

Proposed Amendments of the existing Odisha Food Processing Policy 2013 (OFPP 2013)

Sl. No.	Para Reference	Existing Clause	Proposed Amendment	Purpose	Time frame and manner of implementation
1.	1 st paragraph of the Notification No. 1375 – III-MSME-60/2013-MSME/ Dt. 15.03.2013	“This Policy is in conjunction with IPR-2007 and MSME Development Policy, 2009”.	To be substituted by the words, “This Policy is in conjunction with IPR-2007 and MSME Development Policy, 2009 and IPR, 2015. However, in case of additional incentives available under OFPP-2013 as amended from time to time, eligibility criteria shall be applicable as per OFPP-2013. ”	To bring coherence with IPR, 2015, check that the beneficiary does not enjoy multiple / overlapping benefits and to remove doubts relating to the meaning of the word ‘conjunction’	The implementation of the decision shall be in the form of amendment of the existing provisions and come into force by way of Notification with effect from date of notification of amendment. N.B: As per FD suggestion /Observation.
2.	Existing Para – 6.2	“Food Processing includes processing of ready-to-eat or ready-to-cook food and manufacturing of additives, preservatives, colors and fragrant manufactures for food products.”	<u>To be replaced by :</u> Food Processing includes processing of ready-to-eat or ready-to-cook food, Modern Meat Shops and manufacturing of additives, preservatives, colors and fragrant manufactures for food products.	In order to include Modern Meat Shop as eligible under OFPP-2013.	To be effective from the date of proposed amendment under OFPP.
3.	Existing Para – 6.3	“Agro Infrastructure providers include warehouse, cold storage, transportation food items including reefer vans/ containers and processing machinery producers.”	<u>To be replaced by :</u> “Agro Infrastructure providers include warehouse, cold storage, Cold Chain, Value addition and Preservation Infrastructure for non-horticultural produce, Primary Processing Centre / Collection Centre, transportation food items including reefer vans/ containers and	In order to include Cold Chain, Value addition and Preservation Infrastructure for non-horticultural produce, Primary Processing Centre / Collection Centre as eligible under OFPP-2013.	To be effective from the date of proposed amendment under OFPP.

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			processing machinery producers.”		
4.	Existing para - 6.8	“Expansion of enterprise – Existing enterprise in agro and marine processing (as defined in Clause 6.1) and food processing (as defined in Clause 6.2) that undertakes an expansion of 50% in the installed capacity shall also be eligible for the incentives under this policy. Eligibility for incentive shall be on expanded capacity and new investment only.”	To be substituted by the words, “Expansion of enterprise – Existing enterprise in agro and marine processing (as defined in Clause 6.1) and food processing (as defined in Clause 6.2) that undertakes an expansion of 50% in the installed capacity and makes additional investment of at least 50% of the un-depreciated book value of Plant & Machinery of the said unit made in acquisition of additional plant and machinery and technology for such expansion shall also be eligible for the incentives under this policy. Eligibility for incentive shall be on expanded capacity and new investment only.”	To bring in conformity with clause no. 15.8.2015 of IPR, 2015.	The implementation of this decision is to be effective from the date of amendment.
5.	Existing Para – 6.8.1	N.A	To be added : Modernization: Existing enterprise in agro and marine processing (as defined in Clause 6.1) and food processing (as defined in Clause 6.2) and Cold Storage that undertakes modernization by additional investment by at least 50% of un-depreciated book value in Plant & Machinery shall also be eligible for the incentives under this policy. Eligibility for incentive shall be on new investment only. There may or, may not be any expansion in installed capacity.	To bring in conformity with clause no. 15.8.2015 of IPR, 2015.	The implementation of this decision is to be effective from the date of amendment.
6.	Existing Para- 6.9	Diversification of enterprise- Existing enterprise in agro and marine processing (as defined in Clause 6.1) and food processing (as defined in Clause 6.2) that diversifies into other agro and marine processing (as defined in	To be substituted by the words, “Diversification of enterprise- Existing enterprise in agro and marine processing (as defined in Clause 6.1) and food processing (as defined in Clause 6.2) that diversifies into at least one additional product in agro and marine processing (as defined in Clause 6.1) or food processing (as defined in Clause 6.2)	To bring in conformity with clause no. 15.8 of IPR, 2015.	The implementation of this decision is to be effective from the date of amendment.

