

**Government of Rajasthan
Industries (Gr. 2) Department**

No. F.1 (14) Udyog/2/2014

Date: Nov. 10, 2015

Notification

**The Rajasthan Sick Micro & Small Enterprises (Revival and Rehabilitation)
Scheme, 2015**

Micro and Small manufacturing enterprises play an important role in the economy of the State. However factors like financial constraints, poor management, lack of professionalism and marketing limitations make this sector more prone to sickness both from the point of economic growth as well as employment generation. There is need to formulate a comprehensive package for revival of viable and potentially viable sick micro and small enterprises so that the assets created could be put to productive use as well as employment.

1. Title of the Scheme :-

This scheme shall be called as "**The Rajasthan Sick Micro & Small Enterprises (Revival and Rehabilitation) Scheme, 2015** "

2. Operative period :-

The Scheme shall come into effect from the date of issuance of this order and shall remain in force up to 31st March, 2019.

3. Definitions :-

- i. **"Bank"** means any scheduled commercial bank that is regulated under Banking Regulation Act, 1949.
- ii. **"RBI"** means Reserve Bank of India wholly owned by Government of India and established under RESERVE BANK OF INDIA ACT, 1934.
- iii. **"Government"** means Government of Rajasthan.
- iv. **"Micro and Small Enterprise"** means a manufacturing enterprise defined as such under the Micro Small and Medium Enterprise Development Act, 2006.
- v. **"RIPS-2014"** means Rajasthan Investment Promotion Scheme, 2014 notified by the Government of Rajasthan vide Finance Department Notification number F12(28)FD/Tax/2010 Part I-114 dated 8.10.2014.
- vi. **"State Level Screening Committee"** means the State Level Screening Committee (SLSC) constituted as per Annexure-1 of the Scheme.
- vii. **"Sick enterprise"** means a micro or small enterprise identified as sick by the principal loaning bank in accordance with the guidelines issued by RBI from time to time and declared as sick in accordance with the procedure as may be prescribed by the Industries Department, in this regard.

4. Applicability:-

The scheme shall be applicable to any Micro or Small Enterprise in the manufacturing sector not covered under the provisions of the Sick Industrial Companies (Special Provision) Act, 1985 which has been identified by the principal loaning bank as sick enterprise and found viable / potentially viable for revival and taken up by the Bank for its revival and shall also include such MSEs in the manufacturing sector that had been taken over before the commencement or during the operative period of RIPS-2014 and sold during the operative period of that Scheme to a new management by RIICO/ RFC/ Central Financial Institutions/ Banks.

NOTE: Non-viable enterprises, willful defaulter enterprises, enterprises under distress as defined vide notification of Ministry of MSME dated 29.05.2015, and ineligible enterprises as defined in RIPS-2014 shall not be eligible under this scheme.

5. Reliefs in outstanding dues of Government Departments/Agencies:-

The following fiscal reliefs may be allowed to the sick micro and small enterprises under the rehabilitation package:-

1) Commercial Taxes (VAT and other taxes)

Subject to the approval of SLSC, the enterprise may be allowed to pay outstanding demand of Commercial Taxes Department in such installments as may be approved by the SLSC subject to a maximum of thirty six instalments.

Provided that the SLSC on being satisfied may recommend for waiver of interest and/ or penalty in case the amount of outstanding tax is deposited by the enterprise in one go within such time as may be allowed by SLSC.

2) Electricity Dues

The enterprise eligible under the scheme would be granted the following reliefs by the concerned Electricity Distribution Company:

- a. Where connection has been dis-connected due to non payment of bills or the agreement has been terminated ex-parte, if security deposit has already been adjusted against the outstanding amount of bills, fresh security may be accepted in 6 monthly installments.
- b. If connection is lying dis-connected, it shall be re-connected after recovering all charges as per provision applicable for new applicant. However, in case where electric line/plant has been removed, the expenditure as per norms shall be borne by such units.
- c. Facility of paying arrears of electricity bills to concerned Electricity Distribution Company in six half yearly installments from the date of sanction of revival scheme will be given to the enterprise.
- d. Interest payable on dues of the concerned Electricity Distribution Company for closure period of the enterprise will be waived up to maximum ceiling of Rs. 25000/-.
- e. Penal charges (including LPS/DPS) imposed by the concerned Electricity Distribution Company will be waived up to maximum ceiling of Rs.25000. In addition to the above, on rehabilitation prompt action in accordance with the policy in force under the concerned Electricity Distribution Company and Electricity Act, 2003 will be ensured.

6. Fiscal Incentives to Sick Micro and Small enterprises:-

An eligible sick Micro and Small enterprise for its revival shall be granted benefits and incentives as given below:

- (1) Any incentives, if sanctioned earlier, under any scheme of Government of Rajasthan shall continue for the unexpired eligibility period.
- (2) All benefits other than exemption from payment of Stamp Duty as provided to a sick enterprise under RIPS-2014, if eligible.
- (3) 100% exemption from payment of stamp duty on transfer of eligible sick enterprise to new management.

