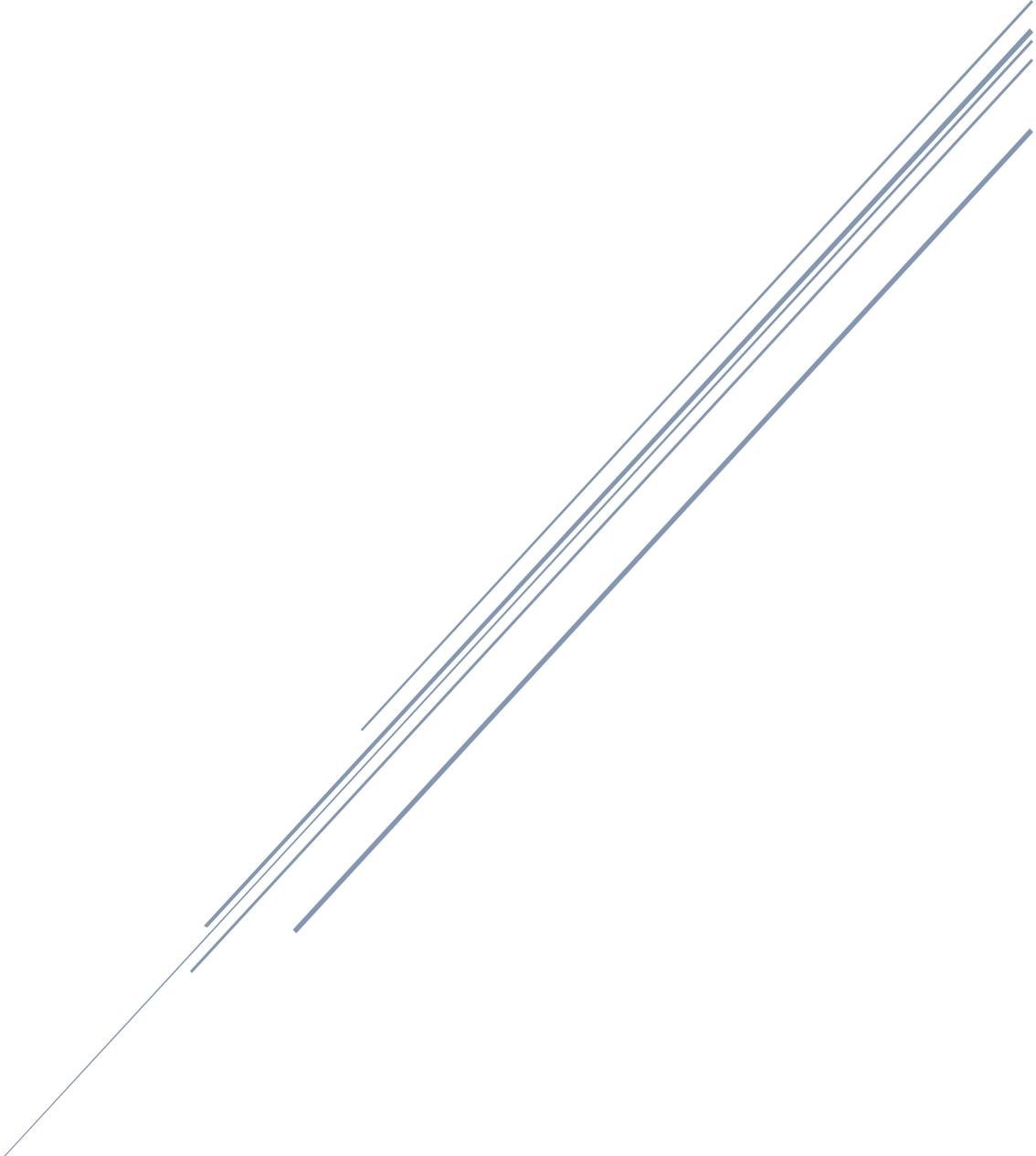


# Rajasthan eGovernance & IT/ITeS Policy 2014

Draft v2.0



Department of Information Technology & Communication  
Government of Rajasthan

# 1 Preamble

eGovernance in Rajasthan has steadily evolved from computerization of government departments to fragmented initiatives aimed at speeding up e-Governance implementation across the various arms of the government at the state, and local levels. These fragmented initiatives are being unified into a common vision and strategy under the Rajasthan eGovernance Framework.

Rajasthan takes a holistic view of eGovernance initiatives across the state and departments, integrating them into a collective vision and a shared cause. Around this idea, a magnanimous state wide infrastructure reaching down to the remotest of villages is evolving, and large-scale eGovernance initiatives are taking place to enable easy, reliable access of people to the Government the eWay.

