



Draft
**Haryana Electronic System
Design & Manufacturing
(ESDM) Policy, 2024**



**Department of Industries & Commerce,
Government of Haryana**



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List of Acronyms

CGST	Central Goods and Services Tax
CGTMSE	Credit Guarantee Fund Trust for Micro and Small Enterprises
CoE	Centre of Excellence
Cr.	Crore
EEC	Empowered Executive Committee
EMC	Electronics Manufacturing Cluster
ESDM	Electronic System Design & Manufacturing
ETP	Effluent Treatment Plant
FCI	Fixed Capital Investment
GeM	Government e-Marketplace
GoHR	Government of Haryana
Goi	Government of India
HEEP	Haryana Enterprises and Employment Policy
HEPB	Haryana Enterprises Promotion Board
HEPC	Haryana Enterprise Promotion Centre
IDC	Internal Development Charges
IEC	Information, Education, and Communication
IGST	Integrated Goods and Services
IIT	Indian Institute of Technology
IMT	Industrial Model Township
INR	Indian Rupee
ITC	Input Tax Credit
M-SIPS	Modified Special Package Incentive Scheme
MSME	Micro, Small & Medium Enterprises
NPE	National Policy on Electronics
ONDC	Open Network for Digital Commerce
PLI	Production Linked Incentive
R&D	Research & Development
SGST	State Goods and Services Tax
SPECS	Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors
STEM	Science, Technology, Engineering and Mathematics
TCP	Town & Country Planning
USD	United States Dollar



1. Preamble

The Government of Haryana recognizes the crucial role that the Electronic System Design and Manufacturing (ESDM) sector plays in driving economic growth, creating employment opportunities, and fostering technological innovation. In line with the Government of India's vision of 'AtmaNirbhar Bharat', the state of Haryana seeks to establish itself as a leading destination for ESDM investments, research, and development.

The Haryana Electronic System Design & Manufacturing (ESDM) Policy, 2024 aims to leverage Haryana's strategic location, strong industrial base, and skilled workforce to establish a conducive ESDM ecosystem. It comprises a comprehensive framework encompassing various dimensions such as financial support, research & development, global linkages, infrastructure, etc.

This policy is a testament to the State Government's commitment to develop the industrial landscape by encouraging investments and fostering inclusive growth. It seeks to forge strong partnerships with industry stakeholders, academic institutions, and research organizations to collectively drive the growth and competitiveness of the ESDM sector, in the state.

Therefore, the Government of Haryana sets the stage for a remarkable transformation of the state's economic landscape. By prioritizing the development of the ESDM sector, the State aims to create employment opportunities and promote entrepreneurship and technological advancement.



2. Definition

- 2.1 ESDM:** Electronic System Design & Manufacturing refers to the process of designing, developing manufacturing, and assembling electronic systems & components, parts, sub-assemblies, materials etc. for various electronics verticals such as mobile manufacturing, consumer electronics, electrification, power electronics, computer/ information technology and communication etc. and so on including their entire value chain.
- 2.2 Electronics Manufacturing Cluster (EMC)/ Park:** A cluster of ESDM units to be developed over a minimum area of 15 to 50 acres as per the norms of Town and Country Planning, Haryana, and or as amended from time to time. The Park developer should ensure basic amenities such as internal roads, power distribution system, communication facilities, storage facilities, etc for smooth functioning and technological infrastructure like optic fiber connectivity/ broadband connectivity, Wi-Fi access, video conferencing facilities etc. The park may include common social infrastructure such as housing facilities, medical and sports facilities, banks, dormitories, recreational activities etc. and other enabling infrastructure such as CoE, incubators, co-working spaces, etc as per Haryana TCP Norms (as amended from time to time).
- 2.3 Existing Enterprise/ Unit:** It means any enterprise/ unit existing and in operation prior to notification of this policy.
- 2.4 New Enterprise/ Unit:** It means an enterprise established and commencing commercial production during the operative period of this policy. The existing enterprise undertaking expansion/ diversification/ modernization during the operative period of this policy shall also be considered as a New Enterprise.
- 2.5 Fixed Capital Investment (FCI):** The new investment in land, building, plant, machinery, hardware, and software, made after the notification of this policy and before the commencement of commercial production shall be considered as FCI. However, the entire fixed capital investment made after the notification of this policy and before the commencement of commercial production and within 1 year thereon, shall be considered while calculating eligible fixed capital investment for capping of benefit.
- 2.6 Eligible Capital Expenditure:** The eligible capital expenditure shall include the building, plant, machinery, hardware, and software (excluding land).
- 2.7 Ultra-Mega Project:** Iconic Projects having minimum Fixed Capital Investment of INR 6000 Cr. in “A” Blocks, INR 4,500 Cr. in “B” category blocks, INR 3,000 Cr. in “C” category blocks and, INR 1,500 Cr. in “D” category blocks (or as amended in HEEP 2020 or any other flagship Industrial Policy of the State from time to time).
- 2.8 Mega Project:** Projects having minimum Fixed Capital Investment (FCI) of INR 200 Cr. in B Blocks, FCI of over INR 100 Cr. in “C” Blocks and FCI of over INR 75 Cr. in “D” Blocks. The projects undertaking expansion/ diversification and the identified services with same criteria of investment shall also be treated as Mega Project (or as amended in HEEP 2020 or any other flagship Industrial Policy of the State from time to time).