7. Procedure for availing benefits under the Scheme :-

- (1) Any enterprise which has been identified as sick by the concerned loaning bank and the bank has also sanctioned the revival plan for the enterprise may apply under single window system in Form – I appended to the scheme along with a copy of revival plan approved and certified by the concerned bank branch supported by a letter of bank and an affidavit in this regard. The application will be submitted to the Member Secretary of SLSC.
- (2) For availing the benefits under RIPS-2014 the application shall be submitted in the manner and within such time as provided under RIPS-2014 along with copy of certificate of sickness in Form –II issued by the member secretary SLSC.

8. Sanction of Benefits :-

- (1) The member secretary of SLSC shall register the application and shall place the completed application before the SLSC within forty five days of receipt of the application unless specifically extended for reasons to be recorded in writing.
- (2) In case the Committee declare the enterprise as sick enterprise, the member secretary shall issue a certificate in Form-II appended to the scheme to the enterprise, and shall forward a copy thereof to the concerned department(s).
- (3) Where the committee is of the opinion that the enterprise is not eligible to be declared as sick, it shall provide an opportunity of being heard to the enterprise and shall record the reasons in writing. The decision of the committee shall be communicated by the member secretary to the enterprise and concerned department(s)

9. Appeal(s) :-

- a) The State Empowered Committee constituted under section 3 of the Rajasthan Enterprises Single Window Enabling and Clearance Act-2011 shall be empowered to hear and decide appeals against the order of SLSC.
- b) The application for the appeal shall be filed within a period of 90 days from the date of communication of decision by the enterprise /department.

10. Review or modification of scheme:-

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

This Scheme is issued with the consent of Finance Department conveyed vide its I.D. No.111500420 dated 6-8-15 and U.O. Note No. F.12(99)FD/Tax/2007-Pt. dated 6-11-2015.

By Order
(Suchi Sharma)
Joint Secretary to Government

No. F.1 (14) Udyog/2/2014

Date: Nov. 10, 2015

Copy to for information and necessary action:

1. P.S. to Minister, Industries, Government of Rajasthan, Jaipur.
2. Principal Secretary, MSME, Government of Rajasthan, Jaipur.
3. Principal Secretary, Industries, Government of Rajasthan, Jaipur.
4. Principal Secretary, Finance, Government of Rajasthan, Jaipur.
5. Principal Secretary, Revenue, Government of Rajasthan, Jaipur
6. Commissioner, Industries, Government of Rajasthan, Jaipur.
7. Commissioner, Commercial Taxation Department, Jaipur.
8. All District Collectors.
9. All General Managers, District Industries Centres.
10. Superintendent, Government Press, Jaipur.
11. Guard File.
12.

Joint Secretary to Government

Form-I
Application form under the Rajasthan Sick Micro & Small Enterprises (Revival and Rehabilitation) Scheme, 2015

1. Name of the applicant enterprise:-
2. Address of applicant enterprise:-
email address
3. Total Investment made for revival of sick enterprise:-
4. Item(s) of Manufacture:-
5. Date from which enterprise identified as sick by bank:-
6. Name of Bank and Branch:-
7. Total no. of workers:-
8. Benefits applied for:-
 - a)
 - b)
 - c)
 - d)
 - e)

I have read the provisions of the scheme and undertake to abide by them. I also verify that all the above facts are true to the best of my knowledge and belief.

Place:-

Date:-

Signature of Applicant

For and on behalf of applicant enterprise

Enclosures:-

1. Copy of EM Part II
2. Copy of approved revival plan
3. Copy of sanction letter for fresh loan, if any
4. Proof of New investment, if any
5. Affidavit in support of facts of application
6. Copy of resolution
7. Copy of balance sheet of last two years
8. Details in support of benefits applied for

Affidavit

I/WE _____, as sole proprietor/partner/director of M/s _____ having its registered office at _____ hereby declare that the said enterprise has applied for benefits under revival scheme of Government of Rajasthan for Sick MSME enterprises vide our

application dated _____ . I/WE _____ further affirm that the facts and figures given in the application are true and any inconsistency with them shall make us liable for action under rules.

Deponent

Verification

I /WE _____, proprietor/partner/director of M/s _____ hereby declare that the above statement is true and correct to the best of my knowledge and belief.

Deponent

Form-II

Certificate of sickness under the Rajasthan Sick Micro & Small Enterprises (Revival and Rehabilitation) Scheme, 2015

Book No.

S.No.

It is certified that on the recommendation made by the State Level Screening Committee in its meeting dated.....

M/s..... is declared as sick enterprise under the Rajasthan Sick Micro & Small Enterprises (Revival and Rehabilitation) Scheme 2015.

Place :

Date :

(Signature with Seal)

Member Secretary

State Level Screening Committee

CC:

1. M/s
2. Concerned Department

Member Secretary

State Level Screening Committee under clause 3(VI)

1. Principal Secretary, MSME - Chairman
2. Managing Director, RIICO or his Representative not below the rank of General Manager - Member
3. Principal Secretary, Energy or his Representative not below the rank of Joint Secretary - Member
4. Secretary Finance (Expenditure) or his Representative not below the rank of Deputy Secretary - Member
5. Commissioner, Commercial Taxes Department or his Representative not below the rank of Additional Commissioner - Member
6. Coordinator, State Level Bankers Committee(SLBC) or his Representative not below the rank of Deputy General Manager - Member
7. Commissioner, Industries - Member Secretary