

Rajasthan Udyog Mitra FAQs

WHAT IS THE OBJECTIVE OF “THE RAJASTHAN MSME (FACILITATION OF ESTABLISHMENT AND OPERATION) ORDINANCE, 2019”?

The objective is to promote livelihoods, inclusive economic growth and entrepreneurship in the State by giving exemption to MSMEs from approvals under any Rajasthan Law and inspections for establishment and operation of enterprise.

WHO CAN APPLY?

New micro, small or medium enterprise, whose date of commencement of commercial operation is proposed on or after the date of promulgation of the Ordinance i.e. March 04, 2019, can apply for exemptions under the Ordinance.

WHAT IS THE DEFINITION OF MSME?

According to Micro, Small & Medium Enterprises Development (MSMED) Act, 2006, the Micro, Small and Medium Enterprises (MSME) are classified in two Classes namely; manufacturing and service enterprises as under.

Manufacturing Sector	
Type of Enterprise	Enterprise Investment in plant & machinery
Micro	Does not exceed 25 lakh rupees
Small	More than 25 lakh rupees but does not exceed 5 crore rupees
Medium	More than 5 crore rupees but does not exceed 10 crore rupees
Service Sector	
Type of Enterprise	Enterprise Investment in equipment
Micro	Does not exceed 10 lakh rupees
Small	More than 10 lakh rupees but does not exceed 2 crore rupees
Medium	More than 2 crore rupees but does not exceed 5 crore rupees

WILL THE EXEMPTIONS UNDER THE ORDINANCE BE APPLICABLE ON THE RENEWALS OF VARIOUS APPROVALS?

No. The exemptions from the renewal of approvals are not covered under the Ordinance.

WHAT ARE THE ELIGIBILITY CRITERIA UNDER THE GIVEN ORDINANCE?

The exemptions under the Ordinance are applicable only on the new enterprise and that includes an enterprise set up or proposed to be set up by an existing enterprise for manufacturing products or providing services at a location which is separately identifiable and different from location of the existing enterprise.

HOW CAN THE ENTERPRISE APPLY UNDER THE ORDINANCE?

Enterprise can apply by submitting Declaration of Intent on the website <https://rajudyogmitra.rajasthan.gov.in> or through <https://sso.rajasthan.gov.in>.

IS THERE ANY LIST OF DOCUMENTS REQUIRED WITH THE APPLICATION?

No documents are required for filing of Declaration of Intent. But, the applicant (representative of enterprise) must have Aadhaar number linked with registered mobile number for OTP based authentication.

WHO WILL BE THE REPRESENTATIVE APPLICANT FOR FILING OF DECLARATION OF INTENT?

The applicant who is submitting Declaration of Intent, shall be -

- (a) The managing partner, in case of proprietary enterprise;
- (b) The authorized partner in case of partnership enterprise;
- (c) The authorized person in case of other forms of enterprises.

IS THERE ANY FEE FOR APPLYING?

No, there is no application or any other additional fee for applying under the Ordinance.

HOW DO I GET CONFIRMATION AFTER FILING OF DECLARATION OF INTENT?

The enterprise will receive a digitally signed Acknowledgment Certificate for confirmation of receipt of Declaration of Intent.

WHAT IS THE VALIDITY PERIOD OF THE ACKNOWLEDGMENT CERTIFICATE?

The validity period of the Acknowledgement Certificate is 3 years from the date of issuance of the Acknowledgment Certificate.

WHAT IS THE EFFECT OF ACKNOWLEDGMENT CERTIFICATE?

During the period of three years, the enterprise will be exempted from approvals and inspections under any Rajasthan Law.

WHAT WILL HAPPEN AFTER COMPLETION OF EFFECTIVE PERIOD OF THE ACKNOWLEDGEMENT CERTIFICATE?

The Enterprise will have to obtain approvals/clearances from the concerned departments within six months from the date of completion of effective period the Acknowledgment Certificate.

HOW WILL THE ENTERPRISE RECEIVE THE ACKNOWLEDGMENT CERTIFICATE AND WHO WILL ISSUE ACKNOWLEDGMENT CERTIFICATE?

