

GOVERNMENT OF ORISSA INDUSTRIES DEPARTMENT

(Resolution No. 21875 / WIV-HI-4/92 dt. 1.8.92)

INDUSTRIAL POLICY, 1992
(With Amendments Upto May'94))

PART – I

1. INTRODUCTION :

In July, 1991, the Central Government announced a New Industrial Policy for the country. A series of measures to liberalise the economy and to increase its competitiveness followed. The main ingredients of the new policy are de-regulation, scaling down of the public sector's role and encouragement of foreign investment through dilution of restrictions on foreign equity participation and repatriation of dividends. While it is too early to assess industry's response to the new policy, it is obvious that it will now have almost total freedom in deciding on location of units and its decisions will be influenced by a State's overall industrial climate which includes, among other things industrial relations infrastructural facilities and the State Governments support to new and existing enterprises.

The Industrial Policy of Orissa, 1992 has been formulated in this background and keeping in mind the State's unique assets as well as special problems. The State has vast mineral resources – Iron ore, Manganese Ore, Chromite, Coal. Bauxite, Gemstones and Granite used for decorative purposes – to mention only a few. Barring a few areas, the State is blessed with fertile land and adequate rainfall. Perennial rivers, large tracts of forests, lakes, back waters and a long coast line rich in marine life are its other natural advantages. The State also has a long tradition of meticulous and sophisticated craftsmanship. The Policy outlined in the following paragraphs is intended at encouraging the flow of investment and development of entrepreneurship in the State of Orissa. While financial assistance to the potential entrepreneurs in the form of subsidies and post-production benefits is envisaged, the main thrust of the policy is on creating an environment conducive to the smooth setting up and successful functioning of industries. Beginning with identification of suitable investment proposals, all steps will be taken to provide expeditious clearances for setting up industries, through a single window. A separate dispensation is envisaged for Foreign and NRI investors, whose proposals will receive special attention and 'fast track' treatment.

2. THRUST AREAS :

(Ammended vide order order No.20171/l. dt. 15.7.93 – vide Annexure – I)

The following have been identified as thrust areas which would be imparted special care, attention and help from the Government.

- (1) Export oriented and import substitution industries.
- (2) Leather industries.
- (3) Industries for the cutting and polishing of Gemstones and Granite.
- (4) Industries producing pig iron, sponge iron, ferro alloys and steel (including special steels).
- (5) Electronics (hardware and software) excluding entertainment electronics.
- (6) Seed production, biotechnology and export – dedicated floriculture.
- (7) Agrobased, marine based and food processing industries.
- (8) Plantation of cash crops like tea, coffee, rubber, spices and those mentioned in paragraph 2.15 of Part II as well as the industries processing them.

(Ammended vide order No. 5510 / I dt. 8.3.94 vide Annex.-II)

- (9) Knitwear Synthetic fibres and textiles.
- (10) Plastics.
- (11) Generation of Power including generation through non-conventional sources.
- (12) Downstream industries including fly-ash utilization.

3. INDUSTRIAL RELATIONS :

- (1) Government are of the view that the present situation, which is qualitatively different from what obtained a few years ago, justifies major modifications in industrial and labour laws. They would endeavour to effect suitable amendments to these laws so that unnecessary regulation is dispensed with while legitimate rights of the labour are not affected. The objective is to ensure smooth operation of the industry.
- (2) Government will do all within their power to avoid work stoppages during the first 5 years of the establishment of an industry. Even after this period, the Government will encourage a healthy work culture and curb all forms of

lawlessness. All restrictive labour practices including intimidation, gherao, and dharna inside the premises of the industry, harassment of managers and their families and extortion of any kind will be treated as criminal offences and treated accordingly.

- (3) Government will encourage long-term wage agreements and long term enhancement in wages linked to productivity.
- (4) Government will encourage secret ballots for ascertaining union membership. Recognition of unions will be limited to those who have enrolled not less than 33 1/3% of the total work force.
- (5) In all industrial units employing 500 workmen or more an officer of the Labour Department of appropriate status with adequate powers under the Labour Laws will be appointed at Government's cost and at the option of the industry to ensure that labour disputes do not end in work stoppages.

(Procedure of Labour & Employment Deptt. vide No. 12045-IIIC/4-19/92-LE dt. 13.9.93 – vide Annexure-III).

4. PUBLIC SECTOR :

- (1) Government involvement in industrial and commercial activity will be limited and selective. Their participation will relate to core areas like infrastructure and strategic industries where private sector or joint sector involvement is expected to be inadequate.
- (2) Government will pursue an active policy of disengagement from industries which are best managed by private enterprise.
- (3) Units which are not found viable will be wound up, but the interests of the employees will be protected.
- (4) Wherever possible, public sector undertakings having more or less the same objectives and area of operations will be merged so as to rationalize their working and improve the general level of performance.
- (5) A system of Memorandum of understanding between Government and the public sector undertakings will be introduced to ensure greater autonomy and accountability.

- (6) New public sector units including new installations of O.S.E.B. will be entitled to the subsidies and incentives envisaged under this policy.

5. GENERAL POLICY APPROACH:

The following general approach will permeate all policy measures pertaining to promotion of industries in the State.

- (1) Simplification of procedures.
- (2) An attractive and easily administered system of subsidies and tax incentives.
- (3) Marketing support for tiny and small scale industrial units.
- (4) Measures to encourage successful entrepreneurs.
- (5) Institutional safeguards to prevent industrial sickness as well as to rehabilitate industries which have gone sick.
- (6) Equity participation in setting up of industries which are of special advantage to the State.
- (7) Improvement of infrastructure including training of appropriate categories of manpower either at State cost or in collaboration with user industries with provision (wherever possible) of Central Tool Room facilities, quality control and testing.

PART – II

INCENTIVES AND SUPPORT SERVICES

1. The incentives and support services contemplated under the Industrial Policy, 1992 are detailed below :

2. DEFINITIONS

- 2.1 “Effective Date” means the date of issue of this policy on and from which, the provisions thereof shall be operative: - 1.8.1992.
- 2.2 “Existing Industrial Unit” means an industrial unit which has gone into production before the effective date.
- 2.3 “Electronic Industries” means
 - (i) industrial units manufacturing electronic equipment, components, raw materials etc. ;

- (ii) units providing service for maintenance, repair and operation of electronic equipment both hardware and software;
 - (iii) units manufacturing and designing software for computers, programmable controls and systems.
- 2.4 “Expansion / Modernisation / Diversification” of an existing industrial unit means additional investment of 50% or more of the undepreciated book value of fixed capital investment of an existing unit in acquisition of plant and machinery for expanding / modernizing / diversifying the production of the said unit.
- 2.5 “Fixed Capital Investment” means investment in land, buildings, plant and machinery and other equipments of permanent nature.
- 2.6 “Growth Centre” means a centre declared as such by the State Government for promoting industrialization in the State.
- 2.7 “Industrial Unit” means, any industrial undertaking detailed in the Annexure to this policy and excludes undertakings excepted therein.
- 2.8 “New Industrial Units” means an industrial unit where fixed capital investment has been made on or after the effective date.
- 2.9 “IPICOL” means the Industrial Promotion and Investment Corporation of Orissa Limited.
- 2.10 “OSEB” means Orissa State Electricity Board.
- 2.11 “OSEDC” means Orissa State Electronics Development Corporation.
- 2.12 “OSFC” means the Orissa State Financial Corporation.
- 2.13 “OSIC” means Orissa Small Industries Corporation.
- 2.14 “Pioneer Unit” means the first two new medium/large industrial units going into commercial production in a Panchayat Samiti, provided that these two units are not established in a growth centre and, no other medium or large industrial unit has gone into commercial production in the concerned Panchayat Samity prior to the said units.
- 2.15 “Plantation” means plantation of (i) tea, coffee, rubber, cashew, sisal, sabai grass, cocoa, oil-palm, coconut and spices, (ii) fruit orchards and (iii)

Forest species, like teak and mulbery linked with processing industry within the State of Orissa.

(vide Anx.II amended vide order No.7181/I dt. 24.3.94–vide Annexure– IV)

Provided that each 'Plantation' unit should have a minimum area to be notified by the Govt. from time to time. (Anx.IV).

- 2.16 "Public Sector" A Public Sector unit means a Government of Orissa Undertaking and its wholly owned subsidiary.
- 2.17 "Sick Unit" means an industrial unit held sick by the Board for Industrial and Financial Reconstruction under the Sick Industrial Companies (Special Provisions) Act, 1985 or the Nodal Committee constituted under Resolution No. 29858 dtd.6.11.1980 of Industries Department or, the State Level Inter-Institutional Committee constituted under Resolution No. 25569 dtd. 25.10.1983 of Industries Department.
- 2.18 "Special Class Entrepreneur: means an entrepreneur belonging to any of the following categories namely :
- (i) Any of the Scheduled Castes or Scheduled Tribes.
 - (ii) Technical entrepreneur.
 - (iii) Women's Co-operative.
 - (iv) Artisans' Co-operative.
 - (v) Certified physically handicapped entrepreneur.
 - (vi) Entrepreneurs setting up industries in the thrust areas or growth centres.
 - (vii) Entrepreneurs of existing industrial units who have paid the principal and interest on their term loans regularly for a period of 5 years immediately prior to the date of starting fixed capital investment in a new unit or in expansion / modernization / diversification.
- 2.19 "Sales Tax' for the purpose of this Policy means Sales Tax. (State and Central), and Purchase Tax payable to Government of Orissa under the Orissa Sales Tax Act, 1947 and the Central Sales Tax Act, 1956 and shall include sales tax imposed on contracts.

