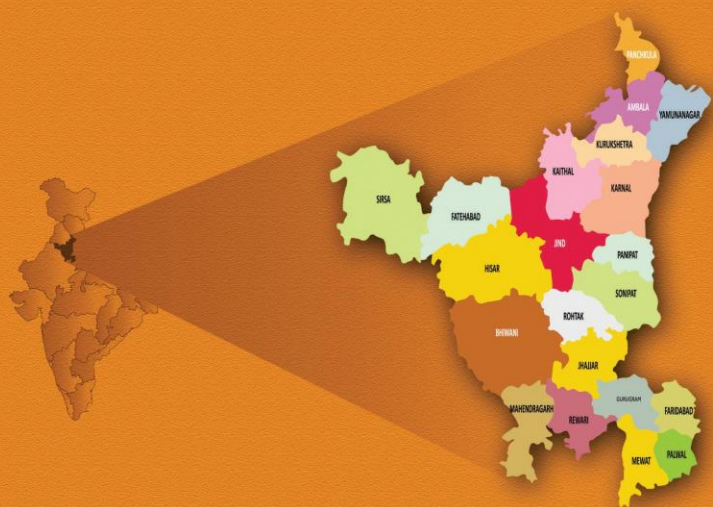



Haryana : a few facts...


<p>1 </p> <p>Producer of 50% of the passenger vehicles and 60% of motorcycles in the country</p> <p><small>Source: CMIE</small></p>	<p>1 </p> <p>Highest urban average spend across the country</p> <p><small>Source: 68th round survey of National Sample Survey Organisation (NSSO)</small></p>	<p>1 </p> <p>60% of Basmati Rice exports from the country</p> <p><small>Source: Economic Survey of Haryana</small></p>
<p>2 </p> <p><small>Airports</small></p> <p>Access to 2 Airports - International Airport at New Delhi & Domestic Airport at Chandigarh</p> <p><small>Source: Airports Authority of India</small></p>	<p>2 </p> <p><small>Industrial Corridors</small></p> <p>The entire State falls in the influence zone of the two major industrial corridors – DMIC & AKIC</p> <p><small>Source: Got and DMICDC</small></p>	<p>4 </p> <p>Fourth in the Infrastructure Index</p> <p><small>Source: CMIE</small></p>
<p>13 </p> <p><small>Districts in NCR</small></p> <p>13 districts are a part of the National Capital Region (NCR) - A prominent trade and consumption center</p> <p><small>Source: National Capital Region Planning Board</small></p>		



Make a Smart choice
INVEST IN HARYANA

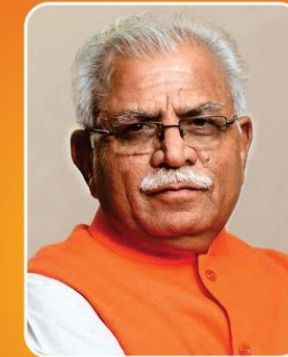


Haryana State Industrial and Infrastructure Development Corporation Ltd.
Regd. Office: C-13-14, Sector 6, Panchkula-134109 (Haryana), Ph.: +91-172-2590481-83,
 Fax: +91-172-2590474, E-mail: info@hsidc.org.in, Web Page: www.hsidc.org.in
 Delhi Office: C-8, Baba Kharak Singh Marg, New Delhi, Ph.: +91-11-23347680-82
 CIN: U29199HR1967SGC034545



Government of Haryana
Department of Industries & Commerce
 haryanaindustries.gov.in

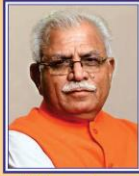
Haryana MSME: The Industrial Backbone



Manohar Lal
Chief Minister, Haryana

New Goals, New Triumphs





Shri Manohar Lal
Chief Minister, Haryana

"Haryana is a leading state in the country on both the industrial and agricultural front. It possesses a locational advantage of being the focal point of the entire northern region of the country and thus, plays a significant role in the socio-economic growth of the entire belt."

My government is making continuous effort to provide a conducive business climate and insure a hassle free experience for investors.

This handbook gives a glimpse of interventions taken by the State Government.

I wish that the Industry avails benefits from these initiatives and gives us a feedback to help us in realizing our vision of making Haryana, the investment destination of choice.



Shri Vipul Goel
Industries & Commerce Minister, Haryana

Haryana has been on the forefront of industrial development in the country. We are the leaders in terms of industrial production, especially passenger cars, two wheelers, mobile cranes and tractors. Further, we are pioneers in terms of IT/ITES in the country.

But we do not stop at sitting on our past laurels, instead we have put in a wide range of fiscal incentives, regulatory reforms and ease of doing business initiatives.