- 2.9 Large Enterprises:** Investment in Plant and Machinery of more than INR 50 Cr. and turnover greater than INR 250 Cr. (over and above of limit of medium units defined by Gol under the MSMED Act, 2006, or as amended by Gol from time to time).
- 2.10 Medium Enterprise:** Investment in Plant and Machinery or Equipment does not exceed INR 50 Cr. and turnover does not exceed INR 250 Cr. or as amended by Gol under the MSMED Act, 2006 from time to time.
- 2.11 Small Enterprise:** Investment in Plant and Machinery or Equipment does not exceed INR 10 Cr. and turnover does not exceed INR 50 Cr. or as amended by Gol under the MSMED Act, 2006 from time to time.
- 2.12 Micro Enterprise:** Investment in Plant and Machinery or Equipment does not exceed INR 1 Cr. and turnover does not exceed INR 5 Cr. or as amended by Gol under the MSMED Act, 2006 from time to time.
- 2.13 Local Employee:** An employee who is a permanent resident of the state of Haryana (having Haryana Bonafide domicile certificate) shall be considered a Local employee for the purpose of this policy.
- 2.14 Net SGST:** Net SGST to be considered for reimbursement means that the eligible unit will be entitled to get reimbursement of SGST amount, paid through cash ledger, against the output liability of SGST on sale of eligible products. The eligible unit shall first have to utilize all the eligible ITC including eligible ITC of IGST available in its credit ledger, against the SGST output liability, before adjusting the SGST amount through cash ledger.
- 2.15 Categorization of Blocks:** For promoting the geographical dispersal of industry, the State has been divided into 4 categories of Development Blocks viz. A, B, C and D based on the level of industrialization, level of socio-economic development, locational advantage (connectivity), state of infrastructure development and level of skill development. For this policy, the block category will be considered as defined in Clause 14.13 of Haryana Enterprises and Employment Policy (HEEP), 2020 or as amended in HEEP 2020 from time to time and/ or any future Haryana's Flagship Industrial Policy (if and when released).
- 2.16 Eligible Startup** - Any entity shall be considered a startup if it meets the latest definition of startups as per the Haryana State Startup Policy 2022 and is registered with the Industries and Commerce Department, Haryana.
- 2.17 Developer:** Developer means an individual, company, association, firm or a limited liability partnership, designated through a collaboration/development agreement with the owner for making an application for grant of licence and for completion of formalities required on behalf of such owner to develop a colony as per Haryana TCP Norms (as amended from time to time)..
- 2.18 Owner:** Owner refers to a person/ entity in whose favour a lease of land has been granted in Haryana for a period of not less than ninety-nine years or the title of ownership is in the name of the person/ entity as per Haryana TCP Norms (as amended from time to time).



Policy Overview



3. Industry Overview

Electronic system device manufacturing plays a crucial role in modern society, as electronic devices are ubiquitous and have become an essential part of our daily lives. They play an important role in innovating and evolving other industries, job creation, education & research, and creating opportunities in global trade. The global ESDM market was valued at USD 1.7 trillion in 2021 and is expected to grow at a CAGR of 7.5% and reach USD 2.5 trillion by 2028.

