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PART-I

Notifications, Orders and Declarations by Haryana Government

HARYANA GOVERNMENT

INDUSTRIES & COMMERCE DEPARTMENT

Notification

The 4th March, 2024

No. 12/02/2022-1IB-II.— In pursuance to the Programme to Accelerate Development for MSME Advancement (PADMA) notified in Gazette *vide* Notification No. 12/2/2022-1IB-II dated 29th November 2022 and re-notified in Gazette *vide* No. 12/2/2022-1IB-II dated 17th August 2023, the Governor of Haryana is pleased to notify “**PADMA Entrepreneurship Acceleration Scheme**” to provide early-stage capital to Start-ups inside/outside the approved PADMA cluster. The details of the scheme are as under:

1. Objective

The major objective of the scheme is to empower entrepreneurs, foster innovation. Through this scheme, the Government will provide financial support to start-ups inside/outside approved PADMA cluster to achieve their goals more quickly and effectively.

2. Quantum of Assistance

A financial assistance shall be provided to start-ups related to approved product category inside the approved PADMA Cluster @ Rs. 20 Lakh and outside the approved PADMA Cluster @ Rs. 10 Lakh on innovative idea for proof of concept, prototype development, product trials, market entry and commercialization. This will help start-ups to progress to the next level where they will be able to raise investments from angel investors or venture capitalists or seek loans from banks/ financial institutions. The benefit will be provided to maximum 10 start-up units per PADMA cluster and 50 start-ups outside the PADMA cluster during the policy period on first come first basis across the State in that particular block around the identified product as mentioned in the PADMA policy.

3. Definitions

- I. **Micro Enterprise:** Investment in Plant and Machinery or Equipment does not exceed INR 1 crore and turnover does not exceed INR 5 crore or as amended by GoI under the Micro, Small and Medium Enterprises Development Act, 2006 from time to time.
- II. **Small Enterprise:** Investment in Plant and Machinery or Equipment does not exceed INR 10 crore and turnover does not exceed INR 50 crore or as amended by GoI under the Micro, Small and Medium Enterprises Development Act, 2006 from time to time.
- III. **Start-up:** An entity shall be considered as a Start-up:
 - (a) Up to a period of ten years from the date of incorporation/ registration, if it is incorporated as a private limited company (as defined in the Companies Act, 2013) or registered as a partnership firm (registered under section 59 of the Partnership Act, 1932) or a Limited Liability Partnership (under the Limited Liability Partnership Act, 2008) in India.

- (b) Turnover of the entity for any of the financial years since incorporation/ registration has not exceeded one hundred crores rupees.
- (c) Entity is working towards innovation, development or improvement of products or services.
- (d) Provided that an entity formed by splitting up or reconstruction of an existing business shall not be considered a 'Start-up'.

4. Commencement and Applicability

The scheme shall commence with effect from the date of re-notification of PADMA policy i.e., 17.08.2023 and shall remain in operation for a period of 5 years up-to 16.08.2028 or till the validity of the PADMA policy. Maximum 10 start-up units per PADMA cluster and 50 startups outside the PADMA cluster across the State in that particular block around the identified product as mentioned in the PADMA policy shall be eligible for availing the benefit under the scheme.

5. Eligibility

The eligibility criteria for a start-up to apply under the PADMA Entrepreneurship Acceleration Scheme shall be as follows:

- I. The entity should be registered and recognised as start-up from Start-up Haryana or as per guidelines issued for Start-up by Government of Haryana from time to time.
- II. The address of registered office of the start-up entity should be in Haryana.
- III. Start-up must have a business idea to develop a product or a service with market fit, viable commercialization, and scope of scaling related to approved product category.
- IV. Start-up should be using technology in its core product or service, or business model, or distribution model, or methodology to solve the problem being targeted.
- V. The unit availing incentive under this scheme will not be eligible to obtain incentives under similar scheme of other Policies of the State Government.
- VI. The unit shall have to use the PADMA logo on the product branding.
- VII. The CLU/NOC/Industrial License as applicable obtained by IA for the said PADMA cluster, will be applicable for all the units inside the PADMA cluster.

6. Process for Application

- I. The eligible entrepreneurs shall submit their applications on the prescribed form (Annexure-I), along with listed documents on the portal of the Directorate of MSME.
- II. The applications received will first be examined and scrutinized by the Directorate of MSME, Haryana and Project Management Unit (PMU) level. The deficiencies, if any, would be communicated to the applicant in writing within a period of 07 days and the applicant would be given a time period of 10 days to rectify the deficiencies so pointed out. In case the deficiencies are not removed within prescribed period by the applicant, the application shall be rejected.

