



**Standard**

**Subsidy Viability Report (SVR)**

**For**

**Warehouse Business (Agri & Commercial)**

**(Haryana State Specific)**

**Produced By:**

**KIP – Business Subsidy Consultant**

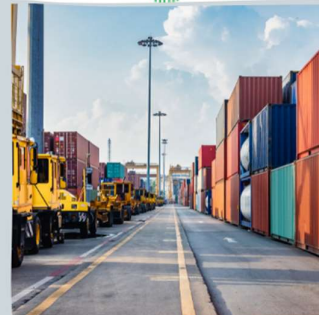
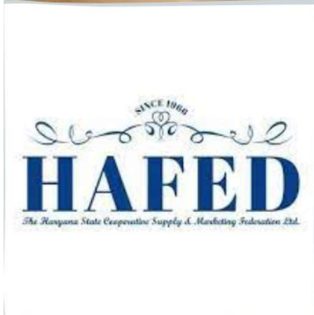
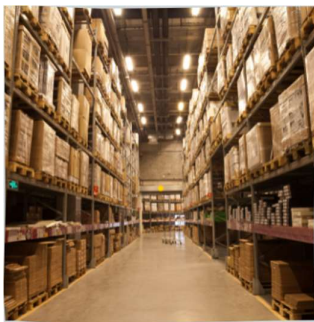
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**This SVR is Beneficial For:**

- 1. Want to Apply Govt. Tender for Warehouse such as HAFED/FCI/HSWC/CCI/CWC etc.**
- 2. Want to construct Agriculture Godown.**
- 3. Doing Private Warehousing Business in Haryana**
- 4. Looking for Commercial Warehousing**
- 5. Warehousing and Logistic Project.**
- 6. Investment in Land for Warehousing Purpose.**
- 7. Food Processing Unit such as Rice Mill/Dall Mill/Flour Mill/Cold Storage etc.**
- 8. Registered Farmer Producer Organization.**



## **INDEX**

- 1. Brief About Warehouse SVR**
- 2. Applicability of Subsidy Schemes**
- 3. Haryana State Govt. Scheme For Warehouse Sector**
  - 1) Haryana Logistic Warehousing and Retail Policy, 2019**
  - 2) Haryana Enterprises and Employment Policy 2022  
(HEEP, 2020)**
- 4. Central Govt. Scheme for Warehouse Business:**
  - 1) Capital Subsidy of NABARD**
  - 2) Agriculture Infrastructure Fund**
- 5. Conclusion**
- 6. Recommendation**

***Disclaimer***

***Annexure – I***

## **1. Brief About Warehouse Subsidy Viability Report (SVR):**

This SVR has been specifically prepared for warehouse business. Those people who are doing or interested to start the Warehouse business can take the advantage of this Standard Subsidy Viability Report.

Further, this SVR has been specially prepared for Haryana State Only. We have covered the Central Govt. Subsidy Schemes as well as Haryana State Govt. Subsidy and incentives available for Warehouse Business.

Further, this SVR shall be beneficial for both types of Warehousing i.e., Agriculture Godown and Commercial Warehousing. Since Commercial demand of Storage are going to increase day by days and Govt has also focused to prevent post harvesting loss occurred to Farmers. That's why demand of Agriculture infrastructure such as Agriculture Godown, Storage House, Distribution Centres etc. has been increased.

Further, the demand of Commercial Warehouse has also groomed due to better transportation facility, Online Demand of Goods and Implementation of GST. Govt has also boost up the Investor to do investment in such industry through providing financial assistance in form of subsidy for set up Warehouse infrastructure.

So, this SVR will be helpful in taking the Investment decision in warehouse sector.

## 2. Applicability of Subsidy Schemes:

Applicability of the various Schemes under Central and State Scheme are as mentioned below, subject to considering those schemes which are time being in force from the regulatory authority.

