

Highlights Of Fiscal Incentives For MSMEs In Industrial Policy Resolution - 2015

1. LAND AT CONCESSIONAL RATE

- Ground rent 1 @ % of the land value.
- 10% of the land for large projects limiting to 300 Acre shall be earmarked for Ancillary & Downstream industrial Park.

2. EXEMPTION OF PREMIUM ON CONVERSION OF Ag. LAND FOR INDUSTRIAL USE

- New Industrial units and existing industrial units taking up E/M/D.

Micro & Small Sector	100% up to 5 Acres
Medium Sector	75% up to 25 Acres
Priority Sector	100% up to 100 Acres & 50 % for balance Area

3. INTEREST SUBSIDY

- New MSME @ 5% per annum on term loan for Five years and same for Seven years for Industrially Backward Districts limiting to:

Micro Enterprise	Rs.10 lakh
Small Enterprise	Rs.20 lakh
Medium Enterprise	Rs 40 lakh

- One time Guarantee Fee charged under CGTMSE will be reimbursed to MSEs

4. STAMP DUTY EXEMPTION

- No stamp duty for land allotted by the Government to IDCO or Govt./ IDCO to Private Industrial Estate Developers

Transfer of land/shed by Govt / IDCO / Private Industrial Estate Developers to new units and Existing units acquiring fresh land for E/M/D	Micro & Small Sector	75% of Stamp duty
	Medium Sector	50% of Stamp duty
	Priority Sector	100% of Stamp duty

Stamp Duty exemption on transfer of management / conversion to Company / reconstruction & amalgamation of Companies / execution of loan deed / credit deed / hypothecation deeds

5. ELECTRICAL ENERGY SUBSIDY

A	Exemption of Electricity Duty for 5 years	New MSMEs	up to Contract demand of 500 KV A
		New units in the Priority Sector	up to Contract demand of 5 MVA
		New & existing industrial units setting up Captive Power Plant with non-conventional sources & bio-fuel as Green Energy Subsidy.	
B	Seasonal Units such as food processing, sugar, salt and cotton ginning & pressing unit shall be-allowed for temporary surrender of a part of their contract demand as per norms of OERC.		
C	One-time reimbursement of cost of Energy Audits for achieving energy efficiency up to -		
	Micro Enterprise - Rs.1 Lakh	Small Enterprise - Rs.2 Lakh	Medium Enterprise-Rs. 3 Lakh

6. VAT REIMBURSEMENT - in a tapered manner

New MSMEs	75% of net VAT paid for 5 years	Limited to 100% of cost of Plant & M/c
New units in Priority Sector	100% of net V A T paid for 7 years	Limited to 200% of cost of Plant & M/c
Existing MSMEs taking up , E / M / D	75% of net V A T paid on increased production for 5 years	Limited to 100% of additional cost of plant & M/c for E / M / D
Existing units in Priority sector taking up E / M / D	100% of net VAT paid on increased production for 7 years	Limited to 200% of additional cost of Plant & M/c for E / M / D
New Pioneer Units	100% of net V A T paid for 9 years	Limited to 200% of cost of Plant & M/c
Anchor Tenant in Industrial park	1 00% of net VAT paid for 9 years	Limited to 200% of cost of Plant & M/c

7. REIMBURSEMENT OF ENTRY TAX

Plant & Machinery	New MSMEs & Priority Sector units	100% of Entry Tax paid on Plant & M/c
	Existing MSMEs & Priority Sector units taking up E/M/D	100% of Entry Tax paid on additional Plant & M/c .
Raw Material	New MSMEs & Priority. Sector units	100% of Entry Tax paid for 5 years limited to 100% of cost of Plant & M/c
	Existing MSMEs & Priority Sector units taking up E / M / D	100% of Entry Tax paid on additional raw materials for 5 years limited to 100% of cost of additional Plant and machinery.
	New Pioneer Units under each Priority Sector	100% of ,Entry Tax paid for 7 years limited to 100% of cost of plant &.. M/c

Above provision will be suitably replaced / modified after GST is introduced

8. REIMBURSEMENT OF ENTERTAINMENTTAX (ET)

i	New Multiplex Cinema Hall of at least 3 screens with minimum capital investment of RS.3.00 crores	100% of ET: paid for 5 years
ii	Existing cinema hall upgraded to a multiplex and modernised with minimum investment of rupees one crore	100% ET paid for 5 years

The above provision will be suitably replaced / modified after GST is introduced

9. EMPLOYMENT COST SUBSIDY, for employing skilled & semi-skilled workers of domicile of Odisha as regular employees.

New & existing units taking up E/M/D in Micro & Small Sector	Male workers- 75% of ESI & EPF contribution for 5 years
	Female workers - 100% of ESI & EPF contribution for 5 years
New and existing u nits taking up E/M/D in-Medium-sector	Male workers-50% of ESI & EPF contribution for 3 years
	Female workers-1 00% of ESI & EPF contribution for 3 years
New and existing units taking up E/M/D in MSME and Priority Sector-displaced for the establishment of the said Industrial unit	100% of ESI & EPF contribution for 3 years
New and existing industrial units undertaking E/M/D in MSME and Priority Sector - with Disabilities	100,% of ESI & EPF contribution for 5 years
Employment Cost Subsidy -for additional period of 2 year for Industrially Backward Districts.	

10. PATENT REGISTRATION

New units and Existing units in MSME & Priority Sector taking up Expansion/ Modernization/ Diversification	100% of the registration cost limited to Rs .10 lakh
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11. QUALITY CERTIFICATION- & its renewal for next consecutive two years

New and Existing units in MSME & Priority Sector taking up E/ M/ D	100% of quality certification charges limited to Rs.3 Lakh.
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12. ASSISTANCE FOR TECHNICAL KNOW-HOW

New units in MSME & Priority sector	Indigenous tech.	100% of cost UP to Rs.1 Lakh
	Imported tech.	100% of cost UP to Rs.5 Lakh

13. ENTREPRENEURSHIP DEVELOPMENT SUBSIDY

75% of course fee limited to Rs. 50,000/- per course to budding entrepreneurs to undergo Management Development Training in reputed national level institution.

14. ENVIRONMENTAL PROTECTION INFRASTRUCTURE SUBSIDY

Rs. 20 lakh or 20% of capital cost whichever is less for adopting Zero Effluent / ZLD & setting - up Effluent Treatment Plant by MSMEs

15. CAPITAL GRANT TO SUPPORT QUALITY INFRASTRUCTURE

Industrial parks/ Cluster parks promoted by private sector / Ind. Association / User Units in cluster format	50% of the infrastructure cost up-to Rs.10 crore / park or cluster
Up-gradation of the existing parks / clusters provided the park / estate / cluster is User - managed	50% of total cost up - to Rs. 5 crore

16. ANCHOR TENANT SUBSIDY

- 25% subsidy on cost of land
- VAT Reimbursement for additional 2 years subject to the overall limit.

17. MARKETING ASSISTANCE TO INDUSTRIES ASSOCIATIONS

- Assistance @ 50% of total rent limiting to Rs.10 lakh for participation of minimum 5 units in Odisha Pavilion in International Trade fairs abroad.

18. FILM INDUSTRY

- All feature films produced fully or partly in Odisha exempted from Entertainment Tax.
- Producers of films utilize Kalinga Studio Limited, Film & Television Institute of Odisha and Kalinga Prasad Colour Laboratory shall avail incentives as per terms and conditions of OFDC.
- Soft loan assistance at a nominal rate of interest decided by OFDC.
- Multiplexes / Cinema Halls shall get Government land / IDCO land at concessional industrial rate.