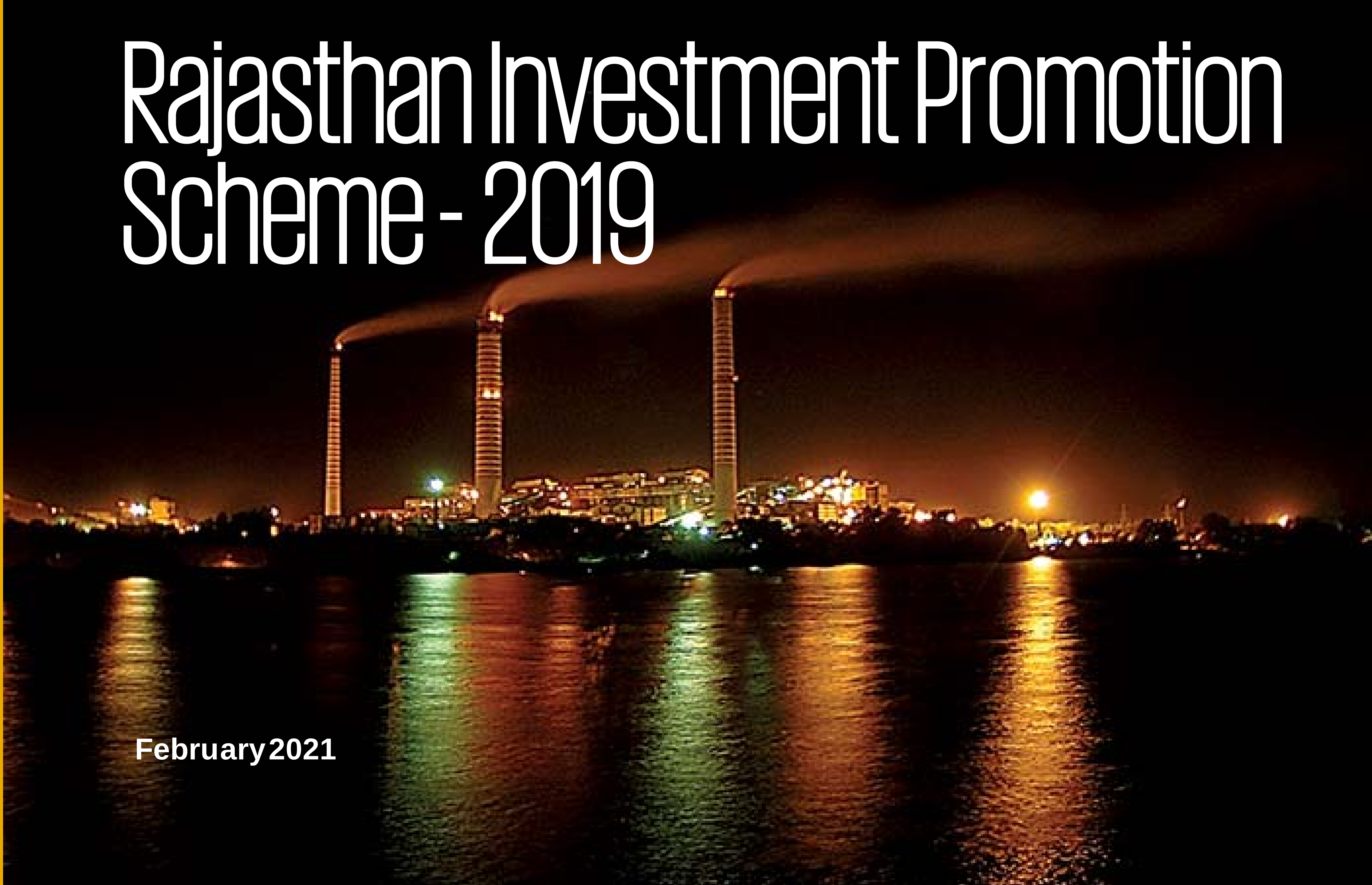
Rajasthan Investment Promotion Scheme - 2019



February 2021

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Rajasthan Investment Promotion Scheme, RIPS – 2019 (1/5)

