



Government of Haryana

**INDUSTRIAL INVESTMENT & BUSINESS PROMOTION
POLICY 2015**

Innovate – Invest – Incorporate

**Consultation Paper
Industries & Commerce Department**

Contents

Chapter 1 - Preamble.....	4
Chapter 2 – Vision, Mission & Industrial Growth Strategy.....	7
The Haryana Vision:.....	7
Mission:	7
Strategic Interventions:.....	7
Chapter 3 – Improving the Business Environment - Ease of Doing Business & Facilitation	9
Facilitation through e-Governance.....	9
Strengthening the Single Window System:	11
Simplification of Administrative Procedures:.....	12
Chapter 4 – Promotion of Thrust Areas.....	15
Auto, Auto Components & General Engineering:.....	16
Agro-based, Food Processing & Allied Industry:.....	16
Textiles, Apparel & Handlooms:.....	18
Footwear & Accessories:	20
Electronics & IT/ITES:	20
Defence and Aerospace Manufacturing:.....	21
Transportation/Logistics Hub/Inland Port/Container Depot:	21
Renewable Energy & Solar Parks:.....	22
Pharmaceutical & Chemical Industry:.....	22
Chapter 5 - Micro, Small & Medium Enterprises	24
Classification of MSMEs:.....	25
Chapter 6 – Environment Related Reforms.....	29
Chapter 7 - Labour Reforms	33
Chapter 8 – Enhancing Skill Levels & Employability	38
Chapter 9 – Promoting Green Initiatives & Technologies.....	41
Waste Management & Green Technologies.....	Error! Bookmark not defined.
Chapter 10 –Infrastructure & Industrial Estate/Parks Development	43
Industrial Infrastructure Development.....	44
Gas Distribution Network:.....	48
Social Infrastructure:	48
DMIC.....	48

Kundli Manesar Palwal (KMP) Expressway:.....	50
Global Economic Corridor along the Kundli Manesar Palwal Expressway:.....	51
Geographical Dispersal/Regional Cohesion.....	51
Chapter 11 – Export Promotion	53
Chapter 12 – Services Sector	57
Chapter 13 – Estate Management Procedures.....	59
Chapter 14 – Promotion of Handicraft	62
Chapter 15 – Incentives	65
Chapter 16 - General	67
Chapter 17 – Way Forward	70

Chapter 1 - Preamble

1.1 Created on 1st November 1966, Haryana today has emerged as one of the most industrialized States in the country. Haryana a land venerated in the Ancient times in the Vedas and Bhagwat Gita, today has transformed and emerged as a veritable hub of knowledge and a vibrant and fast growing industrial powerhouse. Strategically located in the heart of India, Haryana surrounds the National Capital Delhi on three sides. Nearly 40% of the State falls in the National Capital Region and 66% under the DMIC Influence zone.

1.2 The State has made impressive strides over the years to carve out a niche for itself in the fields of engineering, automobiles, textiles, leather, Information Technology, electronic hardware and hi-technology industries. With just 1.3% of the total area of the country, Haryana contributes to nearly 3.4% of the India's GDP. The Gross State Domestic Product (GSDP) stood at Rs.3.89 lakh crore at current prices in 2013-14. The per capita income of the State during the period was at Rs.1,33,427/-.

1.3 The State has been a leader in manufacture of a number of products like cars, two-wheelers, tractors, scientific instruments, footwear etc. Gurgaon has emerged as the Business Process Management (BPM) Capital of the country employing about 5% of the total worldwide workforce in the Sector, besides being home to offices of a number of International & National Corporates. Having an excellent endowment of resources, the State has continuously enjoyed its position in the Agriculture Sector. With the cropping intensity of 182%, the State is one of the leading contributors of food-grains to the Central Pool. Haryana is the leading producer of Mushrooms, guar gum, etc. and the leading exporter of Basmati Rice.

1.4 The Global economic slowdown coupled with a number of other issues like the high factors costs (land, labour & power), HR Issues etc., has damped industrialization growth in the State during the last a few years and the overall economic growth too. The contribution of the Secondary Sector has reduced during these years and the unemployment rate presently stands at 4.8%. This emphasizes the need for the Government intervention to put the industrial growth back on track to revitalize the economic growth.

1.5 In order to build a strong and vibrant industrial economy that spins off large capital formation in the State and advances the inclusive development of all sections of people and all sectors of the industry, an end-to-end strategy and action plan is required

to be put in place to sustain the higher levels of growth. It is, therefore, vital for the State to base its strategy on development of the industrial sector. Industrialization, thus, holds the potential for fulfilling all the dreams and aspirations of the people of Haryana. Differential incentives will be granted to the projects set up outside the NCR in order to promote balanced regional and geographical dispersal. In the backdrop of the increasing competitiveness amongst States and the initiatives being taken by leading States to be positioned as ideal investment destinations, it is essential for Haryana to pursue investment promotion initiatives with renewed focus and rigor.

1.6 It is with this vision of balanced regional and sustainable development, employment generation & inclusive growth and in order to attain the goals set above, the Government of Haryana has formulated and brought forth the New Industrial Investment & Business Promotion Policy of 2015. The Policy document shall be the instrument through which the vision of the Haryana State Government will be translated into action.

1.7 The New Policy has been benchmarked against the best practices in other leading States in order to improve the 'Ease of Doing' Business in our State. The 'Make in India', 'Digital India' and 'Skilling India' campaigns launched by the Hon'ble Prime Minister of India would form the pervasive themes across all areas in this policy which embraces these landmark initiatives and reflect in the industrial growth strategy of the State. The Policy will be rooted in the following core values and initiatives:

- Structural and procedural reforms for conducive policy environment and Ease of Doing Business, with greater focus on self certifications and third party inspections;
- Availability of land bank for the Industry;
- Geographical dispersal of Industrial development for inclusive development;
- Sustainable growth through optimal use of resources;
- Support to Micro Small & Medium Enterprises (MSMEs) & Start-Ups;
- Behavioral and cultural reforms for positive and responsive governance structure for better service delivery to the citizens;
- Incentivizing use of local resources and industries which promote ancillarization, employment generation etc., which would lead to a cascading effect on growth of the economy;
- Generate employment avenues and also promote self-employment through fueling of Innovation & Entrepreneurship spirit in the State.

1.8 With the Government playing the role of a facilitator and a catalyst, the Policy provides an eco-system that encourages the growth of the industry by providing a business regulatory environment based on 'Ease of Doing Business' along with a hassle-free environment in which the entrepreneurial spirit of local, domestic and international

investor will thrive to take up their industrial units in the state of Haryana as the preferred investment destination. The Policy aims at attracting investments by leveraging its strengths through sustained aggressive promotional strategies complemented by a globally competitive and sustainable business environment. The Services Sector has also been identified for a special focus under this document. The Policy further enunciates the Government's vision approach and strategy for retention and facilitation of the existing industry and promotion of new investments through a concerted effort.

1.9 The cornerstone of the policy is “**Minimum Inspection and Maximum Facilitation**”. Minimum inspection would encompass a system that aims at abolition of the unnecessary inspections. Some random inspections will be planned to keep the industry also on its toes, but these inspections will be after due intimation and proper authorization from the top level. Maximum Facilitation would have the e-based single window system as the anchor. Self-certification and third party inspections would be encouraged and mechanism of deemed approvals would be implemented.

1.10 The Policy also intends to consolidate the industrial strategy by intensifying governance reforms, ensuring effective monitoring and instituting a process of informed decision making through continual evaluation. The key initiatives of the new “**Industrial Investment & Business Promotion Policy 2015**” would be to encourage investors and entrepreneurs to develop market, bring in technology, provide employment opportunities and spread industrialization and development to the industrially under developed areas of the State. The Government has envisioned undertaking a holistic approach towards industrialization in the State through development of human & natural resources, increasing share of industry in the State GDP, optimal utilization of space by way of simplified norms for change of land use/Industrial Licensing, Increased FAR and leveraging land under the de-notified SEZ.

1.11 It is expected that the Policy would provide a comprehensive platform for “**Putting Imagination to Work**”

Chapter 2–Vision, Mission & Industrial Growth Strategy

The Haryana Vision:

“To position Haryana as a pre-eminent Investment destination and facilitate balanced regional and sustainable development supported by a dynamic governance system, wide scale adoption of innovation & technology, and skill development for nurturing entrepreneurship and generating employment opportunities”.

Mission:

- Reposition Haryana as a “**Preferred Destination**” for doing business;
- Facilitate State GDP growth rate in excess of 8%;
- Employment generation for 4 lakh persons;
- Investments into the State of Rs.1 lakh crore;
- Increase contribution of secondary sector in the State GDP from 27% to 32% in tandem with the Government of India’s National Manufacturing Policy and ‘**Make in India**’ initiative;
- Promote **balanced regional development** through **geographical dispersal of industry**;
- Increasing the competitiveness of the MSMEs through **cluster development** and adoption of “Zero Defect Zero Effect” manufacturing practices;

Strategic Interventions:

The strategy for achieving growth would be by “Putting imagination to work” with a deeper understanding of areas of development and drawing a roadmap to effectively service the industry.

- Creating a pool of inexpensive land bank and support infrastructure for the Industry and Investor Facilitation;
- Putting in place a Business friendly regulatory system which supports Ease of Doing Business;
- Revitalizing the Industrialization in the State through specific interventions;

- Promoting labour Intensive and employment generating industries like Textiles, Agro processing etc.;
- Generating inclusive economic development through geographical dispersal of Industry;
- Bringing in labour reforms to match the aspirations of the industry and the labour;
- Initiating skill development programs in collaboration with the Industry;
- Leveraging Central Government Schemes for building and upgrading infrastructure;
- Encouraging adoption of green, clean energy business practices and technologies;
- Providing a framework which will not only stabilize and make existing industries more competitive, but also attract investments into the industrial sector in a focused and structured manner in potential areas;
- Promoting private sector investments through Public Private Partnerships;
- Strengthening Government-Industry Interface through creation of a mechanism for grievance redressal and periodic review of the Policy implementation;
- Laying greater emphasis on labour oriented Industry for employment generation and enhancement of employability through skill development programs;
- Focusing on core manufacturing sectors as a key driver of economic growth, for production of high quality goods at the most competitive prices, which establishes “Make in India – Made in Haryana” as a brand with high global recognition;
- Supporting Start-Ups and Innovation through technology Business Incubators and R&D support.

Chapter 3–Improving the Business Environment - Ease of Doing Business & Facilitation

- Online & time bound approvals under the same roof/cloud – through empowered CEO to be housed in the Chief Minister’s Office;
- Concurrent powers of 10 Departments to the CEO under the Industrial Promotion Act 2005 (IPA) for project having investment in plant & machinery (criteria as per MSME Act) above Rs.1 crore & CLU of land above 1 acre as per T&CP norms;
- All project related approvals in 2 phases within 2 months ;
- Time bound clearances with provision of deemed approvals under Clause 11 of IPA;
- 34 Services relating to Industries Deptt. notified under Right to Service Act;
- 30 services to be delivered through the e-biz portal;
- For project having investment in plant & machinery (criteria as per MSME Act) upto Rs.1 crore & CLU of land upto 1 acre as per T&CP norms, power with the DCs under Industrial Promotion Act 2005;
- Strengthening of the Investment Promotion Center;
- Creation of Foreign Investment Promotion Board (FIPB);
- District Facilitation Centers – to support the industry and troubleshooting;
- Relationship Managers for handholding the Mega Projects;

Facilitation through e-Governance

- 3.1 There is a need to transform the business environment in the State by providing efficient, convenient, transparent and integrated services through electronic mode to the investors, industries and businesses in the terms of - information on forms & procedures, licenses, permits, registration, approvals, clearances, permissions, reporting, filing, payments and compliances throughout the life-cycle of an industry or business entity. The core theme of Ease of Doing Business is a radical shift by Government in its service approach, from being department-centric to customer-centric, in providing services to the business community.
- 3.2 A major initiative has been taken for improving “Ease of Doing Business” through simplification of procedures, minimizing of waiting period, improvement of business environment and introduction of information technology to make governance more efficient and effective. As a part of this initiative to strengthen Haryana image as an investor friendly state, the Industries Department, Haryana launched online filing of Entrepreneurs Memorandum Part-I & II on 25.12.2014 for MSME registration.
- 3.3 Department of Industries & Commerce, Haryana has launched the website of the Department (www.haryanaindustries.gov.in) on 18.12.2014 for facilitating the investors & entrepreneurs.
- 3.4 The Department has taken an initiative and appointed an implementing agency for executing IT Project to introduce measures and on-line services that will facilitate the hassle free transaction of business and enhance the investor friendly environment in the State of Haryana through implementation of e-Governance solution in respect of the services rendered. Under this project, the department’s milestones to provide on-line services, as already achieved/to be achieved, would be :
- (i) On-line Registration and Inspection of Boiler under Act, 1923;
 - (ii) On-line Registration of Society;
 - (iii) Composite Application Form under Single Window Clearances by 30.06.2015 for various approvals;
 - (iv) Liberalized Estate Management Procedure and on-line filing & approval and transparent method of allotment of plot;
 - (v) 34 services relating to the Industries Department have been notified under the Right to Service Act;

(vi) 30 Services have been made online on the e-biz portal.