- 2.20 “Technical Entrepreneur” means an entrepreneur having –
- (i) recognized Engineering Diploma / Degree or
 - (ii) National Trade Certificate of National Council for Vocational training or
 - (iii) recognized M.BA. degree or
 - (iv) recognized qualification as Chartered Accountant or Cost Accountant or Chartered Financial Analyst, or Company Secretary.
 - (v) Diploma in Computer Application, Master in Computer Application and other computer and software related qualifications (recognized) by All India Council of Technical Education and Certificates of O, A, B & C levels under the Department of Electronics Accreditation Scheme (DOEACC Scheme) of Government of India.
- 2.21 “Transferred Unit” means an industrial unit whose ownership / management has been transferred in pursuance of provision of the State Financial Corporation Act, 1951 or transferred with the approval of OSFC / IPICOL.
- 2.22 “Year” for the purpose of period of incentives means a period of 365 consecutive days.
- 2.23 “Earlier Industrial Policy Resolutions” means and includes the IPR 1989 (No.36243, dtd. 01.12.1989), the IPR of 1986 (No.13195 dtd. 13.05.1986) and the IPR of 1980 (No.20783 dtd. 31.07.1980).

3. CLASSIFICATION OF AREAS

For the purpose of incentives, depending upon industrial backwardness of different areas and no industry areas, the State is divided into the following three zones :-

ZONE – A :

Nilgiri, Padampur, Kuchinda, Deogarh, Rairakhol, Boudh, Khandmals, Balliguda, Malkangiri, Gunupur, Bamanghati, Panchpir, Kaptipada, Bonai, Kamakhyanagar, Athamallik, Hindol, Pallahara, Paralakhemundi, Patnagarh, Sonapur, Bhawanipatna, Dharamgarh, Nowrangpur, Buirmaharajpur, Nawapara and Jajpur Sub-divisions (Anx.II).

ZONE – B:

Bhadrak, Nayagarh, Koraput, Rayagada, Jeypore, Baripada, Keonjhar, Anandpur, Champua, Sundargarh, Chhatrapur, Bhanjanagar, Banki, Athagarh, Jagatsinghpur, Kendrapara, Jajpur, Titlagarh, Puri and Bolangir Sub-divisions.

ZONE – C:

Balasore, Sambalpur, Bargarh, Bhubaneswar, Khurda, Panposh, Angul, Talcher, Berhampur, Dhenkanal, Jharsuguda and Cuttack Sub-divisions.

“Provided that the entire State may be treated as a single Zone (Zone ‘A’)for the purpose of grant of incentives to new Handicraft units subject to the same being certified by Director of Handicrafts and Cottage Industries.” (Anx.II)

4. ELIGIBILITY FOR INCENTIVES

- 4.1 Subject to general conditions and specific conditions for any incentive if any, stipulated in this policy and provisions of the Annexure, new industrial units including new installations of OSEB units shall be eligible for all incentives provided in this policy.
- 4.2 Industrial Units covered under earlier Policy Resolutions shall continue to enjoy the incentives admissible under the relevant IPR for such periods as are mentioned there.
- 4.3 Expansion / Modernisation and diversification will be eligible for specific incentives as mentioned against the concerned incentive. However, defaulters of OSFC / IPICOL dues shall be eligible only after they have cleared such dues.
- 4.4 Plantations will be eligible only for such of the incentives as are specifically made available to them in the IPR.

INCENTIVES

5. CAPITAL INVESTMENT SUBSIDY

- 5.1 New Industrial Units as well as expansion / modernization / diversification projects as defined earlier, shall be allowed Capital Investment Subsidy in the following manner :-

Zone 'A': 30 per cent of the fixed capital investment subject to a limit of Rs.30 lakh.

Zone 'B': 20 per cent of the fixed capital investment subject to a limit of Rs.20 lakh.

Zone 'C': 10 per cent of the fixed capital investment subject to a limit of Rs.10 lakh.

- 5.2 Special class entrepreneurs and pioneer units will be allowed 5 per cent extra capital investment subsidy subject to an upper limit of Rs.10.00 lakh over and above the limits specified in 5.1.
- 5.3 Capital investment subsidy will be released within 30 days after the unit completes trial production.

6. INCENTIVE ON SALES TAX – GENERAL PROVISIONS

- 6.1 Subject to operational guidelines / instructions and procedure, sales tax incentives shall be allowed after the unit has gone into commercial production and from the date of commercial production.

6.2 DEEMED PAYMENT OF DEFERRED SALES TAX

Whenever payment of Sales Tax on finished product is allowed to be deferred, such deferment shall, for the purpose of payment of income-tax by the concerned industrial unit, at the option of the industrial unit and, subject to conversion of deferred amount into interest free loan, be deemed in public interest, to have been paid. Actual payment of deferred amount in such cases shall be done in accordance with the terms and conditions of loan. The option once exercised shall be final.

7. SALES TAX INCENTIVES

7.1 Eligibility

The incentives under this part are available to existing and new khadi, village, cottage and handicraft industries; new small, medium and large industrial units; and expansion / modernization / diversification of industrial units after the effective date.

7.2 Exemption of sales tax on raw materials and spare parts.

All new khadi, village, cottage industrial units will be exempted from payment of sales tax on purchase of spare parts of machineries, and raw materials for a period of 7 years from the date of commercial production.

7.3 Exemption of sales tax on finished products of Khadi and Village Industries.

Finished products of all existing and new khadi, village, cottage industries and handicrafts will be exempted from sales tax when sold at sales outlets of authorized Co-operatives / Government agencies, and agencies recognized by Khadi and Village Industries Commission / Board, Coir Board, Handicraft Corporation etc.

7.4 Exemption / Deferment of Sales Tax on raw materials, spare parts, and finished products of Small, Medium, Large Scale and Pioneer Industrial Units :

New Small, medium and large scale industrial units including pioneer units will be eligible for exemption of sales tax on raw materials, spare parts, and finished products for a period of 5 years subject to a ceiling of 100 per cent of fixed capital investment if the unit is located in Zone-A, 75 per cent if located in Zone-B and 60 per cent if located in Zone-C. New medium and large industrial units may also opt to defer payment of sales tax on their finished products for a period of 5 years subject to a maximum of 100 per cent of fixed capital investment if the unit is located in Zone-A, 75 per cent if located in Zone-B and 60 per cent if located in Zone-B from the date of commercial production. Deferred amounts in respect of each year will be repaid in full after the expiry of the period of deferment annually. Period of exemption / deferment allowed for different Zones shall be extended by two years for Pioneer units. However, defaulters of OSFC / IPICOL dues shall be eligible only after they clear such dues.

7.5 Expansion / Modernisation / Diversification.

The incentive by way of exemption or deferment of sales tax on finished products shall be available for expansion / modernization / diversification

of existing units taken up after the effective date subject to a limit of 60 per cent of the additional capital investment in plant and machinery only in Zone-C, 75 per cent in Zone-B and 100 per cent in Zone-A provided that such expansion / modernization / diversification has been undertaken on the basis of separate project report duly appraised by the financial institutions and provided further that, subject to the provisions of the Sales Tax Act, the benefit of exemption / deferment shall not have the effect of reducing the sales tax paid by the unit prior to commencement of the expansion / modernization / diversification programmes. In other words, the benefit shall be applicable to incremental sales.

8. EXEMPTION FROM OCTROI:

Machinery and equipments required to set up new industrial units including new generation, transmission and distribution projects of OSEB will be exempted from payment of Octroi. Similarly, spare parts of machinery, raw materials and packing materials used by an industrial unit including new generation, transmission and distribution projects of OSEB for a period of 5 years from the date of its commercial production will be exemption from payment of Octroi.

8A ANTI POLLUTION MEASURES:

8A1 Capital investment subsidy for installation of pollution control and monitoring equipments shall be allowed on the certificate of State Prevention and Control of Pollution Board (SPCPB) about the necessity for such installation. This incentive will be allowed to new and existing industrial units and also to installation of OSEB. This subsidy shall be 20 per cent of the cost of pollution control and monitoring equipment subject to a ceiling of Rs.20.00 lakh and this would be in addition to Capital Investment Subsidy available to the industrial unit and installation of OSEB.

8A2 Industrial units irrespective of their capital cost or location which utilize fly-ash, municipal wastes and other pollutants as may be notified by State

Government shall be entitled to incentives available to pioneer industries and incentives applicable to Zone-‘A’ provided that in order to be eligible for Zone-‘A’ concession fly-ash bricks should be genuine.