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		Clause 6.1) or food processing (as defined in Clause 6.2) shall also be eligible for the incentives under this policy. Eligibility for incentive shall be on expanded capacity and new investment only.	shall also be eligible for the incentives under this policy. Eligibility for incentive shall be on expanded capacity and new investment only. Diversification must involve additional investment of at least 50% of the un-depreciated book value of plant & machinery of the said unit made in acquisition of additional plant & machinery & technology for such modernization."		
7.	New Para- 6.14	N.A	Industrially Backward Districts : Kalahandi, Nuapara, Bolangir, Subarnapur, Koraput, Malkangiri, Rayagada, Nawrangpur, Kandhamal, Gajapati and Mayurbhanj.	To bring it in conformity with IPR, 2015.	With effect from date of notification of this amendment.
8.	New para- 9.2.2	N.A	<u>To be added :</u> Anchor Enterprise in Food Processing Sector on standalone basis shall be encouraged. Any enterprise with investment in Technical Civil Works and Plant & Machinery required for production purpose only being Rs.25.00 Crores or more shall be treated as an Anchor Enterprise. Accordingly, Anchor Enterprise will be provided with capital investment subsidy @25% of project cost subject to a limit of Rs.5.00 Crores. In case the said enterprise is promoted by women entrepreneurs (Women having 51% stake or, more), or, entrepreneurs belonging to Schedule Caste/ Schedule Tribe and enterprises promoted in KBK region, the subsidy shall be 33% of the project cost subject to a limit Rs.5 crore."	To promote Anchor units in Food Processing Sector as per KPMG recommendations under OIDP.	To be effective from the date of proposed amendment under OFPP.
9.	New para- 9.2.3	N.A	<u>To be added:</u> In case of Food Testing Laboratory accredited by National Accreditation Board for Testing & Calibration (NABL), CIS will be provided @ 50% of cost of Technical Civil Works and Laboratory	As per KPMG recommendations under OIDP.	To be effective from the date of proposed amendment under OFPP.

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			Equipment subject to a limit of Rs.5.00 Crores . In case the Laboratory has availed assistance from any other Ministry of Government of India or, any Department of State, it will be entitled to a differential subsidy only subject to limit prescribed above.		
10.	New para- 9.1.3	N.A	<p>To be added :</p> <p>“Stamp Duty Exemptions will be allowed to eligible units. The eligibility criteria of IPR-2015 will be applicable. The details of incentives cited at Para-5.4.3 of IPR-2015 to be provided is as follows :</p> <p>a). No stamp duty will be required to be paid in respect of land allotted by the Government to IDCO or Government/IDCO to Private Industrial Estate Developers.</p> <p>b). In respect of transfer of land / shed by Government, IDCO and Private Industrial Estate developers to new industrial units and existing industrial units acquiring fresh land for expansion, modernization and diversification, exemption on Stamp Duty shall be applicable as follows:</p> <p>Micro & Small Sector:@ 75 % of applicable Stamp duty</p> <p>Medium Sector: @ 50 % of applicable Stamp duty</p> <p>Large Sector: @ 25 % of applicable Stamp duty</p> <p>Priority Sector : @100% of Stamp duty</p>	To highlight the incentives available under food processing sector in the State.	To be effective from the date of proposed amendment under OFPP.

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			<p>c). 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 Assets and Enforcement of Security Interest (SARFAESI) Act 2002 or on the recommendation of the SLIIC.</p> <p>d). Stamp duty will be exempted for units under proprietary /partnership firms to be converted to companies for rehabilitation on the recommendation of the SLIIC.</p> <p>e). Stamp duty will be exempted in cases where reconstruction and amalgamation of Companies is sanctioned by the Court under Section 394 of the Companies Act, provided, (i) it falls within the following norms, viz., where a). at least 90% of the issued share capital of the transferee company is in the beneficial ownership of the transferor company; or b). the transfer takes place between a parent Company and a subsidiary Company one of which is the beneficial owner of not less than 90% of the issued share capital of the other; or, c). the transfer takes place between two subsidiary Companies of each of which not less than 90% of the share capital is in the beneficial ownership of a common parent Company; and (ii) a certified copy of the relevant records of the Companies kept in</p>		

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			<p>the Office of the Registrar of Companies is produced by the parties to the instrument to prove that the conditions prescribed above are fulfilled.</p> <p>f). Loan agreements, credit deeds, mortgages and hypothecation deeds executed by the Industrial Units in favour of Banks or Financial Institutions shall be allowed 100% exemption from stamp duty.”</p>		
11.	Para 9.3.2	The interest subsidy shall be available on the funds borrowed from public sector banks/ OSFC. The interest subsidy shall be released so long as the eligible enterprise continues timely repayment of the loan and remains in production.	To be substituted by the words, “The interest subsidy shall be available on the funds borrowed from Public Financial Institutions / Bank . The interest subsidy shall be released so long as the eligible enterprise continues timely repayment of the loan and remains in production.”	This will be consistent with the provisions under IPR, 2007 and IPR, 2015.	From date of notification of Odisha Food Processing Policy, 2013 i.e; 15.03.2013.
12.	New para – 9.4.2	N.A	<u>To be added :</u> <u>Power Tariff Subsidy :</u> Cold Storages for storing horticultural and non-horticultural produce and Cold Chain, Value addition and Preservation Infrastructure for non-horticultural produce used shall be provided with Power Tariff subsidy @ Rs.1.50 per unit (KWH) .	As per KPMG recommendations under OIDP.	To be effective from the date of proposed amendment under OFPP.
13.	Existing Para – 9.5.1	Agro processing and food processing enterprises up to 50% of the cost of such certification subject to ceiling of Rs.2 lakh.	<u>To be substituted by:</u> New and Existing Food Processing Enterprise taking up Expansion/ Modernization/ Diversification will be provided with assistance for obtaining quality certification from Nationally and Internationally recognized Institutions BIS, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP), ISO 9000, Agmark, FPO, Good Laboratory Practices (GLP), Total Quality	To bring it in conformity with IPR, 2015.	To be effective from the date of proposed amendment under OFPP.

