certificate	Yes	5 days	126
39	-do-	Mortgage 1 <sup>st</sup> Charge (Industrial)	Yes	7 days	129
40	<b>Power Department Uttar /Dakshin Haryana BijliVitrان Nigam Ltd.</b>	Normal fuse off call (within city) Rural Area	yes	4 hours 8 hours	46
41	<b>Power Department</b>	Over head line breakdowns			



Sr. No	Name of Department	Name of Service (with Public interface)	Service notified under RTS Act (Yes/No)	Timeline prescribed for sanction/ approval/ delivery of service	Remarks Sr.No. as per RTS notificati on dt. 7.5.2015
1	2	3	4	5	
	<b>Uttar /Dakshin Haryana BijliVitrان Nigam Ltd.</b>	Within Cities and Towns Within Rural Areas	Yes Yes	8 hours 16 hours	47 47
42	-do-	Breakdowns due to breakage poles Within cities and towns Within Rural Areas	Yes Yes	12 hours 24 hours	48 48
43	-do-	Underground cables breakdown Within Cities and towns Within Rural Areas	Yes Yes	48 hours 48 hours	49 49
44	-do-	Distribution Transformer failure Within cities and towns Within rural areas	Yes Yes	24 hours 48 hours	50 50
45	-do-	Major Power failure involving power transformer/equipment	Yes	7 days	51
46	-do-	Period of Schedule outage a) Maximum duration in a single stretch  b) Restoration supply	Yes  Yes	Not to exceed 8 hour in any day By 6 PM on any day	52  52
47	-do-	Voltage Fluctuation with no expansion/ enhancement of network involved i) Within cities and towns ii) Within rural area	Yes Yes	4 hours 8 hours	53 53
48	-do-	Meter complaints i) Inspect and check correctness ii) Replace slow/fast meters/ creeping/suck/defective iii) Replace burnt meters if cause not attributable to consumer iv) Replace burnt meters in all other cases	Yes Yes Yes Yes	Within 7 days Within 7 days Within 7 days Within 24 days	54 54 54 54



Sr. No	Name of Department	Name of Service (with Public interface)	Service notified under RTS Act (Yes/No)	Timeline prescribed for sanction/ approval/ delivery of service	Remarks Sr.No. as per RTS notificati on dt. 7.5.2015
1	2	3	4	5	
49	-do-	Release of new connection/ additional load/demand (a) Release of connection where service is feasible from existing network	Yes	Within 30 days	55
50	-do-	(b) Release of connection where network expansion/enhancement required fro providing connection (except agricultural) (i) For LT connections (ii) For 11 KV connections (iii) For 33 KV connections (iv) Above 33 KV level connections	Yes Yes Yes Yes	Within 30 days Within 71 days Within 97 days Within 167 days	55 55 55 55
51	-do-	Transfer of title and conversion of services (a) Transfer of title and/or change of category (b) Conversion of LT single phase to LT three phase or vice-versa (c) Conversion of LT to HT or vice-versa (d) Conversion of HT to EHT or vice-versa	Yes Yes Yes Yes	Within 7 days Within 30 days Within 30 days Within 30 days	56 56 56 56
52	-do-	Shifting of meter/service connection and other services (i) Shifting of meter/service connection (ii) Shifting of LT/HT lines up to 11 KV (iii) Shifting of HT line exceeding 11 KV (iv) Shifting of transformer	Yes Yes Yes Yes	Within 15 days Within 45 days Within 45 days Within 60 days	57 57 57 57



Sr. No	Name of Department	Name of Service (with Public interface)	Service notified under RTS Act (Yes/No)	Timeline prescribed for sanction/ approval/ delivery of service	Remarks Sr.No. as per RTS notificati on dt. 7.5.2015
1	2	3	4	5	
53	-do-	Complaint about consumer bills and restoration of supply Resolution of complaints on disputed electricity bills	Yes	Within 24 hours of receipt of complaint if no additional information is required	58
				Within 7 hours of receipt of complaint if additional information is required	
54	-do-	Reconnection of supply following disconnection due to non-payment of bills Within cities Within rural area	Yes Yes	6 hours 12 hours	
55	<b>Revenue Department</b>	Certified copies of all documents at Village level i.e. Record of Rights (Jamabandi ), Girdawri, mutation, etc. (if the copies sought are manal and number of pages sought is less than 5)	Yes	1 days	1
56	-do-	Demarcation of Land	Yes	45 days (where police help is required- within 15 days from the date of orders of concerned District Magistrate	2



Sr. No	Name of Department	Name of Service (with Public interface)	Service notified under RTS Act (Yes/No)	Timeline prescribed for sanction/ approval/ delivery of service	Remarks Sr.No. as per RTS notification dt. 7.5.2015
1	2	3	4	5	
				for the such police help)	
57	-do-	Registration of all kinds of documents i.e. sale deed Lease deed, GPA, Partnership Deed etc.	Yes	1 day	3
58	-do-	Certified Copies of all kinds of previously registered documents	yes	7 days	4
59	-do-	Mortgage 1 <sup>st</sup> Charge	Yes	15 days	9
60	-do-	Registration of Lease/ Conveyance Deed	Yes	15 days	10
61	-do-	Conversion from Lease to Free Hold	Yes	30 days	11
62	<b>Urban Local Bodies Department</b>	Issue of No objection Certificate/ duplicate allotment/ re-allotment letter	Yes	21 days	28
63	-do-	Issue of Conveyance deed	Yes	15 days	29
64	-do-	Issue of No due Certificate	Yes	7 days	30
65	-do-	Transfer of property in case of sale	Yes	15 days	31
66	-do-	Transfer of property in case of death	Yes	45 days	32
67	-do-	Issue of permission for mortgage	Yes	7 days	33
68	-do-	Sanction of all building plans/ revised building plans (other than Residential) all Municipal i.e. Municipalities corporations , Municipal Councils and Municipal Committees	Yes	60 days from the receipt of complete documents	34
69	-do-	Water supply & Sewerage Connection(applicable in Municipal Corporation, Gurgaon & Faridabad only)	Yes	7 days	35
70	-do-	Issue of conveyance deed in Municipal councils and Municipal Committees	Yes	15 days	36





Sr. No	Name of Department	Name of Service (with Public interface)	Service notified under RTS Act (Yes/No)	Timeline prescribed for sanction/ approval/ delivery of service	Remarks Sr.No. as per RTS notification dt. 7.5.2015
1	2	3	4	5	
				for the such police help)	
57	-do-	Registration of all kinds of documents i.e. sale deed Lease deed, GPA, Partnership Deed etc.	Yes	1 day	3
58	-do-	Certified Copies of all kinds of previously registered documents	yes	7 days	4
59	-do-	Mortgage 1 <sup>st</sup> Charge	Yes	15 days	9
60	-do-	Registration of Lease/ Conveyance Deed	Yes	15 days	10
61	-do-	Conversion from Lease to Free Hold	Yes	30 days	11
62	<b>Urban Local Bodies Department</b>	Issue of No objection Certificate/ duplicate allotment/ re-allotment letter	Yes	21 days	28
63	-do-	Issue of Conveyance deed	Yes	15 days	29
64	-do-	Issue of No due Certificate	Yes	7 days	30
65	-do-	Transfer of property in case of sale	Yes	15 days	31
66	-do-	Transfer of property in case of death	Yes	45 days	32
67	-do-	Issue of permission for mortgage	Yes	7 days	33
68	-do-	Sanction of all building plans/ revised building plans (other than Residential) all Municipal i.e. Municipalities corporations , Municipal Councils and Municipal Committees	Yes	60 days from the receipt of complete documents	34
69	-do-	Water supply & Sewerage Connection(applicable in Municipal Corporation, Gurgaon & Faridabad only)	Yes	7 days	35
70	-do-	Issue of conveyance deed in Municipal councils and Municipal Committees	Yes	15 days	36



