

# GOVERNMENT OF ODISHA

## MSME DEPARTMENT

### NOTIFICATION

No. MSME-MS&I-MSME2-0015-2022-

8795

/MSME, Bhubaneswar, dated. 8<sup>th</sup> December, 2023

#### **Sub: Amendment to Odisha MSME Development Policy'2022**

After careful consideration, Government have been pleased to amend Odisha MSME Development Policy'2022 notified vide MSME Department Notification No. 9678/MSME dated 28.12.2022, as given below.

Sl. No.	Para No.	Existing Paragraph	New Paragraph
1	Para 6(g) Eligibility	g) If the industrial unit has availed incentive under any scheme of the State Government or the Government of India (GoI) or Government Agencies or any Financial Institutions, it shall be eligible for the differential amount of benefit only.	g) If the industrial unit has availed <b>similar financial</b> incentive under any scheme of the State Government or the Government of India (GoI) or Government Agencies or any Financial Institutions, it shall be eligible for the differential amount of benefit only.
2	Para 7.1 Stamp Duty	7.1 In respect of transfer of land/ shed by Government, IDCO and Private Estate Developers to new enterprises and existing enterprises acquiring fresh land for Expansion/ Modernization/ Diversification, exemption of stamp duty shall be applicable as follows: <ul style="list-style-type: none"><li>• Enterprises with investment in Plant &amp; Machinery up to INR 10 crores: 100% of applicable stamp duty</li><li>• Enterprises with investment in Plant &amp; Machinery above INR 10 crores and up to INR 50 crores: 75% of applicable stamp duty</li><li>• Stamp duty will be exempted for units required to be transferred to a new owner/ management under the provisions of the State Financial Corporation (SFC) Act 1951 or under Securitization and Reconstruction of Financial</li></ul>	7.1 In respect of transfer of land/ shed by Government/ IDCO and Private Estate Developers to new enterprises and existing enterprises acquiring fresh land for Expansion/ Modernization/ Diversification, exemption <b>from payment</b> of stamp duty <b>or reimbursement of Stamp Duty already paid</b> shall be applicable as follows: <ul style="list-style-type: none"><li>• Enterprises with investment in Plant &amp; Machinery up to INR 10 crores: 100% of applicable stamp duty</li><li>• Enterprises with investment in Plant &amp; Machinery above INR 10 crores and up to INR 50 crores: 75% of applicable stamp duty</li><li>• Stamp duty will be exempted <b>or reimbursed</b> for units required to be transferred to a new owner/ management under the provisions of the State Financial Corporation (SFC) Act 1951 or under Securitisation and Reconstruction of Financial Assets and Enforcement of</li></ul>

		Assets and Enforcement of Security Interest (SARFAESI) Act 2002 or by the orders of NCLT under the IBC.	Security Interest (SARFAESI) Act 2002 or by the orders of NCLT under the IBC <b>2016</b> .
3	Para 7.2 Land Conversion Charges	<p>7.2 New enterprises and existing enterprises taking up Expansion/ Modernization/ Diversification will be granted exemption under the provisions of Section-73 (C) and Clause-C of Section 8 (A) of Orissa Land Reforms (OLR) Act, 1960 from payment of premium leviable on conversion of land for industrial purpose in the following manner:</p> <ul style="list-style-type: none"> <li>• Enterprises with investment in Plant &amp; Machinery up to INR 10 crores: 100% up to 5 acres</li> <li>• Enterprises with investment in Plant &amp; Machinery more than INR 10 crores and up to INR 50 crores: @75% up to 25 acres</li> </ul>	<p>7.2 New enterprises and existing enterprises taking up Expansion/ Modernization/ Diversification will be granted exemption under the provisions of Section-73 (C) and Clause-C of Section 8 (A) of Orissa Land Reforms (OLR) Act, 1960 from payment of premium leviable on conversion of land for industrial purpose <b>or reimbursement of premium already paid</b> in the following manner:</p> <ul style="list-style-type: none"> <li>• Enterprises with investment in Plant &amp; Machinery up to INR 10 crores: 100% up to 5 acres</li> <li>• Enterprises with investment in Plant &amp; Machinery more than INR 10 crores and up to INR 50 crores: @75% up to 25 acres</li> </ul>
4	Sub-Para 7.3.1(c) of Para 7.3 Capital Investment Subsidy (CIS)	<p>c) New and existing enterprises undertaking E/M/D shall be granted additional CIS @5% of capital investment made in Plant &amp; Machinery, subject to an upper limit of INR 20 lakhs over and above the limits as specified above at (a) and (b) for the following enterprises:</p> <ol style="list-style-type: none"> <li>Set up in Industrially Backward Districts.</li> <li>Set up in designated IDCO Industrial Estates or Industrial Areas <b>along</b> Biju Express Highway Corridor.</li> <li>Enterprise of Automobile &amp; Auto Components, Plastics &amp; Polymers, Steel &amp; Stainless Steel, Defence Equipment, Aluminium, Pharmaceuticals, Medical Equipment and Apparel &amp; Textile sector.</li> </ol>	<p>c) New and existing enterprises undertaking E/M/D shall be granted additional CIS @5% of capital investment made in Plant &amp; Machinery, subject to an upper limit of INR 20 lakhs over and above the limits as specified above at (a) and (b) for the following enterprises:</p> <ol style="list-style-type: none"> <li>Set up in Industrially Backward Districts.</li> <li>Set up in designated IDCO Industrial Estates or Industrial Areas <b>in</b> Biju Express Highway Corridor.</li> <li>Enterprise of Automobile &amp; Auto Components, Plastics &amp; Polymers, Steel &amp; Stainless Steel, Defence Equipment, Aluminium, Pharmaceuticals, Medical Equipment and Apparel &amp; Textile sector.</li> </ol>
5	Para 7.9 Employment Cost Subsidy	<p>a) <b>75% reimbursement (in case of male workers) and 100% reimbursement (in case of female workers)</b> of employers' contribution paid towards ESI and EPF for a period of 5 years for new and existing units undertaking E/M/D, with investment in Plant &amp; Machinery up to INR 10 crores, which</p>	<p>a) <b>100%</b> reimbursement of employers' contribution paid towards ESI and EPF for a period of 5 years for new and existing units undertaking E/M/D, with investment in Plant &amp; Machinery up to INR <b>50 crores</b>, which employ unskilled, semi-skilled, skilled and highly skilled workers who are domicile of the State and are on the payroll of</p>



