

FISCAL INCENTIVES FOR
Defence and Aerospace Manufacturing
AS PER EPP 2020

SR. NO.	FISCAL INCENTIVES	A Block	B Block	C Block	D Block
			MICRO, SMALL & MEDIUM	MICRO, SMALL & MEDIUM	MICRO, SMALL & MEDIUM
1	Investment Subsidy in lieu of SGST	NIL	50% of net SGST for 7 years in B Category blocks with cap of 100% of FCI.	75% of net SGST for 8 Years in C Category blocks with cap of 125% of FCI.	75% of net SGST for 10 Years in D Category blocks with cap of 150% of FCI.
			MICRO, SMALL & MEDIUM	MICRO, SMALL & MEDIUM	MICRO, SMALL & MEDIUM
2	Employment Generation Subsidy	NIL	persons belonging to Haryana (skilled/semi-skilled) [having Haryana Resident Certificate] Subsidy @ Rs 48,000/- per year for SC/ Women and Rs 36,000/- per year for general category for 5 years with ESI/PF Number	persons belonging to Haryana (skilled/semi-skilled) [having Haryana Resident Certificate] Subsidy @ Rs 48,000/- per year for SC/ Women and Rs 36,000/- per year for general category for 5 years with ESI/PF Number	For all the persons Subsidy @ Rs 48,000/- per year for SC/ Women and Rs 36,000/- per year for general category for 5 years with ESI/PF Number
			MICRO & SMALL	MICRO & SMALL	MICRO & SMALL
3	Interest Subsidy	NIL	5% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 3 years in 'B' Categories Blocks	6% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 5 years in 'C' Categories Blocks	6% for Micro and Small Enterprises on term loan or maximum up to Rs. 10.00 lakh per year for 5 years in 'D' Categories Blocks
			MICRO, SMALL & MEDIUM	MICRO, SMALL & MEDIUM	MICRO, SMALL & MEDIUM
4	Stamp Duty	NIL	80% in 'B' category blocks on the land	100% refund in 'C' category blocks on the land	100% refund in 'D' category blocks on the land

			meant for industrial use after commencement of commercial production, within 5 years from the date of purchase of land.	meant for industrial use after commencement of commercial production, within 5 years from the date of purchase of land.	meant for industrial use after commencement of commercial production, within 5 years from the date of purchase of land.
			MICRO, SMALL & MEDIUM	MICRO, SMALL & MEDIUM	MICRO, SMALL & MEDIUM
5	EDC Charges	NIL	50% exemption of EDC	50% exemption of EDC	50% exemption of EDC
			MICRO, SMALL & MEDIUM	MICRO, SMALL & MEDIUM	MICRO, SMALL & MEDIUM
6	Electricity Duty Exemption	NIL	100% exemption for for 5 years in 'B' category blocks	100% exemption for 7 years in 'C' category blocks	100% exemption for 10 years in 'D' category blocks
			MICRO, SMALL & MEDIUM	MICRO, SMALL & MEDIUM	MICRO, SMALL & MEDIUM
7	Open Access Charges	NIL	Exemption from open excess charges maximum up to Rs. 1.00 per unit (Wheeling Charges, Transmission Charges, Cross subsidy Surcharge and Additional Surcharge in case of Medium and Large units in Thrust sectors	Exemption from open excess charges maximum up to Rs. 1.00 per unit (Wheeling Charges, Transmission Charges, Cross subsidy Surcharge and Additional Surcharge in case of Medium and Large units in Thrust sectors	Exemption from open excess charges maximum up to Rs. 1.00 per unit (Wheeling Charges, Transmission Charges, Cross subsidy Surcharge and Additional Surcharge in case of Medium and Large units in Thrust sectors

Note:

- i. The other incentives specified for MSME sector would also be permissible for MSMEs under this thrust sector.
- ii. Special Package of incentives in B, C and D blocks having potential of ancillarisation shall be decided by HEPB over and above standard package of incentives on the basis of Cost Benefit Analysis.