

Government of Madhya Pradesh
Department of Industrial Policy and Investment Promotion (DIPIP)
Mantralaya, Bhopal

//Order//

Dated: 20/04/2023

F.No.16-53/2022/A-11:- State Government vide even order dated 15.09.2022 accorded incentives for Bharat Petroleum Corporation Limited (BPCL) for expansion of Bina Refinery and for setting up of Petrochemicals Project (DIPIP2205080002) with an estimated investment of ₹37,000 – ₹40,000 Cr (revised estimated investment of ₹43,000 Cr to ₹50,000 Cr). The incentives accorded in the above referred order dated 15.09.2022 are cancelled, and revised incentives have been accorded as below:-

1(A) SGST Refund- 60% of total of the following 4 categories, subject to Annual Slab Limit given in Point 1(B):

- i. Cash payment of SGST after adjusting IGST/SGST credit for products manufactured from the project and sold in MP
- ii. Amount of SGST paid on procurement of inputs/ input services/ capital goods within the state of M.P from dealers registered under MP GST Act and SGST credit of which is adjusted against the output liability of SGST (excluding procurement of inputs/ input services/ capital goods for construction of project)
- iii. Amount of ineligible credit of SGST paid on procurement of inputs/ input services/ capital goods within the state of MP from dealers registered under MP GST Act (excluding procurement of inputs/ input services/ capital goods for construction of project), and
- iv. Credit of IGST availed on purchase of inputs/ input services/ capital goods from outside the State and adjusted against SGST output liabilities of this project

1(B). Annual Slab Limit

Year	Maximum Annual SGST Reimbursement (₹ in Cr)	Year	Maximum Annual SGST Reimbursement (₹ in Cr)
1	750	9	1,036
2	786	10	1,071
3	821	11	1,107
4	857	12	1,143
5	893	13	1,179
6	929	14	1,214
7	964	15	1,250
8	1,000		
Total Maximum Limit ₹15,000 Cr			
For the above table, the year of commercial production will be considered as the 1 st Financial Year			



1(C). Carry forward of unutilised SGST amount:

In case in any particular year, SGST refund amount (excluding, SGST refund claimed against project construction) is less than Annual Slab Limit (as given in Point 1B), the difference i.e. unutilised SGST amount will be carried forward to the next year. The Annual Slab Limit will stand increased by the cumulative unutilised carry forward amount.

1(D). Refund of SGST on Project Construction:

Refund of 100% SGST paid on procurement of inputs/ input services/ capital goods for construction of project including ineligible credit items (excluding the items covered under Point 1A above) in equal instalment in the first 5 years from the start of commercial production and will be outside the Annual Slab Limit (as given in Point 1B). However, the total refund amount including refund of SGST on capital goods will be within the total maximum SGST refund limit of ₹15,000 Cr.

2. SGST refund limit and claim period:

Total SGST refund amount including SGST refund claimed against project construction is capped at ₹15,000 Cr which is to be claimed in 15 years from the date of start of commercial production.

3. Interest Free Loan:

MPIDC will provide interest free loan of ₹500 Cr per annum from the date of commercial production up to 15 years. Year wise loan repayment by the Company will commence after 15 years from the year of disbursement of loan. First year of loan will be repaid in 16th year, second year of loan will be repaid in 17th year and so on, loan provided in 15th year will be repaid in 30th year.

4. Interest Subsidy Assistance:

Interest on loan taken for the Project from any Bank/ Financial Institution/Agency, up to maximum of ₹4,800 Cr shall be reimbursed over a period of 15 years in equal instalments of ₹320 Cr in each year through MPIDC subject to the production of interest certificate(s) on cumulative basis.

5. Electricity Related Benefits:

- i. Concession of ₹1/unit on the prevailing electricity rates for 7 years from the date of commercial production. This concession is over and above any concession already being provided by Electricity Commission. This concession will be reimbursed by MPIDC to the Company. At the end of 6th year, the above concession shall be reviewed for extension.
- ii. Exemption of electricity duty on electricity taken from Electricity Distribution Company for a period of 15 years.
- iii. Exemption of transmission charges on electricity purchased by the Company from open access for a period of 15 years.

6. **Exemption of Stamp Duty:**

100% exemption of Stamp Duty payable on execution of loan agreements, credit deeds, mortgages and hypothecations entered with banks/ financial institutions, up to maximum annual limit of ₹15 Lakh for 15 years.

7. **Infrastructure Development Assistance:**

Reimbursement of amount spent on development of external infrastructure like power, water, road/rail as per Industrial Promotion Policy 2014.

8. Project will get the approved benefits on the condition that commercial production will start along with committed investment by calendar year 2028. If due to any reason, the commencement of production is delayed, then in that case based on the review by the Cabinet Committee on Investment Promotion (CCIP), additional 2 years shall be granted for start of commercial production.

9. Any other demand of the Company apart from the ones mentioned above are not being considered.

Note: In case of any clarification in implementation of this order, Hindi version of the order shall be referred and that shall prevail.

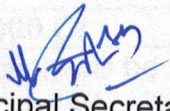

(Manish Singh)
Principal Secretary
Government of Madhya Pradesh
Department of Industrial Policy &
Investment Promotion

F.No.16-53/2022/A-11

Dated: 20/04/2023

Copy to:

1. Deputy Secretary to the Chief Secretary Office, Bhopal.
2. Additional Chief Secretary/ Principal Secretary/ Secretary of Govt. of MP, Finance Dept./ Energy Dept./ CTD/ Revenue Dept./ Water Resources Dept., Mantralaya, Bhopal.
3. Divisional Commissioner, Sagar.
4. Collector, Sagar.
5. Managing Director, MPIDC, Bhopal.
6. Authorised Signatory, BPCL, Administrative Building, Refinery Complex, Post – BORL Residential Complex, Bina – 470124, Sagar.


Principal Secretary
Government of Madhya Pradesh
Department of Industrial Policy &
Investment Promotion