

NOTIFICATION

Dated: 24<sup>th</sup> December, 2020

No.-25/04/2020-4IB-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 up-to 25/02/2024 or till the validity of Haryana Micro, Small & Medium, Enterprise (MSME) Policy, 2019. The assistance shall be

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available only on listing fee paid during this period.

#### 4. Eligibility Criteria

- i. All SMEs existing anywhere in the Haryana state, which have filed Haryana Udyam Memorandum (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
  - HUM and Udyam Registration Certificate (URC)
  - 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.
  - 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/MDO 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), 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), 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 and removal of difficulties in provisions of this scheme.

Dated:-

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

**Annexure - I**

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

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
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	Udyam Registration Number (URN) & date	
7	Haryana Udyam Memorandum (HUM) No. & date	
8	Date of commencement of commercial production (As per first sale bill)	
9	Proof for Commencement of commercial production (Recent Sale Bill)	
10	Item of Production	
11	Name of SME Exchange	
12	Copy of SME Exchange Registration/Permission	
13	Name & Address of Registrar of Capital Issue of an Enterprise	
14	Name & Address of Banker of Capital Issue of an Enterprise	
15	Total cost of Project/Listing	
16	Means of Finance	
17	Date of Capital Issue published	
18	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
- HUM and Udyam Registration Certificate (URC)
- 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**

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

S. 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)