

## 1. MICRO, SMALL AND MEDIUM ENTERPRISES:

**Medium Enterprise:** Investment in Plant and Machinery or Equipment does not exceed INR 50 crore and turnover does not exceed INR 250 crore as amended under the MSMED Act, 2006 or as amended by GoI from time to time.

**Small Enterprise:** Investment in Plant and Machinery or Equipment does not exceed INR 10 crore and turnover does not exceed INR 50 crore as amended under the MSMED Act, 2006 or as amended by GoI from time to time.

**Micro Enterprise:** Investment in Plant and Machinery or Equipment does not exceed INR 1 crore and turnover and turnover does not exceed INR 5 crore as amended under the MSMED Act, 2006 or as amended by GoI from time to time.

### 1.1 Investment Subsidy in lieu of Net SGST:

- 75% of Net SGST for first 10 years, 35% for next 3 years in 'D' category blocks with cap of 150% of FCI.
- 75% of Net SGST for first 7 years, 35% for next 3 years in 'C' category blocks with cap of 125% of FCI.
- 50% of Net SGST for first 5 years, 25% for next 3 years in 'B' category blocks with cap of 100% of FCI.
- 75% of Net SGST for first 7 years, 35% for next 3 years in 'B', 'C' and 'D' category blocks with cap of 150% of FCI for woman/SC/ST led micro enterprise.

### 1.2 Interest Subsidy:

- 5% for Micro and Small Enterprises on term loan or maximum up to INR 20.00 lakh per year for 5 years in 'C' & 'D' Categories Blocks
- 5% for Micro and Small Enterprises on term loan or maximum up to INR 20.00 lakh per year for 3 years in 'B' Categories Blocks
- 6% for woman/SC/ST led Micro Enterprise on term loan or maximum up to INR 20.00 lakh per year for 5 years in 'B', 'C' & 'D' Categories Blocks.

### 1.3 Employment Generation Subsidy:

For capacity building of persons belonging to Haryana (skilled/semi-skilled/un-skilled) [having Haryana Resident Certificate], Subsidy @ INR 36,000/- per year for SC/ Women and INR 30,000/- per year for general category for 7 years in 'B' 'C' & 'D' category blocks for direct employment on pay roll or contract with valid ESI/PF Number.

### 1.4 Stamp Duty Refund:

100% refund in 'D' category blocks; 75% in 'C' category blocks and 60% in 'B' category

blocks on the land meant for industrial use, after commencement of commercial production within 5 years from the date of purchase of land.

### **1.5 Electricity Duty Exemption:**

100% exemption for 12 years in 'D' category blocks, 10 years in 'C' category blocks and 7 years in 'B' category blocks.

### **1.6 EDC charges:**

100% exemption of External Development Charges in 'D' category blocks, 75% in 'C' category blocks and 60% in 'B' category blocks.

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

## **OTHER INCENTIVES FOR MSMEs.**

### **1.7 Market Development Assistance:**

- **International fair:** 75% space charges, shipment of exhibits, cost of product literature, display material, stall/stand construction/ fabrication/ designing charges or maximum up to INR 4 lakh and air fare by economy class up to INR 1 lakh (maximum 2 person) will be reimbursed for participation by Micro & Small Enterprise in the international fairs / exhibitions for one fair in a year
- **Domestic fair:** 75% space charges, transportation of exhibits, cost of product literature, display material, stall/stand construction/ fabrication/ designing charges or maximum up to INR 3 lakh and air fare by economy class up to INR 0.50 lakh and boarding charges @ INR 5000/- per day per person (maximum two persons) will be reimbursed for participation by Micro & Small Enterprises in the domestic fairs/ exhibitions for one fair in a year.

### **1.8 Testing Equipment Assistance:**

In order to ensure 'Zero Defect' in the quality of products to make globally competitive, Financial support of 50% as subsidy or maximum of INR20 lakh per year for the purchase of testing equipment shall be provided.

