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HARYANA GOVERNMENT
INDUSTRIES & COMMERCE DEPARTMENT

Notification

The 24th December, 2020

No. 25/03/2019-4IB-I.— The Governor of Haryana is pleased to notify Haryana Micro small and Medium Enterprises (MSME) Policy-2019, the Governor of Haryana is placed to notify the **Cluster Plug and Play Scheme for Promotion of Micro, Small and Medium Enterprises** in the State with the following provisions which will be effective from date of Notification as at 'Annexure-'B'. This is issued with the concurred of the Finance Department *vide* their U.O. No. 01/13/2018-1FD-III/2020/4806 dated 09-09-2020.

Chandigarh:
The 11th December, 2020.

A. K. SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Annexure-‘B’

No.-25/04/2020-4IB-I- in pursuance to Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019 notified *vide* No. 25/03/2019-4IB-I dated 26th February 2019, the Governor of Haryana is pleased to notify the **Cluster Plug and Play Scheme** for promotion of Micro, Small and Medium Enterprises in the State as per details given below:—

1. Introduction:

The State Government has formulated the “Cluster Plug and Play Scheme” for providing necessary infrastructure support for development of MSMEs in the state.

The scheme aims at development of modern infrastructure and providing affordable operating facility with necessary amenities to encourage entrepreneurs to set up units based on cluster approach. The scheme will play an important role in facilitating geographical dispersal of industry and provide modern infrastructure for the MSMEs in Haryana.

Availability of affordable operating facilities and capital intensive common facilities like Sewage Treatment Plant (STP), Effluent Treatment Plant (ETP) etc., will encourage entrepreneurs to set up more units. Manufacturing units also require developed basic enabling infrastructure to take care of continuous process, water supply, logistics and clean surrounding, etc. If this infrastructure is made available with the financial support from the Government, there is a potential for MSMEs to become competitive by reducing their production cost and create employment at the local level.

2. Objectives of the Scheme:

The major objectives of the scheme are:

- i. To create affordable operating infrastructure for MSME units to enhance their competitiveness.
- ii. To make available capital intensive common facilities like Sewage Treatment Plant, Effluent Treatment Plant (ETP), Captive Power Plant etc. to MSME units.
- iii. To provide readily available common infrastructure to promote entrepreneurs for setting up of new MSMEs in the state.

3. Commencement and Applicability:

The Scheme shall commence with effect from the date of notification of Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019 i.e. 26/02/2019 and shall remain in operation for a period of 5 years upto 25/02/2024 or till the validity of Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019. The assistance shall be available to projects formulated during this period.

4. Implementing Agency (IA):**4.1. Eligibility Criteria:**

- i. Implementation Agency (IA) can be Private Sector Company / Limited Liability Partnership / Proprietorship/ Societies/ Trust who will be eligible for financial assistance under the scheme.
- ii. IA needs to bring in at least 20% of the total project cost as equity / contribution.
- iii. IA needs to bring in term loan from the Bank/Financial Institution for an amount not less than 20% of the project cost.
- iv. The land for the project shall be arranged by the IA either by purchase or on lease of at least 20 years.
- v. Preference will be given to the Special Purpose Vehicles (SPVs) of Micro and Small Enterprises (MSEs).
- vi. A minimum of 10 no. of total leasable/ saleable plots/ operating facilities should be created as part of the plug and play facility.
- vii. Minimum 10% of the total leasable/ saleable plots should be reserved for Start-ups and Women & SC/ST owned enterprises.
- viii. Any entity / applicant which has availed financial assistance for a project under this scheme, will not be eligible to apply for another project under same scheme until one year after operationalization of earlier project.
- ix. The same applicant / entity shall not be entitled for more than two times under this scheme.
- x. The promoter(s) of the facility will be eligible for availing financial assistance under other schemes of State / Central Governments for setting up of the unit(s) in these facilities(s).
- xi. IA should not be categorized as Wilful Defaulter as per RBI guidelines.

4.2. Responsibilities of IA

- i. To formulate the Detailed Project Report (DPR) and execute the project in a transparent, efficient and timely manner.
- ii. To procure/purchase land and ensure external infrastructure linkages for the project.
- iii. To obtain statutory approvals/clearances including environmental clearances, which are prerequisite for commencement and operation of the Project.
- iv. To achieve financial closure and ensure timely completion of the project in specified timelines.
- v. To own and maintain the enabling infrastructure and common facilities.
- vi. To receive grant-in-aid under the Scheme, and to ensure its utilization in a transparent and judicious manner.
- vii. To maintain proper accounts of the project implementation and the maintenance of infrastructure and common facilities after commissioning of the project.
- viii. Provide quarterly progress report with pictures / photographs of site.
- ix. Every IA will publish the user charges/ hiring rates for common facilities and lease rental rates / sale price for plots/ factory premises on their websites and also on a board at the gate of the facility for wider information of the prospective investors. Rate of plots in developed area will also be made available to State Government concerned for uploading on their websites.
- x. IA may sell / lease plots/ factory premises in developed facility to only MSME units.

5. Components of the Scheme:

The scheme will have following components:

- a. **Basic enabling infrastructure:** It will include site development including boundary wall, roads, drainage, water supply, electricity supply including power backup, common office space etc. but will not include cost of land. The eligible grant-in-aid for basic enabling infrastructure would not exceed 40 percent of the total grant-in-aid approved.
- b. **Core infrastructure:** It will include construction of the plug and play facilities/ flatted factories including land filling/ levelling etc. However, the eligible grant-in-aid for core infrastructure would not exceed 50 percent of the total grant-in-aid approved.
- c. **Common Facilities:** The common facilities will be based on the needs of the units which will be set up in these clusters. The eligible grant-in-aid for common facilities would not exceed 10 percent of the total grant-in-aid approved.

The above-mentioned facilities are only illustrative and the exact nature of facilities may vary from project to project based on requirements of the units in the cluster.

Any modification in the common facilities/ core infrastructure after sanction of the proposal will only be made after approval by the Administrative Secretaries, Industries & Commerce.

6. Pattern of Assistance

- a. The State Government grant will be restricted to 50% of the eligible cost of Project up to a maximum of INR 5 Crore for developing flatted factories in minimum 5 acres of land.
- b. ± variation of 10% max. is admissible in component-wise cost subject to keeping overall Project cost unchanged.
- c. Adaptive reuse of the unutilized / partially utilized buildings and assets under Private Sector would be encouraged under the scheme.
- d. The Project should be completed within two years from the date of approval, unless extended with the approval of Steering Committee. The extension would be granted for a period of six months by Steering Committee based on the justification provided by IA. Second / subsequent Project in a district will be considered only if earlier approved Project is completed in all respects.
- e. Funds will be released on reimbursement basis or on matching share basis.

7. Release of Funds:

The grants-in-aid will be released to IA in two instalments as below:—

- I. First instalment of 50% of the total approved grant will be released to the IA in the designated Bank account after incurring an expenditure of 50% of the bank term loan and 50% IA contribution / equity on eligible project cost and submission of following documents:—

- a. Establishment of **Trust & Retention Account (TRA)** and signing the TRA agreement with the designated Bank.
 - b. CA certificate for actual expenditure on infrastructure of the project duly certified by IA indicating utilization of at least 50% of term loan & 50% IA contribution / equity as per Annexure-II.
 - c. Certificate from **Chartered Engineer (Civil)** for technical civil works indicating item wise progress on approved components, cost, quantity, manufacturers/suppliers and comment on quality and status of implementation duly countersigned by the IA (Annexure-III).
 - d. Certificate from **Chartered Engineer (Mechanical)** for plant and machinery indicating item wise progress on approved components, cost, quantity, manufacturers/suppliers and comment on quality and status of implementation duly countersigned by the IA (Annexure-IV).
 - e. Certificate from the concerned bank/ financial institution (Annexure-V) which has sanctioned and disbursed term loan for the project certifying that it has disbursed 50% of the total sanctioned term loan;
 - f. Surety Bond (Annexure-VI) to be executed by the IA on a Non-Judicial stamp paper of not less than Rs.100, duly notarized and signed by two independent witnesses along with Board resolution/certificate from Board of Directors/promoters of IA (as applicable) authorizing one of the directors/partners as authorized signatory of documents.
 - g. Change of Land Use (CLU) (If applicable)
 - h. "Consent to Establish" for the project from State PCB.
 - i. Inspection report of the JD/DD DIC based on site visit recommending release of the instalment.
 - j. Any other condition which may be specified from time-to-time.
- II.** Second instalment of 50% of the total approved grant will be released to the IA in the designated Bank account after incurring an expenditure of 100% of the bank term loan and 100% of IA contribution / equity on eligible project cost and submission of the following documents:
- a. Statement indicating 100% utilization of first instalment of grant duly signed by the IA and countersigned by the CA (Annexure-VII).
 - b. CA certificate for actual expenditure on each of the components of the project duly certified by the IA indicating utilization of 100% of term loan and 100% IA contribution / equity.
 - c. Statement of TRA from the Bank / Financial Institution relating to the project.
 - d. Certificate from **Chartered Engineer (Civil)** for technical civil works indicating item wise progress on approved components, cost, quantity, manufacturers/suppliers and comment on quality and status of implementation duly countersigned by the IA.
 - e. Certificate from **Chartered Engineer (Mechanical)** for plant and machinery indicating item wise progress on approved components, cost, quantity, manufacturers/suppliers and comment on quality and status of implementation duly countersigned by the IA.
 - f. Certificate from the concerned bank/ financial institution which has sanctioned and disbursed term loan for the project certifying that it has disbursed 100% of the total sanctioned term loan.
 - g. Proof of 50% allotment of total proposed leasable plots / areas to MSME units.
 - h. Recommendation of JD/DD, DIC/MDO of concerned district after site visit certifying the fulfilment of conditions as per guidelines of the scheme.
 - i. Any other condition which may be specified from time-to-time.

8. Steering Committees:

State Level Steering Committee (SLSC)

The project shall be sanctioned and implemented under the guidance of State Level Steering Committee. The members of the Committee shall be as under:-

1.	Administrative Secretary, Industries & Commerce Department	Chairman
2.	Director General, Micro, Small and Medium Enterprise (MSME), Haryana.	Member
3.	MD, HSIIDC	Member

4.	Representative of Finance Department	Member
5.	Director, MSME Development Institute	Member
6.	General Manager, SIDBI, Chandigarh	Member
7.	JD/DD, District Industries Centre, Concerned District	Member
8.	Additional Director, Micro, Small and Medium Enterprise (MSME), Department.	Member - Secretary

NOTE: The Chairman of the State Level Steering Committee can co-opt any other member at his discretion.

- a. DPR shall be got appraised through any scheduled bank, at the cost of IA.
- b. The meeting shall be convened once in two months. Meeting can however, be called at any other time at the discretion of the Chairman of the State Level Steering Committee.
- c. An application (as per Annexure-I) with a Detailed Project Report (DPR) shall be put up to the office of Director General, Micro, Small and Medium Enterprises (MSME) for acceptance. The assistance of INR 10.00 Lakh shall be provided for preparation of DPR through any consultant who is competent to prepare such document and having sufficient experience of conducting similar studies in the past.
- d. On acceptance of the DPR, IA shall implement the project with the support of the competent consultant. Project Management Consulting charges will be 2% of the total project cost with release of 50% of the fee with release of each grant. Consultant will provide following services:
 - Handholding beneficiaries to apply for scheme by way of preparation of detailed DPRs, project proposals including facilitating bank appraisals etc.
 - Presentation of proposals to State Level Steering Committee.
 - Provide inputs for preparation of the agenda notes and minutes of review meetings.
 - Assistance in drafting grant approval letters.
 - Post approval coordination and ensuring timely execution of project.
 - Monitor and report the progress of the projects on the basis of defined milestones.
 - Provision of all necessary documents as required by department from time to time.
 - Sensitising potential investors about detailed guidelines of the scheme.
- e. Director General, Micro, Small and Medium Enterprise (MSME) shall be competent to sanction cost of INR 10.00 lakh as DPR charges and charges for PMC to be paid to the Consultant. The cost of DPR and PMC shall be adjusted in the total eligible grant under the scheme.
- f. The project implementation shall be done by the Implementing Agency under the supervision of the concerned Joint Director/Deputy Director, District Industries Centre.
- g. IA will be required to take all the required approvals *i.e.* Change of Land Use (CLU), Consent to Establish (CTE) etc. necessary for the implementation of the project.

9. Penal Action

In case, it is found at any stage that the applicant has claimed the assistance on the basis of wrong facts, the applicant shall besides refunding assistance with compound rate of interest @ 12% per annum and facing legal action, will be debarred from grant of any incentives/assistance from the State Government.

10. Interpretation

Administrative Secretary, Industries & Commerce, Haryana shall be competent to make interpretation of any provision of this scheme.

Dated:-

APOORVA KUMAR SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Application Form:**1. Details of the applicant:**

S. No.	Particulars	Details
I	Name of company/firm with complete contact details / address, Tel/Fax No., Mobile No., Email	
II	Legal status of applicant (Company/ partnership firm/ proprietorship etc.)	
III	Registration No. /CIN	
IV	PAN / TIN /TAN	
V	Udyog Aadhar Memorandum No. & date	
VI	Haryana Udyam Memorandum (HUM) No. & date	

2. Details of the Director(s)/ Promoter(s)/Partner(s) of IA:

S. No.	Name of Promoter(s)/ Partner(s)	Address	Tel/ Mobile No. / E-mail	Aadhar No.	PAN No.	Shareholding Pattern	Net Worth
Please add additional rows, if required.							

3. Industrial Experience of the lead Promoter(s)/Partner(s) of IA:

S. No.	Name of lead Promoter(s)/Partner(s)/ Applicant Entity	Details of Experience	Details of Turnover (year-wise)	Supporting Document attached

4. Profile of proposed project:

- (a) Details of location of proposed facility to be set up
- Proposed location of land (Name Village/Dist./state)
 - Area of Land (In acres)
 - Status of possession (Owned/ leased)
 - Status of Land Use Conversion (CLU)
 - Proof of water and power connection
 - Availability of Approach Road
 - Connectivity Details. Distance (in Kms.) from: National Highway; State Highway; Freight corridor, Golden Quadrilateral, nearest industrial clusters.
 - Coordinate Details (Longitude & Latitude)

(b) Proposed Common Facility

S. No.	Type of facilities proposed to be created*	No.	Total Capacity	Built-up Area	Estimated Investment	No. of Days of operation of each facility in a year

* Only indicative list.

(c) Total units proposed

Type of Units	No. of Units	Land to be allotted	Product Mix	Estimated Investment	Estimated turnover (In crore)	Estimated Employees	
						Direct	Indirect

Commitment Letter from units requiring support from minimum 50% of the total proposed units.

(d) Enabling Basic Infrastructure

Type of infrastructure	Capacity /Built-up Area	Estimated Investment

(e) Non-core infrastructure

Type of infrastructure	Capacity /Built-up Area	Estimated Investment

(f) Utilities Requirement

S. No.	Utility	Units	Requirement
1.	Power (Maximum Demand)	KW	
2.	Water – Industrial	Kilo Litres/ Day	
3.	Water – Potable	Kilo Litres/ Day	
4.	Gas	Cubic Meters/ Day	
5.	Telephone (Including Fax)	No. of lines	

6.	Waste Disposal Requirement (Solid)	Kg/ Day	
7.	Waste Disposal Requirement (Effluents)	Kilo Litres/ Day	

5. Project Financials and Business Plan:**(a) Estimated Project Cost Details**

Item	Amount
Land	
Land Development	
Basic enabling Infrastructure	
Common Facility Infrastructure	
Non-core Infrastructure	
Other Pre-operative expenses	
Margin money for working capital	
Contingencies/ pre-operative expenses	
Total	

(b) Proposed Means of Finance

Source	Amount
IA Contribution/ Equity	
Bank Loan	
Grant-in-aid from Government of Haryana	
Unsecured Loan/ Bridge Loan	
Total	

(c) Basic Revenue Projections

Item	Year 1	Year 2	Year 3	Year 4	Year 5
Days of operations of each of the common facilities					
Revenue earning from different facilities					
Turnover					
Cost of operations					
Gross profit					
Profit before taxation					

(d) Financial Parameters

S. No.	Particulars	Detail (Ratio/ %)
I	Internal Rate of Return (IRR) - with grant - without grant]	
II	Avg. Debt Service Coverage Ratio (DSCR)	
III	Break Even Point (BEP)	
IV	Debt-Equity Ratio	

(e) Other Details:

Proposed strategy/methodology for building supply chain to ensure supply of raw materials including estimated quantities	
Estimated turnover of the proposed units covered in the project	
Any other relevant details / documents	

6. No. of units expected to be benefitted:

7. Employment Generation projections

a. Direct Employment:

b. Indirect Employment:

8. Details of renewable/ alternate energy sources including solar energy, if any, proposed to be used for operating the project including inter alia, details of power generation.

Signature of the authorized representative of IA

Date:

Place:

Annexure-II**CA Certificate Format****(Letter Head of the CA)**

CA certificate (With membership No. and firm registration No. of CA) in the following format:

I. Project Cost: (in INR Lakh)

Sl. No.	Name of the Component/Item	Cost approved by SLSC	Actual expenditure incurred as on _____
1.	Land/development charges		
2.	Civil works - Technical civil works - Other civil works		
3.	Plant & Machinery		
4.	Misc. Fixed Assets		
5.	Others		
	Total		

II. Means of Finance: (in INR Lakh)

Sl. No.	Item	Means of finance approved by SLSC	Actual expenditure incurred as on _____
1.	IA's equity/ contribution		
2.	Term Loan		
3.	Grant from Government of Haryana		
4.	Unsecured loan		
5.	Others		
	Total		

*Details of unsecured loans along with PAN No. of lenders, if any, duly certified by CA.

Signature and Seal of C.A. (Statutory Auditor in case of company)

Date: _____

Counter signature of promoter/ authorized signatory of IA with Seal

Annexure to CA certificate certifying details of payments made for Plant & Machinery and Technical Civil Work

S. No.	Name of Party	Components	Voucher/ Bill No.	Date of Voucher/ Bill	Basic Cost (only for P&M)	Taxes, freight, installations, insurance costs (for P&M)	Total Cost	Date of Payment as per bank statement	Mode of Payment

Signature and Seal of C.A. (Statutory Auditor in case of company)

Date: _____

Counter signature of promoter/ authorized signatory of IA with Seal

Annexure-III**CE Certificate (Civil) Format for Technical Civil Work****(Letter Head of the CE)**

CE certificate (With membership/registration No. of CE) in the following format:

Name of Project:

Location with address:

Date of site Visit by Chartered Engineer:

Project Progress: (If project has multiple locations, the location wise details should be submitted in below format for each location)

S. No.	Name of Component	Proposed/ appraised Area (sqm.)	Proposed/ appraised Cost (Lakh Rs.)	Actual Area(sqm.)	Actual Cost (Lakh Rs.)	Rate/ Unit(Rs./Sqm.)	Remarks about the status of implementation	Comments

It is certified that the material/ components used in the Technical Civil Work are new.

Signature and Seal of C.E.

Counter signature of promoter/ authorized signatory of IA with Seal

Annexure-IV**CE Certificate (Mechanical) Format for Plant & Machinery****(Letter Head of the CE)**

CE certificate (With membership/registration No. of CE) in the following format:

Name of Project:

Location with address:

Date of site Visit by Chartered Engineer:

Project Progress: (If project has multiple locations, the location wise details should be submitted in below format for each location)

S. No.	Name of Component	Proposed/ appraised Quantity	Proposed/ appraised Cost (Lakh Rs.)	Actual Quantity	Actual Cost (Lakh Rs.)		Supplier/ Manufacturer	Status of implementation	Comments
					Basic Cost	Taxes, Freight, installation, insurance			

It is certified that all the plant and machinery for which grant has been approved are new.

