



भारत सरकार

GOVERNMENT OF INDIA

MINISTRY OF MSME

MSME DEVELOPMENT ORGANIZATION

# INDUSTRIAL POTENTIALITY SURVEY REPORT

## GAJAPATI 2014-2015



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## **FOREWORD**

Every year Micro, Small & Medium Enterprises Development Institute, Cuttack under the Ministry of Micro, Small & Medium Enterprises, Government of India has been undertaking the Industrial Potentiality Survey for selected districts in the state of Orissa and brings out the Survey Report as per the guidelines issued by the office of Development Commissioner (MSME), Ministry of MSME, Government of India, New Delhi. Under its Annual Action Plan 2014-15, the district of **Gajapati** has been taken up for the survey along with a few other districts of the state. The Industrial Potentiality Survey Report covers various parameters like the present industrial structure of the district, availability of surplus resources, problems and prospects in the district for industrial development with special emphasis on scope of setting up small scale industries.

The Industrial Potentiality Survey Report focuses on the physical and geographical features, natural and human resources and the present status of infrastructure like roads, communication, water, electricity, banking including other financial and technical institutions, industrial estates, growth centers etc. as these are the sine-qua-non of the pace of industrial development in an area and also beneficial for both existing and prospective entrepreneurs. Considering the above factors and the available sector wise surplus resources in the district and demand of the people, the potential industries have been identified which could be promoted in the coming years for an overall development of the district.

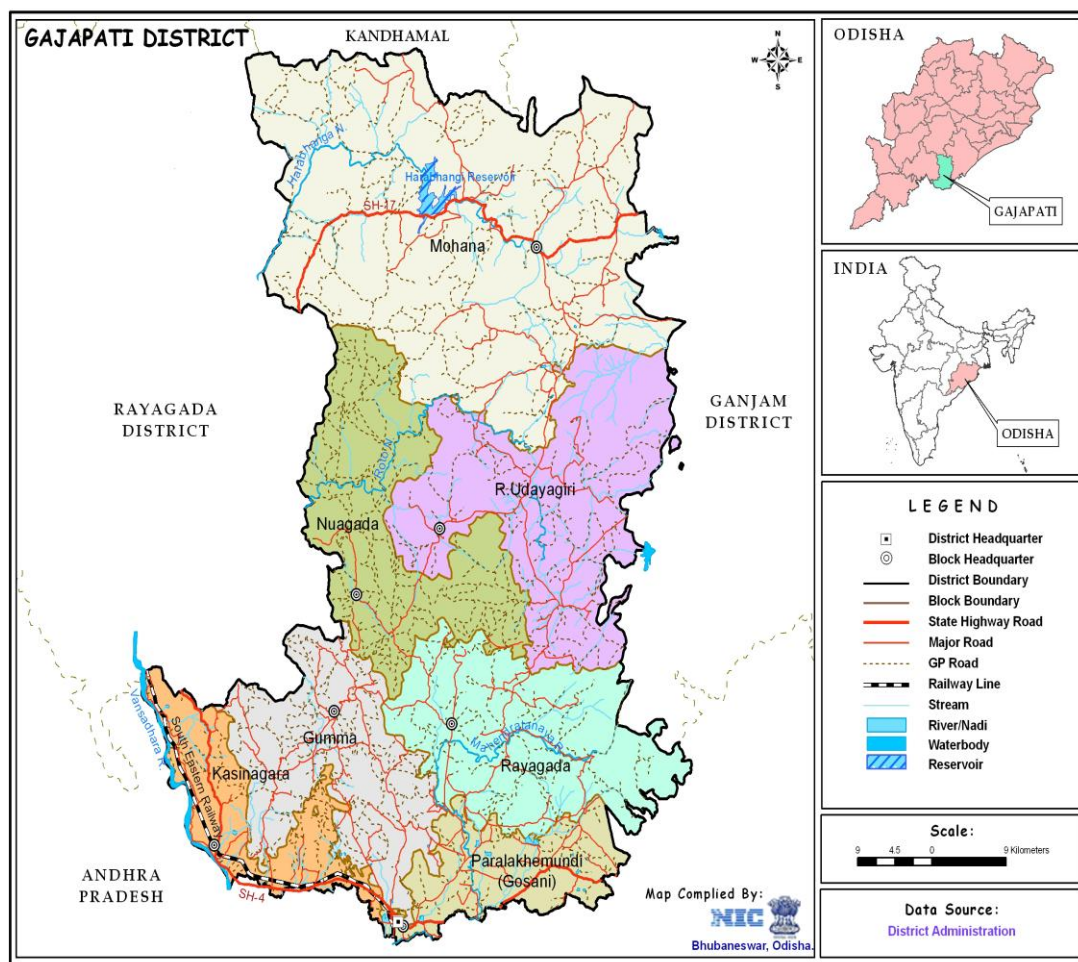
Considering the position of MSMEs in the WTO regime the report will be of immense use not only to the existing and prospective entrepreneurs both inside and outside the state and country but also to various Central and State Government organizations, Corporate bodies, Banks and other Financial Institutions, Promotional agencies looking after the development aspects of different sectors, academicians, management and research institutes. The report provides useful information and a detailed idea of the industrial potentialities of the district and the scope for setting up of new industries especially in the MSME sector in rural and semi urban areas. The prospects of ancillarisation have also been explored, considering the consumption pattern of the Mother Plants i.e. Medium and Large industries established including PSUs in the district as well as in the state.