India is known internationally for its big market size and healthy growth of per capita consumption. The demand for electronic products in India was USD 330 billion in FY20 and is expected to increase to USD 400 billion by FY25. As per IBEF report 2023, India's share in global hardware electronic production is around 3% and the value of production of electronic goods in India is projected to grow to USD 500 billion. Because of such great potential, leading MNCs worldwide aim to set up manufacturing capacities in India. The Government of India has rolled out several schemes to capitalize on this potential and has successfully attracted investments in electronics manufacturing in India.

Haryana is a manufacturing hub for automobiles and since electronic components account for a large portion of production cost for automobile manufacturing, it makes up for a sizeable market size for automotive electronics within the State. This cost is expected to increase, as automobiles start using more electric solutions, advanced safety systems, entertainment units, and other applications. With the increasing development by the State of Haryana such as EMC (Sohna), an integrated aviation hub and an aerospace defence park (Hisar), and other advancements in emerging technologies, the demand from OEMs, embedded systems, and other types of electronic components is expected to increase multi-fold in Haryana.

Key Growth Drivers for ESDM Industry

- Technological advancements play a significant role in the growth of the electronic industry. The industry thrives on technological innovation in the areas of communication, industrial, consumer and strategic electronics, cloud services, etc. which have created new growth opportunities.
- The trend towards digitization and Industry 4.0 has created new opportunities for the electronics industry.
- Advancement in technology has led to improved performance and energy efficiency. The increasing adoption of electric vehicles is further driving the growth of the electronic industry, particularly in the areas of battery technology, charging infrastructure, and power electronic products have wide usage from as simple as consumer products to complicated defence and aerospace products.



4. Vision

“The Government of Haryana envisions to create a conducive ecosystem for the ESDM sector to flourish in the state and solidifying Haryana’s position globally.”

5. Mission

- i. To encourage electronics manufacturing units to invest in Haryana and facilitate investors through the complete investment cycle.
- ii. To provide a nurturing environment to foster growth & innovation in the sector.
- iii. To undertake measures for effective collaboration between various stakeholders for infrastructure development, knowledge transfer, skill development, technology transfer, and strategic joint ventures.
- iv. To promote exports from Haryana and integrate the industry with the global value chain.

6. Objectives

- i. Attract investments of INR 15,000 Cr. in electronic manufacturing.
- ii. Create approximately 75,000 employment opportunities within the state.
- iii. Promote exports from Haryana and achieve contribution of 5% to national export from the current 2.5%.
- iv. Develop industrial network through the establishment of manufacturing clusters, Centre of excellence and industrial parks.

7. Validity of the Policy

This policy will be valid for a period of 05 years from the date of notification of this policy or the date of any new policy/ amendment, introduced by the Government of Haryana, whichever is earlier.

8. Eligibility Criteria for ESDM Units

- 8.1 All electronic verticals/ products as covered under the National Policy on Electronics, M-SIPS, SPECS, PLI, ‘Modified Programme for Semiconductor and Display Fab Ecosystem’ or any other schemes/ policies relating to ESDM issued by Gol and as amended from time to time will be covered under the policy. The indicative list of such electronic products is mentioned in **Annexure - I**.
- 8.2 The units which will commence commercial production/ operations post the date of the notification of this policy shall be eligible for availing benefits as enlisted under this policy.
- 8.3 This policy is also applicable to new and existing ESDM units in Haryana undertaking expansion/ diversification, subject to compliance of the following conditions:
 - (a) Units undertaking expansion/diversification anywhere in ‘A’, ‘B’, ‘C’, and ‘D’ blocks on land parcels with valid CLU permission or in Govt. approved Industrial Estates/ IMTs; and



- (b) Units undertaking an expansion/diversification, with an additional investment of at least 50% of FCI as on date of initiating expansion/diversification and commencing production of said expansion/diversification during the operative period of the policy.
 - (c) Units undertaking expansion/ diversification will be eligible for availing incentives only once during the policy period.
- 8.4** Units are not eligible to avail incentives under the same head in this policy if it has been availed/ applied under 'HEEP 2020' or any other flagship policy issued by the Government of Haryana.
- 8.5** The cumulative incentives for ESDM Unit or Park shall be subject to a ceiling of 125% of Fixed Capital Investment (FCI).