Signature and Seal of C.E.

Counter signature of promoter/ authorized signatory of IA with Seal

Annexure-V**(Letter Head of the Bank)****Certificate**

1. Certified that this bank has appraised the project of M/s..... (Name and Address of the project) for grant as per scheme guidelines and also sanctioned term Loan of Rs.....lakh.
2. It is further certified that we have released Rs.lakh (----% of sanctioned term loan) and Rs.....lakh (1st/ 2nd Instalment of grant-in-aid) to M/s (Name and Address of the project).
3. We have no objection in releasing 1st/ 2nd (delete whichever not applicable) instalment of grant.

Signature with seal**(Name of authorised signatory)****(Branch Name)****Counter Signature of promoter/ Authorized****Signatory of IA with seal**

Annexure-VI
SURETY BOND

KNOW ALL MEN BY THESE PRESENTS that we, M/s _____, a _____ (Type of organization) incorporated / registered under the _____ (Name of the Act) and having its registered office at _____ (hereinafter called the "Obligors") are held fully and firmly bound to the President of India (hereinafter called the "Government") for the sum of Rs. _____ (Rupees _____ only) well and truly to be paid to the Government on demand and without a demur for which payment we firmly bind ourselves and our successors and assignees by these presents.

SIGNED on the _____ day of _____ in the year Two Thousand _____

WHEREAS on the Obligors' request, the Government as per Department of Industries' Sanction Order No. _____ Dated _____ (hereinafter referred to as the "Letter of Sanction") which forms an integral part of these presents, and copy whereof is annexed hereto and marked as Annexure-I, agreed to make in favour of the Obligors grants-in-aids of Rs. _____ (Rupees _____ Only) for the purpose of _____, (description of the project) at _____, out of which the sum of Rs. _____ (Rupees _____ only) have been paid to the Obligors (the receipt of which the obligors do hereby admit and acknowledge) on condition of the Obligors executing a bond in the terms and manner contained hereinafter which the obligors have agreed to do.

NOW the conditions of the above written obligation is such that if the Obligors duly fulfil and comply with all the conditions mentioned in the letter of sanction, the above written Bond or obligation shall be void and of no effect. But otherwise, it shall remain in full force and virtue.

The Obligors will abide by the terms and conditions of the grants-in-aid by the target dates, if any specified therein.

THAT the Obligors shall not divert the grants-in-aid and entrust execution of the Scheme or work concerned to another institution(s) or organization(s).

THAT the Obligors shall abide by any other conditions specified in this agreement and in the event of their failing to comply with the conditions or committing breach of the bond, the Obligors individually and jointly will be liable to refund to the Governor of Haryana, the entire amount of the grants-in-aid with interest of 10% per annum thereon, if a part of the grants-in-aid in left unspent after the expiry of the period within which it is required to be spent, interest@10% per annum shall be charged up to the date of its refund to the Government, unless it is agreed to be carried over.

The obligors agree and undertake to surrender / pay the Government the monetary value of all such pecuniary or other benefits which it may receive or derive/ have received or derived through / upon unauthorized use of (such as letting out the premises on adequate or less than adequate consideration or use of the premises for any purpose other than that for which the grants-in-aid was intended of the property) buildings created/ acquired constructed largely from out of the grants-in-aid sanctioned by the Department of Industries & Commerce, Government of Haryana or the administrative Head of the Department concerned. As regards the monetary value aforementioned to be surrendered / paid to the Government, the decision of the Government will be final and binding on the Obligors.

AND These Presents Also Witness that the decision of the Principal Secretary, Department of Industries & Commerce, Government of Haryana on the question whether there has been breach or violation of any of the terms or conditions mentioned in the sanction letter shall be final and binding upon the Obligors and

IN WITNESS WHEREOF these presents have been executed as under on behalf of the Obliger the day herein above written in pursuance of the Resolution No. _____ Dated _____ passed by the governing body of the Obligors, a copy of whereof is annexed hereto as Annexure-II and by _____ for and on behalf of the president on the date appearing below:-

Signature of AUTHORIZED SIGNATORY
SIGNED FOR AND ON BEHALF OF
(Name of the obliger in block letters)
(seal/ stamp) of Organization)

1. Signature of witness

Name & Address

2. Signature of witness

Name & Address

Annexure-VII**Statement indicating expenditure / utilization of the grant-in-aid released**

Certified that Rs. _____ of grant-in-aid sanctioned by the Department of Industries & Commerce, Government of Haryana towards first / second instalment of grant-in-aid in favour of _____ has been utilized for the purpose for which it was sanctioned.

Signature of Authorized Signatory of IA with Seal

Date _____

Countersigned of Chartered Accountants with CA registration number



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HARYANA GOVERNMENT
INDUSTRIES & COMMERCE DEPARTMENT

Notification

The 24th December, 2020

No. 25/03/2019-4IB-I.— The Governor of Haryana is pleased to notify Haryana Micro small and Medium Enterprises (MSME) Policy-2019, the Governor of Haryana is placed to notify the “**State Mini Lean Manufacturing Competitiveness Scheme**” with the following provisions which will be effective from date of Notification as at ‘**Annexure-‘D’**’. This is issued with the concurred of the Finance Department *vide* their U.O. No. 01/13/2018-1FD-III/2020/4806 dated 09-09-2020.

Chandigarh:
The 11th December, 2020.

A. K. SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Annexure-‘D’

No. 25/04/2020-4IB-I- in pursuance to Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019 notified vide No. 25/03/2019-4IB-I dated 26th February, 2019, the Governor of Haryana is pleased to notify the “**State Mini Lean Manufacturing Competitiveness Scheme**” with following provisions :

1. Objective:-

The objective of State Mini Lean Manufacturing Competitiveness Scheme is to enhance the manufacturing competitiveness of MSMEs through the application of various Lean Manufacturing (LM) techniques by

- Reducing waste
- Increasing productivity
- Introducing innovative practices for improving overall competitiveness
- Inculcating good management systems

Under the Scheme, MSMEs will be assisted in reducing their manufacturing costs with the application of LM techniques through:

- Proper personnel management
- Better space utilization
- Scientific inventory management
- Improved process flows
- Reduced engineering time

The Scheme is basically an initiative to reduce "waste" in manufacturing. Lean Manufacturing involves applying Lean Techniques (e.g. Total Productive Maintenance (TPM), 5S, Visual control, Standard Operation Procedures, Just in Time, Kanban System, Cellular Layout, Single Minute Exchange of Dies, Poka Yoke, etc.) to identify, eliminate waste and streamline the manufacturing process. These interventions shall lead to increase in competitiveness of the individual units i.e. manufacturing better quality products with less cost by improvement in process flow, standardization of process, reduction in waste, processing time, etc.

2. Quantum of Assistance:

Under the State Mini Lean Manufacturing Competitiveness Scheme, the State Government shall provide financial assistance of up to 80% of the project cost, subject to a maximum of INR 2 lakh per unit. The project cost would include the consultancy fee paid to Lean Management Consultant for implementation of lean techniques in the industry. A minimum of 8 industrial units would be required to form a mini cluster under this scheme, there is no limit on maximum number of units.

3. Commencement and Applicability :

The Scheme shall commence with effect from the date of notification of Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019 i.e. 26/02/2019 and shall remain in operation for a period of 5 years up-to 25/02/2024 or till the validity of Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019. The assistance shall be available to clusters formulated during this period.

4. Implementation Procedure:

The scheme will follow cluster-based approach for enhancing the productivity and competitiveness of MSMEs. The general approach involves engagement of Lean Manufacturing Consultants (LMC) to work with selected MSMEs in the chosen clusters with financial support by the Government of Haryana. Under the Scheme MSMEs will be assisted in reducing their manufacturing costs through proper personnel management, better space utilization, scientific inventory management, improved process flows, reduced engineering time etc. with the application of Lean Manufacturing techniques. The scheme will be operationalized as per the procedure mentioned below:

1. The scheme will be implemented in mini clusters spread all over the state for all manufacturing sectors across MSMEs.
2. The group of industries willing to participate in the scheme will submit a preliminary application as per format along with list of SPV members, to their respective DICs. The format of the application is enclosed as Annexure I.
3. Physical verification of units will be carried out by DIC and recommendation letter along with application and verification report will be forwarded to Director General, Micro, Small and Medium Enterprise (MSME) by DIC for consideration of approval.

4. Upon approval of the application, the interested units will be required to form an SPV (including signing of a MoU as per Annexure-III) and open a project specific bank account.
5. Subsequently the SPV will be required to sign a bi-party agreement (as per Annexure -IV) with the State Government. The SPV will submit the signed bi-party agreement along with other documents i.e. MoU and details of bank account to the State Government.
6. After acceptance of submitted documents, the department shall allow SPV to select Lean Manufacturing Consultant through cost competitive bidding process (The Lean Management Consultants empanelled with Quality Council of India and National Productivity Council of India, under the Lean Manufacturing Scheme of Government of India from time to time, shall only be engaged as consultants by SPVs. The SPV shall obtain at least three budgetary quotations from empanelled LMCs). The following link contains the list of empanelled consultants:
<http://www.npcindia.gov.in/wp-content/uploads/2014/06/List-of-Empaneled-Consultants.pdf>,
<http://nabet.qci.org.in/eiafile/Consultant%20Organization%2029052018.pdf>,
<http://nabet.qci.org.in/eiafile/List%20of%20Individual%20Consultant.pdf>
7. After engaging the consultant, the project will be completed in four stages, the first stage of the project would be conducting a diagnostic study and submission of Diagnostic Study Report (DSR) to the department.
 The DSR must be validated by the SPV members before submission to the department. The DSR will ascertain the potential of lean manufacturing techniques for productivity improvement by capturing the existing manufacturing scenario and proposing the solutions applicable with envisaged reduction in production/manufacturing cost, time, rework & wastages with quantifiable and tangible benefits. The format of DSR is enclosed as Annexure V.
8. The DSR must be submitted within one month from the engagement of Lean Manufacturing Consultant and must cover the action plan for implementation of proposed solution over a span of 10 months from the approval of DSR.
9. The entire action plan must be articulated to implement the lean manufacturing techniques in three stages with envisaged work plan divided accordingly and with milestones assigned for completion of each phase with tangible outcomes. The completion of each of the stages must be supported with a well-documented Milestone Based Report (MBR) to be submitted to the department after validation by the SPV.
10. The first MBR shall be submitted after an interval of three months from the submission of DSR. The detailed format of Milestone Based Report is enclosed as Annexure VI.
11. The last stage of implementation must be supported by a detailed Milestone Based Report (MBR 3) highlighting the before and after scenarios in terms of shop floor layout improvements, quality improvements manufacturing cost and time reduction etc. achieved over the course of the project. The report must also contain assumptions made, detailed analysis of cost and time reductions and monetary savings envisaged thereof.
12. The SPV shall develop a comprehensive and well documented case study to present productivity improvements and cost savings achieved through this scheme implementation. This case study must be submitted along with utilization statement of financial assistance at the final closure of the project.
13. The project activities and interventions must be completed within a span of one year from the signing of agreement between State Government and SPV. The schedule for submission of deliverables is as under:

S. No.	Activities and Deliverables	Time in months	Release of Grant in Aid
1	Setting up an SPV and signing of agreement between State Government and SPV	T	
2	Selection of a Lean Management Consultant	T+1	50% of total contribution
3	Submission of DSR	T+2	
4	Submission of MBR One and Two	T+5 and T+8	Remaining 50% of contribution (at T+8)

S. No.	Activities and Deliverables	Time in months	Release of Grant in Aid
5	Submission of MBR Three	T+11	
6	Case study submission and Final Closure of Project	T+12	

5. Disbursement of Grant-in-aid:

A financial assistance of maximum 80% of the project cost, subject to a maximum of 2 lakh per unit will be provided by the Government of Haryana to the SPV and the remaining 20% is to be borne by the SPV members. The financial assistance from Government of Haryana under the Scheme is envisaged towards the cost of consultancy fee incurred by the mini cluster/SPV.

Example: Assume that the total consultancy fee to be paid to LMC amounts to 25 lakhs for an 10 member mini cluster. The scheme will only cover up to 80% of project cost subject to maximum of 2 lakhs per unit, in this case the financial assistance under the scheme will be 20 lakhs only. The balance 5 lakhs will have to contribute by SPV members.

- I. The SPV members shall raise half an amount of their total contribution after the selection of Lean Manufacturing Consultant and deposit this amount in the SPV account. After submission of LMC selection details, evaluation report and total consultancy fee details by SPV to the Department and acceptance thereafter by the department, the government shall release 50% of its total grant in aid to SPV specific account.
- II. The SPV shall raise the remaining amount of its contribution in the account and the details must be submitted to the department along with submission of MBR two and utilization statement. The department shall release the remaining grant to SPV account after acceptance of submitted deliverables.
- III. At the project closure the SPV must submit the final closure report (Utilization statements, account statements, profile of lean manufacturing cluster, key achievements, before after photographs of visible improvement, project sustainability etc.), along with the case study.

6. Project Approval:

The sanctions under the scheme will be accorded to SPV/mini lean cluster in the following manner:

- i. The Director General, Micro, Small and Medium Enterprises (MSME), Haryana shall be competent authority for approvals & sanctions.
- ii. The Diagnostic Study Report and Milestone Based Reports shall be put up to the Additional Director, Micro, Small and Medium Enterprises Deptt., Haryana for approval along with the recommendations of JD, DIC of concerned district.
- iii. The concerned SPV/LMC shall present the summary of findings and achievements as documented in the deliverables to DIC/HQ whenever required.
- iv. The approval authority may direct SPV/mini cluster to resubmit the deliverables, in case the findings and achievements presented are unsatisfactory or not supported by necessary justification (documents, analysis, photographs etc.)

7. Eligibility Criteria.

All the existing Micro and Small Units located in the State, who have filed UAM/EM-II and HUM shall be eligible under the scheme.

The eligible units must also comply with the following conditions:

- i. The scheme is applicable for all MSE industries/sectors in the state of Haryana.
- ii. The member units should be in commercial production.
- iii. The unit should not have been placed in the restrictive list as notified by the State government from time to time.
- iv. The unit must have CLU/NOC, as applicable.
- v. The member units should be in regular production at the time of disbursement and the financial assistance shall not be given to a closed unit.

8. Timelines for processing of applications (working days) :

- A. Time limit for approval in case where no deficiency is found – 30 days.

- B. Time limit for approval in case where additional information is required – 45 days.
- C. Time limit for conveying the deficiencies, if any and removal thereof:
 - i. The Department of Industries and Commerce shall convey the deficiencies to the applicant SPV – 10 days.
 - ii. Time limit for removal of all deficiencies to the applicant SPV – 15 days.
 - iii. Notice period to the applicant SPV before rejection of application – 07 days.

9. Appeal :

Appeal against orders passed by the Competent Authority shall lie with the Administrative Secretary, Industries & Commerce, Haryana within a period of 30 days from the date of communication of orders appealed against and orders passed by the Administrative Secretary shall be final.

10. Penal Action :

In case, it is found at any stage that the applicant has claimed the assistance on the basis of wrong facts, the applicant shall besides refunding assistance with compound rate of interest @ 12% per annum and facing legal action, will be debarred from grant of any incentives/assistance from the State Government.

11. Other Terms and Conditions :

- (a) That the Beneficiary will allow the officers of the Government of Haryana or any other person or persons authorized by Government of Haryana to inspect implementation of lean techniques under the scheme, as required from time to time.
- (b) The Beneficiary unit shall remain in commercial production for a period of at least three years from the date of disbursement of subsidy otherwise the entire amount of subsidy on pro rata basis shall be recovered from the unit.

12. Implementation Arrangements:

1. Mini Cluster (MC) - Mini-Cluster is a group of preferably 8-10 MSEs located within an identifiable and as far as practicable, contiguous area and manufacturing same/similar/ products, trades or industrial sectors. A mini cluster may be formed by new SPV or as a Sub group of an Association or Existing SPV. MSEs will be motivated to avail the scheme through awareness programmes. MSEs are expected to assess the suitability of forming a Mini Cluster by exploiting the benefits of synergy, collective bargaining and economies of scale. The scheme may be availed by existing Special Purpose Vehicle (SPV) by bringing in suitable changes in the mandate of the SPV. In case SPV is not available in the cluster, the scheme may be availed through another legal entity i.e. concerned association by grouping the MSEs in the form of Distinct Product Groups (DPGs) or Sub Groups. DPG and SG will be small groups within the Association or existing SPVs. formed with the approval of Management of SPV or Association, as the case may be. More than one DPG / SG may be formed within one association or cluster. A Mini Cluster will consist of ideally minimum of 8 MSEs. All the units of the MC would work with the assigned LMC to implement the specific LM techniques. In case the scheme is being availed by SPV (existing or new), a separate joint Bank Account will be opened in a Scheduled Commercial Bank for receiving the funds under the scheme. In case DPG / SG is formed for taking benefit of the scheme, the project specific account will be operated jointly by Head of the SPV or Association and the Nodal Officer of the DPG / SG.
2. A nodal officer (from SPV) would be identified to be a point of contact for all requirements of the Scheme. He would also be authorized signatory on behalf of the Mini Cluster and a Power of Attorney would be signed to that effect, as per the format given at Annexure II.
3. Responsibilities of Lean Manufacturing Consultants :
 - (a) Assess the existing system at each member unit of the concerned mini cluster
 - (b) Diagnostic Study Report for each cluster shall be prepared by assigned LM Consultant. The report includes measurable targets with respect to baseline data. The baseline data and monitorable incremental improvements may be different for each unit.
 - (c) Stipulate detailed step by step procedures and schedules for implementation of the LM techniques (pre-defined milestones);
 - (d) Identify the end targets in quantified parameters to be achieved by each unit at the end of the Scheme;
 - (e) Work in close co-operation with each of the units to assess and then achieve the LM techniques implementation;
 - (f) Respond to specific queries raised by SPV or Department of Industries on its performance.

4. Selection of LMC and Payment terms:

- (a) The Lean Manufacturing Consultants empanelled with National Productivity Council and Quality Council of India for implementation of LMCS scheme of Government of India would only be eligible to be selected as consultants for the state mini lean manufacturing scheme of Government of Haryana.
- (b) The SPV shall shortlist relevant LMC from the empanelled list. The shortlisted LMCs will be asked to submit technical and financial proposals in accordance with the scheme guidelines to the SPVs.
- (c) The proposals will be evaluated by the members of SPV and the evaluation details/report must be submitted to the Department of Industries.
- (d) The payment (as per financial proposal) to consultant shall be given in 5 equal instalments on the basis of completion of specific milestones/deliverables (DSR, MBR1, MBR2 & MBR3 and Case Study/Final Closure).

13. Interpretation of Rules :

The Administrative Secretary, Industries & Commerce, Haryana shall be competent to make interpretation of provisions of this scheme.

Dated:-

APOORVA KUMAR SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Annexure I**Application Format for the Preliminary Application****1. Basic Information of Individual Unit**

Unit's Name		Passport Photograph of Owner	Size of Unit
Unit Owner's Name & Designation			
Category of Unit (Micro / Small)			
Year of Establishment			
Address of Unit			
Turnover			
Contact Details			
Email ID			
Business Activity			
Category of the Entrepreneur (General, SC, ST, Woman, Physically Handicapped)			
Udyog Aadhar Memorandum No.			
Haryana Udyam Memorandum (HUM) No. & date			
No. of Employees			

2. List of SPV members for Mini Lean Manufacturing Competitiveness Scheme

S. N.	Contact Person	Company Name	Contact No.	Address of Unit	UAM No.	Products
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						

Annexure II

POWER OF ATTORNEY
(BY SPV TO ITS AUTHORIZED SIGNATORY)
(On a Stamp Paper of relevant value and to be notarized)

Whereas the Department of Industries and Commerce, Government of Haryana, has announced State Mini Lean Manufacturing Competitiveness Scheme for Micro, Small and Medium Enterprises.