Over the last few decades, evolutions in the Information Technology & Electronics (ITE) arena have emerged as the most significant enablers for improving efficiency & effectiveness of the government & non-government organizations. Rajasthan recognizes the enormous potential of Electronics and Information technology and has made significant efforts to ensure that the benefits of these sectors percolate to its citizens.

Rajasthan's multicultural population of 6.86 Crores live and work on a land area of 342239 square kilometres, and have learned to combine their skills and diligence with education and technology to sustain the momentum of their economic growth. There is a recognition that information technology is needed to leverage Rajasthan's intellectual capital in order for it to be the leader and benchmark for eGovernance. A concerted effort to harness computer power began in the early 1980s, and in a manner that has become a state formula, the government has taken the leadership reins of the race.

eGovernance is seen as a key element of the Rajasthan's governance and administrative reform agenda. The Rajasthan eGovernance Framework has the potential to enable huge savings in costs through the sharing of core and support infrastructure, enabling interoperability through standards, and of presenting a

seamless view of government to citizens. The ultimate objective is to bring public services closer to citizens.

Rajasthan emphasizes that creating digital opportunities in the 21st century is not something that happens after addressing “core” development challenges, but rather a key component of addressing those challenges. There are three key challenges in stepping up e-governance: investments in and access to ICTs, capacity building to utilize e-governance services, and promoting people’s participation in e-democracy. It is hoped that improved access to information and services will provide economic and social development opportunities, facilitate participation and communication in policy and decision-making processes, and promote the empowerment of the marginalized groups.

In its continuing endeavor of development, the Rajasthan eGovernance and ICT Policy 2014 envisages promoting citizen access to ICTs for encouraging their participation in e-governance. The Policy is for the people, by the people. Though the 33 districts of Rajasthan are at various stages of development, the policy attempts to highlight the possibilities for other districts that are similar to capital in levels of development. To promote the IT / ITES Industry in the city, this policy attempts to develop a more modern and vibrant ecosystem for Electronics and IT industry to support electronic governance initiatives of the Government of India and attract investment and talent to such industries in Rajasthan. Key focus areas of the policy include pioneering e-Governance initiatives, research & development in Electronic System Design and manufacturing, support of the Micro Small & Medium Enterprises and promotion of entrepreneurship that harnesses the huge talent pool of the people of Rajasthan, and ensuring inclusive growth – for one and for all.

## **2 Rajasthan eGovernance & IT Mandate**

### **2.1 Vision**

To achieve Good Governance and facilitate inclusive growth, harnessing ICT and evolving eGovernance with improvement in delivery of services, bridging the digital divide and evolving Digital Rajasthan.

### **2.2 Mission**

2.2.1 Establishing complete participatory & transparent open Governance and Citizen Centric IT and e-Governance for the residents of Rajasthan

2.2.2 Branding Rajasthan on the IT Landscape

2.2.2.1 Establishing 7 Smart Cities in Rajasthan by 2020

2.2.2.2 Positioning Rajasthan as Best IT Investment Destination

2.2.2.3 Positioning and Branding Jaipur as IT, ITeS and R&D Hub in North and West India

2.2.3 Improvement in the environment for IT Industry in Rajasthan.

2.2.4 Boosting adoption of Information Technology to bridge the digital divide and creating knowledge based society in Rajasthan.

2.2.5 Tapping the growth potential of Electronics System Design & Manufacturing industry to the optimum.

### **2.3 Objectives**

2.3.1 Implementation of Rajasthan IT Incubation Plan with establishment of Rajasthan Skills Registry and achievement of up to 10,00,000 direct employable professionals in the ICT sector by 2020.

2.3.2 Development of at least 3,000 technology startups in the state by 2020 and establishment of Rajasthan Venture Capital Fund with specific capital for development of IT/ITeS/ESDM startups in Rajasthan.

2.3.3 Increase in the current investment in IT/ITeS sector by 10 times

2.3.4 Increase in the IT turnover to INR 80,000 crores.

2.3.5 Increase in IT exports from the State to INR 8000 crores.

2.3.6 Focus on development of Financial Services, Mobile Applications, Animation, 3D, Gaming & Digital Entertainment, R&D and ESDM sectors and promotion of Open Source Technologies in Rajasthan.

