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HARYANA GOVERNMENT

INDUSTRIES & COMMERCE DEPARTMENT

Notification

The 26th July, 2023

No. 02/07/2023-1IB-II.— In pursuance to the provision under Chapter 14 of Haryana Enterprises and Employment Policy-2020 notified in Gazette *vide* No.25/05/2020-4IB-I dated 29.12.2020 and Notification No. 25/05/2020-4IB-I dated 08.06.2021 regarding "Freight Assistance Scheme", the Governor of Haryana is pleased to notify the "Revised Freight Assistance Scheme" for all MSME exporting units located anywhere in the State. The scheme will consist of the following provisions:

1. Objective

Exporting units located in the state have to incur additional transportation cost due to distance from international borders and sea ports, making their products uncompetitive in comparison to the exporting units located in coastal areas. In order to enhance competitiveness of exporting units, this scheme will defray the transportation cost.

2. Quantum of Assistance

The freight assistance to the extent of 1% of Free on Board (FOB) value or actual freight excluding government fee and taxes on transportation of goods from place of manufacture to the seaport/ air cargo/ by road up to international border, whichever is less based on the level of ZED Certification, Sector of manufacturing and Block of exporting unit as under:

(a) For Thrust Sectors (as notified under HEEP):

Maximum up to INR 25 lakh to the Manufacturer Exporter engaged in Thrust Sector located in 'C' and 'D' category Blocks and INR 15 Lakh to Manufacturer Exporter engaged in Thrust Sector located in 'A' and 'B' category Blocks

(b) For all other eligible Manufacturer exporting units (Non-Thrust Sector):

Maximum up to INR 20 lakh to the Manufacturer Exporter located in 'C' and 'D' category Blocks and INR 10 Lakh to the Manufacturer Exporter located in 'A' and 'B' category Blocks.

100% for ZED Gold Certified units, 75% for ZED Silver Certified units and 33% ZED Bronze Certified units out of 1% of Free on Board (FOB) value or actual freight excluding government fee and taxes on transportation of goods from place of manufacture to the seaport/ air cargo/ by road up to international border with mentioned limits at a) and b) above.

3. Definition

- (i) "Exporting unit" means a unit which is engaged in manufacturing and exports of goods in any quantum.
- (ii) Same Management: The units having common share holding/partnership more than 51% in case of companies/partnership firms. The units under the same management will be treated as one unit.
- (iii) "Financial Year" means the year beginning from 1st April to 31st March.

4. Commencement and Applicability

The Revised scheme will be effective from 01.07.2023 till the applicability of HEEP-2020 which means that actual export should be undertaken on or after 01.07.2023. This will be determined on the basis of bills of lading.

5. Eligibility

The Industrial Units must comply with the following conditions at the time of application:

- (i) All MSMEs in the State having ZED certification which are engaged in manufacturing and export except industries listed in Restrictive List of HEEP-2020.
- (ii) The amount of assistance shall be calculated on FOB value of the export consignment as certified by the office of Custom & Central Excise indicated in the shipping bill/airway bill/transport bill.
- (iii) MSMEs under the same Management/ constitution shall be clubbed together and the maximum ceiling of the eligible amount of freight subsidy put together shall not exceed the maximum limit in the blocks and categories explained under Clause 2 in a financial year.
- (iv) The assistance will be admissible only in case of direct export of the goods manufactured by the exporting unit.
- (v) The unit should have filed Udyam Registration Certificate (URC) and Haryana Udhyam Memorandum (HUM) on the respective portals for the statistical purpose, at any stage.
- (vi) The unit should have obtained Registration-Cum-Membership Certificate from Export Promotion Council for the period of claim of assistance.
- (vii) The unit should have obtained Importer-Exporter code from DGFT.

6. Procedure

- (i) Application in Annexure-I for the grant of freight assistance on export undertaken along with document mentioned therein will be submitted to the Director/ Director General, Micro, Small and Medium Enterprises on the web portal of the department within a period of 6 months from the date of closing of the financial year in which, the products were exported.
- (ii) The application would be processed and examined by the Joint Director/Deputy Director, District MSME Centre. He will be responsible for scrutiny and shall clearly recommend for approval/rejection of the claim after conducting the inspection of the unit. The deficiencies, if any, would be communicated to the applicant on-line preferably in one go within a period of 7 days and the applicant would be given a time period of 10 days to rectify all the deficiencies so pointed out.
- (iii) In case the deficiencies are not removed within prescribed period, the claim shall be rejected by the Competent Authority, under intimation to the party through e-mail.
- (iv) The enterprise shall not be required to submit any additional document other than specified under Annexure-I unless required for establishing genuineness of the claim.