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			Management (TQM), etc. and its renewal for next consecutive two years i.e. for a period of 3 years @ 100% of the quality certification charges up to a total maximum limit of Rs.3 Lakhs.		
14.	Existing para – 9.6	“Marketing Support will be allowed to the Food Processing entrepreneurs as per Para-7 of MSME policy 2009 and Para-24 of IPR 2007.”	To be substituted by : Marketing Support will be allowed to the Food Processing entrepreneurs as per Para-7 of MSME policy 2009 and Para-24 of IPR 2007. Further, “Marketing Assistance to Industry Associations for participation of minimum five units in Odisha Pavilion in International Trade Fairs abroad @50% of total rent subject to a maximum of Rs.10.00 lakhs as per Para- 5.4.16 of IPR-2015 subject to eligibility under IPR, 2015.		
15.	Existing Para- 9.7	“9.7 Entry Tax Exemption 9.7.1: Exemption on Entry Tax on plant and machinery and balancing equipment procured by MSMEs. 9.7.2 Exemption on Entry Tax on raw material, incidental goods & packaging material procured by MSMEs for a period of 5 years from the date of starting commercial production.”	To be substituted by : “9.7 : Reimbursement of Entry Tax: 9.7.1 : Plant & Machinery: a) New food processing enterprises shall be eligible for 100% reimbursement of Entry Tax on acquisition of plant & machinery for setting up of food processing units till the date of commencement of production. b) Existing food processing enterprises taking up expansion/ modernization / diversification as defined in this IPR shall be eligible for 100% reimbursement of Entry Tax subject to the condition that it shall be applicable only on additional acquisition of plant & machinery till the date of commencement of production. 9.7.2 : Raw Materials incidental goods & packaging materials: New food processing enterprise shall be eligible for 100% reimbursement of Entry Tax on purchase of raw materials for a period of seven (7) years from the date of commencement of production subject to a total maximum ceiling of 100% of cost of plant & machinery.	To bring in conformity with clause no. 5.4.5 (b) (i) & (ii) of IPR, 2015.	The implementation of this decision is to be effective from the effective date of proposed amendment of OFPP.

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			9.7.3 : This provision will be suitably replaced/ modified after GST is introduced."		
16.	Existing Para – 9.8.5	"Exemption on entry Tax on plant and machinery procured by enterprises setting in Mega Food Parks and Sea Food Park."	Reimbursement on Entry Tax on plant and machinery procured by enterprises setting in Mega Food Parks and Sea Food Park.	Since ET Exemption is being replaced by Reimbursement of ET thereby to bring it in conformity with IPR, 2015.	To be effective from the date of proposed amendment under OFPP.
17.	Existing Para – 9.8.6	Exemption of Entry Tax on raw materials for enterprises setting in Mega Food Parks and Sea Food Parks. This exemption shall be for a period of 5 years from the date of commercial production.	Reimbursement of Entry Tax on raw material, incidental goods & packaging material procured by MSMEs for a period of 5 years from the date of starting commercial production.	Since ET Exemption is being replaced by Reimbursement of ET thereby to bring it in conformity with IPR, 2015.	To be effective from the date of proposed amendment under OFPP.
18.	New para – 9.9	Not Applicable	<u>To be added :</u> <u>"9.9 :Reimbursement of Value Added Tax for units set up outside the Mega Food Parks / State Food Parks:</u> <u>9.9.1 : VAT reimbursement to new food processing enterprises</u> New food processing enterprises shall be eligible for reimbursement of 100% VAT paid for a period of seven (7) years from the date of commencement of production, limited to 200% of fixed capital investment , in a tapered manner, provided that the VAT reimbursement shall be applicable only to the net tax paid, after adjustment of input tax credit against the output tax liability. <u>9.9.2 : VAT reimbursement to existing food processing enterprises taking up Expansion / Modernization / Diversification :</u> Existing food processing enterprises taking up expansion/ modernisation/ diversification as	To bring it in conformity with Para-5.4.5(ii) & (iv)	The implementation of this decision is to be effective from the effective date of proposed amendment of OFPP.