I hope this Industrial Potentiality Survey Report would be an effective tool to the existing and prospective entrepreneurs, financial institutions and promotional agencies while planning for development of MSME sector in the district.

I like to place on record my appreciation for Shri B.N.Guru, Asst. Director (E.I) of this Institute for his concerted efforts to prepare this report for the benefit of entrepreneurs and professionals in the state.

(P. K.Gupta)  
Dy.Director I/C

Cuttack,  
Dated: April, 2015



# **INDUSTRIAL POTENTIALITIES OF GAJAPATI DISTRICT**

## **Introduction**

The Gajapati District has been named after Maharaja Sri Krushna Chandra Gajapati Narayan Deo, the Ex–Raja Sahib of Paralakhemundi estate (the 1st Prime Minister of Odisha State), who is remembered for his contribution in formation of a separate Odisha province and inclusion of Paralakhemundi estate in Odisha. It got a District status on 2nd October 1992 after bifurcated from Ganjam District. It was Paralakhemundi sub-division in Ganjam and yet it is only sub-division in Gajapati. There are 7 Tahasils, 7 Blocks, 1,533 Villages, 129 Gram Panchayats and 11 Police stations.

Covering an area of 3850 sq km, Gajapati District lies between 180.6' to 190.39' North Latitude and 830.48' to 840.08' East Longitude. Climatic condition in the Gajapati District varies between 16 degree to 40 degree Celsius and the normal rainfall received is 1403.30 mm. The District is surrounded by Andhra Pradesh in its South, Ganjam District in its East, Rayagada in its West and Kandhamal in its North. The soil and climate is suitable for plantation of crops and there is a great potential of horticulture development in the District. More than 60 percent of lands are situated in hilly terrain and high lands. Those are mainly suitable for horticulture. Other cultivable lands are coming under medium lands (20 percent) and low lands (15 percent) category.

Total population of the Gajapati District (2011 census) was 5,77,817 comprising total 2,82,882 male population and 2,94,935 female population. Total SC population of the District is 39,175 and total ST population of the District is 3,13,714.

Gajapati District gains a large amount of its revenue through the agricultural sector. Also agro–processing and horticulture industries add to the economic wealth of this region. Economy of Gajapati District is agrarian in character. Except a few agro–processing units, there is no major industry in the District. However, some activities of cottage industries like Horn work, Jaikhadi bag, Cane and bamboo work, Ganjappa card and Pattachitra mukha, Broom work and Siali leaf plate making and Tibetan Woolen Carpet contribute to the economy of the District.