- 3.5 The Post Allotment processes regarding allotment, transfer, leasing, resumption etc. of plots and all other related procedures under the Estate Management Procedures would be made online within six months.

Strengthening the Single Window System:

- 3.6 In an atmosphere where all the States are competing against each other for attracting investments, the role of business facilitation becomes crucial. The Government of Haryana is determined to create an ecosystem in which the Ease of Doing Business in the State matches and even exceeds the best global standards to reduce delays as well as the costs of doing business. Haryana Government is aware that offering a hassle-free system is accorded the highest priority by the Industrialists/Investors, and accordingly the Government will implement a very effective Industrial Clearance System that will go beyond the traditional Single Window System.
- 3.7 The State has an existing Industrial Promotion Act 2005 (IPA), which provides for time bound approvals and clearances through a Single Window mechanism under the same roof/cloud. The State will make all efforts to effectively implement the provisions of the Industrial Promotion Act 2005, through the online system called the Haryana e-biz Portal, re-engineering the entire gamut of the business regulatory processes and strengthening the supportive institutional framework.
- 3.8 The projects having investment in plant & machinery (criteria as per MSME Act) above Rs.1 crore & CLU of land above 1 acre as per T&CP norms; would be accorded all clearances/approvals under a single roof/cloud through a centralized system of empowered CEO, who will be based in the CMO with provision of deemed clearances. The empowered CEO will have the powers to give clearances for 10 Departments. All clearances/approvals shall be accorded in 2 phases in 2 months. For the projects having investment in plant & machinery (criteria as per MSME Act) upto Rs.1 crore & CLU of land upto 1 acre as per T&CP norms, all clearances/approvals shall be accorded by the Deputy Commissioners under the existing IPA. All Industry related approvals would be accorded in 2 phases in 2 months relating to commencement of businesses.

e-Biz portal of Government of India

- 3.9 Department of Industrial Policy and Promotion (DIPP), Govt. of India, Ministry of Commerce & Industry has identified 98 action points for state of Haryana for implementation by the State, which will be integrated with eBiz portal of Govt. of India.

Haryana Right to Service Act-2014

- 3.10 Haryana Government has notified services of various departments/organizations under Right to Service Act 2014 in which time line of each service has been given for implementation. 98 action point services identified by DIPP will be notified under Haryana Right to Service Act-2014. 34 services (including HSIIDC) relating to the Industries Department, have been notified under Right to Service Act 2014.

Simplification of Administrative Procedures:

3.8 Facilitation through Third-party certifications /Self-Certification Schemes:

3.8.1 Certification under the Indian Boilers Act:

Inspections of boilers during manufacturing and registration by way of self-certification and third party Agencies/ certified boiler proficiency engineers has been allowed under the Indian Boilers Act, 1923/ Indian Boilers (Amendment) Act, 2007.

3.8.2 Testing/ Inspections of Electrical Installations

The State Government in the Power Department would empanel and authorize independent third party agencies/ qualified engineers, as prescribed under Rule 4-B of the Indian Electricity Rules, 1956 to carry out inspections/ testing of electrical installations. The process of empanelment of such agencies has already been initiated.

3.8.3 Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981:

The State government would authorize qualified engineers/ third party agencies to carry out inspections/ verification under the Water (Prevention & Control of Pollution) Act, 1974 and the Air (Prevention & Control of Pollution) Act, 1981.

3.8.4 Approval of Building Plans – Self Certification

The facility of self-certification of building plans / DPC Certificates/ Occupation Certificates has been granted to the plot owners for residential/ industrial buildings in terms of Notification bearing No-JE(B)-2010/Misc-288-A/3319 dated 16 March 2010 issued by the Town & Country Planning Department, which can be accessed on the Department's website <http://tcpharyana.gov.in> The provisions of this Notification would as well apply in respect of the plots allotted by the HSIIDC in various industrial estates.

Streamlining & Simplification of Regulatory Procedures:

- Streamlining the labour related laws;
- Streamlining the Pollution related approvals;
- Liberalization/Simplification of Estate Management Procedures.

3.10 Changes in the Sales Tax Regime:

- e-registration, e-payment, e-filing of returns, e-refund to dealers and e-issue of all statutory declaration forms will be operationalized w.e.f. 30th September 2015;
- Online issuance of C forms from April 2015.
- VAT D-3 (earlier ST 38) forms w.e.f. 1.1.2014.

Investment Promotion:

3.10 There is a need to re-position Haryana as a pre-eminent & preferred investment destination. This will involve a two pronged strategy: First – building Brand Haryana and Second – Business Facilitation.

3.10.1 Marketing HARYANA – Happening Haryana or Haryana Happening:

For building '**Brand Haryana**', the State will participate extensively in a large number of national and international trade fairs, conferences and exhibitions so that the strengths and opportunities in the State can be show-cased and information disseminated. The Industrial Policy of Haryana State will be publicized widely.

In addition to promoting the brand image of the state for '**Make in India – Make in Haryana**', it is also essential to promote & support the MSMEs of the State. The State will actively promote the participation of Haryana MSMEs in trade fairs, expositions, buyer seller meets and other such events. The State will also leverage all funds available from Government of India schemes under the MSME, Commerce & Industry, Textiles, Food

Processing Departments etc. and sector specific Export Promotion Councils to promote the State MSMEs. Goods and products manufactured locally in the State will be given preference over those manufactured outside the State in case of all purchases made by Government Department/Undertakings except where there is limited option available locally and /or the Department has an urgent requirement.

3.10.2 Business Facilitation Support to the Investors:

This would be provided through the following:

- Pre-Investment support by way of Relationship Managers for providing handholding services for Site selection, information dissemination, coordination with various Departments etc.;
- Project Implementation support through timely approvals and clearances;
- Post Investment Support through aftercare & grievance redressal mechanism.

For the purpose, the Industrial Promotion Centre (IPC) would be suitably strengthened for making it a Focal Point for addressing issues pertaining to Investment Related facilitation. A Foreign Investment Promotion Board (FIPB) would also be created under the aegis of IPC to facilitate foreign direct investments from the investors and the NRIs/PIOs. For all Mega Projects, the State Government would provide Relationship Managers handholding services to them through the entire project cycle – right from the location selection stage to implementation period to aftercare.

Promotion of Investment by NRIs/PIOs:

The State offers the following support to the NRI/PIOs for facilitating and encouraging investments by NRIs/PIOs:

- Reservation in allotment of industrial plots;
- Hand holding Services for venture location;
- Single Contact Point Services and time bound clearances.

The State Government will create a web Portal – “**Overseas Friends of Haryana**”, which would be a repository of the database of all the Haryana domiciles residing outside India, for which the data collection exercise has already been initiated. The Portal would disseminate all necessary information to the NRIs/PIOs and also be the contact point for their grievances/issues. The Portal would be under the aegis of the Foreign Investment Promotion Board (FIPB).

Chapter 4 – Promotion of Thrust Areas

- Thrust Areas have been identified based on competitive strength/advantages of the State - geographical location, available resources and skill-base, raw material availability, existing manufacturing practices and expertise, and; growth potential and Sunrise area offering new growth opportunities
- Mega Project/Mother Units – land on lease to projects which support ancilliarization or employment generation, use green technologies or use of local raw material, involving Hi-tech manufacturing and requiring lesser space like Electronics etc.;
- Industry by Invitation – Fortune 500 companies/large Corporates/MNCs would be invited to set up projects in the State;

- 4.1 The Haryana State Government has conducted detailed studies through Sectoral Committees and consultations to identify the competitive strength/advantages of the State given its geographical location, available resources and skill-base, raw material availability, existing manufacturing practices and expertise, and growth potential and Sunrise area offering new growth opportunities, vis-à-vis different Sectors. Accordingly, the Haryana State Government recognizes the following sectors thrust areas, investments in which will be accorded a higher priority over others. These areas would include the following:

Auto, Auto Components & General Engineering:

- 4.2 The automobile industry is an important sector for any State. The upstream and downstream supplier opportunities have a great potential to boost the engineering MSME sector too. The Maruti Suzuki plants at Gurgaon & Manesar, Honda two-wheeler Plant at Manesar and Hero MotoCorp's motorcycle Plant at Gurgaon are the anchors which have facilitated the growth in the automobile and automobile components sector and would catalyze future growth too. The State would endeavor to provide the necessary support by way of creating the necessary land bank, tool room facilities and railway siding and logistics facility to facilitate exports.
- 4.3 The role of the General Engineering sector is very important if the State has to capture the entire value chain of the automobile, aero-space, petro-chemicals, domestic appliances, and paper and textile sectors. This sector has the potential to provide the supply chain to the other thrust area sectors.

Agro-based, Food Processing & Allied Industry:

- 4.4 Food processing industry plays a significant role in development of economy because of the integration and synergy it provides between agriculture and industry, the two pillars of economic prosperity. The growth of food processing sector is also essential to meet the twin national objective of 'inclusive growth' and 'food security'. At present, the growth of food processing industry in India has been sub-optimal due to lack of demand-driven production of raw materials, high cost of production and lack of infrastructure.
- 4.5 Haryana is predominantly an agricultural state with favourable weather conditions for both Rabi and Kharif crops. It has achieved self-sustainability status

in food production and milk products. Haryana the second largest food grains producer in the country. Haryana occupies approximately 8.76% of the wheat producing area of the country and occupies third place in wheat producing states in India.

- 4.6 Haryana has a competitive advantage in food processing because of its well-established agro-based industry that holds a strong potential for value addition and exports. The State enjoys the locational advantage of its proximity to one of the largest consumer market of NCR. The State has a huge potential for establishment of agro-based and food processing industry. Due to lack of proper post-harvest handling facilities and inadequate infrastructure facilities along the supply chain, a substantial quantity of farm produce especially perishable commodities get wasted. Therefore, food processing sector's utmost requirement is investment for creating infrastructure facilities for post-harvest operations including food processing. The State endeavours to help in reduction of these losses.
- 4.7 It is already recognized that only a vibrant food processing sector can lead to remunerative farm gate prices, reduction in wastage and availability of safe, healthy, fresh and ready to eat food products. With rising income levels, especially in urban areas, and increasing trend of working women, availability of safe processed food at reasonable prices is necessary to provide comfort to families.
- 4.8 The State has some good agro-processing industries, mostly in and around cities. However, rural based low cost small scale agro-industries in the State are required for process able surpluses. These would not only help in reducing the post-harvest losses but would also generate much needed rural employment opportunities.
- 4.9 It has been observed that the per capita income is directly proportional to processed food consumption. Haryana's per capita income rose at an average of 13% in the last five years and is expected to rise at a rate of approx. 15% in the current year. The food processing industry in Haryana at present is a medium sized, highly fragmented industry comprising of a large scale international players and a multitude of small-scale players and cottage industries.