1 Operating Period

RIPS – 2019 shall remain in force till 31st March 2026

2 Applicability of the Scheme

- ❑ Scheme shall be applicable to the following classes of enterprise(s) and investment, excluding investment mentioned in **Annexure-I**:
  - i. New and existing enterprises making investment for setting up new units;
  - ii. Existing enterprise making investment for expansion; and
- ✓ Scheme shall not be applicable to a unit of enterprise if its commercial production or operation has commenced before the issuance of this order
- ✓ An entitlement certificate has been issued to provide any exemption or benefit under RIPS-2014 or RIPS-2010 or RIPS-2003.
- ✓ Investment made and employment generated in the state of Rajasthan shall only be eligible to counted for investment and employment

- ❑ **Annexure-I: Investment not eligible for benefits of subsidies and/ or exemptions under RIPS-2019**
  - i. Investment for manufacturing Tobacco, Tobacco products, Pan Masala.
  - ii. Investment made in cow beef processing unit.
  - iii. Investment made in retail/trading activities
  - iv. Any activity which is prohibited by Central/State laws.

Notwithstanding anything contained in clause 3.2, the State Government, on the recommendation of the State Empowered Committee (SEC), may grant the benefit of the Scheme to an enterprise to whom any customized package under the RIPS 2010 or RIPS 2014 has been issued but due to genuine hardship has failed.

Provided that enterprises shall commence commercial production or operations during the operative period of the scheme.

Rajasthan Investment Promotion Scheme, RIPS – 2019 (2/5)

3

Power to grant customized package

- State Government, on the recommendation of State Empowered Committee (SEC), may grant a customized package under section 11 of the Rajasthan Enterprises Single Window Enabling and Clearance Act, 2011, to the following manufacturing enterprises, other than cement manufacturing enterprises, investing more than Rs. 100 and providing direct employment to more than 200 persons.
- State Government on the recommendation of SEC, may grant a customized package under section 11 of the Rajasthan Enterprises Single Window Enabling and Clearance Act, 2011, to the cement manufacturing enterprises investing more than Rs. 750 crores.

Rajasthan Investment Promotion Scheme, RIPS – 2019 (3/5)

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Provision related to extent and period of benefits

- **Period of Benefit**
  - ✓ Shall be counted from the date of issuance of entitlement certificate
- **Maximum extent of exemption**
  - ✓ Notwithstanding anything contained in scheme, total extent of exemption from payment of tax/fee shall not exceed 100% of exemption from payment of such tax/fee
- **Subsidy in case of expansion of enterprises**
  - ✓ In case of expansion, the amount of Investment subsidy shall be calculated on the amount of additional of State tax due and deposited after Expansion or revival
- **Extent of interest subsidy**
  - ✓ The interest Subsidy shall be in addition to any other incentive available under any other Scheme of Government of India.
  - ✓ Shall be allowed on the term loan taken from State Financial Institutions/Financial Institution/Bank recognized by Reserve Bank of India for making investment in plant & machinery and/or equipment's or apparatus.
  - ✓ Shall be available only for interest levied by the Financial Institution/Bank. Penal interest or other charges shall not be reimbursed.
  - ✓ Shall be allowed for a period of as mentioned in eligibility certificate or up to the period of repayment of the loan.
  - ✓ Shall be given to the enterprise which pays regular installments and interest to the Financial Institution/Bank)
  - ✓ Shall be allowed only in a case where the enterprise is engaged in manufacturing or service rendering as the case may be in the period in which interest subsidy is claimed except where it is engaged in manufacturing of seasonal goods or rendering of service activity.

Rajasthan Investment Promotion Scheme, RIPS – 2019 (4/5)

4

Provision related to extent and period of benefits

- **Extent of Capital Subsidy**
- ✓ The maximum limit of Capital Subsidy shall be as approved by appropriate Screening Committee and mentioned in the eligibility certificate.
- ✓ The eligible Capital Subsidy shall be disbursed in two equal installments.
- ✓ The Capital Subsidy shall be allowed only in a case where the enterprise is engaged in manufacturing or service rendering.
- **Capital Subsidy on zero liquid discharge-based treatment plant**
- ✓ The enterprise shall produce a certificate to the effect that the effluent treatment plant set up by it is a zero liquid discharge based effluent treatment plant from the Rajasthan State Pollution Control Board.
- ✓ The capital subsidy shall be allowed where the zero liquid discharge based effluent treatment plant has been set up by the enterprise along with the plant for manufacturing.
- ✓ The zero liquid discharge based effluent treatment plant shall be set up by the enterprise during the operative period of the Scheme.
- ✓ The enterprise availing capital subsidy under any other Scheme / package of the State Government shall not be eligible for capital subsidy under this Scheme