SKCG College, Women's College, JITM, Centurion University, and Kendriya Vidyalaya are some of the major educational institutions of the District. There are some noteworthy NGO-run residential schools viz. Mahendratana Ashram School, Koinpur. Gajapati District experiences many fairs and festivals round the year. Ratha Yatra, Dusherra, Kumar Purnima, Thakurani Yatra, Pongal are the famous festivals celebrated here with much pomp and gaiety.

There is no large or medium scale industries registered in the district however, the district has 450 registered working MSME units having investment of Rs.11132.37 lakhs creating employment of 4609 persons.

### **Objectives and Scope of the Study**

The roles of MSMEs have assumed a considerable significance in recent years with the change of the structure and composition of the economy. The scope of the study is confined to Gajapati district in respect of MSME sector and related activities. The year 2010-2011 has been taken as the status year of development to analyze further improvement in industrial activities in different sectors in the district. The objective behind the development of the MSME sector is that it acts as a nursery for the development of entrepreneurial talent. This sector also manufactures a wide range of products meant for all segments of the society. This sector also earns a significant amount of the foreign exchange of the country through exports. The main objectives of the study are as follows:

- i) To explore the natural and human resources including the skill.
- ii) To explore the industrial resources available in the district to accelerate the industrial activity.
- iii) To evaluate the existing industrial activities of the district in utilizing the resources and catering to the local demand.
- iv) To focus on useful information, guidance and assistance to well informed class of entrepreneurs, young, educated and qualified persons who have evinced keen interest in setting up of MSMEs.
- v) To cater to the requirements of the entrepreneurs, the area survey reports need proper analysis of the available surplus resources and demand conditions and proper identification of prospective and viable projects in the

district for its development in coming years with necessary techno-economic details.

### **Methodology**

District Industrial Potentiality Survey is a detailed study of important marketable surplus of resources available in the district for industrial use. It gives a clear picture of available infrastructure in different parts of the district. It also focuses on the existing industrial scenario and the prospects of different small scale and ancillary industries. So, it can act as a guide for the entrepreneurs.

The district industrial potentiality survey has been conducted by this Institute as per the instructions and guidelines of the Development Commissioner, Micro, Small and Medium Enterprises, Ministry of MSME, Government of India, New Delhi as part of its Annual Action Plan 2014-2015 to promote MSMEs. Selection of the district has been done keeping in mind the year when the previous survey was conducted for the district as well as to meet the industrial progress of the district.

The report has been prepared by collecting information from various offices both from state and central government. Also information has been collected from various reports published by the government authorities.

Keeping the above factors in view, the report was drafted and discussed among the officers of Economic Investigation Division and other Technical Officers of the Institute to arrive at the conclusion in identifying the scope of the new industries in the district.

### **Executive Summary**

The present district of Gajapati with 2.78 % of state area (rank 16<sup>th</sup>) and 1.38 % of state population. The headquarters of the district is at Paralakhemundi. The district has 1 sub-division, 7 tahasils, 7 CD blocks with 129 GPs with 1619 villages. The decennial growth rate of population is 11.4 %. The literacy rate in the district is 53.5 %. The district has about 57.50 % of its geographical area as forest area. About 80 % of the population in the district depends upon agriculture as their main source of livelihood.



The district has 450 registered SSI units having investment of Rs.1112.37 lakhs creating employment of 4609 persons.

The predominant economic activities in the district are agriculture, horticulture, fisheries, animal husbandry, forests, mining, sericulture and textiles in MSME sector and handicrafts and handloom industries in KVIC / KVIB sector. The district has plenty of natural resources especially in agriculture, horticulture, animal husbandry, fisheries, minerals and forest sector. The varied agricultural production of the MSME sector in the district gives ample scope for various processing units in MSME sector in the district. The varied forest produce are used as raw material for the processing units. Similarly availability of various minerals like bauxite, graphite, manganese, iron and quartz provide wide scope for resource based industries.

