



Haryana Government Gazette

EXTRAORDINARY

Published by Authority

© Govt. of Haryana

No. 204-2019/Ext.] CHANDIGARH, TUESDAY, DECEMBER 3, 2019 (AGRAHAYANA 12, 1941 SAKA)

HARYANA GOVERNMENT
INDUSTRIES AND COMMERCE DEPARTMENT

Notification

The 3rd December, 2019

No.25/04/2019-4IB-I.— In pursuance to the Haryana Pharmaceutical Policy 2019 notified *vide* No. 25/04/2019-4IB-I dated 06.03.2019, the Governor of Haryana is pleased to notify the Capital Investment Subsidy Schemes for the units to be set up in Pharma Park at Karnal, covered under the Haryana Pharmaceutical Policy 2019 as per the details given below:-

A. Introduction

The State Government is proactively involved in promoting and boosting the Pharmaceutical sector in Haryana. Haryana is strategically located, characterised by its geographical confluence with economic corridors and its close proximity to the National Capital Region. Further, several key initiatives have also been taken by the State Government in developing enabling industrial infrastructure to support new entrepreneurs. Through its Enterprise Promotion Policy 2015, the State Government lists the Pharmaceutical sector as one of the focus sectors for development. Given its strong locational advantage, robust industrial infrastructure and lucrative policies, Haryana is an ideal destination for new businesses to flourish.

B. Objective of the scheme

The Government of Haryana envisages to transform Haryana into a hub for the Pharmaceutical industry to do business and thrive; by facilitating a conducive and holistic industrial ecosystem comprising robust infrastructure, financial assistance and a simplified regulatory regime. The primary objectives of the Haryana Pharmaceutical Policy 2019 are to attract investments in the Pharma sector in Haryana to the tune of Rs. 2000 Crores, generate 25,000 new jobs in the Pharmaceutical sector, successfully establish a state-of-the-art Pharma Park at Karnal and develop Haryana into a hub for pharmaceutical manufacturing by facilitating and creating a holistic industry, academia and R & D ecosystem.

C. Eligibility Criteria:

- (a) In addition to incentives offered under the Haryana Enterprises Promotion Policy 2015, all new units to be set up in the Pharma Park in the State will be eligible for the incentive.
- (b) Enterprises which will commence commercial production/ operations post the date of notification of the Haryana Pharmaceutical Policy 2019 will be eligible for availing of incentives under this Policy.
- (c) The Enterprise should have filed Udyog Aadhaar Memorandum (UAM)/ Industrial Entrepreneurs Memorandum (IEM).
- (d) The Enterprise should be in regular operations at the time of disbursement and the subsidy shall not be released to the closed Enterprise.

- (e) The Enterprise should have obtained NOC/CLU from competent Authority, if applicable.
- (f) The Enterprise will obtain the applicable approval/consent as per the guidelines of the State Pollution Control Board.

D. Commencement and Applicability:

These schemes are applicable w.e.f. the notification of the Haryana Pharmaceutical Policy 2019 *i.e.* 06.03.2019 and will remain in force for a period of 5 years or till the time any new policy/amendment is introduced by the Government, whichever is earlier.

E. Submission and processing of Applications:

The applicant shall apply online on the portal of Industries & Commerce Department. The application shall be examined and processed by the Department.

F. Sanctioning Authority:

The Director, Department of Industries & Commerce, Haryana, shall be competent authority for approval and sanction of these incentives.

G. Time limit to apply:

The applicant shall apply within 03 months from the date of start of commercial production.

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

1. Time limit for approval in case where no deficiency is found – 30 days.
2. Time limit for approval in case where additional information is required – 45 days.
3. Time limit for conveying the deficiencies, if any and removal thereof:
 - (i) Joint Director/Deputy Director, District Industries Centres 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.

I. Interpretation of Rules:

Administrative Secretary, Department of Industries & Commerce shall be competent to make interpretation of provisions of these schemes.

J. Appeals:

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

K. 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, be debarred from grant of any incentive/assistance from the State Government.

L. Power to condone the delay:

- (i) The power to condone the delay upto a period of 03 months after the prescribed time limit shall lie with the Director, Industries & Commerce Department.

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.

M. The claim application so filed may be reopened with the orders of Administrative Secretary Industries & Commerce provided request for the same is received within a period of 30 days from the date of rejection of the claim by the designated Competent Authority.

N. In case it is found that the basic character/nature of industry, to which the units setting up in an earmarked facility (Park, Cluster etc.), is changed, all the incentives granted by the State Government shall be recalled.

O. The Government of India is in the process of formulating a comprehensive policy concerning Bulk Drug manufacturing. In this light, provisions pertaining to the promotion of Bulk Drug manufacturing will be introduced after the launch of the aforementioned Policy by Government of India.

