

ABSTRACT

Industrial Promotion – Extension of certain incentives under Industrial Investment Promotion Policy (IIPP) 2005-2010 to M/s Steel Exchange India Limited, Srirampuram village, L.Kota Mandal, Vizianagaram district for their proposed Green Field Integrated Steel Plant – Sanction - Orders-issued.

INDUSTRIES & COMMERCE (IP) DEPARTMENT

G.O.Ms.No. 120

Dated: 24 -11-2010
Read the following:-

1. From the Commissioner of Industries, A.P. Hyderabad Single File.No.15-1-1-0183, dt.23.03.2010.
2. Minutes of the State Investment Promotion Committee Meeting held on 17.6.2010.
3. Minutes of the State Investment Promotion Board Meeting held
4. Govt. Memo.No.4576/IP/A2/2010, dated 21.9.2010.
5. From the COI, AP., Hyderabad Letter No.15/01/10/0051-1255 ID, dated 17.9.2010.

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ORDER:-

In the reference 1st read above, the Commissioner of Industries, Andhra Pradesh.P. Hyderabad has reported that M/s Steel Exchange India Limited, proposes to set-up a Green Field Integrated Steel Plant comprising of DRI (Direct Reduction Iron) Plant, Steel Melting unit, Rolling Mill at Srirampuram village, L.Kota Mandal, Vizianagaram District along with 60 MW Captive Power in two phases with an investment of Rs.494.85 Crores and likely to create an employment of 2000 persons and the company acquired sufficient land on lease agreement with M/s GSAL (India) Ltd., and the company requested to extend special package of incentives to their proposed project under IIPP 2005-2010. Further, the Commissioner of Industries, Andhra Pradesh, Hyderabad has reported that the line of activity “Integrated Steel Plant” and also production of Steel through Induction/Arc Furnace is not eligible for incentives under IIPP 2005-10. However, the investment proposed in the project is more than Rs.100 Crores and qualifies as a mega project under IIPP 2005-10 and the company is expected to commence its 1st phase in March, 2011, it could be considered under the pipeline concept of mega projects under IIPP 2005-10 and requested the Government to take further action in the matter.

2. In the reference 2nd read above, the State Investment Promotion Committee (SIPC) have discussed the proposal and recommended to place the matter before the State Investment Promotion Board (SIPB).

3. In the reference 3rd read above, the State Investment Promotion Board in its meeting held on 28.06.2010 have decided to extend certain incentives as per the IIPP 2005-10 Policy, except Power cost reimbursement.

4. Government after careful examination of the proposal and the recommendations of the State Investment Promotion Board, hereby extend the following incentives under Industrial Investment Industrial Policy 2005-10 to M/s Steel Exchange India Limited, Srirampuram village, L.Kota Mandal, Vizianagaram district as a special case for their proposed Green Field Integrated Steel Plant.

- (a) To extend 25% VAT/CST or SGST reimbursement for a period of 5 years from the date of commencement of commercial production: and
- (b) to extend the following incentives under the Industrial Investment Promotion Policy, (IIPP) 2005-10 except power cost reimbursement, .
 - (1) 100% reimbursement of Stamp duty and transfer duty paid by the industry on purchase of land meant for industrial use;

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- (2) 100% reimbursement of Stamp duty and transfer duty paid by the industry on financial deeds and mortgages etc.;
- (3) 50% subsidy on the expenses incurred for quality certification limited to Rs.1.00 Lakh;
- (4) 25% subsidy on cleaner production measures limited to Rs.5.00 Lakhs;
- (5) 50% subsidy on the expenses incurred for patent registration limited to Rs. 5.00 Lakhs; and
- (6) Infrastructure like roads, power and water will be provided at door step of the industry for standalone units by contributing 50% of the cost of infrastructure from Industrial Infrastructure Development Fund with a ceiling of Rs.1.00 Crore, subject to (a) the location should be beyond 10 kms from the existing Industrial Estates/ Industrial Development Authority's 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.

5. The Commissioner of Industries, Hyderabad shall take necessary action in the matter accordingly and intimate the status of progress of work done by the unit from time to time to Government.

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

B.P.ACHARYA,
PRINCIPAL SECRETARY TO GOVERNMENT AND
COMMISSIONER FOR INDUSTRIAL PROMOTION

To

The Commissioner of Industries, A.P. Hyderabad.

M/s Steel Exchange India Limited, Sriramapuram(V), L.Kota(M), Vizianagaram District through the Commissioner of Industries, AP, Hyd.

Copy to:

The Accountant General, Andhra Pradesh, Hyderabad/ The Law Dept.

The Finance (Exp.I&C) Dept./ The Energy Dept./ The Rev. (Reg.) Dept.

The Rev. (CT) Dept./ The Ind. & Com. (INF) Dept.

The Commissioner of Commercial Taxes, Hyderabad

The District Collector, Vizianagaram District.

The Vice Chairman & Managing Director, APIIC, Hyderabad.

The General Manager, District Industries Centre, Vizianagaram.

P.S. to Minister (Major Industries)/ P.S. to C.S. to Govt.

P.S. to Prl.Secy. to C.M./ P.S. to Prl. Secy to Govt. & CIP, I&C Dept.

SC/SF

// Forwarded :: By Order //

Section Officer