A. Haryana State Govt. Schemes and Policy:

- 1) Haryana Logistics Warehousing & Retail Policy, 2019.
- 2) Haryana Enterprises and Employment Policy, 2020.

B. Central Govt. Schemes:

- 1) Agriculture Infrastructure Fund
- 2) Subsidy Under NABARD.

### Definitions used in the below schemes:

- i. Block: Department has categorized Haryana in four block named as A, B, C and D.
- ii. Micro Unit - Investment in Plant and Machinery or Equipment does not exceed INR 1 crore and turnover does not exceed INR 5 crores.
- iii. Small Unit: Investment in Plant and Machinery or Equipment does not exceed INR 10 crore and turnover does not exceed INR 50 crore.
- iv. Medium Unit: Investment in Plant and Machinery or Equipment does not exceed INR 50 crore and turnover does not exceed INR 250 crore.
- v. Large Unit: Investment in Plant and Machinery more than INR 50 crore and turnover greater than INR 250 crore.
- vi. NABARD – National Agriculture Bank for Rural Development.

**vii. AIF: Agriculture Infrastructure Fund**

**Some General Conditions:**

- i.** Unit will be eligible for a subsidy based on compliance with the terms and Conditions mentioned in the scheme.
- ii.** General Capital subsidies are applied on fixed capital investment. The calculation may be changed based on the scheme.
- iii.** Interest subsidies on bank finance taken for expansion or establishment cannot exceed the Bank rate applicable on the loan taken.
- iv.** On physical verification by the respective department, Warehouse must be working as proposed in the application form.
- v.** Under MSME Scheme, MSME registration is mandatory and should be valid on the date of starting the project.
- vi.** The majority of schemes are credit linked. In other way, Unit must be availed Bank loan for taking the benefit of Subsidy.
- vii.** To get the benefits of the scheme in Haryana, Unit must be registered in Haryana Udhyam Memorandum (HUM) and MSME.
- viii.** Applicable subsidy scheme and its impact on financial should be duly disclosed in detailed project report (DPR) submitted to the banker.
- ix.** The 1st Sale/Rental bill date is important for submission of subsidy application. So, you need to discuss with your consultant before issuing 1st Sale/Rental bill.

### 3. Haryana State Govt. Scheme For Warehouse Sector:

#### A. Haryana Logistic Warehousing and Retail Policy, 2019:

##### **Policy Applicability:**

Up to 08.03.2024 or as further notified by the Department.

##### **Implemented By:**

Department of Industry and Commerce of Govt. of Haryana.

The Geographical location of the Haryana state has been categorized into blocks A, B, C and D as per their development position. In order to efficient growth of all the area, state will providing the major subsidy on backward areas rather than developed areas.

*(Kindly refer Annexure – I for knowing Block categorization in Haryana)*

**As per the location of Warehouse Site, Block category shall be fix up and accordingly incentives under this shall be lineup. So, before going to buying the land or taken on lease, it is recommended to ensure the Block Categorization.**

Minimum land requirement:

The warehouse should be developed in a minimum **of 2 Acres and** should have a **minimum approach road of 30 ft.**

**i. Capital Subsidy:**

Government will give financial assistance @ **25%** of the **fixed** capital investment subject to a **maximum** of **INR 5 Crore**, in C & D Category Blocks only.

For the warehouse site which are covered under Block A and B shall not be entitled to take this capital subsidy benefits.

Time lines for Apply: Within 3 Months from the date of Commencement of Business.

**ii. Interest Subsidy:**

Government will provide interest money @5% on loan taken to meet working capital requirements subject to a maximum up to INR 10 lakhs per year for 3 years, in C & D Category Blocks.

Time Lines for Apply: Within 3 Month from the end of Financial Year.

**iii. Stamp Duty Reimbursement:**

100% Reimbursement of Stamp Duty in all Block of Haryana.

No Block Restriction are applicable for taking stamp duty refund. Means to say, Investor can take the benefits of Stamp Duty refund in all over Haryana if the land has been purchased for warehousing purpose.



