



# Haryana Aerospace and Defence Production Policy, 2022

## Why In News?

- The '**Haryana Aerospace and Defence Production Policy, 2022**' was approved in the Cabinet meeting chaired by Haryana Chief Minister Manohar Lal Khattar on May 6, 2022.

## Key Point

- The objective of the policy is to attract investment of US\$ 1 billion over the next five years with a focus on promoting industrial development in the aerospace and defence sector and creating a complete ecosystem for the development of the sector and to establish Haryana as the leading aerospace and defence hub of the country by creating employment opportunities for about 25,000 people.
- The policy envisages harnessing haryana's inherent strength in auto components and automobile manufacturing sector.
- Through this policy, the Government of Haryana is committed to various steps to promote human capital development in the State, such as curriculum development, Research and Innovation Scholarship Programme, Aerospace and Defence University and setting up of flying schools.
- The policy will also meet the need to create a world class MRO in Haryana. At the same time, this policy lays special emphasis on the development of the MSME sector and the development of its business.
- The state government will facilitate and encourage proposals for setting up of new MRO facilities at the existing airports or new locations in Haryana.
- Cluster development, market linkages and international cooperation, enhancing access to infrastructure and technology, regulatory simplification, infrastructure support and financial incentives have been envisaged to accelerate the growth of the MSME sector in the State and to promote entrepreneurship.
- The financial incentives offered under this policy are as under:
  - 100% of net SGST will be reimbursed for 10 years in D category blocks to the extent of 12.5 % of FCI.
  - 75% of the net SGST will be reimbursed for 8 years in C category blocks.
  - 50% of the net SGST will be reimbursed for 7 years in B category blocks.
  - Within a radius of 10 km of B, C and D blocks and all airstrips (except Hisar Airport) in Haryana, 5% of the Fixed Capital Investment (FCI), the maximum limit is Rs.10 crore.
  - Integrated Manufacturing Cluster, 5% of The Fixed Capital Investment (FCI), maximum limit of Rs.20 crore, will be invested in a radius of 10 kms around Hisar and Maharaja Agrasen Airport, Hisar (MAH).
  - A subsidy of Rs.48,000/- per annum will be provided to all categories of employees having salary above Rs.40,000/- per month in B, C and D blocks.
  - The aerospace and defence units in B, C and D blocks will be eligible for reimbursement of 100% stamp duty on sale/lease deed after commencement of commercial production within 5 years from the date of purchase of land.
  - 100% waiver in electricity charges for 10 years in B, C and D blocks.
  - A credit guarantee scheme will be offered to students pursuing aviation/aerospace related course in higher education.
  - In order to facilitate research and innovation in the State, the units registered with the Department of Scientific and Industrial Research will be provided financial assistance @

50% of the project cost subject to a maximum of Rs. 50 crore.

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