Whereas, the industry units are interested in forming a mini lean cluster as required in the Scheme for taking benefits of the Scheme, and adopt Lean Manufacturing techniques in their industries, in accordance with the terms and conditions of the Scheme and other related documents in respect of the Scheme, and

Whereas, it is necessary as per the Guidelines of the Scheme for the members of the mini lean cluster to appoint a Nodal Officer with all necessary power and authority to do for and on behalf of the units, all acts, deeds and things as may be necessary in connection with the mini lean cluster's proposal for the implementation of Scheme who, acting jointly, would have all necessary power and authority to do all acts, deeds and things on behalf of the mini lean cluster, as may be necessary in connection with the mini lean cluster's application for the Scheme.

NOW THIS POWER OF ATTORNEY WITNESSETH THAT; We,

M/s. _____

do hereby designate Mr/ Ms. _____ as the Nodal Officer for the mini lean cluster, to do on behalf of the Cluster, all or any of the acts, deeds or things necessary or incidental to the mini lean cluster's proposal for the Scheme, including submission of application/proposal, participating in meetings, responding to queries, submission of information/documents and generally to represent the mini lean cluster in all its dealings with the Department of Industries and Commerce, Haryana; Lean Manufacturing Consultant (LMC); or any other Government Agency or any person, in connection with the Scheme. We hereby agree to ratify all acts, deeds and things lawfully done by the Nodal Officer, our said attorney pursuant to this Power of Attorney and that all acts, deeds and things done by our aforesaid attorney shall and shall always be deemed to have been done by us.

Dated this the _____ day of _____ 2019.

IN WITNESS WHEREOF, we have executed this POWER OF ATTORNEY in the presence of the witnesses attesting hereunder at _____

EXECUTANTS: SIGNATURES

(To be executed by all the members of the Consortium)

1. FIRST PART
2. SECOND PART
3. THIRD PART
4. FOURTH PART
5. FIFTH PART
6. SIXTH PART
7. SEVENTH PART
8. EIGHTH PART

IN THE PRESENCE OF:

- 1.
- 2.

Annexure-III

(To be executed on Stamp Paper of INR 100/-)

MEMORANDUM OF UNDERSTANDING AMONGST MINI CLUSTER (MC) FOR FORMATION OF SPECIAL PURPOSE VEHICLE (SPV)

This Memorandum of Understanding is entered into on the _____ day of _____ 2014 at _____

AMONGST

1. _____ having its registered office at _____ (hereinafter referred to as the First Part, which expression shall, unless repugnant to the context include its successors and permitted assigns)
2. _____ having its registered office at _____ (hereinafter referred to as the Second Part, which expression shall, unless repugnant to the context include its successors and permitted assigns)
3. _____ having its registered office at _____ hereinafter referred to as the Third Part, which expression shall, unless repugnant to the context include its successors and permitted assigns)
4. _____ having its registered office at _____ (hereinafter referred to as the Fourth Part, which expression shall, unless repugnant to the context include its successors and permitted assigns)
5. _____ having its registered office at _____ (hereinafter referred to as the Fifth Part, which expression shall, unless repugnant to the context include its successors and permitted assigns)
6. _____ having its registered office at _____ (hereinafter referred to as the Sixth Part, which expression shall, unless repugnant to the context include its successors and permitted assigns)
7. _____ having its registered office at _____ (hereinafter referred to as the Seventh Part, which expression shall, unless repugnant to the context include its successors and permitted assigns)
8. _____ having its registered office at _____ (hereinafter referred to as the Eighth Part, which expression shall, unless repugnant to the context include its successors and permitted assigns)
9. _____ having its registered office at _____ (hereinafter referred to as the Ninth Part, which expression shall, unless repugnant to the context include its successors and permitted assigns)
10. _____ having its registered office at _____ (hereinafter referred to as the Tenth Part, which expression shall, unless repugnant to the context include its successors and permitted assigns)

The above-mentioned parties of the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth and Tenth Part are collectively referred to as Parties and each is individually referred to as a Party.

WHEREAS**1. Purpose**

The purpose of this MoU is to enable units who are signatories of this agreement to join together for implementation of *State Mini Lean Manufacturing Competitiveness Scheme* (herein after referred to as Scheme) of Department of Industries & Commerce, (herein after referred to as Department) Government of Haryana.

2. Reference

- a. State Mini Lean Manufacturing Competitiveness Scheme.

3. Background

With the advent of Globalization, the competition in the manufacturing sector is ever increasing. In this competitive environment, the enterprises need to adopt efficient practice to sustain. While the big industries usually have dedicated funds and resources for innovation and efficiency, the micro and small enterprises have hardly any time or resource for this important but not so direct activity.

Hence, with the view to help these industries gain efficiency, the Department of Industries & Commerce has launched State Mini Lean Manufacturing Competitiveness Scheme. In this Scheme, ideally minimum 8 MSEs producing similar products, and having similar production process, would come together.

4. Scope

This Memorandum of Understanding defines the term between the units for implementation of the Scheme in the Mini Cluster.

NOW IT IS HEREBY AGREED AS FOLLOWS :-**1. Consortium**

- 1.1 The parties do hereby irrevocably constitute a consortium (the Consortiums) for the purpose of jointly participating in the implementation of the Scheme.

- 1.2 The parties hereby undertake to participate in the implementation process only through this consortium and not individually and/or through any other consortium constituted for this purpose, either directly or indirectly or through any of their Associates.

2. Covenants

The parties hereby undertake that in the event the consortium is declared to be selected, it shall incorporate a Special Purpose Vehicle as per scheme guidelines for entering into a Joint Agreement for performing all its obligations as the participants in terms of the Joint Agreement for the purpose.

3. Role of the parties

- a. It is the collective and joint responsibility of all members of the Mini Cluster to carry out the scheme in their Mini Cluster. The members shall allocate the responsibility of implementing the scheme to a team comprising of representation from all levels of the organization.
- b. The units would adhere to Terms & Conditions of the scheme throughout the period of implementation.
- c. The units would co-operate and work in collaboration with the Lean Manufacturing Consultant (LMC) for carrying out the diagnostic study of their process and will provide all necessary inputs and information required by the LMC for the purpose.
- d. The units also undertake to implement the suggestions given by the LMC, and in case they are unable to do so in some of the conditions, explain the same in writing to the satisfaction of the Consultant, who may try to solve the problem and make fresh recommendation to improve the processes in the Industry.
- e. The units understand that the Government grant up to 80% of the cost is for a period of 12 month, and units agree to fund and implement the scheme post period of 12 months by themselves through this SPV, if desired.
- f. The units would report their progress from time to time as required by the Scheme. The failure to do so may result in delay/stopping of re-imbursement by the department.

4. Monetary and Performance terms

- i. The units in the Mini Cluster will form a SPV for the purpose of the Scheme once the approval is accorded to the Mini Cluster.
- ii. The SPV then will search for Lean Manufacturing Consultants from the Empanelled list and will evaluate the proposals for finalization of the engagement of LMC. The terms of reference for the LMC shall be as described in the Guidelines of the Scheme.
- iii. After the appointment of the Consultant for the Mini Cluster, the units shall contribute an amount equal to 20% of the total fees of the Lean Manufacturing Consultant to an account of the SPV.
- iv. An account will be opened by SPV with designation of the nodal person to operate the account.
- v. The LMC shall conduct diagnostic study for the SPV and shall submit its report with set of action items, along with the Invoice.
- vi. The department shall release its first grant-in-aid to the SPV once the matching contribution has been made by the SPV members in the SPV account.
- vii. For the next grant-in-aid, the SPV will have to submit a Utilization certificate along with the receipt from the LMC for the fees paid.
- viii. The Government grants for the Scheme shall be restricted to 80% of the Consultancy fees of LMC.

5. Monitoring Mechanism

The units would be required to submit through LMC their progress report from time to time. Inability to submit progress report or inadequate progress may lead to suspension of the unit from the Mini-cluster, and no compensation for the amount initially paid would be given to such a unit.

IN WITNESS WHERE OF THE PARTIES ABOVE NAMED HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN

SIGNED SEALED AND DELIVERED BY FIRST PART

WITNESS

1.

2

SIGNED SEALED AND DELIVERED BY SECOND PART

WITNESS

1.

2.

SIGNED SEALED AND DELIVERED BY THIRD PART
WITNESS

- 1.
- 2

SIGNED SEALED AND DELIVERED BY FOURTH PART
WITNESS

- 1.
- 2.

SIGNED SEALED AND DELIVERED BY FIFTH PART
WITNESS

- 1.
- 2.

SIGNED SEALED AND DELIVERED BY SIXTH PART
WITNESS

- 1.
- 2.

SIGNED SEALED AND DELIVERED BY SEVENTH PART
WITNESS

- 1.
- 2.

SIGNED SEALED AND DELIVERED BY EIGHTH PART
WITNESS

- 1.
- 2.

SIGNED SEALED AND DELIVERED BY NINTH PART
WITNESS

- 1.
- 2.

SIGNED SEALED AND DELIVERED BY TENTH PART
WITNESS

- 1.
- 2.

Annexure -IV**Format for Agreement between Special Purpose Vehicle (SPV) and State Government for funding under State Mini Lean Manufacturing Competitiveness Scheme (SMLMCS).**

This agreement is made at on this theth day of 20.... between

(1) the Governor of Haryana, acting through and represented by Director of Micro, Small and Medium Enterprise (MSME), Haryana (hereinafter after referred to as the "State Government"),

(2) Special Purpose Vehicle (SPV), having its registered office at..... represented by its Managing Director/Chief Executive Officer (hereinafter referred to as the „SPV“) duly authorized by their Board of Directors/society.

WHEREAS the State Government has introduced a scheme named as "State Mini Lean Manufacturing Competitiveness Scheme" with the objective to enhance the manufacturing competitiveness of MSMEs through the application of various Lean Manufacturing (LM) techniques by reducing waste, increasing productivity, introducing innovative practices for improving overall competitiveness, inculcating good management systems.

AND WHEREAS the SPV has been created and constituted as a partnership firm/trust/ DPG/ society/co-operative society/company, inter alia, to implement lean manufacturing techniques in the member units for the benefit of its members.

AND WHEREAS the SPV has submitted an application for approval of the State Government under the State Mini Lean Manufacturing Scheme; AND WHEREAS the State Government has approved the application submitted by the SPV subject to the conditions mentioned in the sanction letter No. dated, which shall be deemed to be a part of this Agreement and the State Government has also agreed to contribute towards the consultancy fee for the implementation of sate lean manufacturing scheme; AND WHEREAS for binding the Parties to their respective obligations and to ensure sustainability of lean techniques by the enterprises in the Cluster, the Parties are desirous to enter into an agreement as per the following terms:

1. It is the collective and joint responsibility of all members of the SPV to carry out the State Mini Lean Manufacturing Competitiveness Scheme in their Mini Cluster. The members shall allocate the responsibility of implementing the Scheme to a team comprising all levels of the organization.
2. The units would adhere to Terms & Conditions of the State Mini Lean Manufacturing Competitiveness Scheme throughout the period of implementation.
3. The units understand that the Government grant up to 80% of the cost is for a period of 12 month or till completion.
4. The SPV shall nominate one of its members as a Nodal Officer who would also be authorized signatory and single point contact on behalf of the Mini Cluster/SPV.
5. The SPV will select the Lean Manufacturing Consultant from the empaneled list of Quality Council of India and National Productivity Council through cost competitive process of selection.
6. After the selection of LMC and the consultancy fee agreed upon, the SPV shall mobilize an amount equal to half of their total contribution towards the consultancy fees of the Lean Manufacturing Consultant from the cluster members to the account of the SPV.
7. The SPV shall pay the first instalment of 20% of the consultancy fees from the contribution received from SPV members and Government of Haryana.
8. From the next stage onwards, the SPV will have to submit a Utilization certificate along with the receipt from the LMC for the fees paid.
9. The payment (as per financial proposal) to consultant shall be given in 5 equal instalments on the basis of completion of specific milestones/deliverables (DSR, MBR1,2 &3 and Case Study/Final Closure).
10. The units would report their progress from time to time as required by the Scheme. The failure to do so may result in delay/stopping of financial assistance by Department of Industries, Haryana.
11. The units would co-operate and work in collaboration with the Lean Manufacturing Consultant for carrying out the diagnostic study of their process, and will provide all necessary inputs and information required by the LMC for the purpose.
12. The units also undertake to implement the suggestions given by the LMC, and in case they are unable to do so in some of the conditions, explain the same in writing to the satisfaction of the Consultant, who may try to solve the problem and make fresh recommendation to improve the processes in the Industry.

13. The member units also undertake that they have not availed the financial assistance under the Lean Manufacturing Competitiveness Scheme (LMCS) of Government of India.
14. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of the remaining provisions, which shall remain in full force.
15. No amendment to this agreement shall be valid unless expressed in writing and duly signed by both the Parties.
16. This agreement does not constitute any partnership of the State Government with SPV and the State Government shall not be responsible for any act, omission, negligence, etc. of the SPV or its employees, agents or contractors or any injury suffered or claim made by any person in respect of implementation of this scheme.
 - (1) State Government, Represented by Shri.....
 - (2) Special Purpose Vehicle Represented by Shri.....

Witnesses:

1.
2.

Guidelines on Preparation of Diagnostic Study Report (DSR)**1. SUMMARY OF DETAILS OF UNITS**

Sr. No.	Name of the Enterprise	Name of Owner	Type of Enterprise (Micro/ Small/ Medium)	Address, Contact No. & Email Id	Category of the Entrepreneur (General, SC, ST, Woman, Physically Handicapped)	SSI Registration No./EM-II No. UAM No.	Annual Turnover	No. of Employees
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								

2. Basic Information

Unit's Name		Passport Size Photograph of Unit Owner
Unit Owner's Name & Designation		
Category of Unit (Micro / Small)		
Year of Establishment		
Address of Unit		

Turnover	
Contact Details	
Email ID	
Business Activity	

3. Major Products Categories & Customers:

Product categories/ customers	Client 1	Client 2

4. Organization Structure

Organization structure to be provided

Manpower Strength	
Officers	
Staff	
Workmen	

5. Plant Layout & Manufacturing process flow

Plant layout of the unit and process flow chart to be attached.

6. Identification of Seven wastes:

6.1 Evaluation on a scale of 1 to 5. 5 being 'completely lean' and 1, 'completely traditional'.

Scale	Description
5 - Completely Lean	Fully follows Lean principles in both letter and spirit and thereby enjoys benefits of high efficiency fully meeting customer requirements.
4 - Largely Lean	Follows lean principles in many areas with few of the traditional practices
3 – Moderate	Follows a mix of lean and traditional practices equally
2 - Largely Traditional	Follows Traditional practices largely – just getting aware of lean practices and practicing in few of the areas
1 - Completely Traditional	No existence of any Lean practices

6.2 Evaluation for current level of wastes found at company.

S.No	Type of Waste	Current Level (in no.s)	Comments
1	Over production		
2	Waiting time		
3	Transportation		
4	Over Processing		
5	Inventory		
6	Motion		
7	Defects		

Level	Baseline 0	Beginner 1	Basic 2	Visual 3	Systematic 4	Preventive 5	Score
Sort	Unsafe items in work area.	Needed and un-needed items found in work area.	Needed /un-needed items separated, un-needed tagged.	Red tag area created, all un-needed items removed.	List of needed items developed, maintained, posted.	Un-needed items are not allowed in area.	
Set in Order	Placement of items causes unsafe conditions.	Needed and un-needed items are placed randomly throughout the workplace.	Needed items stored in an organized manner.	Needed items have dedicated positions that are clearly indicated.	Needed items can be retrieved within (cell target) seconds and (cell target) number of steps.	Method for adding/deleting indicators for needed items	
Shine	Spills, waste, trash, etc. produce unsafe conditions.	Work area and machines are not cleaned on a regular basis.	Area and equipment cleaned daily.	Standard work layout posted and maintained.	Daily inspection of plant and area occurs.	Root cause sources of dirt, grease & spillage have been eliminated.	
Standardize	No work methods or procedures documented.	Methods of work not completely documented.	Methods of work documented but not consistently used.	Methods of work posted and consistently used by some cell team members.	Methods of work consistently used by all cell team members.	Methods of work are regularly reviewed and improved.	
Sustain	No routine review/correction of unsafe conditions.	Occasional, unscheduled 5S activity.	5S activities conducted on regular basis.	5S assessment conducted occasionally and results posted.	5S assessment conducted on a regular basis and recurring problems are identified.	Root causes of problems revealed by 5S assessment are identified and eliminated.	
TOTAL SCORE (MAX OF 25)							
OVERALL 5S SCORE - X % (INDEXED TO 100)							

Note : Current State Photographs to be attached.

8.0 Visual Baseline Summary

(Detailed explanation of current status of practices to be given, supported by data or photographs)

S.No	Focus Area	Current Status
1.	5s	
2.	Safety	
3.	Visual Control	
4.	Storage	
5.	Maintenance	

9.0 Inventory

9.1 Inventory data

Metrics	Units	Preceding 6 Months					
RM	Rs. Lakhs						
FG	Rs. Lakhs						
WIP	Rs. Lakhs						
Non-moving (as on date)	Rs. Lakhs						
Scrap (as on date)	Rs. Lakhs						
Total Inventory	Rs. Lakhs						
Sales turnover (last 6 months)	Rs. Lakhs						
Inventory turnover ratio	No. of times						

9.2 Your Comments /reasons on Inventory turnover.

9.3 Other practices carried as on date.

10.0 Quality

10.1 Certification: ISO:9001 2008 (YES/NO), if No, other certification, if any ?

10.2 Inhouse PPM and supplier PPM.

10.3 Whether any patents registered (YES/NO), if Yes give the details.

10.4 Whether product designing/development is being particed inhouse or outsourced ?

10.5 Are you availing/aware of the GOI schemes availabale for MSME ? If yes, please providethe details ?

10.6 Current Level of quality practices:

Quality Practices	Current Status
Suggestion scheme	
Quality Circles	
Shop floor meetings	
Monthly meetings	
Use of problem solving techniques	
Continuous Improvement (Kaizen)	
Cost of Quality	

11.0 Delivery Performance

Fulfillment level of orders for last 6-12 months

12.0 Maintenance

Breakdown hours (Quantitative figures)	
Maintenance Practices (System followed)	
Breakdown maintenance (System followed)	
Changeover time (in hrs.)	

13.0 Analysis of Data & Conclusion:

“Let’s think about making our product which has ‘zero defect; so that it does not come back (get rejected) from the world market and ‘zero effect’ so that the manufacturing does not have an adverse effect on our environment” said the prime minister Sh. Narendra Modi while delivering his maiden Independence Day speech.