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			defined in this OFPP-2013 shall be eligible for 100% reimbursement of VAT paid for a period of seven (7) years from the date of commencement of production subject to the condition that it shall be applicable only on increased production over and above the existing installed capacity limited to 200% of additional fixed capital investment made for taking up Expansion/ Modernization/ Diversification, in a tapered manner, provided that the VAT reimbursement shall be applicable only to the net tax paid, after adjustment of input tax credit against the output tax liability.		
19.	New Para- 9.10	Not Applicable	<p>The Govt. will promote Cold Chain, Value addition and Preservation Infrastructure for non-horticultural produce by providing incentives as follows:</p> <p>In General Area: Grant-in-aid: Grant-in-aid @ 35% of the bank appraised project cost including Interest during Construction (IDC), subject to a maximum of Rs. 5 crores per project. The cost of land and pre-operative expenses will not be eligible for the purpose of calculation of grant-in-aid.</p> <p>Interest-subsidy: The interest subvention will be for a period of 5 years from the date of completion of the project. Every year the interest subsidy @ 5% will be paid to the Bank/FI directly against the term loan sanctioned by it, subject to a maximum of Rs. 1 crore per project or actual interest accrued on term loan, whichever is less.</p> <p>In ITDP Area: Grant-in-aid: Grant-in-aid @ 50% of the bank appraised project cost including Interest during Construction (IDC), subject to a maximum of Rs. 5 crores per project. The cost of land and pre-operative expenses will not be eligible for the purpose of</p>	To include unique components of OMFP (EFC Memorandum) into OFPP-2013 since a unified policy is being brought out.	The implementation of the decision shall be in the form of amendment of the existing provisions and come into force by way of Notification with effect from 01.04.2015.

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			<p>calculation of grant-in-aid. Interest-subsidy: The interest subvention will be for a period of 7 years from the date of completion of the project. Every year the interest subsidy @ 6% will be paid to the Bank/FI directly against the term loan sanctioned by it, subject a maximum of Rs. 2 crores per project or actual interest accrued on term loan, whichever is less. Power Tariff Subsidy : Power Tariff subsidy @ Rs.1.50 per unit (KWH) in both General and ITDP areas will be provided.</p>		
20.	New Para -9.11	Not Applicable	<p>The Govt. will promote setting up of Primary Processing Centres / Collection Centres for both horticulture and non-horticulture produce like fruits, vegetables, grains & pulses, dairy products, meat, poultry and fish, etc. by providing incentives as follows :</p> <p>In General Area: 50% of eligible project cost subject to a limit of Rs.2.50 Crores. In ITDP Area: 75% of eligible project cost subject to a limit of Rs.2.50 Crores.</p>	To include unique components of OMFP (EFC Memorandum) into OFPP-2013 since a unified policy is being brought out.	The implementation of the decision shall be in the form of amendment of the existing provisions and come into force by way of Notification with effect from 01.04.2015.
21.	New Para - 9.12	Not Applicable	<p>The Govt. will promote Modern Meat Shops by providing incentives as follows:</p> <p>General Area: 50% of the cost of Machinery/ Equipment and Technical Civil Works (TCW) and other eligible items subject to a maximum of Rs.5.00 Lakhs. ITDP Area : 75% of the cost of Machinery/ Equipment and Technical Civil Works (TCW) and other eligible items subject to a maximum of Rs.5.00 Lakhs.</p>	To include unique components of OMFP (EFC Memorandum) into OFPP-2013 since a unified policy is being brought out.	The implementation of the decision shall be in the form of amendment of the existing provisions and come into force by way of Notification with effect from 01.04.2015.

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22.	New Para- 9.13	Not Applicable	<p>Scheme for Human Resource Development (HRD) :</p> <p>The Government aims to augment supply of trained manpower / personnel at all levels for food processing sector namely entrepreneurs, managers, sales persons, floor workers, etc. It comprises of four sub-components:</p> <p>i. Creation of Infrastructure facilities for running Degree/Diploma/Certificate Courses in Food Processing Technology: Under this component, a grant of upto Rs.1.00 Crore is to be released in favour of all recognized universities / Institutions. Colleges in Govt. sector or, private sector in two equal installments. The assistance will be for pilot projects, laboratory equipment, technical/ academic books / journals, facilities of testing food items.</p> <p>ii. Entrepreneurship Skill Development Program (ESDP):</p> <p>The 15 days ESDP would have the following two phases viz; 10 days for EDP & 5 days for hand-hold skill development with follow up phase of 12 months. Financial assistance for ESDP upto Rs. 1.50 lakhs per ESDP will be provided by the Government. No fees /Charges of any kind will be taken from the candidates at any stage.</p> <p>iii. Food Processing Training Centre(FPTC):</p> <p>With an object for development of Rural Entrepreneurship and transfer of technology for processing of food products by utilizing locally grown raw material and providing</p>	To include unique components of OMFP (EFC Memorandum) into OFPP-2013 since a unified policy is being brought out.	The implementation of the decision shall be in the form of amendment of the existing provisions and come into force by way of Notification with effect from 01.04.2015.