### **1.9 Assistance for Technology Acquisition:**

75% of cost for acquiring technology from premier National/International Institutes/Patented Technology from domestic/foreign companies, max. of INR 50.00 lakh.

### **1.10 Patent Cost:**

Financial support by reimbursement of 100% of the actual expenses (including filing fees, consultancy fees, search fees, maintenance fees and Publishing fees) with a maximum of INR 25 lakhs for domestic and international patent registrations.

### **1.11 Quality Certification:**

75% reimbursement of the total expenditure incurred for obtaining certification and logistics charges thereof subject to a maximum of INR 5 lakhs per certification for obtaining ISO/ HACCP/ BSI/ WHO-GMP/ ZED/TS/ Hallmark certifications and INR 10 lakhs per certification for other country specific certifications and would be in addition to the support being provided by Government of India.

### **1.12 Assistance for Environment Compliance:**

50% financial support or maximum of INR 50.00 lakh on capital cost for setting up of Effluent Treatment Plant and for installation of Air Pollution Control Devices for new Micro, Small and Medium Enterprises of all sectors. The Units adopting zero effluent discharge as certified by HSPCB and reusing treated waste water will be considered for higher benefit upto 75% of capital cost, maximum of INR 1 crore.

### **1.13 State Renewable Energy Scheme:**

State will provide interest subsidy on term loan to the tune of 5% (maximum up to INR 5 lakhs per year) for three years for adoption of renewable energy technologies like rooftop solar.

### **1.14 Energy Conservation:**

75% reimbursement or maximum of INR 2 lakhs for conducting energy audit. Further, subsidy on cost of capital equipment required for undertaking measures to conserve energy, 50% in 'D' category blocks, 40% in 'C' category blocks and 30% in 'B' category blocks and 20% in 'A' category blocks, subject to maximum of INR 20 lakhs once in every 5 years. No subsidy for energy audit in case audit recommendations are not implemented.

### **1.15 Water Conservation:**

75% reimbursement of cost of Water audit subject to maximum of INR 1 lakh. Also, subsidy up to 50% or maximum of INR 20 lakhs on the cost of capital equipment required for Water Conservation/ Harvesting System. No subsidy for water audit in case audit recommendations are not implemented.

### **1.16 Safety Compliance:**

75% reimbursement of expenses incurred on safety audit subject to maximum of INR. 1 lakh for conducting safety audit. Further, 50% subsidy on cost of capital equipment and capital expenditure required for undertaking safety measures, subject to maximum of INR 20 lakh in 'D' category blocks, INR 15 lakh for 'C' category blocks, INR 10 lakh for 'B' category blocks and INR 5 lakh for 'A' category blocks once in every 5 years [for compliance of Safety provisions under Factory Act, 1948]. No subsidy for safety audit in case audit recommendations are not implemented.

### **1.17 Credit Linked Capital Subsidy for Technology Up-gradation:**

State Credit Linked Interest Subsidy for Technology Up-gradation of existing enterprises- @6% in 'C' and 'D' category blocks and @5% in 'A' and 'B' category blocks up to a maximum of INR 10 lakh per year for a period of 3 years to an eligible unit in specified

sectors/products (appraisal by HSIIDC/SIDBI).

#### **1.18 Collaborative Industry-Academia Research**

To promote Industry-Academia linkage and development of new technologies, State will provide assistance up to INR 50 lakh per project for undertaking R&D activities that should result in emergence of new commercialized technologies through joint industry-academia collaboration.

#### **1.19 Power Tariff Subsidy:**

INR 2 per unit up to connected load of 40kW in 'D' category blocks and 30kW in 'C' category blocks at source only for Micro and Small Enterprise. The funds shall be provided by the Government to UHBVN/DHBVN for DBT of subsidy amount.