(Ammended vide order No.22804/I dt.16.8.93-vide Annexure-V)

9. POWER

9.1 EXEMPTION OF ELECTRICITY DUTY:

No minimum charge will be levied in respect of new industrial units with a contract demand upto 500 KVA for a period of 5 years from the date of commencement of power supply. In other words, the energy charge will be made on the basis of actual monthly consumption of energy in case covered under single part tariff and actual monthly “demand charge plus energy charge” in cases covered under two part tariff of OSEB without being subject to monthly minimum charge.

9.1.1 New industrial units with contract demand up to 500 KVA will also be exempted from payment of electricity duty for a period of 5 years from the date of power supply.

9.1.2 New industrial units with contract demand between 500 KVA and 5000 KVA will be exempted from payment of 75 per cent of electricity duty for a period of 5 years from the date of power supply if they are located in Zone-A. For new industrial units located in Zone-B and C, this exemption shall be respectively 50 per cent and 25 per cent for 5 years.

9.1.3 New industrial units with contract demand between 5,000 KVA and 10,000 KVA will be exempted from payment of 50 per cent of electricity duty payable for a period of 5 years from the date of power supply if these are set up in Zone-A, 25% in Zone-B and 12.5% in Zone-C.

9.1.4 Provided that during power cuts, discontinuance / reduced supply, all industries irrespective of their contract demand shall not be liable to pay minimum charge in accordance with the agreement, but shall only pay for the actual quantity of demand and / or energy consumed in lieu of the contracted demand.

Explanation:- Date of power supply means the date of power supply by the Orissa State Electricity Board for commercial production. In cases where power for construction and power for production are separately taken, the date of power supply shall be arrived on the basis of power for commercial production.

9.2 POWER PLANTS AND GENERATING SETS:

9.2.1 A power plant is a power generation plant (including a generation set) with an installed capacity of not less than 10 KW set up either by one industrial unit for its own industrial use or by a group of industrial units for their own industrial use, provided that surplus if any, is supplied to OSEB grid.

9.2.2 New power plants will be completely exempted from payment of electricity duty in respect of power generated by them for a period of 10 years from the date of commissioning.

9.2.3 While computing the capacity of power plants, all such plants set up by an industrial units will be taken into consideration to arrive at the capacity of the plant and based on the said capacity, exemption of electricity duty as mentioned above will be allowed.

9.2.4 A power plant set up after the effective date shall be deemed to be a new industrial unit for the purpose of allotment of land, and for capital investment subsidy.

9.3 NON-CONVENTIONAL ENERGY:

Machinery and equipment installed by existing and new industrial units for utilization of non-conventional energy as certified by Orissa Renewable Energy Development Agency (OREDA), shall be allowed capital investment subsidy of 10% of its cost subject to a maximum of Rs.10 lakh. This will be in addition to capital investment subsidy.

9.4 ENERGY CONSERVATION EQUIPMENT:

New and existing industrial units will be allowed capital investment subsidy of 10% subject to a maximum of Rs.10 lakh on energy conservation equipment and machinery purchased on the basis of an energy audit report and plan prepared by an approved consultant and installed in the

industrial unit. This subsidy will be in addition to capital investment subsidy.

10. LAND

10.1 Government land wherever available will be allotted for industrial projects including power projects and sub-stations of OSEB at predetermined rates as notified from time to time. The following rates shall apply until further orders.

	Area rate (per acre in Rs.)		Ground rent	
	Located within Municipal / NAC area.	Located outside Municipal / NAC area		
ZONE-A	30,000	10,000	1% of the land value	
ZONE-B	75,000	25,000	-do-	
ZONE-C	1,50,000	50,000	-do-	

(Ammended vide order No.501/I dt.4.1.93 – vide Annexure-VI).

Ammended further that Ground rent for I.E., Chandka / Mancheswar / Kalunga @ 1% of land value excluding development cost.

(Ammended vide order No.XIV-HI.5/94-5435/I dt.7.3.94 – vide Annexure-VII)

For Cuttack including Jagatpur, Rourkela including Kalunga and Bhubaneswar including Chandaka industrial area rates shall be as notified by the State Government from time to time.

10.2 The premium in respect of private land acquired by the Orissa Industrial Infrastructure Development Corporation (IDCO) for establishment of industries or for any specific industrial unit will be fixed on the basis of compensation amount involved.

10.3 Government land, where available may be allotted to plantations subject to the condition that the allotment will be subject to the ceiling under the Orissa Land Reforms Act for crops other than coffee, cocoa or tea. Government will, however, consider assigning management rights of plantations belonging to them on terms acceptable to the entrepreneur and to Government. These terms will include installation of processing facilities within the State.

10.4 ALLOTMENT OF SUBSIDISED INDUSTRIAL SHEDS

Small Scale Industrial units will be eligible for an additional subsidy, over and above subsidy admissible under paragraph-5, of 35 per cent of the cost of built up sheds constructed by IDCO in Zone-A, 25 percent in Zone-B and 15 percent in Zone-C.

11. **STAMP DUTY AND REGISTRATION FEE**

11.1 Stamp duty and registration fee will be exempted for units required to be transferred to a new owner/management under the provisions of the State Financial Corporations Act, 1951 or, on the recommendation of the State Level Inter-Institutional Committee (SLIIC) or the State Level Nodal Committee, as the case may be.

11.2 Stamp duty and registration fee will be exempted for units under proprietary / partnership firms to be converted to companies for rehabilitation on the recommendation of SLIIC or otherwise, on the recommendation of IPICOL/OSFC.

11.3 No stamp duty/registration fees will be paid in respect of land allotted by Government to IDCO/IPICOL/OSIC. This concession will also be applicable in respect of private land acquired by IDCO for subsequent allocation to industrial units. The stamp duty / registration fees will, however, be payable when land is allotted to individual industrial units.

11.4 Stamp duty will be exempted for Steel Plants on the recommendation of the State Level Nodal Committee.

(Ammended vide Order No.5514/I dt.8.3.94 – Vide Annexure-VIII)

12. **WATER**

12.1 No water charge or royalty shall be levied in respect of water to be drawn by new industrial units and power projects of OSEB from natural sources like river, stream for the first year or commercial production and thereafter, the water charge will be at 50% of the rates prescribed for drawal of water for industrial use under provisions of Orissa Irrigation Act.

12.2 In case the water is drawn from any Government controlled irrigation sources no water charges will be paid by any industrial unit and power

projects of OSEB, for the first year of commercial production and thereafter at the rate prescribed by the Government under provision of Orissa Irrigation Act for drawal of water for industrial use. In case of supply of water by Public Health Engineering Organisation or any other State Agency / Municipal Body, the water rate would be charged on 'no profit no loss' basis.

13. SICK INDUSTRIAL UNITS:

13.1 Revival of sick units.

13.1.1 Directorate of Industries in respect of small scale units and OSFC/IPICOL in respect of medium and large units would periodically monitor the progress of the existing industrial units.

13.1.2 For revival of small scale sick but potentially viable industrial units, a State Level Inter-Institutional Committee (SLIIC) has been constituted. The Committee would be competent to recommend such of the incentives / concessions as deemed necessary without further inter-departmental reference. Industries Department shall be competent to issue necessary orders with the approval of Government.

13.1.3 For medium and large sick industrial units a Sub-committee with Chairman, IPICOL as its head has been constituted to evolve suitable measures for potentially viable sick industrial units. The Sub-committee may recommend extension of various concessions and facilities including those in this policy if considered necessary for revival of the unit. These recommendations would be placed before the State Level Nodal Committee constituted under the Chairmanship of Chief Secretary for consideration. The Committee may recommend such incentives as deemed necessary to such units without further inter-departmental reference. Sanction orders shall issue with the approval of Government in Industries Department.

13.1.4 Concessions and facilities required under a scheme of rehabilitation prepared by the Board for Industrial and Financial Reconstitution (BIFR) or at the instance of BIFR by a financial institution would be placed before

the State Level Nodal Committee without further inter-departmental reference and orders issued with the approval of Government in Industries Department.

13.1.5 Rehabilitation measures for sick but potentially viable industrial units may, interalia, include relief and concessions or sacrifices and / or additional facilities including allocation of power from OSEB and any other agencies / statutory body / local authority.

13.2 The concessions and facilities listed under para 13.1 above will be available for an industrial unit only once under the management of the same promoter / entrepreneur.

14. TRANSFERRED UNIT:

14.1 A transferred unit after going into commercial production shall be eligible to avail all or any of the incentives for the period for which the unit was eligible before transfer but could not avail the same due to suspension of production or closure on account of sickness or for any other reason.

14.2 Any industrial unit seized Under Section 29 of the State Financial Corporation Act and thereafter sold to a new entrepreneur shall be treated as new industrial unit for the purpose of sales tax and octroi concessions only. Transfer value of the fixed assets of the unit plus additional investment in fixed capital on plant and machineries required to make the unit operational will form the basis for Sales Tax concessions. Arrears of electricity and Sales Tax dues payable by previous owners shall not be realizable from the transferees of the units transferred under Section 29 of SFC Act.