		employ unskilled, semi-skilled, skilled and highly skilled workers who are domicile of the State and are on the payroll of the unit. b) <b>75% reimbursement (in case of male workers) and 100% reimbursement (in case of female workers)</b> of employers' contribution paid towards ESI and EPF for a period of <b>3</b> years for new and existing units undertaking E/M/D, with investment in Plant & Machinery of more than INR 10 crores and up to INR 50 crores, which employ unskilled, semi-skilled, skilled and highly skilled workers who are domicile of the State and are on the payroll of the unit.	the unit.  b) <b>100% reimbursement of employers' contribution paid towards ESI and EPF for a period of 7 years for new and existing units undertaking E/M/D, with investment in Plant &amp; Machinery up to INR 50 crores in Focus sector which employ unskilled, semi-skilled, skilled and highly skilled workers who are domicile of the State and are on the payroll of the unit.</b>
6	Para 8 (b.2) Governance	2. State Directorate Level Committee (SDLC) under the Chairmanship of Director of Industries, Odisha: Enterprises with investment in Plant and Machinery above INR 1 Crore <b>and upto INR 10 Crore.</b>	2. State Directorate Level Committee (SDLC) under the Chairmanship of Director of Industries, Odisha: Enterprises with investment in Plant and Machinery above INR 1 Crore.
7	Sub- Para 9.2 of Para 9. General Provisions	9.2 Incentives as envisaged in this policy shall not be applicable to an enterprise if the similar financial incentives are availed under any other policies of State Government or Government of India.	Deleted
8	Sub-Para 9.6 of Para 9. General Provisions	9.6 Enterprise shall become ineligible to get incentives if it does not file its claim within the time limit prescribed in the Operational Guidelines of respective incentives. Government may consider condonation of delay ( <b>upto 60 days after the prescribed time limit</b> ) for filing of application for incentives by the enterprises on case-to-case basis on recommendation of the Empowered Committee as defined under clause 9.5.	9.6 Enterprise shall become ineligible to get incentives if it does not file its claim within the time limit prescribed in the Operational Guidelines of respective incentives. Government may consider condonation of delay ( <b>upto 90 days after the prescribed time limit</b> ) for filing of application for incentives by the enterprises on case-to-case basis <b>for reason(s) beyond the control of the unit</b> on recommendation of the Empowered Committee as defined under clause 9.5.
9	Sub-Para 9.9 of Para 9. General Provisions	9.9 Enterprises which have commenced fixed capital investment prior to 30.11.2022 shall continue to be governed and assisted under Odisha MSMED Policy, 2016.	9.9 Enterprises which have commenced fixed capital investment prior to 30.11.2022 <b>and do not come under the category of 'Migrated unit'</b> shall continue to be governed and assisted under Odisha MSMED Policy, 2016.



