

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Industrial Investment Promotion Policy 2005-2010 - Special Incentives to Scheduled Caste entrepreneurs for setting up of industries in Andhra Pradesh — Amendment - Orders - issued.

INDUSTRIES & COMMERCE (IP) DEPARTMENT

G.O.Ms.No.267

Date:06 -10-2007

Read the following:

- IDC (IP)*
07/07/07
B/S/A
01. G.O.Ms.No. 178 Industries & Commerce (IP) Department, dt. 21/06/2005.
 02. G.O.Ms.No. 327 Industries & Commerce (IP) Department, dt. 13/12/2005.
 03. G.O.Ms.No. 328 Industries & Commerce (IP) Department, dt. 13/12/2005
 04. G.O.Ms.No.161 Ind. & Com. (IP) Dept. dt. 22/06/2007
 05. From the Commissioner of Industries Letter No.10/3/07/0750/0750/ID, Dated.18.07.2007.

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In the Government Order, 1st read above orders were issued on the Industrial Investment Promotion Policy 2005-2010. In the reference 2nd read above, in respect of Scheduled Caste and Scheduled Tribe entrepreneurs, the ineligible list of industries annexed in the Go 1st read above, is made as eligible for all incentives for setting up of industries under the above scheme, Operational guidelines were issued in the reference 3rd read above.

2. In the reference 4th read above, orders were issued extending certain incentives in the form of subsidies/concessions to the Scheduled Tribe entrepreneurs under IIPP 2005-10 scheme duly amending G.O.Ms.No.178 Industries & Commerce (IP) Department dated.21.06.2005 to encourage the Tribal for the developmental of Industrial activities .

3. The Commissioner of Industries, Andhra Pradesh, Hyderabad in the reference 5th read above recommended for extension of similar incentives to Scheduled Caste entrepreneurs and requested for an amendment to G.O.Ms.No.178, Industries & Commerce (IP) Department, dated. 21.06.05. The Commissioner of Industries further informed that huge un-disbursed funds are available under incentives head of budget in respect of Scheduled Caste entrepreneurs and requested the Government to consider to extend the incentives which are extended to the Scheduled Tribe Entrepreneurs in non-scheduled areas to all Schedule Caste entrepreneurs in the State.

4. Keeping in view of the recommendations of the Commissioner of Industries, and in light of the orders issued in the reference 4th read above, Government hereby decide to extend certain incentives in the form of subsidies/concessions to Scheduled Caste Entrepreneurs under Industrial Investment Promotion Policy scheme duly issuing the following amendment to the G.O.Ms.No. 178 Industries & Commerce (IP) Department, dated. 21-06-2005:

FOR		READ AS	
3.1.4 3.2.4 3.3.4	25% rebate on land cost in IEs/IDAs limited to Rs. 5.00 Lakhs	3.1.4 3.2.4 3.3.4	25% rebate on land cost in IEs/IDAs limited to Rs. 5.00 Lakhs
		3.1.4 (b) 3.2.4 (b) 3.3.4 (b)	33 1/3 % rebate on land cost in IEs/IDAs limited to Rs. 5.00 Lakhs for Scheduled Caste Entrepreneurs
3.1.5 3.2.5 3.3.5	Power cost will be reimbursed @ Rs.0.75 per unit during the first year of the policy and thereafter for the remaining four years the rate of reimbursement would be so regulated on yearly basis, keeping in view of the changes in the tariff structures to ensure that power cost to the industry is pegged down to the first years level.	3.1.5 3.2.5 3.3.5	Power cost will be reimbursed @ Rs.0.75 per unit during the first year of the policy and thereafter for the remaining four years the rate of reimbursement would be so regulated on yearly basis, keeping in view of the changes in the tariff structures to ensure that power cost to the industry is pegged down to the first years level.
		3.1.5 (b) 3.2.5 (b) 3.3.5 (b)	Power cost will be reimbursed @ Rs.1.00 per unit for Scheduled Caste Entrepreneurs during the first year of the policy and thereafter for the remaining four years the rate of reimbursement would be so regulated on yearly basis, keeping in view of the changes in the tariff structures to ensure that power cost to the industry is pegged down to the first years level.
3.1.6 3.1.7 3.2.7	15% Investment subsidy on fixed capital investment will be given subject to maximum Rs. 15.00 Lakhs. An additional investment subsidy of 5% on fixed capital investment limited to Rs.5.00 Lakhs for Scheduled Caste/ Scheduled Tribe Entrepreneurs 5% Additional Investment subsidy on fixed capital limited to Rs. 5.00 Lakhs	3.1.6 3.1.6 (b) 3.1.7 (b) 3.2.7 (b)	15% Investment subsidy on fixed capital investment will be given subject to maximum Rs. 15.00 Lakhs. 35% subsidy on fixed capital Investment for Scheduled Caste Entrepreneurs, additional 5% subsidy for Scheduled Caste Women and Maximum limit per unit is Rs. 50.00 Lakhs.[i.e. 35% for Scheduled Caste entrepreneurs and 40% for Scheduled Caste Women Entrepreneurs and a Maximum limit per unit is Rs.50.00 Lakhs].
3.1.8 3.2.9 3.3.6	25% of the Tax paid during one financial year will be ploughed back as a grant by the Government towards the payment of tax during next year. Benefit will be available	3.1.8 3.2.9 3.3.6	25% of the Tax paid during one financial year will be ploughed back as a grant by the Government towards the payment of tax during next year.