Sr. No	Name of Department	Name of Service (with Public interface)	Service notified under RTS Act (Yes/No)	Timeline prescribed for sanction/ approval/ delivery of service	Remarks Sr.No. as per RTS notification dt. 7.5.2015
1	2	3	4	5	
71	-do-	Issue of new trade license by Municipal Corporation	Yes	15 days	37
72	-do-	Renewal of trade license by municipal corporations	Yes	12 days	38
73	-do-	Removal of solid waste from streets/ Roads	Yes	2 days	39
74	-do	Sanction of building plans in the original municipal limits for all uses and sizes except commercial/ institutional uses for the sites 1000 sq.mtrs and above.	Yes	60 days from receipt of complete documents	42
75	-do-	Change of land use permission for the sites situated within various controlled areas falling with the municipal limits	Yes	60 working days from the receipt of complete documents in all cases except in cases where competency is of the Government	43
76	<b>Town &amp; Country Planning</b>	Change of land use permission for the units situated within various controlled areas of State within final published development plan of the controlled area and conforming zone (except competency of the Government)	Yes	60 from the date of receipt of complete documents	130
77	Do	NOC for the units falling outside controlled area but within urban areas	Yes	30 from the date of receipt of complete documents	131
78	Do	NOC for the units falling outside controlled area and	Yes	10 from the date of	132



Sr. No	Name of Department	Name of Service (with Public interface)	Service notified under RTS Act (Yes/No)	Timeline prescribed for sanction/ approval/ delivery of service	Remarks Sr.No. as per RTS notificati on dt. 7.5.2015
1	2	3	4	5	
		urban area		receipt of complete document	
79	<b>Town &amp; Country Planning</b>	Licence for the brick kilns, charcoal kilns, stone crushers	Yes	30 from the date of receipt of complete documents	133
80	Do	Sanction of building plans of site up to 2.0 acres (8093.70 sqm)	Yes	45 from the date of receipt of complete documents	134
81	Do	Sanction of building plans of site more than 2.0 acres (8093.70 sqm) and up to 5.0 acres (20234.25 sqm)	Yes	60 from the date of receipt of complete documents	135
82	Do	Sanction of building plans of site above 5.0 acres (20234.25 sqm)	Yes	90 from the date of receipt of complete documents	136
83	Do	Issue of occupation certificate up to plot area of 500 sqm having no composition of offence	Yes	45 from the date of receipt of complete documents	137
84	Do	Issue of occupation certificate for plot area from 500 sqm to 5.0 acres (20234.25 sqm) in cases of CLU granted area and community sites in licenced plotted colonies. Commercial site in plotted colonies up to 2.0 acres having no composition of offence.	Yes	60 from the date of receipt of complete documents	138
85	Do	Issue of occupation certificate in cases other than occupation	Yes	90 from the date of	139



Sr. No	Name of Department	Name of Service (with Public interface)	Service notified under RTS Act (Yes/No)	Timeline prescribed for sanction/ approval/ delivery of service	Remarks Sr.No. as per RTS notificati on dt. 7.5.2015
1	2	3	4	5	
		certificate up to plot area of 500 sqm having no composition of offence and for plot area from 500 sqm to 5.0 acres (20234.25 sqm) in cases of CLU granted area and community sites in licenced plotted colonies. Commercial site in plotted colonies up to 2.0 acres having no composition of offence having no composition of offence.		receipt of complete documents	



**Annexure-4**

**List of 34 services for notification under RTS, 2014**

<b>Sr. No</b>	<b>Services</b>	<b>Department in Haryana</b>	<b>Time Line</b>	<b>Designated Officer</b>	<b>1<sup>st</sup> Appellate Authority</b>	<b>2<sup>nd</sup> Appellate Authority</b>
1	Registration of principal employer's establishment and license for contractors under provision of contract labour Act, 1970	Labour Commissioner, Haryana	26 working days	Addl. Labour Commissioner	Labour Commissioner	Principal Secy. Labour
2	Registration and approval for setting up of Biomass based power projects in the state	Director, Non-conventional energy/ Renewal Energy	60 days	Chief Scientific Engineer	Director Non Conventional Energy (HAREDA)	Addl. Chief Secy. Non Conventional Energy
3	Registration and approval for setting up of Solar power projects in the state	Director, Non-conventional energy/ Renewal Energy	60 days	Chief Scientific Engineer	Director Non Conventional Energy (HAREDA)	Addl. Chief Secy. Non Conventional Energy
4	Registration under Plastic Manufacture, Sale and Usage Rules, 1999	Haryana State Pollution Control Board	90 days	Chairman, HSPCB	Appellate Authority notified by State Govt.	National Green Tribunal
5	Registration for Tax on luxuries provided in hotels and lodging houses	Excise & Taxation Commissioner	15 days	ETO	DETC	Addl. E.T.C.
6	Water and Sewerage connection	Haryana State Industrial & Infrastructure Development Corporation (HSIIDC)	15 days	DGM/AGM Indl.Estate	HOD (Estate)	MD, HSIIDC
7	Develop and implement electronic consent management systems for all environment/ pollution related approvals –	Haryana State Pollution Control Board (HSPCB)	90 days	Environment Engineer Scientist-C	Member Secretary, HSPCB	Chairman, HSPCB
8	Consent to Establish under the	Haryana State Pollution	120 days	Chairman, HSPCB	Appellant Authority	National Green



Sr. No	Services	Department in Haryana	Time Line	Designated Officer	1 <sup>st</sup> Appellate Authority	2 <sup>nd</sup> Appellate Authority
	provisions of Air (Prevention & Control of Pollution) Act, 1981	Control Board (HSPCB)			notified by State Govt.	Tribunal
9	Consent to Establish under the provisions of Water (Prevention & Control of Pollution) Act, 1974	Haryana State Pollution Control Board (HSPCB)	120 days	Chairman, HSPCB	Appellate Authority notified by State Govt.	National Green Tribunal
10	Authorization under Hazardous Waste (Management, Handling and Trans boundary Movement) Rules, 2008	Haryana State Pollution Control Board (HSPCB)	120 days	Chairman, HSPCB	Principal Secretary, Environment Department	National Green Tribunal
11	Authorization under Municipal Solid Wastes (Management & Handling) Rules, 2000	Haryana State Pollution Control Board (HSPCB)	90 days	Chairman, HSPCB	---	National Green Tribunal
12	Consent to operate under the provisions of Air (Prevention & Control of Pollution) Act, 1981	Haryana State Pollution Control Board (HSPCB)	120 days	Chairman, HSPCB	Appellant Authority notified by State Govt.	National Green Tribunal
13	Consent to operate under the provisions of Water (Prevention & Control of Pollution) Act, 1974	Haryana State Pollution Control Board (HSPCB)	120 days	Chairman, HSPCB	Appellant Authority notified by State Govt.	National Green Tribunal
14	Registration under Plastic Manufacture, Sale and Usage Rules, 1999	Haryana State Pollution Control Board (HSPCB)	90 days	Chairman, HSPCB	--	National Green Tribunal
15	Environmental Clearance (EC) under Aravali Notification 1992 & 1999	Director, Environment Department	90 days	Scientist Grade-1	Director General Environment	Addl.Chief Secretary Environment