Infrastructure is an umbrella term for many activities referred to as 'social capital'. The proposals of Gajapati district is determined by the achievement it made in creating and developing the infrastructure facilities in areas like agriculture, industry and services. The progress of development is possible only when there is progress in infrastructure which means the development and expansion of infrastructure facilities are an essential precondition for accelerating the pace of development in agriculture, industry and service sector of the district. The infrastructure facilities consist of economic and social overhead viz; energy, transport, communication, irrigation, banking, finance, insurance, health and education. Human Development primarily consists of the removal of those conditions of social deprivation and discrimination that restrict capabilities of and deny opportunities for and participating in normal economic and social activities. It is needless to emphasize that infrastructure plays an important role in ensuring a better Human Development Index(HDI).

The district is socio-economically very backward and as such requires some infrastructural support for its development. There is no doubt that a lot of initiatives are being taken by the developmental agencies to bring the district to the stage of developed one. The infrastructure gaps are noticeable in all sectors which need improvement. The major areas where infrastructure is more required are roads and connecting irrigation, health care, rural sanitation and education in the district.

The greatest challenges of the present times are to generate sustainable income opportunities for the rural poor on a massive-scale through self and wage employment in small, tiny and micro-enterprises. The secondary and tertiary sectors include rural non-farm sector(RNFS) which generates more employment opportunities. Therefore, RNFS

assumes an important role from employment generation point of view. The district present a canvass which exhibits micro-finance practices of different hues and is fast developing. The presence of large number of NGOs and SHGs in the district indicate the potentiality of the district for micro-credit expansion. In this regard, SHG–Bank Linkage model has been recognized by Government of India as well as all the financial institutions as the potent medium of credit delivery arrangement to the rural poor, particularly to those who do not have access to the formal credit delivery institutions in the district.

**The District Industrial Potentiality Survey of Gajapati** has been divided into the following sections viz- **“The District at a Glance”** reflects the different development parameters till date to have a glimpse on the development in **Chapter-I**. **Chapter-II** deals with **"District Profile"** which covers all aspects of development in brief. **Chapter – III** deals with an important aspect of the study on **"Resource Analysis"**. In this chapter the available resources both human and material have been discussed with support of statistical information. The **“Infrastructure available for Industrial Development”** has been discussed in **Chapter-IV** with physical and structural divisions. This chapter also contains the incentives given by State Government and Central Government for development of MSMEs. **Chapter-V** reflects the **"Present Industrial Structure"** with number of medium and large scale industries and MSMEs with investment and employment. Besides, this chapter also reflects the growth of MSMEs over the years and category wise concentration of MSME units in the district. This Chapter also deals with the existing and prospective MSME cluster in the district both MSMEs and artisan based. **Chapter VI** reflects the **"Scope of Prospective Industries”** based on surplus resources available and demand factor. This chapter has also considered the scope of ancillary industries based on the requirement of mother plants in the district. **Chapter-VII** reflects the **‘Plan of Action for Promoting MSMEs for Industrial Development’** and **Chapter-VIII** deals with **"Whom to contact for what and the Steps to set up MSMEs"**. In this chapter the main functions of different promotional agencies to be contacted for setting of MSMEs have been mentioned with detail address.