- P. The Administrative Department (Industries & Commerce) would ensure that for all fiscal support pertaining to infrastructure creation, the guidelines of Government of India will be followed.

1. Capital Subsidy:

1.1 Quantum of Assistance

25% of cost of plant and machinery and technical civil works subject to a maximum of Rs. 50.00 lakh.

1.2 Applicability

The Scheme shall commence with effect from the issue of notification of the Pharmaceutical policy, and will be applicable throughout the State, for 5 years or till the time Government decide otherwise.

1.3 Procedure, Time Limit, Interpretation/Clarification, Appeal & Penal Action

1.3.1 All the eligible Enterprises shall apply on the portal of the department in the prescribed application form (**Annexure-I**) available on portal along with attachments within three months from the date of start of commercial production/operations. The copy of following documents shall be required to be enclosed/ uploaded on-line, duly signed by the lead promoter/ authorized signatory with the application form:

- i. Detailed Project Report (DPR) in the prescribed template as at **Annexure-II**.
- ii. CA/Statutory Auditor certificate as per **Annexure-III** for the proposed project cost and means of finance.
- iii. The proposed component wise cost breakup of technical and other civil work by the Chartered Engineer (Civil) as per **Annexure-IV**.
- iv. The proposed component wise cost breakup of Plant & Machinery by the Chartered Engineer (Mechanical) as per **Annexure-V**.
- v. In-principle or Final term loan sanction from the Bank/ Financial Institution for availing term loan for an amount not less than 20% of the project cost.
- vi. Valid manufacturing licence from the State Drug Controller Haryana.
- vii. A detailed appraisal note from the lending Bank / Financial Institution.
- viii. Certificate of incorporation/ registration of the applicant firm, Memorandum and Articles of Association in case of Company/ Bye laws of the Society, Co-operative, Self Help Group/ Registered partnership deed, etc.
- ix. Copy of conveyance deed of the land.
- x. Certificate from lending Bank/ FI that the unit has not commenced commercial operations as on the date of application for grant-in-aid or the date of bank certificate, whichever is later. Also stating that the applicant has not defaulted in its term loan repayments and the project has not been classified as Non- Performing Asset.
- xi. Mandate form as per **Annexure-VI** in respect of the applicant firm.
- xii. Self-attested copy of a PAN card of applicant firm.

DEVENDER SINGH,
Additional Chief Secretary to Government of Haryana,
Industries and Commerce Department.

Declaration

Undertaking/Declaration (to be submitted on non-judicial stamp paper of Rs. 50/-(Min) duly sworn before a Notary Public (duly affixed with Notarial Stamp; and with Notary Seal & Notary Registration Number) or First Class Magistrate):

1. I / We, _____ do hereby solemnly state that I am proprietor/ partner/ director/ _____ of M/s _____ Located _____ which is engaged in the manufacture of _____ (if applicable) and I have been authorized to file the Capital Subsidy Refund claim with the Department of Industries & Commerce, Haryana.

2. I / We hereby confirm that all requisite clearances / approvals / NOCs for running the industry have been obtained and that failure to comply with the requisite clearances / approvals / NOCs shall may make us liable for legal action as specified under the respective Acts / Codes and Rules including withdrawal of incentives.

3. I / We 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 assistance under the head of Capital Subsidy 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 entire amount of Capital Subsidy availed till date, in case the enterprise closed its industrial activity before 10 years from the date of commencement of production/ operations.

Dated:

Signature of the applicant(s)
(With seal)

Annexure-I**Application form to avail Capital Subsidy incentive under the Pharmaceutical Policy**

1	Name of the applicant (Authorized person of the unit)			
2	Aadhaar Number			
3	Name and Address of the enterprise/developer			
4	Complete address of the enterprise			
5	Correspondence address			
6	E-Mail address of the enterprise			
7	Contact Number of the enterprise			
8	Constitution of the Unit [Proprietary, Partnership, Pvt. Ltd., Public Ltd., LLP (Limited Liability Partnership)]			
9	Total FCI (Land, Building, Plant/Machinery)			
10	Eligible FCI (Building, Plant/Machinery)	Item	Value	
		Building		
		Plant/Machinery		
11	Date of Commencement of production/ operations			
12	IEM/EM-II/UAM No. and date			
13	Aadhar number of sole proprietor/ partners/ Directors of the enterprise			
14	Name of the Bank and Account number along with IFSC/RTGS code.			