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			<p>"Hands-on" experience at such production cum training centres, while according priority to SC/ST/OBC/women and minority candidates, the Govt. will promote Food Processing Training Centres (FPTC). The pattern of assistance will be as follows :</p> <table border="1"> <tr> <td>Single Product Line Centre (for any one group of processing activities).</td> <td>Rs. 6.00 lakhs for Fixed capital costs and Rs. 3.00 lakh as revolving seed capital.</td> </tr> <tr> <td>Multi Product Line Centre (for more than one group of processing activities).</td> <td>Rs. 15.00 lakhs for Fixed capital costs and Rs. 5.00 lakh as revolving seed capital.</td> </tr> </table>	Single Product Line Centre (for any one group of processing activities).	Rs. 6.00 lakhs for Fixed capital costs and Rs. 3.00 lakh as revolving seed capital.	Multi Product Line Centre (for more than one group of processing activities).	Rs. 15.00 lakhs for Fixed capital costs and Rs. 5.00 lakh as revolving seed capital.		
Single Product Line Centre (for any one group of processing activities).	Rs. 6.00 lakhs for Fixed capital costs and Rs. 3.00 lakh as revolving seed capital.								
Multi Product Line Centre (for more than one group of processing activities).	Rs. 15.00 lakhs for Fixed capital costs and Rs. 5.00 lakh as revolving seed capital.								
23.	9.14	Not Applicable	<p>Promotional Activities: The Government aims for development of the food processing sector by creating awareness, disseminate information, familiarizing entrepreneurs with modern techniques of production & packaging, development of market and popularization of products, attracting investments and participation in National level exhibitions. The Scheme for Promotional Activities shall include:</p> <table border="1"> <tr> <td>i.</td> <td>Organizing Seminar / Workshops</td> <td>50% of the cost, Maximum- Rs. 2.00 lakhs. When the Government sponsors/co-sponsors such events, financial assistance to the extent of 100% subject to a limit of Rs.5.00 lakhs shall be provided.</td> </tr> </table>	i.	Organizing Seminar / Workshops	50% of the cost, Maximum- Rs. 2.00 lakhs. When the Government sponsors/co-sponsors such events, financial assistance to the extent of 100% subject to a limit of Rs.5.00 lakhs shall be provided.	To include unique components of OMFP (EFC Memorandum) into OFPP-2013 since a unified policy is being brought out.	The implementation of the decision shall be in the form of amendment of the existing provisions and come into force by way of Notification with effect from 01.04.2015.	
i.	Organizing Seminar / Workshops	50% of the cost, Maximum- Rs. 2.00 lakhs. When the Government sponsors/co-sponsors such events, financial assistance to the extent of 100% subject to a limit of Rs.5.00 lakhs shall be provided.							

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			ii.	Support to Exhibitions / Fairs	As per merit of proposal.	
			iii.	Study Tour	The financial ceiling shall not exceed Rs. 2.00 lakhs per batch (Maximum- 2 batches p.a). The expenditure in a year shall not exceed Rs.4.00 lakhs. 75% of the cost with a ceiling of Rs.2.00 lakhs shall be spent from the scheme while the rest 25% is to be borne by the recognized Cluster representatives / Entrepreneurs. In case of Govt. representatives, full reimbursement shall be provided for as per OTA Rules subject to ceiling of Rs.2.00 lakhs.	
			iv.	Conducting Studies / Surveys / Feasibility Report	Up to 50% of the cost, subject to a maximum of Rs. 4.00 lakhs. When the Govt. commissions the study/ survey, there will be no financial ceilings.	
			v.	Organizing Seminar / Workshops	50% of the cost, Maximum- Rs. 2.00 lakhs. When the Government sponsors/co-sponsors such events, financial assistance to the extent of 100%	

