

**GOVERNMENT OF RAJASTHAN
FINANCE DEPARTMENT
(Tax Division)**

No. F. 4 (18)FD/Tax Div/2001

Jaipur, dated : 28.7.2003
Amended up to
(06.08.2008)

ORDER

RAJ INVESTMENT PROMOTION POLICY- 2003

With a view to provide investors an attractive opportunity to invest in the State of Rajasthan, the following Scheme is introduced in the State:

1. TITLE

The Scheme shall be known as "The Rajasthan Investment Promotion Scheme 2003 (RajInvest-2003)," hereinafter referred to as the Scheme.

2. OPERATIVE PERIOD

The Scheme shall come into operation with effect from 1st July, 2003 and shall remain in force upto 31st March ⁴⁴2011. ⁵⁷

3. APPLICABILITY OF THE SCHEME

The Scheme shall be applicable to all new investments and investments made by existing units and enterprises for Modernization/Expansion/Diversification, subject to the condition that such units shall commence commercial production / operations owing to such investment during the operative period of the Scheme.

4. DEFINITIONS:

(a1)³² "Biotechnology Unit" means an unit established in terms of the Biotechnology Policy 2004 and is certified as such by Director, Science and Technology, Government of Rajasthan to obtain the benefits under the Policy;

(a) "Commercial Bank" means any nationalised or scheduled Bank set up under the Banking Rules and regulation Act, 1949;

(b) "Commencement of first Commercial Production/Operation" means (in case of units which are liable to deposit Sales Tax, CST or VAT) the date on which the unit makes the first payment of Sales Tax, CST or VAT or (in case of units other than those paying Sales Tax, CST or VAT) any other tax paid for the first time to the State Government or²⁶ the date of first sale bill / bill of commercial transaction (receipt of deposit of fee / charges etc) for those sectors which do not pay any tax to the State Government in respect of investment to which subsidy/exemption is linked;

(c)¹² "Conversion Charges" means the conversion charges payable to Govt. and shall include any part of such charges payable to local bodies.

50%¹³ exemption of the conversion charges are to be approved irrespective of the sharing pattern between the Urban Authorities and the State Government and that the State will sacrifice 40% and JDA/ULBs will sacrifice 10% towards the 50% exemption.

(d) "Co-operative Bank" means any Bank set up under the Rajasthan Co-operative Societies Act, 1965;

(dd)⁵⁶ **Customized incentive package:** Means incentives in excess of subsidies or exemptions under clause 7 & 8 of the scheme, which can be considered as mentioned in clause 6A, as a special package for the first three new investments.

amounting to Rs. 500 crores or more each, excluding those based on mineral resources of the State, to be set up in those districts where there is no big industry.