- 2.3.7 Improvement in delivery of public services by leveraging eGovernance and mGovernance to achieve Efficiency, Effectiveness, Economy, Transparency, Accountability and Reliability in service delivery across all departments and functions and Re-engineer the Government business practices and rules to ensure hassle free service delivery.
- 2.3.8 Establishment of end to end Rajasthan State Resident Data Hub and ensuring complete Service Delivery under the aegis of Government of Rajasthan in an automated manner
- 2.3.9 Ensuring requisite connectivity to all Government offices up to Panchayat level by 2016
- 2.3.10 Supporting entrepreneurs to establish and grow in various verticals of the IT industry by providing incentives and support.
- 2.3.11 Making two individuals (at least one female) in every household e-literate so as to bridge the digital divide.
- 2.3.12 Enhancement in digital literacy and increase employability of youth by strengthening of the IT curriculum and infrastructure of educational institutions and promoting the use of IT.
- 2.3.13 Rise in awareness among the school and college children and society as a whole regarding environmentally sound e-Waste management and take steps for its proper disposal.
- 2.3.14 Implementation of a uniform website policy for Rajasthan Government with emphasis on user-friendliness of the interface for all inclusive percolation of the benefits of the IT.
- 2.3.15 Encouragement to research & development and innovation in product design, testing, calibration and production in Electronics System Design & Manufacturing industry for tapping the potential in the IT hardware and the electronics industry.
- 2.3.16 Have the best in class ICT and allied infrastructure thereby ushering efficient and effective developments within the government and in the sector as such.

### **3 Service Delivery – eGovernance and mGovernance**

- 3.1 Enabling actions shall be taken for implementation of existing and future eGovernance and mGovernance projects in the State with emphasis on Service Delivery, Right to Information and Grievance Redressal.
- 3.2 Government would work out special mechanism for according fast-track financial, legal and administrative approvals to e-Governance projects considering the high social relevance of e-Governance.
- 3.3 Government shall mandate adoption of rules, policies, guidelines and standards issued by the Government of India for delivery of e-Services.
- 3.4 eEnablement of all public services shall be carried out, which would include eSubmission of forms, electronic workflows, e-payments, Use of DSC, online/SMS-based status tracking and final delivery of services through e-means. It would also include (wherever required) cross-sharing of data amongst various departments/ Govt. agencies, and e-Authentication.
- 3.5 Affidavits and Notary Attestation shall be completely removed and datasets shall be used instead of documents for service delivery.
- 3.6 For delivering e-services to citizens, Government will promote the use of upcoming technologies like NFC, Cloud Computing and Social Media. Further, multiple channels like mobile phones, tablets, call centers, TV etc will be used for such delivery.
- 3.7 Efforts would be undertaken to provide all government services through mobile devices for 'on-the-move' service delivery. Endeavour will be to provide services 'Anywhere, Anytime, Any device'.
- 3.8 Self-service kiosks shall be installed across the state.
- 3.9 One Person One eIdentity shall be achieved with unique online profile with all documentary datasets for each citizen shall be built under a common framework for service delivery through all government departments centrally in a paperless fashion. It would be done through a user-friendly e-Vault for lifelong archiving for each citizen, company and departments to enable them to secure their digital dialog, correspondence and important documents.
- 3.10 Efforts would be undertaken to provide all government services through mobile devices for 'on-the-move' service delivery. Endeavour will be to provide services 'Anywhere, Anytime, Any device'.

- 3.11 Government shall mandate for all the Departments to earmark necessary plan funds annually for e-Governance with a cap on hardware procurement prescribed.
- 3.12 An endeavour would be made to analyse the behaviour of the citizens in usage of Government portals so as to constantly improve these portals and make them more user friendly.
- 3.13 A knowledge resource / digital library will be setup that will maintain a repository of documents for use by general public and Govt. authorities. This would include official gazette notifications, acts, rules, regulations, circulars, policies and scheme documents for electronic access in a time bound manner.

## **4 Office Automation**

- 4.1 Government shall notify the acceptance of correspondence through emails received from the public. Further, use of official email ID would be mandated by Government for all official communications, which, inter alia, includes (i) responding back to such correspondence of citizens and (ii) for intra- and inter-departmental communication within Government and communication with Govt. of India to make citizen-government interface more efficient and effective.
- 4.2 Complete office automation in an integrated fashion shall be carried out, with end to end automated office processes and workflow automation, and shall ensure all government departments integrated on a common platform.
- 4.3 Integrated GIS Based Decision Support System shall be implemented and commissioned with GIS Mapping and Layers for all respective departments, and Government shall mandate the use of this GIS based decision making system only by all departments.

## **5 IT Infrastructure**

- 5.1 Creation of next generation IT Infrastructure and up-gradation of existing IT infrastructure shall be undertaken to bring it at par with the world class state-of-the-art infrastructure.