4.12 Under this Policy, the State intends to take the following initiatives to boost the food processing sector in the State:

4.12.1 Infrastructure:

Haryana State Industrial & Infrastructure Development Corporation has already set up two Food Parks at Rai, Sonapat and Saha, Ambala. One more Mega Food Park shall be set up by HSIIDC at Barhi Industrial Estate, where world class infrastructure shall be provided to the Food Processing Units. The State Government would endeavor to facilitate the setting up of this Mega Food Park within a period of 30 months. One more Mega Food Park in private sector is also being set up at District Panipat.

4.12.2 Establishment of Primary Processing Centres/Modernization and Technology up-gradation of food processing units in the State:

To attract investments and to address the technology constraints being faced by food processing units in the State Government will consider for provision of some grant-in-aid for setting up/up-gradation/expansion/modernization of food processing units and also for setting up of Primary processing centres for creation of effective backward linkages and empowerment of farmers. This objective will be achieved by providing processing and preservation facilities at village level to help the farmers to enhance shelf life of perishable produce resulting in better remunerative prices for their agricultural produce

4.13 The Government of shall engage a reputed professional consulting firm to facilitate implementation of above scheme, the role of consultant shall primarily be to assist the private sector entrepreneurs in conceptualizing food processing projects based on feasibility study, assisting them in securing necessary clearances from the State and assisting State Government

Textiles, Apparel & Handlooms:

4.14 Haryana is fourth largest Cotton producer in the country, it contributes 6% of the total cotton grown in the country with a total of 5.57 lakh hectares under cotton cultivation during the year 2013-14. Cotton productivity in the State is over 680 kilos per hectare as against the national Average of around 550 kilos. The major cotton growing areas in the State are Hisar, Sirsa, Fatehabad and Jind. There are more than 150 ginning units established in the western region of the State.

4.15 Panipat is famous for handloom products, furnishing fabrics, terry-towels and blankets. There are around 125 carpet manufacturing units, 400 dyeing units, 42 Open End Units and 20-25 Blanket manufacturing units and 250 Shoddy Yarn manufacturing units, 4000 Shuttle-less Looms and 8000 Power Looms units

besides other textile based industries. The Government of India has approved setting up of Textile Park at Panipat spread over an area of 30 acres with a project cost of about Rs.140 crore by a group of private entrepreneurs.

- 4.16 Gurgaon has emerged as hub of manufacturing of Readymade Garments. Some of the largest manufacturers of Readymade Garments in Asia are having their manufacturing facilities in Gurgaon. There are around 300 Readymade Garment Units, 4 weaving units having more than 50 power looms, around 15 Process houses & 50 Hosiery units in Gurgaon. Similarly, Faridabad has been a hub for textile processing industry in the State. There are 70-80 Dyeing/Printing units, 10 Hosiery units, 10 -15 units of Readymade Garments (exporting units) and around 100 Denim Washing and Dyeing units.
- 4.17 A Textile Incubation Center at Panipat has already been approved by the Ministry of Textiles. HSIIDC has filed an application for setting up a Textile Park at Panipat under the SITP Scheme over an area of about 85 acres. An International Trade and Convention Centre is also being developed at Panipat to promote handloom products. The Government would explore possibility of setting up of Integrated Textile Park in Hisar, Fatehabad, Jind and Sirsa districts under Government of India Scheme of Integrated Textile Park (SITP) to locate spinning units. A variety of Micro Units viz. Surgical Cotton, Bandage, Napkins etc. in the Cotton growing areas would also be promoted.

The State Government would provide for development of Industrial Estate along with a Common Effluent Treatment Plant of optimum capacity so that the entrepreneurs may shift/set-up their units straight away.

The Government would expedite the Common Facility Centre being set-up in Panipat by the Textile Machinery manufacturers for growth of textile machinery manufacturing industry in the State.

The Government would request the Ministry of Textiles in Government of India to establish a Textile Institute in Panipat for giving training in the areas of spinning, weaving, processing, knitting & carpet technologies.

Footwear & Accessories:

The footwear sector in Haryana has been considered as a manpower intensive and provides gainful employment. The non-leather segment largely targets domestic demands. Significantly, the sector comprises micro and small enterprises (MSE) units. The units engaged in synthetic leather or non-leather footwear segment operate at different value chain levels in the country. For e.g. Cluster at Bahadurgarh operates at a relatively higher end of value-chain producing a range of open and closed footwear products for the National (and even export market). The process of manufacture of footwear essentially comprises compound making, rexin manufacture; and cutting, closing, printing, embossing, lamination, finishing etc.

Bahadurgarh Footwear Cluster is a largest cluster having more than 300 units engaged in the manufacturing footwear products and accessories. All major brands/companies like Liberty, Action, Relaxo, Lancer, Today, Columbus, Aeroback, Welcome etc. have their presence in Haryana. The footwear park in Industrial Estate Bahadurgarh has also become a footwear hub having factories of all major groups of footwear industry. The units already set up in Footwear Park, Bahadurgarh have installed machinery of latest technology and has invested more than Rs. 2,000 crores and has generated employment to more than 20,000 persons. Footwear Companies based in Bahadurgarh are selling its products all over India and exporting to various countries like Saudi Arabia, Oman, UAE, Bhutan, Nepal, Pakistan, Malaysian, Ethiopia, Seychelles, Kuwait, Mauritius, Tanzania, Nigeria, China, Australia, Panama, Qatar, Hong Kong, Baharain, Mexico and many more. An export of about Rs. 300 crores (direct and indirect) is already going on from Footwear Park, Bahadurgarh. This area has tremendous potential for exports.

District Karnal is a center/hub of footwear production since 1966 and currently employing directly or indirectly about 50,000 workers in the State. The State Government would ensure that footwear industry and its activities are strengthened in district Karnal.

Electronics & IT/ITES:

Haryana has a robust IT Software sector which will complement IT Hardware. The large health industry in Haryana would support bio-medical devices and medical electronics manufacturing Industry. The Gurgaon-Manesar-Bawal belt has been declared as Brownfield Electronics Cluster by the Government of India. Companies like Panasonic,

and Denso have already set up their base in the State. To tap the available potential, the State would come out with an Electronics & IT Policy within the next three months.

Defence and Aerospace Manufacturing:

The Government of India put in place Defence Production Policy in an effort to achieve self-reliance in Defence Production in the country and has notified increase in foreign direct investment (FDI) limit to 49 per cent in the defence production sector. It has also decided to encourage production of defence equipments viz. weapons/ ammunition/ equipment/ platforms and systems needed for the defence of our country in private sector in addition to Central Public Sector Undertakings and Ordnance factories. The Haryana Government would like to offer land sites in the State which would be ideal for locating defence production industry in public and private sectors as per the Defence Production Policy of the Government of India.

Haryana's contribution to the defence production has been significant for a long time. Bharat Electronics Limited, Panchkula, a navratna public sector undertaking supplies Military Communication Systems to the Armed Forces. Yamunanagar has been supplying ammunition boxes to the Armed Forces for the past number of years. The Gurgaon and Faridabad have strong base in Engineering, Secondary Metal Processing Industry manufacturing various metal alloys, Automobile and Auto Components Industry and other related ancillary industries which provide a strong industry/ ancillary base to locate Defence Production industries in the Haryana State.

The offset obligations under the Defence Offset Policy provide a great opportunity to the State to leverage its Competitive advantage in manufacturing and information technology for setting up such projects by the OEMs & their suppliers. The Aerospace Industry in India is also on the growth path, which also provides a great opportunity for aerospace equipment manufacturing. .

Transportation/Logistics Hub/Inland Port/Container Depot:

The State of Haryana is land-locked; yet it hopes to become a major destination for international investors. In addition it is centrally located and has the potential to become a major transit and logistic hub. Greater emphasis will be laid on developing of this critical infrastructure. An Integrated Logistics Hub has been proposed for implementation in Southern Haryana under the DMIC Project.

Renewable Energy & Solar Parks:

This sector is a priority in India, with the Government of India imposing Renewable Power Obligations (RPO) on the States. The State of Haryana has large extents of land eminently suitable for non-conventional and renewable energy installations particularly Solar energy. The State has come out with a Solar Parks Policy to support the development of the Solar Parks by the private sector. The HSIIDC or the State Power Utilities would endeavor to provide to the private developers at reasonable rates for setting up Solar Parks. A Pilot initiative in this regard has been planned for which action has been initiated.

Pharmaceutical & Chemical Industry:

The Pharma Sector has a vast growth potential in the country and the State recognizes the need for development of this Sector on a sustainable basis. The Government of India has selected Haryana State for establishment of a Bio-Technology Park along with R&D facility besides promoting the establishment of a Pharma Industrial park in the state. It is in this background that the state Government has decided to earmark/acquire about 1000 acres of land for the development of a dedicated Pharma Park in the KMP Expressway Global Economic Corridor for this purpose. In addition, the raw-material from the Indian Oil's Refinery at Panipat offers a great scope for development of the downstream industries.

With the cession of provision of special package in the neighboring states, the Haryana state would be a natural and preferred destination for the potential entrepreneurs in the pharmaceutical Industry. Delhi being one of the biggest markets of pharmaceutical products and Haryana having a geographical advantage of surrounding Delhi will always remain a sought after manufacturing place. Possibilities of developing a Pharma Cluster around Injure would be explored.

Research & Development:

Research & Development plays a vital role in the growth of Industries. The State Government intends to promote R&D institutions as well as encourage R&D efforts in the private sector industries, Industry Associations and Institutions. Efforts will be made to set up Centres of Excellence in the Research Institutes & Universities in the emerging areas. Collaboration between the Industry and Universities would be encouraged to bridge the skill gaps. Science Park would be set up to facilitate development of Research related activities through provision of infrastructure.

Ancillary and Vendor Development:

Within each of the core sectors, Haryana State Government is interested in the promotion of the ecosystem covering the entire value chain. An important component of the value chain is the primary suppliers who provide the raw material or the component parts to the anchor manufacturing industry, or provide basic inputs to a service industry. The Haryana State Government will plan each Industrial park in such a way that along with anchor units, enough plots are available for setting up Suppliers/Vendors Park. Since the ancillary units are usually in the SME category, these plots will be smaller in size. Mega projects will have to compulsorily set up a Suppliers/Vendors park to encourage growth of local ancillaries.

Mega Projects:

The Government would support setting of Mega Projects outside NCR particularly those which support ancillarization, generate employment, are based on utilization of local resources, or use minimal resources like land, water electricity etc. The support would be in form of simplified change of land use, exemption in stamp duty etc.

The state will endeavor to create sectoral policies and a structure of incentives for each of the thrust areas/sectors. High level advisory panels with private sector and academia experts will be constituted for each of the sectors. An inter-departmental task force for each sector chaired by Special Chief Secretary/Principal Secretary of Industries and Commerce Department will also be in place to achieve the required coordination. Frequent thrust area sector-centric investor meets will be organized to showcase the advantages the state of Haryana offers for that sector. Thrust area sector-centric industrial parks with well-developed infrastructure required for that particular sector will be developed at appropriate locations in the state.

Chapter 5 - Micro, Small & Medium Enterprises

- Leveraging all the Schemes of Ministry of MSMEs - Easier exit mechanism for MSMEs, Mudra Bank for financial support to the MSMEs, etc;
- Focus on Cluster development – More clusters planned for Food, Leather, Textile, IT/ITES, Plywood, Metal/utensils etc.
- MSME Parks on Panchayat lands – Small sized Plots/Flatted Factories with plug & play facilities on lease basis;
- Fiscal Incentives;
- Creation of Rs.1,000 crore corpus under CGTMSE for collateral free loans;

A vibrant Micro, Small & Medium Enterprises (MSME) Sector is critical for investment, growth and employment generation through its less capital intensive and high labour absorption nature. The 'Make in India – Made in Haryana' goal requires adoption of a comprehensive approach to assist the MSME Sector in becoming globally competitive by producing zero defect products. The MSMEs have been identified for a specific attention to address the basic problems of the access to finance, R&D/Innovation, access to technology, marketing support etc. through the following interventions:

- Adequate number of smaller plots/developed sheds/flatted factories in Industrial parks for MSMEs;
- Cluster development approach;
- Creation of a Rs.1000 crore fund for under the CGTMSE Scheme of Government of India for collateral free loans;
- Technology Support – Technology up gradation, Design clinics, tool rooms;
- Market development Initiatives – Market access, Market facilitation
- Incubators and entrepreneurship development;
- Leveraging Government of India Schemes & Funds.
- Fiscal Incentives.