Sr. No	Services	Department in Haryana	Time Line	Designated Officer	1 <sup>st</sup> Appellate Authority	2 <sup>nd</sup> Appellate Authority
16	Change of land use permission for the units situated within various controlled areas of State with final published development plan of the controlled area and conforming zone (except competency of the Govt.)	Town & Country Planning	60 days	Director General, Town & Country Planning	Additional Chief Secretary, Town & Country Planning	
17	NOC for the units falling outside controlled area but within urban area	Town & Country Planning	30 days	Senior Town Planner	Chief Town planner	Director General, Town & Country Planning
18	NOC for the units falling outside controlled area and urban area	Town & Country Planning	10 days	District Town Planner	Senior Town Planner	Chief Town Planner
19	License for the brick kilns, charcoal kilns, stone crushers	Town & Country Planning	30 days	Senior Town Planner	Chief Town planner	Director General, Town & Country Planning
20	Sanction of building plans of site up to 2.0 acres (8093.70sqm)	Town & Country Planning	45 days	District Town Planner	Senior Town Planner	Chief Town Planner
21	Sanction of building plans of site up to 2.0 acres (8093.70sqm) and up to 5.0 acres (20234.25 sqm)	Town & Country Planning	60 days	Senior Town Planner	Chief Town planner	Director General, Town & Country Planning
22	Sanction of building plans of site above 5.0 acres (20234.25sqm)	Town & Country Planning	90 days	Chief Town planner	Director General, Town & Country Planning	Additional Chief Secretary, Town & Country Planning
23	Issue of occupation	Town &	45 days	Senior Town	Chief Town	Director



Sr. No	Services	Department in Haryana	Time Line	Designated Officer	1 <sup>st</sup> Appellate Authority	2 <sup>nd</sup> Appellate Authority
	certificate up to plot area of 500 sqm having no composition of offence.	Country Planning		Planner	planner	General, Town & Country Planning
24	Issue of occupation certificate for plot area from 500 sqm to 5.0 acres (20234.25 sqm) in case of CLU granted area and community sites in licensed plotted colonies. Commercial site in plotted colonies up to 2.0 acres having no composition of offence.	Town & Country Planning	60 days	Senior Town Planner	Chief Town planner	Director General, Town & Country Planning
25	Issue of occupation certificate in cases other than mentioned at Sr. No. 9 & 10 above and having no composition of offence.	Town & Country Planning	90 days	Director General, Town & Country Planning	Additional Chief Secretary, Town & Country Planning	
26	Grant of Renewal Drugs Manufacturing License	State Drugs Controller	45 days of receipt of application including rejection, if needed	State Drugs Controller	Govt. of Haryana Director for Health Services	ACS Health
27	Issue of License for Manufacturing Bulk Drugs/ formulations	Health Services, Deptt.	15 days	Drug Controller	Director, Health Services	Addl. Chief Secretary, Health
28	Allotment of Land/ Shed in IE/IDA	HSI IDC	90 days	DGM /Addl. GM (Industrial Estate)	GM, HSI IDC	MD, HSI IDC
29	Approvals of plans from Factories Department under Factories Act, 1948	Labour Deptt. Haryana	45 working days	Addl. Director-cum-Addl. Chief Inspector of Factories,	Labour Commissioner-cum-Chief Inspector of Factories	Principal Secretary, Labour & Employment, Govt. of





Sr. No	Services	Department in Haryana	Time Line	Designated Officer	1 <sup>st</sup> Appellate Authority	2 <sup>nd</sup> Appellate Authority
				Haryana	Haryana	Haryana
30	Factories License under Factories Act, 1948	Labour Deptt. Haryana	45 working days	Addl. Director-cum-Addl. Chief Inspector of Factories, Haryana	Labour Commissioner-cum-Chief Inspector of Factories Haryana	Principal Secretary, Labour & Employment, Govt. of Haryana
31	Shop Registration under Shops and Establishment Act	Labour Deptt. Haryana	15 days	Labour Inspector	Assistant Labour Commissioner	Labour Commissioner
32	NOC from Fire Services Department	Urban Local Bodies	<u>60 days</u>	Secretary/ E.O./Joint Commissioner	Director, Urban Local Bodies	Addl. Chief Secy, Urban Local Bodies
33	Property Tax Registration	Urban Local Bodies Deptt.	<u>15 days</u>	Secretary/ E.O./Joint Commissioner	Director, Urban Local Bodies	Addl. Chief Secretary, Urban Local Bodies
34	Weights and measures registration	Food & Supplies Deptt.	15 days	Dy. Controller Weights & Measures	Addl. Director Food & Supplies	Director, Food & Supplies



## Labour Reforms

### **1 Web-enabling of services**

Haryana is one of the leading states in implementing web-enabled services especially on-line registration of establishments under Shops and Commercial Establishments Act, 1958 and Factories under the Factories Act, including on line payment of fees. IT Plan has been approved which consists of web-enabling of several other services under various Labour Laws. It also provides for on-line filing of returns under various labour laws and transparent inspection schemes etc. This elaborate IT Plan is in the process of being implemented.

### **2 Filing of Statutory Returns through on-line mode**

There are about 12 central labour laws under which statutory returns have to be filed by the employers every year. The Ministry of Labour, Govt. of India has already combined all these returns into a single format and notified it. The State Government would enable & implement these norms through on-line mode expeditiously.

### **3 Certification of factory building plans**

The process of certification of factory building plans prescribed under the Factories Act, 1948, have been streamlined and powers decentralized. The plans for NCR region are approved locally at the level of Additional Labour Commissioner (NCR), Gurgaon and for the rest of the State at the Head Office. The process will be further streamlined when the web-enabling of services is completed and expanded across the state.

### **4 Declaring IT/ITES, Electronics, Auto & Textile Industry as Public Utilities under Industrial disputes Act 1947**

Declaring IT/ITES, Electronics, and Auto & Textile Industry as Public Utilities under Industrial disputes Act 1947 would be considered & examined appropriately and in case it is found feasible and desirable, it would be implemented in a time bound manner.

### **5 Creation of Virtual Employment Exchanges for labour sourcing**

Creation of Virtual Employment Exchanges for labour sourcing under PPP Model or any other suitable model will be considered. This shall also find space in an integrated manner with the e-Biz portal

### **6 Retrenchment, Lay off & Closure-Limit under the Industrial Disputes Act, 1947**

The limit of number of workers for coverage for Retrenchment, Lay off & Closure-Limit under the Industrial Disputes Act, 1947; would be raised from 100 to 300. This would bring greater flexibility in employing workers and would eventually benefit workers. More employment avenues would be available to workers as employers' business risk taking capacity would be augmented and they would be willing to avail services of greater number of workers as per their requirements.

### **7 Increase in coverage limit for small industries under Factories Act, 1948**

The draft of Small Industries Conditions of Service Bill has already been finalized by the Ministry of Labour, Govt. of India and is under consideration for further approvals. This law will provide for raising the limit of number of workers to 40 for exemption from coverage under Factories Act, 1948 from the present level of 10 workers. The State Government would be prompt in implementing the provisions after its approval for benefit of small industries.