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Fiscal Incentives



9. Fiscal Incentives for Units

Fiscal incentives under this policy have been formulated to reduce the burden pertaining to capital and operational expenditures on ESDM units and assist smaller businesses in developing competitiveness. In the medium term, these initiatives are aimed at fostering growth in the ESDM sector and developing a more favorable industrial ecosystem within the state.

9.1 Fiscal Incentives for Ultra- Mega Units

Ultra-Mega Projects shall be offered customized package of incentives by Haryana Enterprise Promotion Board throughout the State.

9.2 Special Package of Incentives

Special Package of incentives for Mega units in 'B', 'C' and 'D' Category blocks having potential of ancillarisation shall be decided by HEPB over and above standard package of incentives based on Cost Benefit Analysis as per HEEP 2020 (as amended from time to time) and/ or any future Haryana's Flagship Industrial Policy (if and when released).

Special Package of incentives in 'A' Category Block having potential of ancillarisation shall be decided by HEPB over and above standard package of incentives based on Cost Benefit (CB) Model. Capping of custom incentives for 'A' Category block will be at par with 'B' Category block as per the approved CB Model by HEPB

9.3 Fiscal Incentives for Large and Mega Units

9.3.1 Investment Subsidy

There are 3 options for availing the subsidy, out of which, the enterprise will have to choose any one of the following options:

a) Net SGST Reimbursement

Units can avail 50% reimbursement on SGST paid to the State Government, for 5 years for units in 'A' block and 10 years for units in 'B', 'C', and 'D' blocks; subject to a ceiling of 100% of FCI or INR 300 Cr., whichever is less;

Or

b) Capital Subsidy

Units are eligible for reimbursement of eligible capital expenditure, depending on investment size and location/ block ('A', 'B', 'C', 'D') as per the criteria and proportions, as specified below:



#	Eligible Reimbursement under Capital Subsidy for 10years	
Block	Large	Mega
D	20% of eligible capital expenditure	25% of eligible capital expenditure
C	15% of eligible capital expenditure	20% of eligible capital expenditure
B	10% of eligible capital expenditure	15% of eligible capital expenditure
A	05% of eligible capital expenditure	10% of eligible capital expenditure

Capital subsidy shall be limited to INR 300 Cr. or less and shall be reimbursed in annual equal installments in 10 years;

Or

c) **Haryana State Production Linked Incentive (PLI)**

Units can avail production-linked incentive offered by the Government of Haryana depending on the location of the project. The incentive will be in proportion to the incremental turnover achieved annually by the firm:

#	State Production Linked Incentive		
Block	C & D	B	A
PLI (%)	1.6%	1.3%	1%

Production linked incentive will be applicable for 10 years and limited to 100% of FCI or INR 300 Cr., whichever is less.

9.3.2 Additional support to Large, Mega units availing benefits under Gol Schemes

The units will be eligible for availing additional benefits in case such units have availed fiscal benefits under the following Government of India schemes/ policies, post the date of notification of this policy:

- SPECS (or any equivalent of SPECS, if and when notified in future).
- PLI schemes for electronic products.
- 'Modified Programme for Semiconductor and Display Fab Ecosystem' (or any equivalent of schemes under this programme, if and when notified in the future).

The following additional benefits under this head will be given by the Government of Haryana only after the requisite sanction has been obtained for incentives under the relevant Government of India policy. The details of additional benefits are as mentioned below:

- a) **For beneficiaries of SPECS:** Beneficiaries of 'Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors' are eligible for 50% additional benefit (of the benefit availed under Gol scheme) under this policy. The financial assistance will be limited to INR 10 Cr.
- Large and Mega units availing additional support under this head will be eligible only for 'Net SGST Reimbursement' or 'Haryana State Production Linked Incentive' under 'Asset



Development Subsidy’ category. The overall ceiling for incentives under this head along with asset Development Subsidy will be subject to a ceiling of 100% of FCI or INR 300 Cr., whichever is less.

b) **For beneficiaries of Government of India PLI scheme:** Beneficiaries of ‘PLI schemes’ offered by the Government of India for electronic products are eligible for 25% additional benefit (of the benefit availed under Gol scheme) under this policy.

