



MICRO, SMALL & MEDIUM ENTERPRISES DEPARTMENT, GOVT. OF ODISHA
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 AGRICULTURAL 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
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- Guarantee fee charged under CGTMSE will be reimbursed to MSEs.

4. STAMP DUTY EXEMPTION

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

➤ Transfer of land/shed by Govt / IDCO/Private Indl. 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. ENERGY

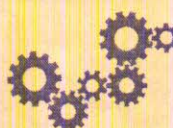
A	Exemption of Electricity Duty for 5 years	New MSMEs	Up to Contract demand of 500KVA
		New Units in the Priority Sector	Up to Contract demand of 5 MVA
		New & Existing industrial units setting up Captive Power Plant with non-conventional sources & Bio-fuel as Green Energy Subsidy.	
B	Seasonal Units 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 - Rs1 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 VAT paid for 7 years	Limited to 200% of cost of Plant & M/C
Existing MSMEs taking up E/M/D	75% of net VAT paid on increased Production for 7 years	Limited to 200% of additional cost of Plant & M/cforEMD
New Pioneer Units	100% of net VAT paid for 9 years	Limited to 200% of cost of Plant & M/C
Anchor Tenant in Indl. park	100% of net VAT paid for 9 years	Limited to 200% of cost of Plant & M/C
❖ Above Provision will be suitably replaced / modified after GST is introduced		

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 for 5 years limited to 100% of cost of plant & M/c
Raw Materials	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	
The above Provision will be suitably replaced/modified after GST is introduced		



8 REIMBURSEMENT OF ENTERTAINMENT TAX (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 upgrades to a multiplex and modernized with minimum investment of rupees one crore	100 % of 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 units taking up E/M/D in Medium Sector	Male Workers - 50% of ESI & EPF contribution for 3 years
	Female Workers -100% 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 Indl. unit	100% of ESI & EPF contribution for 3 years
New and existing Industrial units taking up 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 years 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 upto 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 upto Rs. 5 crore.

16 ANCHOR TENENT 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 Pavillion in International Trade fairs abroad.

18 FILM INDUSTRY

- ❖ All feature films produced fully or partly in Odisha exempted from Entertainment Tax.
- ❖ Producers of films utilizing 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 Govt. land/ IDCO land at concessional indl. rate.

19. Non-Mineral based new indl. units in industrially backward districts with investment of Rs. 5.00 crore in plant & M/c treated as Priority Sector unit & eligible for all incentives of Priority Sector.

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