### **8 Increase in overtime working hours under the Factories Act, 1948**

Overtime working hours under the Factories Act, 1948 would be increased from present norms of 50 hours per quarter to 50 hours per month, 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.

#### **9 Promotion of cordial industrial relations**

The Government would take all measures for promotion of cordial industrial relations, which would be win-win situation for workers and entrepreneurs. Any unwarranted act of unlawful confinement, show of force, illegal strike, damage to unit, public & private property, violence against individuals or within the factory premises would be strongly discouraged and dealt with appropriately.

#### **10 Single window system approvals & licenses**

It would be endeavoured to implement Single window system for various approvals & licenses relating to Labour/Factory/Pollution/Fire/Power etc., wherever feasible or wherever there are synergies.

#### **11 Increase in number of contract labour for applicability of the Contract Labour (Regulation & Abolition) Act, 1970**

Number of contract labour for applicability of the Contract Labour (Regulation & Abolition) Act, 1970 would be increased to 100 to provide greater flexibility & ease in hiring of workers.

#### **12 Working of females in night shifts**

The amendment is already under consideration of the Ministry of Labour, Govt. of India and would be appropriately implemented in the State after approval. Safety of women workers would also be a top priority for the Government, for which appropriate steps would be taken.

#### **13 Amendment in night working hours and daily working hour limit under Shops & Establishment Act**

Keeping in view the demand of various stakeholders and the changes in the working pattern over a period of time, the definition of night working hours and daily working hour limit would appropriately amended and liberalized.

#### **14 Recognizing third party service providers to provide certifications and conduct inspection**

There is already a provision for certification of safety of machine etc. under the Factories Act by 'competent person' authorized under the law. The system is proposed to be expanded further for larger coverage and reduce the burden on the inspection machinery.

#### **15 Labour Well-Being and Welfare**

Facilities like ESI hospitals & dispensaries, Welfare Centres and affordable industrial worker housing would be provided to industrial workers wherever warranted. More FAR is being allowed to Industrial Workers Housings at par with Affordable Housings (FAR 225 with 900 Density). The Government will explore the possibility of creating a safety net scheme for the industrial labour in collaboration with the industry.

#### **16 Differential labour wages for Tier II Towns/areas for dispersal of industry**

In line with focus & emphasis of the government on dispersal of industrial activity and to incentivize entrepreneurs to set up units in Tier II Towns/areas by way of lower cost of factor(s) of production, the suggestion for differential labour wages for Tier II Towns/areas would be appropriately examined.

The issue of labour reforms is under consideration of the Ministry of Labour Govt. of India as it is a concurrent subject. Haryana is an active participant in the process being under taken by the Ministry.



## **Environment Related Reforms**

### **1.1. Categorization of industries and exemption from consent**

The industries/projects have been categorized under red, orange and green categories based upon their pollution potential on directions of Central Pollution Control Board (CPCB), issued vide letter dated 4<sup>th</sup> June 2012. The Green category industries/projects and those industries not covered under any of the identified categories of polluting industries have been exempted from consent management vide order no. HSPCB/PLG/2012/2936-56 dated 16<sup>th</sup> Nov. 2012 and through notification of the Haryana State Pollution Control Board (HSPCB) dated 15<sup>th</sup> April 2014.

### **1.2. Streamlining & simplification of consent to establish and consent to operate**

The procedure for obtaining consent to establish and consent to operate by the industries, required under the Water Act 1974 and the Air Act 1981, has been streamlined & simplified vide notification dated 15<sup>th</sup> April 2014. All the procedure and policy orders are displayed on the website of Haryana State Pollution Control Board (HSPCB) for benefit of the industry & investors. This policy shall enable the necessary provisions and inclusion on the e-Bix portal for further facilitation.

The norms are further being liberalized in line with recommendations of the working group of the Govt. of India. As per the revised norms, the minimum period of consent would be 5 years for red category, 10 years for orange category and life time for green category.

### **1.3. Streamlining the process of inspections of the units**

Inspections of the units will be undertaken only with the approval of the head of the department(s) and after prior intimation, unless otherwise warranted. Normally, not more than 20 percent of the units shall be picked randomly for inspection in a year which shall be carried out only once regarding implementation of all the applicable laws. Once inspected, the same unit is not likely to be inspected in the same year and/or in next 4 years, provided that no specific violation of terms/conditions/norms etc. is brought to notice. Reports for such inspections would be submitted within 72 hours and purpose & outcome of such visits would be duly recorded by the inspection team.

### **1.4. Outsourcing of sample analysis**

Three private laboratories had been authorized to analyse the effluent/air samples for the year 2014-15 and the process of authorization of private laboratories is in progress for the year 2015-16. The private laboratories meeting the criteria fixed by the Haryana State Pollution Control Board (HSPCB) will be authorized to analyse the effluent/air samples. The Government shall endeavour to further authorize adequate number of private laboratories to analyse the effluent/air samples for convenience of the units.

### **1.5. Online Consent Management System**

Haryana State Pollution Control Board (HSPCB) has already started the online consent management system w.e.f. 1<sup>st</sup> January 2013 and all the applications are received and decided only through online consent management system. Time limits have been prescribed to dispose of the applications to ensure that all the applications are decided within the stipulated time period, which is a maximum of 120 days.

### **1.6. Online Registration under various rules**

Module for online registration under various rules, Plastic manufacture, Sale and usage Rules, 1999; Payment of water cess under the provisions of water (Prevention and Control of Pollution) Cess Act, 1977; Bio Medical Waste (Management and Handling) Rules, 1998 etc. is under preparation and will be expedited for its early implementation.



**1.7. Common Application form**

Common application form for obtaining consent to establish and consent to operate under Water Act and Air Act and Authorization under HWM Rules has been implemented.

**1.8. Online monitoring systems for effluent and air emissions**

The process of installing online monitoring systems for effluent and air emissions from the polluting industries has been commenced.

The State Government norms will not be stricter than the Government of India norms relating to various environment/pollution control issues/requirements.



**EDC Charges and land uses for private sector Industrial Estate**

Sr. No.	Category of Industrial Colony/Park	Permissible Usage	EDC to be as % of the total charge
1.	Upto 50 acres size	No changes proposed in the norms in this category – industrial – 45% (min), residential/housing use-15%(max), commercial-5% (max)	As prescribed except 50% for the industrial use
2.	More than 50 acres upto 200 acres	Industrial-40% (min); residential/housing use-20%(max) of affordable/ group housing /plots; commercial – 5% (max)	
3.	More than 200 acres	Industrial – 35% (min); mixed use – 30% consisting of residential/housing - 25%(max) comprising of affordable/ group housing /plots; commercial – 5% (max)	

**Note:** The land use in non-industrial categories mentioned above are broadly indicative in nature, but the overall ceiling in terms of percentage of the total land use for non-industrial activities will be 20% in sr.no.1, 25% in sr.no.2 and 30% in sr.no.3



