

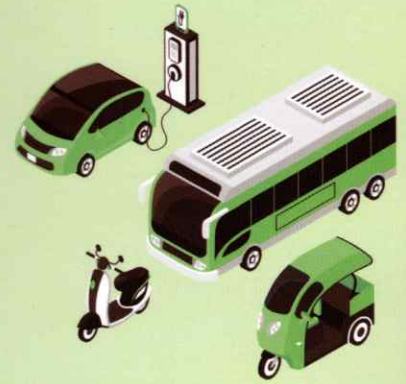
EV ZONE

Karoli, Bhiwadi Region, Rajasthan



RIICO, keen to promote Electric Vehicle (EV) manufacturing industry in the State, has developed an exclusive zone dedicated to manufacturing of EV and related components in Karoli industrial area in Bhiwadi region. Manufacturing units in this zone are expected to gain synergy generated from their complimentary and supplementary manufacturing operations in EV domain, the future of mobility industry.

Rajasthan provides the best matrix for investment into EV sector, be it policy framework for investment or ease of doing business or presence of an automotive manufacturing eco-system or supportive infrastructure or nearness to markets of northern and western India or ports on western India for exports or any other factor.



Electric Vehicle (EV) Industry – A promising industry

Excerpts from publications:

- EV sales, excluding e-rickshaws, in India witnessed a growth of 20% and reached 1.56 lakh units in FY20 driven by two wheelers.
- EV market is estimated to be a Rs. 50,000 crore opportunity in India by 2025.
- EV market in India is likely to increase at a CAGR of 36% until 2026, and EV battery market is forecast to expand at a CAGR of 30% during the same period.
- Cumulative investment of ~Rs. 12.5 trillion in vehicle production and charging infrastructure would be required until 2030 to meet India's EV ambitions.
- Most consumers in India would consider buying an electric vehicle by the year 2022.

Presence of an ecosystem system for automotive and EV industry in Rajasthan

- Rajasthan is very well placed in automotive manufacturing, presence of 100+ prominent units in automotive domain.
- Bhiwadi-Neemrana belt along with Alwar city has emerged as an independent auto hub.
- Two Auto zones in Bhiwadi region – in Pathredi and Karoli industrial areas.
- Over 45 units have taken land allotment for establishing projects relating to automotive sector in Karoli industrial area.
- Prominent auto players in Rajasthan include Honda Cars, Honda Motorcycle and Scooter, Hero MotoCorp, JCB India, Ashok Leyland, TAFE Motors and Tractors, Shriram Pistons & Rings, Federal Mogul, Hi-Tech Gears, Badve Engineering, Hanon Climate Systems, Nissin Brake, Toyoda Gosei Minda, Mikuni India, Sanden Vikas, Bosch, NEI, Autolite, and many more.
- Emerging EV industry – presence of Okinawa Autotech, a two wheeler EV unit. Many other potential EV investors have also shown interest for setting up their plants in Rajasthan.

Enabling Infrastructure to support EV industry in Rajasthan

- First EV zone of Rajasthan, dedicated to EV and related component manufacturing, has been developed in Karoli industrial area in Bhiwadi region on 60 acres land.
- To support ESDM need of EV industry, presence of two Electronic Manufacturing Clusters (EMCs) in Bhiwadi region – one in Karoli industrial area itself and the other in the adjoining Salarpur industrial area.
- 'MSME Technology Centre' of Ministry of MSME, Gol at Pathredi industrial area (in Bhiwadi region) to fulfil the requirement of tool room and tool room trained manpower of auto industry.
- 370 RIICO industrial areas; ready availability of land in many industrial areas across the State.



Rajasthan – a destination to grow and flourish

Strategic Location:

- Largest state in the country with 10% of land mass of India, located between key markets of northern and western India.
- 25% of National Capital Region (NCR) falls in Rajasthan.
- Over 58% of State's area falls within the influence zone of Delhi Mumbai Industrial Corridor (DMIC).

Connectivity:

- 2nd largest rail network.
- 38% of Delhi-Mumbai Dedicated Freight Corridor passing through Rajasthan – direct connectivity to ports in western India.
- 3rd largest network of National Highways.
- 8 Economic Corridors passing through Rajasthan.
- Multi-Modal logistics park at Kathuwas (Neemrana).
- Air/Rail/Road connectivity with major cities of the country.