- (e) "DIC" means District Industries Centre;
- (f) "Diversification" means launching of a new and different product or services by the same unit with the help of new set of machines in the case of industrial units or provision of new services by a unit in service sector with an additional fresh borrowing exceeding rupees ten¹⁵ lacs or investment in new land²⁷ and / or building valued at more than rupees ten¹⁵ lacs .
Provided³³ that the above limit of Rs. 10 lacs shall be Rs. 5 lacs in case of Small Scale Industries.
- (g) "Electricity Duty" means the duty payable under the Rajasthan Electricity (Duty) Act, 1962;
- (h) "Employment" under this scheme will mean direct employment on wage or on salary or on other terms for at least 250 days in a financial year in connection with which deductions have been made and paid by the employee and the employer in the approved provident fund.
- (i) "Entertainment Tax" means the tax payable under the Rajasthan Entertainments and Advertisements Tax Act, 1957;
- (j)⁶ "Expansion" means minimum fresh additional borrowing of rupees ten¹⁵ lacs or investment in new land²⁷ and / or building valued at more than rupees ten¹⁵ lacs;
provided³³ that the above limit of Rs. 10 lacs shall be Rs. 5 lacs in case of Small Scale Industries.
- (k) "Ineligible Unit" means the unit listed in Annexure-I appended to this Order;
Provided²⁴, that the restriction imposed in this sub-clause shall not apply to a Sick Industrial Unit as defined in sub-clause (tt) of this clause, claiming benefit under clause 5A of the Scheme.
- (l) "Investment" means investment of funds (whether borrowed from designated institutions i.e. Commercial banks or State or Central Government financial institutions or from own resources) in any unit/project having commercial, or industrial output of goods or services, or projects set up for such common social good as are duly recognized by the Government by an order in this respect as a qualifying sphere of activity.
- 11 The following projects set up for common social goods are hereby recognised as qualifying spheres of activity to be covered under the definition of Investment for the purpose of grant of benefits under the scheme:-
- (i) Educational Institutions.
- (ii) Health Institutions like Hospitals, Dispensaries, Poly Clinics, Diagnostic Centres, Research and Development Laboratories / Centres.
- (m)⁶ "Loan/borrowing" means any long-term loan or advance where the terms under which money is loaned or advanced provide for repayment along with interest thereon. Such loan/borrowing should be meant for creation of fixed assets and shall not include working capital loan, overdraft, and current liabilities. Loan/borrowing shall be obtained from scheduled commercial banks and/or financial institutions of the State or Central Governments.
- (n) "Luxury Tax" means the tax payable under the Rajasthan Tax on Luxuries(In Hotels and lodging Houses) Act, 1990.
- (o) "Mandi Cess" means the fee being levied and paid under the Rajasthan State Agriculture Produce Market Act, 1961.
- (p)⁷ "Modernization" means any improvement in the existing industrial or service unit, by minimum borrowing of rupees ten¹⁶ lacs in the fixed assets.
provided³³ that the above limit of Rs. 10 lacs shall be Rs. 5 lacs in case of Small Scale Industries.
- (q) "Prescribed Authority" means an Authority prescribed in Clause 6 of the Scheme.
- (r) "Repayment of dues in time" means repayment of term loan and interest thereon as per the schedule of repayment prepared by the financial institution(s) at the time of sanction of loan, or as

per the revised schedule of repayment, if any.

Provided that any eligible unit which gets any relief or concessions such as waiver of interest/penal interest/liquidated damages granted subsequent to the original schedule of repayment shall be entitled to get subsequently reduced benefit as per fresh entitlement under the Scheme with effect from the date on which such entitlement stands reduced, and benefits drawn if any shall be surrendered to the Government or recoverable by due process. Provided further that for an overdue amount not exceeding 10% of the quarterly installment, for reasons of reconciliation, the repayment shall be deemed to have been made in time for the purpose of the Scheme.

18(rr)²¹ **"Revival of a sick industrial unit"** means-

re-commencement of production by a closed sick industrial unit or availment of any benefit under clause 5A in case of running sick units

AND

providing employment to the extent of 50% in the first two years, of the maximum level of employment attained in the preceding 3 years from the date of its declaration as a sick industrial unit, and 100% within five years.

(s) "RFC" means Rajasthan Financial Corporation.

(t) "RIICO" means Rajasthan State Industrial Development & Investment Corporation Ltd.

19(tt)^{22,34,35,44} **"Sick Industrial Unit"** means-

(i) An industrial unit qualified to be a sick unit as per the guidelines issued by RBI from time to time and declared so before 1-10-2007 as per procedure to be prescribed in this behalf by the Industries Department;"

OR

(ii) An industrial unit which has been declared sick before 1-10-2007 by the Board for Industrial and Financial Reconstruction (BIFR) under the provisions of the Sick Industrial Companies Act, 1985

OR

(iii) An industrial unit, which has been taken over before 1-10-2007 and sold on or after 1-10-2007 to a new management by RIICO/RFC/Central Financial Institutions.

36(utt) **"Small Scale Industries" (SSI)** means an industrial unit of which the investment in plant and machinery does not exceed the investment specified by the Government of India from time to time, and registered with the Industries Department Government of Rajasthan.

(u) "Stamp Duty" means the duty defined as stamp duty payable under the Rajasthan Stamp Law (adaptation) Act, 1952;

40 [(uu) 'textile sector' shall mean manufacturing or processing of fibres, yarn, fabrics, garments, apparels, made-ups including ginning, weaving and processing thereof.]