7. Competent Authority for Sanction

The Director General/ Director, MSME shall be competent authority for sanction of freight subsidy above Rs. 10 lakh whereas Additional Director (MSME) shall be competent to sanction upto Rs. 10 lakh.

8. Time Limit to apply

An enterprise shall forfeit its entitlement for the Freight assistance, if it does not submit its claim, complete in all respects within 6 months from the date of closing of the financial year in which the products were exported.

9. Interpretation/Clarification

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

10. Appeals

- (i) Appeal against the order passed by the Competent Authority shall lie with the Director/Director General, Micro, Small and Medium Enterprises within a period of 30 days from the date of communication of order appealed against.
- (ii) Appeal against the orders passed by the Director/Director General, MSME shall lie with the Administrative Secretary, Industries & Commerce, Haryana within a period of 30 days from the date of communication of order appealed against.

The orders passed by the Administrative Secretary, Industries & Commerce, Haryana in appeal shall be final.

11. Power to condone delay in submission of application & appeal:

- (a) The Director/ Director General, Micro, Small and Medium Enterprises, Haryana shall be competent to condone the delay upto a period of 03 months after the prescribed time limit.
- (b) The Administrative Secretary, Industries & Commerce, Haryana shall be competent to condone the delay upto a period of 06 months after the prescribed time 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.

12. 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 incentive/assistance from the State Government. If, the applicant fails to refund the subsidy amount with interest, then the amount shall be recovered as arrear of land revenue. The applicant shall be debarred from public procurement as a result of mismatch in facts and figures.

13. Service Delivery Timeline

S. No.	Tasks	Time limit (working days)
1	Letter of Approval	45 days
2	Letter of Sanction	07 days
3	Disbursement	07 days

ANAND MOHAN SHARAN, Additional Chief Secretary to Government Haryana, Industries & Commerce Department.

The 21st July, 2023.

[Clause 6 (i)] Annexure-I

Form of Application for the grant of Freight Assistance for the Financial Year___

- 1. Name of the applicant (Authorized person):
- 2. Name of the applicant unit:
- 3. Address of the unit with telephone number and e-mail:
- 4. Items of exports:
- 5. Manufacturer/Merchant Exporter*:
- 6. Value of original Plant & Machinery as per CA certificate (In INR):
- 7. Value of Turn over as per CA certificate (In INR):
- 8. Constitution of the exporting unit:
 - [Proprietary, Partnership, Pvt. Ltd., Public Ltd., LLP (Limited Liability Partnership) and Co-operative society]
- 9. Udyam Registration Certificate (URC) and Haryana Udhyam Memorandum (HUM) No. & Date:
- 10. Import-Export Code Number:
- 11. Name of the concerned Bank through which export transaction undertaken:
- 12. Amount of Freight Assistance received during previous financial year:
- 13. Details of export & amount of freight assistance claimed:

Ye	ear	Total FOB value certified by custom & central excise as per Annexure-A	1% of total FOB value	Total amount of freight paid from place of manufacture to The port/air cargo/international border as per CA certificate	Amount of freight subsidy claimed (1% FOB or freight paid, which ever isl ess)

- 14. Self-attested copies of documents to be attached with the application:-
 - (i) Printed copy of Application Form duly signed and stamped by authorized person.
 - (ii) Copy of Udyam Registration Certificate (URC) and Haryana Udhyam Memorandum (HUM).
 - (iii) Certificate in Form "A" and Form "C" issued by Registrar/ District Registrar of Firms & Societies, along with a copy of Partnership Deed/Certificate of the Incorporation of the Company in case of limited companies/Partnership registration/Co-operative society registration.
 - (iv) Special Power of Attorney (duly attested by Notary Public)/Resolution of Board of Directors of the Company, duly signed by majority of the Partners/Directors.
 - (v) Registration-cum-Membership Certificate issued by relevant Export Promotion Council applicable for the concerned period of assistance.
 - (vi) Certificate of Importer Exporter Code (IEC) issued by DGFT.
 - (vii) Lading bills applicable for the concerned period of application.