Keeping in view the “Make in India” campaign of Govt of India, following primary parameters are identified which are needed to be measured; the selected projects in the Action Plan should contain the primary & secondary indicators as applicable. This would be monitored over the entire project period

13.1 Primary parameters:

Primary Indicator	Indicative Measurement
Product Quality	No. of defective parts per million (i) Customer Complaints (Nos) (ii) Customer returns (PPM) (iii) In process rejections (PPM)
Labour Productivity	Ratio of accepted units to the total no. of employee hours
Inventory turnover ratio	Ratio of Stock (RM, WIP & FG) to the sales turn over
Delivery Schedule achievement	Ratio of dispatches achieved against planned
Overall Equipment Effectiveness	Composite measure of Availability, Productivity and quality
Floor Space utilization	Ratio of Inventory value to the shop floor
Safety	Accident frequency rate & Accident severity rate
Impact on Environment	

13.2 Secondary parameters:

Secondary Indicator	Measurement
SMED Index	Ratio of no. of changeovers in less than 10 min to total changeovers
Inventory Quality Control (Red, Grey, Green inventory)	Visual control by RGG codes
Floor Space saving	Floor space saved through improvements in Sq.m.
Absenteeism & Overtime	% absenteeism & Overtime in Rs.
Suggestions per employee	Ratio of employee suggestions to total employees
Machine breakdown hours & frequency	Break down hrs. for mechanical/electrical and electronic faults. Frequency in no. of occurrence

Energy Cost Savings	Energy input in terms of fuel and electricity
Improvements implemented	Measure of employee participation levels
Health Hazards	No. of medical cases reported

13.3 Training calendar along with topics to be appended below:

Training Calendar	Training Topic

Annexure VI

Subject: Phase-wise and Unit- wise Action Plan (MBR)

Dated:

Name of the DPG		Name of the Unit					
		Name and contact details (including address, phone and email)					
Location of DPG		Name & Address of the Consultant					
		Date of Appointment of Consultant					
Project Details	Current Status of parameters	PHASES					
		I	II	III	IV	V	
		Milestone Completion Date					
		<Date>	<Date>	<Date>	<Date>	<Date>	
		Activities & Targets for Each Parameters					
<u>Project 1 – Project Name</u> A. Define quantified targets for parameters i. Parameter 1 ii. Parameter 2.....n B. Training of project teams i. Training 1 ii. Training 2.....n <u>Project 2 – Project Name</u> A. Define quantified targets for parameters iii. Parameter 1 iv. Parameter 2.....n B. Training of project teams iii. Training 1 iv. Training 2.....n (* Mention similarly, for other Projects. Project nos. may be 1 ..n)							
		Quantitative		Qualitative		Monetary	
Overall Realization of benefits i. Project 1 ii. Project 2 iii. Project n							
Remarks by UNIT (if any)							

Signed by:

Signed by:

Signed by:

(Signature)

(Signature)

(Signature)

Name of Authorized Signatory,
LMC

Name of Authroized Signatory, SPV

Name of Authorized Signatory,
Department of Industries and
Commerce GoH



Haryana Government Gazette

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HARYANA GOVERNMENT

INDUSTRIES & COMMERCE DEPARTMENT

Notification

The 24th December, 2020

No. 25/03/2019-4IB-I.— The Governor of Haryana is pleased to notify Haryana Micro small and Medium Enterprises (MSME) Policy-2019, the Governor of Haryana is placed to notify the **“Promotion of Information & Communication Technology (ICT) Scheme for MSE Sector”** with the following provisions which will be effective from date of Notification as at ‘Annexure-‘E’. This is issued with the concurred of the Finance Department *vide* their U.O. No. 01/13/2018-1FD-III/2020/4806 dated 09-09-2020.

Chandiagarh:
The 11th December, 2020.

A. K. SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Annexure-‘E’

No.-25/04/2020-4IB-I- in pursuance to Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019 notified *vide* No. 25/03/2019-4IB-I dated 26th February 2019, the Governor of Haryana is pleased to notify the “**Promotion of Information & Communication Technology (ICT) Scheme for MSE sector**” with following provisions :

1. Objective:

Adoption of latest Information & Communication technology (ICT) by Micro and Small Enterprises has been identified as a key gap area, which requires Govt. intervention in the form of subsidies to help state MSEs upgrade their Information & Communication technology (ICT) practices. Use of latest Information & Communication technology (ICT) can help MSEs improve their management processes ranging from procurement, manufacturing, delivery, accounting, HR & marketing. It enables greater competitiveness via improving efficiency, saving time & cost in different business processes, better customer & supplier management, and efficient flow of information between different business functions.

Keeping this in view, Government of Haryana introduces subsidy for adoption of cloud-based Enterprises Resources Planning (ERP) solutions. The rationale behind choosing cloud-based solutions for subsidy support is that they do not require any upfront expenditure in installation of Hardware/Software, and as such have no capital expenditure. Additionally, Enterprises Resources Planning (ERP) solutions can help MSEs in efficient management of multiple processes ranging from purchase, sales, production, finance, payroll, supply chain, inventory, quality, compliance etc. Cloud based Enterprises Resources Planning (ERP) solutions typically charge only a subscription/usage fee to be paid on a “pay-as-you-use” basis.

2. Quantum of Assistance :

The State Government shall provide subsidy of 75% up-to a maximum of INR 3 lakh for two years to an eligible unit under the Promotion of Information & Communication Technology Scheme for Micro and Small Enterprises. The subsidy will be provided on a reimbursable basis annually on the subscription/usage charges paid by the MSE in a financial year to the Cloud based Enterprises Resources Planning (ERP) service provider.

3. Commencement and Applicability :

The Scheme shall commence with effect from the date of notification of Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019 i.e. 26/02/2019 and shall remain in operation for a period of 5 years up-to 25/02/2024 or till the validity of Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019. The assistance shall be available only on subscription/usage bills paid during this period.

4. Eligibility Criteria :

All the existing Micro and Small Enterprises located in the State, who have filed UAM/EM-II and HUM shall be eligible under the Scheme. Only Enterprises Resources Planning (ERP) solutions which are cloud based shall be eligible for subsidy. The scheme also covers cloud based financial accounting service, regulatory compliance services & manufacturing design services. This scheme does not cover purchase of licensed version of any software nor any kind of computer/network/storage hardware installations. The eligible units must also comply with the following conditions:

- i. The scheme is applicable for all MSEs in the state of Haryana.
- ii. The unit should not have been placed in the restrictive list as notified by the State Government from time to time.
- iii. The unit must have CLU/NOC, as applicable.
- iv. The unit should be in commercial production.
- v. The unit must upgrade their Information Technology infrastructure via buying subscription from a cloud-based Enterprises Resources Planning (ERP) services provider.
- vi. The unit should be in regular production at the time of disbursement and the subsidy shall not be released to a closed unit.
- vii. The unit cannot claim subsidy under this scheme for the same subscription for which it has already availed subsidy under “Promotion of Information and Communication Technology in MSME sector” scheme of GOI.
- viii. The units who have applied under GOIs “Promotion of Information and Communication Technology in MSME sector” Scheme but have not been able to avail subsidy due to revision in scheme or any other reason, are also eligible only after fulfilling the terms and conditions under the state Information & Communication technology (ICT) scheme.

5. Procedure :

- a. Application on prescribed Form (Annexure-I) for the grant of reimbursement for Information & Communication technology (ICT) along with listed documents would be submitted on the website of the department. Application should be filed within 3 months from the end of financial year in which the subscription was purchased along with subscription agreement and all invoices & payment receipts for the financial year.

The following documents shall be required to be enclosed with the application form:

- I. Acknowledgement of UAM and HUM.
- II. Certificate of Incorporation/ Partnership deed.
- III. Board resolution/ Power of attorney
- IV. Change of Land Use (CLU)/ NOC from competent authority, as applicable.
- V. CA Certificate regarding expenses incurred toward subscription/usage fee of cloud based ERP solution in the financial year (Annexure-II).
- VI. Audited balance sheet of the unit of last year (if Applicable).
- VII. Copy of subscription agreement of the Cloud Enterprises Resources Planning (ERP) solution.
- VIII. Copy of all invoices of Cloud Enterprises Resources Planning (ERP) solution for the financial year.
- IX. Copy of all payment receipts made towards cloud Enterprises Resources Planning (ERP) solution for the financial year.

6. Competent Authority for Sanction:

The Additional Director, Micro, Small and Medium Enterprise (MSME) Deptt., Haryana shall be competent authority for approval and sanction of these incentives.

7. Timelines for processing of applications (working days) :

- A. Time limit for approval in case where no deficiency is found – 30 days.
- B. Time limit for approval in case where additional information is required – 45 days.
- C. Time limit for conveying the deficiencies, if any and removal thereof :
 - i. Joint Director/Deputy Director, DIC shall convey the deficiencies to the applicant unit – 10 days.
 - ii. Time limit for removal of all deficiencies to the applicant unit – 15 days
 - iii. Notice period to the applicant unit before rejection of application – 07 days

8. Appeal :

Appeal against orders passed by the Competent Authority shall lie with the Director General, Micro, Small and Medium Enterprise (MSME Deptt.), Haryana within a period of 30 days from the date of communication of orders appealed against.

9. Power to condone the delay :

The power to condone the delay in late submission of application by the applicant for availing the benefits under the scheme will be as under:

- I. The Director General, Micro, Small and Medium Enterprise (MSME), Haryana shall be competent to condone the delay upto a period of 03 months after the prescribed time limit.
- II. The Administrative Secretary, Industries & Commerce Department, Haryana shall be competent to condone the delay for a period more than 03 month but upto a period of 06 months after the prescribed limit.

Provided that the competent authority is satisfied with the reasons of late submission of the application on the basis of the substantial evidence/ documents/ arguments presented by the applicant.

10. Penal Action :

In case, it is found at any stage that the applicant has claimed the assistance on the basis of wrong facts, the applicant shall besides refunding assistance with compound rate of interest @ 12% per annum and facing legal action, will be debarred from grant of any incentives/assistance from the State Government.

The industry should be in operation for a period of three years from the date of disbursement of subsidy otherwise the entire amount of subsidy on pro rata basis shall be recovered from the unit.

11. Other Terms and Conditions :

- (a) That the Beneficiary will allow the officers of the Government of Haryana or any other person or persons authorized by Government of Haryana to inspect the cloud based Enterprises Resources Planning (ERP) subscription for which the reimbursement subsidy has been granted and will furnish such information concerning the subscription agreement, payment terms etc., or concerning any matter connected with the reimbursement subsidy or incidental thereto, as the Government of Haryana or their nominees may, from time to time require.
- (b) That the Beneficiary will not change the place or location of the industrial unit entirely or partly, nor enter into partnership with any one, or change its constitution by merger, amalgamation or in any manner without the express prior permission of the Government of Haryana in writing. This is applicable for cases within three years of disbursement of subsidy.
- (c) The Beneficiary unit shall remain in commercial production for a period of at least three years from the date of disbursement of subsidy otherwise the entire amount of subsidy on pro rata basis shall be recovered from the unit.

12. Interpretation of Rules :

The Administrative Secretary, Industries & Commerce, Haryana shall be competent to make interpretation of provisions of this scheme.

Dated:-

APOORVA KUMAR SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Annexure – I**Application format for claiming Promotion of Information & Communication Technology (ICT) Scheme**

Sr. No.	Particulars	Details
1	Name of the applicant (Authorized person of the unit)	
2	Name & address of the enterprise with telephone No. and e-mail	
3	Registered Office address	
4	Name of the block in which the enterprise is located and category of blocks i.e. A/B/C/D	
5	Category of the unit (Micro/ Small/Medium).	
6	Udyog Aadhar Memorandum (UAM) No. & date	
7	Haryana Udyam Memorandum (HUM) No. & date	
8	Date of commencement of cloud based ERP solution subscription	
9	Item of manufacture/processing	
10	Name of the Cloud based ERP service provider	
11	Modules/Services/Business functions covered under cloud based solution	
12	Total annual subscription fee paid till the end of financial year	
13	Date of first subscription payment made	
14	Current account of the unit with Account Name, Account number, IFSC code, Branch Address	
15	Quantum of reimbursement subsidy claimed by the unit	

16. Self-attested copies of documents to be attached with the application:
- I. Acknowledgement of UAM and HUM.
 - II. Declaration by the applicant as on Annexure II
 - III. Certificate of Incorporation/ Partnership deed.
 - IV. Board resolution/ Power of attorney
 - V. Change of Land Use (CLU)/ NOC from competent authority, as applicable.
 - VI. CA Certificate regarding expenses incurred towards subscription/usage fee of cloud based ERP solution in the financial year (Annexure-III).
 - VII. Audited balance sheet of the unit of last year (if Applicable).
 - VIII. Copy of subscription agreement of the Cloud ERP solution.
 - IX. Copy of all invoices of Cloud ERP solution for the financial year
 - X. Copy of all payment receipts made towards cloud ERP solution for the financial year

Signature of the applicant
(with seal)

Annexure-II**Declaration
(On the Letter Head of the Unit)**

1. I, do hereby solemnly state that I am proprietor/partner/director/ of M/s located Which is engaged in the manufacture of and I have been authorized to file the reimbursement subsidy under State Promotion of Information & Communication Technology (ICT) Scheme for MSE sector with the Department of Industries and Commerce, Haryana.
2. I do hereby affirm that the particulars given in the application are correct. In case, any of the statement/information furnished in the application/ documents is later found to be wrong or incorrect or misleading, I do hereby undertake to refund the entire amount of assistance of Rs. (Rupee) granted to me at the compound rate of interest @12% per annum, besides facing legal action in case facts contained in this application are proved to be wrong at the time of verification/ checking or otherwise at any stage.

Dated:

Signature of the applicant
(with seal)

Annexure-III**Certificate from Chartered Accountant regarding investment in plant & machinery (on a CA letter head)****To whomsoever it may concern**

The records and books of account of M/s with their regd. office at..... and factory located at in respect of expenses incurred towards payment of subscription/usage fee towards cloud based ERP solution services has been verified.

The total investment incurred in plant and machinery by M/s Stands as Rs.....

It is certified that the subscription fee payments for cloud based Enterprises Resources Planning (ERP) solution as on date..... stands as Rs.....

Name & signature of the Chartered Accountant
with stamps & CA membership number

Dated:



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HARYANA GOVERNMENT
INDUSTRIES & COMMERCE DEPARTMENT

Notification

The 24th December, 2020

No. 25/03/2019-4IB-I.— The Governor of Haryana is pleased to notify Haryana Micro small and Medium Enterprises (MSME) Policy-2019, the Governor of Haryana is placed to notify the “**Skill Development Training for Potential and Existing Workers in MSME’s Scheme** with the following provisions which will be effective from date of Notification as at ‘**Annexure-‘F’**’. This is issued with the concurred of the Finance Department *vide* their U.O. No. 01/13/2018-1FD-III/2020/4806 dated 09-09-2020.

Chandigarh:
The 11th December, 2020.

A. K. SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Annexure-‘F’

No. 25/04/2020-4IB-I- In pursuance to the Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019 notified *vide* No. 25/03/2019-4IB_I dated 26th February 2019, the Governor of Haryana is pleased to notify ‘**Skill Development & Training for Potential and Existing Workers in MSMEs**’ scheme with the following provisions : -

1. Objective :

The objective of the scheme is to enhance capacity and skill of manpower employed in MSMEs, thereby improving the productivity of enterprises, by providing support for training and development of workers in MSMEs in the State of Haryana. This will help in skill upgradation of existing workforce and development of new skilled workers and technicians thereby increasing their employability.

The scheme will cover all existing MSMEs across the state of Haryana who have filed Haryana Udhym Memorandum (HUM) and Udyam Registration Certificate (URC).

2. Quantum of Assistance :

The scheme will provide assistance to existing MSMEs for imparting training to their workers through technical training providers and shop-floor trainings of workers in existing industries.

- The financial assistance will be provided as re-imbursement to the MSME against the training cost incurred on skill upgradation of existing unskilled workforce. The financial assistance would be limited to 50% of the training cost, upto a maximum Rs. 5,000/- per worker per training program
- Under this scheme, MSMEs can claim training cost incurred as per following categorization
 - Micro units: 8 workers in one financial year
 - Small units: 10 workers in one financial year
 - Medium units: 20 workers in one financial year

3. Commencement and Applicability :

The Scheme shall commence with effect from the date of notification of Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019 i.e. 26/02/2019 and shall remain in operation for a period of 5 years up-to 25/02/2024 or till the validity of Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019. The assistance shall be available on skill up-gradation trainings conducted during this period.

4. Eligibility Criteria :

All the existing Micro, Small and Medium Units located anywhere in the State, who have filed UAM/EM-II and HUM shall be eligible to apply under the Scheme. The eligible units must also comply with the following conditions:

- i. The scheme is applicable for all MSME industries/sectors in the state of Haryana.
- ii. The unit should not have been placed in the restrictive list as notified by the State Government from time to time.
- iii. The unit should be in commercial production.
- iv. The unit should be in regular production at the time of disbursement and the subsidy shall not be released to the closed unit.
- v. The worker undergoing training should be a resident of Haryana state.
- vi. The unit must have CLU/NOC, as applicable.
- vii. The worker should be 18 years or above at the time of training/certification.
- viii. In case training is to be conducted at a private training institute, the institute must be registered with skill development mission/scheme of Center/State Government.
- ix. In case where the training facility is an existing MSME/Industry, the training must be conducted with prior information to the local DIC, at-least one month in advance. The Joint Director/Deputy Director, DIC have the right to monitor the training program should they decide to.

5. Procedure :

All the eligible MSMEs are required to apply for reimbursement by submitting duly filled forms along with supporting documents on the website of the department within a period of **three months** from the date of training completion. The following documents shall be required to enclosed/uploaded with the application form:

- a. Application form (Annexure I)
- b. CA Certificate regarding expenditure incurred on training of workers (Annexure II)
- c. Declaration form (Annexure III)
- d. Self-attested copies of supporting documents to be enclosed/uploaded with the application:
 - Certificate of Incorporation/ Partnership deed
 - Board Resolution/Power of attorney

- UAM Registration IEM-II and HUM
- Change of Land Use (CLU)/ NOC from competent authority, as applicable.
- Statement of Expenditure (Annexure IV) with expense vouchers/bills
- Valid training certificate issued post-completion of the training program from recognized training provider
- Attendance sheet supported by name & aadhar card number of candidates trained and training session photographs.
- Bank Account details/ Copy of cancelled cheque and PAN card.

6. Training Centers & Partners :

The existing infrastructure available with the industry, Government/Private Educational Institutions and others will be utilized to set up the training classrooms and workshops. The scheme does not envisage construction of any new buildings for the purpose of implementation of this scheme.

Any Government institutions/private institutions/polytechnic institutions/ training partners/ITIs under National Skill Development Corporation or Haryana Skill Development Mission are eligible for imparting training. Each training centre shall be equipped with necessary machinery, tools and teaching aids required to conduct the training effectively.

7. Competent Authority for Sanction :

The Director General, Micro, Small and Medium Enterprise (MSME) Deptt., Haryana shall be competent authority for approval and sanction of these incentives.

8. Timelines for processing of applications (working days) :

- A. Time limit for approval in case where no deficiency is found – 30 days.
- B. Time limit for approval in case where additional information is required – 45 days.
- C. Time limit for conveying the deficiencies, if any and removal thereof:
 - i. Joint Director/Deputy Director, DIC shall convey the deficiencies to the applicant unit – 10 days
 - ii. Time limit for removal of all deficiencies to the applicant unit – 15 days
 - iii. Notice period to the applicant unit before rejection of application – 07 days

9. Appeal :

Appeal against orders passed by the Competent Authority shall lie with the Administrative Secretary, Industries & Commerce, Haryana within a period of 30 days from the date of communication of orders appealed against and orders passed by the Administrative Secretary shall be final.

10. Power to condone the delay :

The power to condone the delay in late submission of application by the applicant for availing the benefits under the scheme will be as under:

- I. The Director, Micro, Small and Medium Enterprise (MSME) Deptt., Haryana shall be competent to condone the delay upto a period of 03 months after the prescribed time limit
- II. The Administrative Secretary, Industries & Commerce Department, Haryana shall be competent to condone the delay for a period more than 03 month but up to a period of 06 months after the prescribed limit

Provided that the competent authority is satisfied with the reasons of late submission of the application on the basis of the substantial evidence/documents/arguments presented by the applicant.