(vide Anx.II)

15. DEVELOPMENT OF MINERAL BASED INDUSTRIES:

15.1 On request from the lease holders of small mines, the State Government will organize survey, exploration and assessment of mineral deposit through the Directorate of Mining and Geology on payment of 50 percent of the actual cost of the operation.

The relief in each case would be limited to Rs. 1 lakh. The Directorate of Mining and Geology will also undertake testing and analysis of ore samples on payment.

- 15.2 Persons who have firm proposals for setting up industries in the State for processing and value addition of minerals will be given priority in the grant of prospecting licences and mining leases.

16. MARKETING SUPPORT

- 16.1 The policy of State Government is to ensure that State Government Departments and agencies under the control of State Government, purchase their requirements of store items available from industries located inside the State. In order to achieve this, the products of industries located inside the State will be eligible for the facility of preferential purchase by State Government Departments and agencies under their control. For this purpose products of local small scale industrial units will be entitled to a price preference of 5 (five) percent. Any local small scale industrial unit having ISI certification for its products will get an additional price preference of two percent. Provided that this facility of price preference shall not be applicable to purchases made for the schemes of the World Bank, Overseas Development Agency and similar other projects involving international agencies. This facility will also not be applicable where the purchasing organization is executing works on behalf of another agency to which the scheme of price preference is not applicable, such as, another State Government, Central Government and agencies under their control. Provided further that products of khadi and village industrial units will continue to enjoy the price of 15% as before. (Ammended Vide Resolution No.30432/I Dt.9.10.92).
- 16.2 Price preference should be limited to 5 (five) years for a small scale unit but may continue without time limit for Khadi & Village Industries units.
- 16.3 If the local small scale industrial unit is not able to effect supplies within the stipulated time limit, the purchasing Department / organization shall be free to make purchases from others.
- 16.4 Local small scale and Khadi and Village Industries units not having the lowest offer including price preference, will be given the opportunity to supply at the lowest rate and orders will be distributed equitably among the willing local industries, keeping in view their production capacity.

Explanation:- "State Government Departments and agencies under the control of State Government" means Departments under the Orissa Government Rules of Business, Heads of Departments and offices subordinate to them; Boards, Corporations, Authorities and Improvement Trusts subject to control and regulation of State Government, and Universities, Municipalities, N.A.C., Cooperative Bodies and Institutions aided by State Government.

- 16.5 Directorate of Export Promotion & Marketing to act as nodal agency.
Directorate of Export Promotion & Marketing will be the nodal agency for issue of detailed guidelines for implementation of the above facilities extended to local industries. Director, Export Promotion & Marketing or his nominee will be a member of the purchase committee constituted at levels above the district level in State Government Departments and agencies under the control of State Government. General Manager / Project Manager, District Industries Centre (DIC) or his representative will be a member of purchase committee constituted at district level or below. The presence of Director, Export Promotion & Marketing or General Manager/Project Manager, District Industries Centre or their nominees, as the case may be, is the prerequisite to constitute the quorum of the purchase committee and in case they do not attend, the meeting shall be postponed.
- 16.6 In order to ensure that the policy on marketing support is meticulously followed, the Director, Export Promotion & Marketing or his representative shall be allowed access to tender papers, purchase documents, books of accounts etc., to ascertain whether there has been any contravention in the implementation of the policy.
- 16.7 Testing of Products of local Industries.
Director, Export Promotion & Marketing will have the power to draw sample and test the quality of products of local industries from time to time and shall have powers to blacklist and deregister industries supplying products not conforming to prescribed quality and specifications. He shall have the power to blacklist local industries for trading in the stone item instead of manufacturing.
- 16.8 Rate Contract
'Rate Contract' in respect of specific store item manufactured by local Small Scale Industrial units will be finalized by the Director of Export Promotion and Marketing. This will be on the basis of competitive offers received from such local units, costing structure obtained from these offers, market price and other considerations relevant to fixing the price of the product. State Government Departments and agencies under the control of the State Government will purchase Rate Contract items from rate contract holders - Small Scale Industries on the price fixed in the rate contract without inviting tenders.
- 16.9 Rate contract facility may also be extended to store items exclusively manufactured by local medium/large industries following the same procedure. (item 16.8 & 16.9 Vide Anx.VI)
- 16.10 Local Small Scale Industrial Units registered with the Directorate of Export Promotion and Marketing and Khadi & Village Industries will be exempted from payment of earnest money while tendering to State Govt. Departments and agencies under the control of State Govt. (vide Anx.II)

17. PROMOTION OF TOURISM

- 17.1 New hotels/motels and Way-side amenities centres means a hotel/motel/Wayside Amenities centre for which investment on land, building and equipment is made only on or after effective date.
- 17.2 New hotels/motels/wayside amenities centres will be eligible for supply of power at industrial tariff rate of the O.S.E.B. provided such units satisfy the norms and conditions stipulated by the State Government.
- 17.3 Allotment of land to new hotels/motels/wayside amenities centres wherever available will be made at rates applicable to new industrial units.
- 17.4 The following tourism related activities started on or after the effective date will be eligible for capital investment subsidy at rates applicable to new industrial units in Zone 'C' subject to the monetary ceiling prescribed under paragraph-5. In these cases, however, computation of subsidy will be made on the basis of block capital investment instead of fixed capital investment subject to the minimum investment limits and norms wherever prescribed.
- i) Transport facilities with air-conditioned cars/coaches with a minimum capital investment of Rs.15.00 lakhs operating in travel circuits identified/certified by the Department of Tourism.
 - ii) Motor launches operating in tourism centres identified/certified by Tourism Department with a minimum investment of Rs.10.00 lakhs.
 - iii) Aero sports centres developed at places identified by Department of Tourism with a minimum investment of Rs.10.00 lakhs and meant for promotion of adventure tourism.
 - iv) Water sports complexes and amusement parks with a minimum investment of Rs.10.00 lakhs and operated in tourism centres identified by the Department of Tourism.
 - v) Health resorts established at places, like Hill stations, Sea-beaches, Hot springs etc. identified by Department of Tourism with minimum investment of Rs.10.00 lakhs.
 - vi) Tourism camps and camping sites having minimum capacity of accommodating not less than 30 tourists in the camp to be set up at places to be determined by the Department of Tourism.

18. CINEMA HALLS

- 18.1 New cinema hall means, cinema hall for which investment on land, building and equipment is made on or after the effective date.
- 18.2 The incentives for new cinema halls are available only to cinema halls in areas other than Urban areas having a population of one lakh or more according to 1991 census and, are subject to other conditions if any mentioned against each incentive.

- 18.3 Subject to availability, Government land at rates applicable to new industrial units shall be made available in the above eligible areas for construction of new cinema halls.
- 18.4 In respect of new cinema halls, the amount collected by way of entertainment tax excluding surcharge, tax on exhibition of advertisement and show tax for the first two years after its commissioning, shall be given as subsidy to the concerned cinema halls through the Orissa Film Development Corporation Ltd. (OFDC). Provided that if any loan including interest obtained from OFDC, National Film Development Corporation Ltd. (NFDC), Banks and Financial Institutions for any such cinema hall is outstanding at the time of disbursement of subsidy, the outstanding amount or any amount lower than that as may be decided by OFDC, shall be deducted from the subsidy payable and paid to the concerned lending institutions on behalf of the loanee.
- 18.5 OFDC will continue as nodal agency for development of cinema halls and production of films. It will continually take steps for accelerated progress in construction of cinema halls primarily in semi-urban and rural areas.

19. PRODUCTION OF FILMS

Production of films will not be treated as an industry. This activity may however be supported to such extent and in such manner as the Orissa Film Development Corporation Ltd. (OFDC) may decide with the approval of Government.

20. ELECTRONICS AND COMPUTER INDUSTRIES

- 20.1 Electronic Industry excluding consumer electronics has been recognized as a thrust areas. Government have decided to develop Bhubaneswar into an Electronic City. Investment for common and essential facilities will be made. Land at Bhubaneswar (including the Chandaka Industrial Area) will be allotted @ Rs.5 lakh per acre. New Electronics and Computer Industries will be eligible for the following incentives in addition to the incentives admissible to a new industrial unit.
- 20.2 In appropriate cases, venture capital for Technical Entrepreneurs (belonging to Electronics and Computer disciplines) upto 50% of the equity requirements subject to a limit of Rs.25.00 lakhs (either singly or jointly) and equity participation for other categories of entrepreneurs upto 25% subject to a limit of Rs.25.00 lakhs will be provided. This facility will be available for a maximum period of five years with effect from effective date.
- 20.3 Travel assistance to the technical entrepreneurs (belonging to Electronics and Computer disciplines) to visit abroad for interaction with software industries and organizations likely to offer software assignments. This assistance can only be availed of by those sponsored by the department of Science & Technology.

The scale of assistance will be as under :-

1 st year	Rs. 20,000
2 nd year	Rs. 15,000
3 rd year	Rs. 10,000

20.4 These industries will be eligible for incentives applicable to Zone 'A' irrespective of locations. Proposals for joint sector participation will receive preferential attention.