Classification of MSMEs:

The classification of projects into large, medium, small and micro sectors will be based on the Government of India MSME Ministry definitions as amended from time to time. as given below:

Medium Industries:	Those having investment between Rs 5 to Rs 10 crore in plant and machinery;
Small Industries:	Those having investment between Rs 25 lakh to Rs 5 crore in plant and machinery;
Micro Enterprises:	Those having investment of less than Rs 25 lakh in plant and machinery.

Strategy to assist the MSME Sector

- i) The Directorate of Industries would prepare a compendium of all the application forms and formalities/ procedures for setting up of an industry and filing of subsequent returns. The District Facilitation Centers would provide the required hand-holding services to the new entrepreneurs in order to improve the confidence level of a new investor;

- ii) The Directorate has developed content rich portal for dissemination of all required information. Further steps would be taken for implementation of an e-Governance system for efficient delivery of services and development of content-rich portal for dissemination of all the required information;
- iii) The Directorate of Industries would set-up a dedicated cell for MSMEs for an effective interface with the Ministry of MSME and the MSMEs.
- iv) All universities, technical and research institutions would be encouraged to provide incubation facility for new and promising entrepreneurs.

Institutional support system:

i) Cluster development:

More than 20 clusters have been identified for development/support across the state involving more than 6000 MSMEs. The diagnostic study reports have been prepared for 18 clusters & Detailed Project Reports have been completed for 11 clusters for establishing common facilities out of which 5 have already obtained Final sanction for funding support from the MoMSME. The initiative has leveraged commitment of more than Rs 70 crore from the Government of India and the participating cluster enterprises. The State shall provide 20% share for each cluster with 10% share from the SPV/Industry and 70% funding support from the Government. Major cluster in the state include Gurgaon Leather, Faridabad light engineering, Manesar Auto components, Gurgaon readymade garments, Karnal printing & packaging, Karnalagri implements, Panipat Textile Machinery, Yamunanagar Engineering, Kundli Stainless Steel, Karnal Pharmaceuticals, Plywood Custer Yamuna Nagar, Metal Cluster Jagadhri etc.

ii) Technology up-gradation support:

One of the first and foremost objectives envisaged to be achieved subsequent to the cluster formation is the technology upgradation in a cost effective manner.

iii) Incubation centers and entrepreneurship development:

The State emphasizes the need for incubation as a catalyst for MSME sector as the new and promising entrepreneur needs support in terms of space and technology along with some monetary assistance. This will be taken care by incubation centers, which the Government endeavors to develop in collaboration with Universities (NASSCOM & NIFTEM) and other State development agencies. The Government would also support Start-Ups through University Industry linkages. The financial

support for Incubation centre shall be to the extent of Rs. 70 lakhs and this would be supplement to the assistance provided by the Gol.

iv) Market Development Assistance:

The Government will endeavour to optimally utilize the schemes of the MSME Ministry, Government of India. These schemes also address the issue of marketing under common brand name, bar coding, creating data bank for market intelligence and market development access. It would also have a component for c-watch which provides information regarding competition and costing.

v) Design Clinic Scheme:

An effort would be made to bring the manufacturing centre and design professionals on a common platform to provide expert advice and cost effective solutions on real time design problems to improve and achieve value addition for existing/new products. National Institute of Design, being set up in the State, will be encouraged to support DPRs/design clinics of MSMEs of Haryana State.

vi) Quality Testing Centers:

The existing Quality Testing centers in the field of Engineering goods, Textile goods, Leather goods, Chemical products, Electronic products and heat treatment centers shall be upgraded (NABL approved) and modernized to provide the testing facilities of MSMEs for producing 'Zero Defect' quality products. The steps have been taken in respect of Testing Centre for Textile goods at Panipat and for engineering goods at Faridabad under the ASIDE scheme.

Land and Flatted Factory Sheds:

- With rapid increase in the cost of land, entrepreneurs of small enterprises are finding it difficult to obtain land for their ventures. Therefore, to reduce unproductive investment on land and building and lead time in setting up of new project by Micro and Small entrepreneurs, HSIIDC would develop MSMEs Parks at suitable location on Panchayat lands with small sized plots & flatted factories with plug & play facilities on lease basis.
- These Parks would address/check the growth of industry in non-conforming areas.

Simplification of CLU:

- The process for granting Change of Land Use shall be streamlined and the powers shall be delegated at the district level for setting up of MSMEs in the notified

industrial zones. For the purpose a Model layout Plan for each industrial zone shall be prepared broadly indicating provision of roads and earmarking area for common facilities to facilitate planned development.

Expedition of Payments to Micro and Small Enterprises:

- Under chapter V of MSMED Act 2006, the state has constituted council to recover the delayed payments of Micro and Small manufacturing and service enterprises, which is proactively carrying out responsibilities. The council shall be strengthened and if need be more facilitation councils shall be constituted and provision for online filing of claim applications shall be made.

Facilitation Help Desk:

- A Facilitation Help Desk in each District Industries Center shall be created where the complete information in respect of controlled area including industrial zones, compendium of all application forms and procedure for obtaining various clearances / approvals required for setting up of any industry and filing of subsequent returns would be available for MSMEs.

Grievance Redressal System:

- A District level Grievance Redressal Committee headed by Deputy Commissioner comprising of the officers of concerned departments related to the Industries. The meeting shall be held regularly on monthly basis to redress grievances of the MSMEs. The process for filing of complaints / grievance shall be made online.

Chapter 6 – Environment Related Reforms

- Inspections – reduced periodicity, once in 5 years and/or Inspections by exception with prior intimation duly authorized by top Authority – report with 72 hours;
- Increased periodicity for approvals – Red (5 years), Amber (10 years) & Green (life time);
- Categorization/norms as per CPCB;
- Online filing of returns through a single form under all Acts;
- Self-certification and third party verifications through private agencies/colleges etc.

The Government of Haryana is committed to ensure all around development of the State and is guided by the principle of sustainable development and enhancement of human well-being. At the same time conscious and focused efforts have been made to create awareness among the citizens regarding the urgency and importance of preserving our environment.

The State Government firmly believes that Industrial development and associated growth should be based on the principles of sustainable development. The State is thus committed towards its responsibility in promoting a clean and green environment. While the laid down norms are being strictly enforced; in line with emphasis on ease-of-doing-business, norms & compliance mechanism is being made user-friendly. Further, sufficient checks and balances have been built in the administrative apparatus to prevent any misuse of discretionary powers.

Enabling & prudent policy mechanism & norms for a balanced growth includes the following initiatives:

1. Categorization of industries and exemption from consent:

The industries/projects have been categorized under red, orange and green categories based upon their pollution potential on directions of Central Pollution Control Board (CPCB), issued vide letter dated 4th June 2012. The Green category industries/projects and those industries not covered under any of the identified categories of polluting industries have been exempted from consent management vide order no. HSPCB/PLG/2012/2936-56 dated 16th Nov. 2012 and through notification of the Haryana State Pollution Control Board (HSPCB) dated 15th April 2014.

2. Streamlining & simplification of consent to establish and consent to operate:

The procedure for obtaining consent to establish and consent to operate by the industries, required under the Water Act 1974 and the Air Act 1981, has been streamlined & simplified vide notification dated 15th April 2014. All the procedure and policy orders are displayed on the website of Haryana State Pollution Control Board (HSPCB) for benefit of the industry & investors.

The norms are further being liberalized in line with recommendations of the working group of the Govt. of India. As per the revised norms, the minimum period

of consent would be 5 years for red category, 10 years for orange category and life time for green category.

3. Streamlining the process of inspections of the units:

Inspections of the units will be undertaken only with the approval of the head of the department(s) and after prior intimation, unless otherwise warranted. Normally, not more than 20 percent of the units shall be picked randomly for inspection in a year which shall be carried out only once regarding implementation of all the applicable laws. Once inspected, the same unit is not likely to be inspected in the same year and/or in next 4 years, provided that no specific violation of terms/conditions/norms etc. is brought to notice. Reports for such inspections would be submitted within 72 hours and purpose & outcome of such visits would be duly recorded by the inspection team.

4. Outsourcing of sample analysis:

Three private laboratories had been authorized to analyze the effluent/air samples for the year 2014-15 and the process of authorization of private laboratories is in progress for the year 2015-16. The private laboratories meeting the criteria fixed by the Haryana State Pollution Control Board (HSPCB) will be authorized to analyze the effluent/air samples. It will be endeavoured to authorize adequate number of private laboratories to analyze the effluent/air samples for convenience of the units.

5. Online Consent Management System:

Haryana State Pollution Control Board (HSPCB) has already started the online consent management system w.e.f. 1st January 2013 and all the applications are received and decided only through online consent management system. Time limits have been prescribed to dispose of the applications to ensure that all the applications are decided within the stipulated time period, which is a maximum of 120 days.

6. Online Registration under various rules:

Module for online registration under various rules, Plastic manufacture, Sale and usage Rules, 1999; Payment of water cess under the provisions of water (Prevention and Control of Pollution) Cess Act, 1977; Bio Medical Waste

(Management and Handling) Rules, 1998 etc. is under preparation and will be expedited for its early implementation.

7. Common Application form:

Common application form for obtaining consent to establish and under Water Act and Air Act and also for obtaining consent to operate under Water Act and Air Act and Authorization under HWM Rules has been implemented.

8. Online monitoring systems for effluent and air emissions:

The process of installing online monitoring systems for effluent and air emissions from the polluting industries has been commenced.

The State Government norms will not be stricter than the Government of India norms relating to various environment/pollution control issues/requirements.

Chapter 7 - Labour Reforms

- Inspections – reduced periodicity, once in 5 years and/or Inspections by exception with prior intimation duly authorized by top Authority – report with 72 hours;
- All services to be made online within 3 to 6 months and notified under Right to Service and Industrial Promotion Acts;
- Maintenance of all records under electronics format;
- Online filing of returns through a single form under 12 Central Labour Acts applicable in Haryana;
- Virtual Employment Exchange for labour sourcing;
- Declaring IT/ITES, Electronics, Auto, Textile as Public Utilities under Industrial Disputes Act;
- Retrenchment/Lay-offs/Closure limited increased to 300 from 100 persons;
- Overtime hours increased from 50 hours/quarter to 50 hours/month;
- Differential labour wages for Tier II towns to be considered/examined for dispersal of industry;
- Factories Act - number of workers to be increased to 40 for exemption from the Act;
- Industrial labour Housing – increased FAR on the basis of Affordable Housing norms;
- 5 Services under the Right to Service Act

The importance of labour in industrialization and economic development has been well recognised & appreciated throughout the world. Labour Reforms & Labour well-being is key to success of the Government philosophy of 'Sabka Saath, Sabka Vikas' - Collective Efforts for Inclusive Growth. State would continue to envision & implement measures that would improve the quality of life of labour in collaboration with the Industry; and act as a catalyst in generating harmonious Industrial Relations in the State.