The enterprise can download the digitally signed Acknowledgment Certificate from their respective application dashboard. The Acknowledgment Certificate will be issued by the authorized officer in the State Level Nodal Agency (Bureau of Investment Promotion).

WILL ACKNOWLEDGMENT CERTIFICATE BE APPLICABLE ON MORE THAN ONE SET OF PREMISES?

- No, Acknowledgment Certificate will be valid on single set of premises mentioned in Declaration of Intent.
- A separate Declaration of Intent shall be submitted in case the enterprise is having commercial operations on more than one set of premises.

HOW CAN THE COMPETENT AUTHORITY OR THIRD PERSON DO INSTANT VERIFICATION OF THE VALIDITY OR THE DETAILS MENTIONED IN THE ACKNOWLEDGEMENT CERTIFICATE?

The verification of the validity or the details mentioned in the Acknowledgement Certificate can be done by scanning the QR Code available on the Acknowledgment Certificate or by entering the Acknowledgment Certificate number of the enterprise at website <https://rajudyogmitra.rajasthan.gov.in/>.

CAN ENTERPRISE TAKE APPROVALS FROM DEPARTMENTS DURING THE VALIDITY PERIOD OF ACKNOWLEDGMENT CERTIFICATE?

The enterprise can take approvals from departments during the validity period of Acknowledgment Certificate and it does not have to wait for the expiry of validity period.

WHO WILL AUTHENTICATE THE INFORMATION SUBMITTED BY THE ENTERPRISE? WHAT WILL HAPPEN IF THE ENTERPRISE SUBMITS THE WRONG INFORMATION?

Acknowledgment Certificate will be issued based on applicant's self-declaration and the information submitted by the enterprise will not be authenticated by any authority. If the applicant willfully submits the wrong information or breach any of the provisions of the Ordinance, its Acknowledgement Certificate can be revoked immediately..

WHAT ARE THE PROVISIONS FOR CHANGE IN INFORMATION SUBMITTED IN DECLARATION OF INTENT?

The enterprise can alter the information in the Declaration of Intent during the validity period of the Acknowledgment Certificate. The modification/ alteration shall be effective only after the issuance of Acknowledgment Certificate for such modification or alteration.

CAN ENTERPRISE CHANGE ALL THE INFORMATION PREVIOUSLY SUBMITTED IN THE DECLARATION OF INTENT?

No, the enterprise cannot change the name of the enterprise, type of organization and the location of manufacturing/service activity of enterprise.

HOW DOES THE ENTERPRISE CHANGE THE INFORMATION IN DECLARATION OF INTENT?

The enterprise can click on update/edit and can edit the details of Declaration of Intent. The new Acknowledgment Certificate with updated information will be generated.

IF THE ENTERPRISE THAT HAS RECEIVED THE ACKNOWLEDGEMENT CERTIFICATE UNDER THE ORDINANCE, BECOME NON-MSME ENTERPRISE (LARGE ENTERPRISE) BY MAKING FURTHER INVESTMENT THEN WHAT WILL BE THE STATUS OF EXEMPTIONS GRANTED?

The validity and applicability of Acknowledgment Certificate of such enterprise will stand null and void i.e. the validity of the certificate will cease to exist.

WHAT WILL HAPPEN IF ENTERPRISE FAILS TO GET APPROVALS AFTER THREE YEARS AND SIX MONTHS?

If the enterprise fails to get approvals after 3.5 years then the competent authority will act as per the provisions of the concerned Acts and Rules.

WHO WILL BE THE FACILITATING AGENCY FOR THE ORDINANCE?

Bureau of Investment Promotion will be the State Level Nodal Agency and the District Industries Centre will be the District Level Nodal Agency for assisting and facilitating the establishment of the enterprise for availing the exemptions under the Ordinance.

WHAT ARE THE FUNCTIONS OF AUTHORIZED OFFICER?

Authorized Officer is the officer appointed by the State Level Nodal Agency (Bureau of Investment Promotion) for the purpose of issuance of Acknowledgment Certificate under the Ordinance.