- Financial support under this category will be limited to:

Additional Top-up incentive under Production Linked Incentive (PLI)	
Large & Mega Units	INR 300 Cr. or 100% of FCI, whichever is less

- Large and Mega units availing additional support under this head will be eligible only for ‘Net SGST Reimbursement’ or ‘Capital Subsidy’ under ‘Asset Development Subsidy’ category. The overall ceiling for incentives under this head along with Asset Development Subsidy will be subject to a ceiling of 100% of FCI or INR 300 Cr., whichever is less.

c) **For beneficiaries of ‘Programme for Semiconductor and Display Fab Ecosystem’ schemes:** Beneficiaries of schemes under ‘Programme for Semiconductor and Display Fab Ecosystem’ are eligible for 50% additional benefit (of the benefit availed under the Gol scheme) under this policy.

- Large & Mega units availing additional support under this head will be eligible only for ‘Haryana State Production Linked Incentive’ or ‘Net SGST Reimbursement’ under ‘Asset Development Subsidy’ category. The financial assistance will be limited to INR 300 Cr. or 100% of FCI, whichever is less.
- Overall ceiling for incentives under this head along with Asset Development Subsidy will be subject to a ceiling of 100% FCI or INR 300 Cr., whichever is less.

9.4 Fiscal Incentives for All Eligible (Large, Mega, and MSME) ESDM Units

9.4.1 Electricity Duty Reimbursement

100% reimbursement of electricity duty as per the following table:

Type	Block		
	B	C	D
Mega	5 years	7 years	10 years
Large	5 years	7 years	10 years
MSME	7 years	10 years	12 years

9.4.2 Reimbursement of ETP cost

One-time reimbursement up to 50% of the expenditure for setting up ETP, subject to a ceiling of INR 50 lakh.



9.4.3 Stamp Duty Reimbursement

100% Reimbursement of Stamp Duty 'B', 'C' and 'D' category blocks after commencement of commercial production within 5 years from the date of purchase of land.

9.4.4 Employment Generation Subsidy

The units shall be eligible for employment generation subsidy of INR 48,000 per year per employee (only in case of direct employment on payroll with valid ESI/ PF Number and total monthly remuneration of up to INR 40,000) for a period of 10 years (skilled/ semi-skilled/ un-skilled) having Haryana Bonafide Resident Certificate (Haryana Domicile Certificate).

9.5 Additional Incentives for eligible MSME ESDM units

This policy provides critical support to MSMEs for enhancing productivity, quality, credit access, logistics and promoting entrepreneurial spirit. The MSME units will be eligible for the incentives over and above as per the HEEP-2020 (Annexure-4, Section-4) and other incentives under MSME Policy 2019 or any other policy, as amended from time to time. The incentives in this section are applicable only to eligible MSME units.

9.5.1 Net SGST Reimbursement

50% for 10 years in B, C, D Blocks and for 5 years in A Block with cap of 100% of FCI.

9.5.2 Reimbursement of Patent Cost

Financial assistance subject to a ceiling of INR 25 lakh for domestic/ international patents or 100% of the actual cost (including filing fees, consultancy fees, search fees, maintenance fees and Publishing fees) incurred, whichever is less.

9.5.3 Reimbursement of Prototyping Cost

All the eligible MSME units will be eligible for reimbursement of 75% of the cost incurred for developing prototype of a maximum of 3 products subject to a ceiling of INR 15 lakh per annum.

9.5.4 Reimbursement of Guarantee Fee under CGTMSE

100% guarantee fee to be reimbursed to MSMEs subject to a ceiling of INR 2 lakh per year for 5 years from the date of commencement of commercial production/ operations.

9.5.5 Financial Assistance for listing on 'Emerge' exchange platform (NSE) or SME Platform (BSE)

25% of the cost of Public Issue expenses, subject to ceiling of INR 10 lakh for registration on 'Emerge exchange platform (NSE)' or 'SME platform (BSE)', once during the validity period of the policy.