The Government is committed to ensure ease-of-doing-business and facilitate industry from the point of view of labour related regulations and clearances. Some initiatives in this direction include:

i) **Web-enabling of services:**

Haryana is one of the leading states in web-enabling services especially on-line registration of establishments under Shops and Commercial Establishments Act, 1958 and Factories under the Factories Act, including on line payment of fees. IT Plan has been approved which consists of web-enabling of several other services under various Labour Laws. It also provides for on-line filing of returns under various labour laws and transparent inspection schemes etc. This elaborate IT Plan is in the process of being implemented.

ii) **Streamlining the process of inspections of the units:**

Inspections of the units will be undertaken only with the approval of the head of the department(s) and after prior intimation, unless otherwise warranted. Normally, not more than 20 percent of the units shall be picked randomly for inspection in a year which shall be carried out only once regarding implementation of all the applicable laws. Once inspected, the same unit is not likely to be inspected in the same year or in next 4 years, provided that no specific violation of terms/conditions/norms etc. is brought to notice. Reports for such inspections would be submitted within 72 hours and purpose & outcome of such visits would be duly recorded by the inspection team.

iii) **Filing of Statutory Returns through on-line mode:**

There are about 12 central labour laws under which statutory returns have to be filed by the employers every year. The Ministry of Labour, Govt. of India has already combined all these returns into one and notified it. The State

Government would enable & implement these norms through on-line mode expeditiously.

iv) Certification of factory building plans:

The process of certification of factory building plans prescribed under the Factories Act, 1948, have been streamlined and powers decentralized. The plans for NCR region are approved locally at the level of Additional Labour Commissioner (NCR), Gurgaon and for the rest of the State at the Head Office. The process will be further streamlined when the web-enabling of services is completed.

v) Declaring IT/ITES, Electronics, Auto & Textile Industry as Public Utilities under Industrial disputes Act 1947:

Declaring IT/ITES, Electronics, Auto& Textile Industry as Public Utilities under Industrial disputes Act 1947 would be considered & examined appropriately and in case it is found feasible and desirable, it would be implemented in a time bound manner.

vi) Creation of Virtual Employment Exchanges for labour sourcing:

Creation of Virtual Employment Exchanges for labour sourcing under PPP Model or any other suitable model will be considered.

vii) Retrenchment, Lay off & Closure-Limit under the Industrial Disputes Act, 1947:

The limit of number of workers for coverage for Retrenchment, Lay off & Closure-Limit under the Industrial Disputes Act, 1947; would be raised from 100 to 300. This would bring greater flexibility in employing workers and would eventually benefit workers. More employment avenues would be available to workers as employers' business risk taking capacity would be augmented and they would be willing to avail services of greater number of workers as per their requirements.

viii) Increase in coverage limit for small industries under Factories Act, 1948:

The draft of Small Industries Conditions of Service Bill has already been finalized by the Ministry of Labour, Govt. of India and is under consideration for further approvals. This law will provide for raising the limit of number of workers to 40 for exemption from coverage under Factories Act, 1948. The State Government

would be prompt in implementing the provisions after its approval for benefit of small industries.

ix) Increase in overtime working hours under the Factories Act, 1948:

Overtime working hours under the Factories Act, 1948 would be increased from present norms of 50 hours per quarter to 50 hours per month, which would be immensely beneficial to the workers as well as the entrepreneurs. It would enable the workers to put-in more hours to work, thereby earning extra wages and would also help entrepreneurs to respond to greater production requirement, as and when required.

x) Promotion of cordial industrial relations:

The Government would take all measures for promotion of cordial industrial relations, which would be win-win situation for workers and entrepreneurs. Any unwarranted act of unlawful confinement, show of force, illegal strike, damage to unit, public & private property, violence against individuals or within the factory premises would be strongly discouraged and dealt with appropriately.

xi) Single window system approvals & licenses:

It would be endeavoured to implement Single window system for various approvals & licenses relating to Labour/Factory/Pollution/Fire/Power etc., wherever feasible or wherever there are synergies.

xii) Increase in number of contract labour for applicability of the Contract Labour (Regulation & Abolition) Act, 1970:

Number of contract labour for applicability of the Contract Labour (Regulation & Abolition) Act, 1970 would be increased to 100 to provide greater flexibility & ease in hiring of workers.

xiii) Working of females in night shifts:

The amendment is already under consideration of the Ministry of Labour, Govt. of India and would be appropriately implemented in the State after approval. Safety of women workers would also be a top priority for the Government, for which appropriate steps would be taken.

xiv) Amendment in night working hours and daily working hour limit under Shops & Establishment Act:

Keeping in view the demand of various stakeholders and the changes in the working pattern over a period of time, the definition of night working hours and daily working hour limit would appropriately amended and liberalized.

xv) Recognizing third party service providers to provide certifications and conduct inspection:

There is already a provision for certification of safety of machine etc. under the Factories Act by 'competent person' authorized under the law. The system is proposed to be expanded further for larger coverage and reduce the burden on the inspection machinery.

xvi) Labour Well-Being:

Facilities like ESI hospitals & dispensaries, Welfare Centres and affordable industrial worker housing would be provided to industrial workers wherever warranted. More FAR is being allowed to Industrial Workers Housings at par with Affordable Housings (FAR 225 with 900 Density).

xvii) Differential labour wages for Tier II Towns/areas for dispersal of industry –

In line with focus & emphasis of the government on dispersal of industrial activity and to incentivize entrepreneurs to set up units in Tier II Towns/areas by way of lower cost of factor(s) of production, the suggestion for differential labour wages for Tier II Towns/areas would be appropriately examined.

The issue of labour reforms is under consideration of the Ministry of Labour Govt. of India as it is a concurrent subject. Haryana is an active participant in the process being undertaken by the Ministry.

Chapter 8–Enhancing Skill Levels & Employability

- Skill Development Initiatives under the Haryana Skill Development Mission;
- 17 lakh persons to be skilled upto 2017;
- Customized short/long duration skill development courses by industry by utilizing Govt./Private ITIs , Single Point/Window clearance mechanism/ Haryana Skill Development Mission;
- 3rd Party Certifications by Engineering Colleges, ITIs, Polytechnics etc.
- Skill development institutes on Industrial Plots – lease/allotment at institutional rates;
- Virtual Employment Exchange – for sourcing of skilled labour.

With the present level of un-employment at 4.8%, there is an urgent need to create employment opportunities within the state. It would be based on the two pronged strategy of generating employment opportunities through greater focus on the promotion of Industry and skilling the local youth matching the requirement of the Industry. Development of skills for improving the employability of the people of Haryana is, thus, a major priority for the Government of Haryana. The Policy would aim at building industry and market driven specialized skills and thereby enhancing their employability, which would be undertaken with involvement of all the stakeholders – the State Government, the Industry and the people.

The National Skill Development Mission (NSDM) has been constituted and will, be the Nodal Agency for all skill development initiatives in the State. A target has been set for providing skills to 17 lakh youth for Haryana during the 12th plan i.e. 2012-17. The skill targets in Haryana shall be achieved collectively by the Departments namely School Education, Technical Education, Higher Education, Industries, Industrial Training, Electronics and IT, Urban Local Bodies, Women & Child Development, Agriculture, Tourism, Medical Education, HARTRON, Rural Development Department etc. A district wise skill gap study has also been undertaken by the National skills Development Council (NSDC) in Haryana.

The Private ITIs would be encouraged to share their infrastructure on long term lease basis with the Industry for imparting skill training. In addition, the existing infrastructure facilities in the Government Institutes would be utilized for skill delivery through double shift or weekend classes. The Industry would also be permitted to run short, medium and long term courses in these Institutes as per the curriculum devised by them with approval of the NSDM. The Engineering Colleges, ITIs, Polytechnics etc. would also be encouraged to accord 3rd Party Certifications on behalf of various Government Departments.

Setting up of skill development institutes for industry would be permitted in the plots in the Industrial estates. Further Institutional plots would also be allotted to reputed skill development agencies on reserve/applicable allotment price. Other key interventions would include:

- Focus on On-the-Job training;
- Upgrading Industrial Training Centres into Centres of Excellence;
- Leveraging the National Skill Development Initiative of the Government of India;
- Tool rooms being set up at Saha, Rohtak, Faridabad and Gurgaon to provide training

Virtual Employment Exchange would be set up which would act as the matchmaking platform for the Industry and the skilled manpower. Emphasis will also be laid on creation of the skills for the services sector. Greater emphasis will also be laid on entrepreneurship and self-employment. For the purpose, the State shall endeavor to set up Incubation Centers in each University and college.

Chapter 9 – Promoting Green Initiatives & Technologies

- To build awareness, educate and engage the industry in reducing environmental footprint
- Green and non-polluting industries to be given preference
- The Green Technologies would be supported and encouraged

Industrial Development and Globalization has brought a lot of attention towards Sustainable Development. Efforts will be made to adopt a green Industrial Development Programme that looks at more sustainable patterns of production and consumption i.e. patterns that are resource and energy efficient, low carbon and low waste, non-polluting and safe, and which produce products that are responsibly managed throughout their lifecycle while providing sustainable livelihoods and continuous job creation.

The above initiatives, in the long run will help reduce burden on public finances improve environmental safety, reduce vulnerability of natural resources, expand coverage of water and energy services and make it more efficient, reduce health impacts associated with environmental degradation, reduce costs and increase productivity from technologies that will also ease environmental pressure etc.

The Department of Industries in close coordination with the Haryana Pollution Control Board shall endeavour to build awareness, educate and engage the industry in reducing environmental footprint.

Awareness programmes for green manufacturing and sustainable production will be initiated covering all districts through the active participation from local industry associations/forums on regular basis. The Government will also initiate a study to develop a strategic framework for the State to identify and priorities specific interventions required to make industrial growth sustainable. Any new industry will have to comply with the standards set forth to avail incentives under the Industrial Policy and existing units will be encouraged to adhere to the new guidelines with special benefits under CSR programmes.

Green and non-polluting industries will be given preference over polluting and environmentally unsafe industry.

Chapter 10 – Infrastructure & Industrial Estates/Parks Development

- Creation of Land Bank for the Industry by HSIIDC
- Creation of additional Land Bank for the Industry in Private Sector - Development of Industrial Estates under the Public Private Partnership Model; Industrial Estates by the Private developers in Industrial Zones;
- Denotified SEZs to be permitted to be developed as Industrial Parks/Estates ;
- Development of Industrial Parks/Estates will be permitted & facilitated on fast track basis on the pattern of SEZs.
- Industrial Colony/Park of more than 50 acres upto 200 acres would be permitted Industrial use-40% minimum; Residential/Housing use-20% maximum, comprising of Affordable/Group Housing/Plots; and Commercial usage - 5% maximum. For Industrial Colony/Parks of more than 200 acres, Industrial use – 35% minimum; Mixed Use – 30%, consisting of - Residential/Housing use – 25% maximum, comprising of Affordable/Group Housing/Plots; with Commercial usage-5% maximum, would be allowed.
- DMIC Initiatives – MRTS, Global City & Logistics Hub;
- Aviation Hub at Hisar, Rail Coach Factory, IMTs under PPP Model, KMP Expressway (KMP), KMP Global Economic Corridor etc;
- Mega Projects /Mother Units- by Invitation: Fortune 500 Companies, multinational Companies, projects supporting ancillarization, generating employment, involving hi-tech technologies, using local resources/raw material, green/ optimal utilization of resources (water/power etc.), requiring less space like Electronics etc.;
- Rural & MSME Parks in Industrially Backward Blocks/Rural Areas;
- Addressing the Kherki Daula Toll;
- Creation of Virtual Land Bank for sourcing of land for projects.
- Power: General cross subsidy surcharge reduced to 93p from Rs.2;
- Pilot initiative in a town in Haryana within 6 months for Time of Day tariff;
- 24X7 quality power supply: Planning & Augmentation of substation/electric lines etc. at 60% loading with provision of redundancy in T&D network;
- Solar Parks: Solar Park to be set up jointly by HSIIDC and Power Utilities, No cross subsidy for power wheeled from Solar Parks in the State;
- Net metering introduced;

9.1 Recognizing that world class infrastructure, both industrial and social, is a prerequisite for attracting investments, sustaining growth of business & industry, and creation of employment opportunities, the Government of Haryana aims at creating and upgrading the existing infrastructure to world standards. The competitiveness of the enterprises in Haryana would be enhanced through provision of connectivity, uninterrupted power supply, adequate water, high speed data transfer connectivity, efficient logistics facilities etc. All the facilities and services constitute collectively the infrastructure development of an economy as a whole.