Time lines for Apply: Within 3 Months from the date of Commencement of Business.

**iv. Electricity Duty Exemption:**

100% of Electricity Duty exemption for 7 Years.

Time lines for Apply: Within 3 Months from the date of Commencement of Business.

**v. External Development Charges (EDC) Reimbursement:**

50% reimbursement in EDC in C and D category blocks for Warehouses, Logistic Parks, and Integrated/Multi-Modal Logistics Parks.

Time lines for Apply: Within 3 Months from the date of Commencement of Business.

**vi. Capacity Building incentives:**

**Reimbursement of technical training cost of operational, front-line and Supervisory workers of warehouse.**

Eligible person will get maximum of 50% of the training cost which is limited up to a maximum of Rs. 10,000, which will be provided one time per worker per training program.

**Time limit to claim the incentive:** The training cost can be claimed by the Entrepreneur **within 1 year from the date of commencement of commercial production** of the Enterprise.

Due date to apply for the scheme: Within 3 months from the completion of training.

Note: The incentive is only applicable for workers with Haryana domicile."

**Comment** Above scheme benefits is applicable up to 08.03.24 and subject to fulfillment of eligibility as per guidelines issued from time to time.

**To know more about this policy, watch our Video  
Scan QR Code**



### **B. Haryana Enterprises and Employment Policy 2022 (HEEP, 2020)**

Policy Implemented By: Department of Industry and Commerce of Haryana. Applicable up to: Dec. 2025

Another important policy in Haryana is HEEP. In case if Unit has not met with the minimum eligibility norms of Haryana Logistic and Warehouse Policy (i.e shared in above) then Unit can line up the eligible subsidy and incentives available under HEEP.

The Major Subsidy and incentives under this scheme are as:

#### **1. Investment Subsidy for Net SGST paid:**

If Unit has provided the commercial warehouse services and need to pay GST thereon then it can take the benefits on Net SGST paid during the year. The benefits as per Block Wise are as:

For Block A Unit: No Benefits Available

For Block B Unit: 50% of Net SGST Paid During the Year

For Block C and D Unit: 75% of Net SGST Paid During the Year.

## **2. Interest Subsidy:**

5% on Term Loan, Maximum up to Rs. 20.00 Lacs Per Year for First 5 Year from the date of commencement of Business.

## **3. Employment Generation Subsidy (EGS)**

EGS @ Rs. 36,000/- per year for Women/SC category and @ Rs. 30,000/- per year per employee for General Category, for a period of 7 years in B, C & D Category for direct employment on payroll or contract with EPF/ESI to the employee.

## **4. Stamp Duty Refund:**

100% refund in 'D' category blocks; 75% in 'C' category blocks and 60% in 'B' category blocks on the land purchased for Warehouse Purpose.

## **5. Electric Duty Exemption:**

Unit can get the 100% exemption for 12 years if located in 'D' category blocks, 10 years if located in 'C' category Blocks and 7 years if located in 'B' category blocks.

## **6. Refund of EDC Charges:**

100% refund of External Development Charges in D Category blocks, 75% for C Block and 60% for B Category Block.

#### **4. Central Govt. Scheme for Warehouse Business:**

If Warehouse business has been carried for Storage of Food Grain, then Unit can take the advantage of Central Govt. Scheme. For Commercial Warehouse, right now there is no any Central Govt. Scheme applicable for the time being.

##### **A. Capital Subsidy of NABARD:**

Implemented By: National Bank for Agriculture and Rural Development.

Applicability: Up to 31.03.2023 (Further Extension is awaiting as on Date)

NABARD has given the Capital Subsidy for the construction of Godown. IT is a Credit linked subsidy that means Unit need to take Bank Term Loan for construction of Godown, only then it can claim the Capital Subsidy.

Maximum Storage Capacity of 5000 MT is allowed under this scheme.

Quantum of Subsidy will be as:

For Women/SC/ST and Registered FPO:

33.33% of Capital cost subject to Maximum up to Rs. 50.00 Lacs.

