GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industrial Promotion – Extension of certain incentives under Industrial Investment Promotion Policy (IIPP) 2005-10 to M/s. MRF Limited, Sadasivapet, Medak, District for their proposed expansion of the existing unit – Orders- Issued.

INDUSTRIES & COMMERCE (IP) DEPARTMENT

G.O.Ms.No. 122 **Dated:25 -11-2010**

Read the following:-

1. From the Plant Manger, MRF Limited, Sadasivapet, Medak District Letter No. Nil, dated.24.07.2009.
2. Minutes of the State Investment Promotion Committee Meeting held on 17.6.2010
3. Minutes o the State Investment Promotion Board Meeting held on 28.6.2010.
4. Govt. Memo. No. 10398/IP/A2/2010, dated 7.9.2010.
5. From the Commissioner of Industries, AP., Hyderabad Letter No.15/1/06/2235/ 1254/ID, dated. 17.9.2010

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O R D E R:-

In the reference 1st read above, the Plant Manager, M/s. MRF Limited, Medak District has informed that they have established plant at Sadasivapet, Medak District in 1990 and since then grown to the production level of around Rs.1,600 crores per annum and will touch Rs.2,000 Crores during the next Financial year. Now, they have proposed further investment of Rs.424 Crores on a new plant near Ankanpally village, Sadasivapet Mandal, Medak District. The above unit will create employment to 150 staff and 800 to 1000 Skilled/Semi-skilled & Unskilled Workmen and requested to extend all the facilities and concessions which are accorded to new projects in Andhra Pradesh.

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

3. In the reference 3rd read above, State Investment Promotion Board in its meeting held on 28.6.2010 have decided to extend 50% VAT/CST or SGST reimbursement for a period of 5 years and all other incentives as per the IIPP 2005-10 Policy in respect of M/s MRF Limited.

4. In the reference 5th read above, the Commissioner of Industries, A.P. Hyderabad has furnished the eligible incentives under IIPP 2010-15 to M/s MRF Limited, Medak District.

5. Government after careful examination of the proposal and in view of the recommendations of the State Investment Promotion Board, hereby extend the following incentives to M/s. MRF Limited, Sadasivapet, Medak, District for their proposed expansion of the existing unit near Ankanpally village, Sadasivapet Mandal, Medak District as decided by the State Investment Promotion Board under Industrial Investment Promotion Policy (IIPP) 2005-2010:-.

(a) As per State Investment Promotion Board decision:-
50% VAT/CST or SGST reimbursement for a period of 5 years from the date of commercial production;

(b) Other Incentives as per IIPP 2005-2010 Policy:-
(1) 100% reimbursement of Stamp duty and transfer duty paid by the industry on purchase of land meant for industrial use;

(P.T.O.)

(2) 100% reimbursement of Stamp duty and transfer duty paid by the industry on financial deeds and mortgages etc.;

(3) 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 year's level;

(4) 50% subsidy on the expenses incurred for quality certification limited to Rs.1.00 Lakh;

(5) 25% subsidy on cleaner production measures limited to Rs.5.00 Lakh;

(6) 50% subsidy on the expenses incurred for patent registration limited to Rs.5.00 Lakh; and

(7) Infrastructure like roads, power and water will be provided at door step 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 Estates /IDA'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.

6. The Commissioner of Industries, Hyderabad shall take necessary action, accordingly and intimate the status of the 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.MRF Ltd. Sadasivapet, Medak, through the Commissioner of Industries, AP, Hyderabad.
<u>Copy to:</u>
The Revenue (CT) Department.
The Revenue (Registration) Department.
The Energy Department.
The Irrigation (Reforms) Dept.
The Ind. & Com. (INF) Department.
The Accountant General, Andhra Pradesh, Hyderabad
The Commissioner of Commercial Taxes, Hyderabad
The Chairman & Managing Director, APTRANSCO., Hyderabad
The Managing Director, APCPDC Ltd., Hyderabad
The Vice Chairman & Managing Director, APIIC, Hyderabad.
The District Collector, Medak District.
The General Manager, District Industries Centre, Medak.
The Managing Director, HMWS&SB, Hyderabad.
P.S. to Principal Secretary to Chief Minister
P.S. to Hon'ble Minister(Major Industries)
P.S. to Chief Secretary to Government
P.S. to Principal Secretary to Government & CIP, Industries & Commerce Dept.
SC/SF

// FORWARDED: : BY ORDER//

Section Officer