9.5.6 Reimbursement of Credit Rating Expenses

Reimbursement of the expenses incurred towards the credit rating to the extent of 75% subject to a ceiling of INR 2 lakh for MSMEs carried out by SEBI accredited credit rating agencies, i.e., CRISIL, ICRA, CARE, SMERA, Fitch India, and Brickwork Ratings, etc. or credit rating agencies empanelled by SIDBI. Units shall be eligible for reimbursement once during the validity period of the policy.

9.5.7 Quality Certification Fee Reimbursement

100% Reimbursement of charges paid for quality certification(s) (ISO/ BIS/ WHO-GMP/ ZED/TS/ Hallmark certifications) subject to a ceiling of INR 10 lakh which can only be availed once during the policy period.

9.5.8 Lease/ Rental Reimbursement

A reimbursement @ INR 30 per sq. ft. per month or 75% of the actual rent paid by the ESDM units, whichever is less, for a period of 3 years, will be given for space taken on a lease or rent basis.

9.5.9 Reimbursement of Freight Charges

With the aim to reduce logistical costs, the Government of Haryana will be providing the following incentives for MSMEs:

- a) **Exports:** 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.
- b) **Imports:** 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 during the operative period of the policy. Only those raw materials imported will be eligible under this for which customs duty has been exempted by the Ministry of Finance (GoI), as per the notification no. 02/2023-Customs to 12/2023-Customs dated 19th Feb 2023 or as amended from time to time or any other relevant guidelines/ acts/ rules/ circulars notified by the Government of India.



10. Infrastructure Development

10.1 Electronics Manufacturing Cluster (EMC) / Park

In addition to the EMC being set up at 500 acres of land area in Sohna, under the Government of India's EMC 2.0 scheme, the Government of Haryana will endeavour to establish more EMCs at strategic locations across the state.

Financial assistance for developers shall be applicable if the park/ cluster is setup as per the following norms:

S.No.	Zone as prescribed in Haryana Development & Regulation of Urban Areas Act, 1975 (as amended from time to time)	Minimum Area (Acres)	Minimum Units	Minimum Investment (excluding land) (in INR Cr.)
1.	Hyper/ High Potential Zone	50	10	300
2.	Medium Potential Zone	25	5	150
3.	Low Potential Zone	15	3	90

The following incentives will be given to the developers:

10.1.1 Capital Investment Subsidy

25% of the eligible capital expenditure will be given for the development of ESDM parks, subject to a ceiling of INR 50 Cr.

The incentives shall be disbursed as per the following tranches:

Instalment	Criteria	Grant Tranche
First Instalment	50% development of ESDM Park with requisite amenities as per approved development plan.	25% of Eligible Incentive
Second Instalment	Development of remaining 50% of ESDM Park with requisite amenities as per approved development plan and, Proof of operation of at least 25% of total permissible area earmarked for setting up units as per approved development plan.	35% of Eligible Incentive
Third Instalment	Proof of operation of at least 75% of total permissible area earmarked for setting up units as per approved development plan.	25% of Eligible Incentive
Last Instalment	Proof of operation of at least 100% of total permissible area earmarked for setting up units as per approved development plan.	15% of Eligible Incentive

10.1.2 Stamp Duty Reimbursement

100% reimbursement of Stamp Duty for purchase/ lease of land.



10.2 Centre of Excellence (CoE)

The policy envisages setting up Centres of Excellence (CoE) equipped with world-class infrastructure to promote research, innovation, and entrepreneurship in the ESDM sector. The Government of Haryana will collaborate with reputed academic institutions and/ or industry associations/ industry or any other Government/ Private entity for the establishment of a CoE. Up to 50% of the eligible capital expenditure (subject to a maximum of INR 10 Cr.) shall be borne by the Government of Haryana.

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11. Human Capital Development

11.1 Apprenticeship Program

For the purpose of providing industrial exposure to students it is necessary for gaining practical experience and building acumen for applying theoretical knowledge in real world situations. Therefore, mandatory internships or apprenticeships are need of the hour. The government encourages the enterprises to provide internships or apprenticeships or sector specific industrial training for students enrolled in courses across various State Govt. ITI's, Colleges etc.