Rajasthan Investment Promotion Scheme, RIPS – 2019 (5/5)

4

Provision related to extent and period of benefits

- **Maximum extent of subsidy**
- ✓ Enterprises mentioned in column no-2, shall be eligible for the total amount of subsidy (Investment Subsidy + Employment Generation Subsidy + Additional Investment Subsidy + Additional Employment Generation Subsidy + Interest Subsidy + Additional Interest Subsidy + Capital Subsidy) for the total period of benefit, exceeding the eligible fixed capital investment as approved by the appropriate Screening Committee, but not more than maximum extent as mentioned in column no-3.

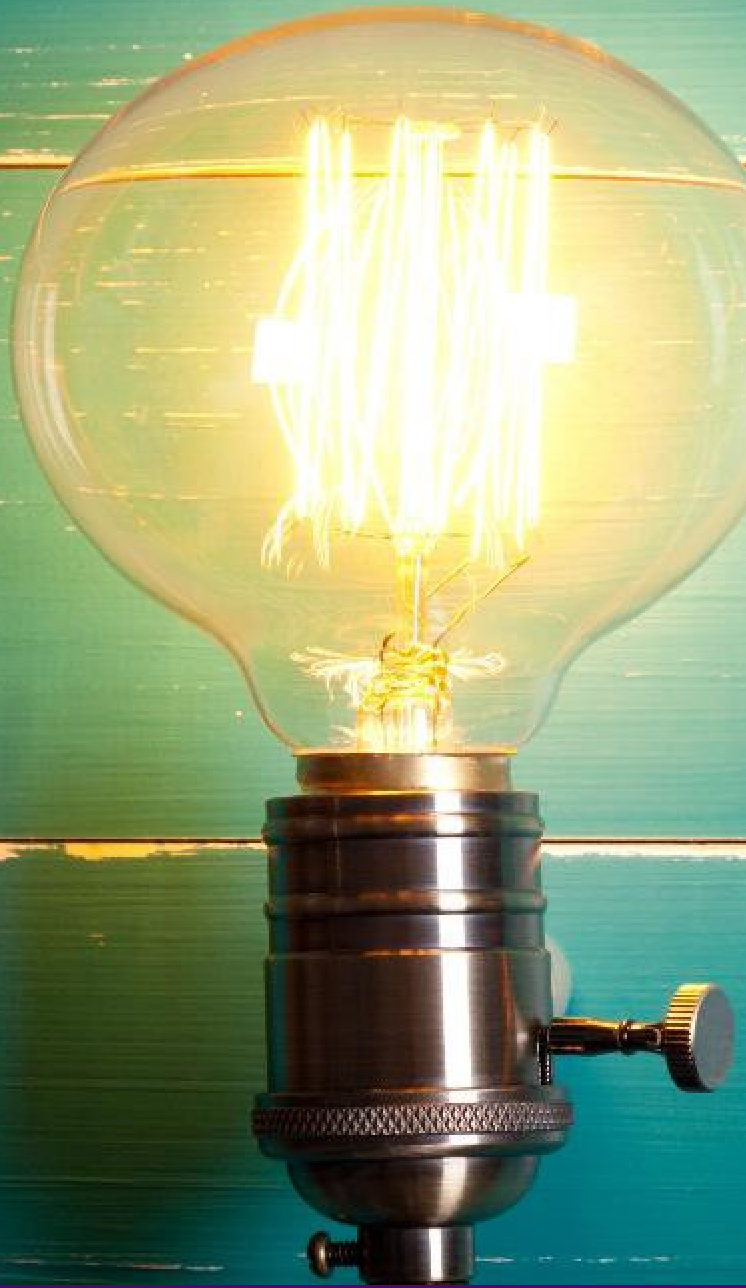
S. No	Category of Enterprise	Maximum extent up to which enterprise is eligible for Subsidy
(1)	(2)	(3)
a	Enterprises of Agro-Processing Sector, Apparel Sector, Textile Sector, Gems & Jewellery Sector, Handicraft Sector, Leather, Footwear and Accessories Sector, MSME Sector, Petrochemical Sector, Petro-ancillary and Pharmaceutical.	125% of eligible fixed capital investment as approved by the appropriate Screening Committee
b	Mega Enterprises	125% of eligible fixed capital investment as approved by the appropriate Screening Committee
c	Enterprises set up in Backward Area, Most Backward Area, Hilly Area, Desert Area, Tribal Area	125% of eligible fixed capital investment as approved by the appropriate Screening Committee, 150% of eligible fixed capital investment as approved by the appropriate Screening Committee for Most Backward Area.
d	Anchor Enterprises, Start-Ups and Industry 4.0	150% of eligible fixed capital investment as approved by the appropriate Screening Committee
e	Women/ Schedule Caste (SC)/ Schedule Tribe (ST) / Person with disability (PwD) enterprise and TSP enterprise	150% of eligible fixed capital investment as approved by the appropriate Screening Committee
f	Enterprises established in clusters developed during the operative period of the Scheme	150% of eligible fixed capital investment as approved by the appropriate Screening Committee