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			subject to a limit of Rs.5.00 lakhs shall be provided.		
24.	New Para No. 9.15	Not Applicable	<p><u>Special provisions for committed expenditure & pending proposals of erstwhile CSP Scheme, NMFP :</u> All proposals received at RIC / DIC / Directorate of Industries, Odisha level under various components of erstwhile Centrally Sponsored Scheme, National Mission on Food Processing (NMFP) as on 31.03.2015 will be considered as eligible under this policy. These proposals will be guided by the erstwhile NMFP Guidelines. The proposals will be scrutinized by Directorate of Industries and will be placed in SLC for approval. Director of Industries will then issue necessary sanction order for subsidy / assistance upto Rs.50.00 lakhs and for subsidy / assistance exceeding Rs.50.00 lakhs, the Govt. in MSME Department will issue necessary sanction order. Funds will be placed by DI, Odisha with beneficiaries/ financing banks as the case may be.</p>	To meet the committed liability and process the pending proposals of erstwhile CSP Scheme, NMFP.	The implementation of the decision shall be in the form of amendment of the existing provisions and come into force by way of Notification with effect from 1.4.2015.
25.	New Para- 9.16	Not Applicable	<p>INTEREST SUBSIDY will be provided to eligible Food Processing Enterprises under provisions of Para-5.4.2 of IPR, 2015 as follows (subject to eligibility under IPR-2015) : a. New MSME units and non MSME Priority sector units shall be entitled to interest subsidy for timely payment @ 5% per annum on term loan availed from Public Financial Institutions / Banks for a period of five years from the date of commencement of production subject to a total maximum limit of:</p>	To highlight the incentives available under food processing sector in the State.	

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			<ul style="list-style-type: none"> ➤ Rs.10 Lakhs for Micro Enterprises; ➤ Rs. 20 Lakhs for Small Enterprises; ➤ Rs. 40 Lakhs for Medium Enterprises ➤ Rs. 1 Crore for Non-MSME Priority Sector Units <p>Units which are classified as Non-Performing Asset (NPA) at the time of making the application will not be eligible to avail such incentive.</p> <p>For units in Industrially Backward districts, the reimbursement period will be seven years from the date of commencement of production subject to the aforesaid limit.</p> <p>b). In addition to the interest subsidy, the guarantee fee charged under Credit Guarantee Trust for Micro & Small Enterprises (CGTMSE) scheme to Micro & Small Enterprises (MSES) will be reimbursed to the enterprises in order to improve the CGTMSE coverage for collateral free loans in the State.</p>		
26.	New para - 9.17	Not Applicable	<p>To be added :</p> <p>Employment Cost Subsidy will be provided to eligible Food Processing Enterprises under provisions of Para -5.4.7 of IPR, 2015 as follows (subject to eligibility under IPR-2015):</p> <p>a) 75% reimbursement (in case of male workers) and 100% reimbursement (in case of female workers) of expenditure on account of contribution towards ESI and EPF Scheme for a period of 5 years for new and existing units undertaking E/M/D in Micro and Small sector which employ skilled and semi-skilled workers who are domicile of the state as regular employees.</p>	To highlight the incentives available under food processing sector in the State.	To be effective from the date of proposed amendment under OFPP.

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			<p>b) 50% reimbursement (in case of male workers) and 100% reimbursement (in case of female workers) of expenditure on account of contribution towards ESI and EPF Scheme for a period of 3 years for new and existing units undertaking E/M/D in Medium sector which employ skilled and semi-skilled workers who are domicile of the State as regular employees.</p> <p>c) 100% reimbursement of expenditure on account of contribution towards ESI and EPF Scheme for a period of 3 years for new and existing industrial units undertaking E/M/D in MSME and priority Sector which employ skilled and semi-skilled workers who are domicile of the State and have been displaced due to the establishment of the said Industrial unit as regular employees.</p> <p>d) 100% reimbursement of expenditure on account of contribution towards ESI and EPF Scheme for a period of 5 years for new and existing Industrial units undertaking E/M/D in MSME and priority Sector which employ skilled and semi-skilled persons with Disabilities who are domicile of the State as regular employees.</p> <p>e) For Industrially Backward districts the Employment Cost Subsidy will be allowed for additional period of 2 years.</p>		
27.	New para- 9.18	Not Applicable	<p>Assistance for Technical Know How will be provided to eligible Food Processing Enterprises under provisions of Para -5.4.10 of IPR, 2015 as follows (subject to eligibility under IPR-2015):</p> <p>New industrial units in Micro, Small & Medium Enterprises and Priority sector shall be eligible for reimbursement of 100% of cost of purchase of technical know- how up to Rs.1 Lakh in case of</p>	To highlight the incentives available under food processing sector in the State.	

