

Haryana Government Gazette EXTRAORDINARY

Published by Authority

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No. 90-2021/Ext.] CHANDIGARH, TUESDAY, JUNE 8, 2021 (JYAISTHA 18, 1943 SAKA)

HARYANA GOVERNMENT

INDUSTRIES & COMMERCE DEPARTMENT

Notification

The 8th June, 2021

No. 25/05/2020-4IB-I.— In pursuance to the provision under Chapter 14 of Haryana Enterprises and Employment Policy-2020 notified in Gazette *vide* No.25/05/2020-4IB-I dated 29.12.2020, the Governor of Haryana is pleased to notify the "Freight Assistance Scheme" for new micro and small exporting units located anywhere in the State. The scheme will consist of the following provisions:

1. Objective

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

2. Quantum of Assistance

The freight assistance to the extent of 1% of Free on Board (FOB) value or actual freight excluding government fee and taxes on transportation of goods from place of manufacture to the seaport/ air cargo/ by road up to international border, whichever is less and maximum up to INR 10 lakh in 'C' and 'D' category blocks and INR 5 lakh in 'A' and 'B' category blocks per annum to new exporting micro and small enterprises with turnover less than INR 10 crore and having ZED certification, located anywhere in the State.

3. Definition

- (i) "Exporting unit" means a unit which is engaged in manufacturing and exports of goods in any quantum.
- (ii) Same Management: The units having common share holding/ partnership morethan 51% in case of companies/ partnership firms. The units under the same management will be treated as one unit.
- (iii) "Financial Year" means the year beginning from 1st April to 31st March.
- (iv) New Exporting Enterprise:
 The Enterprise which has started exportafter 01.01.2017. The benefits under the policy shall be applicable for maximum 5 years for any unit.

4. Commencement and Applicability

The scheme shall commence with effect from 01.01.2021 and shall remain in operation for a period of 05 years. The freight assistance shall be admissible on goods shipped (i.e. bill of lading/airway bill/transport bill in case of export by road) on or after 01.01.2021.

5. Eligibility

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

- (i) New exporting Micro and Small Enterprises shall be entitled for Freight Assistance/Subsidy for a period of 05 years from the date of start of export.
- (ii) The amount of assistance shall be calculated on FOB value of the export consignment as certified by the office of Custom & Central Excise indicated in the shippingbill/airway bill/transport bill.
- (iii) Micro and Small Enterprises under the same management/ constitution shall be clubbed together and the maximum ceiling of the eligible amount of freight subsidy put together shall not exceed INR 10 lakh in a financial year.
- (iv) The assistance will be admissible only in case of direct export of the goods manufactured by the exporting unit.
- (v) The unit should have filed Udyam Registration Certificate (URC) and Haryana Udhyam Memorandum (HUM) on the portal for the statistical purpose, at any stage.
- (vi) The unit should have obtained registration-cum- membership certificate from Export Promotion Council.
- (vii) The unit should have obtained Importer-Exporter code from DGFT.

6. Procedure

- (i) Application in Annexure-I for the grant of freight assistance on export undertaken alongwith document mentioned therein will be submitted to the Director/ Director General, Micro, Small and Medium Enterprises on the web portal of the department within a period of 3 months from the date of closing of the financial year in which, the products were exported or from the date of notification of the scheme, whichever is later.
- (ii) The application would be processed and examined by the Joint Director/Deputy Director, District MSME Centre. He will be responsible for scrutiny and shall clearly recommend for approval/rejection of the claim after conducting the inspection of the unit. The deficiencies, if any, would be communicated to the applicant on-line within a period of 7 days and the applicant would be given a time period of 10 days to rectify the deficiencies so pointed out.
- (iii) In case the deficiencies are not removed within prescribed period, the claim shall be filed by the Competent Authority, under intimation to the party through e-mail. The enterprise shall not be required to submit any additional document other than specified under Annexure-I unless required for establishing genuineness of the claim.

7. Competent Authority for Sanction

The Additional Director shall be competent to sanction Freight Subsidy.

8. Time Limit toapply

An enterprise shall forfeit its entitlement for the Freight assistance, if it does not submit its claim, complete in all respects within 03 months from the date of closing of the Financial Year in which the products were exported or from the date of notification of the scheme, whichever is later.

9. Interpretation/Clarification

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

10. Appeals

Appeal against the order passed by the Competent Authority shall lie with the Director/Director General, Micro, Small and Medium Enterprises and appeal against the orders passed by the Director/Director General, MSME shall lie with Administrative Secretary, Industries & Commerce, Haryana within a period of 30 days from the date of communication of order appealed against. The orders passed by the Administrative Secretary, Industries & Commerce, Haryana in appeal shall be final.

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

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

Provided that the competent authority is satisfied with the reasons of late submission of the application on the basis of the substantial evidence/documents/ arguments presented by the applicant.