Abundant Power:

28.05 GW of installed power capacity – 2nd largest in northern region.

Hassle-free Investment Facilitation:

- One Stop Shop to facilitate investment proposals of above Rs 10 crore and expedite requisite approvals / clearances for the same under one roof.
- The Rajasthan Micro, Small and Medium Enterprises (Facilitation of Establishment and Operation) Act, 2019 exempts MSMEs from approvals and inspections under State Laws for three years from date of issuance of Acknowledgement Certificate.

Policy Advantage

- Best in class incentives for manufacturing and services enterprises under Rajasthan Investment Promotion Scheme 2019 (RIPS 2019).
- Benefits in general for eligible EV related manufacturing enterprises under RIPS 2019:
 - Investment Subsidy of 75% of State tax due and deposited, for 7 years.
 - Employment Generation Subsidy in the form of reimbursement of 50% of employers contribution towards employees EPF and ESI, for 7 years (75% in certain cases) with certain T&C.
 - Exemption from payment of 100% of Electricity Duty for 7 years.
 - Exemption from payment of 100% of Land Tax for 7 years.
 - Exemption from payment of 100% of Stamp Duty.
 - Exemption from payment of 100% of conversion charges payable for change of land use and conversion of land.
- EV Manufacturing has been identified as Thrust Sector under RIPS 2019, leading to additional incentive as under: Enterprises in Automobile Sector, making an investment equal to or above rupees 25 crore in Electric Vehicle manufacturing unit, shall be granted the following benefits:
 - 5% Interest Subsidy on term loan taken by the enterprise from Financial Institutions or State Financial Institutions or Banks recognized by Reserve Bank of India, for making an investment in plant & machinery on the plant and machinery for a period of five years subject to a maximum of rupees one crore per year; or
 - Capital Subsidy equivalent to 25% of investment made on the plant & machinery, subject to a maximum of rupees 50 lakh.
- Auto Component Sector is also included as a Thrust Sector in manufacturing under RIPS 2019, leading to additional incentive as under: Enterprises making an investment equal to or above rupees 10 crore in the Auto Component Sector shall be granted the following benefits:
 - 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 25 lakh per year; or
 - Capital Subsidy equivalent to 25% of investment made on the plant & machinery, subject to a maximum of rupees 50 lakh.



- Customized package in case of EV industry - The State Government may grant a customized package to the enterprises investing more than rupees 100 crore and providing direct employment to more than 200 persons.
- e-charging and Swapping Station developed by an enterprise making an investment in equipments equal to or above rupees twenty five lakh shall be eligible for benefits under RIPS 2019 as service enterprise.
- e-charging and Swapping Station sector has also been identified as thrust sector in service sectors of RIPS 2019, and enterprise making an investment equal to or above rupees twenty five lakh in e-charging and Swapping Station sector, shall be granted the following benefits:-
 - 5% Interest Subsidy on term loan taken by enterprise from Financial Institutions or State Financial Institutions or Banks recognized by Reserve Bank of India, making an investment in equipments, for a period of five years subject to a maximum of rupees two lakh per year; or
 - Capital Subsidy equivalent to 20% of investment made in equipments, subject to a maximum of rupees four lakh.

Please refer RIPS 2019 document for details



Encouragement by Rajasthan Govt. for purchasing Electric Vehicles

Incentives by, Govt. of Rajasthan on purchase of Electric Vehicles in the State (For details, please see office order 10/2021 क्रमांक: प 23(22)परि/प्र.नि./EV/2019/12771 दिनांक 16/7/21 issued by Transport Department, Govt. of Rajasthan).



Allotment of land by RIICO

Land in its industrial areas is allotted by RIICO through an online E- Auction bidding process.

- Register on RIICO website www.riico.co.in and sso.rajasthan.gov.in
- Online deposit through RIICO Payment Gateway
 - Participation fee Rs. 1000/- + GST for each plot
 - Earnest Money Deposit (EMD)
- Details of plots to be e-auctioned (plot number, area of plot, 360 degree view of plot, EMD for each plot, EMD start and end date, bid start and end date, terms and conditions and procedure for participating) are placed on www.riico.co.in in E-auction menu bar.
- Payment Options
 - 25% of the total land premium amount is to be deposited before allotment.
 - Remaining 75% of total land premium amount is to be deposited in 11 quarterly installments (interest bearing - presently interest is @9% p.a.).
 - Option to make payment of remaining 75% of the total land premium amount within 120 days from the date of issue of allotment letter without interest is available.



RIICO's scheme for financing of industrial land allotted in RIICO industrial areas

- Minimum loan amount of Rs. 100 lacs subject to maximum of 75% of bare cost of land.
- Repayment in 5 years (including moratorium up to one year).
- Interest @ 11% p.a. Rebate of 2% is also allowed if repayment of principal and interest is made timely on quarterly basis, making effective rate 9% p.a.
- No processing or service charges.
- No prepayment premium if loan is repaid before scheduled period.

