GOVERNMENT OF ANDHRA PRADESH ABSTRACT

Industries & Commerce Department – Incentives for setting up of New Industries in Andhra Pradesh under Industrial Investment Promotion Policy (IIPP) for 2005-2010 – All lines of activities listed under Section 2 (c) of the State Financial Corporations Act, 1951 including Projects in Transport sector, Hotel Industry etc. eligible to SC/ ST entrepreneurs under IIPP 2005-10 for incentives – Orders – Issued.

INDUSTRIES AND COMMERCE (IP) DEPARTMENT

G.O.Ms.No. 333

<u>Dated: 20.12.2008</u> Read the following:-

- 1. G.O.Ms.No.178, Ind. & Com. (IP) Department, dated 21-6-05.
- 2. G.O.Ms.No.327, Ind. & Com. (IP) Department. dated 13.12.2005.
- 3. G.O.Ms.No. 328, Ind. & Com. (IP) Department. dated 13.12.2005.
- 4. G.O.Ms.No.161, Ind. & Com. (IP) Department dated.22.06.2007.
- 5. G.O.Ms.No.163, Ind. & Com. (IP) Department dated.25.06.2007.
- 6. G.O.Ms.No.267, Ind. & Com. (IP) Department dated 06.10.2007
- 7. G.O.Ms.No.315, Ind. & Com. (IP) Department. dated 22.11,2007.
- 8. G.O.Ms.No.316, Ind. & Com. (IP) Department. dated 22.11,2007.
- 9. G.O.Ms.No.095, Ind. & Com. (IP) Department. dated 02.4.2008
- 10. G.O.Ms.No.104, Ind. & Com. (IP) Department. dated 22.4.2008
- 11. G.O.Ms.No.105, Ind. & Com. (IP) Department. dated 23.4.2008
- 12. G.O.Ms.No..143, Ind. & Com. (IP) Department. dated 11.6.2008
- 13. G.O.Ms.No..149, Ind. & Com. (IP) Department. dated 20.6.2008
- 14. Govt. Memo. No. 14493/IP/A1/2007-1 I & C Dept. dt. 27-3-2008
- 15. From the MD, APSFC, Hyderabad Note in File No.APSFC/CGM/07-08, dated 3.4.2008 addressed to Govt.
- 16. Note of COI, A.P, Hyderabad dated 6.5.2008 on Govt. File No.4897/IP/A1/08.
- 17. G.O.Rt.No.624, Ind. & Com. (IP) Department dated 20.08.2008.
- 18. G.O.Ms.No.274. Ind. & Com. (IP) Department dated 16.10.2008.

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ORDER:

In the Government Order 1st read above, the State Government announced New Industrial Investment Promotion Policy 2005-2010 duly extending the various incentives to all eligible new industrial units set up in the State and commence commercial production on or after 01.04.2005 but before 31.03.2010.

- 2. In the G.O. 2nd read above, Government have issued orders making the ineligible line of activities defined in the Industrial Investment Promotion Policy 2005-2010 eligible in respect of the Scheduled Castes and Scheduled Tribe entrepreneurs.
- 3. In the G.Os. 4th & 6th read above, Government have issued orders extending special incentives to Scheduled Tribe Entrepreneurs and Scheduled Caste Entrepreneurs for setting up of industries in Andhra Pradesh and issued operational guidelines for implementation of Special incentives extended to Scheduled Caste and Scheduled Tribe entrepreneurs vide G.O. 9th read above.
- 4. In the G.O. 11th read above, Government have issued orders that the joint venture industries of Scheduled Caste or Scheduled Tribe entrepreneurs should be owned 100% by Scheduled Caste/Scheduled Tribe entrepreneurs or a combination of Scheduled Caste and Scheduled Tribe promoters. In case of combined ownership the incentives will be determined basing on majority holding by Scheduled Caste or Scheduled Tribe promoters.
- 5. In the G.O. 12th read above, Government have issued orders nominating Andhra Pradesh State Financial Corporation as the Nodal Agency for implementation of the Special Component Plan for SCs. and Tribal Sub-Plan for STs. for setting up of industries in the State and also to release the Investment subsidy with the approval of District Level Committee/ State Level Committee after disbursement of Term Loan.
- 6. In the Memo. 14th read above, Government have clarified that the line of activity of Proclainer is considered as eligible exclusively in case of Scheduled Caste /Scheduled Tribe entrepreneurs and incentive shall be extended under service activity.
- 7. In the Note 15th read above, the Managing Director, Andhra Pradesh State Financial Corporation, Hyderabad, has requested the Government to make all the lines of activities listed under section 2 (C) of the State Financial Corporations Act, 1951 including projects Industries, Transport, Hotel industry, Medical line etc., to be eligible for Subsidy for the units being promoted by SC/ST entrepreneurs. The Commissioner of Industries has supported the proposal of Managing Director, A.P. State Financial Corporation vide reference 16th read above.

(P.T.O.)