General Provisions Applicable Across Board

Sectors	Investment Subsidy	Employment Generation Subsidy	Market Fee Exemption	Stamp Duty Exemption	Electricity Duty Exemption	Exemption from Conversion Charges for Change of Land Use	Land Tax Exemption
General Incentives to all manufacturing and services enterprises	75% of State tax due and deposited for 07 years	50% of employer's contribution towards employees EPF and ESI, for 07 years 75% of employer's contribution towards employees EPF and ESI, for 07 years to enterprises providing more than 75% direct employment to persons domiciled in Rajasthan	100% of Market Fee for 07 years	100% exemption	100% for 07 years	100%	100% for 07 years

Special Provisions for Women, SC, ST & PwD Enterprise

Sectors	Investment Subsidy	Employment Generation Subsidy	Market Fee Exemption	Stamp Duty Exemption	Electricity Duty Exemption	Exemption from Conversion Charges for Change of Land Use	Land Tax Exemption
General Incentives to all manufacturing and services enterprises	75% of State tax due and deposited for 07 years	75% of employer's contribution towards EPF and ESI for 07 years	100% of Market Fee for 07 years	100% exemption	100% for 07 years	100%	100% for 07 years



Thrust Sector Incentives

Benefits to Manufacturing Enterprises in Thrust Sectors (1/5)

Sectors	Sub-Criteria	Investment Subsidy	Capital Subsidy	Interest Subsidy	Employment Generation Subsidy	Electricity Duty Exemption
Agro-processing	✓ Equal to or above INR 5 crores	-	✓ 25% on plant & machinery ✓ A maximum of Rs 50 lakhs	✓ 5% on term loan of plant & machinery ✓ 5 years ✓ A maximum of Rs. 25 lakhs per year Enterprises established by FPO's or Agro Cooperatives: ✓ 7% on term loan of plant & machinery ✓ 5 years ✓ A maximum of Rs. 50 lakhs per year	-	-
Bio-technology	✓ Above INR 5 crores but less than INR 25 crores	✓ Additional 25% ✓ 7 years.	-	✓ 5% on term loan of plant & machinery ✓ 5 years ✓ A maximum of Rs. 25 lakhs per year	✓ 25% additional Subsidy ✓ Upper limit of 75% towards employees EPF and ESI ✓ 7 years	-
	✓ Equal to or above INR 25 crores	✓ Additional 25% ✓ 7 years	✓ 20% of the amount paid to the suppliers for the plant excluding civil work ✓ A maximum of Rs. 50 lakhs	✓ 5% on term loan of plant. & machinery ✓ 5 years ✓ A maximum of Rs 25 lakhs per year	✓ 25% additional Subsidy ✓ Upper limit of 75% towards employees EPF and ESI ✓ 7 years	-
Ceramic & Glass	✓ Equal to or above INR 10 crores	✓ 25% ✓ Additional 03 years	-	✓ 5% on term loan of plant & machinery ✓ 05 ✓ A maximum of Rs. 25 lakhs per year	-	-

Benefits to Manufacturing Enterprises in Thrust Sectors (2/5)