#### **1.20 Credit Rating:**

Reimbursement of the expenses incurred towards the credit rating to the extent of 75% or maximum of INR 2 lakhs for Micro, Small and Medium enterprises carried out by SIDBI / Govt. accredited credit rating agency once in every 5 years.

#### **1.21 Collateral Free Credit Guarantee Scheme:**

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

#### **1.22 SME Exchange Equity:**

One-time support of 25% of expenditure, up to INR 5 Lakh for raising funds through SME exchange platform after successful raising of equity.

#### **1.23 Enterprise Resource Planning adoption**

Financial assistance up to 75% of capital cost up to INR 5 Lakh for adopting ERP system. This will help in improving operational efficiency and resource optimisation.

#### **1.24 Lean Manufacturing Competitiveness Scheme:**

GoI reimburses 80% of the cost of hiring the lean manufacturing consultant (LMC) through National Monitoring and Implementing Units (NMIUs) to SPVs/Units and 20% of the cost is borne by the SPVs/units. The State shall reimburse remaining 20% of the cost of hiring a lean manufacturing consultant maximum up to INR 9 Lakh per mini cluster of 10 units under this scheme.

#### **1.25 State Awards for Micro and Small Enterprises:**

Outstanding Entrepreneurship State Awards shall be provided to Micro and Small Enterprises of INR 5 lakh each separately for growth in production and profit, for innovation & development of new products, quality products, import substitution 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.

### **1.26 DG Set Subsidy:**

INR 8000 per KVA, maximum up to 35% for Small enterprises and maximum up to 25% for Medium enterprises of the DG set cost in 'D' and 'C' category blocks in rural areas.

### **1.27 Entrepreneurship Development Program:**

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

### **1.28 Price Preference to MSEs:**

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

### **1.29 Vendor Development Programme:**

For promotion of MSMEs sales, Vendor Development Programmes (INR 10.00 lakhs per program) at least 02 per year shall be organized in-collaboration with Micro, Small and Medium Enterprises Development Institute, Karnal of GoI.

### **1.30 Haryana Gramin Udyogik Vikas Yojna in B, C and D Category Blocks.**

In order to spur rural Industrial growth, the following incentives shall be provided for setting up of Micro Enterprises in rural areas falling under the jurisdiction of village panchayat:

#### **i. Capital Subsidy:**

15%, maximum of Rs. 20 lakh & max. of Rs. 25 lakhs for Women/ SC for Micro Enterprises on the investment made on Plant & Machinery and building.

#### **ii. Interest Subsidy:**

7% for Micro Enterprises on term loan or maximum up to Rs. 8.00 lakh per year for 7 years.

#### **iii. DG Set Subsidy**

INR 8000 per KVA, max. up to 50% of the cost of the DG Set for Micro enterprises.

**NOTE:-** The other incentives specified for MSME sector shall also be permissible for Micro Enterprises set up under the scheme.

### **1.31 Special provisions for Start-Ups:**

- Interest subsidy of 8%, maximum upto INR 20 lakh per year for a period of 5 years

- Reimbursement of 30% of lease rental subsidy for general and 45% for start-ups with only women founders, period of 1 year up to INR 5 lakh
- Seed Grant up to INR10 Lakh per start-up for 100 start-ups in 'A' category blocks, 200 start-ups for 'B' category blocks, 300 start-ups for 'C' category blocks and 400 start-ups for 'D' category blocks (idea selection by special committee to be formulated by State Government)
- 100% Net SGST Reimbursement for 7 years with cap of 150% FCI.
- Support start-ups up to INR 2.5 lakh to attend national acceleration programs and INR 5 lakh for international acceleration programs.
- Mentoring assistance of INR 1 lakh per incubator will be given to Government sponsored incubators up to a maximum of INR 15 lakhs per annum.
- 100% reimbursement of expenses incurred for cloud computing/ storage on Haryana based Data Centres up to INR 1 lakh per start-up per annum for a period of 3 years.