



ABSTRACT

Industries – Inclusion of captive power plants as part of eligible fixed assets for the purpose of giving incentives under the New Industrial Policy, 2007 – Orders -- Issued.

Industries (MIB.2) Department

G.O. (Ms.) No. 50

Dated: 22-5-2009

Read:

From the Principal Secretary to Government, Energy Department,
D.O. Letter No. 11111 / A1 / 08, dated: 10.11.2008.

ORDER:

As per New Industrial Policy, 2007, certain set of incentives including a structured package of assistance is given to manufacturing facilities set up in the State.

2. The items included in the list of eligible fixed assets become crucial in achieving an investment level and in fulfilling the commitment made for the investment. Further, the VAT related incentive is always subjected to a ceiling, which is certain percentage of the investments made in eligible fixed assets. Thus, the list of items included in the eligible fixed assets determines the size of kitty available for VAT related incentives. SIPCOT's standard list of items permissible under eligible fixed assets, generally excludes captive power plants and captive windmills.

3. Representations have been made by many investing companies to the Government for inclusion of captive thermal power plants or windmills as part of eligible fixed assets. The Government examined the request in order to encourage captive power generation by industries in the context of power deficiency in the State. The inclusion of investments made in captive power plants, including wind mills / solar farms, as part of eligible fixed assets for the purpose of incentive will definitely encourage captive power generation.

p.t.o..

4. Accordingly, the Government direct that the investments made in captive power plants (including windmills / solar farms), subject to a ceiling at 10% of the total investment in eligible fixed assets, will be considered as eligible fixed assets for giving package of incentives in terms of New Industrial Policy, 2007. This benefit will be given only to those projects which are taken up for implementation from 19.4.2009, onwards.

(BY ORDER OF THE GOVERNOR)

M.F. FAROOQUI,
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Principal Secretary and Chairman & Managing Director,
State Industries Promotion Corporation of Tamil Nadu Limited,
19-A, Rukmani Lakshmi pathy Road,
Egmore, Chennai - 600 008.

The Secretary to Government,
Commercial Taxes and Registration Department,
Chennai -600 009.

The Principal Secretary to Government,
Energy Department, Chennai - 600 009.

The Principal Secretary to Government,
Finance Department, Chennai - 600 009.

The Special Commissioner and Commissioner of Commercial Taxes,
Chepuak, Chennai - 600005.

The Chairman,
Tamil Nadu Electricity Board,
No.144, Anna Salai, Chennai - 600 002.

The Director, Guidance Bureau,
No.19-A, Rukmani Lakshmi pathy Road,
Egmore, Chennai - 600 008.

Copy to:

Chief Minister's Office, Chennai - 600 009.

Finance (Industries) Department, Chennai - 600 009.

Public (SC) Department, Chennai - 600 009.

Industries (MIA/MIB/MID/MIE/MIF/MIG/OP.II), Department,
Chennai - 600 009.

SF/SCs.

// Forwarded / By order //


28/5/09
Section Officer.

N/S
25/5/09