- 5.2 Further, development of IT infrastructure shall be undertaken to support the increasing requirements of Rajasthan including the rural areas to ensure that high speed internet connectivity reaches every citizen.
- 5.3 Extended State Data Centre to provide 'on-the-go' services through an integrated cloud based mechanism to all the departments to minimize the overheads associated with managing the physical infrastructure and to ensure that all the components of IT infrastructure (Hardware, Software, Network etc.) would be available as simple and configurable services.
- 5.4 The State Data Centre shall be made open for non-government private agencies in Rajasthan using PaaS (Platform as a Service) and SaaS (Software as a Service) mechanism at affordable rates.
- 5.5 Government shall endeavour to provide every state resident with high speed internet access (wired and wireless) for creation of smart city infrastructure. This will be achieved, inter alia, through (i) making 7 Wi Fi cities in Rajasthan (ii) creation of fibre ready urban homes.
- 5.6 Government shall encourage Green IT initiatives. Department of IT&C shall assist the departments in disposing off their unusable, redundant and irreparable IT infrastructure as per the guidelines of ewaste management. For this, guidelines on the obsolescence of IT Hardware will be formulated.
- 5.7 Rajasthan Network Superhighway with Network connectivity till Gram Panchayats and Integrated Videoconferencing and IT linkages till Gram Panchayats shall be established.
- 5.8 Unique State Payment Gateway for all government applications shall be developed.
- 5.9 Rajasthan Information Security Policy shall be formulated to promote public trust in Government, with continual improvements to protect the state from cyberattacks and cyber-disruptions, thus enhancing preparedness, security and resilience.

## 6 Capacity and Skill Building

- 6.1 Rajasthan eGovernance Centre of Excellence with a mandate of IT for Jobs and Employability Assurance, Rural ICT workforce development and IT Education Incubation Units shall be established, and shall become the central authority for Capacity and Skill Building in IT/ITeS/ESDM/R&D fields in Rajasthan. This CoE shall be:
- 6.1.1 Strengthening of IT & Personality Development Program/soft skills curriculum with significant weightage in overall performance/grades and spreading of awareness about job opportunities in IT.
  - 6.1.2 Providing standardized IT/ ITeS/ BPO/ KPO/ ESDM/ ITES-BPO certification for job aspirants for the industry. The certification shall be granted by relevant authorities in Government in association with the private sector thus adding credibility to the IT Professional skills, reducing time and cost of hiring for recruiters.
  - 6.1.3 Facilitating creation and up-gradation of the IT infrastructure for interactive education at schools and promoting advanced virtual class room courses at colleges.
  - 6.1.4 Facilitating training and development of IT skills as well as Personality Development Program for teachers and encouraging them to use IT to enhance the effectiveness of teaching.
  - 6.1.5 Encouraging introduction of IT Clubs for students & faculty.
  - 6.1.6 Facilitating partnership between educational institutes and industry to provide courses/ training on emerging IT technologies.
  - 6.1.7 Facilitating setting up of e-learning centres, in rural/ slum areas for promotion of IT education along with soft skills development and spreading awareness about job opportunities in IT.
- 6.2 Possibility of introducing distance learning program/ vocational courses shall be explored in this respect. This would enable “anytime anywhere” learning.
- 6.3 Spreading awareness about job opportunities in IT and facilitating short term job oriented certificate courses in various IT skills and Personality Development Program for unemployed educated youth shall be done.

- 6.4 Encouraging IT literacy among employees of Government by conducting IT trainings as well as gradually making IT literacy an essential requirement for relevant employment categories of Government shall be done.
- 6.5 Rajasthan Skills Repository with Data bank of students who are IT literate and suitable for deployment in the IT industry would be established, maintained and shared with the industry. This would enable the industry to have easy access to the skilled manpower.
- 6.6 A panel of IT companies would be formed, which would provide internship / training opportunities to the students of the UT.

## **7 IT/ITeS/ESDM Industry Development**

### **7.1 Stamp Duty**

- a. 100% reimbursement of stamp duty, transfer duty and Registration fee paid by IT Industry & Communication technology industry companies on sale/lease deeds on the first transaction. This incentive is not available in case Government land is allotted.
- b. 75% reimbursement of stamp duty, transfer duty and Registration fee paid by IT Industry & Communication technology industry companies on sale/lease deeds on the 2nd transaction. This incentive shall be allowed only once and shall not be available in case Government land is allotted.

### **7.2 Land Cost and Lease Rentals**

- a. 50% rebate in land cost in I.T. Parks, I.T. SEZs (both Public & Private) up to Rs.10 lacs
- b. Providing 30% subsidy on lease rentals upto Rs.10 lacs per annum maximum upto a period of three years, for the plug-and-play built up office space ranging from 1500 sft to 5000 sft, leased by Start Ups in STPI, IT/multi-purpose SEZs/IT Parks(both Public & Private promoted).

### **7.3 Subsidy on Bandwidth for Connectivity (for BPOs/KPOs)**

40% subsidy on Bandwidth for connectivity paid to Internet Service Provider (ISP), subject to maximum of Rs. 10 lakh per annum, shall be available for a period of two years from the date of starting commercial production/operation. The subsidy amount will be determined on the basic Bench Mark prices to be declared by Government separately.

