

No. _____19873_____/I.,
XIV-HI-08/04

GOVERNMENT OF ORISSA
INDUSTRIES DEPARTMENT

....
RESOLUTION

Bhubaneswar, dated 18.11.2004

Sub: Amendment of IPR-2001 issued vide Industries Department
Resolution No. XIV-HI-26/01-26115/I., dated.3.12.2001.

In order to facilitate rapid establishment and growth of Industries and to attract investments in Mega Projects, Para 4.2A of IPR-2001 provides for special package of incentives for such projects. It is now felt that the policy needs amendment to classify Mega Projects on the basis of investment in different sectors for extending the special incentives. Accordingly, Government have been pleased to make following amendments to the provisions of IPR-2001.

Para 4.2A of IPR-2001 is substituted as follows:

“To attract Mega Projects into the State, special package of incentives may be considered for new industrial units on case to case basis keeping in view the national policy on Sales Tax related incentives”.

A new Para 4.2B is inserted in IPR-2001 after Para 4.2A as follows:

“(a) There shall be following four categories of Mega Projects which are new industrial units for the purpose of special incentives:

New Industrial Units primarily based on Iron, Bauxite Ore and Chromite with capital investment of Rs.300.00 crores and above.

New Industrial Units primarily based on minerals other than Iron, Bauxite Ores, Chromite and Gem Stones with capital investment of Rs.100.00 crores and above.

Non-mineral based New Industrial Units with capital investment of Rs.25.00 crores and above.

New Industrial Units for Gem Stone processing, Jewellery, Handlooms, Handicrafts and Biotechnology with capital investment of Rs.10.00 crores and above.

Mega Projects of all categories as listed in sub-para (a) above shall be entitled for following incentives if the commercial production of such Mega Projects commences within 31.12.2005:-

(i) Exemption from Entry Tax on goods imported through ports in Orissa from foreign countries for processing, for sale and distribution in Orissa.

- (ii) C.S.T. at a concessional rate not exceeding 2% for 15 years.
- (c) Mega Projects categorised III & IV in sub-para (a) above are eligible for following incentive prospectively in addition to the incentives specified in the sub-para (b) if the commercial production of such Mega Projects commences within 31.12.2005.

Special Industrial Promotional Assistance (SIPA) equal to 50% of sales tax paid in the preceding year on sale of finished products under Orissa Sales Tax Act, 1947 for a maximum period of 10 years subject to a total maximum limit of 100% of original fixed capital investment. Such incentives would be routed through the appropriate budget mechanism from the second succeeding year.

(d) The incentives for the Mega Projects referred to in the foregoing sub-paragraphs shall be considered on case to case basis and shall have prospective effect from the date 18.11.2004.”

3. This Resolution has been issued with concurrence of Finance Department vide UOR No. 3458PSF dated 11.11.2004 in pursuance to approval of Cabinet in the meeting dated 9th September, 2004 and 29th October, 2004.

ORDER : Ordered that the Resolution be published in next issue of the official gazette and copy thereof be forwarded to all Departments of Government, all Heads of Department and Accountant General, Orissa, Bhubaneswar.

By order of Governor,

(G.C.Pati.)

Commissioner-cum-Secretary to Government

Memo No. __19874__ /I., dated 18.11.2004

Copy forwarded to the Director, Printing, Stationary and Publication, Orissa, Cuttack with a request to kindly publish the Resolution in the next issue of the Orissa Gazette and supply 200 copies of the same to this Department immediately.

Additional Secretary to
Government

Memo No. __19875__ /I., dated 18.11.2004

Copy forwarded to All Departments / All HoDs / All R.D.Cs./ All

Collectors / All DICs / All PSUs / A.G., Orissa, Bhubaneswar, for information.

Government Additional Secretary to

Memo No. ___19876___/I., dated 18.11.2004

Copy forwarded to Principal Secretary to Hon'ble Chief Minister, Orissa / P.Ss. to All Ministers / P.S. to Chief Secretary, Orissa / P.S. to Development Commissioner-cum-Additional Chief Secretary, Orissa / P.S. to Commissioner-cum-Secretary, Industries Department for kind information of Hon'ble Chief Minister, Orissa, Hon'ble Ministers, C.S. Orissa, D.C.-cum-Addl. Chief Secretary, Orissa and Commissioner-cum-Secretary, Industries.

Government Additional Secretary to

Memo No. __19877___/I., dated 18.11.2004

Copy forwarded to All Sections of Industries Department / G.F. (100 copies) for information.

Government Additional Secretary to