7. Competent Authority for Approval & Sanction

7.1 Sanctioning Authority

The below mentioned committee shall be the competent authority for sanctioning of the application for the financial assistance under PADMA Entrepreneurship Acceleration Scheme. The members of the committee shall be as under:

1.	Director General, Directorate of MSME, Haryana	Chairman
2.	Accounts Officer, Director of MSME, Haryana	Member
3.	General Manager, SIDBI, Chandigarh	Member
4.	Representative of Industry Association of concerned district	Member
5.	Additional Director, Directorate of MSME	Member Secretary

Note: The chairman of the committee can co-opt any other member at his discretion.

The start-ups or applicants will present their pitch through a detailed presentation before the committee. The presentation shall cover details about the entity/applicant and their experience, innovative idea/project, product/service, technology used, fund utilization plan, etc.

7.2 Disbursal Authority

The Head of the Department (HOD) of Directorate of MSME, Haryana shall be the competent authority to disburse the grant-in-aid after compliance of requisite formalities.

8. Interpretation/Clarification

- I. The decision of the committee shall be final and binding on all concerned parties on the interpretation of provisions of these guidelines and the matters related/incidental thereto.
- II. The committee shall have the final say regarding eligibility or otherwise of the applications and selection of applications for grant-in-aid.
- III. The Administrative Secretary, Industries & Commerce, Haryana shall be competent to make interpretation/clarification and removal of difficulties in provision of this scheme.

9. 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. 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.

Chandigarh:
The 1st March, 2024

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

Annexure – I**Application Form for grant of PADMA Entrepreneurship Acceleration Scheme**

S. No.	Particulars	Details
1.	Name of the applicant (Authorized person of the Unit)	
2.	Name and address of the entity with contact no. and email	
3.	Registered office address	
4.	Name of the PADMA Cluster, Block and Product	
5.	Constitution of the unit [Proprietary, Partnership, Pvt. Ltd., Public Ltd., LLP (Limited Liability Partnership) and Co-operative society]	
6.	Start-up Haryana, DITECH Certificate Registration Number and Date	
7.	DPIIT Registration Certificate and Date	
8.	Details of the innovative idea/project	
9.	Details of product/Service	
10.	Details of technology used in product or service, or business model, or distribution model, or methodology to solve the problem being targeted	
11.	Details of Fund utilization Plan	
12.	Additional Information, if any	

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

- (i) Concept note covering details about the entity, innovative idea/project, product/service, technology used, fund utilization plan, etc.
- (ii) Copy of certificate of registration with Start-up Haryana, DITECH and DPIIT.
- (iii) Certificate of Incorporation/ Partnership Registration with concerned DIC/ LLP.
- (iv) Board Resolution/Power of attorney to be signed by the majority of the Directors/Partners along with their Name, Specimen of signature and Director Identification Number (as applicable).
- (v) Undertaking/ Declaration on non-judicial stamp paper as per Annexure - II
- (vi) Land title documents i.e., Allotment Letter/ Occupation Certificate/ Sale Deed/ Transfer Deed/ Conveyance Deed in favour of the Applicant Unit/ Proprietor. Registered Lease Deed/ Registered Rent Deed for a minimum period of 10 years in favour of the Applicant Unit/ Proprietor, in case the unit is running on lease/rent.
- (vii) Any other document as required by Directorate of MSME from time to time.

Signature of applicant (with seal)

Date: _____

Annexure - II

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):

I, _____ do hereby solemnly state that I am proprietor/ partner/director/ _____ of M/s _____ which is engaged in _____ and I have been authorized to file the PADMA Entrepreneurship Acceleration with the Directorate of MSME, Haryana.

I have not been availed/ have not availed benefits under similar schemes of Government of Haryana.

The entity will be liable to refund the entire subsidy/ assistance or excess subsidy/assistance, if released due to any kind of omission or pointed out by the Audit team of Principal Accountant General, Haryana at the time of verification/ checking or otherwise at any stage.

I do hereby further affirm that the particulars given in the application are correct. In case any of the statement/ information furnished in the application/ documents found to be wrong or incorrect or misleading or violation of the eligibility criteria/conditions at any stage or after the disbursement of amount, I do hereby undertake to refund the entire amount of the Scheme of INR _____ (Rupees _____) 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.

Signature of the applicant (with seal)

Date: _____