Industrial Infrastructure Development

9.2 Hassle-free availability of sufficient land-bank is a pre-requisite to the development of industrial sector. The purpose is to create immediate land bank for the Industry which can be allotted to the proponents immediately on demand. A holistic approach would be adopted for creating facilities in Industrial Estates, which would include solid waste management facilities, medical facilities, common effluent treatment plants, police station, fire services, schools, shopping centres, clubs etc. With the new Land acquisition act making acquisition process lengthy and cumbersome, possibility of arranging lands for development of Industrial Estates following inclusive methods like land aggregation through direct negotiations with the farmers, utilization of the Panchayat lands etc. would also be explored, which would benefit both the land owners and the industry.

Haryana State Industrial & Infrastructure Development Corporation Limited (HSIIDC):

9.3 HSIIDC is the nodal agency of the state for development of industrial infrastructure. HSIIDC has developed 30 Industrial Model Townships/Industrial Estates at strategic locations in the State with state-of-the-art infrastructure facilities over an area of about 16,000 acres area, where a number of units are already operating. These are located in proximity to the developed Urban Centres which have the requisite social infrastructure for housing, education, healthcare and recreation/entertainment. Development works are already underway/planned over an area of about 18,000 acres and another area of 12,000 acres is under further acquisition. Nearly 15,000 plots have been carved out of which about 3,000 plots are vacant and readily available for allotment. An additional availability of more than 3,000 plots is expected to be created during the next 3 to 5 years.

The HSIIDC shall endeavour to complete the provision of secondary and tertiary Infrastructure in all its developed Industrial Estates/ Group of Estates within the next one & a half years in terms of fire station, police station, ESI hospital/dispensary, Sewage treatment plant/common effluent treatment plant, school etc. In case of the new Industrial Estates, basis infrastructure in form of roads, water, power etc. will be made available at the time of the first allotment and the subsequent infrastructure for Police station, ESI hospital, schools, sewage treatment plants/CETP will be put in place when sufficient critical mass is created within the Estates/group of Estates. Efforts shall be made to provide connectivity of all the Industrial Estates to the nearby urban centers through public transport. The transport system for transit within the Estate would also be developed using green transport media like electric autos etc.

Industrial Model Townships:

Industrial Model Townships, which are developed over areas of 1500 acres & above, have been developed at Manesar, Faridabad, Rohtak & Bawal, which provide a holistic eco-system for the Industry to grow with separate areas earmarked for Industrial, Institutional, Commercial and Residential usage. New Industrial Model Townships are being developed at Sohna and Kharkhoda.

Industrial Estates:

The Industrial Estates, developed over 700 to 1500 acres, have been developed at Gurgaon, Faridabad, Kundli, Rai, Barhi, Panipat, Manakpur (Yamunanagar), Barwala.

Theme Parks:

In order to facilitate Cluster development and concentration of Industry at a single location, HSIIDC has also developed a number of Theme Parks which are also thriving islands of Industrial activities. These include Technology Parks at IMT Manesar, Rai & Panchkula; Food Parks at Rai & Saha; Footwear Park at Bahadurgarh; Agriculture Implements Park at Karnal etc.

Future Growth Plan:

HSIIDC will continue to be the Nodal Agency of the State for development of Infrastructure in the State. The future growth plan of HSIIDC would include creation of Industrial Infrastructure through development of Industrial Model Townships at Bidhal Lath Gohana (about 6000 acres) and Madina (about 3400

acres) under the PPP Model, and Industrial Estate at Dharuhera, besides expansion of a number of exiting Industrial Model Townships and Industrial Estates. New Industrial Clusters have also been planned including Textile Park at Panipat; Mega Food Park at Barhi; Greenfield Electronics Cluster at Gurgaon/Rohtak; Leather Cluster at IMT Sohna. The Corporation would also endeavour to develop Rural & MSME Parks on Panchayat/Private land in Industrially Backward Blocks/Rural Areas.

Other initiatives that HSIIDC intends to drive include the fast-tracking of the DMIC projects (Global City, Logistics Hub and MRTS); Solar Parks; Aviation Hub at Hisar; Global Economic Corridor along the Kundli Manesar Palwal Expressway; etc. To facilitate Geographical dispersal of industry, HSIIDC would explore the possibility of setting up new industrial estates in industrially backward blocks of the State.

Creation of additional Land Bank for the Industry in Private Sector:

- 9.4 In order to supplement the efforts of HSIIDC in creation of Industrial Estates, the State would encourage involvement of the Private Sector in development of the Industrial Estates. The Industries & Commerce Department shall also undertake a mapping exercise of the entire State to identify the key strengths of the vacant parcels of land that can be optimally utilized for the industrial areas/zones.

Development of Industrial Estates under the Public Private Partnership Model –

The HSIIDC has identified two sites – about 6000 acres at Bidhal Lath Gohana District Sonipat and 3000 acres at Madina, Tehsil Meham, District Rohtak, for development of Industrial Model Townships under the Public Private Partnership Model. HSIIDC would like to invite the private developers at join hands with HSIIDC in developing these projects HSIIDC can be given 11% developed space as and when the facilities get created. While HSIIDC would facilitate the project by acquiring the land for the project, the private developer would be required to contribute to cost of acquisition and development of the trunk infrastructure for the project.

Industrial Estates by the Private developers in Industrial Zones –

The Private sector would be encouraged to acquire and develop Industrial parks in the declared/identified Industrial Zones and on lands under de-notified SEZs. Further, denotified SEZs would also be permitted to be developed as Industrial Parks/Estates. Development of Industrial Parks/Estates will be permitted &

facilitated on fast track basis on the pattern of SEZs. These Industrial Estates would be allowed higher residential component to promote walk to work culture and rationalized EDC.

Industrial Colony/Park of more than 50 acres upto 200 acres would be permitted Industrial use-40% minimum; Residential/Housing use-20% maximum, comprising of Affordable/Group Housing/Plots; and Commercial usage - 5% maximum. For Industrial Colony/Parks of more than 200 acres, Industrial use - 35% minimum; Mixed Use - 30%, consisting of - Residential/Housing use - 25% maximum, comprising of Affordable/Group Housing/Plots; with Commercial usage-5% maximum, would be allowed.

The developers would be accorded the status of deemed electricity distributors and declared Industrial Townships under Article 243(Q).

Through the above measures, it is expected that more than 20,000 acres of land bank would be created in the State for the Industry - about 10,000 acres through HSIIIDC & 10,000 acres falling under denotified SEZs and through issue of Industrial Licences by the Private Sector.

A virtual Land Bank Exchange would also be created to act as the platform for sourcing land for industry/projects. The landowners interested in sale/leasing of land would be able to upload details of their lands for access by the industry.

Power:

9.5 The State will endeavour to provide un-interrupted 24X7 quality power supply to the Industry at reasonable rates through planning and augmentation of infrastructure like substation, electric lines etc. at 60% loading with provision of redundancy in T&D network for grant of on demand connection. The major initiatives planned would include:

- Independent sub-station in each Industrial Estate for supply of power;
- The general cross subsidy surcharge under Open Access has been reduced to 93p from Rs.2 per unit;
- A Pilot initiative would be undertaken in a town in the State within the next 6 months for implementation of differential tariff based on the time of use;
- To promote Industrial Clusters in specific regions, special lower tariffs/rates would be charged;
- The developers of the Industrial Estates would be designated deemed Distribution Licensees for supply of power within the Parks;

Solar Power

- A pilot initiative of a Solar Park is being taken by HSIIDC jointly with the power utilities;
- No cross subsidy would be applicable in case of power from the Solar parks set up in the State;
- Net metering has been introduced.

Gas Distribution Network:

The State Government endeavors to strengthen the development of Natural Gas Infrastructure such as pipelines and City Gas Distribution (CGD) networks in the State of Haryana for making natural gas available to all areas within the State and effectively servicing consumers in domestic, commercial, industrial and transport sectors in the State after obtaining all due permissions from Regulatory bodies/Government of India.

Considering Gas as a cheaper alternate fuel, the State Government has set up a target of connecting 5-7 lakh households with natural gas. The natural gas is significantly cheaper than alternate fuels like motor spirit, naphtha, and diesel. Therefore, natural gas has now become preferred fuel for the industry and has made inroads into power generation segment. The process of addressing environmental concerns is expected to drive the demand of natural gas from the industrial users as well as Compressed Natural Gas (CNG) users in the CGD segment.

Laying of Gas Distribution Network has already been taken up in the Geographic Areas of Faridabad and Gurgaon. Matter has also been taken up with the Petroleum and Natural Gas Regulatory Board (PNGRB) to cover the entire state with the Gas Distribution Network in the shortest possible time-frame. The Government has also allowed Gas Authority of India Limited (GAIL) to lay gas pipelines within the tariff zone of proposed Dadri-Bawana-Nangal natural gas pipeline, which will facilitate supply of natural gas to the industrial units located in Yamuna Nagar and Jagadhri.

Social Infrastructure:

Urbanization is vital for nation's economic development and it brings with it opportunities for economic growth and provides additional prospects of entrepreneurship as well as employment. A Smart City concept encompasses the best of physical, social, institutional and economic infrastructure so as to provide structured and hospitable living conditions for its residents. Quality of life, employment and investment opportunities are the hallmark of smart cities. Such cities are also expected to provide social, environmental and financial sustainability of its inhabitants through Smart

Governance, Smart Energy, Smart Environment, Smart Transportation, Smart IT & Communications and Smart Buildings etc. The inclination to adopt the Smart City model is driven by the need to surpass the challenges posed by Traditional Cities. The State will make efforts to develop the Industrial Model Townships as Smart Cities.

Gurgaon is home to a number of Fortune 500 Companies, multinationals & Indian Corporates. In order to maintain this advantage and to position Gurgaon as the Global Innovation Hub, up-grading the infrastructure would be a priority for the State, which has also been a persistent demand from the industry through an appropriate strategy.

Leveraging the Delhi Mumbai Industrial Corridor Project:

Haryana is one of the participating States in the Delhi Mumbai Industrial Corridor (DMIC), a mega infra-structure project of the Government of India. Nearly 66% of the State falls within the influence area of the DMIC, which offers a great potential for high intensity economic development. The project would open up opportunities along the various national highways (NH-1, NH-2, NH-8 & NH-10) for developing industrial, urban and supporting infrastructure through development of Investment Regions/ Industrial Areas and Early Bird Projects. The State Government has identified a few viable stand-alone projects, christened as “**Early Bird Projects**” for development as model initiatives and to capitalize on the existing potential, as under:

- Mass Rapid Transit System (MRTS) between Gurgaon-Manesar-Bawal;
- Logistics Hub in southern Haryana;
- Global City at Gurgaon.

The Mass Rapid Transit System (MRTS) between Gurgaon-Manesar-Bawal:

- The MRTS between Gurgaon and Bawal has been planned to facilitate movement of labour & goods within the Gurgaon-Manesar-Bawal industrial belt.
- The MRTS passes through the Industrial Hubs of Gurgaon, Manesar and Bawal and will also cater to the Southern Haryana Investment Region. M/s AECOM is under taking the feasibility study for the project.
- The project is to be developed through a joint venture between DMICDC and Haryana Mass Rapid Transport Corporation Limited (HMRTC). The project is proposed to be funded through the Japanese International Cooperation Agency (JICA).

Logistics Hub in Southern Haryana:

- The project has been planned to provide logistics support to the Industrial units in the North India. It is to be developed through a joint venture between DMICDC & HSIIDC along the alignment of the Dedicated Freight Corridor over 1000 acres.
- The traffic demand estimated at 0.56 million TEUs by the year 2020 and 1.39 TEUs by 2030. EXIM traffic to constitute 75% of total Container Traffic. Various modules of the project would include EXIM Container Yard & CFS, Domestic Container Yard & Warehousing, Auto Zone, Commercial Area etc.
- Locational Analysis are being undertaken to finalize the site for the project in Southern Haryana along the alignment of the Dedicated Freight Corridor.