11. Penal Action :

In case, it is found at any stage that the applicant has claimed the assistance on the basis of wrong facts, the applicant shall besides refunding assistance with compound rate of interest @ 12% per annum and facing legal action, will be debarred from grant of any incentives/assistance from the State Government.

The industry should be in operation for a period of three years from the date of disbursement of subsidy otherwise the entire amount of subsidy on pro rata basis shall be recovered from the unit.

12. Interpretation of Rules :

The Administrative Secretary, Industries & Commerce, Haryana shall be competent to make interpretation of provisions of this scheme.

Dated:-

APOORVA KUMAR SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Annexure – I**Application form for Skill Development & Training for Potential/Existing Workers in MSMEs Scheme under Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019**

Sr. No.	Particulars	Details
1	Name of the applicant (Authorized person of the unit)	
2	Name & Enterprise address of the unit with telephone No. and e-mail	
3	Registered Office address	
4	Type of Enterprise	
6	Udyog Aadhar Memorandum (UAM) No. & date	
7	Haryana Udyam Memorandum (HUM) No. & date	
8	Category of the unit (Micro/Small/Medium)	
9	Date of commencement of commercial production (As per first sale bill)	
10	Proof for Commencement of commercial production (Recent Sale Bill)	
11	Item of manufacture/processing	
12	Details of the employees on the roll of the Applicant's unit	
13	Total No. of employees (skilled/ semiskilled)	

Self-attested copies of documents to be attached with the application:

- a. Application form (Annexure I)
- b. CA Certificate regarding expenditure incurred on training of workers (Annexure II)
- c. Declaration form (Annexure III)
- d. Self-attested copies of supporting documents to be enclosed/uploaded with the application:
 - Certificate of Incorporation/ Partnership deed
 - Board Resolution/Power of attorney
 - UAM Registration IEM-II and HUM.
 - Change of Land Use (CLU)/ NOC from competent authority, if applicable.
 - Statement of Expenditure (Annexure IV) with expense vouchers/bills
 - Valid training certificate issued post-completion of the training program from recognized training provider
 - Attendance sheet supported by name and adhaar card number of candidates trained and training session photographs.
 - Bank Account details/ Copy of cancelled cheque and PAN card.

Signature of Applicant
(Name of Signatory)
(Designation of Signatory)
Rubber Stamp

Annexure – II**Certificate from Chartered Accountant regarding expenditure incurred on training of workers (on a CA letter head)****To whom it may concern**

The records of M/s with their regd. office at and factory located at in respect of expenditure incurred on training of workers of the company has been verified.

The total investment incurred in plant and machinery by M/s Stands as Rs.....

It is certified that the expense incurred on the trainings as on date..... stands as Rs.....

Name & Signature of the Chartered Accountant
with stamps & CA membership number.

Dated:

Annexure-III**Declaration Form for Skill Development & Training for Potential/Existing Workers in MSMEs Scheme under Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019.****(On the letter Head of the Unit)**

S. No.	Name of Worker	D.O.B. of Worker	Adhaar Card Number	Prior Formal technical training (Y/N)	Name, Address and Contact details of Training Facility	Name and details of certification	Period of Training	Date of Certification	Remarks
1	2	3	4	5	6	7	8	9	10

I,, hereby affirm and declare that the information given above and in the enclosed documents is true and correct to the best of my knowledge.

Date.....

Place.....

Name of Applicant.....
 Designation of Applicant.....
 Signature of Applicant.....
 (With Seal)

Annexure-IV**Statement of Expenditure for Skill Development & Training for Potential/Existing Workers in MSMEs under Haryana Micro, Small and Medium (MSME) Policy, 2019.**

S. No.	Name & Address of Trainer/Training institute	Description of Services	Bill No. & Date	Bill Amount (Rs.)	Cheque No. / RTGS No./ DD No. & Date	Remarks
1	2	3	4	5	6	7
Total						

Date.....

Place.....

Name of Applicant.....

Signature of Applicant.....
(With Seal)



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HARYANA GOVERNMENT
INDUSTRIES & COMMERCE DEPARTMENT

Notification

The 24th December, 2020

No. 25/03/2019-4IB-I.— The Governor of Haryana is pleased to notify Haryana Micro Small and Medium Enterprises (MSME) Policy-2019, the Governor of Haryana is placed to notify the **SME Echange Equity Scheme for SME Sector** with the following provisions which will be effective from date of Notification as at '**Annexure-'A'**'. This is issued with the concurrence of the Finance Department *vide* their U.O. No. 01/13/2018-1FD-III/2020/4806 dated 09-09-2020.

Chandigarh:
The 10th December, 2020.

A. K. SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Annexure-‘A’

No. 25/03/2020-4IB-I.— In pursuance to the Haryana Micro, Small & Medium, Enterprise (MSME) Policy, 2019 notified *vide* No. 25/03/2019-4IB-I dated 26th February 2019, the Governor of Haryana is pleased to notify **SME Exchange Equity Scheme for SME Sector** with the following provisions: -

1. Objective:

The objective of the scheme is to assist Small and Medium Enterprises in raising capital through the SME exchange. An SME exchange is a dedicated trading platform for small & medium enterprises, with significantly relaxed eligibility criteria & listing procedures as compared to normal or “main board” listing. Bombay Stock Exchange SME Platform & National Stock Exchange Emerge are two such exchange platforms for SMEs in India. As per the Securities and Exchange Board of India (SEBI) guidelines, SMEs can raise equity capital through SME Exchange by getting listed on the exchange, SMEs can avail multiple benefits in terms of raising equity capital, gaining visibility & credibility vis-a vis large corporates. There is an investment cost, like security deposit, initial listing fees, merchant banker fee involved for getting listed on the NSE/BSE exchange. The purpose of this scheme is to encourage SMEs to raise capital through this medium by providing financial assistance in terms of reimbursement of a percentage of expenses incurred on raising of funds through a pre-defined upper limit. The scheme will cover all existing Small and Medium Enterprises across the state of Haryana.

2. Quantum of Assistance:

The state shall provide onetime support of 20% of expenditure incurred towards registration on NSE’s/BSE’s SME exchange platform & raising of funds; upto a maximum of Rs. 5 lakh. The financial assistance under this Scheme will be provided as a reimbursement to the SMEs after successful listing on BSE/NSE SME exchange platforms.

3. Commencement and Applicability:

The Scheme shall commence with effect from the date of notification of Haryana Micro, Small & Medium, Enterprise (MSME) Policy, 2019 i.e. 26/02/2019 and shall remain in operation for a period of 5 years upto 25/02/2024 or till the validity of Haryana Micro, Small & Medium, Enterprise (MSME) Policy, 2019. The assistance shall be available only on listing fee paid during this period.

4. Eligibility Criteria

- i. All SMEs existing anywhere in the Haryana state, which have filed UAM/EM-II and (HUM) shall be eligible under the scheme.
- ii. The unit should not have been placed in the restrictive list as notified by the State Government from time to time.
- iii. The unit must have CLU/NOC, as applicable.
- iv. The unit should be in commercial production.
- v. The unit should be in regular production/ commercially active at the time of disbursement and the subsidy shall not be released to a closed unit.

5. Procedure for Claim Submission

All the eligible SMEs are required to submit the application form along with listed supporting documents for obtaining financial assistance towards the expenses incurred on registration with NSE/BSE on the website of the department. The SMEs shall apply within three months from the successful listing on BSE/NSE SME exchange platforms. The following documents are required to be enclosed with the application form:

- a. Application form (Annexure I)
- b. Self-attested copies of supporting documents to be uploaded with the application.
 - Application form on Annexure - I
 - Certificate of Incorporation/ Partnership deed
 - Board Resolution/Power of attorney
 - UAM/EM-II AND HUM Registration.
 - Change of Land Use (CLU)/ NOC from competent authority, if applicable.
 - Statement of Expenditure (Annexure II) with expense vouchers/bills
 - Copy of SME Exchange Registration/Permission
 - Copy of Application Form prepared by enterprise for Equity Capital issue.
 - Copy of public Issue brochure.

- CA Certificate for expenses towards raising equity capital and listing on BSE/NSE SME Exchange Platform (Annexure III).
- Proof for Commencement of commercial production (Recent Sale Bill).
- Bank Account details/ Copy of cancelled cheque and PAN number card.
- Audited balance sheet of the unit of last year.
- Declaration form (Annexure- IV).

6. Competent Authority for Sanction:

The Additional Director, Micro, Small and Medium Enterprise (MSME), Haryana shall be competent authority for approval and sanction of these incentives.

7. Timelines for processing of applications (working days)

- A. Time limit for approval in case where no deficiency is found – 30 days.
- B. Time limit for approval in case where additional information is required – 45 days.
- C. Time limit for conveying the deficiencies, if any and removal thereof:
 - i. Joint Director/Deputy Director, DIC shall convey the deficiencies to the applicant unit – 10 days
 - ii. Time limit for removal of all deficiencies to the applicant unit – 15 days.
 - iii. Notice period to the applicant unit before rejection of application – 07 days.

8. Appeal

Appeal against orders passed by the Competent Authority shall lie with the Director General, Micro, Small and Medium Enterprise (MSME Deptt.), Haryana within a period of 30 days from the date of communication of orders appealed against.

9. Power to condone the delay

The power to condone the delay in late submission of application by the applicant for availing the benefits under the scheme will be as under:—

- I. The Director, Micro, Small and Medium Enterprise (MSME) Deptt., Haryana shall be competent to condone the delay upto a period of 03 months after the prescribed time limit.
- II. The Administrative Secretary, Industries & Commerce Department, Haryana shall be competent to condone the delay for a period more than 03 month but upto a period of 06 months after the prescribed limit.

Provided that the competent authority is satisfied with the reasons of late submission of the application on the basis of the substantial evidence/documents/arguments presented by the applicant.

10. Penal Action

In case, it is found at any stage that the applicant has claimed the assistance on the basis of wrong facts, the applicant shall besides refunding assistance with compound rate of interest @ 12% per annum and facing legal action, will be debarred from grant of any incentives/assistance from the State Government.

The industry should be in operation for a period of three years from the date of disbursement of subsidy otherwise the entire amount of subsidy on pro rata basis shall be recovered from the unit.

11. Interpretation of Rules

The Administrative Secretary, Industries & Commerce, Haryana shall be competent to make interpretation of provisions of this scheme.

APOORVA KUMAR SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Dated:-

Annexure – I**Application form for SME Exchange Equity Scheme under Haryana Micro, Small and Medium (MSME) Policy, 2019**

Sr. No.	Particulars	Details
1	Name of the applicant (Authorized person of the unit)	
2	Name & Enterprise address of the unit with telephone no. and e-mail	
3	Registered Office address	
4	Type of Enterprise	
5	Udyog Aadhar Memorandum (UAM) No. & date	
6	Haryana Udhyam Memorandum (HUM) No. & date	
7	Date of commencement of commercial production (As per first sale bill)	
8	Proof for Commencement of commercial production (Recent Sale Bill)	
9	Item of Production	
10	Name of SME Exchange	
11	Copy of SME Exchange Registration/Permission	
12	Name & Address of Registrar of Capital Issue of an Enterprise	
13	Name & Address of Banker of Capital Issue of an Enterprise	
14	Total cost of Project/Listing	
15	Means of Finance	
16	Date of Capital Issue published	
17	Total Amount of Equity Capital for which Capital Issue arranged	

Self-attested copies of supporting documents to be uploaded with the application

- Certificate of Incorporation/ Partnership deed
- Board Resolution/Power of attorney
- UAM/EM-II and HUM Registration Certificate
- Change of Land Use (CLU)/ NOC from competent authority, as applicable.
- Statement of Expenditure (Annexure II) with expense vouchers/bills
- Copy of SME Exchange Registration/Permission
- Copy of Application Form prepared by enterprise for Equity Capital issue.
- Copy of public Issue brochure.
- CA Certificate for expenses towards raising equity capital and listing on BSE/NSE SME Exchange Platform (Annexure III).
- Proof for Commencement of commercial production (Recent Sale Bill)
- Bank Account details/ Copy of cancelled cheque and PAN number card.
- Declaration form (Annexure-IV)

**Signature of Applicant
(Name of Signatory)
(Designation of Signatory)
Rubber Stamp**

Annexure-II**Statement of Expenditure for SME Exchange Equity Scheme under Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019**

Sr. No.	Name & Address of Merchant Banker	Description of Goods/Services	Bill No. & Date*	Bill Amount (Rs.)	Name of Bank	Cheque No. / RTGS No./DD No. & Date	If Cash paid Amount (Rs.) & Date	Remarks
1	2	3	4	5	6	7	8	9
Total								

Date.....

Place.....

Name of Applicant.....
Signature of Applicant.....
(With Seal)

Annexure-III**Certificate from Chartered Accountant regarding expenditure towards raising equity capital and listing on
BSE/NSE SME Exchange Platform****To whom it may concern**

The records of M/s with their regd. office at and factory located at in respect of expenditure incurred towards raising of capital and listing on BSE/NSE SME Exchange Platform, has been verified.

The total investment incurred in plant and machinery by M/s Stands as Rs.....

It is certified that the expense incurred on listings as on date..... stands as Rs.....

Name & signature of the Chartered Accountant
with stamps & CA membership number

Dated:

Annexure IV**Declaration****(On the Letter Head of the Unit)**

1. I, _____ do hereby solemnly state that I am proprietor/ partner/director/ _____ of M/s _____ located _____ which is engaged in the manufacture of _____ and I have been authorized to file claim under the State Renewable Energy Scheme with Directorate of Micro, Small and Medium Enterprise (MSME) Department, Haryana.
2. I do hereby affirm that the particulars given in the application are correct. In case, any of the statement/ information furnished in the application/ documents is later found to be wrong or incorrect or misleading, I do hereby undertake to refund the entire amount of assistance of Rs. _____ (Rupee _____) granted to me at the compound rate of interest @12% per annum, besides facing legal action in case facts contained in this application are proved to be wrong at the time of verification/ checking or otherwise at any stage. granted to me at the compound rate of interest @12% per annum, besides facing legal action in case facts contained in this application are proved to be wrong at the time of verification/ checking or otherwise at any stage.

Dated:-

Signature of the applicant
(With Seal)



Haryana Government Gazette

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HARYANA GOVERNMENT
INDUSTRIES & COMMERCE DEPARTMENT

Notification

The 24th December, 2020

No. 25/03/2019-4IB-I.— The Governor of Haryana is pleased to notify Haryana Micro small and Medium Enterprises (MSME) Policy-2019, the Governor of Haryana is placed to notify the **Interest Subsidy on Renewable Energy Scheme** with the following provisions which will be effective from date of Notification as at 'Annexure-**G**'. This is issued with the concurred of the Finance Department *vide* their U.O. No. 01/13/2018-1FD-III/2020/4806 dated 09-09-2020.

Chandigarh:
The 11th December, 2020.

A. K. SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Annexure-‘G’

No.-25/04/2020-4IB-I- In pursuance to Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019 notified *vide* No. 25/03/2019-4IB-I dated 26th February, 2019, the Governor of Haryana is pleased to notify the **State Renewable Energy Scheme** with following provisions:

1. Objective :

The objective of State Renewable Energy Scheme is to promote implementation of renewable energy based industrial applications in Micro Small and Medium industries. The scheme also aligns with global mission to increase utilization of renewable energy resources in industrial and commercial establishments thereby reducing dependence on fossil fuel based energy sources. The Government of Haryana has introduced State Renewable Energy Scheme to promote implementation of renewable energy applications in MSME sector.

Implementation of renewable energy sources in MSME would mean installation of following

- Renewable energy based industrial applications
- Solar PV Power Generation
- Solar thermal applications
 - Solar Hot water generator
 - Hot air generator
- Biomass gasifiers
- Biogas plants
- Upgradation to biomass based boilers etc.
- Any other industrial equipment/machinery based on renewable energy

2. Quantum of Assistance :

Under the State Renewable Energy Scheme for implementation of renewable energy sources based technology applications in MSMEs, the State Government shall provide interest subsidy on term loan for renewable technology at the rate of 5%, up-to a maximum of INR 10 lakh per year for three years, to an eligible industry.

3. Commencement and Applicability :

The Scheme shall commence with effect from the date of notification of Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019 i.e. 26/02/2019 and shall remain in operation for a period of 5 years up-to 25/02/2024 or till the validity of Haryana Micro, Small and Medium Enterprise (MSME) Policy, 2019.

The assistance shall be available on term loan for new renewable energy equipment/technology sanctioned during this period.

4. Eligibility Criteria

All the existing Micro, Small & Medium Units located in the State, who have filed UAM/EM-II and HUM and have availed term loan for new renewable energy technology application from any of the nationalized scheduled banks, shall be eligible under the scheme. Replacement of existing renewable energy equipment/technology with the same equipment/technology will not qualify for subsidy under this scheme, nor would the scheme be applicable to units upgrading with second hand machinery. The eligible units must also comply with the following conditions:

- i. The unit must install and commission renewable energy based technologies in their manufacturing unit/enterprise.
- ii. The scheme is applicable for all MSME industries/sectors in the state of Haryana.
- iii. The unit should not have been placed in the restrictive list as notified by the State government from time to time
- iv. The unit must have CLU/NOC, as applicable.
- v. Only loans obtained from any of the nationalized or scheduled commercial banks in India are eligible for interest subsidy under this scheme.
- vi. The unit should be in commercial production.
- vii. The unit should be in regular production at the time of disbursement and the subsidy shall not be released to a closed unit.

The unit should not have availed financial assistance/ interest subsidy for the same renewable technology/machinery under any other scheme of Government of India/ State Government for promotion of renewable energy technologies.

5. Procedure :

- I. Application on prescribed Form (Annexure-I) for the grant of interest subsidy on the term loan, along with listed documents would be submitted on the website of Department within three months of closing of financial year for which incentive is being claimed.

The application would be processed and examined by JD/GM, DIC concerned and he shall physically verify the installation of new renewable energy technology application in the industry and certify that the machinery is in operation and lies within the premises of the applicant industry.

The following documents shall be required to enclosed/uploaded with the application form :

- a. Application form (Annexure I)
- b. Self-attested copies of documents to be attached/uploaded with the application:
 - Acknowledgement of UAM and HUM.
 - Declaration by the applicant as on Annexure II
 - Certificate of Incorporation/ Partnership deed.
 - Board resolution/ Power of attorney
 - Change of Land Use (CLU)/ NOC from competent authority, as applicable.
 - Certificate of Financial Institution on Letter Head of the Bank (Annexure-III)
 - CA Certificate regarding investment in plant & machinery for renewable energy technology implementation (Annexure-IV).
 - Audited balance sheet of the unit of last year (if Applicable).
 - Letter of undertaking that the unit has not availed financial assistance/ interest subsidy for the same renewable technology/machinery under any other scheme of GoI/State Govt. for promotion of renewable energy technologies (Annexure-V).
 - Copy of first sale bill.
 - Copy of recent sale bill

6. Competent Authority for Sanction :

The Director General, Micro, Small and Medium Enterprise (MSME) Deptt., Haryana shall be competent authority for approval and sanction of these incentives.

7. Timelines for processing of applications (working days) :

- A. Time limit for approval in case where no deficiency is found – 30 days.
- B. Time limit for approval in case where additional information is required – 45 days.
- C. Time limit for conveying the deficiencies, if any and removal thereof :
 - i. Joint Director/Deputy Director, DIC shall convey the deficiencies to the applicant unit – 10 days
 - ii. Time limit for removal of all deficiencies to the applicant unit – 15 days
 - iii. Notice period to the applicant unit before rejection of application – 07 days

8. Appeal :

Appeal against orders passed by the Competent Authority shall lie with the Administrative Secretary, Industries & Commerce, Haryana within a period of 30 days from the date of communication of orders appealed against and orders passed by the Administrative Secretary shall be final.

