GOVERNMENT OF TELANGANA
IRRIGATION AND CAD (REFORMS) DEPARTMENT

Memo.No.10998/Reforms/A2/2017  Dated: 30-11-2017


Ref: From the Industries & Commerce (IP& INF) Department

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A copy of the reference cited is sent herewith to the Engineer-in-Chief (AW), I & CAD Department, Hyderabad and Engineer-in-Chief (Irrigation), I & CAD Department, Hyderabad for information and taking necessary action in the matter.

S. SRINIVAS
JOINT SECRETARY TO GOVERNMENT (Tech)

To

The Engineer-in-Chief (AW), I&CAD Department,
Jalasoutha Buildings, Errum Munzil, Hyderabad (w.e).
The Engineer-in-Chief (Irrigation), I&CAD Department,
Jalasoutha Buildings, Errum Munzil, Hyderabad(w.e).

//FORWARDED::BY ORDER//

P. V. V. S. Kishore
SECTION OFFICER


Copy along with its enclosures are here with communicated to all the Chief Engineers of I & CAD Department for taking necessary action in the matter.

Yours faithfully,
B. Nagendra Rao,
Engineer-in-Chief (IW)

Copy to Dy.EE (computers) for placing in Departmental web site for vide circulation.
GOVERNMENT OF TELANGANA

ABSTRACT

Industrial Policy - Incentives for setting up of New Industrial Enterprises in Telangana State- T-PRIDE (Telangana State Programme for Rapid Incubation of Dalit Entrepreneurs) Incentives Scheme 2014 for Scheduled Cast/Scheduled Tribe Entrepreneurs - Implication of GST on incentives - Cap on tax incentives for micro and small industries – Amendments – Issued.

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INDUSTRIES & COMMERCE (IP & INF) DEPARMENT

G.O.MS.No.82 Dated:02/11/2017

Read the following:

4. From COI, Hyderabad Lr.No.20/1/2014/2323,Date: 09/09/2017.

ORDER:

In the reference 1st read above, the Government has announced T-PRIDE policy extending various incentives to the industrial enterprises. The following Tax incentives are available in this Policy:

- Reimbursement of 100% net VAT/CST or State Goods and Services Tax (SGST) for a period of 5 years from the date of commencement of commercial production for Micro and Small industries.
- Reimbursement of 75% net VAT/CST or State Goods and Services Tax (SGST) for a period of 7 years from the date of commencement of commercial production for Medium Scale Enterprises or up to realization of 100% fixed capital investment, whichever is earlier.
- Reimbursement of 50% net VAT/CST or State Goods and Services Tax (SGST) for a period of 5 years from the date of commencement of commercial production for Large Scale Industries or up to realization of 100% fixed capital investment, whichever is earlier.

2. In the reference 2nd read above, the Government has issued necessary operational guidelines for implementing the Policy.

3. In the reference 4th read above, the Commissioner of Industries, Hyderabad has stated that there is no cap on the quantum of tax incentives given to Micro and Small industries as in the case of large and Medium industries where there is ceiling of 100% fixed capital investment on the tax incentives. As result, Micro and Small Industries are availing tax incentives many times more than the investment, causing a dent to the spirit of the incentive policies.

4. The Commissioner of Industries, Hyderabad has further stated that this issue was discussed in detail in the 4th meeting of Cabinet Sub-Committee held on 06-07-2017 and it was decided to amend the existing rules of T-IDEA policy for fixing a cap on the quantum of Tax incentives availed by the micro and small industries as being done for medium and large industries and also he has stated that the investment limits of MSMEs as defined in paras 4.2.1 of the G.O.MS.No. 78, Industries and Commerce (IP & INF) Dept. Dt.09/10/2015 will vary from time to time as and when Government of India defines the investment limits of MSMEs. If there is any enhancement in the investment limits of MSMEs, there will be a huge burden on the govt. exchequer in the form of more incentives to more number of industries.
5. The COI, Hyderabad has requested the Govt to issue the following amendments to Para 4.1.9 of G.O.Ms.No. 29, Industries and Commerce (IP & INF) Dept, Dated: 29.11.2014 and Para 4.2.1 of the operational guidelines issued in G.O.MS.No. 78, Industries and Commerce (IP & INF) Dept. Dt.09/10/2015.

<table>
<thead>
<tr>
<th>Para.No.</th>
<th>G.O</th>
<th>Existing</th>
<th>Amendment</th>
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<tr>
<td>4.1.9</td>
<td>G.O.MS.No. 29 Industries and Commerce (IP &amp; INF) Department Dated: 29.11.2014</td>
<td>Reimbursement of 100% net VAT/CST or State Goods and Services Tax (SGST) for a period of 5 years from the date of commencement of commercial production.</td>
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<td>4.2.1 (a), (b), (c), (d)</td>
<td>G.O.MS.No. 78 Industries and Commerce (IP &amp; INF) Department Dated: 09/10/2015</td>
<td>“as defined by the Government of India from time to time”</td>
<td>“as defined by the Government of India as on date of issue of this policy”</td>
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**AMENDMENT**

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<th>Para.No.</th>
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<td>4.1.7</td>
<td>G.O.MS.No. 29 Industries And Commerce (IP &amp; INF) Department Dated: 29.11.2014</td>
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7. The Commissioner of Industries, Hyderabad shall take further necessary action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

JAYESH RANJAN
PRINCIPAL SECRETARY, TO GOVERNMENT AND COMMISSIONER FOR INDUSTRIAL PROMOTION (FAC)

To
The Commissioner of Industries, Telangana, Hyderabad.
The Vice Chairman & Managing Director, TSIIC, Hyderabad.
The VC & Managing Director, TSIDC, Hyderabad.
The Managing Director, Telangana State Finance Corporation, Hyderabad.

Copy to:

The Finance (EBS.VII) Department.
The Revenue (CT/LA/Registration) Department.
The Irrigation & CAD (Reforms) Department.
The Energy Department.
The LET & F (Employment) Department.
The Law Department.
The Scheduled Caste Development Dept.
The Tribal welfare Dept.,
The Y.A. &T.C. Dept.
The Accountant General, Hyderabad
The Convener, State Level Banker's Committee, Andhra Bank Head Office, Secretariat Road, Saifabad, Hyderabad - 500 004.
The General Manager, Small Industry Development Bank of India, (SIDBI), Hyderabad.
The Pay and Accounts Officer, Hyderabad
The Director of Treasuries and Accounts, Hyderabad.
All District Collectors through Commissioner of Industries, Hyderabad.
All Heads of Departments through Commissioner of Industries, Hyderabad.
All Govt. Companies/Corporations through Commissioner of Industries, Hyderabad.
The P.S. to Principal Secretary to Chief Minister.
The P.S. to Minister for Industries.
The P.S. to Chief Secretary to Government.
All Private Secretaries to the Ministers.
All General Managers, District Industries Centre through Commissioner of Industries, Hyderabad.

SC/SF

//Forwarded::By order//