(v) "Wage/Salary" means the consideration paid to an employee by an employer and includes basic pay, dearness allowance but does not include bonus, medical reimbursement, surrender leave, overtime, transport allowance or any other allowances. Only such payments to employees by the employer as are accompanied with deposit of approved provident fund shall qualify as wage and salary for the purposes of the scheme.

(w) "Wage/Employment Subsidy" means

(i) twenty five percent of the total wage/salary being paid by the investor with respect to such workers for whom employee and employer both are contributing towards approved Provident Fund

OR

(ii) in case the investor is not availing interest subsidy thirty percent of the amount of the total wage/salary being paid by the investor with respect to such workers for whom the employee and employer are both contributing towards approved Provident Fund, shall be paid back, into the account of the investor by the State Government under the Scheme

subject to a maximum of 50% of the Sales Tax, CST or VAT liability.

- (x) "Subsidy" means and include interest subsidy as well as wage /employment subsidy sanctioned under the Scheme.
- (y) "Worker" means any person, other than the directors, promoters, owners and partners, in employment of an eligible unit and making contribution to the approved provident fund.

5⁸. **ELIGIBILITY:**

The benefits (subsidies as per Clause 7 and exemptions as per Clause 8) under this Scheme shall be available to all units, other than those covered in the list of ineligible units, subject to the fulfillment of the following conditions:

- (i) the term loan sanctioned by the State/Central financial institution(s) **/International³⁸ Financial Institution / Corporation** and/or Scheduled Commercial Bank(s) including co-operative Bank(s), has been sanctioned and utilized during the operative period of the Scheme;
Provided²⁸ that this condition shall not apply for the benefits pertaining to purchase / use of land.
- (ii) the unit shall have a minimum borrowing for investment of Rs. 10¹⁷ lacs or having an investment of at least Rs. 10¹⁷ lacs in **land²⁷ and / or building** calculated on the basis of DLC/RIICO rate for land, and Rs. 3228/- per sq. metre (Rs. 300/- per sq. ft.) for building, during the operative period;
provided³³ that the above limit of Rs. 10 lacs shall be Rs. 5 lacs in case of Small Scale Industries.
- (iii) to claim wage/employment subsidy the unit shall provide:
 - (a) direct employment to at least ten persons in case of a new unit; and
 - twenty five percent additional direct employment subject to a minimum of ten persons in case of diversification, modernization or expansion.
- (iv) the unit shall be eligible for Interest Subsidy and/or Wage/Employment Subsidy only if it commences first commercial production/operation during the operative period of the Scheme;
- (v) there has been no default in repayment of dues against term loan of the concerned financial institution(s) and/or Bank(s); and
- (vi) the applications as required under this Scheme are presented with full particulars and supporting documents, as required, before the appropriate authority within 90 days of commencement of commercial production/operation of the project in respect of which the interest/wage/employment subsidy is sought. Such commercial production/operation should however commence *during* the operative period of the Scheme, i.e., on or before March 31st 2011.⁵⁷

20^{5A} 23 **Eligibility in case of sick industrial units.-** Notwithstanding anything contained contrary to the provisions of the Scheme, if the owner himself or the new management in case of units purchased from RIICO / RFC / Central Financial Institutions starts the process of revival of a sick industrial unit, as per the guidelines prescribed by the Industries Department in this regard, before 1.04.2008^{37 & 44}, it shall be eligible under the provisions of the Scheme to claim the benefit of the interest subsidy as provided under clause 7 and the benefit of exemption in electricity duty as provided under clause 8 of the Scheme.

Explanation²⁵ : The benefit under this clause shall also be available to the Sick Industrial Units which are covered under the list of ineligible units of Annexure-I of the Scheme.

5B³² **Eligibility in case of Biotechnology Units:**

Notwithstanding anything contained contrary to the provisions of the Scheme, the following benefits under this scheme shall be available to all new investments and investments made by the existing units for modernization / expansion / diversification, in the Biotechnology Unit established in terms of the Biotechnology Policy, 2004:

- (1) Subsidies as mentioned in clause 7(i)(a) & 7(i)(b).
- (2) Exemptions, as provided in clause 8 of the scheme.