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			indigenous technology and up to Rs.5 Lakhs in case of imported technology.		
28.	New Para- 9.19	Not Applicable	<p>Entrepreneurship Development Subsidy will be provided to eligible Food Processing Enterprises under provisions of Para -5.4.11 of IPR, 2015 as follows (subject to eligibility under IPR-2015):</p> <p>In order to promote and create a culture of entrepreneurship, reimbursement of 75% of course fee limited to Rs.50,000 per course shall be extended to budding entrepreneurs to undergo Management Development Training in reputed National Level institutions.</p>	To highlight the incentives available under food processing sector in the State.	
29.	New para- 9.20	Not Applicable	<p>ENVIRONMENTAL PROTECTION INFRASTRUCTURE SUBSIDY will be provided to eligible Food Processing Enterprises under provisions of Para -5.4.12 of IPR, 2015 as follows(subject to eligibility under IPR-2015) :</p> <p>Individual manufacturing units of MSME Sector adopting Zero Effluent or Waste Water Discharge (ZLD) shall be eligible for an Environment Protection Infrastructure Subsidy of Rs.20 Lakhs or 20% of capital cost of setting - up such Effluent Treatment Plant (ETP) whichever is less. The units shall produce a certificate from State Pollution Control Board (SPCB), Odisha to this effect.</p>	To highlight the incentives available under food processing sector in the State.	
30.	New Para-11	Not Applicable	<p>Administrative Expenses :</p> <p>Not more than 5% of the total outlay in a financial year under OFPP-2013 may be utilized towards Administrative Expenses. However, the same may not be utilized for purchase of vehicles.</p>	For meeting the administrative expenses like Advertisement & Awareness Creation through Awareness Camps, Contingency like Office Stationery,	The implementation of the decision shall be in the form of amendment of the existing provisions and come into force

Sl. No.	Para Reference	Existing Clause	Proposed Amendment	Purpose	Time frame and manner of implementation
				Tour, Hiring of vehicles, Computer peripherals, AMC, Telephone, Internet charges, etc., Purchase of Computers, Printers, furniture, furnishing, etc. for implementation of the various components of the policy at RIC / DIC / Directorate level. Engagement of Project management Agency (PMA).	by way of Notification with effect from date of notification of this amendment.
31.	Annexure-I of OFPP-2013	Sl.No.6: ".....oil expellers and refining...."	To be substituted by the words, "...oil expellers and refining with investment in plant & machinery exceeding Rs.10 Lakhs in industrial backwards areas and Rs.1.00 crore in other areas."	To promote oil processing units in Odisha and enhance quality of product.	From the date of notification of amendment
32.	Annexure-I of OFPP-2013	Sl. No.7: Fruit based ready to serve beverages	To be substituted by the words, "Fruit based ready to serve beverages with minimum 5% fruit pulp content"	This will enhance farm output utilization and discourage artificially flavored drinks.	From the date of notification of amendment
33.	Annexure-I of OFPP-2013	Sl. no. 8 (Produce of animal husbandry), Sl. no. 10 (Tissue culture laboratories, green houses, green house nurseries & seed production standards, mushroom laboratories), Sl. no. 11 (Floriculture) & Sl. no. 17 (Bio-technology and bio-informatics industries)	To be deleted.	It is related to agriculture and not related to Food Processing.	From the date of notification of amendment
34.	Annexure-II - List of	Item No. 1 - "Rice Huller and Seller"	To be substituted by the words, "Hullers and Rice mills with investment in plant and	To bring it in conformity with IPR,	From date of notification of

Sl. No.	Para Reference	Existing Clause	Proposed Amendment	Purpose	Time frame and manner of implementation
	Industries Not Eligible for incentives / Negative List of OFPP-2013		machinery of less than Rs.25 Lakhs for industrially backward districts and less than one crore rupees for other areas".	2015.	amendment. N.B: As per FD suggestion /Observation.
35.	Annexure-II of OFPP-2013	Item No.2 – "Flour Mill of less than 50 TPD capacity"	To be substituted by the words, "Flour mills including manufacture of except investment in plant & machinery of more than Rs.25 Lakhs for industrially backward districts and less than Rs. 1 Crore for other areas (excluding Roller Flour Mills)".	To bring it in conformity with IPR, 2015.	From the date of notification of amendment
36.	Annexure-II of OFPP-2013	Item No.3 – "Masala making without cold process grinding"	To be substituted by the words, "Processing / Manufacturing of spices with investment in plant and machinery with less than Rs.10 Lakhs for industrially backward districts and less than Rs.50.00 lakhs for other areas".	To bring clarity and partly in conformity with IPR, 2015 and allow growth of spices units in Odisha.	From the date of notification of amendment
37.	Annexure-II of OFPP-2013	Item No.11- "Mixture, Bhujia and Chanachur preparation units except mechanized units. "	To be substituted by the words, "Mixture, Bhujia and Chanachur preparation units except mechanized units with investment in Plant & Machinery less than Rs.50 lakhs".	To enhance quality and to bring about clarity on extent of mechanization.	From the date of notification of amendment
38.	Annexure-II of OFPP-2013	Not available.	To be added: "Packaged Drinking Water".	May not be considered as food item.	From the date of notification of amendment
39.	Annexure-III-Eligibility- Para-(a)	"Incentives under this policy shall be applicable to all eligible new industrial units acknowledged with Entrepreneur Memorandum Incentives under this policy shall be applicable to all eligible new industrial units acknowledged with Entrepreneur Memorandum	To be substituted as : "(i). Incentives under this policy shall be applicable to all eligible new food processing enterprises acknowledged with Entrepreneur Memorandum Part-II under MSMED Act, 2006 or, Udyog Aadhar Memorandum (<i>duly certified by GM, RIC / DIC</i>)/ Production Certificate to be issued by GM, RIC/ DIC / D.I, Odisha. The new food processing enterprises shall be eligible only after first fixed capital investment for the new project is made on or, after the effective date of the Policy. The first fixed	Since acknowledgement of Entrepreneurs' Memorandum Part-I and Entrepreneurs' Memorandum Part-II have been dispensed with vide Notification No. S.O 2576(E) / Dt. 18.09.2015 of	The implementation of the decision shall be in the form of amendment of the existing provisions and shall come into force by way of Notification with effect from 18.09.2015. N.B: Finance