Sectors	Sub-Criteria	Investment Subsidy	Capital Subsidy	Interest Subsidy	Employment Generation Subsidy	Electricity Duty Exemption
Dairy	✓ Equal to or above INR 05 crores	-	✓ 25% oon the plant & machinery ✓ A maximum of Rs. 50 Lakhs	✓ 5% on term loan of plant & machinery ✓ 05 years ✓ A maximum of Rs. 25 lakhs per year Enterprises established by FPO's or Agro Cooperatives: ✓ 7% on term loan of plant & machinery ✓ 5 years ✓ A maximum of Rs. 50 lakhs per year	-	-
Defence	✓ Equal to or above INR 100 crores	-	-	✓ 5% on term loan of plant & machinery ✓ 5 years ✓ A maximum of Rs 25 lakhs per year	-	✓ For additional 3 years
	✓ Equal to or above INR 500 crores	-	-	✓ 5% on term loan of plant & machinery ✓ 5 years ✓ A maximum of Rs 25 lakhs per year	-	✓ For additional 3 years
DMIC Area	✓ Equal to or above INR 10 crores	-	✓ 25% on plant & machinery ✓ A maximum of Rs 25 lakhs	✓ 5% on term loan of plant & machinery ✓ 5 years ✓ A maximum of Rs. 25 lakhs per year	-	-
Electric Vehicle	✓ Equal to or above INR 50 crores	-	✓ 25% on plant & machinery ✓ A maximum of Rs 50 lakhs.	✓ 5% on term loan of plant & machinery ✓ 5 years ✓ A maximum of Rs 1 crores per year	-	-

Benefits to Manufacturing Enterprises in Thrust Sectors (3/5)

Sectors	Sub-Criteria	Investment Subsidy	Capital Subsidy	Interest Subsidy	Employment Generation Subsidy	Electricity Duty Exemption
Food Processing	✓ Equal to or above INR 5 crores	-	✓ 25% on the plant & machinery ✓ A maximum of Rs 25 lakh.	✓ 5% on term loan of plant & machinery ✓ 5 years ✓ A maximum of Rs 25 lakhs per year Enterprises established by FPO's or Agro Cooperatives: ✓ 7% on term loan of plant & machinery ✓ 5 years ✓ A maximum of Rs. 50 lakhs per year	-	-
Auto-component, ESDM, Chemical, Petrochemical, Petroleum ancillary and Pharmaceutical	✓ Equal to or above INR 10 crores	-	✓ 25% on the plant & machinery ✓ A maximum of Rs. 50 Lakhs	✓ 5% on term loan of plant & machinery ✓ 5 years ✓ A maximum of Rs 25 lakhs per year	-	-
Leather, Footwear, Accessories, Gems & Jewelry sector, Mineral Sector	✓ Equal to or above INR 2 crores	-	✓ 25% on the plant & machinery ✓ A maximum of Rs 25 lakh.	✓ 5% on term loan of plant & machinery ✓ 5 years ✓ A maximum of Rs 25 lakhs per year	-	-
Handicraft Sector	✓ Equal to or above INR 25 lakh	-	✓ 25% on the plant & machinery ✓ A maximum of Rs 25 lakh.	✓ 7% on term loan of plant & machinery ✓ 5 years ✓ A maximum of Rs 25 lakhs per year	-	-
Industrial Gases	✓ Equal to or above INR 50 crores	✓ 75% ✓ Additional 03 years	-	-	-	✓ For additional 03 years

Benefits to Manufacturing Enterprises in Thrust Sectors (4/5)