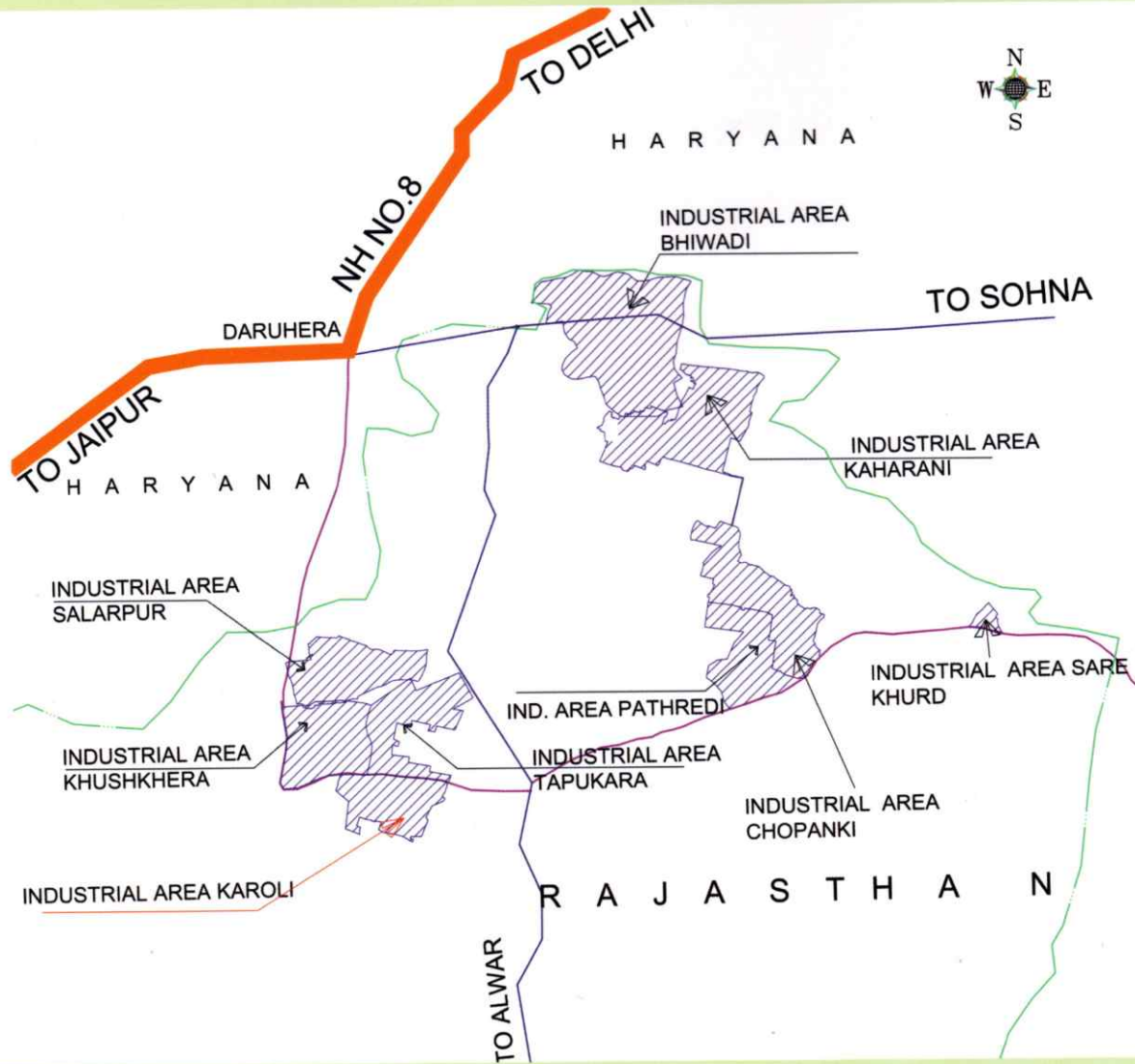


Project financing by RIICO

- RIICO provides term loan assistance to projects in Rajasthan.

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Karoli industrial area:

- Approx. 70 km from Indira Gandhi International Airport, New Delhi
- Approx. 55 km from Gurugram
- Approx. 190 km from Jaipur

Disclaimer

The details mentioned in this document are indicative and may not be construed as definitive. The extant details may be checked from the relevant Acts, Policies, Rules, Notifications, Schemes, Documents, etc. as applicable.

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