6. **AUTHORITY TO GRANT BENEFITS UNDER THE SCHEME:**

The prescribed authority for determining the eligibility, **except²⁹ for exemption from stamp duty and / or conversion charges**, under this Scheme shall be the following Screening Committees, whose decisions, subject to

other provisions of the Scheme, shall be final:

S.N	Investment amount	Prescribed Authority	Status
1. 45	Investment above Rs. 7.00 crores	State Level Screening Committee (SLSC) consisting of the following:	
		a) Pr. Secretary, Industries	Chairman
		b) Secretary, Finance (Rev.) or his representative not below the rank of Deputy Secretary	Member
		c) Commissioner, Commercial Taxes or his representative not below the rank of Additional Commissioner.	Member
		d) CMD, RFC or his Representative, not below the rank of ED	Member
		e) MD, RIICO or his Representative, not below the rank of ED	Member
	f) Commissioner, Industries	member-Secretary	
2.	Investment up to Rs. 7.00 crores	District Level Screening Committee (DLSC) consisting of the following:	
		a) District Collector	Chairman
		b) Concerned Branch Manager of RFC in the District	Member
		c) Concerned Senior Regional Manager / Regional Manager of RIICO in the District.	Member
		d) Deputy/Asstt. Commissioner, Commercial Taxes/ Commercial Taxes Officer (CTO)	Member
		e) General Manager DIC	Member-Secretary

6A⁵⁶ Authority to recommend grant of customized incentive package:

Notwithstanding anything contained under any clause/(s) of the scheme, the following committee shall examine individual cases of investment and may recommend for sanction of the Customized Incentive Package through BIP to BIDI.”

S. No.	Investment Amount	Prescribed officers	Status
1	2	3	4
1.	More than 500 crores	Principal Secretary, Finance or his representative not below the rank of Secretary.	Member
2.		Principal Secretary, Industries/Secretary Industries.	Member
3.		Commissioner, Commercial Taxes.	Member
4.		Commissioner (Investment & NRI).	Conven or

7. SUBSIDIES:

- (i) (a) In case of new investments made, the sum total of interest subsidy and wage/employment subsidy would be subject to a maximum limit of fifty percent of the tax payable and deposited under the Rajasthan Sales Tax Act, 1994, the Central Sales Tax Act, 1956 and Value Added Tax Act as and when

introduced in the State.

- (b) In case of investment made in Modernization/ Expansion/ Diversification, the amount of subsidy shall be subject to a maximum of fifty percent of the additional amount of Rajasthan Sales Tax and the Central Sales Tax or VAT payable or deposited by the unit over and above the highest tax payable or deposited whichever is higher, in any of the three immediately preceding years.
*provided*³ that the maximum limit of fifty percent prescribed under clause 7(i)(a) and clause 7(i)(b) may be raised by the BIDI (Board of Infrastructure Development & Investment Promotion, Government of Rajasthan) to sixty percent in such cases where the investments exceed Rs. 100 crores but are less than or equal to Rs. 200 crores; and this maximum limit may be raised further to seventy five percent in cases where the investments exceed Rs. 200 crores.

and provided³² further that the maximum limit of 50% prescribed under clause 7 (i) a and clause 7 (i) b shall be raised up to 75% for the Biotechnology Unit established in terms of the Biotechnology Policy, 2004.

⁴⁰*provided* also that for the new investment in textile sector, the maximum limit of 50% prescribed under clause 7(i)(b) shall stand raised to, sixty percent in such cases where such investment exceeds Rs. 50 crores but is less than or equal to Rs. 100 crores and to seventy five percent in cases where such investment exceeds Rs. 100 crores.]

