



PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA

Sub: Sanction of Central Sales Tax (CST) reimbursement to M/s. Honda Motorcycle & Scooter India Pvt. Ltd., KIADB Industrial Area, Narasapura, Kolar District - reg.

- Read:** (1) Government Order No. CI 155 SPI 2011, dt. 18.08.2011.
(2) Government Order No. CI 155 SPI 2011, dt. 29.02.2012.
(3) Government Order No. CI 255 SPI 2016, dt. 20.10.2016.
(4) Government Order No. CI 255 SPI 2016, dt. 18.01.2017.
(5) Letter No. ಕೈವಾಇ/ಕೈಲ/ಇ5/73/CST/HMCS/2018-19, dt.25.09.2017 of Commissioner, Industrial Development, and Director of Industries and commerce.
(6) Government Order No. CI 255 SPI 2016, dt. 27.11.2017.
(7) Letter No. ಬೃಮೆನಿ/ನೀ&ಉ/ಇ3/86/CST/HMCS/2018-19, dt.25.08.2018 of Commissioner, Industrial Development, and Director of Industries and commerce.
(8) Letter No. ಬೃಮೆನಿ/ನೀ&ಉ/ಇ3/86/CST/HMCS/2018-19, dt.25.10.2018 of Commissioner, Industrial Development, and Director of Industries and commerce.
(9) Government Order No. CI 255 SPI 2016, dt. 08.03.2019.
(10) Letter No. ಬೃಮೆನಿ/ನೀ&ಉ/ಇ3/86/CST/HMCS/2018-19, dt.26.02.2019 of Commissioner, Industrial Development, and Director of Industries and commerce.

-:0:-

PREAMBLE:

Government has approved the establishment of an unit to manufacture "Scooters & Motorcycles" by M/s. Honda Motorcycle & Scooter India Pvt. Ltd., at KIADB Industrial Area, Narasapura, Kolar District with an investment of Rs.1350 crore vide the Government order read at (1) above.

In Government Order read at (2) above, Government has granted special incentives and concessions to M/s. Honda Motorcycle & Scooter India Pvt. Ltd., for their unit at KIADB Industrial Area, Narasapura, Kolar District.

In Government Orders read at (3) and (4) above, Government had released for reimbursement of Central Sales Tax (CST) of Total Rs.53,04,67,000/- for the period from 01.04.2014 to 31.03.2015 to M/s. Honda Motorcycle & Scooter India Pvt. Ltd., KIADB Industrial Area, Narasapura, Kolar District.

The Commissioner for Industrial Development and Director of Industries & Commerce has proposed vide his letter read at (5) above, to release Central Sales Tax (CST) reimbursement of Rs. 65,44,16,344/- for the period from April 2015 to March 2016. Subject to availability of funds, in the Government Order read at (6) above Rs. 51,67,00,000/- has been released to the unit during financial year 2017-18. Hence claims of Rs.13,77,16,344/- is pending for release to the unit.

The Commissioner for Industrial Development and Director of Industries & Commerce has proposed vide his letter read at (7) above, to release Central Sales Tax (CST) reimbursement of Rs.114,32,06,098/- for the period from April 2016 to March 2017.

The Commissioner for Industrial Development and Director of Industries & Commerce has proposed vide his letter read at (8) above, to release balance Central Sales Tax (CST) reimbursement of Rs.13,77,16,344/- for the period from April 2015 to March 2016.

As per the details mentioned in the above three paras total claims of M/s. Honda Motorcycle & Scooter India Pvt. Ltd., for the period from April 2015 to June 2017 (Part) has become Rs.128,09,22,442/-. Out of total claims of Rs.128,09,22,442/-, on pro-rata basis subject to availability of funds under the scheme, Government has released Rs. 92,09,46,559/- as the Central Sales Tax (CST) reimbursement to M/s. Honda Motorcycle & Scooter India Pvt. Ltd., Narasapura, Kolar District during the financial year 2018-19 vide Government Order read at (9) above. Still claims of Rs.35,99,75,883/- is pending for release to the unit.

The Commissioner for Industrial Development and Director of Industries & Commerce has proposed vide his letter read at (10) above, to release Central Sales Tax (CST) reimbursement of Rs.34,73,45,740/- under the Head of Account "2852-80-103-0-01(100)" for the period from April 2017 to June 2017 to M/s. Honda Motorcycle & Scooter India Pvt. Ltd., KIADB Industrial Area, Narasapura, Kolar District during the financial year 2018-19.