Annexure-8

**No CLU Blocks**

Sr. No.	District	Block	Development Plan	Development Plan under Process	Controlled Area Plan.	No Development Plan neither controlled area declared.
1.	Ambala	Shehzadpur	-	-	-	Shehzadpur
2.	Bhiwani	Tosham	-	-	-	Tosham
3.		Badhra	-	-	-	Badhra
4.		BawaniKhera	-	-	-	BawaniKhera
5.		Bond Kalan	-	-	-	Bond Kalan
6.		Kairu	-	-	-	Kairu
7.	Hisar	Adampur	-	-	-	Adampur
8.	Jhajjar	Sahlawas	-	-	-	Salhawas
9.		Malenhail	-	-	-	Matenhail
10.	Jind	PilluKhera	-	-	-	PilluKhera
11.		Alewa	-	-	-	Alewa
12.	Kaithal	Rajound	-	-	-	Rajound
13.		Siwan	-	-	-	Siwan
14.	Karnal	Nissing at Chirao	-	-	-	Nissing at Chirao
15.	Kurukshetra	Babain	-	-	-	Babain
16.	Mewat	Nagina	-	-	-	Nagina
17.	Mehendergarh	AteliNangal	-	-	-	AteliNangal
18.		Kanina	-	-	-	Kanina
19.		Nagal Chaudhary	-	-	-	Nagal Chaudhary
20.	Palwal	Hassanpur	-	-	-	Hassanpur
21.	Rewari	Khol at Rewari	-	-	-	Khol at Rewari
22.		Jatusana	-	-	-	Jatusana
23.		Nahar	-	-	-	Nahar
24.	Rohtak	LakhanMajra	-	-	-	LakhanMajra
25.	Sirsa	Rania	-	-	-	Rania
26.		Baragudha	-	-	-	Baragudha
27.		Ellenabad	-	-	-	Ellenabad
28.		Odhan	-	-	-	Odhan
29.		NathusriChopta	-	-	-	NathusriChopta
30.	Sonepat	Mundlana	-	-	-	Mundlana
31.		Kathura	-	-	-	Kathura



Annexure -9

**Auto-CLU Blocks**

Sr. No.	District	Block	
1.	Ambala	1.	Ambala-I
		2.	Ambala-II
		3.	Saha
		4.	Barara
		5.	Naraingarh
2.	Bhiwani	6.	Bhiwani
		7.	Dadri
		8.	Loharu
		9.	Siwani
		10.	Bahal
	Fatehabad	11.	Fatehabad
		12.	Tohana
		13.	Ratia
		14.	Bhattu Kalan
		15.	Jakhal
		16.	Bhuna
3.	Hisar	17.	Hisar-I
		18.	Hisar-II
		19.	Hansi-I
		20.	Hansi-II
		21.	Barwala
		22.	Narnaund
		23.	Uklana
		24.	Agroha
4.	Jhajjar	25.	Jhajjar
		26.	Beri
	Jind	27.	Jind
		28.	Narwana
		29.	Safidon
		30.	Julana
		31.	Uchana
5.	Karnal	32.	Karnal
		33.	Gharaunda
		34.	Nilokheri
		35.	Assandh
		36.	Indri
	Kaithal	37.	Kalayat
		38.	Guhla at Cheeka
		39.	Kaithal
		40.	Pundri
	Kurukshetra	41.	Pehowa
		42.	Thanesar





		43.	Ladwa
		44.	Shahbad
6.	Mewat	45.	Taoru
		46.	Nuh
		47.	Ferozpur Jhirka
		48.	Punhana
	Mahendergarh	49.	Narnaul
		50.	Mahendergarh
7.	Panchkula	51.	Barwala
		52.	Pinjore
		53.	Morni
		54.	Raipur Rani
8.	Panipat	55.	Samlakha
		56.	Israna
		57.	Madlauda
		58.	Bapauli
9.	Palwal	59.	Hodel
		60.	Hathin
10.	Rewari	61.	Rewari
11.	Rohtak	62.	Rohtak
		63.	Meham
		64.	Kalanaur
	Sirsa	65.	Sirsa
		66.	Dabwali
12.	Sonepat	67.	Ganaur
		68.	Kharkhoda
		69.	Gohana
13.	Yamuna Nagar	70.	Jagadhri
		71.	Bilaspur
		72.	Chhachhrauli
		73.	Radaur
		74.	Mustafabad
		75.	Sadhaura

**NOTE:-** FARIDABAD, BALLABHGARH, GURGAON, SOHNA, PATAUDI, FARUKHNAGAR, PANIPAT, RAI, SONIPAT, SAMPLA, BAHADURGARH, BAWAL AND PALWAL BLOCKS HAVE CATEGORIZED AS CATEGORY 'A' BLOCKS COMPRISING OF INDUSTRIALLY DEVELOPED AREAS.



## INCENTIVES & INFRASTRUCTURE SCHEMES

Annexure-10

### 1. ULTRA MEGA PROJECTS:

Ultra Mega Projects shall be offered special package of incentives by Haryana Enterprise Promotion Board including such as mixed land use, allotment of land at a price to be decided by the Government etc.

### 2. MEGA PROJECTS (standard package of incentive):

#### 2.1 Investment Subsidy on VAT:

75% of VAT/SGST net paid for first 5 years, 35% for next three years in 'D' category blocks; 50% for first 5 years, 25% for next three years in 'C' category blocks; 30% for first 5 years, 15% for next three years in 'B' category blocks from the date of commencement of commercial production with cap of 100% of fixed capital investment.

#### 2.2 Employment Generation Subsidy:

For capacity building of persons belonging to Haryana (skilled/semi-skilled) engaged minimum of 50% of total employment, the subsidy @ Rs.36,000/- per year for SC/ Women and Rs.30,000/- per year for General category for 5 years or 20% of the VAT/SGST deposited in 'B', 'C' & 'D' category blocks, whichever is less. The evidence for employment would be related statutory returns such as returns filed under the Employees Provident Fund Act, etc.

#### 2.3 Electricity Duty Exemption:

100% Exemption from payment of Electricity duty for new mega project for a period of 5 years in 'B' & 'C' category blocks and 7 years in 'D' category blocks from the date of release of electricity connection.

#### 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 area meant for industrial use after commencement of commercial production, within 5 years from the date of filing of IEM.

#### 2.5 EDC Charges:

50% exemption towards External Development Charges in 'B', 'C' & 'D' category blocks.

**Note:** Special package of incentives over and above of the standard package for Mega Projects having potential to develop ancillary enterprises will also be considered by Haryana Enterprise Promotion Board.

### LARGE UNITS:

#### 2.6 Investment Subsidy on VAT:

75% of VAT/SGST net paid for first 7 years, 35% for next three years in 'D' category blocks; 50% for first 5 years, 25% for next three years in 'C' category blocks from the date of commencement of commercial production with cap of 100% of fixed capital investment.

75% of VAT/SGST net paid in 'D' category blocks for 7 years, 50% in 'C' category blocks for 5 years on 50% additional investment in plant and machinery for expansion/ diversification with cap of 100% of fixed capital investment on expanded FCI.

#### 2.7 Employment Generation Subsidy:

For capacity building of persons belonging to Haryana (skilled/semi-skilled) engaged minimum of 50% of total employment, the subsidy @ Rs. 36,000/- per year for SC/ Women and Rs. 30,000/- per year for General category for 5 years or 20% of the VAT deposited, in 'C' & 'D' category blocks, whichever is less.

#### 2.8 Electricity Duty Exemption:

100% Exemption only for new enterprise for 5 years in 'C' category blocks & 7 years in 'D' category blocks from the date of release of electricity connection.