### **7.4 Recruitment Assistance**

Recruitment Assistance of Rs.5 lacs for recruitment made upto 75 IT professionals within a period of one year.

### **7.5 Promotion Support**

Reimbursement of 75% exhibition subsidy for participating in notified national/ international exhibitions limited to 16 sq.mts of space.

### **7.6 Power Rebate**

Admissibility of Industrial Power category tariff - 30% power subsidy on power bills for a period of 3 years or Rs.40 lacs whichever is earlier, from the date of commencement of commercial operations

### **7.7 Bidding Support**

- a. Exemption from paying of EMD and Bid Processing Fee for firms registered with NSIC/DIC/DGS&D
- b. Facilitation for participation of Micro & Small Enterprises IT units in tender/ RFP issued for procurement of IT goods / services (Procurement valued of INR 5 crores or more). This will be done by inserting a clause in the tender documents/RFP documents those bidders who include MSMEs in project delivery (through allotment of a minimum of 10% percentage of contract value of the project to the MSMEs), shall be given additional weightage (of at least 6% of the total score) at the time of technical evaluation of bids.

### **7.8 Development Support**

- a. Tie up with reputed Business Analyst Firms to evaluate the strengths of SMEs - so that SMEs can market themselves in international markets.
- b. Facilitate linkages of smaller ICT companies with bigger firms
- c. Reservation of 15% built up office space for SC/ST entrepreneurs in the Govt promoted Incubation Centres.

- d. Start Animation & Gaming Academy in collaboration with reputed Gaming & Animation industry.
- e. For creating public awareness on promoting Animation films produced locally, Govt will organize Animation & Gaming promotion events.

#### **7.9 Investment Subsidy**

30% investment subsidy on fixed capital Investment will be given to SC and ST Entrepreneurs and additional 5% investment subsidy for SC Women and ST Women Entrepreneurs, with a maximum limit per unit of Rs.30 Lacs.

#### **7.10 Interest Subsidy**

9% Interest subsidy on Prime Lending Rate (PLR) will be given on the term loan and working capital subject to a maximum of Rs. 10.00 Lacs per year for a period of 5 years for units which commence commercial production.

#### **7.11 Quality Certification Support**

50% subsidy on the expenses incurred for quality certification, limited to Rs. 5.00 Lacs.

#### **7.12 Allotment of Government land**

- a. All allotments of Government land to the IT Industry shall be made, subject to availability, fulfilment of eligibility criteria by the applicant IT/ITES company/firm, and on payment of land cost & development cost, as determined from time to time by the allotment agencies, i.e., RIICO/Development Authorities/UIT.
- b. The eligibility criteria for allotment of land to IT industry in ITIR/SEZ is –
  - i. As on the date of application
    1. the IT company/firm shall have been in operation at least for the last five financial years
    2. shall have an existing employee strength of minimum 1000 in IT or 1500 in ITES/BPO activities on its rolls & sustained for the last two years, and
    3. shall have a minimum annual turnover of Rs.25 crores, from IT/ITES activities from their existing operations continuously for the last two financial years.
  - ii. IT Product/R&D companies

1. The eligibility for consideration for allotment of land is that the company/firm shall have the existing employee strength of minimum 500 on its rolls & sustained for the last two years, with a minimum annual turnover of Rs.25 crores or investment of Rs.25 crores and shall have been in operation at least for the last five financial years.
  2. The Product Company/firm applying for land would have obtained approval for a minimum 1 patent/copy right OR registered/filed for approval of 3 patents/copyrights with the Competent Statutory Authority
- c. The land recommended for allotment shall be based on creating a fresh direct IT employment of 500 and construction of 50,000 sft. of office space for every one acre allotted within 3 years from the date of taking over possession of land, failing which the said allotted land is liable for cancellation and can be taken back to the extent to which proportionate employment is not generated For product companies the fresh additional employment to be created shall be 200 per acre on the land allotted.
  - d. Companies/Firms availing the allotment of land incentive are not eligible for 100%/75% Stamp duty reimbursement

### **7.13 Mega Projects**

A special and up front negotiated package of incentives, will be offered for mega projects set up by ICT Multinational Corporations (MNCs) and IT majors. Mega Projects are defined as such ICT projects, with present employment of more than 1000 in the case of IT and 1500 in the case of ITES and an annual turnover of more than Rs.100 crores for the last 3 years.

### **7.14 Patent Filing Costs**

The Government of Rajasthan is keen to encourage the filing of patents by companies located within the State. The Government will, therefore, reimburse the cost of filing patents to companies having their headquarters in Rajasthan for successfully receiving patents. Reimbursement of such cost will be limited to a maximum of Rs.5 Lacs per patent awarded per year.