For Other Category:

25% of Capital cost subject to Maximum up to Rs. 37.50 Lacs.

Note: Capital cost of the project for the purpose of subsidy will be calculated on the project cost as appraised by the Bank or actual cost of eligible components as certified by a Chartered Accountant, whichever is lower.

### **B. Agriculture Infrastructure Fund:**

Implemented By: Department of Agriculture and Farmer Welfare of Govt of India.

Applicable: Up to F.Y. 2032-33.

Benefits under this Fund:

(i) Interest Subsidy:

@ 3% per annum on Term Loan up to Rs. 2.00 Cr. per year for the 7 Years.

(ii) Credit Guarantee Coverage:

If Warehouse Unit get approval of AIF, then the eligible borrower does not need to provide collateral security up to loan amount of INR 2 CRORES under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme.

**To know more about AIF, watch our Video**

**Scan QR Code**



## **5. Conclusion:**

Through making proper subsidy planning and due diligence, An Investor of Warehouse business can maximize their subsidy benefits.

Provision of Capital Subsidy and Stamp Duty will reduce their Capital Cost and Interest Subsidy reduces his cost of interest on Bank Term Loan.

A brief of Scheme Applicability as per Block wise is Haryana has shared herewith as:

Subsidy on Warehouse Project in Haryana (As Per Block Category)			
For Block C and D			
Warehouse (Food Grain) Subsidy in Haryana			
Sr. No.	Type of Subsidy	Benefits	Cap
1	Capital Subsidy	25% of FCI	Max. up to 5.00 Crore
2	Stamp Duty Refund	100%	No Cap
3	Reimbursement of EDC (CLU Fees)	50%	No Cap
4	Electric Duty Exemption	100% For 7 Years	No Cap
5	Interest Subsidy on Term Loan (AIF)	3% up to 7 Years	On Term Loan up to 2.00 Crore
6	Interest Subsidy on Working Capital Loan	5% up to 3 Years	Max. 10.00 Lacs in a Year
Warehouse (Non Agro) Subsidy in Haryana			
Sr. No.	Type of Subsidy	Benefits	Cap
1	Capital Subsidy	25% of FCI	Max. up to 5.00 Crore
2	Stamp Duty Refund	100%	No Cap
3	Reimbursement of EDC (CLU Fees)	50%	No Cap
4	Electric Duty Exemption	100% For 7 Years	No Cap
5	Interest Subsidy on Term Loan (MSME)	5% up to 5 Years	Up to 20 Lacs per Year
6	Interest Subsidy on Working Capital Loan	5% up to 3 Years	Max. 10.00 Lacs in a Year

Block B			
Warehouse (Food Grain) Subsidy in Haryana			
Sr. No.	Type of Subsidy	Benefits	Cap
1	Nabard's Capital Subsidy	25%/33% of FCI	Max. up to 50.00 Lacs
2	Stamp Duty Refund	100%	No Cap
3	Reimbursement of EDC (CLU Fees)	60%	No Cap
4	Electric Duty Exemption	100% For 7 Years	No Cap
5	Interest Subsidy on Term Loan (AIF)	3% up to 7 Years	On Term Loan up to 2.00 Crore
Warehouse (Non Agro) Subsidy in Haryana			
Sr. No.	Type of Subsidy	Benefits	Cap
1	Stamp Duty Refund	100%	No Cap
2	Reimbursement of EDC (CLU Fees)	60%	No Cap
3	Electric Duty Exemption	100% For 7 Years	No Cap
4	Interest Subsidy on Term Loan (MSME)	5% up to 5 Years	Up to 20 Lacs per Year