21. MISCELLANEOUS

21.1 PROJECT IDENTIFICATION

Constant efforts would be made to identify new areas of industrialization and formulation of new projects. IPICOL, OSFC, Orissa State Electronics Development Corporation (OSED) and Director of Industries will identify new thrust areas for industrialization in the state in the coming decades. The State Level Committee constituted under the Chairmanship of Secretary, Industries Department will continue to streamline and coordinate efforts in this direction.

21.2 INCENTIVES FOR EDUCATIVE TRAVEL

Visits of selected teams of entrepreneurs of small scale industrial units to national and international/trade fairs, festivals, exhibitions and industrial estates/areas/growth centres will be subsidized by Government to the maximum extent of 50% of travel expenses.

21.3 ADVANCED TRAINING CENTRES

The State Government in collaboration with industries will endeavour to establish advanced craftsmen training centres and foreman training centres in different parts of the state to upgrade the skill of craftsmen and technicians employed in industries.

21.4 ARTISAN SECTOR

Efforts would be made to strengthen the cooperative network in the artisan sector. The Panchayat Samiti Artisan Multipurpose Industrial Cooperative Society (AMICS) and Gramodyoga Marketing Cooperative Society (GMCS) at the district level would be strengthened so that they can play their role effectively for raw material supply to the Primary Cooperative Societies and marketing of their products. At suitable places, raw material banks would be set up to facilitate supply of raw materials to the artisans. On the marketing side, efforts should be made by the State level agencies such as Orissa State Cooperative Handicrafts Corporation Ltd. and Orissa Small Industries Corporation Ltd. to export the products of artisan and handloom sectors outside the State.

22. ADMINISTRATIVE MEASURES

22.1 INDUSTRIAL ADVISORY COMMITTEE

An Industrial Advisory Committee would be constituted under the Chairmanship of Chief Minister with prominent industrialists as members to advise the State Government about rapid industrialization of the State.

22.2 NODAL COMMITTEE

22.2.1 State Level Nodal Committee:

The Nodal Committee constituted at the State Government level will continue to function as the forum where issues relating to the clearance of specific proposals for supply of infrastructural facilities as well as Government assistance for specific industrial projects involving inter-departmental reference would be taken up for quick decisions.

22.2.2 In addition to considering the coordinational problems relating to supply of land, water, forest produce and other raw materials from Government sources, the Nodal Committee will consider and recommend measures to be taken for rehabilitation of medium and large scale industrial units or industrial undertakings of industrial companies held sick by it or the Board for Industrial and Financial Reconstruction and are potentially viable for revival. It will also look after specific problems faced by the industries in relation to the marketing their products to State Government Departments and agencies under the control of State Government. All problems relating to Orissa State Electricity Board and the agencies administering Sales Tax and Octroi which can not be resolved at lower levels will also be posed before this Committee for a final decision. The Committee will also review progress of projects set up by non-resident Indians and resolve problems in implementation.

22.3 NODAL COMMITTEE AT DISTRICT LEVEL

Nodal Committees constituted at the district level will discuss problems of entrepreneurs and decide within existing policy framework steps to be taken to resolve the same. The decision of the Committee will be implemented by all concerned. In case of any problems that can not be sorted out at this forum, the same should be posed to the State Level Nodal Committee for decision. The Nodal Committee will also review implementation of purchase policy, purchase forecast and timely payment of purchases by State Governments and Agencies under the control of State Governments at the district level. Cases of deviation or difficulty if any in the implementation shall be brought to the notice of the Industries Department for necessary action.

22.4 SINGLE WINDOW CONTACT

22.4.1 The Industrial Coordination Bureaus constituted in the office of ILPICOL, OSFC and Orissa State Electronics Development Corporation (OSED) will continue to provide assistance and guidance to entrepreneurs in project identification, project finance, preparation of project report, getting

registration and licence, obtaining clearance from various authorities and statutory bodies, and removal of operational constraints for medium and large scale industrial units. The bureau at IPICOL will deal with medium and large units other than electronic units which will be dealt by the Bureau at OSEDC. Matters relating to project finance shall be dealt by the Bureau at OSFC. Orissa Agro Industries Corporation will perform similar services in respect of agro-based and food processing industries. The State Government will take steps to locate these agencies in a single location for the facility of entrepreneurs.

- 22.4.2 The Foreign Investment Division in IPICOL will be the single contact point of non-resident Indians, and foreign investors desirous of making investment in industrial projects in the State.
- 22.4.3 The Orissa Industrial Infrastructure Development Corporation (IDCO) will be the nodal agency regarding provision of infrastructural facilities such as land (both developed and undeveloped), water, power and built-up industrial sheds. It will also be geared up to provide turn-key consultancy service for project implementation.
- 22.4.4 District Industries Centres will provide all facilities to the entrepreneurs in the small scale sector at the district level.

(Empowered Committee constituted vide Resolution No.12980 dated 30th May'94, Annexure-IX).

23. REMOVAL OF DOUBTS

- 23.1 No right or claim for any incentive under this policy shall be deemed to have been conferred merely on the ground of provision in this policy. The State Government may issue operational guidelines/instructions for administration of incentives contained in this policy. An industrial unit which considers itself eligible for any incentive, shall apply for the same in accordance with the operational guidelines / instructions and the same shall be considered and disposed of on merit.
- 23.2 Industrial units set up without financial assistance from Financial Institutions and Banks, will be required to be assessed by the appropriate nodal agency (like IPICOL, OSFC, DICs, OSEDC etc.) in order to be eligible for any of these incentives.

The Industries Department of the State Government shall be the Nodal Department to resolve all matters relating to problems of entrepreneurs.

In case of doubts or difficulty in interpretation of any item of this policy, or implementation thereof, the same shall be finally decided or resolved by Government in Industries Department.

ANNEXURE

INDUSTRIAL UNIT

1. 'Industrial Unit' will mean manufacturing / processing industry belonging to the following categories:
 - a) Industries listed under the First Schedule of the Industries (Development and Regulation) Act, 1951 as amended from time to time.
 - b) Industries falling within the purview of the following Boards/Public Agencies:
 - i) Small Scale Industries Board.
 - ii) Coir Board.
 - iii) Silk Board.
 - iv) All India Handloom and Handicrafts Board.
 - v) Khadi and Village Industries Board.
 - vi) Any other agency constituted by Government for industrial development.
2. Industrial Unit will not include non-manufacturing service industries except
 - a) General Workshops including repair workshops.
 - b) Cold Storages and Fish-freezing units.
 - c) Plantations of tea, coffee, rubber, cashew and spices.
 - d) Electronics repair and maintenance units for professional grade equipment and Computer Software, Data Processing and related services (to be certified by Science & Technology Department).
3. The following units shall not be eligible for incentives as industrial units:
 1. Rice Hullers and Rice Mills.
 2. Flour Mills including manufacture of Besan, Pulse Mills and Chuda Mills.
 3. Making of spices, pampad etc.(excluding Pampad manufactured by Cooperative Societies).
 4. Confectionary (excluding mechanized confectionary)
 5. Preparation of Sweets and numkeens etc.
 6. Bread-making (excluding mechanized bakery)
 7. Mixture, Bhujia and Chenachur preparing units.
 8. Manufacture of Ice Candy and Ice, Fruits.
 9. Manufacture and processing of betelnuts.
 10. Hatcheries, Piggeries, Rabbit or Broiler farming.
 11. 'Iron and Steel Processors' including cutting of sheets, bars, angles, coils, M.S. Sheets, Decoiling, straightening, drop hammer units etc.
 12. Chrome ore beneficiation.
 13. Cracker making units.
 14. Tyre retreading units.

15. Stone crushing units.
16. Coal/Coke screening units.
17. Coal/Coke Briquetting.
18. Production of fire wood and charcoal.
19. Painting and spray painting units.
20. Units for physical mixing of fertilizers.
21. Brick making units (except units making 'Refractory bricks' and those making bricks from fly ash, red mud and similar industrial wastes). (res.no.17201/I dt.17.6.93 vide Anx.-X)
22. Manufacturing of tarpaulin out of canvas cloth.
23. Oil mills including oil processing, filtering, colouring, decoloring, refining, hydrogenation, scenting etc.
24. Saw-mill, Sawing of timber.
25. Carpentry, joinery and wooden furniture making.
26. Drilling rigs, Bore-wells and Tube-wells.
27. Units for mixing or blending of tea.
28. Units for cutting raw tobacco and sprinkling jiggery for chewing purposes and Gudakhu manufacturing units.
29. Units for bottling of medicines.
30. Book-binding.
31. Rubber stamp making.
32. Making note books, exercise note books and envelops.
33. Printing press.
34. Photo copying.
35. Stencilling units.
36. Processing of Stencil paper.
37. Distilled water units.
38. Distillery units.
39. Tailoring (other than ready made garmets manufacturing units.)
40. Repacking and stitching of woven sacks out of woven fabrics.
41. Laundry/Dry cleaning.
42. Photographic studios and laboratories.
43. Clinical/Pathological laboratories.
44. Beauty parlours.
45. Video parlours.
46. Guest Houses/Restaurants.
47. Goods and passenger carriers.