9. Power to condone the delay :

The power to condone the delay in late submission of application by the applicant for availing the benefits under the scheme will be as under :

- I. The Director General, Micro, Small and Medium Enterprise (MSME), Haryana shall be competent to condone the delay upto a period of 03 months after the prescribed time limit
- II. The Administrative Secretary, Industries & Commerce Department, Haryana shall be competent to condone the delay for a period more than 03 month but upto a period of 06 months after the prescribed limit

Provided that the competent authority is satisfied with the reasons of late submission of the application on the basis of the substantial evidence/documents/arguments presented by the applicant.

10. Penal Action :

In case, it is found at any stage that the applicant has claimed the assistance on the basis of wrong facts, the applicant shall besides refunding assistance with compound rate of interest @ 12% per annum and facing legal action, will be debarred from grant of any incentives/assistance from the State Government.

The industry should be in operation for a period of three years from the date of disbursement of subsidy otherwise the entire amount of subsidy on pro rata basis shall be recovered from the unit.

11. Other Terms and Conditions :

- (a) That the Beneficiary will allow the officers of the Government of Haryana or any other person or persons authorized by Government of Haryana to inspect the machinery for which the interest subsidy has to be granted and will furnish such information concerning the machines, plant implements, etc., or concerning any matter connected with the interest subsidy or incidental thereto, as the Government of Haryana or their nominees may, from time to time require.
- (b) That the Beneficiary will not change the place or location of the industrial unit entirely or partly, nor enter into partnership with any one, or change its constitution by merger, amalgamation or in any manner nor the Beneficiary effect disposal of fixed capital investment without the express prior permission of the Government of Haryana in writing. This is applicable for cases within three years of disbursement of subsidy.
- (c) The Beneficiary unit shall remain in commercial production for a period of at least three years from the date of disbursement of subsidy otherwise the entire amount of subsidy on pro rata basis shall be recovered from the unit.

12. Interpretation of Rules :

The Administrative Secretary, Industries & Commerce, Haryana shall be competent to make interpretation of provisions of this scheme.

Dated:-

APOORVA KUMAR SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Annexure – I

Application format for claiming interest subsidy under State Renewable Energy Scheme Credit for implementation of renewable energy sources based technology applications in MSEs

Sr. No.	Particulars	Details
1	Name of the applicant (Authorized person of the unit)	
2	Name & address of the unit with telephone No. and e-mail	
3	Registered Office address	
4	Name of the block in which the enterprise is located and category of blocks i.e. A/B/C/D	
5	Category: Micro/ Small / Medium	
6	Udyog Aadhar Memorandum (UAM) No. & date	
7	Haryana Udyam Memorandum (HUM) No. & date	
8	Date of purchase of renewable energy based industrial application/machinery	
9	Type and description of renewable energy technology being implemented	
10	Date of commencement of commercial production (As per first sale bill)	
11	Proof for Commencement of commercial production (Recent Sale Bill)	
12	Name of the bank/ financial institution	
13	Quantum of term loan sanctioned for renewable energy technology implementation.	
14	Date of disbursement of first installment of loan & amount	
15	Total cost of project as approved by bank/ financial institution	
16	Total source of funding / means of finance (as approved by Bank/ FI): i. Promoters' Contribution ii. Term Loan iii. Others resources Total	
17	Quantum of Interest Subsidy admissible for the financial year as per scheme applicable. (Attach bank certificate as per prescribed proforma)	
18	Details and amount of interest subsidy claimed earlier under any other scheme year-wise	
19	Current account of the unit with Account Name, Account number, IFSC code, Branch Address	

20. Self-attested copies of documents to be attached/uploaded with the application:

- i. Acknowledgement of UAM and HUM.
- ii. Declaration by the applicant as on Annexure II
- iii. Certificate of Incorporation/ Partnership deed.
- iv. Board resolution/ Power of attorney
- v. Change of Land Use (CLU)/ NOC from competent authority, as applicable.
- vi. Certificate of Financial Institution on Letter Head of the Bank (Annexure-III)
- vii. CA Certificate regarding investment in plant & machinery for renewable energy technology implementation (Annexure-IV).
- viii. Audited balance sheet of the unit of last year (if Applicable).
- ix. Letter of undertaking that the unit has not availed financial assistance/ interest subsidy for the same renewable technology/machinery under any other scheme of GoI/State Govt. for promotion of renewable energy technologies (Annexure-V).
- x. Copy of first sale bill.
- xi. Copy of recent sale bill

Signature of the applicant
(with seal)

Annexure II

Declaration
(On the Letter Head of the Unit)

1. I, _____ do hereby solemnly state that I am proprietor/
partner/director/ _____ of M/s _____
located _____ which is engaged in the manufacture of _____ and I have been
authorized to file claim under the State Renewable Energy Scheme with Department of Industries and
Commerce, Haryana.

2. I do hereby affirm that the particulars given in the application are correct. In case, any of the
statement/ information furnished in the application/ documents is later found to be wrong or incorrect or misleading,
I do hereby undertake to refund the entire amount of assistance of

Rs. _____ (Rupee _____)

granted to me at the compound rate of interest @12% per annum, besides facing legal action in case facts
contained in this application are proved to be wrong at the time of verification/ checking or otherwise at any stage.

Dated:

Signature of the applicant
(with seal)

Annexure - III**Certificate from financial institution****(on letter head of the bank)**

This is to certify that M/s has been sanctioned term loan of Rs. for the project located at @ % interest.

The unit has been disbursed term loan of Rs. upto The first instalment of the term loan of Rs. was disbursed on dated

The unit had made repayment for the last financial year dated 01/04/20.... to dated 31/03/20.... as under :-

On the disbursement amount of term loan mentioned above, the interest amount for the above period comes to Rs. at 5% (as applicable under the scheme)

This is to certify that:

1. i) The unit is presently regular in repayment of the term loan instalments.
2. ii) No penal interest has been charged.
3. iii) The above interest has been charged/ calculated on the original term loan sanctioned to the unit.
4. iv) No enhancement of term loan has been made.

Place:

Date:

Signature
Branch Manager
Name of Bank

Seal of the Bank

Annexure-IV**Certificate from Chartered Accountant regarding investment in plant & machinery (on a CA letter head)****To whomsoever it may concern**

The records and books of account of M/s with their regd. office at..... and factory located at in respect of investment in existing plant & machinery (original purchase value) of the unit has been verified.

The total investment incurred in plant and machinery by M/s Stands as Rs.....

It is certified that the investment in plant & machinery for renewable energy technology application as on date..... stands as Rs.....

Name & Signature of the Chartered Accountant
with stamps & CA membership number.

Dated:

Annexure-V**Undertaking**

I,..... do hereby affirm that I am proprietor/ partner/director/ of
M/s located at
....., which is engaged in the manufacture
of..... The unit has not availed
financial assistance/ interest subsidy for the same renewable technology/machinery under any other scheme of GoI
for promotion of renewable energy technologies.

Dated:

Signature of the applicant
(with seal)



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HARYANA GOVERNMENT
INDUSTRIES & COMMERCE DEPARTMENT

Notification

The 24th December, 2020

No. 25/03/2019-4IB-I.— The Governor of Haryana is pleased to notify Haryana Micro small and Medium Enterprises (MSME) Policy-2019, the Governor of Haryana is placed to notify the **State Mini Revamped Scheme fund for Regeneration of Traditional Industries Scheme for Promotion of Micro enterprisen traditional and rural sector in the State** with the following provisions which will be effective from date of Notification as at 'Annexure-'C'. This is issued with the concurred of the Finance Department *vide* their U.O. No. 01/13/2018-1FD-III/2020/4806 dated 09-09-2020.

Chandigarh:
The 10th December, 2020.

A. K. SINGH,
Principal Secretary to Government of Haryana,
Industries & Commerce Department.

No. 25/04/2020-4IB-I in pursuance of Haryana Micro, Small and Medium Enterprises (MSME) Policy, 2019 notified *vide* No. 25/03/2019-4IB-I dated 26th February 2019, the Governor of Haryana is pleased to notify the **State Mini Revamped Scheme Fund for Regeneration of Traditional Industries Scheme** for promotion of Micro enterprise in traditional and rural sectors in the State as per details given below:–

1. Background

Broadly, “traditional industry” means an activity which produces marketable products, using locally available raw material, skills and indigenous technology. Traditional Industry Cluster, refers to a geographical concentration of a sizable number of artisans or micro enterprises, suppliers of raw materials, traders, service providers, etc. producing, processing and servicing the same or similar types of products and facing common opportunities and threats.

The traditional industries are broadly categorized into Khadi (comprising of hand-spun and hand-woven cotton, woolen, muslin and silk varieties), Coir Based Industries and Village Industries (including non-timber forest produces-NTFPs, handmade paper, agro based goods, textiles based products and other miscellaneous microenterprises as detailed in Annexure I.

Traditional Industry Landscape in Haryana

The traditional industries of Haryana include handloom, handicrafts and other household industrial activities carried out in the rural areas. Haryana is famous for local handicrafts and agricultural equipment’s carved in style. Among the designer art and crafts, pottery is seen in full fledge. Several units in Haryana are involved in manufacturing of Khadi, Wooden Beads and Handmade papers as well.

The Handicraft Industry in Haryana is spread across Embroidery, Pottery and Clay Objects, Carpets, Rugs and Durries, Jewelry, Jutti, Leather Products, Wooden Beads, Terracotta, Cane, Bamboo, Grass, Leaf, Reed and Fiber, toys and doll manufacturing units. As per the data on Craft Cluster of India, the Pottery and Clay Objects cluster in Yamunanagar district deal in manufacturing of Pots, Vases, Statutes, Decorative items, Muda, etc. comprising of 15 self-help groups employing around 500 workers. The district of Hisar is famous for Jutti Manufacturing Industry with the Hisar Zardozi Handicraft cluster under which 20 self-help groups and 300 workers work on jutti manufacturing.

Haryana boasts of a robust handloom tradition, especially in Panipat which is famous for its rugs and upholstery fabric. Traditionally, durries (rugs) and khes (thick coverlets) were weaved for household use. However, today theses rugs, especially the panjadurrie are marketed all over the world. Thick fabrics are a specialty of Haryana, as climatic conditions do not allow the use of fine threads in normal looms. The Handloom Industry in Haryana caters to the manufacturing of Dhoti, saree, dress material, long cloth, blanket, duster, towel, bed sheet, Duree and Khess. One of the major clusters in Handloom Industry is the Panipat Home Furnishing Cluster which consists of 3200 firms and employed 75,000 persons.

With a view to make these traditional industries more productive and competitive and facilitating their sustainable development, the Govt. of India announced setting up of a fund for regeneration of traditional industries, a Central Sector Scheme titled the “Scheme of Fund for Regeneration of Traditional Industries (SFURTI)” was launched. The Scheme was implemented by the Ministry of Micro, Small and Medium Enterprises (MSME) and its organizations (Khadi and Village Industries Commission-KVIC and Coir Board), in collaboration with State Governments, their organizations and non-governmental organizations.

The Enterprise Promotion Policy – 2015 of Government of Haryana laid emphasis on development of MSME ecosystem with special focus on promotion of traditional and rural industries through special incentives such as State Handicrafts Awards and Marketing Promotion Assistance Scheme for the artisans and weavers.

The Haryana Micro, Small and Medium Enterprises (MSME) Policy, 2019 envisages State Mini Revamped Scheme Fund for Regeneration of Traditional Industries (SMSFURTI) for upliftment of traditional clusters in rural areas.

2. Objectives of the Scheme

The objectives of the Scheme are as follows:–

- i. To organize the traditional industries and artisans into clusters to make them competitive and provide support for their long-term sustainability and economies of scale.
- ii. To provide sustained employment for traditional industry artisans and rural entrepreneurs in the state.
- iii. To enhance marketability of products of such clusters by providing support for new products, design intervention and improved packaging and marketing infrastructure.
- iv. To equip traditional artisans of the associated clusters with the improved skills and capabilities through training and exposure visits.

- v. To make provision for common facilities and improved tools and equipment for artisans to promote optimum utilization of infrastructure facilities.
- vi. To strengthen the cluster governance systems with the active participation of the stakeholders, so that they are able to gauge the emerging challenges and opportunities and respond to them in a coherent manner;
- vii. To build up innovated and traditional skills, improved technologies, advanced processes, market intelligence and new models of public-private partnerships, so as to gradually replicate similar models of cluster-based regenerated traditional industries.
- viii. To look for setting up of multi-product cluster with integrated value chain and a strong market driven approach for viability and long-term sustainability of the cluster.
- ix. To ensure convergence from the design stage with each activity of the cluster formation and operations thereof.
- x. To identify and understand target customers of clusters, understand their needs and aspirations and develop and present product lines to meet the requirement. Substantial focus should be on the buyer segment that places a premium on natural, eco-friendly, ethically sourced and the uniqueness of the Khadi and VI products.
- xi. To develop specific product lines out of the currently offered diversified basket of heterogeneous products based on the understanding of the target consumer segment. A brand unification exercise also needs to be done to maximize the value.
- xii. To make a paradigm shift from a supply driven selling model to a market driven model with the right branding, focus product mix and correct positioning and right pricing to make the offering holistic and optimal for each of the focus categories. To tap the E-Commerce as a major marketing channel given the outreach and the growing market penetration of E-Commerce, there is a need to devise a quick strategy to make its presence felt in the E-Retail space.
- xiii. To make substantial investment in the area of product design and quality improvement. There is a need to standardize the quality of inputs and processes so that the products meet the quality benchmarks. Research need to be done to develop new textures and finishes to cater to the prevailing market trends.

3. Commencement & Applicability

The scheme shall commence with effect from the date of notification of Haryana Micro, Small and Medium Enterprises (MSME) Policy, 2019 i.e. 26/02/2019 and shall remain in operation for a period of 5 years upto 25/02/2024 or till the validity of Haryana Micro, Small and Medium Enterprises (MSME) Policy, 2019. The assistance shall be available to projects formulated during this period.

4. Eligibility

The scheme has been divided into three categories with following eligibility to form a cluster:

- i. **Heritage Cluster** – Minimum 500 artisans
- ii. **Major Cluster** – Minimum 250 artisans
- iii. **Mini Cluster** – Up to 100 artisans

Note: An indicative list of traditional and artisanal industries is attached as Annexure – I for reference.

The artisanal units must have a valid Artisan Card / Weaver Registration filed, Udyog Aadhaar Memorandum (UAM) and Haryana Udyam Memorandum (HUM) for being eligible under the scheme.

5. Project Interventions

The scheme would cover three types of interventions namely soft interventions, hard interventions and thematic interventions.

5.1 Soft Interventions

Soft Interventions under the project would consist of activities such as:

- i. General awareness, counseling, motivation and trust building;
- ii. Skill development and capacity building/ for the entire value chain different skills need to be imparted;
- iii. Institution development;
- iv. Exposure visits;
- v. Market promotion initiatives;
- vi. Design and product development;
- vii. Participation in seminars, workshops, exhibitions and training programs on technology up-gradation, etc.

The soft interventions mandatory under the scheme and will depend upon the maturity level of cluster stakeholders. The expense incurred on Soft Interventions will be provided to the tune of 95% by State Government and 5% by SPV.

In addition to the above mentioned hard components and soft components, the scheme will also support cross-cutting thematic interventions at the sector level including several clusters in the same sector with emphasis on both domestic and international markets. These will primarily include:

- i. Brand building and promotion campaign
- ii. New media marketing
- iii. e-Commerce initiatives
- iv. Innovation
- v. Research & Development initiatives
- vi. Developing institutional linkages with the existing & proposed clusters.

Note: These interventions are illustrative in nature and the project may cover any of the other felt needs of the cluster that will enable the cluster enterprises in improving their competitiveness (as per approval of DPR).

5.2 Hard Interventions

Hard interventions will include creation of following facilities:

- i. Multiple facilities for multiple products and packaging wherever needed;
- ii. Common facility centers (CFCs);
- iii. Raw material banks (RMBs);
- iv. Up-gradation of production infrastructure;
- v. Tools and technological up-gradation such as charkha up-gradation, tool-kit distribution, etc.
- vi. Warehousing facility;
- vii. Training center;
- viii. Value addition and processing center/multi-products.

6. Quantum of Assistance

Grant in aid of 90% of project cost for setting-up of CFCs housing design center, raw material bank, training center, exhibition hall, processing center, packaging facility, etc. for up-liftment of artisan based enterprises. The maximum project cost for consideration of 90% aid as per State Mini Revamped Scheme Fund for Regeneration of Traditional Industries (SFURTI) Scheme is

- i. Heritage Cluster – INR 3 Cr.
- ii. Major Cluster – INR 1.5 Cr.
- iii. Mini Cluster – INR 0.75 Cr.

The funding pattern under the scheme will be as under:–

- ✓ Maximum budget for soft interventions is earmarked to the tune of 10% max. of the project cost for all three categories of clusters. The expense incurred on Soft Interventions will be provided to the tune of 95% by State Government and 5% by SPV.
- ✓ For hard interventions, the State Grant will be restricted to 90% of the cost of project as per eligible project cost. The cost of project includes cost of land and building (subject to maximum of 25% of Project cost), machinery & equipment, miscellaneous fixed assets. The SPV shall arrange the working capital if any, from its own resources.
- ✓ The entire cost of land shall be borne by the SPV. In case of existing land and building is provided by stakeholder, the cost of land and building will be decided on the basis of valuation report prepared by an approved agency of the State Government. The cost of land and building shall be taken towards the contribution of the SPV in the project. CFC can also be set up on leased premises, however, irrevocable lease shall be not less than a period of 10 years.
- ✓ It is necessary to form a Special Purpose Vehicle (SPV) prior to setting up of and running the proposed CFC. The SPV shall consist of artisan's members who fall under the definition of "Micro Enterprises". The member units should have filed UAM, artisan card or weaver's registration with the concerned DIC. The SPV should have a character of inclusiveness wherein provision for enrolling new members to enable prospective entrepreneurs in the cluster to utilize the facility should be provided. In addition to the contributing members of the SPV, the organizers should obtain written commitments from

“users” of the proposed facilities so that its benefits can be further enlarged. The bye-laws of SPV should have provisions for one State Govt. officer as member of the SPV.

- ✓ There should be a minimum number of artisans as per eligibility criteria serving as members of the Special Purpose Vehicle (SPV). There is no ceiling on the maximum number of members.
- ✓ The share of the cluster beneficiaries should be as high as possible but not less than 10 per cent of the total cost of CFC. State Government contribution will be considered as gap funding. All the participating units should be independent in terms of their financial stakes and management. No single unit will hold more than 10 per cent in the equity capital (or equivalent capital contribution) of the SPV.
- ✓ Contribution by the SPV or the beneficiaries’ share should be made upfront.
- ✓ The CFC may be utilized by the SPV members and as also others in the cluster.
- ✓ The CFC should be operationalized within two years from the date of final approval, unless extended with the approval of Steering Committee.
- ✓ Escalation in the cost of project above the sanctioned amount, due to any reason, will be borne by the SPV.
- ✓ User charges for services of CFC shall be close to prevailing market prices, as decided by the Governing Council of the SPV. The SPV members may be given reasonable preference in user charges and capacity utilization.
- ✓ The CFC with cost higher than the eligible project cost can also be considered. However, the State grant will be calculated with ceiling as per eligible project cost.
- ✓ An Agreement between State Government and the SPV shall be signed for CFC projects. The format of the agreement is given at Annexure – II.

7. How to apply

7.1 Preliminary Application

The beneficiaries / SPV of artisanal cluster shall submit the preliminary application to the Director General, Micro, Small and Medium Enterprises (MSME), Haryana for consideration and approval with a copy to the concerned Joint Director/Deputy Director, District Industries Centre. An indicative format for preparation of Preliminary application is attached as Annexure – III.