IS THERE A HELPDESK AVAILABLE FOR THE QUERIES?

Yes, the helpdesk will be available in the State Level Nodal Agency (Bureau of Investment Promotion), Udyog Bhawan, Jaipur.

WHAT ARE THE CONTACT DETAILS OF THE HELPDESK?

Help desk can be contacted at bip.raj@nic.in or 0141-2227899.

IS THERE PROVISION FOR GRIEVANCE REDRESSAL?

Yes, the State Level Nodal Agency (Bureau of Investment Promotion) will be responsible for grievance redressal.

WHAT IS THE MECHANISM FOR GRIEVANCE, QUERIES, DISPUTE RESOLUTION?

Grievance, queries, disputes etc. shall be submitted online to the State Level Nodal Agency (Bureau of Investment Promotion).

HOW WILL THE COMPETENT AUTHORITY GET THE INFORMATION OF THE ENTERPRISES THAT ARE EXEMPTED UNDER THE ORDINANCE?

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The information of Declaration of Intent and Acknowledgment Certificate of the enterprise will be auto forwarded online to the Competent Authorities by the State Level Nodal Agency. Competent Authority can view the list of enterprises who has availed exemptions under the Ordinance.

WHAT ARE THE EXEMPTIONS FROM THE APPROVALS AND INSPECTIONS MENTIONED IN THE ORDINANCE?

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The Acknowledgment Certificate will have effect as if it is an approval (as per section 2-b of the Ordinance), under any Rajasthan law, for the period of three years. No competent authority of the State shall undertake any inspection for the purpose of such approvals for the period of three years. (Section 6 of the Ordinance) Also, section 9 of the Ordinance provides that for the applicability of provisions of the Ordinance following Acts shall be read as amended in conformity with the provisions of the Ordinance:

- (a) Rajasthan Tenancy Act, 1955 (Act No. 3 of 1955);
- (b) Rajasthan Land Revenue Act, 1956 (Act No. 15 of 1956);
- (c) Rajasthan Urban Improvement Act, 1959(Act No. 35 of 1959);
- (d) Rajasthan Gram Dan Act, 1971(Act No. 12 of 1971);
- (e) Jaipur Development Authority Act, 1982 (Act No. 25 of 1982);
- (f) Rajasthan Panchayati Raj Act, 1994 (Act No. 13 of 1994);
- (g) Rajasthan Municipalities Act, 2009 (Act No. 18 of 2009);
- (h) Jodhpur Development Authority Act, 2009 (Act No. 2 of 2009);
- (i) Ajmer Development Authority Act, 2013 (Act No. 39 of 2013);

WHAT IS THE INDICATIVE LIST OF APPROVALS AND INSPECTIONS THERE UNDER FOR WHICH THE ENTERPRISE SHALL BE EXEMPTED UNDER THE SAID ORDINANCE AFTER AVAILING THE ACKNOWLEDGMENT CERTIFICATE?

The indicative list of approvals and inspections there under, for which the enterprise shall be exempted under the said Ordinance after availing the Acknowledgment Certificate, is following:

- (i) Registration under the Rajasthan Shops and Commercial Establishments Rules, 1959
- (ii) Building Plan Approval, Completion Certificate and Occupancy Certificate under Unified Building Byelaws- 2017 (Rajasthan Building Byelaws- 2017)
- (iii) Building Plan Approvals under RIICO Disposal of Land Rules, 1979
- (iv) Conversion of land (section 90 A) under The Rajasthan Urban Areas (Permission for use of Agricultural Land for Non - agricultural Purposes and Allotment) Rules – 2012
- (v) Change in land use under The Rajasthan Urban Areas Change in Land Use Rules – 2010
- (vi) Sub-division reconstitution and improvement of plots under The Rajasthan Urban Areas (Subdivision, Reconstitution and Improvement of Plots) Rules, 1975
- (vii) Land Conversion under (Section 90A) of Land Revenue Act 1956
- (viii) Layout plan approval under Rajasthan Township Policy 2010
- (ix) Change in land use under Rajasthan Land Use Change Rules 2010
- (x) Issuance of Trade license for Hotel, restaurants etc. under Rajasthan Municipality Act, 2009
- (xi) Conversion of Land under Rajasthan Land Revenue (Conversion of Agricultural Land for Non-Agricultural Purposes) Rules, 2007
- (xii) Transfer of interest in the land, as per section 27 under Rajasthan Gram Dan Act, 1971(Act No. 12 of 1971);