NOTE: List of Industrial Units indicated above can be modified by Government in Industries Department from time to time.

**Government of Orissa
Industries Department.**

ORDER

BBSR, the 15th July, 93

No.XI.V.HI.2/93-20171/I. In pursuance of the provisions under para 2(Para-1) of Industrial Policy Resolution 1992 (IPR,'92) Government have been pleased to decide that the activities as listed in the Annexure appended here will come under following categories of thrust areas for the purpose of receiving priority attention and availing of incentives / concessions under the said IPR'92.

- (i) Agro based.
- (ii) Marine based
- (iii) Food processing.
- (iv) Biotechnology.
- (v) Export oriented floriculture.
- (vi) Seed production.

2. The list in the Annexure can be amended / modified from time to time depending on the changing circumstances with the concurrence of Agriculture Department and approval of Govt. in Industries Department.

N.N.Mitra
Joint Secretary to Government.

ANNEXURE-I

Nature of Activity.		Nature of Industrial Unit.	
I.	Agro Based	1.	Integrated Paddy Processing Complex.
		2.	Particle Board from Rice husk
		3.	Bagasse based printing & writing paper production unit.
		4.	Medium density Fibre Board Manufacturing.
		5.	Furfural production unit.
		6.	Modern Dal Mill
		7.	Manufacture of Duplex Board and Craft Paper utilizing crop residues.
		8.	Palm Oil Mill.
		9.	Coir Industry, Coir ropes, Cordage & twine including Coir foam.
		10.	Essence oil production.
		11.	Integrated Maize Processing Plant.
		12.	Cashew processing and other cashewnut based industries.
		13.	Fish meal and fish oil making plant.
		14.	Fish Feed including prawn and shrimp feed manufacturing unit.
		15.	Diversified jute products.
		16.	Sisal Fibre processing unit.
		17.	Sabai grass processing unit.
II.	Food Processing Industries.	1.	Food products based on soyabean.
		2.	Coconut based products including desiccated coconut powder.
		3.	Dairy farming and milk processing.
		4.	Automatic bread making plant.
		5.	Squash, Jam, Jelly, Juice etc. of different fruits.
		6.	Fruit pulp.
		7.	Chilly, Tomato squash, Ketchup etc.
		8.	Dehydration and canning of vegetable.
		9.	Frozen fruits and vegetables.
		10.	Cultivation & processing of Mushroom.
		11.	Protein Isolate.
		12.	Assorted Cold Storage for fruits & vegetable.
		13.	Mushroom spawn production unit.
III.	Marine Based Industry.	1.	Shrimp, Tuna and other fish processing.
		2.	Cold storage and cold chain linking fish processing units.
		3.	Deep Sea fishing.
		4.	Fish processing with Intensive Quick Freezing (IQF) technology.
		5.	Prawn processing including (IQF)
		6.	Ice plant manufacturing 'flakes' & Cubes.
		7.	Sterilised dry fish plants.

		8.	Fresh water pearl culture.
		9.	Fresh water prawn culture.
IV.	Industries based on Bio-Technology.	1.	Manufacture of Bio-fertilizer and Bio-products.
		2.	Establishment of Tissue culture laboratories for production of seedlings and hybrid seeds.
V.	Export floriculture activity.	1.	Establishment of production facility for export of Cut-flowers.
VI.	Seed production.		Seed production, processing & marketing of certified seeds of varieties in seed chain.

**Government of Orissa
Industries Department.**

RESOLUTION

Bhubaneswar, dated the 8th March'94.

Sub: Amendment of Industries Policy Resolution, 1992 dt. 1.8.92.

Government after careful consideration have been pleased to add/amend / modify the provisions of the Industrial Policy Resolution, 1992 (No.XIV-I-II-4/92-I-21875 dt.1st August, 1992) in the manner indicated below.

- I. Paragraph-2(8) of Part-I and Paragraph-2.15 of PART-II are amended in the following manner to enlarge the definition of 'Plantation".

2(8), (Part-I)

"Plantation of cash crops like tea, coffee, rubber, spices and those mentioned in paragraph 2.15 of Part-II as well as the Industries processing them".

2.15 (Part-II)

"Plantation means plantation of (I) tea, Coffee, rubber, Cashew, Sisal, Sabai grass, cocoa, oil-palm, coconut and spices, (ii) Fruit orchards and (iii) Forest species like teak and mulberry linked with processing industry within the State of Orissa.

Provided that each 'Plantation' unit should have a minimum area to be notified by the Govt. from time to time".

- II. Paragraph-3 of Part-II (i.e. classification of Areas) is amended inserting 'Jajpur Sub-division' in Zone 'A' deleting it from Zone 'B'

Besides, the following proviso at the end of Paragraph-3 of Part-II be added.

"Provided that the entire State may be treated as a single Zone (Zone 'A') for the purpose of grant of incentives to new Handicraft units subject to the same being certified by Director of Handicrafts and Cottage Industries.

- III. Paragraph 13.2 of Part-II is amended in the manner indicated below.

"Any industrial unit seized under section 29 of the State Financial Corporation Act and thereafter sold to a new entrepreneur shall be treated as a new industrial unit for the purpose of sales tax and Octroi concessions only. The transfer value of the fixed assets of the unit plus additional investment in fixed capital on plant and machineries required

to make the unit operational will form the basis for sales tax concessions. Arrears of electricity and sales tax dues payable by previous owners shall not be realizable from the transferees of the units transferred under section 29 of SFC Act.”

IV. The following paragraph may be incorporated as paragraph 16.10 below the paragraph 16.9 of Part-II.

“16.10 – Local Small Scale Industrial Units registered with the Directorate of Export Promotion and Marketing and Khadi & Village Industries will be exempted from payment of earnest money while tendering to State Govt. Departments and agencies under the control of State Govt..

ORDER :Ordered that the resolution be published in the next issue of the official Gazettee and copy thereof be forwarded to all Departments of Govt., all Heads of Deptt., & A.G., Orissa.

By Order of Governor

I.J.S.Khurana
Commissioner-cum-Secretary to Govt.

THE ORISSA GAZETTE
EXTRAORDINARY PUBLISHED BY AUTHORITY.

NO.1329 CUTTACK, THESDAY, OCTOBER 5, 1993/ASWNA 13, 1915

NO. 12045-III C/4-19/92-L.E.

Government of Orissa
Labour and Employment Department

RESOLUTION

The 13th September 1993

The policy of the State Government to ensure a healthy and peaceful industrial relations environment in the State has been laid down in paragraph 3, Part (1) of Industrial Policy Resolution, 1992 vide No. 21875/I. dated the 1st August 1992. The industrial relations scene in the State was reviewed in a specially convened meeting of the State Level Nodal Committee held on the 3rd June 1993 which has made specific recommendations to ensure smooth functioning of the industries with full comraderic between the workers and the management.

2. Keeping in view the general policy guidelines on industrial relations as incorporated in IPR, 1992 and the recommendations of this Nodal Committee, Govt. have been pleased to decide that action on the following lines should be taken by all concerned in order to develop a healthy and meaningful work culture in the industries of the State:

- (i) In the present era of liberalization and competition no industry can survive unless productivity is ensured and healthy industrial relations is an essential input for that. To bring about healthy and congenial relations between workers and employers the Govt. will encourage bipartite solution of mutual problems among themselves. Intervention by the Industrial Relations machinery or tripartite settlements shall not be encouraged unless it becomes statutorily necessary or in case where inspite of all efforts bipartite negotiations end in failure.
- (ii) Cases of unrest arising from intimidation, gharao, dharana, assault, harassment or coercive methods of any sort indulges in by either party shall be dealt with firmly under the normal criminal laws in addition to the labour laws. Everyone connected with industry must note that none shall be allowed to take law into his own hands, be he an industrialist, an employer, a workman or a trade union leader.
- (iii) In the sphere of industrial relations wherever there will be breach of law and order, the general law and order machinery under the Dist.

Magistrate and Superintendent of Police shall immediately step in to maintain law and order.

- (iv) Attempts shall be made to ensure secret ballot system in the matter of recognition of trade unions.
- (v) All-out efforts shall be made to void work stoppages during the first five years of establishment of any new industry.

ORDER : Ordered that the Resolution be published in the next issue of the Orissa Gazette.

By Order of the Governor

M.K.Purkait
Commissioner-cum-Secretary to Govt.

**Government of Orissa
Industries Department.**

ORDER

Bhubaneswar dated the 24th March, 94.

No. 7181/I-XIV-HI-17/91. In pursuance of the provisions under XIV-H.I-17/91
Para 2.15 (Part-II) of Industrial Policy Resolution, 1992.

(IPR'92) as amended in Industries Department Resolution No. XIV-HI-17/94 -5510/I dt. 8.3.94 Govt. have been pleased to decide that the minimum area in respect of the following plantation activities should be as mentioned against each. This is to ensure that individual plantation units become viable propositions.