#### 2.9 Stamp Duty:

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



#### **2.10 EDC Charges:**

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

### **3. MICRO, SMALL AND MEDIUM ENTERPRISES:**

#### **3.1 Investment Subsidy on VAT:**

75% of VAT/SGST net paid for first 7 years, 35% for next three years in 'C' & 'D' category blocks and 50% for first 5 years, 25% for next three years in 'B' category blocks from the date of commencement of commercial production with cap of 100% of fixed capital investment.

75% of VAT/GST net paid for first 7 years, 35% for next three years in 'C' & 'D' Category blocks and 50% for first 5 years, 25% for next three years in 'B' Category blocks provided atleast 50% additional investment in plant and machinery for expansion/ diversification with cap of 100% of fixed capital investment of the expanded FCI.

#### **3.2 Interest Subsidy:**

@ 5% for Micro & Small Enterprises on term loan or maximum upto Rs. 10.00 lakh per year for 3 years in 'B', 'C' & 'D' Categories Blocks & shall not exceed amount of net VAT/SGST paid during the relevant year.

@ 5% for Micro & Small Enterprises on term loan for expansion/diversification which are not covered under CLCSS of Gol or maximum upto Rs. 10.00 lakh per year for 3 years in 'B', 'C' & 'D' Categories Blocks & shall not exceed amount of net VAT/SGST paid during the relevant year.

#### **3.3 Assistance for Technology Acquisition:**

50% of cost for adopting technology from recognized National Institutes, max. of Rs. 25.00 lakh.

#### **3.4 Testing Equipment Assistance:**

In order to ensure 'Zero Defect' in the quality of products to make globally competitive, the financial support of 50% as subsidy or maximum of Rs. 5 lakh for the purchase of testing equipments shall be provided to Micro and Small Enterprises.

#### **3.5 Patent Cost:**

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

#### **3.6 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 and Small Enterprises. (The Units adopting zero effluent will be considered for higher subsidy on case to case basis).

#### **3.7 Energy Audit:**

75% reimbursement or maximum of Rs. 2 lakh for conducting energy audit. Also 50% subsidy on cost of capital equipments required for undertaking measures to conserve energy, subject to maximum of Rs. 20 lakh.

#### **3.8 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 lakh on the cost of capital equipments required for Water Conservation/ Harvesting System.

#### **3.9 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 equipments required for undertaking safety measures, subject to maximum of Rs. 5 lakh.

#### **3.10 Special provisions for Start-Ups / First Generation Entrepreneurs:**

In order to encourage Start-Ups for setting up of Micro & Small enterprise, 100% investment subsidy of VAT/SGST net paid upto turnover of Rs. 3.00 crore for three years whichever is earlier, in 'B', 'C' and 'D' category blocks. Such enterprise shall be exempted from inspection of the concerned departments. Criteria for start-ups shall be defined in the scheme (Professionals such as engineers, MBA, CA with 5 years experience without



having any business background).

**3.11 Entrepreneurship Development Program:**

The financial support of Rs. 2 lakh shall be provided to Government Universities/ NIT/ IIT/ Technical Institutes for conducting entrepreneurship development program.

**3.12 E-Commerce Portal for MSMEs:**

A Budget provision of Rs. 10 crore for brand building and on-line trading of products manufactured by MSMEs, Handloom/ Handicrafts/ Khadi Products.

**3.13 MSME State Awards:**

Outstanding Entrepreneurship State Awards shall be provided to Micro and Small Enterprises of Rs. 3 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.

**3.14 Credit Rating:**

Reimbursement of the expenses incurred towards the credit rating to the extent of 75% or maximum of Rs. 2 lakh for Micro and Small enterprises carried out by SIDBI / Govt. accredited credit rating agency.

**3.15 Quality Certification:**

75% reimbursement or maximum of Rs. 1 lakh for obtaining ISO certifications.

**3.16 Stamp Duty Refund:**

100% refund of stamp duty on purchase/ leasing of land for establishment of enterprise including Industrial Estates developed by HSIIDC/ private developer in 'D' category blocks, 75% in 'C' category blocks and 50% in 'B' Category blocks within 5 years from the date of filing of EM.

**3.17 CLU/EDC charges:**

50% exemption of Conversion charges and EDC in 'B', 'C' & 'D' category blocks.

**3.18 Electricity Duty Exemption:**

100% exemption for 7 years for all new enterprise in 'B', 'C' & 'D' category Blocks from the date of release of electricity connection.

**3.19 Credit Linked Capital Subsidy for Technology Up-gradation:**

Under the Credit Linked Capital Subsidy Scheme (CLCSS) for Technology Up-gradation of Ministry of MSME, the Govt. of India provides 15% upfront capital subsidy for facilitating technology up-gradation in specified sectors/products of the Industry, max. of Rs. 15 lakh. The State would also provide interest subsidy @ 5% upto a maximum of 5 lakh per year for a period of 3 years to such units eligible under this scheme.

**3.20 Design Clinic Scheme:**

Gol provides Rs. 3 lakh with contribution of Rs. 1 lakh by industries for conducting Design Awareness Program (DAP) in the various clusters by National Institute of Design, Ahmadabad. The State would refund the contribution of industries of Rs. 1 lakh per program.

Gol provides funding support @ 60% of the designing cost upto a maximum of Rs. 15 lakh under the Design Clinic Scheme. The State Government would provide 20% of the designing cost out of the 40% contribution to be made by the Industry.

**3.21 Market Development Assistance:**

The complete reimbursement of participation charges for space of maximum size up to 9 sq.m. and actual second class AC travelling charges and boarding charges at the rate of Rs.1000 per day shall be made to Micro and Small enterprises for participating in the exhibitions within the country, whereas the 75% space charges, shipment of exhibits, cost of product literature, display material or maximum up to Rs. 5 lakh and air fare by economy class up to Rs. 1 lakh will be reimbursed for participation in the international fairs / exhibitions for one fair in a year. This would be in addition to the yearly support being provided by Gol for one fair.

**3.22 Collateral Free Credit Guarantee Scheme:**



One time contribution of Rs. 100 crore to CGTMSE of GoI for Collateral Free Credit Guarantee cover of Rs. 1000 crore shall be made for advancing loans upto maximum of Rs. 1 crore by the lending institutions to Micro & Small enterprises.

**3.23 Power Tariff Subsidy:**

Rs. 2 per unit only for Micro and Small Enterprise in 'C' and 'D' Category blocks for 3 years from the date of release of electricity connection.

**4. TEXTILE SECTOR (apparel/knitting/ embroidery/ technical textiles):**

**4.1 Investment Subsidy on VAT:**

75% of VAT/SGST net paid for first 7 years, 35% for next three years in 'C' & 'D' category blocks and 50% for first 5 years, 25% for next three years in 'B' category blocks from the date of commencement of commercial production with cap of 100% of fixed capital investment.

75% of VAT/SGST net paid for first 7 years, 35% for next three years in 'C' & 'D' category blocks and 50% for first 5 years, 25% for next three years in 'B' category blocks provided atleast 50% additional investment in plant and machinery for expansion/ diversification with cap of 100% of fixed capital investment of expanded FCI.

**4.2 Employment Generation Subsidy:**

One-time support of Rs. 10,000/- for capacity building of persons belonging to Haryana (skilled/semi-skilled) engaged in apparel rural functional clusters in 'B', 'C' and 'D' category blocks. (Any other category notified by the Government).