50% of the cost of stipend up to a ceiling of INR 2,500 will be reimbursed to the eligible enterprises providing apprenticeship to maximum 15 students per year.

11.2 Development of Specialized Courses

In consultation with leading industry players, sector skill councils and academic institutions, focused specialized skill development courses will be offered in state skilling institution, Government/ ITI/ Polytechnics of Haryana to ensure skilled ready workforce for the industry.

The State Government shall also encourage skill development and training programmes for youth as per National Skill Development Corporation Guidelines released by Government of India from time to time.

A special training programme will be designed and organized for faculty development to be equipped with the know-how in order to cultivate entrepreneurial intellect.



12. Additional Support to Promote Startup Ecosystem

12.1 Incubator Facilitation & Collaboration for Mentorship

The Government of Haryana will promote setting up of Incubation Centres in Universities and other Academic Institutions along with providing mentorship to emerging startups in ESDM sector.

12.2 Incubation Support to Startup Champions

Top 15 performing startup entities operating in Haryana will be identified annually based on an evaluation criterion, as decided by the Steering Committee. Such startups will be offered free incubation space in Government-owned incubators operational in Haryana, with a maximum of 5 seats per startup for a period of one year, which may be extended up to a maximum period of 3 years on year-to-year basis subject to the performance and requirements of the entity.

12.3 Financial Assistance for Prototyping

The eligible startups can avail reimbursement of 75% of the cost incurred for developing a prototype of a product subject to ceiling of INR 15 lakh per year, with an allowance of a maximum of 2 sanctions per year per startup.

12.4 Bootcamp

The Government of Haryana will organize Industry-specific bootcamps for knowledge sharing, growth opportunities, and potential in the ESDM sector amongst the participants.

12.5 Buying Preference to Startups in Government Procurement

The government shall encourage the participation of startups in the government procurements by the exemption of tender fee, EMD, concession in performance security, turnover, waiving off prior experience, as long as the product meets the desired specifications.



13. Marketing Development

13.1 Linkage with government and digital commerce portals

To facilitate easy access to the market, the Government of Haryana will support businesses in joining GeM (Government e-Marketplace) portal, ONDC (One Network for Digital Commerce) & other e-commerce platforms, through IEC activities and institutional tie-ups.

13.2 Industry Engagement & Outreach

To promote brand Haryana and attract private sector investments, the Government shall organise focused conferences/ business events/ road shows, promotional events at various locations from time to time to facilitate B2B, B2G, G2G interaction and participate in national/ international events, exhibitions, conferences.

13.3 Market Development Assistance

The Government will support eligible units in order to encourage Haryana based Medical Devices units/ Startups to showcase and promote their product/ service offerings at various national and international fairs/ exhibitions/ events, etc. The following shall be reimbursed for participation in the international/ domestic/ exhibitions for one fair in a year.

i. International Fairs/ Events/ Exhibitions, etc.

- a. 75% of the cost towards space charges, shipment of exhibits, cost of product literature, display material, stall/ stand construction/ fabrication/ designing charges or maximum up to INR 4 lakh
- b. Airfare by economy class up to INR 1 lakh (maximum 2 persons)

ii. Domestic Fairs/ Events/ Exhibitions, etc.

- a. 75% of the cost towards space charges, shipment of exhibits, cost of product literature, display material, stall/ stand construction/ fabrication/ designing charges or maximum up to INR 3 lakh
- b. Airfare by economy class up to INR 0.5 lakh per person (maximum 2 persons)
- c. Boarding charges up to INR 5000/- per day per person (maximum 2 persons)



Foster R&D growth



14. Encouraging Research & Development (R&D)

14.1 R&D Centre

Financial reimbursement @ 35% of project cost, subject to a ceiling of INR 1.5 Cr. to facilitate setting up of R&D Centers/ Laboratories for research and innovation, throughout the State.

Also, grants for operational expenditure will be limited to 20% of total operational expenditure, subject to a ceiling of INR 20 lakh per year, for a period of 3 years. Such grants shall cover expenditures including salaries of scientists, engineers and research staff, cost of participation in conferences & workshops, the fee associated with publication of research papers, and raw materials/ consumable/ tools/ components required for the research.