- (ii)¹ Subject to clause (i), interest subsidy shall be 5% (percentage points). An additional interest subsidy of one percent shall be available to Schedule Caste/Schedule Tribe entrepreneurs. In case the documented rate of interest is less than 5% or less than 6% in case of SC/ST entrepreneurs, the entitlement of the interest subsidy will be limited to the documented rate of interest and the amount actually paid as interest but shall not include penal interest.
- (iii) The Subsidy shall be available to the investors for seven years from the date of first repayment of interest in case of Interest Subsidy, and first payment of wages/employment in case of wage employment subsidy. In case of Expansion/ Modernization/ Diversification, the unit shall be eligible for subsidy under the scheme from the date of payment of sales tax over and above the highest sales tax paid in the immediately preceding three years before such Expansion / Modernization / Diversification,

Provided⁴⁶ that for the first cement plant, having minimum capacity of 3 million tone per annum and minimum investment of Rs. 1000 crores, to be established in Jaisalmer district, the subsidy shall be available to the investor for 12 years from the date of first repayment of interest in case of interest subsidy and first payment of wage/employment in case of wage employment subsidy if the 25% of its manpower is local.

Provided⁵⁰ that for the new investments in the units being established in Special Economic Zones located entirely in backward and rural areas (as may be specified by the State Government by an order), the period of seven years shall stand raised to ten years.

- (iv)⁹ Where a unit has claimed and/or is availing benefit of the Interest Subsidy, the Wage/Employment Subsidy shall be available to the extent of twenty five percent of wages/salary paid by the investors to workers for whom the employee and employers are both contributing in the approved provident funds. However, in case of the unit is not claiming or availing Interest Subsidy, the amount of wage/employment subsidy shall be thirty percent of the wages/salary paid to the workers for whom the employee and employer are contributing for the approved provident funds,

provided however that notwithstanding anything contained in this clause, wage/employment subsidy in the case of diversification/expansion or modernisation shall be available only with respect to additional numbers of such workers engaged for whom the employee and the employer are both contributing in the approved provident funds,

and provided further that such additional number of workers in the case of diversification, modernisation or expansion is at least twenty five percent of the existing direct employment subject to a minimum of ten additional persons as already provided under Clause 5(a)(iii)(b) of this Scheme.

- (v) For Interest Subsidy the interest actually being paid on the additional capital borrowed shall be the only basis for the computation of subsidy. In case of Wage/Employment Subsidy the wages/salary paid for the additional employment generated shall be the basis for the computation of Wage/Employment Subsidy.

⁴¹[(vi & vii) deleted 43

8. EXEMPTIONS:

In addition to the subsidies available under clause 7, the eligible beneficiary shall be entitled to claim the following exemption, if applicable:

- (i) 100% exemption of luxury tax for seven years;
- (ii) 50% exemption of entertainment tax for seven years;
- (iii) 50% exemption of electricity duty for seven years;
- (iv) 50% exemption from stamp duty
- (v) 50% exemption from conversion charge; and / or
- (vi) 50% exemption from mandi tax for seven years.

39,40~~deleted~~⁴²

Provided⁴⁸ further that the 100% exemption from Luxury Tax/ 50% exemption from Entertainment Tax in case of expansion/ modernization/ diversification, shall be available only in case of investment in purchase of land and/or construction of new building and any related investment in creation of fixed assets on such land and/or building.

Provided⁴⁹ further that in the case of expansion/ modernization/ diversification, 50% exemption in Electricity Duty under this clause shall be allowed only on additional Electricity Duty payable/deposited by the unit on its electricity consumption over and above the highest electricity consumed in any of the three immediately preceding financial years of the first year of expansion/diversification /modernization.

This shall have effect from 23.8.2006.

Provided⁵¹ further that the units being established in Special Economic Zones located entirely in backward and rural areas (as may be specified by the State Government by an order), shall be entitled to claim 50% exemption of electricity duty for ten years.

Provided⁵¹ further that the units being established in Special Economic Zone (SEZ) shall not be entitled to claim exemption of Luxury Tax and Entertainment Tax.

“Provided⁵² further that in case of Micro and Small Enterprise (but not being a medium enterprise) as defined in the Micro, Small and Medium Enterprise Development Act, 2006 (Act No.27 of 2006), 75% exemption in Electricity Duty under this clause shall be allowed to such micro and small enterprises, where ⁵³purchases of plant and machinery has been commenced on or after 14.2.2008 for setting up such enterprise, located in such rural areas which are not covered in the limits of Municipalities, Municipal Councils, Municipal Corporations, Urban Improvement Trusts and Urban Development Authorities.