Template of DPR

1. Name of the applicant/ company / firm with details of registration no. of company / firm along with names of the directors/promoters in the prescribed format:

S. No.	Particulars	Details
i.	Name of Applicant	
ii.	Legal Status of Applicant (Company/ partnership firm/ proprietorship etc.)	
iii.	Registration No. of Applicant/CIN	
iv.	PAN of Applicant	

2. Contact details of the Promoter(s)/Partner(s) including addresses, telephone, mobile, fax, e-mail, website, PAN etc.

S. No.	Name of Promoter(s)/ Partner(s)	Address	Tel. No.	Mobile No.	E-mail Id	PAN No.	Any other details
Please add additional rows, if needed.							

3. Experience of the lead Promoter(s)/Partner(s)/ Applicant Entity in Pharmaceuticals (Pl. enclose documentary evidence regarding experience and turnover)

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

4. Project Details:

- a. Components under the scheme as applicable to the project:

S. No.	Components	Numbers Proposed
i.	Formulation manufacturing	
ii.	API manufacturing	

- b. Sector of Project (Formulation manufacturing/API manufacturing):

5. Land Details.

- (i) Proposed Locations of Land for all project facilities and status of their acquisition along with longitude & latitude coordinates

Location of Land	Facility (Formulation manufacturing unit/API manufacturing unit)	Area (Sqm)	Connectivity Details. Distance (in kms.) from: a. National Highway b. State Highway c. Freight corridor d. Golden Quadrilateral	Distance from Catchment Area (kms.)	Coordinate Details (Longitude & Latitude)	Ref. Pg. no. in DPR*
Land 1						
Land 2						

* DPR should have a detailed chapter on proposed land, raw material production and supply statics for the catchment area.

6. Proposed facilities

S. No.	Type of facilities proposed to be created	No. of Units	Total Capacity (wherever applicable)	Location	No. of Days of operation of each facility in a year
a.	Formulations				
b.	APIs				

7. Proposed Project Financials

a. Estimated Project cost details

Item	Amount (In Rs. Lakh)
Land	
Site Development	
Technical Civil Work (TCW)*	
Other Civil Works	
Plant & Machinery (P&M)**	
Common Utilities like Water/ETP/ STP, etc.***	
Pre-operative Expenses	
Interest During Construction	
Margin Money for Working Capital	
Contingencies	
Add other items not listed above	
Total Project Cost	

* The component wise cost breakup of technical and other civil work should be provided in the Chartered Engineer (Civil) certificate in the prescribed format as enclosed as Annexure-IV.

** The component wise cost breakup of P&M should be provided in the Chartered Engineer (Mechanical) certificate in the prescribed format as enclosed as Annexure-V.

*** The cost of common utilities may be provided in Chartered Engineer (civil) and Chartered Engineer (Mechanical) certificate where ever applicable.

b. Means of finance

Item	Amount (In Rs. lakh)
Promoter's Equity	
Term loan	
Eligible grant	
Unsecured loan	
Total	

c. Basic Revenue Projections

Item	Year 1	Year 2	Year 3	Year 4	Year 5
Turnover					
Cost of Operations					
Gross Profit					
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)					
Profit before taxation					
Profit after taxation					

d. Financial Parameters (as per Bank Appraisal Note)

S. No.	Particulars	Details (Ratio/%)	Ref. Page No. in DPR*
i.	Internal Rate of Return (IRR) [(a) With and (b) without grant]		
ii.	Avg. Debt Service Coverage Ratio (DSCR)		
iii.	Break Even Point (BEP)		
iv.	Debt-Equity Ratio		
v.	Rate of interest (RoI)		

* To be provided for section under the bank appraisal note highlighting the *aforementioned* detail.

8. Availability of Raw Material in the Catchment Area - provide details such as Adequate Volume, Wider Mix of Raw Materials, Days of Operation in a Year along with supporting data.
9. Details of the catchment area of the project.

S. No.	Location of the Catchment (Primary/Secondary)	Name Village/ Distt./ APMC	Commodities to be sourced	Quantities to be sourced (per annum)	Ref. Pg. No. in DPR*

* DPR should comprise of detailed chapter on proposed catchment (production and supply statistics).

10. Employment Generation projections
 - a. Direct Employment:
 - b. Contractual Employment with no. of days:
 - c. Indirect Employment (specify):
11. 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.