Sl. No.	Para Reference	Existing Clause	Proposed Amendment	Purpose	Time frame and manner of implementation
		Part-II under MSMED Act, 2006 or IEM from Gol. The new enterprise shall be eligible only after first fixed capital investment made after the effective date of the Policy. The first fixed capital investment means the investment made by the new enterprise upto the date of start of commercial production. The date of commercial production for availing of incentives shall be determined by the RIC/DIC/MSME Department basing on the totality of documentary evidence.”	capital investment means the first investment made by the new enterprise in Land or, Building or, Plant & Machinery or, Balancing Equipment. The date of commercial production for availing of incentives shall be determined by the RIC/DIC/MSME Department basing on the totality of documentary evidence. The enterprise must go into commercial production within three years for MSME and in five years for Large enterprise from the date of first fixed capital investment.	Ministry of MSME, Govt. of India.	Department has concurred vide FD File No. Fin-ES2-MISC-0006-2012(pt) as communicated by MSME Deptt. vide their L.No. 4093/Dt.17.6.2016 to DI, Odisha.
			(ii). Any existing enterprise in Odisha belonging to non-food processing sector which may or, may not be in working condition, if interested in setting up a food processing enterprise on the same land, it will be treated as a new food processing unit and may avail assistance provisioned for a new food processing unit under OFPP-2013. Eligibility for incentive shall be on new investment in Plant & Machinery subject to obtaining clearances from IDCO / DISTCOMS / Tax Authorities/ Financing institution/ OSPCB. The date of 1st Fixed Capital Investment will be determined based on the 1st investment made in procuring new machinery.	As per demands of Industry Associations.	With effect from date of notification of amendment.
40.	Annexure-III-Eligibility- Para-c	Food Processing Industry which has commenced fixed capital investment but not gone into commercial production before the effective date of this policy will have the option to be treated as New Enterprise under this Policy provided that it goes into commercial	To be substituted by : Food Processing Enterprise which has commenced fixed capital investment but not gone into commercial production before the effective date of this policy will have the option to be treated as New Enterprise under this Policy provided that it goes into commercial production within three years for MSMEs and five years for large enterprises from the	To bring it in conformity with IPR, 2015.	With effect from date of notification of amendment.

Sl. No.	Para Reference	Existing Clause	Proposed Amendment	Purpose	Time frame and manner of implementation
		production within 2 years for MSMEs and 3 years for large industries from the effective date.	effective date.		
41.	Annexure-III-Eligibility- Para-(f)	An enterprise shall become ineligible to get incentives if it does not file its claim complete in all respects, within 6 (six) months of its starting commercial production.	<p><u>Type of amendment : Substitution</u> The words, “....within 6 (six) months....” Will be substituted by the words, “within one year of its starting production or, one year from the date of notification of amendment or, within the time limit prescribed in operational guidelines of this policy, whichever is later”.</p> <p><u>Type of amendment : Addition</u> Condonation of delay for time overrun in implementation of projects beyond the control of the industrial units may be considered by State Level Committee of OFPP-2013 on a case to case basis.</p>	To bring it in conformity with Para-5.2(d) of IPR, 2015	The implementation of this decision is to be effective from the date of amendment.
42.	Annx-III-Eligibility- Para-(h)	“Food processing industry seized under section 29 of the State Financial Corporation Act, 1951 and thereafter sold to a new entrepreneur on sale of assets basis shall be treated as a new enterprise for the purpose of this policy. Arrears of Tax & Duty payable by previous owner shall not be realized from the transferees.”	<p>To be substituted by : “Food processing enterprise seized under section 29 of the State Financial Corporation Act, 1951 and / Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002) and thereafter sold to a new entrepreneur on sale of assets basis shall be treated as a new enterprise for the purpose of this policy. Arrears of Tax & Duty payable by previous owner shall not be realized from the transferees.”</p>	To bring in conformity with para-5.1(g)-(ii) of IPR, 2015.	The implementation of this decision is to be effective from the date of amendment.