**4.3 Interest Subsidy:**

@ 6% or maximum upto Rs. 10 lakh per year for Micro, Small & Medium Enterprise on term loan for new/ expansion/ diversification in addition to interest incentive under RTUFS of GOI for 5 years for garments/ knitting/ embroidery/ technical textiles and 5% for ginning, cotton spinning and power loom MSMEs maximum of Rs. 10 lakh for 5 years in 'B', 'C' and 'D' category blocks and shall not exceed the amount of net VAT/ SGST paid in the State by the enterprise during the relevant year.

**4.4 Stamp Duty:**

100% refund of stamp duty on purchase/ leasing of land for establishment of enterprise including Industrial Estates developed by HSIIDC/ private developer in 'C' & 'D', 80% in 'B' category blocks after commencement of commercial production, within 5 years from the date of filing of EM/IEM.

**4.5 EDC Charges:**

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

**4.6 Mandi Fees Exemption:**

100% exemption in case of ginning enterprises in 'B', 'C' and 'D' category blocks.

**4.7 Power Tariff Subsidy:**

Rs. 2 per unit only for Micro and Small Enterprise in 'C' and 'D' Category blocks for 3 years from the date of release of electricity connection and exemption from open excess charges of 93 paise per unit in case of Medium and Large units.

**4.8 Electricity Duty Exemption:**

100% exemption for 10 years only for new enterprises in 'B', 'C' and 'D' category blocks from the date of release of electricity connection.

**4.9 VAT Exemption on cotton yarn:**

100% VAT exemption of VAT @ 5.25% on cotton yarn manufactured in the State.

**4.10 Transfer Property Tax:**

Exemption from Transfer Property Tax in case of Dyes & Chemicals purchased from outside the state being used in process house.

**Note:** The other incentives specified for MSME sector would also be permissible for these categories of Textile MSME units.



## 5. AGRO INDUSTRIES AND FOOD PROCESSING SECTOR:

### 5.1 Investment Subsidy on VAT:

75% of VAT/SGST net paid for first 7 years, 35% for next three years in 'B', 'C' & 'D' category blocks from the date of commencement of commercial production with cap of 100% of fixed capital investment.

75% of VAT/SGST net paid for first 7 years, 35% for next three years in 'B', 'C' & 'D' category blocks provided atleast 50% additional investment in plant and machinery for expansion/ diversification with cap of 100% of fixed capital investment of the expanded FCI.

### 5.2 Interest Subsidy:

@ 6% for Micro, Small & Medium Enterprises on term loan or maximum upto Rs. 10 lakh per year for 5 years in 'B', 'C' & 'D' Categories Blocks & shall not exceed amount of net VAT/SGST paid during the relevant year.

### 5.3 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 Govt.

### 5.4 Stamp Duty:

100% refund of stamp duty on purchase/ leasing of land for establishment of enterprises including Industrial Estates developed by HSIIDC/ private developer in 'C' & 'D', 80% in 'B' category blocks after commencement of commercial production, within 5 years from the date of filing of IEM.

### 5.5 EDC Charges:

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

### 5.6 Power Tariff Subsidy:

Rs. 2 per unit only for Micro and Small Enterprise in 'C' and 'D' Category blocks for 3 years from the date of release of electricity connection and exemption from open excess charges of 93 paise per unit in case of Medium and Large units.

### 5.7 Electricity Duty Exemption:

100% exemption for 10 years only for new enterprise in 'B', 'C' and 'D' category blocks from the date of release of electricity connection.

### 5.8 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.

### 5.9 Market Fee:

No market fee would be charged on the vegetables and fruits grown in the State and consumed as raw material by the food processing industry located within the State of Haryana.

No market fee would be charged on agriculture and horticulture produce used as raw material by food processing industries within the State except paddy, sugar, oil-seeds, til, toria, taramira.

**Note:** The other incentives specified for MSME sector would also be permissible for Agro and Food Processing MSME units

## 6. FOOTWEAR SECTOR (Value Addition Products excluding Leather processing):

### 6.1 Investment Subsidy on VAT:

75% of VAT/SGST net paid for first 7 years, 35% for next three years in 'C' & 'D' category blocks and 50% for first 5 years, 25% for next three years in 'B' category blocks from the date of commencement of commercial production with cap of 100% of fixed capital investment.

75% of VAT/SGST net paid for first 7 years, 35% for next three years in 'C' & 'D' category blocks and 50% for first 5 years, 25% for next three years in 'B' category blocks provided atleast 50% additional investment in plant and



machinery for expansion/ diversification with cap of 100% of fixed capital investment of the expanded FCI.

**6.2 Employment Generation Subsidy:**

One-time support of Rs. 10,000/- for capacity building of persons belonging to Haryana (skilled/semi-skilled) engaged in footwear rural functional clusters in 'B', 'C' and 'D' category blocks.

**6.3 Interest Subsidy:**

@ 6% for Micro, Small & Medium Enterprises or maximum upto Rs. 10.00 lakh per year for 5 years in 'B', 'C' & 'D' Categories Blocks limited to amount of net VAT/SGST paid during the relevant year.

**6.4 Stamp Duty:**

100% refund of stamp duty on purchase/ leasing of land for establishment of enterprise including Industrial Estates developed by HSIIDC/ private developer in 'C' & 'D', 80% in 'B' category blocks after commencement of commercial production, within 5 years from the date of filing of IEM.

**6.5 EDC Charges:**

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

**6.6 Power Tariff Subsidy:**

Rs. 2 per unit only for Micro and Small Enterprise in 'C' and 'D' Category blocks for 3 years from the date of release of electricity connection and exemption from open excess charges of 93 paise per unit in case of Medium and Large units.

**6.7 Electricity Duty Exemption:**

100% exemption for 10 years only for new enterprise in 'C' and 'D' category blocks from the date of release of electricity connection and exemption from open excess charges of 93 paise per unit in case of Medium and Large Units.

**6.8 Reduced VAT:**

5% VAT in place of existing 12.5% on the footwear above Rs. 500/-.

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

**7. DEFENCE/ AEROSPACE PRODUCTION**

The maximum incentive specified for any sector and any category of industry will be applicable for the defence production in 'B', 'C' & 'D' category blocks.

**8. ELECTRONICS & SOFTWARE SECTOR**

**8.1 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 Gurgaon and Panchkula.

**8.2 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.

**9. EXPORT ORIENTED UNITS**

**9.1 Freight Assistance:**

Export oriented units have to bear additional transportation cost which makes their product uncompetitive for export in comparison to the units located in the coastal areas. In order to defray the transportation cost partially, 1% of FoB value or actual freight assistance, whichever is less and maximum upto Rs. 20 lakh will be provided to all exporting Micro, Small and Medium enterprises located anywhere in the State.



## 9.2 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. 3 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.

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

## 10. LARGE SERVICE ENTERPRISES

Health Care, Education (Skills Development, Training-cum-incubation centres), IT, Logistics, Warehousing (Cargo handling services etc.), Bulk courier Services, Industrial R&D Labs, Industrial 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 crore. [Any other service enterprises notified by the State Government for inclusion in the list from time to time]

### 10.1 Investment Subsidy on VAT:

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

### 10.2 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.

### 10.3 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.

### 10.4 Electricity Duty Exemption:

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

## 11. HANDICRAFT SECTOR:

### 11.1 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. 51,000/- each would also be conferred on artisans. The artisan once selected for award shall not further be considered during 5 years.

