

**GOVERNMENT OF RAJASTHAN**  
**FINANCE DEPARTMENT**  
**(TAX DIVISION)**

No.F.12(39)FD/Tax/2019- 97

Date: 17.12.2019

**ORDER**

**RAJASTHAN INVESTMENT PROMOTION SCHEME - 2019**

In order to generate employment opportunities and promote rapid, sustainable and balanced economic growth in the State of Rajasthan, the State Government of Rajasthan, in public interest, hereby issues “The Rajasthan Investment Promotion Scheme, 2019” (RIPS-2019) (hereinafter referred to as “the Scheme”) to provide benefits to eligible manufacturing and services sector enterprises.

**1. OPERATIVE PERIOD:**

The Scheme shall come into effect from the date of issuance of this order and shall remain in force up to 31<sup>st</sup> March 2026.

**2. DEFINITIONS**

- (i) **“Agricultural Product”** means produce of Agriculture, Horticulture, Sericulture, Floriculture, Aromatic, Herbal & Medicinal plants, Fisheries, Poultry, Apiculture, and Dairy. It shall include derivatives or residues of agricultural product or intermediate agriculture products and shall also include minor forest produce and livestock based products;
- (ii) **“Agro Cooperative”** means any Special Purpose Vehicle or Producer Organisation formed by farmers and registered under the Rajasthan Cooperative Act, where they pool their resources to engage in or propose to be engaged in manufacturing or service activities;
- (iii) **“Agro Processing Sector”** means a sector comprising manufacturing enterprises which add value to agriculture products through processing to manufacture marketable products in a manner that results in the emergence of a new product having a distinct name, character and use;

- (i) (a) 25% of its existing investment (as per the Gross Block) at the beginning of the year in which the project for expansion has been initiated at that site; or  
(b) Rupees ten crore;  
Whichever is lower; and
- (ii) There should be 10% increase in employment;
- (xxxvi) **“Farmers Producer Organisation (FPO)”** means Producer Organisation formed by minimum ten farmers which shall be a registered producers company or co-operative society or any other legal entity which provides for sharing of profits/benefits among the members;
- (xxxvii) **“Film City”** means an integrated studio complex spread over a minimum of ten acres area that provides the physical facilities required for film making, including providing the flexibility to use the outdoor spaces for shooting purposes. It may be used as a popular tourist spot, recreation centre featuring many natural & artificial attractions including gardens, landscapes, amusement parks, statues, miniatures, streets, hotels, restaurants, Art Gallery, Museum, Hospital and shopping destinations. It may also include the development of peripheral infrastructure such as hotels, food & beverage establishments and retail areas including merchandise stalls to diversify the revenue composition;
- (xxxviii) **“Food Processing Sector”** means a sector comprising enterprises engaged in such manufacturing processes in which raw product of agriculture, animal husbandry or fisheries is transformed to make it edible for human consumption;
- (xxxix) **“Gems & Jewellery Sector”** means a sector comprising enterprises engaged in manufacturing of handmade or machine-made jewellery or other articles of gold, silver and other precious or base metal clad with precious metals or precious or semi-precious stones, or combinations of precious metal and precious or semi-precious stones or other materials;
- (xl) **“Government”** means Government of Rajasthan
- (xli) **“Green Building Measures”** means process or technology adopted to obtain green rating under Indian Green Building Council;

(b) Exemption from payment of Electricity Duty for additional three years.

**5.13 M- Sand Sector :** Enterprises making an investment equal to or above rupees two crore in the manufacturing of M-Sand shall be granted the following benefits:—

- (a) 25% additional Investment Subsidy of State tax due and deposited for seven years; and
- (b) (i) 5% Interest Subsidy on term loan taken by enterprise from Financial Institutions or State Financial Institutions or Banks recognized by Reserve Bank of India, for making an investment in plant & machinery, for a period of five years subject to a maximum of rupees twenty five lakh per year; or  
(ii) Capital Subsidy equivalent to 20% of investment made on the plant & machinery, subject to a maximum of rupees twenty five lakh.

**5.14 Medical Device Manufacturing Sector:** Enterprises making an investment equal to or above rupees five crore in the manufacturing of Medical Devices shall, be granted the following benefits:—

- (a) 5% Interest Subsidy on term loan taken by enterprise from Financial Institutions or State Financial Institutions or Banks recognized by Reserve Bank of India, for making an investment in plant & machinery, for a period of five years subject to a maximum of rupees fifty lakh per year; or
- (b) Capital Subsidy equivalent to 20% of investment made on the plant & machinery, subject to a maximum of rupees fifty lakh.

**5.15 MSME Sector:** Enterprises of MSME sector shall, in addition to benefits mentioned in clause 4.1, if applicable, be granted the following benefits:-

- (a) Water Conservation and Green Measures Subsidy in the form of Reimbursement of
  - (i) 50% of cost incurred on water audit by any Government empanelled or Government approved agency subject to maximum of rupees two lakh;
  - (ii) 50% of amount paid to the suppliers for the plant, excluding civil work, for establishing zero liquid discharge based effluent treatment plant;

(iii) 50% of amount paid to the suppliers for the plant, excluding civil work, for adopting Green Building Measures for the building having a minimum floor space of 2000 sq mtrs; and

(iv) 50% of amount paid to the suppliers for the plant, excluding civil work, for establishing “Reuse and Recycling of Industrial Waste Plant”, subject to maximum of rupees fifty lakh and shall be one time assistance;

Provided that maximum total amount of subsidy including (i), (ii) and (iii) shall be subject to maximum of rupees fifty lakh and shall be one time assistance;

(b) One-time reimbursement of 50% of cost incurred on obtaining quality certification for manufacturing or processes or certification related to export, issued by any Government agency or any agency authorized by Government of India or Government of Rajasthan, subject to maximum of rupees twenty five lakh;

(c) One-time reimbursement of 50% cost incurred to acquire advanced technology from premier national institutes – Indian Institute of Science (IISc), Indian Institute of Technology (IITs), National Institute of Technology (NITs), National Institute of Design (NIDs), The Council of Scientific and Industrial Research (CSIR) or any other institute set up by Government of India, subject to maximum of rupees ten lakh;

(d) One-time financial assistance equivalent to the assistance provided by Government of India for obtaining Patents, Geographical Indication (GI) Tagging, and Trademark Registration.

(e) One-time reimbursement of 50% of investment made on plant and machinery and testing equipments for obtaining Silver or Gold or Diamond or Platinum rating under Zero Defect and Zero Effect Certification Scheme of Government of India, subject to maximum of rupees five lakh; and

(f) 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), subject to a maximum of rupees five lakh.