### **7.15 Quality Certifications**

The Government of Rajasthan will reimburse 30% of expenditure incurred for obtaining quality certifications for CMM Level 2 upwards. Reimbursement will be limited to a maximum of Rs.10 lacs. Similar reimbursement will be made to BS7799 for security and also for ITES Companies for achieving COPC and eSCM certification. The IT/ITES units/companies/firms can claim this incentive only once. A company/firm can claim incentive for BS7799 or any one of CMM Level 2 upwards/COPC/ eSCM.

### **7.16 Technology & Market Support**

Government will support IT Exporters Associations, RISL, NASSCOM, STPI or any such organisation in the creation of Library for making available material on trends in technology, market intelligence, research reports and analysis etc by contributing Rs.15 lacs per annum for development of the SME sector by making such material available at these libraries.

### **7.17 Business Networking**

Government shall promote and encourage participation in international events by the ICT industry by leading a Government-Industry business delegation to the identified international ICT Exhibition & Conferences, such as Cebit, Germany, Gitex-Dubai, Outsource World (New York/London) Communic Asia, Singapore, Comdex, USA, MIPCOM, Emmy, ATF, MIPCOM, MIPTV, ANNECY, GDC, SIGGGGRAPH, Internet World, London, etc., in IT/ITES/Animation areas, every year.

### **7.18 Rajasthan Venture Capital Program**

A Venture Capital Program, with a corpus of Rs 50 crores shall be created from the budget of the Government Administration to provide funds to micro & small enterprises and young entrepreneurs in the IT& ITES industry for capital expenditure (including land and building, patents etc) at prescribed interest rates.

### **7.19 Single Window Clearance and Financial Institution Support**

- a. Government shall be providing an enabling administration system for obtaining easy clearances & approvals from various Government Departments. Single windows to be set up for all Statutory Clearances in

Department of IT&C. Lending in IT shall be considered as priority sector loaning by State level Financial Institutions.

- b. The role of the Government of Rajasthan will be that of a facilitator. A highly empowered 'Single Window Clearance Committee' will be created and operationalized for granting approvals and clearances for setting up New Units in the State. It will be supported by 'state-of-the-art centralized helpdesk call centre' on 24x7 basis.
- c. A Nodal Agency for hand holding and providing effective liaisoning with various Government Departments/agencies/bodies shall be set up with one Investor Relationship Officer/ Manager for each IT Mega project including IT Parks.

#### **7.20 Auxiliary support for Investors**

All IT companies would be notified as 'Public Utility Service' providers under the Industrial Disputes Act, 1947.

All IT units, given the nature of their operations, will be granted permission to work on a 24x7 model.

#### **7.21 Protection of IPR**

There will be a legal mechanism to control piracy of information technology products. Intellectual Property Right (IPR) protection support will be given to all entrepreneurs developing software and animation. All on line transaction would be secured by a fool proof mechanism of digital signature and biometric like fingerprint and its recognition.

#### **7.22 International Gateway and High Bandwidth Backbone**

The State Government shall encourage private sector to become ISPs in the districts and set up international gateways in the State. The state shall facilitate and promote the establishment of broadband digital network (both wired and wireless) in the State.

#### **7.23 Outstanding Performance Awards**

Registered IT/ ITES units that have completed 5 years of operation in the State will be considered for 'Outstanding Contribution Award' in form of grant each year in each category on the basis of objective criteria published by the Government.

#### **7.24 Preferential pricing**

Rajasthan based IT/ITES units will be given 15% price preference in Govt purchases. A bidder, whose price is up to 15% higher than the L1 price, will be treated as L1.

#### **7.25 Octroi/Entry Tax Exemption**

Electronics Hardware Manufacturing (EHM) units and IT units that are in the business of Software Development shall be exempted for Payment of Entry Tax for a period of 5 years.

#### **7.26 VAT (Commercial Tax)**

The IT/ITeS units having capital investment of Rs 5 crores or above would be allowed Interest free loan equivalent to the amount of VAT and Central Sales Tax deposited every year for a period of 10 years from the date of commencement of business or 10% of annual sales, whichever is lower.

This loan would be repayable after 07 years from the date of loan disbursement.