12. Penal Action

In case, it is found at any stage that the applicant has claimed the assistance on the basis of wrong facts, the applicant shall besides refunding assistance with compound rate of interest @ 12% per annum and facing legal action, will be debarred from grant of any incentive/assistance from the State Government. If the applicant fails to refund the subsidy amount with interest, then the amount shall be recovered as arrear of land revenue. The applicant shall be debarred from public procurement as a result of mismatch in facts and figures.

13. Service Delivery Timeline

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

VIJAYENDRA KUMAR, Principal Secretary to Government Haryana, Industries & Commerce Department.

Annexure-I

[Clause 6 (i)]

Form of Application for the grant of Freight Assistance

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

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- 14. Self-attested copies of documents to be attached with the claim :-
 - (i) Copy of Udyam Registration Certificate (URC) and Haryana Udhyam Memorandum (HUM).
 - (ii) Certificate in Form "A" and Form "C" issued by Registrar/District Registrar of Firms & Societies, along with a copy of Partnership Deed/Certificate of the Incorporation of the Company in case of limited companies/ Partnership registration/ Co-operative society registration.
 - Special Power of Attorney (duly attested by Notary Public)/ Resolution of Board of Directors of the Company.
 - (iv) Registration-cum-membership issued by relevant Export Promotion Council.
 - (v) Certificate of Importer Exporter Code (IEC) issued by DGFT.
 - (vi) Shipping Bills/airway bills/transport bills.
 - (vii) Bank Realization Certificate of each bill.
 - (viii) Change of Land use (CLU)/NOC from competent authority, if applicable.
 - (ix) Chartered Accountant Certificate in respect of total FOB Value and total eligible amount of Freight paid from place of manufacture to the sea port/air cargo/by road upto international boarder in the prescribed format (Annexure-II).
 - (x) Chartered Accountant Certificate in respect of investment in Plant and Machinery in prescribed form (Annexure-III).
 - (xi) Details of exports inAnnexure-A.
 - (xii) Copy of first sale bill.

Signature of Applicant (with seal)

Undertaking/Declaration (to be submitted on non-judicial stamp paper of INR 50/- (Min) duly sworn before a Notary Public (duly affixed with Notarial Stamp; and with Notary Seal & Notary Registration Number) or First-Class Magistrate):

I,________do hereby solemnly state that I am proprietor/partner/director/ _________of M/s_______located______which is engaged in the manufacture and export of goods manufactured in Haryana and I have been authorized to file this freight assistance claim with the Department of Industries and Commerce/MSMEs, Haryana.

2. The unit will be liable to refund excess subsidy/assistance, if any released due to omission or pointed out by the Audit team of Principal Accountant General, Haryana.

3. The particulars given in the application are correct. In case any of the statement/ information furnished in the application/ documents later found to be wrong or incorrect or misleading or violation of the eligibility criteria/conditions, the entire amount of subsidy along with the compound rate of interest shall be refunded.

4. I do hereby affirm that the goods on which freight assistance has been claimed, have been manufactured/ assembled/ processed in my above said unit. I do hereby undertake to refund the entire amount of assistance of INR ______ (Rupees_____) granted to me at the compound rate of interest @12% per annum, besides facing legal action in case facts contained in this application are proved to be wrong at the time of verification/ checking or otherwise at any stage.

Dated:

Signature of the applicant with complete address. (with seal)

DETAILS OF EXPORTS:

Annexure -A

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

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

Signature of Applicant (with seal)

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Annexure-II

Chartered Accountant's Certificate

- 1. Certified that the shipping bills/airway bills/transport bills duly certified by Custom and Central Excise, bank realization certificates and related accounts produced by the Exporting unitnamely M/s._____have been verified and the total FOB value of the goods exported (excluding the FOB value of shipping bills/airway bills/transport bills other than state of origin Haryana) comes to INR ______during the financial year 202... 202...,which is eligible for consideration of Freight Assistance.
- 2. It is further certified that the transportation bills pertaining to goods exported in respect of above eligible shipping bills/airway bills/transport bills from place of manufacture to the sea port/Air cargo/ international border and related accounts have been verified and the actual freight charges of INR have been paid by the exporting unit against the goods exported after excluding the charges on account of fees and taxes during the financial year 20_____ and the same is eligible for consideration of Freight Assistance.

Name of the Signatory (Chartered Accountant) Seal of the Company and Registration No. UDIN.....

Annexure-III

Certificate from Chartered Accountant regarding investment in plant & machinery (on a CA letterhead)

To whom it may concern The records of M/s with their regd. office at and factory located at...... in respect of investment in plant & machinery (original purchase value) of the industrial unit has been verified. It is certified that the investment in plant & machinery (original purchase value) as on date...... stands as INR and Turnover of the company is INR in the current fiscal year and INR in the past fiscal year.

Name & signature of the Chartered Accountant
with stamps & CA membership number
UDIN

Dated

9199-C.S.-H.G.P., Pkl.