Global City at Gurgaon:

1. The Global City project is to be developed over an area of 1000 acres at Gurgaon through a Joint Venture Company of HSIIDC and the DMICDC. To be positioned as one of the earliest Greenfield Smart City projects to come up in the country, the City will have a catalytic impact for economic growth and employment generation and be a major contributor for sustainable development and growth in Haryana.
2. The City shall act as a high value added manufacturing infused area which, apart from adding to the economic development, would also help in generating skilled employment in the State of Haryana. The city shall be one of its kind in India and shall be designed by integrating smart community concepts ranging from water supply, power to integration of IT services in managing various public utilities of the area. Project components would include - Festive & Leisure including Exhibition & Convention Centre; High Value Innovation & Knowledge Industries, Central Business District and Township etc.
3. M/s AECOM, a US based consultancy firm, is undertaking the pre-feasibility study-cum-Master Planning for the project.

Kundli Manesar Palwal (KMP) Expressway:

Government of Haryana, through HSIIDC, is constructing a four/six lane Kundli-Manesar-Palwal Expressway in Haryana Territory bypassing Delhi, with a total length of 135.65 Kms. This Expressway takes-off from Kundli in District Sonapat on NH-1 and passes through Bahadurgarh in District Jhajjar on NH-10, IMT, Manesar in District Gurgaon on NH-8 and terminates near Palwal in Faridabad District on NH-2. The project will help in smooth and

quick transportation of surplus food grains, milk products, fruits and vegetables from Haryana, Punjab, Himachal Pradesh and Jammu & Kashmir to other parts of the country. It will provide faster access to the International airport for vehicles coming from northern parts of the country and will reduce the traffic bottlenecks of Delhi for better road connectivity.

The Government has now undertaken to fast track this project and construction work of the Manesar-Palwal section has already begun. Process of awarding the Kundli Manesar under Build Operation Transfer (Annuity) model has been initiated. The project is expected to be completed over the next two & a half years.

Global Economic Corridor along the Kundli Manesar Palwal Expressway:

This project holds unprecedented potential for development of economic hubs at strategic locations along the expressway. A Global Economic Corridor is also being planned along the Expressway with provision for establishment of various theme cities like Knowledge City, Cyber City, Bio-sciences and Pharma City, Medi-City, Fashion City, Entertainment City, World Trade City, Leisure City, Dry Port City, Eco City, Sports City etc. These cities/ hubs will cater to institutional, commercial, industrial, research, residential, logistics/freight activities and will be spread over area of more than 150 square kilometres. These cities are expected to generate huge employment opportunities and will be developed in public-private partnership mode. The 1 kilometers belt on the either side of the KMP Expressway has been designated as Controlled area. An exercise is being undertaken to leverage the development potential of this area.

Kherki Daula Toll:

In order to address the issues/problems faced by the entrepreneurs based at IMT Manesar and nearby regions, due to the existing location of Kherki Daula Toll; staggering of the toll collection bays/creation of a dedicated/fast tracked lane for the IMT Manesar/nearby regions' enterprises would be considered.

Geographical Dispersal/Regional Cohesion

Hitherto, a ribbon kind of development has taken place in the State along the National Highway-1, whereby the development has largely been within the band of NH-1 and the Delhi Chandigarh Railway line, acting as an artificial boundary restricting development beyond that line. With a view to kick start industrial development beyond this barrier, as a first stage measure, it is proposed that Rail Over Bridges (RoB) could be constructed so at a few strategic locations so that accessibility to such potential areas/Industrial zones so

that the areas open up for industrial development. While this will also support development of industry within that area, it will also initiate a ripple effect which will ultimately lead to Geographic Dispersal of the Industry. To propel this initiative forward, the State Government would study a district wise mapping to capture the key strengths of these districts and identify key activities which could be promoted within these areas for creation of supporting industrial infrastructure/ cluster development.

For creation of cooperatives & promoting self-employed groups in rural areas, services & strengths of PSUs/AMUL, who are leading players in their respective sectors, would be appropriately leveraged. These PSUs would be provided necessary facilitation & support so that State benefits from their projects & initiatives in the State.

Chapter 11– Export Promotion

- Land Allotment - Priority to the exporting units
- Public utility status - Exporting units which export at least 50% of their production shall be notified as public utilities under the Industrial Disputes Act 1947
- Incentives through - Freight Assistance for MSMEs, State Export Awards; Market Development Assistance, VAT Refund etc.
- ASIDE Scheme for creating appropriate infrastructure for the development and growth of exports
- Power Connection priority and uninterrupted power supply by the power utilities Public utility status –
- Exporting units which export at least 50% of their production shall be notified as public utilities under the Industrial Disputes Act 1947.

The State's performance on the export front has been excellent inspite of lack of natural resources and the state's distance from the sea ports. Starting with an export of Rs. 4.5 crore at the time of its creation (1967-68), the State accounts for exports of more than Rs. 68032.46 crore in the year 2013-14, because of conducive environment, state policies and initiatives. However, a comparative study reveals that Haryana's contribution in total exports of the country was approximately 4.12% in the year 2012-13. As such, there is a need to provide more facilities/incentives to the exporting units for increasing exports from the state.

Land Allotment:

- Priority shall be given to the exporting units who shall at least export 30% of their production for allotment of land in the Industrial Estates developed by HSIIDC.
- State Government shall provide land at 50% of HSIIDC cost to the Export Promotion Councils like AEPC, EPCH, HEPC, CEPC, TEXPROCIL, PDEXCIL, APEDA, ECSEPC, Engineering, FIEO EPC for setting up their offices in the districts of Karnal, Panipat and Ambala for promotion of exports.
- The possibilities shall be explored for setting up of Export Promotion Industrial Park at Panipat for textile exporting units.
- The efforts shall be made for creation of Inland Containers Depots by private players or under PPP mode in the Districts of Karnal, Panipat and Hissar supported by fiscal incentives for stamp duty and external development charges.

Freight Assistance:

- The MSMEs of the State have to bear additional transportation cost which makes their product uncompetitive for export in comparison to the units located in the coastal areas. In order to defray the transportation cost partially, freight assistance would be provided to the Micro, Small and Medium enterprises.

State Export Awards:

- The State Government provides presently a total of 18 State Export Awards, One Outstanding Woman Exporter Award and 19 Consolation Prizes to the Outstanding Exporting Units in the State. The Award Amount for the State Export Awards shall be enhanced.

Market Development Assistance:

- Reimbursement of participation charges for space and actual second class AC travelling/boarding charges shall be made to Micro and Small enterprises for participating in the exhibitions organized by Export Promotion Councils / State and Central Government Agencies within the country and outside.

ASIDE Scheme:

- The ASIDE Scheme was introduced by GoI for creating appropriate infrastructure for the development and growth of exports by allocating funds to the State, which has now been de-linked by GoI in terms of the State component. In order to supplement the efforts of GoI for promotion of exports, the State shall continue to implement the Scheme for 'Assistance for Developing Export Infrastructure and Allied Activities' with State's funding.

Refund of VAT for Exporting Units:

- The payment of VAT in respect of exporting units shall be made within prescribed time limit of 90 days through e-refund or else interest @ 8% shall be paid for the delayed period.

Public utility status:

- The exporting units which export at least 50% of their production shall be notified as public utilities under the Industrial Disputes Act 1947 for preventing strikes in order to in order to prevent flash strikes for safeguarding fulfillment of export obligations.
- Relaxation in labour law and rules regarding working hours and over-time hours shall be given to the exporting units.

Power Connection:

- Over-riding priority shall be given to exporting units in release of power connections.

Power Supply:

- In order to facilitate timely completion of export orders/commitments , the exporting units shall be provided uninterrupted 24x7 power supply by the power utilities.

- The minimum requirement of sanctioned load for providing independent feeder to the exporting units having continuous process shall be relaxed.

Note: The incentives specified under the Chapter for Micro, Small and Medium Sector would also be admissible for the exporting units.

Chapter 12 – Services Sector

- Government to give equal importance to the Services Sector
- Design & develop Services led growth strategy focusing on Health, Education, IT, Tourism, Logistics, Bulk Courier Services, knowledge based & Non Polluting Services, Sports etc.
- These sectors to be accorded the Status of Industry for the purpose of incentives and electricity tariffs;
- Focus on promoting Incubation Centres for supporting the Service Sector.

The Services sector in the State has shown a steady growth, the high potential of the sector has not been effectively utilized, despite the fact that its contribution to SGDP is much higher than the manufacturing sector – 57% as against 27%. This can be effectively utilized for enterprises development and job creations.

Thus, in line with the vision of this Policy, which aims at positioning Haryana as a pre-eminent business location and in order to shape Haryana's new model of development for faster economic growth, the Government will give equal importance to the Services Sector.

Government will design and develop Services led growth strategy focusing on Health, Education, IT, Tourism, Logistics, Bulk Courier Services, knowledge based & Non Polluting Industries. These sectors will be accorded the Status of Industry for the purpose of incentives and electricity tariffs.

Government will strive to introduce demand and market driven curriculum in professional institutions for developing skilled and efficient manpower for Services Sector particularly for creation of the matching soft skills. Focus will also be made on promoting Incubation Centres in each sector / location for promoting enterprises in innovative business models and entrepreneurship in the State.

The State will come out with a special Policy for the Services & Entrepreneurship Development.

Chapter 13 – Estate Management Procedures

- Liberalized Estate Management Procedures
- Transparent evaluation criteria for allotment of industrial plots
- Increase in period for project implementation with extension fee, for general category plots
- Liberalization of norms for leasing, renting, transfer of plot, change of project and surrender of plot
- Greater emphasis on self-certification and deemed approval with strict penalties for non-compliant cases
- Efficient delivery of services through e-governance platform
- Amnesty Scheme to address old cases – transfers/leasing/change in constitution, subject to certain conditions
- Provision of basic infrastructure at the time of first allotment – water, power, roads & broadband connectivity

1. The HSIIDC has been playing a pivotal role in the industrialization of Haryana by developing industrial infrastructure and providing hand holding services for setting up industrial ventures. Over the years, the HSIIDC has assumed the role of nodal agency of the State Govt. for promotion of industrialization in the State. HSIIDC has been laying down its Estate Management Procedures in tandem with the industrial policy. As such, the HSIIDC would revise its Estate Management Procedure in line with the economic environment and aspirations of the industry and notify its Estate Management Procedure to be known as EMP-2015.

2. The EMP-2015 would address the parameters for allotment, reservation and priority in allotment of industrial plots and other related matters concerned with Management of industrial estates. The government has taken following policy decision in this behalf:

- i) The existing industrial estates have been grouped under three categories namely 'A', 'B' and 'C' respectively which may be revised from time to time.
- ii) HSIIDC would formulate a transparent evaluation criteria to evaluate the applications received for allotment of industrial plots.
- iii) Separate windows would be created for allotment of industrial plots to cater to different categories of entrepreneurs such as;
 - a) Mega projects involving fixed capital investment (i.e. land, building, plant and machinery and misc. fixed assets) of Rs. 100 crore and above or projects involving employment generation of more than 500 persons and serving as anchor units for proliferation of ancillaries shall be considered under this category.
 - b) Proposals involving fixed capital investment of Rs. 50 crore, 40 crore and Rs. 30 crore for category A, B & C estates respectively shall be considered as prestigious projects category, eligible for allotment of industrial plots under on-going basis.
 - c) Well known Central/State Govt. PSUs would be considered for allotment of industrial plots under fast track scheme.

- d) In unsaturated estates, 10% of the industrial plots would be reserved for allotment to NRI/FDI cases and 2% for persons with disability.
 - iv) As a general rule, wherever the number of applications received are more than the number of plots offered for allotment, the allotment would be made through limited e-auction. Further, after 90% of the area of carved out industrial plots has been allotted, each sector/phase of the estate shall be declared as saturated.
 - v) The allotment price would be revised on 1st of April of each year by the Board of Directors by the Corporation. Subsequently, the price shall be revised from time to time by MD/HSI IDC taking into consideration the weighted average of auction price during the last auction.
3. The HSI IDC would simplify its Estate Management Procedure and lay greater emphasis on efficient delivery of its services through e-governance platform. The Government is considering following post allotment services for liberalization, subject to certain conditions:
- i) Increase in period for project implementation with extension fee, for general category plots.
 - ii) Liberalization of norms for leasing, renting, transfer of plot, change of project and surrender of plot.
 - iii) Greater emphasis on self-certification and deemed approval with strict penalties for non-compliant cases.