	Name of the Plantation.		Minimum area required.
(i)	Tea	.....	50 Acres
(ii)	Coffee	.....	30 Acres
(iii)	Cashew	.....	100 Acres
(iv)	Rubber	.....	50 Acres
(v)	Oil Palm	.....	2000 Acres
(vi)	Cocoa	.....	500 Acres
(vii)	Fruit Orchards	.....	30 Acres.

2. The minimum area as mentioned above can be amended / modified from time to time depending on the changing circumstances with the concurrence of Agriculture Department / Forest and Environment Department and approval of Govt. in Industries Department.

3. Plantation activities as mentioned in IPR'92 should have processing facilities inside the state and schemes drawn up by individual entrepreneurs before being given thrust area status / benefits should be vetted by the concerned Departments of Govt. like Agriculture / Forest Deptt. etc.

N.N. Mitra
Joint Secretary to Government.

No. 22804
XIV.HI.3/93

Government of Orissa
Industries Department.

RESOLUTION

Bhubaneswar, dated the 16th, Aug'94

In the Industrial Policy Resolution of 1992 (IPR-1992) down stream industries including industries utilizing 'fly-ash' have been identified as one of the thrust areas. Entrepreneurs setting up industries in thrust areas are treated as special class entrepreneurs and entitled to additional capital investment subsidy of 5% vide paragraph 5.2 of Part-II of IPR,1992. With a view to counter the menace of pollution hazard, industrial units utilizing 'fly-ash', municipal wastes and other pollutants are treated as Pioneer Industries irrespective of their location and capital cost vide paragraph 8A2 of Part-II of IPR-1992.

2. Considering the gravity of the situation and general reluctance on the part of the entrepreneurs to break new grounds and start industrial units utilizing fly-ash municipal wastes and other pollutants, Govt. have been pleased to accord Zone-'A' status to all industrial units utilizing fly-ash, municipal wastes and other pollutants irrespective of their location. Accordingly, paragraph 8A2 of IPR-1992 is amended in the manner indicated below:

Existing provision	Amended provision
8A2: " Industrial units irrespective of their capital cost or location which utilize fly-ash, municipal wastes and other pollutants as may be notified by State Govt. shall be entitled to incentives available to pioneer industries".	Industrial units irrespective of their capital cost or location which utilize fly-ash, municipal wastes and other pollutants as may be notified by State Govt. shall be entitled to incentives available to pioneer industries and incentives applicable to Zone-'A', provided that in order to be eligible for Zone-A concessions fly-ash bricks should be genuine.

ORDER: Ordered that the resolution be published in the next issue of the official Gazette.

By Order of Governor,

I.J.S.Khurana,
Commissioner-cum-Secretary to Government.

**Government of Orissa
Industries Department.**

RESOLUTION

Bhubaneswar, dated the 4th, January'93.

Sub: Amendment of Industrial Policy Resolution: 1992 dt. 1.8.92
(No.XIV.HI.73/92. 501/I.)

Government after careful consideration have been pleased to amend/modify the provisions of the Industrial policy resolution, 1992 vide No.XIV.HI.4/92-I-21875 dt. 1st August, 1992 in the manner indicated below.

I. The table specifying the rates for allocation of land for industrial purposes in different zones in paragraph 10.1 of IPR-1992 may be substituted as under :-

Zone	Rate for land located within Municipal/NAC area (per acre)	Rate of land located outside Municipal/NAC area (per acre)	Ground Rent (Rs.)
Zone-A	Rs. 30,000/-	Rs. 10,000/-	1% of the land value
Zone-B	Rs. 75,000/-	Rs. 25,000/-	-do-
Zone-C	Rs.1,50,000/-	Rs. 50,000/-	-do-

II. The following paragraphs may be inserted as paragraph 11.3 below the paragraph 11.2.

'11.3 No stamp duty/registration fees will be paid in respect of land allotted by Government to IDCO/IPICOL/OSIC. This concession will also be applicable in respect of private land acquired by IDCO for subsequent allocation to industrial units. The stamp duty/registration fees will, however, be payable when land is allotted to individual industrial units'.

III. The following two paragraphs with sub-heading 'Rate contract' may be inserted after paragraph 16.7

16.8 Rate Contract:

'Rate Contract' in respect of specific store items manufactured by local small scale industrial units will be finalized by the Director of Export Promotion & Marketing. This will be on the basis of competitive offers received from such local units, costing structure obtained from these offers, market price and other considerations relevant to fixing the price of the product, State Govt. Departments & agencies under the control of the State Govt. departments & contract items from rate contract holders-small scale industries of the price fixed in the rate contract without inviting tenders.

16.9 Rate contract facility may also be extended to store items exclusively manufactured by local medium/large industries following the same procedure".

Order:- Ordered that the resolution be published in the next issue of the official Gazette and copy thereof be forwarded to all Departments of Government, all heads of Departments and A.G. Orissa.

By Order of Governor

N.N. Mitra
Joint Secretary to Govt.

No.5435/I
XIV.HI.5/94

**Government of Orissa
Industries Department.**

RESOLUTION

Bhubaneswar, dated the 7th March'94.

From

Shri N.N.Mitra,
Joint Secretary to Government.

To

The Chairman-cum-Managing Director,
Orissa Industrial Infrastructure Development Corporation.

Sub: Fixation of rate of Govt. land and ground rent for Mancheswar, Chandaka-B and Kalunga under provision of para 10.1 of IPR, 1992.

Ref: Industries Department order No.30276/I dt. 16.10.93 and IDCO's letter No. 1495 dt.21.1.94.

Sir,

With reference to the above mentioned correspondences, I am directed to say that Govt. have been pleased to accept your proposal and decide that the ground rent for the land in Mancheswar, Chandaka-B and Kalunga Industriesl Estates should be charged @1% of the land value excluding development cost. Accordingly column 4 of Para-I of this Department Order No. 302 dt. 16.10.93 is modified in the manner indicated below.

“1% of the land value excluding development cost”.

Yours faithfully,

Sd/-
Joint Secretary to Government.

NO. 5514/I
XIV.HI.11/94

**Government of Orissa
Industries Department.**

RESOLUTION

Bhubaneswar, dated the 8th March'94.

Sub: Amendment of the Industrial Policy Resolution, 1992 (Industries Department Resolution No.XIV.HI.17/94-3985-I dt. 18.2.94)

The State Govt. on reconsideration of the matter have been pleased to decide that the paragraph 11.4 of ILPR-1992 be amended to read as follows after deleting the portion relating to registration fees.

Existing provision.	Amended provision
11.4 – Stamp duty and registration fees will be exempted for Steel Plants on the recommendation of the State Level Nodal Committee.	Stamp duty will be exempted for Steel Plants on the recommendation of the State Level Nodal Committee.

ORDER : Ordered that the resolution be published in the next issue of the official Gazette and copy thereof be forwarded to all Departments of Govt., all Heads of Department and A.G., Orissa.

By Order of Governor,

I.J.S.Khurana,
Commissioner-cum-Secretary to Govt.

NO. 12980-XIV. HI. 8/94-I

**Government of Orissa
Industries Department.**

RESOLUTION

Bhubaneswar, dated the 30th May'94

Subject: Empowered Committee as single window contact forum for clearance of problems of new and existing Industrial Units.

Paragraph 22.4 of I.P.R. 1992 envisages introduction of a system for easy delivery of assistance to entrepreneurs on single window approach. It is felt that in order to make the delivery system more effective care has to be taken of the following needs of the entrepreneurs:-

- (i) Ensure availability of land, water and Electricity within a stipulated time frame.
- (ii) Clearance of Pollution Control Board.
- (iii) Sanction of Term loan & Working capital finance within a specified time schedule.
- (iv) I.P.R. benefits to existing unit and new units.

2. To achieve the above objective, Government have been pleased to constitute the following Committees:

Empowered Committee at the District Level

The Committee will consist of the following members:-

1. Collector of the district.	....	Chairman
2. Regional Manager, O.S.F.C.	....	Member
3. General Manager, IDCO	....	-Do-
4. District Labour Officer.	....	-Do-
5. Commercial Tax Officer/ Additional Commissioner, Commercial Tax.	....	-Do-
6. Executive Engineer, O.S.E.B.	....	-Do-
7. Lead Bank Officer.	....	-Do-
8. Executive Officer, Municipality/N.A.C.	....	-Do-
9. General Manager/ Project Manager, D.I.C.	....	Member-Secretary.

3. The Committee shall have the option to Co-opt any other member, like Secretary, Pollution Board or Branch Manager/Regional Manager of the Financing Institutions/Banks etc. as and when necessary depending upon the cases under consideration.

4. The Committee shall meet at least once in a month on a fixed date to be decided by the Collector under intimation to all concerned.

