



Haryana today faces tough competition from the neighbouring states particularly Himachal Pradesh and Uttranchal on account tax holidays and other concessions offered to new industries under the Central Government schemes. In order to attract domestic as well as foreign direct investment and for dispersal of industry to backward areas, the state would provide following incentives to the new industrial units:

New SSI units in the backward areas would be extended the facility of financial assistance in the shape of Interest Free Loan to be quantified at, 50% of the tax paid on the sale of goods produced in such industrial units, under the Haryana Value Added Tax Act 2003 for a period of 5 years from the date of start of commercial production to be repayable after a period of 5 years.

In order to boost the exports and enhance competitiveness of exporting units, subsidy up to 1% of the FOB value of exports subject to maximum of Rs.10.00 Lac per annum shall be given.

- i) Food Processing Industries except wheat & rice will be considered as seasonal industry and exempted from payment of minimum demand charges for electricity during closer period of more than 3 months.
- ii) No market fee shall be levied on agriculture and horticulture produce used as raw material by Food Processing Industries with in the State except rice, wheat, mustard oil and cotton.

iii) Interest Free Loan at the rate of 75% of the tax paid on the sale of goods produced in such industrial units shall be given under the Haryana Value Added Tax Act 2003 for a period of 5 years from the date of start of commercial production. This would be repayable after a period of 5 years.

iv) Charges for Change of land use for food processing units shall be levied @ 50% of normal rates in state declared backward areas.

v) Wines/liquors/Brandy etc. made from 100% fruits produce in the State will be exempted from the Excise Duty in backward areas.

Special priority shall be given for release of electric connection to mega projects, 100% EOUs, IT Industries and FDI projects.

Incentives and privileges already being enjoyed by units under previous policies shall continue as mentioned in Appendix I to this policy. The new scheme of incentives shall be applicable to units coming in commercial production after the commencement of this policy. However, Export incentives shall be available to existing units as well.