- 8. Government, after careful examination have decided to extend the special incentives under Industrial Investment Promotion Policy (IIPP) 2005-10 to SC/ST entrepreneurs on the lines of activities in manufacturing and service sectors under Section 2(c) of State Financial Corporations Act, 1951. Accordingly, Government hereby order to extend the special incentives under Industrial Investment Promotion Policy 2005-10 to Scheduled Caste/Scheduled Tribe entrepreneurs on the lines of activities listed in Section 2(c) of State Financial Corporations Act, 1951 in the Annexure to this order subject to condition that the eligibility criteria for the partnership /private limited firms i.e. the venture should be owned 100% by SC/ST entrepreneurs or a combination of SC/ST entrepreneurs, failing which the special incentives allowed to SC/ST entrepreneurs will be recovered.
- 9. The Commissioner of Industries, A.P. Hyderabad, and the Managing Director, A.P. State Financial Corporation, shall take necessary action accordingly.
- 10. This order issues with the concurrence of Finance (Expr.I&C) Department vide their U.O.No.33353/622/Expr.I&C/08, dated 17.12.2008.
- 11. Copy of this order is available on internet and can be accessed at address http://goir.ap.gov.in.

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

B. SAM BOB.

PRINCIPAL SECRETARY TO GOVERNMENT AND COMMISSIONER FOR INDUSTRIAL PROMOTION

То

The Commissioner of Industries, Andhra Pradesh, Hyderabad

The Managing Director, Andhra Pradesh State Financial Corporation, Hyderabad.

Copy to

The Finance (Expr. I&C) Department.

The Social Welfare (Sw.Coordn.) Department.

The Social Welfare (TW) Department.

The Managing Director, Andhra Pradesh Industrial Infrastructure Corporation Limited, Hyderabad.

The Commissioner, Social Welfare Department, Masab Tank, Hyderabad.

The Director, Tribal Welfare Department, Masab Tank, Hyderabad.

The Managing Director, A.P. Scheduled Caste Co-op. Finance Corporation, Hyderabad

The Managing Director, TRICOR, A.P. Hyderabad.

The Convener, State Level Banker's Committee, Head Office Andhra Bank, Dr. Pattabhi Building, Saifabad, Hyderabad-500004.

The General Manager, Small Industrial Development Bank of India (SIDBI), Hermitage Office Complex, 1st Floor, P.B.No.130, Saifabad, Hyderabad.

The Accountant General, Andhra Pradesh, Hyderabad.

The Pay & Accounts Officer, Hyderabad.

All District Collectors in the State through Commissioner of Industries, A.P. Hyderabad.

All General Managers of District Industries Centres in the State through Commissioner of Industries, A.P. Hyderabad.

The PS to Addl. Secretary to Chief Minister.

The PS to Minister (Major Industries)

The PS to Minister (Small Scale Industries)

The PS to Chief Secretary to Govt.,

The PS to Principal Secretary to Govt.& Commissioner for Industrial Promotion, I&C Dept.

The PS to Secretary to Govt., Industries & Commerce Department.

The PA to Special Secretary to Govt. Industries & Commerce Department.

The Publicity Cell, D-Block, A.P. Secretariat, Hyderabad.

SF/Sc.

//FORWARDED::BY ORDER//

Section Officer

ANNEXURE

(G.O.Ms.No. 333, Ind. & Com.(IP) Deptt. Dated: 20.12.2008)

The line of activities for industrial concern under Section 2 (c) of the State Financial Corporations Act, 1951:-

- (i) the manufacture, preservation or processing of goods;
- (ii) mining or development of mines;
- (iii) the hotel industry;
- (iv) the transport of passengers or goods by road or by water or by air or by ropeway or by lift:
- (v) the generation or distribution of electricity or any other form of power;
- (vi) the maintenance, repair, testing or servicing of machinery of any description or vehicles or vessels or motor boats or trailers or tractors;
- (vii) assembling, repairing or packing any article with the aid of machinery or power;
- (viii) the setting up or development of an industrial area or industrial estate;
- (ix) fishing or providing shore facilities for fishing or maintenance thereof;
- (x) providing weight bridge facilities;
- (Xi) providing engineering, technical, financial, management, marketing or other services or facilities for industry;
- (Xii) providing medical, health or other allied, services;
- (Xiii) providing software or hardware services relating to information technology, telecommunications or electronics including satellite linkage and audio or visual cable communication;
- (xiv) setting up or development of tourism related facilities including amusement parks, convention centres, restaurants, travel and transport(including those at airports)., tourist service agencies and guidance and counseling services to the tourists;
- (xv) construction;
- (xvi) development, maintenance and construction of roads;
- (xvii) providing commercial complex facilities and community centres including conference halls:
- (xviii) floriculture;
- (xix) tissue culture, fish culture, poultry farming, breeding and hatcheries;
- (xx) service industry, such as altering, ornamenting, polishing, finishing, oiling, washing, cleaning or otherwise treating or adapting any article or substance with a view to its use, sale, transport, delivery or disposal;
- (xxi) research and development of any concept, technology, design, process or product, whether in relation to any of the matters aforesaid, including any activities approved by the Small Industries Bank; or
- (xxii) such other activity as may be approved by the Small Industries Bank .

<u>Explanation</u> 1:- The expression 'processing of goods' includes any art or process for producing, preparing or making an article by subjecting any material to a manual, mechanical, chemical, electrical or any other like operation.

<u>Explanation</u> 2:- If any doubt arises as to whether a concern is industrial concern or not, the same shall be referred to the Small Industries Bank for its decision and the decision of the Small Industries Bank thereon shall be final. The Small Industries Bank means the Small Industries Development Bank of India established under section (I) of section 3 of SIDBI Act, 1989 (39 of 1989).

B. SAM BOB,

PRINCIPAL SECRETARY TO GOVERNMENT AND COMMISSIONER FOR INDUSTRIAL PROMOTION

// ATTESTED //

Section Officer