7.2 Diagnostic Study Report (DSR)

Post-approval of preliminary report from Director General, Micro, Small and Medium Enterprises (MSME), Haryana, the second activity in process will be to conduct diagnostic study. The objective of conducting diagnostic study in a cluster is to map all the business processes of the cluster units viz. manufacturing processes, technology, marketing, quality control, testing, purchase, outsourcing, etc. to find out its strengths, weaknesses, threats and opportunities (SWOT), problems and impediments, suggestions and a well-drawn action plan for enhancing competitiveness of the units of the cluster and to position the cluster on a self-sustaining trajectory of growth. Diagnostic Study Report (DSR) is very important document and the study should be conducted with special attention.

The Study should focus on enhanced competitiveness, technology improvement, adoption of best manufacturing practices, marketing of products, employment generation, etc. There has to be direct linkages between the problems highlighted in the report and the measures suggested for improvement.

7.3 Detailed Project Report (DPR)

The DPR is required to be prepared and submitted to Director, Micro, Small and Medium Enterprises (MSME), for carrying out hard interventions, post approval of DSR and implementation of Soft Interventions (if required). The DPR should be technically feasible and financially viable project report for setting up of a common facility center for cluster. The DPR should include financial analysis like internal rate of return, break-even point, debt-service coverage ratio, sensitivity analysis, etc., using basic templates such as projected profit & loss account, projected balance sheet etc.

The DPR should be appraised by Nationalized or any Scheduled Commercial Bank. The cost of DPR appraisal will be borne by SPV and will not be included in the project cost.

8. Application and Approval Process

The application and approval process under the Mini SFURTI Scheme of Govt. of Haryana is detailed below:

- Submission of preliminary application as per format along with list of SPV members, their Artisan / Weavers Registration, and UAM to respective DICs.
- Physical verification of units by DIC officials
- Recommendation of Cluster along with verification report to be sent to Director, Micro, Small and Medium Enterprises (MSME), Haryana by DICs.
- Acceptance of Recommendation by Director General, Micro, Small and Medium Enterprises (MSME), and approval for preparation of DSR
- Validation of DSR by concerned Additional Director
- Approval of DSR by Director, Micro, Small and Medium Enterprises (MSME), and approval for preparation of DPR.
- DPR validation by Director, Micro, Small and Medium Enterprises (MSME),
- Bank appraisal of DPR by SPV
- DPR to be put for final approval to State Level Steering Committee Meeting
- Issue of Final approval letter to SPV
- Signing of Bi-partite agreement
- E-procurement for Civil works and Machinery
- Release of Grant-in-aid

9. Institutional Arrangement

The scheme management structure and delivery mechanism is detailed herewith:

9.1 State Level Steering Committee

The project shall be sanctioned and implemented under the guidance of State Level Steering Committee. The members of the Committee shall be as under:-

S. No.	Committee Members	Designation
i.	Administrative Secretary, Industries & Commerce	Chairman
ii.	Director, Micro, Small and Medium Enterprises (MSME),	Member Secretary
iii.	Director, MSME DI / KVIC / KVIB	Member
iv.	Representative of Lead Bank (PNB)	Member
v.	Representative of Finance Department	Member
vi.	Additional Director, Micro, Small and Medium Enterprises (MSME), Deptt.	Member
vii.	GM/JD, District Industries Centre	Member

NOTE: The Chairman of the State Level Steering Committee can co-opt any other member at his discretion and the proposal shall be sanctioned by the committee within 30 days from the date of completion of the documentation.

- The meeting shall be convened once in two months. Meeting can however, be called at any other time at the discretion of the Chairman of the State Level Steering Committee.
- The DPR shall also be got validated by the members of the SPV and the representative of concerned Joint Director/ Deputy Director.
- The project implementation shall be done by a committee constituted by the SPV under the supervision of the concerned Joint Director/ Deputy Director.

9.2 Charges for preparation of DSR and DPR

Experienced consultants shall be hired for preparation of Diagnostic Study Report (DSR) and Detailed Project Report (DPR). Department will provide the charges for preparation of same as per following rates:-

A) For preparation of DSR: INR 2,75,000/-

B) For preparation of DPR: INR 5,50,000/-

The grant for DSR and DPR will be paid directly to the consultant post approval of DSR / DPR, respectively, by the department.

10. Monitoring & Evaluation

- ✓ The State Level Steering Committee (SLSC) will be the apex body for coordinating and overseeing the progress of the projects.
- ✓ SLSC will also facilitate the SPV members for obtaining State Government approvals from the other department.
- ✓ The project implementation period shall be 2 years from the date of approval by SLSC. This period can be extended by the SLSC, keeping in view the justification of the delay.
- ✓ The SPV will run the Common Facility Centre (CFC) for a period of 10 years from the date of going into operation. In case of its closure and violation of the terms & conditions of the sanction letter by the SPV, the possession of the CFC shall be taken over by the State Government.
- ✓ The SPV shall, at its own cost, insure and keep insured all the plant, machinery, fixtures and equipment of the CFC for a minimum period of 10 years. In case of loss of damage to such plant, machinery, fixtures and equipment, etc., the insurance claim shall be payable to the State Government.
- ✓ All plant, machinery, fixtures and equipment procured for the purpose of the CFC with the support of the State Government grant shall be the exclusive property of the Government.
- ✓ Books of Accounts of the expenses incurred for the purchase of fixed assets for the purpose of setting up of CFC shall be maintained by the SPV. The accounts books shall be open for inspection by the statutory auditors/auditors of the State Government.
- ✓ SPV will submit a copy of audited balance sheet at the close of each financial year in the office of concerned JD/DD, DIC before September.

11. Disbursement of Grant-in-aid

For disbursement of grant-in-aid for hard interventions, the SPV shall have to raise its contribution upfront. The grant-in-aid shall be disbursed in two tranches:

11.1 1st Tranche of grant-in-aid shall be released after compliance of the following formalities:

- ✓ Land should be registered in the name of the Special Purpose Vehicle (SPV).
- ✓ The SPV has opened the bank account dedicated for the purpose of deposit of contribution of the SPV and State Government grant.
- ✓ After execution of the agreement by SPV with the State Government, as per Annexure-II.
- ✓ 50% (1st Tranche) amount of grant-in-aid shall be released only after submission of following documents with recommendation of respective JD/DD DIC.
 - Certificate from Chartered Engineer (Civil) for technical civil works indicating item wise progress on approved components, cost, quantity, manufacturers/suppliers and comment on quality and status of implementation duly countersigned by the SPV (Annexure-IV).
 - Certificate from Chartered Engineer (Mechanical) for plant and machinery indicating item wise progress on approved components, cost, quantity, manufacturers/suppliers and comment on quality and status of implementation duly countersigned by the SPV (Annexure-V).
 - Change of Land Use (CLU) (If applicable)
 - "Consent to Establish" for the project from Central / State PCB.
 - Inspection report of the JD/DD, DIC based on site visit recommending release of the installment.
 - Any other condition which may be specified from time-to-time.

11.2 2nd and final tranche of grant-in-aid shall be released after compliance of the following formalities:

- ✓ Submission of Utilization Certificate (UC) of the 1st tranche of grant-in-aid duly verified by concerned Joint Director/ Deputy Director of District Industries Centre.
- ✓ Certificate from Chartered Engineer (Civil) for technical civil works indicating item wise progress on approved components, cost, quantity, manufacturers/suppliers and comment on quality and status of implementation duly countersigned by the SPV.

- ✓ Certificate from Chartered Engineer (Mechanical) for plant and machinery indicating item wise progress on approved components, cost, quantity, manufacturers/suppliers and comment on quality and status of implementation duly countersigned by the SPV.
- ✓ Physical Inspection Report of the status of CFC by the concerned Joint Director/ Deputy Director of District Industries Centre.
- ✓ Recommendation of JD/DD, DIC after site visit certifying the fulfilment of conditions as per guidelines of the scheme.
- ✓ Any other condition which may be specified from time-to-time.

11.3 Pending utilization of State Government grant, the funds will be parked in a separate dedicated account created for this purpose. Interest accrued, if any, on unutilized fund shall be adjusted against future disbursement under the scheme.

12. Penal Action

In case, it is found at any stage that the applicant has claimed the assistance on the basis of wrong facts and the applicant shall besides refunding assistance with compound rate of interest @ 12% per annum and facing legal action, will be debarred from grant of any incentive/assistance from the State Government.

13. Interpretation of Rules

The Administrative Secretary, Department of Industries & Commerce, Haryana shall be competent to make interpretation of provisions of this scheme.

Dated:-

APOORVA KUMAR SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Annexure – I: Categorization of Traditional Industries**1. Khadi Industries**

“Khadi” means any cloth woven on handlooms in India from cotton, silk or woolen yarn handspun in India or from a mixture of any two or all of such yarns. The Khadi Industries comprise of manufacturing units for hand-spun and hand-woven cotton, woolen, muslin and silk varieties.

2. Village Industries

Village Industries (VI) includes any industry located in rural area which produces any goods or renders any service with or without the use of power and in which the per-capita fixed capital investment does not exceed Rs. 1 lakh (except for hilly areas, wherein the limit is Rs.1.5 lakh); provided that any industry specified in the Schedule and located in an area other than a rural area and recognized as a village industry at any time before the commencement of the Khadi and Village Industries Commission, continue to be a village industry under the KVIC Act.

An indicative list of major VIs is provided as below:

- i. Mineral Based Industry
 - a. Cottage Pottery Industries
 - b. Lime Industries
- ii. Forest Based Industry
 - a. Medicinal Plants Industries
 - b. Bee-keeping
 - c. Minor Forest based Industries
- iii. Agro Based & Food Processing Industry
 - a. Pulses & Cereals Processing Industries
 - b. Gur & Khandsari Industries
 - c. Palmgur Industries
 - d. Fruit & Vegetable Processing Industries
 - e. Village Oil Industries
- iv. Polymer & Chemical Based Industry
 - a. Cottage Leather Industries
 - b. Non-edible oils & Soap Industries
 - c. Cottage Match Industries
 - d. Plastics Industries
- v. Rural Engineering & Bio-Technology Industry
 - a. Non-Conventional Energy
 - b. Carpentry & Black smithy
 - c. Electronics
- vi. Hand Made Paper & Fiber Industry
 - a. Handmade Paper Industries
 - b. Fiber Industries
- vii. Service and Textiles Industry
 - a. Apparel and garmenting
 - b. Embroidery and surface ornamentations
 - c. Fabric and yarn dyeing
 - d. Services

Khadi & Village Industries (KVI) today represent an exquisite, heritage product, which is “ethnic” as well as ethical. It has a potentially strong clientele among the middle and upper echelons of the society.

Annexure – II: Format for Agreement between Special Purpose Vehicle (SPV) and State Government for funding under State Mini Revamped Scheme Fund for Regeneration of Traditional Industries (SFURTI) Scheme

This agreement is made at on this theth day of 2018 between (1) the Governor of Haryana, acting through and represented by Director General, Micro, Small and Medium Enterprise (MSME) (hereinafter after referred to as the, State Government“), (2)Special Purpose Vehicle (SPV), having its registered office at represented by its Director/Chief Executive Officer (hereinafter referred to as the SPV) duly authorized by their Board of Directors/society.

WHEREAS the State Government has introduced a scheme named as “State Mini Revamped Scheme Fund for Regeneration of Traditional Industries (SFURTI) Scheme” with the objective of capacity building of micro and small enterprises (including small scale service and business entities) and their collectives in the country;

AND WHEREAS the SPV has been created and constituted as a private limited company, inter alia, to create, establish, run and maintain a Common Facility Centre at (the CFC) for the use and benefit of its members and of other units engaged or coming up in the same industry, trade or vocation in the of (the cluster).

AND WHEREAS the SPV has submitted a project for approval of the State Government under the State SFURTI Scheme;

AND WHEREAS the State Government has approved the project submitted by the SPV subject to the conditions mentioned in the sanction letter No. dated which shall be deemed to be a part of this Agreement and the State Government has also agreed to contribute towards the cost of establishment of the CFC;

AND WHEREAS for binding the Parties to their respective obligations and to ensure long term use of the CFC by the enterprises in the Cluster, the Parties are desirous to enter into an agreement;

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS :-

1. The SPV shall set up the CFC at.....on a piece of land to be provided by it free of all encumbrances and charges.
2. The SPV shall contribute to the cost of establishment of the CFC from its resources to the extent and in the form as laid down in the Sanction Letter.
3. The State Government shall, on satisfactory proof of the contribution by the SPV, make their respective contributions towards the cost of establishment of the CFC, at such time, in such manner and to such extent as laid down in the Sanction Letter.
4. The establishment of the CFC, including civil works, if any, shall be completed by the SPV within 18 months of the receipt of the Sanction Letter, or such extended time as the State Government may, on its satisfaction as to the reasons of delay, grant.
5. The SPV shall be exclusively responsible for the day-to-day running of the CFC. The aim of running the CFC shall be to provide common services to the enterprises in the Cluster at affordable cost as well as to generate enough income to meet all its running expenditure, depreciation and provision for replacement/expansion of capital assets. However, any shortfall or excess of income over expenses shall be kept or borne by the SPV only.
6. The disbursement of funds by the State Government will be made only after the upfront contribution is made by the SPV.
7. The amount of grant-in-aid shall be withdrawn and utilized by SPV for the purpose for which it has been sanctioned by the State Government. The grant amount shall not be used for working capital.
8. Further, the SPV/implementing agency will ensure that necessary infrastructure like provisioning of land including provision of water and power supply for CFC is completed before they approach State Government for release of its share.
9. Pending utilization of State Government grant, the funds will be parked in a separate dedicated account created for this purpose. Interest accrued, if any, on unutilized fund shall be adjusted against future disbursement under the scheme.
10. State Government will reserve the right to carry out physical verification of the assets acquired with the funds or initiate any other enquiry as it may deem fit to satisfy the competent authority with regard to the proper utilization of the funds released.

11. The SPV shall furnish utilization certificates for amounts released as grant-in-aid duly verified by the statutory auditors/ JD/DD, DIC of the concerned district.
12. The State Government will act as a facilitator to supervise and evaluate the progress of the project separately.
13. All plant, machinery, fixtures or equipment procured for the purpose of the CFC out of or with the support of the State Government grant shall be the exclusive property of the State Government, though in the custody and use of the SPV.
14. The SPV shall, at its own cost, insure and keep insured all the plant, machinery, fixtures and equipment of the CFC for a minimum period of 10 years. In case of loss of or damage to such plant, machinery, fixtures and equipment, etc., the insurance monies shall be payable to the State Government.
15. The SPV shall observe all the conditions and stipulations of the Sanction Letter.
16. The management of the SPV and the operation of the CFC shall be in accordance with the State Government Guidelines dated, which shall be deemed to be a part of this Agreement.
17. The SPV shall keep all monies not immediately required in interest bearing deposits with any Scheduled Bank in India.
18. In the event of any liquidation or bankruptcy proceedings or any threatened distress action against the SPV or any of its assets all plant, machinery, fixtures and equipment procured for the purpose of the CFC out of or with the support of the State Government grant shall be outside such proceedings and the State Government may assume the control and management of the SPV and appoint any of its officer to run the CFC.
19. The SPV represents and warrants :
 - a. That it has been duly constituted under the law as applicable and has full authority to enter into this Agreement.
 - b. That this agreement is binding upon it in all its provisions.
 - c. That it shall work on mutual co-operation basis on sound managerial and business principles and no managerial changes shall be made which may adversely affect the smooth functioning of the CFC.
 - d. That it shall keep all the plant, machinery, fixtures and equipment in good working order and shall undertake all preventive and remedial maintenance and upkeep and maintain insurance.
 - e. That the plant, machinery, fixtures and equipment procured out of or with support of the State Government, is the property of State Government and the SPV shall not sell, hypothecate, mortgage, charge or create any encumbrances against the said plant, machinery, fixtures and equipment or any part of it in favour of any person, for any reason or transaction.
 - f. That the SPV shall follow the directions of the State Government, as may be issued from time to time for better management of the SPV or the better running of the CFC.
 - g. That the SPV acknowledges that the State SFURTI Scheme provides for only one-time grant towards capital cost of establishing the CFC and no subsidy/ grant/ assistance is envisaged for the recurring expenses or for replacement, renovation or expansion of the capital assets.
 - h. In the event, if it is found that the SPV has not utilized the amount of grant, or any part of it, for the setting up of the CFC or has subsequently sold or otherwise disposed of any of the assets of the CFC acquired out of the grant, the State Government, without prejudice to any other rights, shall be entitled to recover the amount of loss as arrears of land revenue from the SPV and / or persons connected with its management jointly and severally.
20. In case of any disputes or differences arising from, in relation to or in connection with this Agreement and not otherwise provided for in the succeeding clause, shall be settled by arbitration through reference to a sole arbitrator nominated by the State Government under the provisions of the Arbitration and Conciliation Act, 1996.
21. In case of violation of the stipulated conditions or non-observance of the Sanction Letter or the State Government Guidelines by the SPV which is not cured within 15 days of issue of notice by the Industries Department, may, for such time as it may think proper, assume the management of the SPV, to assure proper functioning of the CFC. The decision of State Government in this regard will be final. In such event the SPV shall have no claims for any investment made in the CFC or its management.

22. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of the remaining provisions, which shall remain in full force.
23. No amendment to this agreement shall be valid unless expressed in writing and duly signed by both the Parties.
24. This agreement does not constitute any partnership of the State Government with SPV and the State Government shall not be responsible for any act, omission, negligence, etc. of the SPV or its employees, agents or contractors or any injury suffered or claim made by any person in respect of the working of the CFC.
25. If in any case it is ascertained that the cluster activities are not being conducted as per the guidelines, the Government of Haryana will take over the CFC including all the assets envisaged under the scheme.

(1) State Government, Represented by

(2) Special Purpose Vehicle Represented by

Witnesses :

1.

2.