In the year 2018-19, Out of total budget allocation of Rs.300.00 Crore Rs.299.46 Crore has been released to the eligible industries. Therefore, there was budget deficit. Hence claims pertains to M/s. Honda Motorcycle & Scooter India Pvt. Ltd., Narasapura, Kolar District recommended vide letter read at (10) above could not be considered during the year 2018-19.

In the year 2019-20, Rs. 177.50 crore budgetary grants allocated (Out of total budget allocation of Rs.200.00 Crore, Finance Department vide BUDGET ADVICE dated 04.04.2019 restricted to Rs. 177.50 crore) for the scheme "Loan against VAT payment to industrial units" under the Loan Head 2852-80-103-0-01(100).

The pending Central Sales Tax (CST) reimbursement proposals Rs.70,73,21,623/- for the period from April 2015 to June 2017 (part) and April 2017 to June 2017 (Full) of M/s. Honda Motorcycle & Scooter India Pvt. Ltd. recommended from Commissioner for Industrial Development and Director of Industries & Commerce vide his letters read at (7), (8) & (10) above submitted to Finance

Department for releases from the allocation of grants under the scheme Head of Account 2852-80-103-0-01(100) during the year 2019-20.

Accordingly, Finance Department accorded its concurrence vide note No. ಅಇ 156/ವೆಚ್ಚು-1/2019, dated 31.05.2019.

Hence the following order.

GOVERNMENT ORDER NO. CI 255 SPI 2016, BENGALURU,
DATED:11.06.2019

In the circumstances as explained in the preamble, Government is pleased to accord approval for the release of Rs. 70,73,21,623/- (Rupees Seventy crore Seventy-three lakh Twenty-one thousand Six hundred and Twenty-three only) as the Central Sales Tax (CST) reimbursement (part) for the period April 2015 to March 2017 (part) and April 2017 to June 2017 (Full) to M/s. Honda Motorcycle & Scooter India Pvt. Ltd., KIADB Industrial Area, Narasapura, Kolar District under Head of Account "2852-80-103-0-01(100) during financial year 2019-20".

M/s. Honda Motorcycle & Scooter India Pvt. Ltd., KIADB Industrial Area, Narasapura, Kolar District, is authorized to draw the amount on payee's receipt duly countersigned by Commissioner for Industrial Development and Director of Industries and Commerce Dept.

This CST reimbursement is subjected to the conditions imposed in the Government Order No. CI 155 SPI 2011, dated 29.02.2012.

This order is issued with the concurrence of Finance Department vide Note No. ಅಇ 156 ವೆಚ್ಚು-1/2019, dated 31.05.2019.

By Order and in the name of the
Governor of Karnataka,

G. Nagarathnamma.
(Nagarathnamma .G) 11/6/19.

Desk Officer (Technical Cell),

Commerce & Industries Department.

11/06

To,

1. The Principal Accountant General (G&SSA), Karnataka, New Building, 'Audit Bhawan', Post Box No. 5398, Bengaluru-01.
2. The Principal Accountant General (E&RSA), Karnataka, New Building, 'Audit Bhawan', Post Box No. 5398, Bengaluru-01.
3. The Principal Accountant General (A&E), Karnataka, Park House Road, Post Box No. 5329, Bengaluru-01.
4. The Additional Chief Secretary to Govt., Finance Dept., Vidhana Soudha, Bengaluru-01.

5. The Commissioner for Large & Mega Industries, # 49, Khanij Bhavan, Race Course Road, Bengaluru-01.
6. The Commissioner for Commercial Taxes, Therige Bhavan, Gandhi Nagar, Bengaluru-09.
7. The Director of Treasuries, State Huzur Treasury, Bengaluru.
8. Director (Technical Cell), Commerce & Industries Department, Vikasa Soudha, Bengaluru-01.
9. Deputy Secretary to Govt. & Internal Financial Advisor, Commerce & Industries Department, Vikasa Soudha, Bengaluru-01.
10. M/s. Honda Motorcycle & Scooter India Pvt. Ltd., Plot No.1&2, Sector 3, IMT Manesar, Distt, Gurgaon (Haryana)-122 050.
11. The Additional Director (Projects & Planning), Directorate of Large & Mega Industries, # 49, Khanija Bhavan, Race Course Road, Bengaluru-01.
12. The Joint Director (Projects & Planning), Directorate of Large & Mega Industries, # 49, Khanija Bhavan, Race Course Road, Bengaluru-01.
13. The PS to Principal Secretary to Government, Commerce & Industries Department, Vikasa Soudha, Bengaluru-01.
14. Guard File / Spare Copies.