12. Details of adoption of modern technology for reducing the carbon footprints and increasing operational efficiency: -

Sl. No.	Name of technology/ item	Basic cost (excluding taxes etc.)	How the technology will help in reducing carbon footprint and/or increase in operational efficiency

13. List of Manufacturers/ Suppliers of P&M (enclose quotations)

Date: _____

Signature of the Applicant/Lead Promote

Place: _____

Annexure-III

**Certificate from Chartered Accountant (With membership No. and firm registration No. of CA)
regarding New Fixed Capital Investment
(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 new Fixed Capital Investment (original purchase value) of the company has been verified in accordance with criteria mentioned in the scheme. It is certified that the investment in new Fixed Capital Investment as on date of commencement of production/operations..... stands as Rs..... as per detail given below:

i. Project Cost:

Sl. No.	Name of the Component/Item	Amount (Rs. in lakh)
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:

Sl. No.	Item	Amount (Rs. in lakh)
	Promoter's Equity	
	Term Loan	
	Grant from Industries Department Haryana	
	Unsecured loan*	
	Others	

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

I/We fully understand that any submission made in this certificate if proved incorrect or false, will render me/us liable to face any penal action or other consequences as may be prescribed in the law or otherwise warranted.

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

Counter signature of promoter/ authorized signatory of company with Seal

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:

Date:

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)

Sl. No.	Name of Component	Proposed Area/ Existing Area (in case of expansion) (sq.m.)	Proposed Cost (Lakh Rs.)	Rate/ Unit(Rs./ Sqm.)
	Total			

Signature and Seal of C.E.

Counter signature of promoter/ authorized signatory of company 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:-

Date:

Name of project:

Location with address:

Date of 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/ Existing (in case of expansion projects) Quantity	Proposed Cost (Lakh Rs.)		Supplier/ Manufacturer (Supported by quotations)
			Basic Cost	Taxes, Freight, installation, insurance	
	Component -1				
	Component -2				
	Component -3				
	TOTAL				

Signature and Seal of C.E.

Counter signature of promoter/ authorized signatory of company with Seal

Annexure-VI

UNDERTAKING

I (Name of the Lead Promoter/ Lead Partner/ Proprietor etc.) son of Mr..... (father's name) resident of (residential address) do hereby solemnly affirm and declare/undertake as under:

1. That I am promoter/ director/ partner/ proprietor of M/s..... (name of applicant) having its Registration no. and Registered Office at (office address of applicant).
2. I hereby make application and I am duly authorized in my own right/by management vide its resolution no.dated.....to apply and sign all required documents including this undertaking on behalf of company/partnership firm etc. named as; and am fully aware of the facts relating to the setting up of pharmaceutical project at Survey/ Plot No., Village, Tehsil, District, State, PIN code (location of the main facility) for..... (activities to be undertaken by project) and application is being made to the Directorate of Industries department, Haryana under the Scheme for Capital Subsidy for Pharma units setting up in Pharma Parks in Haryana.
3. That the term and conditions of the above scheme of the State Government under which an application is made by the applicant have been properly read and understood by me and I affirm that the project/ proposal comply with all the terms and conditions of the approval letter and provisions enshrined in the scheme guidelines.
4. That the proposed activities to be undertaken by the project/proposal are covered under the above scheme of State Government and no part of the scheme/infrastructure of the project is designed or assigned to be used for any activity other than the activities specified in the application at present or in the near future.
5. It is certified that (name of applicant) has not obtained or applied for grants for the same project, component, purpose or activity from any other Ministry or Department of the Government of India or State Government or their agencies.
6. It is certified that applicant's sister concern (s)/ related company / group company/firms as well as the applicant itself has not availed any financial assistance for a pharmaceutical project in the past from State Government/Ministry of Chemicals & Fertilizers [if availed, the details shall be furnished separately].
7. I also solemnly affirm/undertake that the proposed project components in the application are a completely new activity and not a pre-existing activity or any component thereof.
8. In case of concealment of any facts in this regard, the State Government would have right to reject/ cancel my application/project out right at any stage.
9. I will meet any shortfall in means of finance due to less admissibility of grant or any future reduction in grant-in-aid or any escalation caused in the cost of the project.
10. I shall not dispose-off or encumber or utilize the assets created wholly or substantially out of government grant for purpose other than those for which they have been sanctioned, without obtaining the prior approval of the sanctioning authority of grant-in- aid.
11. In case of non-implementation/ delayed implementation of the project the Directorate of Industries department, Haryana will have absolute right in cancelling the approval granted and also recall the grant released, if any, along with interest as per the scheme guidelines.
12. In case of failure to operate the project for at least three years after commencement of commercial operation, I shall return the entire grant-in-aid with interest @ 12% per annum.
13. User charges/hiring rates of the facilities created under the project will be disseminated to the public including uploading of the same on the website of the project/ organization. A copy of the same will also be made available to the Ministry.

14. I also undertake that all the information furnished in the application and the DPR with respect to the eligibility conditions, etc. are true and correct to the best of my knowledge and belief and nothing material has been concealed therefrom.

Date: _____

Signature of the Applicant/Lead Promote

Place: _____