“Provided⁵⁴ further that the new units of textile sector manufacturing or processing fibres, yarn, fabrics including ginning, weaving and processing thereof, commencing their commercial production in the State on or after the date of issue of this order, shall be entitled to claim 75% (seventy five percent) exemption of electricity duty for seven years.

This exemption shall not be applicable to the existing units for their Modernization/Expansion/Diversification.”

9. PROCEDURES:

(A) CLAIM OF EXEMPTIONS OF STAMP DUTY AND CONVERSION CHARGES:

- (i)⁴ An investor intending to make new investment or intending to make new investment for Expansion/Modernization/Diversification, being entitled to claim exemption of stamp duty and/or conversion charges under this Scheme, shall submit a duly completed application in the prescribed Form, to the Member Secretary of the appropriate Screening Committee (SLSC/DLSC). Such application shall be accompanied by a project report duly certified by a chartered accountant.
- (ii) The Member Secretary of the appropriate Screening Committee, shall register the application and issue Provisional Entitlement Certificate in prescribed format to the applicant investor immediately with a copy to the concerned department / authority. Thereupon, the stamp duty and / or conversion charges / fee would be exempt to the extent of fifty percent of the duty leviable or the fee chargeable.

(B) CLAIM OF SUBSIDIES:

- (i) A unit entitled to claim subsidy under this Scheme should submit duly completed application in prescribed Form, to the Member Secretary of the appropriate Screening Committee (SLSC/DLSC). Such application shall be accompanied with the following documents, as may be applicable,-
 - (a) Loan sanction letter issued by the term lending institution(s)/ bank(s);
 - (b) Proof of investment in case of self finance and
 - (c) Approved Provident Fund deposit receipt.
- (ii)¹⁰ The Member Secretary shall complete the formalities for placing the completed application before the appropriate Screening Committees within fifteen days from the receipt of the application. Where an application has not been completed within 15 days such cases shall separately be placed before the committee with reasons.
 Note: The District Level Screening Committee or the State Level Screening Committee, as the case may be, on being satisfied may condone the delay not exceeding 180 days in filing of the application from the prescribed date of application.
- (iii) The Screening Committee shall dispose of the application within fifteen days of its presentation by the Member Secretary. If the Committee approves the case, the Member Secretary shall issue Entitlement Certificate in the prescribed format, within three days of such decision and convey the decision to all concerned Departments, financial institutions, Banks, Assistant Commissioner / Commercial Taxes Officer of the Circle where the dealer is registered under the RST / CST / VAT provisions, for necessary compliance.
- (iv) In case the Committee rejects the application, the same shall be communicated to the applicant within a week of the date of such decision.
- (v) The Assistant Commissioner / Commercial Taxes Officer of the area where the eligible unit is registered shall be the Nodal Officer to give effect to the decision of the Screening Committee.
- (vi) The units declared eligible for availing subsidies under the Scheme, shall submit an application to the Assistant Commissioner / Commercial Taxes Officer for claiming the subsidy who shall provide

the subsidy as per the order of the Government issued in this regard.