10	Sl No. 11 of Annexure-I	11."Fixed Capital Investment" means investment in land, building, plant & machinery, balancing equipment and <b>electrification.</b>	11. "Fixed Capital Investment" means investment in land, building, plant & machinery and balancing equipment.
11	Sl No. 21 of Annexure-I	21."Migrated Industrial Unit" means an industrial unit which has commenced fixed capital investment but not gone into production before the effective date of this policy and will have the option to be treated as New Industrial Unit under this policy provided that it goes into production within three years from the <b>effective date</b> and it will surrender and or refund the incentives availed, if any, under earlier IPRs and MSMED policy. Provided also that such option shall be exercised in the prescribed form provided in the Operational Guidelines and submitted within 180 days from the " <b>Effective Date</b> ". Once the option is exercised, it shall be final and irrevocable.	21."Migrated Industrial Unit" means an industrial unit which has commenced fixed capital investment but not gone into production before the effective date of this policy and will have the option to be treated as New Industrial Unit under this policy provided that it goes into production within three years from the <b>date of first fixed capital investment</b> and it will surrender and or refund the incentives availed, if any, ( <b>excluding exemption from payment of premium for land conversion / Stamp Duty</b> ) under earlier IPRs and MSMED policy. Provided also that such option shall be exercised in the prescribed form provided in the Operational Guidelines and submitted <b>within 180 days from the Date of Notification of the Operational Guidelines.</b> Once the option is exercised, it shall be final and irrevocable.
12	Sl No. 22 of Annexure-I	22. "New MSME" means a Micro, Small & Medium Enterprise where fixed capital investment (including the one who has existing land, land & building) has commenced on or after the effective date and goes into production within three years from the date of starting of first fixed capital investment.	22. "New MSME" means a Micro, Small & Medium Enterprise where fixed capital investment (including the one who has existing land, land & building) has commenced on or after the effective date and goes into production within three years from the date of starting of first fixed capital investment. <b>In case of Migrated units, it shall commence production within 3 years from its actual date of 1<sup>st</sup> fixed capital investment and shall be treated as new Enterprise under this Policy.</b>
13	Sl No. 34 of Annexure-II	34. Single Use Plastic, Polythene less than 120 microns in thickness, <b>recycling of polythene and plastic materials.</b>	34. Single Use Plastic, Polythene less than 120 microns in thickness.





14	Sl No. 36 of Annexure-II	36. Packaged drinking / mineral water.	36. Packaged drinking water with investment of less than Rs. 1 Crore in plant and machinery.
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2. The aforesaid amendments shall come into force from the date of implementation of Odisha MSME Development Policy-2022 i.e. 30.11.2022.
3. All operational guidelines issued to administer different incentives under this policy hereby stand amended to this extent accordingly.

**ORDER-** Ordered that the notification be published in the extra ordinary issue of Odisha Gazette and copy thereof be forwarded to all Departments of Government/All Heads of Departments/Accountant General (A&E), Odisha/All RDCs/All Collectors/All DICs.

**By Order of the Governor**

  
(Saswat Mishra) 08/12/2023

**Principal Secretary to Government**

Memo No. 8796 /MSME, dated. 08-12-2023

Copy alongwith soft copy is forwarded to Director of Printing Stationary and Publication, Odisha, Cuttack with a request to kindly publish the Notification in extra ordinary issue of Odisha Gazette and supply 50 copies to this Department immediately.

  
08.12.2023

**Additional Secretary to Government**

Memo No. 8797 /MSME, dated. 08-12-2023

Copy forwarded to PS to Hon'ble Minister (Micro, Small & Medium Enterprises Department), Odisha/ OSD to Chief Secretary, Odisha/ Private Secretary to DC-cum-ACS, Odisha/ Principal Secretary to Government (Industries Department)/ Principal Secretary to Government (MSME Department)/ Principal Secretary to Government (Finance Department) for kind information of Hon'ble Minister (Micro, Small & Medium Enterprises Department), Odisha/ Chief Secretary/ DC-cum-ACS/ Principal Secretary (Industries Department)/ Principal Secretary (MSME Department)/ Principal Secretary (Finance Department) respectively.

  
08.12.2023

**Additional Secretary to Government**

Memo No. 8798 /MSME, dated. 08-12-2023

Copy forwarded to Director of Industries, Odisha, Cuttack/ All General Managers (DICs) for information and necessary action.

  
08.12.2023

**Additional Secretary to Government**

Memo No. 8799 /MSME, dated. 08-12-2023

Copy forwarded to all Industries Associations for information and necessary action.

  
08.12.2023

**Additional Secretary to Government**