(In order to verify the actual date of lading)

- (viii) Bank Realization Certificate of each bill applicable for the concerned period of application for confirmation of payment and acceptance of exported goods.
- (ix) Land proof (Registered Sale Deed/ Lease Agreement for at least 5 years/Allotment letter or both as the case may be).
- (x) Change of Land use (CLU)/NOC from the competent authority, if applicable (Annexure-IV for NOC).
- (xi) Chartered Accountant Certificate in respect of total FOB Value and total eligible amount of Freight paid from place of manufacture to the sea port/air cargo/by road upto international border in the prescribed format (Annexure-II).
- (xii) Chartered Accountant Certificate in respect of investment in Plant and Machinery in prescribed form (Annexure-III).
- (xiii) Details of exports in Annexure-A.
- (xiv) Copy of first sale bill.
- (xv) Copy of ZED Certificate in favour of applicant unit.
- (xvi) Copy of GST/E-Way bills for transportation.

Signature of Applicant (with seal)

I,	do hereby sole	mnly state that I am	proprietor /partner/director/
the manufacture and export of goods manufacture assistance claim with the Directorate of MSME,	•	nd I have been aut	horized to file this freight
2. The unit will be liable to refund excess s the Audit team of Principal Accountant General	•	ny released due to o	mission or pointed out by
3. The particulars given in the application a application/documents, is later found to be w criteria/conditions, the entire amount of subsidy	rong or incorrect or	misleading or viola	tes any of the eligibility
4. I do hereby affirm that the goods manufactured/assembled/ processed in my about assistance of INR (Rupees) besides facing legal action incase facts contained verification/ checking or otherwise at any stage.	ve said unit. I do here granted to me at the co ained in the (application	eby undertake to resompounded rate of i	fund the entire amount of nterest @12% per annum,
Dated:	S	Signature of the app	licant (authorized signatory) with complete address.

Annexure-A

DETAILS OF EXPORTS:

Sr. No.	Shipping Bill/ Airway Bill/ Transport Bill No. & date	FOB value certified by custom	1% of FOB value	Bill of lading/ airway bill/transport bill No. & date
	Total		-	
			-	

Note: Attach copies of shipping bills/airway bills/transport bills incase exported by road.

Signature of Applicant (with seal)

Annexure-II

Chartered Accountant's Certificate

1.	Certified that the shipping bills/airway bills/transport bills duly certified by Custom and Central Excise, bank realization certificates and related accounts produced by the Exporting unit namely M/shave been verified and the total FOB value of the goods exported (excluding the FOB value of shipping bills/airway bills/transport bills other than state of origin Haryana) comes to INRduring the financial year 202202, which is eligible for consideration of Freight Assistance.
2.	It is further certified that the transportation bills pertaining to goods exported in respect of above eligible shipping bills/airway bills/transport bills from place of manufacture to the sea port/Air cargo/ international border and related accounts have been verified and the actual freight charges of INR have been paid by the exporting unit against the goods exported after excluding the charges on account of fees and taxes during the financial year 20 and the same is eligible for consideration of Freight Assistance.
Na	ame of the Signatory (Chartered Accountant)
	UDIN
Sea	al of the Company and Registration No.

Annexure-III

Certificate from Chartered Accountant regarding investment in Plant & Machinery (on letter head of CA)

To Whom It May Concern

To Whom It May Concern	
The records of M/s with their regd. Office at	al unit has been verified. It is s on datestands as
Name & signature of the Chartered Accountant with stamps & CA membership number	
UDIN	Dated

Annexure-IV

No Objection Certificate (NOC) to be issued by the competent authority

To whom it may concern

unit	is running a manufacturing unit at Khasra No./address of thehaving an areasq. m./yds. and the said location falls
building tax etc.	f(district name). There is No Dues on the said unit in respect of
E	on/Council/Committee (name of authority) has no objection in
Dated:	(Sign & Stamp of Issuing Authority)

10493—C.S.—H.G.P., Pkl.