R&D centers recognized by DSIR (Department of Scientific & Industrial Research), Council of Scientific & Industrial Research (CSIR), any other institute of national/ international importance, or as decided by the Steering Committee shall also be eligible to avail this incentive under the policy.

14.2 Academia Collaboration

The State shall collaborate with Academia/ Educational institutions to foster research and development in the ESDM Sector and promote growth and innovation in the industry.



Regulatory Reforms



15. Simplified Regulatory Regime

In its endeavour to create a conducive business climate for ESDM sector, the Government of Haryana has implemented landmark reforms for regulatory simplification. These reforms are aimed at improving the Ease of Doing Business in the State and ensuring a hassle-free experience for the investor.

15.1 Dedicated Single Roof

The Government of Haryana has already established Haryana Enterprise Promotion Centre (HEPC), which provides one-stop-shop clearances to business entities willing to setup their units in the State.

15.2 Self-Certification

The Government of Haryana has allowed Self-certification vide Notification No. 11/12/2018-4Lab dated 03.05.2018 (as amended from time to time), 3rd party verification for Labour related clearances and approvals under 13 acts of the Labour Department in Haryana. Self-certification/ 3rd Party verification has been allowed for the below-mentioned acts of Labour:

- Factories Act, 1948 and Rules framed thereunder.
- Minimum Wages Act, 1948 and Rules framed thereunder.
- Payment of Wages Act, 1936 and Rules framed thereunder.
- Contract Labour (Regulation & Abolition) Act, 1970 and Rules framed thereunder.
- Payment of Bonus Act, 1965 and Rules framed thereunder.
- Payment of Gratuity Act, 1972 and Rules framed thereunder.
- Maternity Benefit Act, 1961 and Rules framed thereunder.
- Child Labour (Prohibition & Regulation) Act, and Rules framed thereunder.
- Shops & Commercial Establishments Act, 1958 and Rules framed thereunder.
- The Inter-State Migrant Workmen (RECS) Act, 1979 and Rules framed thereunder.
- The Equal Remuneration Act, 1976 and Rules framed thereunder.
- Motor Transport Workers Act, 1961 and Rules framed thereunder.
- Punjab Industrial Establishments (National & Festival Holidays & Casual and Sick Leave) Act, 1965.
- The Building and Other Construction Works (Regulation of Employment and Conditions of Service) Act, 1996

15.3 Online single return for various Acts pertaining to the Department of Labour

The Labour Department has implemented the online submission of a unified single return under all labour laws. The Government of Haryana has already implemented online filing of returns for labour compliance using a single application form and has been keeping labour-related records in electronic form.

15.4 Allowing three shifts and night shifts for Women



ESDM Units will be permitted for three shift operations allowing women to work at night, which is subject to the units taking the necessary precautions with respect to the safety and security of women employees. In addition, the government will implement an auto-renewal system, basis self-certification for such permissions (subject to fulfilling necessary regulatory compliance) and encourage faceless and paperless approval.

15.5 Essential Services

The Government will be declaring the ESDM Units (as covered under this policy) as an essential service under Haryana Essential Services Maintenance Act, 1974. The eligibility for such units will be decided by the Steering Committee.

15.6 Steering Committee

A Steering Committee under the chairmanship of Administrative Secretary, Industries & Commerce, Haryana comprising senior officials from concerned departments, Industry Experts/ Associations, or any other special invitee, etc. will be formed for deliberation on policy matters and implementation thereof.

Note: All the eligible ESDM units shall be given the above regulatory benefits in addition to the ones mentioned in HEEP 2020 (as amended from time to time).



Annexure-I

Indicative Electronics Product List

1. Mobile phones
2. Desktop
3. Laptop/ Tablet
4. Telecom/ Networking Products
5. Consumer electronics
6. IT Hardware
7. Industrial electronics
8. Automotive electronics
9. Broadcasting equipment
10. PCBs/ ICs
11. Semiconductor
12. Nano Electronic Components
13. Accessories (Mobile Phones, Desktop, Laptop, Tablet)
14. Liquid Crystal Displays (LCD), Light Emitting Diode (LED), Organic Light Emitting Diode (OLED)