This is indicative list and not the exhaustive list of approvals & inspections under Rajasthan Law which are covered under the Ordinance. Besides these, the State Government or any authority under it is empowered to exempt enterprises from any approval or inspection or any provisions relating thereto under any Central Act as mentioned in section 7 of the Ordinance by publishing in gazette notification.

WHAT WILL HAPPEN TO THE APPROVALS OF VARIOUS CENTRAL ACTS AFTER THE ORDINANCE IS PASSED?

The Ordinance gives power to State Government Departments or any authority under it, to exempt any enterprises from any approval or inspection under any Central Act, if the Central Act allows State Government to exercise such powers. Using the power given by this Ordinance, the State Government Departments will further notify exemptions from Approvals under Central Acts.

IS IT MANDATORY TO HAVE AADHAAR CARD FOR FILING THE DECLARATION OF INTENT?

The 'Declaration of Intent' can be filed online by individuals (representative of the enterprise) themselves in case they have an Aadhaar number. However, in all exceptional cases, including those of not having Aadhaar number, can still file 'Declaration of Intent' in offline mode, in the State Level Nodal Agency (Bureau of Investment Promotion).

WHAT WILL HAPPEN IF ENTERPRISE IS UNABLE TO FILE DECLARATION OF INTENT ELECTRONICALLY?

Then the enterprise may fill the Declaration of Intent by visiting the State Level Nodal Agency (Bureau of Investment Promotion) along with either of the valid photo id proof issued by the Government, viz-a-viz bank photo passbook, voter ID Card, passport, driving license, PAN card, employee photo identity card Only in case of special circumstances or failure of electronic system due to unforeseen circumstances, the enterprise may submit Declaration of Intent in prescribed form, in physical format to the State Level Nodal Agency (Bureau of Investment Promotion).

WHAT ALL INFORMATION WILL BE INCLUDED IN ACKNOWLEDGMENT CERTIFICATE?

The digitally signed Acknowledgment Certificate will include the information of the enterprise and validity period of the Acknowledgment Certificate.

WHAT ARE THE RESPONSIBILITIES OF THE ENTERPRISE?

Following are the responsibilities of the Enterprise

- i. After the expiry of the Acknowledgment Certificate, the enterprise will have to obtain required approvals, within six months from the validity date of Acknowledgment Certificate.
- ii. The enterprise shall maintain the standards prescribed in the relevant safety codes and maintain emergency preparedness for safety and health of the employees or workers.
- iii. The enterprise shall not engage in any manufacturing and service activity which is prohibited under any law or which may pose serious threat to public health or law and order.
- iv. The enterprise shall inform any change in the information provided by it in the Declaration of Intent.

WHAT ARE THE CONDITIONS OF NON-ELIGIBILITY OF THE ENTERPRISE FOR EXEMPTION UNDER THE ORDINANCE?

The enterprises engaged in manufacturing, trade, commerce, supply, distribution and sale of tobacco products or alcoholic drinks or explosives including detonating fuses, safety fuses, gun powder, nitrocellulose, crackers and matches may not be allowed to avail exemptions under the Ordinance.

UNDER WHAT CONDITIONS ACKNOWLEDGMENT CERTIFICATE IS SUBJECT TO CANCELLATION/REVOCAATION?

Under following conditions Acknowledgment Certificate can be revoked:

- i. Willful submission of wrong information in Declaration of Intent.

- ii. Breach or contravention of any of the provisions of the Ordinance and the rules.
- iii. If the enterprise cease to be a micro, small or medium enterprise.
- iv. If the enterprise changes the location of manufacturing or service activity as mentioned in Declaration of Intent.
- v. If the enterprise ceases to exist due to merger or split or demerger or acquisition or amalgamation and the enterprise is a part of such arrangement.