Block A			
Warehouse (Food Grain) Subsidy in Haryana			
Sr. No.	Type of Subsidy	Benefits	Cap
1	Nabard's Capital Subsidy	25%/33% of FCI	Max. up to 50.00 Lacs
2	Stamp Duty Refund	100%	No Cap
3	Electric Duty Exemption	100% For 7 Years	No Cap
4	Interest Subsidy on Term Loan (AIF)	3% up to 7 Years	On Term Loan up to 2.00 Crore
Warehouse (Non Agro) Subsidy in Haryana			
Sr. No.	Type of Subsidy	Benefits	Cap
1	Stamp Duty Refund	100%	No Cap
2	Electric Duty Exemption	100% For 7 Years	No Cap



## **6. Recommendation:**

Here are some recommendation or suggestion have been given in the interest of businessman who are willing to start warehouse business or doing the Warehouse Business areas:

- (i) Land selection should be made very carefully. Will ensure that it should be well connected with Road, Not having Heavy Electric Wire, Not surrounded by Polluted Industries/Petrol Pump/Brick Industries and not fall in Flood Zone.
- (ii) Must be obtained MSME Registration and HuM Registration for getting subsidy benefits.
- (iii) Take the services of Warehouse Subsidy Consultant.
- (iv) For taking timely benefits of subsidy must ensure proper documentation of construction cost of warehouse.
- (v) Make the provision of banking Fund in his project.
- (vi) Follow the Guidelines of Scheme or Policy of Govt.
- (vii) Ensure NOC/CLU for site as per applicability.



**Disclaimer:**

*This SVR contain the information related to Warehouse business specifically to avail Financial Assistance from Haryana Govt & Central Govt. as applicable presently. Such information's are helpful to Investor for taking Warehouse Investment decision. We at KIP, are not responsible for any financial and non-financial loss for such investment. Further, KIP shall not entertain any claim with respect to availing Govt. subsidy or any other Govt. departmental approval. Further State/Centre Govt. may amend any provision of said schemes. Eligibility of subsidy shall be subject to provision of scheme and as per location prescribed in said policy. So, buyers of this SVR, are requested to go in details for scheme before taking any decision and advised to take services of business subsidy consultant.*

**You may connect with us.**

**1. By making call at: +91-8683898080**

**2. EMAIL us: [sales@kipfinancial.com](mailto:sales@kipfinancial.com)**

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**5. By Making Visit in our Office:**

**KIP Financial Consultancy Pvt Ltd**

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**Thanks.**

## Annexure – I

## Block categorization:

Sr. No.	Category of Blocks	Status of Development
1.	'A'	Comprising of the industrially developed areas
2.	'B'	Comprising of the areas of 'intermediate development'
3.	'C'	Comprising: of industrially backward areas
4.	'D'	Comprising of industrially most backward areas

## 1. Category 'A' Blocks:

Sr. No.	District	Block	
1.	Ambala	1.	Ambala-I
2.	Faridabad	2.	Faridabad
		3.	Ballabgarh
		4.	Tigaon
3.	Gurugram	5.	Gurugram
4.	Jhajjar	6.	Bahadurgarh
5.	Panipat	7.	Panipat
6.	Rewari	8.	Bawal
7.	Sonipat	9.	Rai
		10.	Sonipat
		11.	Ganaur
		12.	Murthal
8.	Yamuna Nagar	13.	Jagadhri

## 2. Category 'B' Blocks:

Sr. No.	District	Block	
1.	Ambala	1.	Ambala II
2.	Gurugram	2.	Pataudi
		3.	Sohna
		4.	Farukh Nagar
3.	Hissar	5.	Hissar-I
4.	Jhajjar	6.	Jhajjar
5.	Karnal	7.	Karnal
		8.	Gharaunda
		9.	Nilokheri
6.	Kurushetra	10.	Pipli

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7.	Palwal	11.	Prithla
		12.	Palwal
8.	Panchkula	13.	Pinjore
9.	Panipat	14.	Bapauli
		15.	Samalkha
		16.	Madlauda& HSIIDC, Indl. Estate Near Refinery Panipat
10.	Rewari	17.	Rewari
11.	Rohtak	18.	Rohtak and IMT, Rohtak
		19.	Sampla
12.	Sonepat	20.	Kharkhoda