- (vii) The payment of interest subsidy shall be made only for the period for which the unit deposits State and / or Central sales tax and / or and makes regular repayment of loan and interest due to the financial institution(s). Subsidy shall be disallowed for the period the unit defaults in depositing sales tax or defaults in regular repayment of loan or interest. It shall be restored on the recommendation of the Assistant Commissioner / Commercial Taxes Officer from the Commercial Taxes Department and the concerned Financial Institution in case such unit clears all its over dues, and starts making regular repayment of sales tax and the term loan / interest.
- C) **CLAIM OF EXEMPTIONS OF LUXURY TAX, ELECTRICITY DUTY, ENTERTAINMENTS TAX AND MANDI FEE:**
- (i)⁵ An eligible investor seeking the benefit of exemption of luxury tax, electricity duty, mandi cess, and entertainment tax shall within 60 days of the expected date of commencement of commercial production/operation apply to the Member-Secretary of the appropriate Screening Committee under this Scheme, submit a duly completed application in the prescribed form along with a project report duly certified by a chartered accountant.
- Note³⁰ :** The District Level Screening Committee or the State Level Screening Committee, as the case may be, on being satisfied may condone the delay in filing of the applications but in such cases, where the delay in filing of the application is condoned by the appropriate Screening Committee, the total period of benefit regarding the extent of time shall be calculated from the date of the commencement of commercial production / operation, but the flow of benefit shall start from date on which the delay in filing the application is condoned by the appropriate Screening Committee.
- (ii) The Member Secretary of the appropriate Screening Committee shall register the application and issue Entitlement Certificate in prescribed format to the eligible investor immediately, **after³¹ approval of the appropriate Screening Committee**, with a copy to the concerned department / authority. Such Entitlement Certificate shall indicate all subsidies and tax concessions admissible to the applicant. All tax authorities shall allow concessions and subsidies as per the Entitlement Certificate issued under the scheme.

10. TERMS & CONDITIONS:

The Interest Subsidy and/or Wage/Employment Subsidy sanctioned and paid under the Scheme and the exemption of luxury tax, electricity duty, mandi tax, entertainment tax, stamp duty, conversion charges and other benefits availed under the Scheme shall be subject to the following conditions.

Breach of any of these conditions shall make the subsidy/exemption amount liable to be recovered as Tax or arrears of land revenue/alongwith interest @ 18%² per annum from the date from which the Subsidy was provided.

- (a) The unit availing Interest and/or Wage/Employment Subsidy and availing exemption of luxury tax, electricity duty, mandi tax, entertainment tax, stamp duty, conversion charges and other benefits under the Scheme shall comply with all statutory laws and regulations. Non-compliance may result in cancellation/ withdrawal of the benefits under the Scheme.
- (b) The unit availing Interest and/or Wage/Employment Subsidy and availing exemption of luxury tax, electricity duty, mandi tax, entertainment tax stamp duty, conversion charges and other benefits under the Scheme shall be subject to the conditions, procedures, instructions, clarifications, or amendments issued from time to time under the Scheme.
- (c) If any subsidy under any other scheme of Government of India or Government of Rajasthan is received by the unit in respect of interest payment, or as a wage/employment subsidy then the total subsidy payable under the scheme shall be reduced to the extent of subsidy so received.
- Provided¹⁴*, that if a unit is availing interest subsidy benefit under Technology Upgration

Fund" (TUF) scheme of Government of India, for textile sector, then it would be eligible to avail the benefit up to 2.5% of interest subsidy under this scheme in addition to the interest subsidy availed under the TUF Scheme."

This benefit would be available with prospective effect from the date of issue of this order.

Note: Interest @ 5 percent per annum would be payable to investor in case the payment of subsidy is delayed for a period of more than 30 days once the subsidy release order is issued.

11. AUTHORITY FOR IMPLEMENTATION / INTERPRETATION:

All the related departments shall implement the scheme. The Industries Department shall act as the nodal coordinating, monitoring and implementing department. Any matter pertaining to interpretation of any Clause of the Scheme shall be referred to the Government of Rajasthan in the Finance Department whose decision shall be final in such a matter.

12. REVIEWS AND APPEAL:

The State Level Screening Committee and District Level Screening Committee, described under clause 6 of this Scheme, shall also be empowered to review their decision. The State Level Screening Committee shall hear and decide appeals against the orders of District Level Screening Committee. Provided that the aggrieved party has filed review application or the appeal within the period of 60 days from the date of communication of the decision of the committee.

13. REVISION BY THE STATE GOVERNMENT:

- (a) The State Government in Finance Department may suo motu or otherwise revise an order passed by any Screening Committee wherever it is found to be erroneous and prejudicial to the interest of the State revenue, after affording an opportunity of being heard to the beneficiary industrial unit.
- (b) No order under the sub-clause (a) shall be passed by the State Government after the expiry of a period five years after the date by which the benefits under this scheme are fully availed of.

14. REVIEW OR MODIFICATION OF SCHEME:

The State Government in the Finance Department reserves the right to review or modify the Scheme as and when needed in public interest.