Sectors	Sub-Criteria	Investment Subsidy	Capital Subsidy	Interest Subsidy	Employment Generation Subsidy	Electricity Duty Exemption
M-Sand Sector	✓ Equal to or above INR 2 crores	✓ Additional 25% ✓ 7 years	✓ 20% on the plant & machinery ✓ A maximum of Rs 25 lakhs.	✓ 5% on term loan of plant & machinery ✓ 5 years subject ✓ A maximum of Rs 25 lakhs per year	-	-
Medical Device Manufacturing	✓ Equal to or above INR 05 crores	-	✓ 20% on the plant & machinery ✓ A maximum of Rs 50 lakhs.	✓ 5% on term loan of plant & machinery ✓ 5 years subject ✓ A maximum of Rs 50 lakhs per year	-	-
Solar Equipment	✓ Equal to or above INR 10 crores	✓ Additional 25% ✓ 7 years	✓ 20% on the plant & machinery ✓ A maximum of Rs 50 lakhs.	✓ 5% on term loan of plant & machinery ✓ 5 years subject ✓ A maximum of Rs 25 lakhs per year	✓ Additional 25% ✓ Upper limit of 75%	✓ Additional 3 years
Start Up	✓ Equal to or above INR 25 lakhs	✓ Additional 25% ✓ 7 years	-	-	-	-
Textile & Apparel Sector	✓ Equal to or above INR 25 lakhs	-	✓ 25% on plant & machinery ✓ A maximum of Rs 50 lakhs ✓ 20% on ZLD based ETP ✓ A maximum of Rs. 1 crore	✓ 5% to 7% on term on plant & machinery ✓ 5 years	-	-
Wind Turbine Manufacturing	✓ Equal to or above INR 10 crore	✓ Additional 25%	✓ 20% on the plant & machinery ✓ A maximum of Rs 50 lakhs.	✓ 5% on term loan of plant & machinery ✓ 5 years subject ✓ A maximum of Rs 25 lakhs per year	✓ Additional 25% ✓ Upper limit of 75%	✓ Additional 3 years

Benefits to Manufacturing Enterprises in Thrust Sectors (5/5)

Sectors	Water Conservation and Green Measures Subsidy	Quality Certification	Advanced Technology	Patents / GI Tagging / Trademark	Rating under Zero Defect and Zero Effect Certification	Raising Funds
MSME	**Water Audit**: ✓ 50% of cost incurred ✓ A maximum of Rs 2 lakh **ZLD based ETP**: ✓ 50% of amount paid to the suppliers excluding civil work **Green Building Measures**: ✓ 50% of amount paid to the suppliers for the plant excluding civil work **Reuse and Recycling of Industrial waste Plant**: ✓ 50% of amount paid to the suppliers for the plant excluding civil work ✓ A maximum of Rs 50 lakh Provided that maximum total amount of subsidy including above first three shall be subjected to maximum of Rs. 50 lakh and shall be one time assistance	✓ One-time reimbursement of 50% of cost incurred on obtaining quality certification for manufacturing or processes or certification related to export	✓ One-time reimbursement of 50% cost incurred to acquire advanced technology from premier national institutes ✓ A maximum of Rs 10 lakh	✓ One-time financial assistance equivalent to the assistance provided by Government of India for obtaining Patents, Geographical Indication (GI) Tagging, and Trademark Registration	✓ One-time reimbursement of 50% of investment made on plant and machinery and testing equipment's for obtaining Silver or Gold or Diamond or Platinum rating ✓ A maximum of Rs 5 lakh	✓ One-time financial assistance on raising funds (capital) through SME platform, to the extent of 50% of the investment made in process of raising funds (capital) ✓ A maximum of 5 lakh

Benefits to Service Enterprises in Thrust Sectors (1/3)

Sectors	Sub-Criteria	Investment Subsidy	Capital Subsidy	Interest Subsidy
Cold Chain in Pharmaceuticals	✓ Equal to or above INR 2 crores	-	✓ 25% on the plant & machinery and equipment's ✓ A maximum of Rs 25 lakhs	-
Common Utility Center	✓ Equal to or above INR 5 crores	-	✓ 20% on the plant & machinery and equipment's ✓ A maximum of Rs. 50 lakhs.	-
Industrial Park	✓ Equal to or above INR 25 crores	-	✓ 20% on the development of common infrastructure ✓ A maximum Rs 2 crores.	✓ 5% on term loan in common infrastructure ✓ 5 years ✓ A maximum of Rs 50 lakhs per year.
Infrastructure for value addition and preservation of agricultural products	✓ Equal to or above INR 15 crores	✓ 25% on the plant & machinery ✓ A maximum of Rs 25 lakhs ✓ 25% on maximum two movable refrigerated vehicles ✓ A maximum of Rs. 25 lakhs	-	-
IT Park	✓ Equal to or above INR 15 crores	-	-	✓ 5% on term loan in development of infrastructure in the IT Park ✓ 5 years ✓ A maximum Rs. 75 lakh per annum.
	✓ Equal to or above INR 25 crores	-	-	✓ 5% on term in development of infrastructure in the IT Park ✓ 5 years ✓ A maximum Rs 1.5 crores per annum.
IT Sector	✓ Equal to or above INR 5 crores	-	-	✓ 5% on term loan in development of infrastructure in the IT Park ✓ 5 years