### 11.2 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.

**11.3** The complete reimbursement of participation charges for space of maximum size upto 6 sq.m. and actual second class AC travelling charges and boarding charges at the rate of Rs. 1000 per day shall be made to artisans for participating in the exhibitions organized by Export Promotion Councils/Government Agencies within the country, whereas the 100% participation charges or maximum up to Rs. 3 lakh and air fare by economy class up to Rs. 1 lakh shall be reimbursed for the international fairs / exhibitions once in a year.

### 11.4 Interest Subsidy:

@6% interest subsidy on bank loan to the artisans for handicraft activities with capping limit of Rs. 25,000/- per year for the period of three years will be provided to the artisans.





## **12. INFRASTRUCTURE RELATED SCHEMES:**

### **12.1 Cluster Development Program (MSE-CDP):**

Govt implements MSE-CDP scheme for creating common facility centre with investment upto maximum of Rs. 15.00 crore for a group of atleast 20 existing Industries in a cluster with Financial support (Govt, 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. 15.00 Crore and upto Rs. 20.00 Crore, as State share.

### **12.2 State Mini Cluster Development Scheme:**

State Mini Cluster Development Scheme for creating Common Facility Centre (CFC) for a group of atleast 10 existing units with funding pattern of 90% State contribution: 10% SPV for project cost upto Rs. 2 Crore.

### **12.3 Critical Infrastructure Project Scheme(CIP):**

State shall introduce new scheme for supporting the basic/ critical infrastructure need of industries with funding pattern of 80% State share restricted to Rs. 1.6 crore: 20% SPV, of project cost upto Rs. 5 crore in conforming zone within controlled area and anywhere outside the controlled area.

### **12.4 Incubation Centre for Food Sector:**

The financial assistance for creating incubation centre to the extent of Rs. 70 lakh shall be provided to NIFTEM.

### **12.5 Incubation Centre in Universities:**

The financial assistance of Rs. 30.00 lakh per university and under the scheme 2 universities will be assisted per year and this would be supplement to the assistance obtained from Govt, if any.

### **12.6 Creation of Industrial Infrastructure Development Scheme:**

IIDS will be introduced for providing adequate width of road connectivity with nearest State/ National highway, water and independent power feeder upto the premises/periphery of Mega project and identified service enterprise, thrust rural clusters and rural functional clusters set up in 'C' and 'D' category blocks, for defence projects set up in 'B', 'C' and 'D' category blocks and Industrial Estates developed by the Private Developer in 'C' & 'D' category blocks. The budget provision of Rs. 100 crore will be made per annum.

### **12.7 ASIDE Scheme:**

The State shall keep the ASIDE Scheme continue under the State budget for creating/ up-gradation of infrastructure in respect of technical infrastructure such as Testing Laboratory, R&D centers, Exhibition-cum-Convention Center, CFC, Critical Infrastructure, Inland Container Depot, Design Development Centre for the promotion of exporting units. The scheme of MoMSME shall also be leveraged in respect of Government Quality Marking Centers.

### **12.8 Modified Special Incentive Package Scheme:**

Govt provides assistance for Electronics Manufacturing Clusters to attract investment in Electronics System Design & Manufacturing (ESDM) Industries @ 50% of the project cost in Greenfield EMCs and @75% in brown field EMCs, maximum of Rs. 50.00 crore. The remaining project cost to be financed by other stake holders of EMC with a minimum industry contribution of 25% of cost.

The State shall supplement the scheme by contributing 50% of the contribution of stake holders subject to cap of Rs. 25.00 crore. The benefit of the State contribution shall be passed by the developing agency to the allottees.

### **12.9 Assistance for Zero Liquid Discharge Common Effluent Treatment Plants (Supplement to Govt Scheme):**

Govt provides assistance for establishing Zero Liquid Discharge Plant @50% or maximum upto Rs.75 crore with 25% state share & 25% by SPV (15% + 10% bank loan). The State shall supplement the scheme of Govt and shall provide funding support to HUDA for establishing Zero Liquid Discharge Plant of 30 MLD capacity at Panipat with contribution of 25% State share and differential cost and total contribution would be about Rs. 85 Crore.

### **12.10 Export Exhibition Centre:**

The financial assistance of Rs. 20 crore shall be provided to HSIIDC for upcoming Export Exhibition Centre for



Handlooms at Panipat.

**12.11 Consultancy Scheme:**

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

**12.12 Stamp Duty Refund for Industrial Park:**

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







## **Minister – Industries & Commerce**

Haryana Civil Secretariat, Sector-1, Chandigarh, INDIA  
Office No: 0172-2740212  
Email: officefm2014@gmail.com

## **Principal Secretary - Industries & Commerce**

Haryana Civil Secretariat, Sector-1, Chandigarh, INDIA  
Office No: 0172-2740009  
Email: psindustryhry@gmail.com

## **Director General**

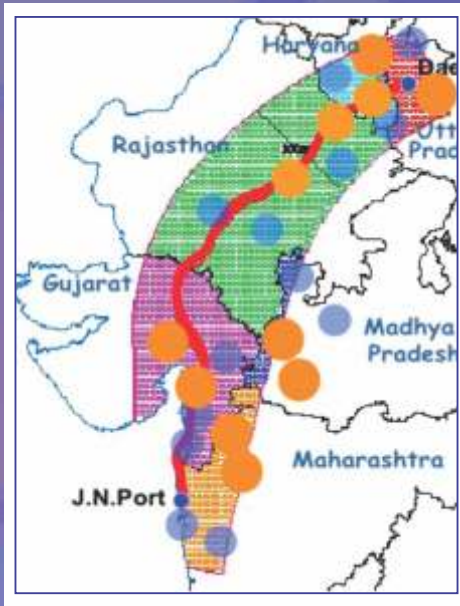
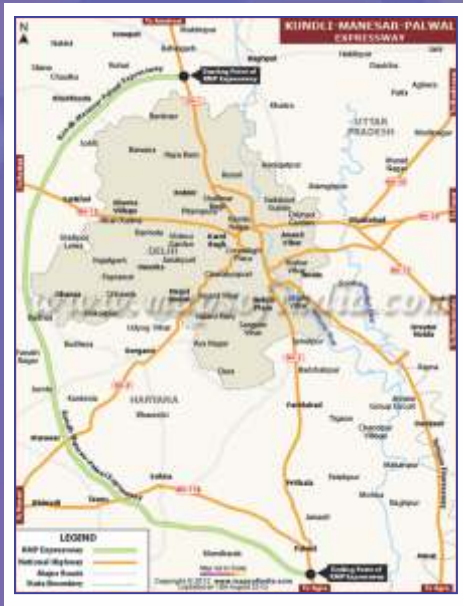
Department of Industries & Commerce,  
Haryana. 1st Floor, 30 Bays Building,  
Sector17, Chandigarh, INDIA  
Ph. 0172-2701344  
Email: ipcharyana@yahoo.com

## **Managing Director**

Haryana State Industrial & Infrastructure Development Corporation Limited,  
Plot No: C-13-14, Sector 6,  
Panchkula-134109 ,  
Haryana, INDIA  
Enquiries: +91-172-2590324, +91-172-2590475  
Email : md@hsiidc.org.in

# HARYANA

State Capital ..... ●  
 District ..... ●



Government of Haryana  
 Department of Industries & Commerce  
[haryanaindustries.gov.in](http://haryanaindustries.gov.in) & [hsiidc.org.in](http://hsiidc.org.in)