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## State Incentive

# Textiles & Apparel in Odisha

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## One Time Incentives

### 1. Land Cost Rebate

#### Land at subsidised rates as per the Industrial Policy 2015:

- Applicable for all industries

#### 25% subsidy on cost of land:

- Applicable for Anchor Industrial Units, i.e. for investments by lead investors in a park or cluster which would promote and further facilitate investment in the park or cluster

#### Exemption from payment of premium, leviable under OLR Act.1960 (Change of land-use charges):

- 100% up to 100 acres and 50% for balance area

### 2. Fixed Capital Rebate

#### Capital Subsidy for Plant and Machinery - 10% of investment in plant and machinery:

- Minimum investment of INR 100 crores in a forward district with employment for 100 workers and INR 50 crores in backward district with employment of 75 workers with maximum cap of INR 50 crores depending on investment and employment range

#### Capital Grant for Apparel Park:

- 20% of project cost upto INR 20 crore

#### Capital grant to support Quality Infrastructure in Industrial parks/clusters:

- 50% of the infrastructure cost with a ceiling of INR 10 crores per green field industrial park/cluster
- 50% of total cost with a ceiling of INR 5 crores for up gradation of brown field clusters

#### **For MSMEs:**

##### **@ 25% subsidy:**

- For Micro & Small up to INR 1 crore

##### **@ 30% subsidy:**

- For Micro & Small up to INR 1.25 crores owned by SC, ST, Differently abled, women or technical entrepreneur

##### **Additional 5%:**

- For MSMEs unit in industrially backward districts including KBK or Up to INR 10 lakhs for units engaged in recycling of E-waste, Hospital waste, Construction & demolition waste

### **3. Stamp Duty Exemption**

#### **100% Exemption:**

- With respect to land allotted by the Government to IDCO or Govt/IDCO to Private Industrial Estate Developers or when transfer of land/shed by Govt, IDCO and Private Industrial Estate developer to industrial units.
- On Loan agreements, credit deeds, mortgages and hypothecation deeds executed by the Industrial Units in favour of Banks or Financial Institutions

### **4. Other Incentives**

- One-time reimbursement of Energy audit cost for MSMEs with maximum cap of INR 3 lakh
- Environmental Protection Infrastructure Subsidy of 20 Lakhs or 20% of capital cost of setting ETP for MSMEs
- 100% of the registration for Patent Registration cost up to maximum of INR 10 Lakhs
- **Quality Certification:** Renewal for consecutive two years i.e. for a period of 3 years @ 100% to a

total maximum limit of INR 3 Lakhs

- **Assistance for technical know-how:** 100% of cost of purchase of technical know-how up to INR 1 Lakh in case of indigenous technology and up to INR 5 Lakhs in case of imported technology
- **Entrepreneurship Development Subsidy:** Reimbursement of 75% of course fee limited to INR 50,000 per course

#### For Workers' Hostel:

- Land rate at 50% of the prevailing market rates of IDCO for 1-3 acres of land, based on employment and investment with minimum investment of INR 100 crores in a forward district with employment for 100 workers and INR 50 crores in backward district with employment of 75 workers.

#### For MSMEs:

- **Seed Capital Assistance:** One-time grant of 10% of term loan disbursed up to INR 15 lakhs for Micro & Small unit owned by 1st generation SC, ST, Differently abled or women entrepreneur in industrially backward districts including KBK
- **Project Report Subsidy:** One-time grant of INR 50,000 or 2% of project cost, whichever lower for preparation of DPR/detailed feasibility report
- **Reimbursement of Audit Cost for Water Conservation:** One-time reimbursement of 50% of audit cost up to INR 25,000
- **Assistance for raising Capital through SME exchange:** One-time grant of 20% of expenditure in raising capital up to INR 10 lakh after successfully raising the equity
- **Trade Mark Assistance:** 50% of expenditure up to INR 25,000

## Recurring Incentives

### 1. SGST Reimbursement

#### 100% SGST reimbursement:

- For a period of 7 years, to a maximum of 200% of cost of plant and machinery
- For New Pioneer units for a duration of 9 years, to a maximum of 200% of cost of plant and machinery
- For Anchor units for a duration of 9 years, to a maximum of 200% of cost of plant and machinery

This provision will be notified by government soon.

## 2. Skill Development/ Training Incentive

### Reimbursement of training cost up to INR 1750 – INR 4000 per person:

- For every person newly trained or undergoing skill upgradation for a period of three years, based on employment and investment with minimum investment of INR 100 crores in a forward district with employment for 100 workers and INR 50 crores in backward district with employment of 75 workers.

### 50% of skill upgradation or training for local manpower:

- For MSMEs: Up to INR 3000 per person for maximum 10 persons in micro and 20 persons in Small and Medium enterprises. Additional INR 1000 per women trained

## 3. Interest Cost Subvention

### 5% per annum on term loan:

- For a period of five years, to a maximum of INR 1 crore

### Interest free loan:

- Up-to 10%, maximum limit of INR 10 crore for Apparel park

## 4. Power Tariff Rebate

### Reimbursement of INR 0.25 – 1.25 per unit:

- For a period of 5 years, based on employment and investment with minimum investment of INR 100 crores in a forward district with employment for 100 workers and INR 50 crores in backward district with employment of 75 workers

## 5. Electricity Duty Rebate

**100% Exemption:**

- For a contract demand of 5 MVA for 5 years

**6. Employment Generation Incentive****Incentive per Employee:**

- INR 1500 per worker per month for 36 months if 90% of workers are domicile of Odisha with minimum 200 employees

**@ 100% Reimbursement of Employment Cost Subsidy (ESI/ESF):**

- For 3 years for displaced employees and for 5 years for disabled employees

**@ 75% for male; 100% for female:**

- For Micro & small units for 5 years

**@ 50% for male; 100% for female:**

- For Medium units for 3 years