Initiatives such as e-biz portal, 3 tier grievance handling, Haryana Enterprise Promotion Act 2016 etc. will enable the investors to enjoy a friendly business climate. I welcome prospective investors and the existing industry to experience these reforms and become our partners in progress.

MSME: The Industrial Backbone of Haryana

MSME sector is the backbone of Haryana. Haryana has taken lead in planned development and regulation of MSME sector as compared to other states. With 92,525 registered MSMEs providing employment to 8.9 lakh persons, and total investment in this sector exceeding INR 15,000 crore. Today, almost all the districts of the State have witnessed industrial development in varying degrees. Local manufacturers produce various engineering goods including auto components, switch gears, refrigerators telecommunication equipment, electrical goods, rubber products, light engineering goods, and readymade garments, etc.

Realizing the tremendous potential in the local MSME's, State Government has launched a series of targeted measures including attractive fiscal incentives, simplification of archaic regulatory procedures, initiatives for Cluster development, etc with an objective of creating more jobs and increasing industrial output from the State. Given below are some of the key steps taken by the State Government:

1) Best in class Fiscal Incentives:

Government has launched various incentive schemes for MSME development. The major ones are mentioned below:

- ▶ **Investment Subsidy on VAT:** Up to 75% of VAT reimbursement

- ▶ **Interest Subsidy:** @ 5% for Micro & Small Enterprises on term loan or maximum upto Rs. 10.00 lakh per year for 3 years
- ▶ **Stamp Duty Refund:** 100% refund of stamp duty
- ▶ **CLU/EDC charges:** 50% exemption of Conversion charges and EDC
- ▶ **Electricity Duty Exemption:** 100% exemption for 7 years for all new enterprise from the date of release of electricity connection
- ▶ **Power Tariff Subsidy:** Rs. 2 per unit only for Micro and Small Enterprise
- ▶ **Assistance for Technology Acquisition:** 50% of cost for adopting technology from recognized National Institutes, max. of Rs. 25.00 lakh.
- ▶ **Testing equipment assistance:** The financial support of 50% as subsidy or maximum of Rs. 5 lakh for the purchase of testing equipment shall be provided to Micro and Small Enterprises
- ▶ **Quality Certification:** 75% reimbursement or maximum of Rs. 1 lakh for obtaining ISO certifications.
- ▶ **Energy audit:** 75% reimbursement or maximum of Rs. 2 lakh for conducting energy audit
- ▶ **Water audit:** 75% reimbursement of cost of Water audit subject to maximum of Rs. 1 lakh
- ▶ **Safety Audit:** 75% reimbursement of expenses incurred on safety audit subject to maximum of Rs. 1 lakh

For more details, kindly refer to Enterprise Promotion Policy 2015.

2) Cluster Development

The State boast of strong MSME clusters of Engineering, Handloom, Scientific instruments, Pharmaceuticals, Footwear, etc. Depicted below are some of the key MSME clusters in Haryana:



Major MSME clusters in Haryana

More than 20 clusters have been identified for support across the State. Given below are the key interventions for cluster development:

- ▶ **Cluster Support:** GoI implements MSE-CDP scheme for creating common facility center in the clusters with investment of not more than Rs 15 crore. 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 (up to maximum of Rs 20 crore).

- ▶ **State Mini Cluster Development Scheme:** State Mini Cluster Scheme for creating Common Facility Centre (CFC) to existing units with funding pattern of 90% State contribution and 10% SPV for project cost up to Rs. 2 Crore

Other initiatives include:

- ▶ **Tool Rooms** are going to be established at IMT Rohtak and Saha within next two years.
- ▶ **Quality Marking Centres** will be converted into Quality Certification and Skill Development Centres with the assistance of Ministry of MSME, GoI

3) Regulatory Simplification

The government is determined to create an ecosystem in which the 'Ease of Doing Business' in the State matches the best global standards to reduce delays as well as the costs of doing business. Efforts are made to simplify the process and reduce the regulatory burden on investors. Government has taken following initiatives to support MSMEs in the State:

- ▶ **Single roof clearance:** Projects with investment up-to Rs. 10 crore or CLU cases up-to one acre in conforming zones will be cleared at the District level itself by District Level Clearance Committee headed by Deputy Commissioner.
- ▶ **Reduction in physical touch points to avail incentives under various schemes:** MSMEs can apply for fiscal incentives online (<https://haryanaindustries.gov.in/>) without any need to visit government offices.
- ▶ **Liaison cell:** Set up A dedicated cell for MSMEs for an effective interface with the Ministry of MSME and the MSMEs.
- ▶ **E-Commerce Portal:** An e-commerce portal for online trading, marketing of MSMEs/ Khadi/ Handicraft products will be shortly set up by the State Government