



Prevention of Industrial Sickness

REVIVAL OF SICK UNITS

- While emphasizing new investments in Rajasthan, the State Government attaches equal importance to the revival of sick units. There are a large number of sick units which if revived can lead to utilisation of the assets and capacity already created. Along with the revival of sick units the State Government is equally concerned with the prevention of sickness in industry. Series of measures are being taken to rehabilitate the sick units and also to prevent sickness.
- The State Government is planning to set-up a separate authority on the pattern of BIFR for dealing with the matters pertaining to revival and rehabilitation of sick units, which do not fall within the purview of the BIFR.
- The State level financial institutions will devote greater attention to prevent sickness. RIICO and RFC have decided to charge 2% lower interest rate from units making regular payments.
- The State level financial institutions will adopt other appropriate measures like change of management, One Time Settlement (OTS) etc.
- The new Sales Tax Incentive Schemes would provide a more liberal incentive to the sick units. Also sick units which are being revived with fresh investment through change of management would qualify for incentive equivalent to new units. Provided such units have not availed of similar incentive in the past.

- No land and building tax would be charged from a sick unit during the period of sickness in case a revival scheme is drawn by BIFR or financing institutions.
- Exemption from Octroi to sick units which are taken up for revival under the approved rehabilitation plan would be available as agreed in the rehabilitation package.
- RSEB would charge 1/3 of the minimum charges or the actual consumption charges whichever is higher for revival of the sick unit.
- In case of sale of surplus land by units set up on their own lands (i.e. where no concession in land has been granted by the State Government, converted for industrial purpose after paying the conversion charges, acquired under the Land Acquisition Act by fully paying the cost of acquisition and likewise) may be allowed, the sale proceeds from such sale would be allowed to be treated as the promoter's contribution instead of interest free loan from the State Government in cases where the rehabilitation/revival scheme is drawn by the BIFR/financing institutions.
- The **State Level Inter Institutional Committee (SLIIC)** has been reconstituted to focus greater attention on units not covered by the Board for Industrial and Financial Reconstruction.