Annexure – III: Format of Preliminary Application

Preliminary Application Form for seeking Grant-in-aid under State Mini SFURTI Scheme

S. No.	Particulars	Details
1.	Name of Cluster	
2.	Location (Exact details with necessary information like - Village, Block, IE/IA, District)	
3.	Category – Heritage/Major/Mini	
4.	Sector - Craft / Industry (Khadi or Village, please specify)	
5.	Likely Age of Cluster	
6.	Nature of the Cluster	
7.	Cluster Products	
8.	Number of Units / Artisans in Cluster	
9.	Does the cluster have a minimum critical mass ? Numbers of firm's structure of firms (large/medium/micro/small across the value chain) <ul style="list-style-type: none"> • Presence of the support firms & service providers • Estimated turnover of broad groups in cluster • Level of employment (No. of Man & women) and likely income levels • Contribution of cluster to export • Growth trends in the recent past (Turnover, Employment, investments, exports etc.) • Special features of the cluster in terms of seasonal, mainstay activities/dependence, if any 	
10.	Number of Women owned units in cluster	
11.	Number of SC/ST owned units in cluster	
12.	Current number of human resource (workers/artisans/labors/designers/etc.) employed in cluster Number of skilled resources Number of Unskilled Resources	
13.	Presence of any SPV, Association or Society in Cluster: If Yes, provide details	
14.	Objective of the Project	
15.	Key Gaps Identified	

16.	Proposed Interventions identified for implementation	
	Soft Interventions	
	Hard Interventions	
17.	Any Societal or Environmental Concern	
18.	Estimated Project Cost	
19.	Has any land identified or available with cluster stakeholders ? If Yes, clarify the status.	
20.	Expected Outcomes of the Project	

Annexure – IV: CE Certificate (Civil) Format for Technical Civil Work**(Letter Head of the CE)****CE certificate (With membership/registration No. of CE) in the following format:****Name of Project:****Location with address:****Date of site Visit by Chartered Engineer:****Project Progress: (If project has multiple locations, the location wise details should be submitted in below format for each location)**

S. No.	Name of Component	Proposed/ appraised Area (sqm.)	Proposed/ appraised Cost (Lakh Rs.)	Actual Area (sqm.)	Actual Cost (Lakh Rs.)	Rate/ Unit (Rs/Sqm.)	Remarks about the status of implementation	Comments

It is certified that the material/ components used in the Technical Civil Work are new.**Signature and Seal of C.E.****Counter signature of promoter/ authorized signatory of IA with Seal**

Annexure – V: CE Certificate (Mechanical) Format for Plant & Machinery**(Letter Head of the CE)****CE certificate (With membership/registration No. of CE) in the following format:****Name of Project:****Location with address:****Date of site Visit by Chartered Engineer:****Project Progress: (If project has multiple locations, the location wise details should be submitted in below format for each location)**

S. No.	Name of Component	Proposed/ appraised Quantity	Proposed/ appraised Cost (Lakh Rs.)	Actual Quantity	Actual Cost (Lakh Rs.)		Supplier/ Manufacturer	Status of implementation	Comments
					Basic Cost	Taxes, Freight, installation, insurance			

It is certified that all the plant and machinery for which grant has been approved are new.**Signature and Seal of C.E.****Counter signature of promoter/ authorized signatory of IA with Seal**



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HARYANA GOVERNMENT
INDUSTRIES & COMMERCE DEPARTMENT

Notification

The 24th December, 2020

No. 25/03/2019-4IB-I.— The Governor of Haryana is pleased to notify Haryana Micro small and Medium Enterprises (MSME) Policy-2019, the Governor of Haryana is placed to notify the **Reimbursement of Electricity Duty Payment for Promotion of MSMEs in the State** with the following provisions which will be effective from date of Notification as at 'Annexure-'I'. This is issued with the concurred of the Finance Department *vide* their U.O. No. 01/13/2018-1FD-III/2020/4806 dated 09-09-2020.

Chandigarh:
The 11th December, 2020.

A. K. SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Annexure-‘I’

No.-25/04/2020-4IB-I- in pursuance to Haryana Micro, Small and Medium Enterprises (MSME) Policy-2019 notified *vide* No. 25/03/2019-4IB-I dated 26th February 2019, the Governor of Haryana is pleased to notify the **Reimbursement of Electricity Duty Payment for promotion of MSMEs** in the State as per details given below. However as per notification of Haryana Micro, Small and Medium Enterprises (MSME) Policy-2019, Incentives will be provided on reimbursement basis:

1. Objective :

The Government of Haryana has launched several initiatives to strengthen MSME ecosystem in State and provide benefits to the new enterprises being setup. In order to minimize the financial burden on MSMEs in initial phase and for continuity of same, the State Government has created provision for providing reimbursement to enterprises of the electricity duty paid for 7 years. Electricity duty is charged on consumption and is applicable per unit of electricity consumed.

2. Quantum and period of reimbursement :

Micro, Small & Medium Enterprises: 100% reimbursement for payment of electricity duty for 7 years for all new enterprises in ‘A’, ‘B’, ‘C’ & ‘D’ category blocks from the date of commercial production.

3. Commencement and Applicability :

The Scheme shall commence with effect from the date of notification of Haryana Micro, Small and Medium Enterprises (MSME) Policy-2019 i.e. 26.02.2019 for reimbursement of Electricity Duty and shall remain in operation for a period of 5 years up-to 25/02/2024 or till the validity of Haryana Micro, Small and Medium Enterprises (MSME) Policy-2019. The units that have gone into commercial production during this period shall be admissible.

4. Eligibility :

All the new Micro, Small and Medium Enterprises in the ‘A’, ‘B’, ‘C’ & ‘D’ category of Blocks, which have filed Haryana Udyam Memorandum (HUM) after coming into commercial production. The Industrial units must also comply with the following conditions:

- i. The unit should not have been placed in the restrictive list as notified by the State government from time to time.
- ii. The unit should have obtained NOC/CLU from competent Authority if applicable.
- iii. The unit should be in commercial production.
- iv. The electricity connection must be released after 26.02.2019.

5. Procedure for Electricity Duty Reimbursement claims:

- i. Application on prescribed Form (Annexure-I) for the grant of electricity duty reimbursement, along with listed documents would be submitted on the website of Department of Industries and Commerce, Haryana.
- ii. The claim shall be submitted within a period of 3 months from the date of start of commercial production or from the date of notification of this scheme whichever is later. The time for claim will be counted from the date of commercial production and not from the release of electricity connection. The total period shall be limited from the date of commercial production excluding delayed period.

Self-attested copies of documents to be attached with the application:

- a. Udyog Aadhar Memorandum (UAM).
- b. Haryana Udyam Memorandum (HUM).
- c. Certificate of Incorporation/ Partnership deed.
- d. Board resolution/ Power of attorney
- e. Change of Land Use (CLU)/ NOC from competent authority, as applicable.
- f. Performa duly stamped and signed by concerned SDO/XEN, UHBVNL/ DHBVNL in Annexure-II.
- g. CA Certificate regarding investment in plant & machinery for new unit (Annexure- III).
- h. First sale bill of the unit.
- i. Declaration/Undertaking.

6. Competent Authority for Sanction:

Additional Director, Directorate of Micro, Small and Medium Enterprises (MSME), Haryana shall be competent authority for approval and sanction of the incentive.

7. Timelines for processing of applications (working days) :

- A. Time limit for approval in case where no deficiency is found – 30 days.
- B. Time limit for approval in case where additional information is required – 45 days.
- C. Time limit for conveying the deficiencies, if any and removal thereof :
 - i. Joint Director/Deputy Director of Micro, Small and Medium Enterprises (MSME) at concerned filed office shall convey the deficiencies to the application unit – 10 days.
 - ii. Time limit for removal of all deficiencies to the applicant unit – 15 days.
 - iii. Notice period to the applicant unit before rejection of application – 07 days.

8. Appeal :

Appeal against orders passed by the Competent Authority shall lie with the Director General, Micro, Small and Medium Enterprises (MSME), Haryana with in a period of 30 days from the date of communication of orders appealed against.

9. Power to condone the delay :

The power to condone the delay in late submission of application by the applicant for availing the benefits under the scheme will be as under:

- I. The Director General, Micro, Small and Medium Enterprises (MSME), Haryana shall be competent to condone the delay upto a period of 03 months after the prescribed time limit.
- II. The Administrative Secretary, Industries & Commerce Department, Haryana shall be competent to condone the delay for a period more than 03 month but upto a period of 06 months after the prescribed limit.

Provided that the competent authority is satisfied with the reasons of late submission of the application on the basis of the substantial evidence/documents/arguments presented by the applicant. However, the total period shall be limited from the date of commercial production by excluding delayed period.

10. Penal Action :

In case, it is found at any stage that the applicant has claimed the assistance on the basis of wrong facts, the applicant shall besides refunding assistance with compound rate of interest @12% per annum and facing legal action, will be debarred from grant of any incentives/ assistance from the State Government.

The industry should be in operation for a period of three years from the date of last disbursement of reimbursement (reimbursement for 7 years + 3 years operation thereafter) otherwise the entire amount of reimbursement on pro rata basis shall be recovered from the unit.

Note: Enterprises availing any kind of incentive under this policy shall not be eligible to avail incentive under similar head under any other state government policy. However, they will be eligible for other incentives not specified in this policy.

11. Interpretation of Rules / Relaxation :

The Administrative Secretary, Industries & Commerce, Haryana shall be competent to make interpretation/relaxation of provisions of this scheme.

Dated:-

APOORVA KUMAR SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Annexure-I

Application for the grant of Electricity Duty for new MSME Industrial units/Enterprises under Haryana Micro, Small and Medium Enterprises (MSME), Policy-2019.

Sr. No.	Particulars	Detail
1	Name of the applicant (Authorized person of the unit)	
2	Name & Address of the unit with telephone No. and e-mail	
3	Constitution of the Unit [Proprietary, Partnership, Private Limited, Public Limited, LLP (Limited Liability Partnership)]	
4	Name of the block in which the enterprise located and category of blocks i.e. A/B/C/D	
5	Category of the unit (Micro/ Small/ Medium).	
6	Udyog Aadhar Memorandum (UAM) & date	
7	Haryana Udyam Memorandum (HUM) No. & date	
8	Date of commencement of commercial production	
9	Item of manufacture/processing	
10	Details of Fixed Capital Investment: i. Land ii. Building iii. Plant & Machinery/ Equipment's iv. Others Total	
11	Date of release of electricity connection	
12	Connected load	
13	Whether the unit falls under the restrictive/ negative list.	
14	Period for reimbursement of ED.	
15	Self-attested copies of documents to be attached with the application: i. Udhoy Aadhar Memorandum (UAM). ii. Haryana Udyam Memorandum (HUM). iii. Certificate of Incorporation/ Partnership deed. iv. Board resolution/ Power of attorney v. Change of Land Use (CLU)/ NOC from competent authority, as applicable. vi. Performa signed by concerned SDO/Xen, UHBVNL/ DHBVNL in Annexure-II. vii. CA Certificate regarding investment in plant & machinery for new unit (Annexure- III). viii. First sale bill of the unit.	

Dated:

Signature of the applicant
(with seal)

Declaration / Undertaking by the applicant on official letter head duly signed**Declaration:**

1. I, _____ do hereby solemnly state that I am proprietor/partner/director/_____ of M/s _____ located _____ which is engaged in the manufacture of _____ and I have been authorized to file the application for Reimbursement of Electricity Duty with the Department of Industries and Commerce, Haryana.
2. I do hereby affirm that the particulars given in the application are correct. In case any of the statement/information furnished in the application/ documents later found to be wrong or incorrect or misleading, I do here by undertake to refund the entire amount of reimbursement granted to me along with compound rate of interest @12% per annum, besides facing legal action in case facts contained in this application are proved to be wrong at the time of verification/ checking or otherwise at any stage. I also further undertake to refund the electricity duty reimbursement in case the enterprise closed its industrial activity within 03 years from the date of last reimbursement.
3. I hereby undertake that I shall not avail reimbursement/ exemption of electricity duty under any other state government policy.

Dated:

Signature of the applicant
(with seal)

Annexure-II**Memo No.** _____**Dated:-****Performa for detail of electrical installation of M/S** _____

Sr. No.	Details of electrical installation and connected load	Authority who inspected electrical installation	No. & date vide which permission for electrical connection given	Date of release of electrical connection

SDO/XEN,
UHBVNL/DHBVNL
(With Seal)

Annexure-III**Certificate from Chartered Accountant regarding investment in plant & machinery (on a CA letter head)****To whom it may concern**

The records of M/s with their regd. office at and factory located at in respect of investment in plant & machinery* (original purchase value) of the company has been verified.

It is certified that the investment in plant & machinery as on date..... stands as Rs. _____.

Dated:

Name & Signature of the Chartered Accountant
with stamps & CA membership number.



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EXTRAORDINARY

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HARYANA GOVERNMENT
INDUSTRIES & COMMERCE DEPARTMENT

Notification

The 24th December, 2020

No. 25/03/2019-4IB-I.— The Governor of Haryana is pleased to notify Haryana Micro small and Medium Enterprises (MSME) Policy-2019, the Governor of Haryana is placed to notify the **Refund of Stamp Duty Scheme** with the following provisions which will be effective from date of Notification as at '**Annexure-'H'**'. This is issued with the concurred of the Finance Department *vide* their U.O. No. 01/13/2018-1FD-III/2020/4806 dated 09-09-2020.

Chandigarh:
The 11th December, 2020.

A. K. SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Annexure-‘H’

No.-25/04/2020-4IB-I in pursuance to Haryana Micro, Small and Medium Enterprises (MSME) Policy-2019 notified *vide* No. 25/03/2019-4IB-I dated 26.02.2019, the Governor of Haryana is pleased to notify the **Refund of Stamp Duty Scheme for promotion of MSEs** in the State as per details given below :

1. Quantum of Assistance :**Micro & Small Enterprises:**

- i. 100% refund of stamp duty on purchase/leasing of land for establishment of enterprises including industrial Estates/Parks developed by HSIIDC/private developer in ‘D’ category blocks,
- ii. 75% in ‘C’ category blocks
- iii. 50% in ‘A’ and ‘B’ category blocks

2. Definitions :

Micro & Small Enterprise: Who have file Udyam Registration on web portal of Ministry of MSME, Govt. of India under the Provision of MSME Development Act, 2006 or amended from time to time.

3. Commencement & Applicability :

The scheme shall commence with effect from the date of notification of Haryana Micro, Small and Medium Enterprises (MSME) Policy-2019 i.e. 26.02.2019 for providing Stamp Duty refund on purchase/leasing of land for establishment of enterprises in identified category of blocks and shall remain in operation for a period of 5 years up-to 25.02.2024 or till the validity of Haryana Micro, Small and Medium Enterprises (MSME) Policy-2019. The units which/ who have purchased/taken the land during this period shall be admissible for the refund of stamp duty.

4. Eligibility of Manufacturing Enterprises :

- A. All the Micro and Small enterprises (who have filed Haryana Udyam Memorandum (HUM)) coming into commercial production after the notification of Haryana MSME Policy 2019 i.e. 26.02.2019, except those industrial units/service enterprises falling in the negative

The Industrial Units must also comply with following conditions:

- i. The unit should not have been placed in the restrictive list as notified by the State government from time to time.
- ii. The unit should have obtained NOC/CLU from competent Authority, if applicable.
- iii. The unit should be in commercial production.
- B. The developer of private Industrial Estates/Industrial parks shall be eligible for applying refund of stamp duty after development of complete infrastructure in the industrial estates/parks and obtained license from Competent Authority, if applicable.

5. Application Procedure :

- i. All the eligible industrial units shall apply on web portal of the department in the prescribed application form (Annexure-I) along with attachments within three months from the commencement of commercial production or within 03 months from the date of notification of the scheme, whichever is later.
- ii. The following documents shall be required to be enclosed with the application form:
 - a. Application form on Annexure – I
 - b. Udyog Aadhaar Memorandum (UAM) and Haryana Udyam Memorandum (HUM).
 - c. Colored scanned copies of Sale deed/lease deed registered with concerned sub- registrar showing the details of stamp duty.
 - d. Mutation of the above sale deed/lease deed along with the khasra numbers of the land duly certified by Halka Patwari.
 - e. Nakal-Aks-shajra of the land.
 - f. Copy of first sale bill.
 - g. Copy of NOC/CLU issued by competent authority – whichever is applicable.
 - h. Partnership deed / General Power of Attorney – if applicable.
 - i. Declaration/ Undertaking.

6. Timelines for processing of applications (working days):

- A. Time limit for approval in case where no deficiency is found – 30 days.
- B. Time limit for approval in case where additional information is required – 45 days.

- C. Time limit for conveying the deficiencies, if any and removal thereof :
- Joint Director/Deputy Director, DIC shall convey the deficiencies to the applicant unit – 10 days
 - Time limit for removal of all deficiencies to the applicant unit – 15 days.
 - Notice period to the applicant unit before rejection of application – 07 days.

7. Competent Authority for Sanction :

Additional Director, Directorate of Micro, Small and Medium Enterprises, Haryana shall be competent authority for sanction within 30 days from the date of completion of the claim.

8. Appeal :

Appeal against orders passed by the Competent Authority shall lie with the Director General, Micro, Small and Medium (MSME), Haryana with in a period of 30 days from the date of communication of orders appealed against.

9. Power to condone the delay :

The power to condone the delay in late submission of application by the applicant for availing the benefits under the scheme will be as under:

- The Director General, Micro, Small and Medium (MSME), Haryana shall be competent to condone the delay upto a period of 03 months after the prescribed time limit.
- The Administrative Secretary, Industries & Commerce Department, Haryana shall be competent to condone the delay for a period more than 03 month but upto a period of 06 months after the prescribed limit.

Provided that the competent authority is satisfied with the reasons of late submission of the application on the basis of the substantial evidence/documents/arguments presented by the applicant.

10. Penal Action :

In case, it is found at any stage that the applicant has claimed the assistance on the basis of wrong facts, the applicant shall besides refunding assistance with compound rate of interest @12% per annum and facing legal action, will be debarred from grant of any incentives/ assistance from the State Government. The Stamp Duty shall also be recoverable @ 12% interest per annum in case the enterprise closed its industrial activity within 05 years from the date of commencement of commercial production.

Note: Enterprises availing any kind of incentive under this policy shall not be eligible to avail incentive under similar head under any other state government policy. However, they will be eligible for other incentives not specified in this policy.

11. Interpretation of Rules / Relaxation :

The Administrative Secretary, Industries & Commerce, Haryana shall be competent to make interpretation/ relaxation of provisions of this scheme.

Dated :-

APOORVA KUMAR SINGH,
Principal Secretary to Government Haryana,
Industries & Commerce Department.

Annexure – I

Application Form for Refund of the Stamp Duty under Haryana Micro, Small and Medium Enterprises (MSME) Policy - 2019.

S. No.	Particulars	Details
1.	Name of the applicant (Authorized person of the enterprise)	
2.	Udyog Aadhaar Memorandum (UAM) No. & date	
3.	Haryana Udyam Memorandum (HUM) No. & date	
4.	Name of the enterprise	
5.	Complete address of the enterprise	
6.	Correspondence address	
7.	E-Mail address of the enterprise	
8.	Contact Number of the enterprise	
9.	Constitution of the enterprise [Proprietary, Partnership, Pvt. Ltd., Public Ltd., LLP (Limited Liability Partnership)]	
10.	Detail of land with Khasra Numbers	
11.	Date of registration of Sale/lease deed(s)	
12.	Date of mutations of sale/lease deed(s)	
13.	Amount of Stamp Duty paid as per sale deed/lease deed(s)	
14.	Details of Concerned Sub-Registrar	
15.	Date of Commencement of production	
16.	Aadhaar number of sole proprietor/ partners/ Directors of the enterprise	
17.	Name of the Bank and Account number along with IFSC/ RTGS code.	

Self-attested copies of documents to be uploaded with the application.

1. Application form on Annexure – I
2. Declaration/ Undertaking.
3. Udyog Aadhaar Memortandum (UAM) and Haryana Udyam Memorandum (HUM).
4. Colored scanned copies of Sale deed/lease deed registered with concerned sub- registrar showing the details of stamp duty.
5. Mutation of the above sale deed/lease deed along with the khasra numbers of the land duly certified by Halka Patwari.
6. NakalAks-shajra of the land.
7. Copy of first sale bill.
8. Copy of NOC/CLU issued by competent authority – whichever is applicable.
9. Partnership deed / General Power of Attorney – if applicable.

Dated:

Authorized Signatory
Name of the Enterprise

Undertaking/Declaration to be submitted by applicant duly signed on the letter head

1. I, _____ do hereby solemnly state that I am proprietor/ partner/ director/ _____ of M/s _____ located at _____ which is engaged in the manufacturing of _____ (if applicable) and I have been authorized to file the Stamp Duty Refund claim with the Department of Industries and Commerce, Haryana.
2. I do hereby affirm that the particulars given in the application are correct. In case any of the statement/ information furnished in the application/ documents later found to be wrong or incorrect or misleading, I do hereby undertake to refund the entire amount of stamp duty of Rs. _____ (Rupee _____) granted to me at the compound rate of interest @12% per annum, besides facing legal action in case facts contained in this application are proved to be wrong at the time of verification/ checking or otherwise at any stage. I also further undertake to refund the stamp duty in case the enterprise closed its industrial activity within 05 years from the date of commencement of production.
3. I hereby undertake that I shall not avail refund of the stamp duty under any other state government policy.

Dated:

Signature of the applicant
(with seal)