Benefits to Service Enterprises in Thrust Sectors (2/3)

Sectors	Sub-Criteria	Investment Subsidy	Capital Subsidy	Interest Subsidy
Logistic Infrastructure	✓ MMLH ✓ Equal to or above INR 50 crores	-	✓ 20% on building common infrastructure ✓ A maximum Rs 4 crores	✓ 5% on term loan for making an investment in equipment's ✓ 5 years ✓ A maximum of Rs 1 crores per year
	✓ Logistic Park ✓ Equal to or above INR 30 crores	-	✓ 20% on building common infrastructure ✓ A maximum Rs 2.5 crores	✓ 5% on term loan for making an investment in equipment's ✓ 5 years ✓ A maximum of Rs 50 lakhs per year
	✓ Warehouse (lesser than 2 acres) ✓ Equal to or above INR 2 crores	-	✓ 20% on investment made in equipment's ✓ A maximum of Rs 2 lakhs	-
	✓ Warehouse (greater than 2 acres) ✓ Equal to or above INR 2 crores	-	✓ 20% on investment made in equipment's ✓ A maximum of Rs 5 lakhs	-
Plug & Play Office Complex	✓ Equal to or above INR 5 crores	-	-	✓ 5% on term loan for development of infrastructure ✓ 5 years ✓ A maximum of Rs 25 lakhs per year.
Start-ups	✓ Equal to or above INR 25 lakhs	✓ Additional 25% ✓ 7 years	-	-

Benefits to Service Enterprises in Thrust Sectors (3/3)

Sectors	Sub-Criteria	Investment Subsidy	Capital Subsidy	Interest Subsidy
Social Infrastructure	✓ Applicable in RIICO industrial areas	-	**Parking Facility**: ✓ 20% of the investment made in equipment's ✓ A maximum of Rs 5 lakhs **Dormitory for Workers**: ✓ 20% of the investment made in infrastructure ✓ A maximum of Rs 25 lakhs **Industrial Housing**: ✓ 20% of the investment made in infrastructure ✓ A maximum of Rs 25 lakhs **First 75 Bedded Hospital**: ✓ 20% of the investment made in infrastructure ✓ A maximum of Rs 50 lakhs **First Creche**: ✓ 20% of the investment made in infrastructure ✓ A maximum of Rs 5 lakhs **Dormitory for 100 Workers**: ✓ 20% of the investment made in infrastructure ✓ A maximum of Rs 10 lakh	-
Testing Laboratory	✓ Equal to or above INR 5 crores	-	✓ 25% of investment made on the plant & machinery or equipment's ✓ A maximum of Rs 50 lakhs.	-

Terms & Conditions

TC 1

The enterprise availing benefits under the Scheme shall comply with all statutory laws and regulations of the State of Rajasthan applicable to the enterprise. Noncompliance may entail cancellation/ withdrawal of the benefits under the Scheme.

TC 2

The enterprise availing benefits under the Scheme shall be subject to the conditions, procedures, instructions, clarifications or amendments issued from time to time under the Scheme.
Benefits under the Scheme can only be availed if, and as long as there is, and for the period/s, consent to establish and consent to operate, wherever applicable, from Central/Rajasthan State Pollution Control Board is effective.

TC 3

In case enterprise is availing any subsidy under any other scheme of GoR or any law of state. In respect of investment made in fixed assets, the total subsidy payable under this Scheme shall be reduced to the extent of Investment Subsidy so received.
The enterprise availing any such subsidy shall inform the authority disbursing subsidy under the scheme regarding the details of subsidy so availed

TC 4

The enterprise availing the benefit of subsidy may maintain the record of sale, purchase and inventory of goods on the electronic media in digital form (online in computer) or in the manner as may be specified by an order by the State Government and shall provide online access of such record to the assessing authority as prescribed in 50 the Rajasthan Goods and Service Tax Act, 2017 (Act No. 9 of 2017) and Rajasthan Value Added Tax Act, 2003

Contact Us

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