#### **7.27 Manpower Development subsidy**

Subsidy on Manpower development shall be provided in respect of Training /Technical up gradation /Skill up gradation of local persons in a registered training organization/institution subject to ceiling

Investment in fixed capital	Total Ceiling
Up to Rs. 20.00 lakh	Rs.1.50 lakh
Rs. 20.00 lakh to Rs.25.00 lakh	Rs.2.00 lakh
Rs.25.00 lakh to 50.00 lakh	Rs. 3.00 lakh
Rs. 50.00 lakh to 100.00 lakh	Rs. 5.00 lakh
Above Rs. 100.00 lakh	Rs. 10.00 lakh

#### **7.28 Incentives on Case to Case Basis**

IT/ITeS/Mega Unit investments projects proposed above Rs. 200 crores shall be considered for special incentives over and above the incentives provided above

#### **7.29 Additional specific incentives for ESDM Sector**

##### **1. VAT/CST Incentive**

New units and existing units (which have carried out expansion) as defined in this policy will be entitled for exemption of 100% VAT payable on

products manufactured and sold in Rajasthan for a period of seven years from the date of commencement of production by the eligible unit. Such eligible unit shall not collect tax on their sales and shall issue retail invoice for such sales. This will be subject to a ceiling of 100% of capital investment for new units and 100% of new capital investment in case of existing units (going for expansion), defined as investment in building, plant, machinery, testing equipment, figs, moulds, fixtures and other items of a durable nature. This incentive will be consistent with such incentives defined / formulated in the other policies of the State Government. The refund of VAT will also be applicable to VAT paid to the State Government on purchases of intermediate products or raw material.

- i. For domestic sales outside Rajasthan (inter-state sales) 100% Central Sales Tax (CST) would be paid into Government treasury and thereafter would be reimbursed till GST is introduced.
2. Allotment of Land for establishment of ESDM Units.
3. Capital subsidy of 25% on capex investment over and above the Government of India's MSIPS scheme limited to INR 100 mn per unit.
4. First 4 anchor investors eligible for additional investment from Govt. in return of equity
5. Interest subvention of upto 7% on working capital loan for 7 years linked to value addition
6. Value added market access in government procurements for companies manufacturing in Rajasthan
7. Training subsidy of up to 75% of the cost incurred (One time reimbursement) to the companies for providing skill gap training to the employees
8. 100% stamp duty and registration fee exemption for the purchase/lease of land and building or office space
9. 100% Reimbursement of VAT payment for a period of 10 years, capped to 200% of capital investment
10. 100% refund of CST until the abolition of CST or 5 years, whichever is earlier.

11. Co-investment by Government in ESDM start-ups through ESDM development fund
12. Patents: 75% reimbursement for cost of filing patents
13. Land & lease: 40% rebate on land cost limited to INR 20 mn and 25% subsidy on lease limited to INR 0.8 mn per year for 5 years
14. Marketing expenses: 75% reimbursement of actual cost on international marketing and promotional activities(subject to a maximum of INR 1 million per year per company)
15. 100% waiver of electricity duty
16. Exemption from 'Standing orders for Industrial Employment' to be provided for 7 years
17. Capital subsidy of 25% on capex investment over and above the Government of India's MSIPS scheme limited to INR 100 mn per unit.
18. Specific additional land area to be identified in addition to the existing land area available in in line with the phased activity plan in the clusters. The identified land to be made ready with supporting infrastructure and facilities like, roads, power, telecommunication network, water supply system, water treatment plant, water recycling plant, effluent treatment plant, common mechanism for solid waste collection and disposal, sewage facilities, common storage & warehousing facility. In addition, creation of Incubation Centre, Testing Laboratory, would be also desirable.
19. High speed road connectivity from clusters and between clusters for cargo movement, better passenger commute facilities, International operations and cargo complex, high speed data connectivity, improving turnaround time at ports are to be ensured.
20. As investments start picking up, a group captive power plant shall be established to meet the power demand as envisaged in the resource requirement section and eligible to supply open access power to the electronic clusters.
21. Dedicated pipelines and necessary equipment to supply water to the clusters are to be put in place.
22. Formation of Directorate of Electronics under Department of Industries, Government of Rajasthan.

23. Constitute an ESDM specific nodal agency headed by Secretary Industries, Government of Rajasthan. The agency will have officials from industry and government with the following key responsibilities:
  - i. Investment promotion & monitoring including liasioning with key potential investors
  - ii. Promoting Advantage Rajasthan through participation in major global expos and conducting roadshows in countries that have potential investors (the US, Europe, Japan, Taiwan, Korea and other countries of South East Asia) and supported by print and digital media advertising.
  - iii. Single window for clearance of proposals and release of incentives for projects and liasioning with other concerned agencies to ensure a smooth process for investors.
24. Establishment of new ITI/Diploma institutes with an annual intake capacity in line with the talent requirement
25. Addition of a target of 10000 trained students for ESDM sector to the 12th five year plan targets of Rajasthan state employment program
26. Masters courses in ESDM related disciplines in all major institutes
27. Encouraging joint R&D labs by companies and universities
28. Mandatory 6 month to 1 year internship for students of Bachelor's and Masters' courses (starting with top 10 institutions) related to ESDM; 50% reimbursement of cost of internship to companies.
29. Creating Start-up ecosystem through ESDM Centres of Excellence, Incubation Centres and Characterisation Lab at universities; leading institutes with industry-academia partnership
30. A component free trade and warehousing zone to be established adjacent to cluster locations. Development of such zone to receive same incentives as a brown field cluster.
31. BIS testing lab in clusters to be set-up.
32. In addition to the above mentioned incentives, customized incentives are to be negotiated with large investors depending on the revenue potential and long term employment generation potential.