4. One time Voluntary disclosure & Amnesty scheme:

It has been noticed that the old allottees have committed certain violations of terms and conditions of allotment pertaining to unauthorized transfer, unauthorized leasing, change in constitution etc. Such allottees are not coming forward either due to ignorance or for fear of payment of penalties. The HSI IDC would come out with a One Time Amnesty Scheme for regularization of such cases subject to the restrictions stipulated in the scheme itself.

Chapter 14 - Promotion of Handicrafts

- Outstanding artisans/weavers to be provided 13 State Handicrafts Awards
- State level and District level fairs/exhibitions shall be organized
- Sale tax/VAT being charged on the handicraft items made from wood, metal (except precious metals), leather, jute, leaf, stone and stone dust (except precious stones), Painting and Embroidery to be exempted
- Interest re-imburement

The State of Haryana has rich heritage of handicrafts contributing to employment generation, economic growth and also foreign exchange. The State is known for its special handicrafts like Brassware, Jari Jutti, Wood craft, Cloth Paintings, Hand fans, Paper Machie, Lakh Bangles & Jewellery, Modha making, Terracotta, Stuffed Toys, Carpets, Peedha & Charpai making, Durries, Embroidery, Bead work, Camel Backs, Metal Work, Pottery, Dolls, Fur & Leather Items, Cane & Bamboo items, Crocia and Metal items etc. There are more than 12,000 artisans in the State, who are registered with Development Commissioner, Handicrafts. In order to acknowledge recognition of their contribution, craftsmanship and development of art, the following assistance/incentives shall be provided.

State Handicrafts Awards:

- The Outstanding artisans/weavers belonging to the State shall be provided State Handicrafts Awards.

Assistance for Product Promotion:

- To assist in the sale of handicrafts items, State level and District level fairs/exhibitions shall be organized on the special occasions/important festivals/memories for duration of one to two weeks through Industries & Commerce Department/ Trade Fair Authority Haryana. There shall be atleast 50 participants/stalls for the State level fair and 20 participants/stalls for the District level fair.
- The Awardees shall be provided suitable space in the Haryana Pavilion, Pragati Maidan, New Delhi during India International Trade Fair/Surajkund Crafts Mela, District Faridabad without any space charges.
- National Awardee/State Awardee shall be provided free traveling facility in the ordinary buses of Haryana Roadways.
- The reimbursement of participation charges for space and travelling/boarding charges shall be made to artisans for participating in the exhibitions organized by Export Promotion Councils / State and Central Government Agencies within the country and outside.
- National/State Awardees(Master craftsman/ Master artisans), who shall conduct skill development programme for minimum of 10 artisans for one/two months duration depending upon the item, shall be provided the financial assistance of.

The minimum of 10 nos. of skill development program will be conducted in the State for the activity of Doll making, Painting, Embroidery, Leather items, Jute items, Wax & lakh items for one month and Terracotta, Clay objects, Stone & Marble, Wood items, Metal items for duration of two months.

VAT Exemption:

- The sale tax/VAT being charged on the handicraft items made from wood, metal (except precious metals), leather, jute, leaf, stone and stone dust (except precious stones), Painting and Embroidery produced by the artisans in the State shall be exempted.

Interest Subvention:

- Interest re-imbusement being charged by the bank for the handicraft activities will be provided to the artisans.

Survey for Artisans:

- The State Govt. will conduct a survey through consultant company for creating data bank in respect of artisans of the State, which would form the basis for making other welfare schemes for the promotion of handicraft activities.

Chapter 15– Incentives

The undermentioned incentives have broadly been conceived/under consideration and suggestions are invited for specific inputs from all stakeholders, which may be supported with inputs regarding Best Practices followed by other States:

- Customised Package of Incentives for Mega Projects having investment of above Rs. 100 crore in plant and machinery or providing employment to more than 500 persons;
- Fiscal Incentives for Large Units - Employment generation incentive for employing persons from Haryana, rationalized EDC charges, electricity duty exemption, VAT retention etc.
- Fiscal Incentives for MSMEs – Interest subvention, VAT retention, Credit Rating, Special provisions for Start-Ups, Marketing Development Assistance, MSME State Awards, Export Awards and Handicrafts Awards, reduced stamp duty, electricity duty exemption, reduced power tariff, rationalized EDC charges, Technology upgradation support, Assistance for Environment compliance, reimbursement of Patent cost, Water/Safety/Energy Audit fee reimbursement & support for capital equipment, etc.;
- Sector specific additional incentives for - Agro & Food processing Industries, Textile industries, Footwear Industries and Exporting industries;
- Additional financial support to the MSE Clusters under MSE-CDP Scheme of Ministry of MSME, Govt. of India;
- Creation of Rs.1,000 crore corpus under CGTMSE for collateral free loans;
- Rationalized EDC for Industrial Colonies;
- Higher FAR for general industrial units;
- Increased provision for housing in Industrial Colonies to encourage walk-to-work culture;
- Support to service sector for identified Services through fiscal support and categorization as Industry for incentives/power tariffs etc.;
- General cross subsidy surcharge reduced to 93p from Rs.2;
- Incentives to units employing minimum 75% semi-skilled/un-skilled workers from Haryana.

Haryana Investment Promotion Board

Haryana Investment Promotion Board (HIPB) has been constituted under the Chairmanship of Chief Minister to attract domestic as well as foreign direct investment in the State. The HIPB is competent to:

- Approve a customized package of incentives and concessions to mega projects (as defined) related to all sectors of investment;
- Undertake investment promotion activities by organizing contact programs, publicity and road shows for prospective investors in India and abroad;
- Identify and approve sectors in which foreign as well as domestic investment is sought keeping in view the State priorities, and
- Periodically review the implementation of projects approved by the HIPB.

Classification of Projects:

The classification of projects into large, medium, small and micro sectors will be based on the Government of India MSME Ministry definitions as amended from time to time. The definition of a mega project is a Haryana State determined one.

Mega Projects: Those having investment of above Rs. 100 crore in plant and machinery or providing employment to more than 500 persons;

Chapter 16–General

- Creation of Data Bank - Compulsory on the part of industrial units for submission of periodical returns through enabling provisions in the Industrial Promotion Act
- Directory of Prominent professionals belonging to Haryana - HSIIDC to prepare a Directory of all such prominent persons
- Industrial Relocation Policy –Policy to be devised for shifting industries from non-conforming areas to conforming areas
- Industrial Retention Policy - District Industries Centres(DICs) to be strengthened and repositioned as District Facilitation Centers (DFC) to provide all necessary support to the Industry particularly the MSMEs, by positioning young professionals
- Separate policies for the Electronics and IT/ITES sector and for Sub-Division of Plots in the old Industrial Estate within the next 3 months

Creation of Data Bank:

Authenticated and correct data pertaining to number of units in the State, classification product-wise, investment, production, employment, turnover and export etc. is of paramount importance in policy making. Reliable data is not forthcoming at the central point as the entrepreneurs are reluctant to impart such information. It is proposed to make it compulsory on the part of industrial units for submission of periodical returns through enabling provisions in the Industrial Promotion Act.

Directory of Prominent professionals belonging to Haryana:

It has been observed that there are large number of prominent entrepreneurs, investors and professionals belonging to Haryana State who are settled at various places across the country or overseas and excelled in various fields. It has been decided that the HSIIDC would prepare a Directory of all such prominent persons and keep it updated. The Directory would be placed on the Haryana State portal HSIIDC.

Savings and clarifications:

This policy replaces the Industrial & Investment Policy 2011 and would take effect from 01.04.2015. All actions taken under the previous policies or commitments made under those policies would remain protected. Any other issue, which has not been specifically covered under this policy or requires any clarification, would be referred to the Government in the Industries & Commerce Department for decision/clarification and the decision of the Government thereon would form part of the policy.

Industrial Relocation Policy

For shifting industries from non-conforming areas to conforming areas. In light of recent Court orders directing the State for formulating the policy for shifting of industrial units from non-conforming to conforming areas, the State would devise a policy based on the following broader principles:

1. Accommodate these units in the industrial estates developed by HSIIDC by giving preference in allotment.
2. Regularizing such clusters (Non-conforming areas) with mainly green category industrial units and out rightly shifting/closing the red and orange category units.

3. Earmarking Special Industrial Zones at various locations in the State, where such units could be relocated by easing the change of land use norms and procedures.

Industrial Retention Policy:

The State shall formulate a mechanism to address the issues relating to Industry which need immediate attention and preventive/corrective action. The mechanism would also include supporting the existing industry in the State as they are expected to be our brand Ambassadors.

The District Industries Centres would be strengthened and repositioned as District Facilitation Centers (DFC) to provide all necessary support to the Industry particularly the MSMEs, by positioning young professionals. The support to be provided by these DFCs would interalia include:

- Trigger action on issues relating to Industry which need immediate attention and preventive/corrective action;
- Identifying triggers like slowdowns/industrial Disputes/Troubleshooting etc. (identifying reasons for failure)/for corrective actions;
- Provide economic development services (Information sharing, data Collection, consultancy support, Entrepreneurship Development Programs etc.);

Others:

The State would also come out with separate policies for the Electronics and IT/ITES sector and for Sub-Division of Plots in the old Industrial Estate within the next 3 months.

Chapter 17–Way Forward

- Policy implementation & Monitoring - An Industry-Government Joint Task Force under the chairmanship of Chief Minister for monitoring implementation/ outcomes of the Policy
- Grievance Redressal Mechanism - Three tier grievance redressal mechanism - District level Committee under the District Collector; State Level Committee under the Principal Secretary Industries & Commerce; Apex level Committee under the Chief Minister
- Economic Advisory Council - Intellectual capital to be harnessed by creation of an 'Economic Development Council' under the chairmanship of the Chief Minister

Policy implementation& Monitoring:

An Industry Government Joint Task Force would be set up under the chairmanship of Chief Minister comprising representatives of the Government and Industry for monitoring the implementation/ outcomes of the Industrial Policy, issuing clarifications, and making mid-term course corrections so as to ensure effective achievement of its objectives.

Grievance Redressal Mechanism:

A three tier grievance redressal mechanism will be put in place to address the complaints/issues of the Industrialists:

- District level Committee under the District Collector which will on monthly basis;
- State Level Committee under the Principal Secretary Industries& Commerce which will meet on quarterly basis;
- Apex level Committee under the Chief Minister meeting every six months.

The Committee will have members drawn from the Government as well as the Industry.

Economic Advisory Council:

Haryana is home to a number of multi-national companies/large Indian Corporates, consultancy firms etc. This intellectual capital would be harnessed for development of the State by creation of an ‘Economic Development Council’ under the chairmanship of the Chief Minister. The Council would provide the vision for the economic development of the State and the strategy to achieve the defined vision. The council will meet at least once in six months.

Conclusion:

The Industrial Policy promises to revolutionize the way industrial sector has been viewed by Governments in this country. This Policy will set a new paradigm. “Innovate in Haryana, Invest in Haryana, Incorporate in Haryana” will become the motto of industrialization. We strongly believe that with the new Industrial Policy in place, a growth rate higher than the national growth rate in the Manufacturing Sector can be achieved. The Government welcomes industrialists, investors and entrepreneurs to Haryana and promises to fulfill their expectations both in letter and in spirit as espoused in this document.

While it will be our endeavour to stay attuned to the new issues and opportunities that may emerge due to the dynamic business environment in which the Industry operates, there may emerge issues that may lie beyond the scope/horizon of the present Policy contours.

Our strategy would remain to keep this Policy Framework as a “**Living Document**” – DYNAMIC as well as RESPONSIVE.