By order,

(M.D.Kaurani)

Additional Chief Secretary

Revised from time to time:

1. Amended vide FD order dated 19.8.2003
2. Amended vide FD order dated 15.10.2003 (B)
3. Amended vide FD order dated 22.10.2003 (C)
4. Amended vide FD order dated 4.11.2003 (D)
5. Amended vide FD order dated 4.11.2003 (D)
6. Amended vide FD order dated 12.11.2003 (E)
7. Amended vide FD order dated 12.11.2003 (E)
8. Amended vide FD order dated 12.11.2003 (E)
9. Amended vide FD order dated 12.11.2003 (E)
10. Amended vide FD order dated 12.11.2003 (E)
11. By FD order dated 12.1.2004 (F)
12. Amended vide FD order dated 26.2.2004 (G)
13. By FD order dated 26.2.2004 (H)
14. Inserted vide FD order dated 28.2.2004 (I)
15. Amended vide FD order dated 12.07.2004 (J)
16. Amended vide FD order dated 12.07.2004 (J)
17. Amended vide FD order dated 12.07.2004 (J)
18. Inserted vide FD order dated 12.07.2004 (K)
19. Inserted vide FD order dated 12.07.2004 (K)
20. Inserted vide FD order dated 12.07.2004 (K)
21. Inserted vide FD order dated 04.08.2004 (L)
22. Inserted vide FD order dated 04.08.2004 (L)
23. Inserted vide FD order dated 04.08.2004 (L)
24. Inserted vide FD order dated 19.11.2004 (M)
25. Inserted vide FD order dated 19.11.2004 (M)
26. Inserted vide FD order dated 01.12.2004 (N)
27. Amended vide FD order dated 01.12.2004 (N)
28. Inserted vide FD order dated 01.12.2004 (N)
29. Inserted vide FD order dated 01.12.2004 (N)
30. Inserted vide FD order dated 01.12.2004 (N)
31. Inserted vide FD order dated 01.12.2004 (N)
32. Inserted vide FD order dated 21.12.2004 (O)
33. Inserted vide FD order dated 24.03.2005 (P)
34. Replaced by FD order dated 24.03.2005 (P)
35. Replaced by FD order dated 24.03.2005 (P)
36. Inserted vide FD order dated 24.03.2005 (P)
37. Replaced by FD order dated 24.03.2005 (P)
38. Inserted vide FD order dated 28.03.2005 (Q)
39. Inserted vide FD order dated 28.03.2005 (Q)
40. Inserted vide FD order dated 21.11.2005 (R)
41. Inserted vide FD order dated 02.12.2005 (S)
42. Deleted by notification 06-143 dated 8.3.06
43. Deleted- FD order dated 28.4.2006
44. Amended by FD order dated 15.03.2007
45. Amended by FD order dated 4.04.2007
46. Inserted by FD order dated 13.04.2007
47. Amended by FD order dated 31.05.2007
48. Inserted by FD order dated 21.08.2007
49. Inserted by FD order dated 21.08.2007
50. Inserted by FD order dated 24.08.2007
51. Inserted by FD order dated 24.08.2007
52. Inserted by FD order dated 14.02.2008
53. Inserted by FD order dated 21.02.2008
54. Inserted by FD order dated 27.03.2008
55. Inserted by FD order dated 22.05.2008
56. Inserted by FD order dated 05.07.2008
57. Replaced by FD order dated 06.08.2008

Annexure –I**List of industries not eligible for the Interest Subsidy and/or Wage/Employment Subsidy and/or Exemptions under the Rajasthan Investment Promotion Scheme 2003**

1. Iron & steel re-rolling mills (excluding stainless steel re-rolling mills).
- 2.⁴⁷ Oil extracting or manufacturing industry (excluding solvent extraction plants with or without refinery system and Oil manufacturing plants using plastic waste as raw material)
3. Mini Cement Plants up to the manufacturing capacity of 200 tones per day.
4. Granite in all its form.
5. ⁵⁵ Cement Plants, having capacity more than 200 tons per day, both new and under expansion.