5. The entrepreneurs are required to make their applications to the General Manager/Project Manager, D.I.Cs. who will prepare a memorandum * circulate the same for perusal/comments of the members sufficiently ahead of the scheduled meeting. The memorandum will include term and working capital finance requirement of the unit in question. For this purpose, the Committee may function as joint appraisal mechanism as per R.B.I. instructions. In case the proposal is not acceptable to the financial institutions or concerned agency, they should inform the Committee accordingly along with the reasons. The Committee is empowered to give "in principle" clearance on the basis of deliberations in the meeting and views expressed by different agencies in respect of projects up to Rs. 10.00 lakhs. The Committee shall also take up on itself the responsibility of obtaining clearances relating to IPR benefits and other problems in respect of all existing S.S.I. units. For all problems faced by the S.S.I. Units at the District Level, the Committee is empowered to take appropriate decisions in consultation with the concerned authorities, represented in the Committee. In case the Committee fails to take a final decision or its decision could not be implemented within a period of three months in any particular case the same will automatically be brought up to the State Level Empowered Committee for decision.

6. State Level Empowered Committee

The Committee will consist of the following members:-

- | | | |
|---|-----|-------------------------|
| 1. Secretary, Industries. | ... | Chairman. |
| 2. Secretary, Energy. | ... | Member |
| 3. C.M.D., IPICOL | ... | Member-Secretary. |
| 4. Additional Secretary, Finance-cum-Director, Institutional Finance. | ... | Member. |
| 5. Managing Director, O.S.F.C. | ... | -Do- |
| 6. Managing Director, O.S.I.C. | ... | -Do- |
| 7. Director, E.P.M. | ... | -Do- |
| 8. Secretary, Pollution Control Board.... | ... | -Do- |
| 9. Chief General Manager, S.B.I. | ... | -Do- |
| 10. A.G.M., Uco Bank (Convenor Bank) | ... | -Do- |
| 11. Director of Industries, Orissa. | ... | Member-Joint Secretary. |

7. The Committee may Co-opt. any other member if representation from a particular organization/agency is considered necessary to decide the case(s) under consideration/reference. The Committee shall meet on a fixed date once in two months or more frequently if considered necessary. Agenda notes for the meeting will be circulated to the members well in advance.

8. The Committee may accord "in principle" clearance to project costing Rs.10.00 lakhs or more including the tie-up arrangement for term loan and working capital on the basis of the views of the concerned Banks/financing institutions.

9. The problems faced by the entrepreneurs will be referred to the D.I.C. or Directorate of Industries, Orissa in the first instance. General Manager/Project Manager, D.I.C. will take up the case(s) with concerned agency for redressal of the problem before putting up the same for consideration of District Level Empowered Committee or referring to D.I., Orissa for consideration of State Level Empowered Committee.

10. All cases which are not cleared by the State Level Empowered Committee within a period of 3 months will be automatically brought up to State Level Nodal Committee (SLNC) for consideration and review.

11. The decisions of the District Level Empowered Committee will be monitored by the Director of Industries and he will bring to the notice of the Industries Department the cases of non-compliance and bottle-necks etc. in the form of a monthly report.

12. Implementation of the decisions taken by the State Level Empowered Committee will be reviewed in the subsequent meeting of the Empowered Committee and the cases of persistent non-compliance will be brought to the notice of the State Level Nodal Committee.

13. All decisions of the State Level Nodal Committee will be monitored by the Industries Department and in cases of non-compliance, these will be brought before the SLNC for review.

ORDER- Ordered that the Resolution be published in the next issue of the Orissa Gazettee & copies thereof be forwarded to all Members of the Committee/all Departments of Government/all Heads of Department/Accountant General, Orissa, Bhubaneswar.

By Order of the Governor

I.J.S.KHURANA
Commissioner-cum-Secretary to Government.

“POTENTIALS FOR INDUSTRIES AT A GLANCE”

INFRASTRUCTURE

Well connected communication system having

Air Ports	-	Bhubaneswar, Rourkela, Jeypore, Jharsuguda.
Railways	-	Existing – 1460 Kms. Under construction – 484 Kms.
Roadways	-	National Highway – 1625 Kms. State Highway – 2928 Kms.
Ports	-	Paradeep, Gopalpur, Bahabalpur.

**Well spread Tele-Communication System with STD facilities
to all the Sub-Divisional headquarters & Urban areas**

CHOICED LOCATIONS TO ESTABLISH INDUSTRIES

Functional Industrial Complexes:

Chemical Complex – Chatrapur.	Auto Complex – Berhampur
Glass & Ceramic Complex-Jharsuguda.	Garment Complex-Bhubaneswar.
Food Processing Complex-Muniguda.	Hosiery Complex-Jagatpur.

Growth Centres:

Mini Growth Centres

Duburi	Khurda
Chatrapur	Paradeep
Jharsuguda	Rayagada
Kesinga	

Developed Industrial Estates/Areas

Angul	Berhampur	Jharsuguda
Balasore	Cuttack	Khurda
Bolangir	Choudwar	Rourkela
Bhubaneswar	Jagatpur	Sambalpur

**Large number of technical institutions to provide
trained & Professional man-power**

Prime mover of the Industries, the Electricity having

Installed Power Generation capacity	-	1732 M.W.
Proposed Additional installations(till 2000 AD)	-	1946 M.W.

LAND OF PEACE, PLENTY & PROSPERITY
ABUNDANTLY RICH WITH RESOURCES

MINERALS : Treasure underground

(Qty. in Million Tonnes)

Bauxite	-	1624	Fire-clay	-	88	Manganese ore	-	49
China-Clay	-	94	Graphite	-	1.5	Nickel ore	-	220
Chromite	-	183	Iron ore	-	3120	Quartzite	-	15
Coal	-	44304	Lead & Zinc	-	2.6	Magnetite	-	3.4
Dolomite	-	563	Lime Stone	-	1017	Granite(Mill.Cu Mt.)	-	10
Copper ore	-	3	Mineral sand	-	82			
Precious & Semi-precious Stones---			---			Sizeable quantity		

MARINE PRODUCTS: Place for Blue revolution

Coast line	-	480 Kms.
Continental Shelf area	-	24,000 Sq.Kms.
Fishing Harbours	-	Paradeep, Dhamra, Chandipur, Bahabalpur, Chudamani, Balugaon, Kalupadaghat, Astarang, Gopalpur.

Brackish water		
Prawn Culture Area.	-	27,000 Acres.

MAJOR AGRICULTURAL PRODUCTS : Result of Green revolution

('000 M.T.)

Rice	-	5388	Jute	-	117	Ground-nut	-	108
Pulses	-	535	Mesta	-	218	Sugarcane	-	754

FOREST PRODUCTS:

Timber (Sal, Teak, Asan, Bija & Sisu)
 Bamboo, Oil seeds, Tamarind, Myrabalam, Kendu Leaf.

LEATHER PRODUCTS:

Cattle population of 21 million heads giving
 3 million pieces of hides & skins per annum.

PEACE LOVING & TRAINED MANPOER:

**SCOPE FOR DOZEN POWER PLANTS; HALF-A-DOZEN SUGAR MILLS;
 COUPLE OF STEEL PLANTS, ALUMINIUM PLANTS
 AND MANY MORE.**

AGENCIES INVOLVED IN INDUSTRIAL DEVELOPMENT

1. Secretary, Industries Department
Bhubaneswar. Tel No.- 402344, 404010, FAX-0674-401676
Secretary, Textile & Handloom Deptt., Bhubaneswar
Secretary, Handicraft, Bhubaneswar
2. Directorate of Industries, Orissa
Killaswdan, Cuttack. Tel No.- 601891, 601004, 601474
FAX-0671-601961 & 0671-601828
3. District Industries Centres.
4. Orissa State Financial Corporation (OSFC),
OMP Square, Cuttack. Tel No.22659, 21635
5. Orissa Small Industries Corporation (OSIC),
Barabati Stadium, Cuttack. Tel No.-601018, FAX-0671-601828
6. Infrastructural Development Corporation of Orissa (IDCO),
Bhubaneswar. Tel No.-402784, FAX-0674-405956
7. Directorate, Export, Promotion and Marketing,
Bhubaneswar. Tel No. – 402569, 404443
8. Industrial Promotion and Investment Corporation Ltd.(IPICOL)
Bhubaneswar. Tel No. – 402561, FAX – 0674-402566
9. Industrial Development Corporation Ltd.(IDC)
Bhubaneswar. Tel No. – 402176, PABX NO.-52170, 52120
10. Orissa State Prevention and Control of Pollution Board,
Bhubaneswar. Tel No. – 405973, 406368
11. Orissa State Export Development Corporation,
Bhubaneswar. Tel No.- 54443, 53475
12. Orissa State Leather Corporation (OSLC)
Cuttack. Tel No. – 610306, 610842, FAX – 0671-601961
13. Orissa State Electronic Development Corporation (OSEDIC),
Bhubaneswar. Tel No. – 405793, FAX – 0674 - 401387
14. Director, Handicraft & Cottage Industries,
Bhubaneswar.
15. Delhi Liasion Office – (a) Dy. Director of Industries, Orissa Emporium
B/4, Baba Kharaksing Marg, Connaught Place, N.DIhi-110001
Tel No. – 343704, 344763
(b) Resident Commissioner,
Orissa Bhawan, N. Delhi.
Tel – 3019771, 3018498, Fax – 011-0310839