		3.1.8 (D) 3.2.9 (b) 3.3.6 (b)	50% of the tax paid during one financial year will be ploughed back as a grant by the Government for Scheduled Caste Entrepreneurs. towards the payment of tax during next year. Benefit will be available for 5 years from the date of commencement of Production i.e upto 6 th year
3.1.9 3.2.11	3% Interest subsidy on Prime Lending Rate (PLR) will be given on the term loan taken by the new Tiny/ SSI industrial units subject to a maximum of Rs. 5.00 Lakhs per year for a period of 5 years	3.1.9 3.2.11	3% Interest subsidy on Prime Lending Rate (PLR) will be given on the term loan taken by the new Tiny/ SSI industrial units subject to a maximum of Rs. 5.00 Lakhs per year for a period of 5 years
		3.1.9 (b) 3.2.11 (b)	5% Interest subsidy on Prime Lending Rate (PLR) will be given for Scheduled Caste Entrepreneurs on the term loan and working capital taken by the new Tiny/ SSI industrial units subject to a maximum of Rs. 5.00 Lakhs per year for a period of 5 years
3.3.7	<u>Infrastructure Units others than SSI/Tiny (Large and Medium Scale industries):</u> Infrastructure like roads, power and water will be provided door steps of the industry for stand alone units by contributing 50% of the cost of infrastructure from IIDF with a ceiling of Rs. 1.00 Crore, subject to (a) the location should be beyond 10 Kms from the existing Industrial Estate/ IDAs having vacant land/shed for allotment and (b) cost of the infrastructure limited to 15% of the eligible fixed capital Investment made in the industry	3.3.7	<u>Infrastructure Units others than SSI/Tiny (Large and Medium Scale industries):</u> Infrastructure like roads, power and water will be provided door steps of the industry for stand alone units by contributing 50% of the cost of infrastructure from IIDF with a ceiling of Rs. 1.00 Crore, subject to (a) the location should be beyond 10 Kms from the existing Industrial Estate/ IDAs having vacant land/shed for allotment and (b) cost of the infrastructure limited to 15% of the eligible fixed capital Investment made in the industry
		3.3.7 (b)	Infrastructure like roads, power and water will be provided door steps of the industry as in para 3.3.7 of G.O.Ms.No 178 Ind. & Com. (IP) Dept. dated 21.6.05 shall be extended in Small Scale sector set up by Scheduled Caste entrepreneurs.

5. The Andhra Pradesh State Financial Corporation is requested to beef up lending on priority to Scheduled Caste entrepreneurs.

6. The Andhra Pradesh Industrial Infrastructure Corporation shall allocate 16.2% of number of Plots to Scheduled Caste Entrepreneurs in new Industrial estate and in existing Industrial Estates Scheduled Caste Entrepreneurs will get preferential allotment on application.

7) GENERAL CONDITION

The Scheduled Caste Entrepreneurs shall obtain the Entrepreneurs Memorandum from

- 8) Necessary amendment orders shall be issued separately to the Operational Guidelines issued in the reference 3rd read above.
- 9) The Commissioner of Industries /Social Welfare Department is requested to take necessary action accordingly.
- 10) This order issues with the concurrence of the Finance (Expr.I&C) Department vide their U.O.note.No.6024/520/Expr.I&C/2007, dated.17.08.2007.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**B. SAM BOB
PRINCIPAL SECRETARY TO GOVERNMENT AND
COMMISSIONER FOR INDUSTRIAL PROMOTION**

To

The Commissioner of Industries, Andhra Pradesh, Hyderabad.

The Special Chief Secretary, Social Welfare Department, A.P. Secretariat, Hyderabad.

Copy to:

All District Collectors.

All Heads of Departments.

The Chairman & Managing Director, Andhra Pradesh Industrial Infrastructure Corporation Limited.

All Private Secretaries to the Ministers.

Ps to Chief Secretary to Government, Hyderabad.

PS to Principal Secretary to Chief Minister.

PS to Principal Secretary Finance Secretary (R&E)

PS to Addl. Secretary to C.M.,

The Pay and Accounts Officer, Hyderabad

All Departments of Secretariat.

All State Government undertakings.

The Accountant General, Andhra Pradesh, Hyderabad.

All General Managers, District Industries Centre in the State.

The Fin.(Expr.Inds) Dept

All Sections in the Dept./C.M. Publicity Cell, A.P. Secretariat, Hyderabad.

SF/Sc.

//Forwarded::By order//

P. S. / [Signature]
SECTION OFFICER