

Revised Freight Assistance Scheme notified in the state

Why in News?

On July 26, 2023, the Haryana Government notified the Revised Freight Assistance Scheme for all MSME exporting units located in the state by amending the notified freight assistance scheme under 'Haryana Enterprises and Employment Policy (HEEP) - 2020'.

Key Points:

- According to a notification to this effect issued by the Department of Industry and Commerce, in order to make the export of Micro, Small and Medium Enterprises (MSMEs) competitive in the global market, the port/air cargo/cargo from the premises of the unit will be allowed to move from the premises of the unit, along with other non-financial incentives. Rs 25 lakh will be provided as freight subsidy to pay the transportation cost to the international borders.
- Freight support up to the extent of 1% of free on board (FOB) value or actual freight, whichever is lower, shall be ensured on the basis of level of ZED certification, excluding Government duties and taxes on movement of goods from the manufacturing site to the port/air cargo/international border.
- For thrust sector (notified under HEEP), a maximum subsidy of Rs 25 lakh will be ensured to the manufacturer exporter engaged in thrust sector located in 'C' and 'D' category blocks and up to Rs 15 lakh to the manufacturer exporter engaged in thrust sector 'A' and 'B' category blocks.
- For all other eligible manufacturer exporting units (non-thrust sector), subsidy up to a maximum of Rs 20 lakh will be ensured to the manufacturer exporter located in 'C' and 'D' category blocks and up to Rs 10 lakh to the manufacturer exporter located in 'A' and 'B' category blocks.
- The new amendment policy provides for 100 per cent subsidy for ZED Gold certified units for transportation from the manufacturing site to port/air cargo/ international border by road, 75 percent for ZED Silver certified units and free-on-board (FOB) value for ZED bronze certified units excluding government duties and taxes out of 1 percent of actual freight. A 33 percent subsidy will be ensured.
- As per the amendment, applications of all eligible units will be submitted on the web portal of the department within a period of 6 months from the date of end of the financial year and the Director General/Director, MSME will be the competent authority to sanction freight subsidy of more than Rs 10 lakh.
- The time period for delivery of service will be as follows: The letter should be approved in 45
 working days and the letters will be approved within seven days and will be delivered within seven
 days.
- The effective date of implementation of the scheme is July 1, 2023, which means that the actual export should be done on or after July 1, 2023, it will be determined based on the bill of lifting.
- The documents in the prescribed proforma for availing the subsidy can be uploaded on the department's website up to 6 months before the end of the financial year.
- The Director General, Micro, Small and Medium Enterprises, Haryana will be the competent authority to give these incentives.
- According to the notification, if an applicant is found to be taking the said benefit on the basis of
 incorrect facts, then he will have to refund the incentive amount with a compound interest rate of
 12 percent per annum and legal action will also be taken against him.
- Apart from this, any kind of incentive / assistance grant given by the state government can be denied.



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