**3. Category 'C' Blocks:**

Sr. No.	District	Block	
1.	Ambala	1.	Barara
		2.	Naraingarh
		3.	Saha
		4.	Shehzadpur
2.	Bhiwani	5.	Bhiwani
3.	Fatehabad	6.	Fatehabad
4.	Hissar	7.	Hansi-I
		8.	Hissar-II
5.	Jhajjar	9.	Beri
		10.	Badli
		11.	Matenhail
6.	Jind	12.	Jind
7.	Kaithal	13.	Kaithal
		14.	Guhla at Cheeka
		15.	Pundri
		16.	Dhand
8.	Karnal	17.	Indri
		18.	Nissing at Chirao
		19.	Kunjpura
9.	Kurukshetra	20.	Thanesar
		21.	Pehowa
		22.	Ladwa
		23.	Shahabad

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		24.	Ismailabad
10.	Mahendergarh	25.	Narnaul
11.	Mewat	26.	Nuh & IMT Sohna
		27.	Taoru
12.	Palwal	28.	Hodel
13.	Panchkula	29.	Barwala
14.	Panipat	30.	Israna
		31.	Sanauli Khurd
15.	Rewari	32.	Khol at Rewari
16.	Rohtak	33.	Meham
		34.	Lakhan Majra
17.	Sirsa	35.	Sirsa
18.	Sonapat	36.	Gohana
		37.	Mundlana
19.	Yamuna Nagar	38.	Bilaspur
		39.	Chhachhrauli
		40.	Radaur
		41.	Khizrabad

**4. Category 'D' Blocks:**

S. No.	District	Block	
1.	Bhiwani	1.	Loharu
		2.	Tosham
		3.	Bawani-Khera
		4.	Kairu
		5.	Siwani
		6.	Bahal
2.	Charki Dadri	7.	Charki Dadri
		8.	Badhra
		9.	Bond Kalan
		10.	Jhojhu Kalan
3.	Fatehabad	11.	Tohana
		12.	Ratia
		13.	Jakhal
		14.	Bhattu Kalan
		15.	Bhuna
		16.	Nagpur
4.	Hissar	17.	Narnaund

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		18.	Adampur
		19.	Uklana
		20.	Agroha
		21.	Barwala
		22.	Hansi-II
5.	Jhajjar	23.	Sahalwas
6.	Jind	24.	Narwana
		25.	Julana
		26.	Safidon
		27.	PilluKhera
		28.	Uchana
		29.	Alewa
		30.	Ujhana
7.	Kaithal	31.	Kalayat
		32.	Rajound
		33.	Siwan
8.	Karnal	34.	Munak
		35.	Assandh
9.	Kurukshetra	36.	Babain
10.	Mahendergarh	37.	Ateli Nangal
		38.	Kanina
		39.	Mahendergarh
		40.	Nangal Chaudhary
		41.	Sihma
		42.	Nizampur
		43.	Satnali
11.	Mewat	44.	Nagina
		45.	Ferozepur Jhirka
		46.	Punhana
		47.	Pingwan
		48.	Indri
12.	Palwal	49.	Hathin
		50.	Badoli
		51.	Hasanpur
13.	Panchkula	52.	Morni
		53.	Raipur Rani
14.	Rewari	54.	Nahar
		55.	Dahina

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		56.	Jatusana
15.	Rohtak	57.	Kalanaur
16.	Sirsa	58.	Dabwali
		59.	Baragudha
		60.	Rania
		61.	Ellanabad
		62.	Odhan
		63.	Nathusari Chopta
17.	Sonepat	64.	Kathura
18.	Yamuna Nagar	65.	Mustafabad
		66.	Sadhaura

**Note:** As per Development and Panchayats Department, there are 140 Blocks in the state as on 1<sup>st</sup> November, 2020. The Government may modify this list from time to time.

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