33. The Government will market Rajasthan as an attractive ESDM center for the global investor audience and build a strong “Brand Rajasthan” for ESDM. The State shall work with the external affairs ministry to conduct road shows for foreign ambassadors in Delhi, sign MoUs with identified “sister-cities” in other countries, and engage with the 50 top ESDM companies of the world to pro-actively invite investments into the state.
34. Government will promote innovation in the ESDM Sector through Awards by way of grants. The best innovations in the ESDM sector will be selected by the Screening Committee comprising of Industry and Academia representatives.
35. Facilitate setting up of Semiconductor Wafer Fab facilities and its ecosystem for design and fabrication of chips and chip components for consumption sectors such as Auto, Telecom, Agriculture, Irrigation, Life Sciences, Education, Energy, Water, Rural Development, etc.
36. Facilitate setting up of, at least, four Greenfield and two Brownfield Electronics Manufacturing Clusters (EMCs) with world-class logistics and infrastructure and business-friendly facilities with good sea, air and inland connectivity and facilitate the provision of developed land on a cost-effective basis to manufacturers.
37. State Government Incentives for Clusters and Anchor Units
38. In addition to the above Central Government Schemes, the State Government will offer:
- i. Assistance of up to 25% of the project cost to EMC SPVs in the Greenfield, subject to a ceiling of Rs. 20 Crores.
  - ii. Special Incentive Package for 2 Anchor Units in each of the Greenfield EMCs.

### **7.30 IT SEZs/IT Parks/IT Campuses/ITIR**

For provision of state-of-the art physical infrastructure of international standards suiting to the requirements of IT/ITES industry, the following additional incentives, are eligible for notified ITIRs/ITSEZs/IT Parks/IT Campuses in the State.

1. Exemption from Zoning Regulations:

IT industry, i.e., IT/ITES Units/Companies and IT Parks/IT Campuses notified by the IT&C Department concerned authorities, are exempted from the Zoning Regulations, subject to ensuring environmental safeguards, and the payment of conversion charges under the provisions of State Acts as applicable for the location of IT/ITES Units/Companies.

2. IT/ITES Units/Companies/IT Parks so notified by Information Technology and Communications Department concerned authorities are exempted from payment of land usage conversion charges.
3. No limitation on height of buildings and FAR/FSI, subject to payment of City Level Infrastructure Impact Fee and would be governed by, Revised Building Rules, location norms and clearances from Fire Services, Airport Authority and shall be in conformity with National Building Code, regulations, terms & conditions as per stipulations of Urban Development Department and amendments thereon.

### **7.31 General Incentives automatically applicable to all the ICT Industry:**

General incentives available to the ICT industry, automatically are:

1. IT/ITES units are exempt from the purview of the Pollution Control Act, except in respect of power generation sets.
2. IT/ITES units/ companies are exempt from the purview of statutory power cuts.
3. The regulatory regime of labour laws shall be simplified to suit the needs of IT & ITES companies. General permission shall be granted to all IT & ITES companies to have 24x7 operations/to run in three shifts.
4. Barriers pertaining to employment of women at night shall be removed, the companies will be instructed to offer employment to women with adequate security to them for working at night.
5. The IT & ITeS companies will be permitted to self-certify that they are maintaining the registers and forms as contemplated and prescribed under the following Acts:
  - a. The Payment of Wages Act, 1936
  - b. The Minimum Wages Act, 1948
  - c. The Workmen's Compensation Act, 1923
  - d. The Contract Labour (Regulations and Abolition) Act, 1970

- e. Employees State Insurance (Amendment) Act, 2010
  - f. Bombay Shops and Establishment Act
  - g. The Payment of Gratuity Act, 1972
  - h. The Maternity Benefit Act, 1961
  - i. Equal Remuneration Act, 1976
  - j. Water (Prevention and Control of Pollution) Act, 1974
  - k. Employment Exchange Act, 1959
  - l. The Factories Act, 1948
  - m. Employees' Provident Fund & Miscellaneous Provisions Act, 1952
6. IT/ITES units/companies and non-hazardous hardware manufacturing industry are declared as essential service.

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