# CHAPTER – I

## DISTRICT AT A GLANCE – GAJAPATI

<b>A</b>	<b>Administrative Set-Up</b>	<b>Unit</b>	<b>Magnitude</b>
1.	Total Geographical Area	Sq. Kms.	4325
2.	% of Forest Area to total geographical area in the district	%	57.50
3.	% of Forest Area to total state area	%	5.08
4.	Sub-Division	No.	1
5.	Tahasils	No.	7
6.	CD Blocks	No.	7
7.	Towns	No.	1
8.	Municipality	No.	1
9.	NACs	No.	1
10.	Police Station	No.	11
11.	Gram Panchayats	No.	129
12.	Villages	No.	1619
	a) Inhabited	No.	1512
	b) Uninhabited	No.	107
13.	Fire Station	No.	4
14.	Assembly Constituencies	No.	2
<b>B</b>	<b>Population – 2011 Census</b>	<b>000 Nos.</b>	
1.	Total Population		577
2.	Male Population		283
3.	Female Population		295
4.	No. of Females per thousand males	No.	1043
5.	% of District Population to State	%	1.38
6.	% of SC Population to District Population 2001	%	6.78
7.	% of ST Population to district population 2001	%	54.29
8.	Urban Population – 2011 Census	000' No.	71
9.	% of Urban population to district	%	12.23

	population		
10.	Rural Population – 2011 Census	000' No.	507
11.	Density of Population – 2011 Census	per sq. kms.	133
12.	Decennial Growth Rate of Population (2001 – 2011)	%	11.4
13.	% of Literacy – 2011 Census	%	53.5
14.	Male Literacy	%	64.4
15.	Female Literacy	%	43.2
<b>C</b>	<b>Occupational Pattern – 2011 Census</b>	<b>Nos.</b>	
1.	Total Workers		293933
2.	Marginal Workers		123562
3.	Main Workers		170371
4.	Cultivators		65062
5.	Agricultural Labourers		153199
6.	Workers in Household & Cottage Industries		5370
7.	Other Workers		70302
8.	% of Main Workers to Total Workers	%	57.96
9.	% of Marginal Workers to total workers	%	42.04
10.	% cultivators to total workers	%	22.10
11.	% of agricultural labourers to total workers	%	52.10
12.	% of workers in Household & Cottage Industries	%	1.8
13.	% of other workers to total workers	%	23.90
<b>D</b>	<b>Land Utilization Pattern (Area) (2013-14)</b>	<b>000 Hects</b>	
1.	Forest Area		56
2.	Misc. Trees, Crops & Groves		6
3.	Permanent Pasture		11
4.	Cultivable Waste		6
5.	Land put to Non-Agril. Use		12
6.	Barren & Uncultivable Land		134

7.	Current Fallow		17
8.	Other Fallow		10
9.	Net Area Sown		51
<b>E</b>	<b>Irrigation Potential Created up to 2013-14</b>	<b>000 Hects</b>	
1.	Major & Medium		0.00
2.	Minor Flow		24.95
3.	Minor Lift		10.07
<b>F</b>	<b>Classification of Forest Area by Legal Status 2013-14</b>	<b>Sq.km.</b>	
1.	Reserve Forest		416.89
2.	Demarcated Protected Forests		108.15
3.	Undemarcated Forests		1149.41
4.	Unclassified Forests		0.13
5.	Other Forests		794.40
6.	Total Forest Area ( 1 to 5)		2468.98
<b>G</b>	<b>Fishery (2013-14)</b>	<b>M T</b>	
1.	Fresh Water Fish Production		3447.58
2.	Brakish Water Fish Production		-
3.	Total Inland Fish Production (1 + 2)		3447.58
4.	Marine Water Fish Production		-
5.	Total (1 to 4)		3447.58
<b>H</b>	<b>Animal Husbandry (2007 Census)</b>	<b>Nos</b>	
1.	Buffaloes		14635
2.	Cattle (i+ii) i) Cross Breed (ii) Indigenous		78658 23040 55618
3.	Sheep		12387
4.	Goat		134822
5.	Poultry		329161
6.	Pig		30016
<b>I</b>	<b>Status of Veterinary Institutions (2013-14)</b>	<b>Nos</b>	

1.	No. of Veterinary Hospitals & Dispensaries		11
2.	No. of Livestock Aid Centres(LACs)		54
<b>J</b>	<b>Production (2013-14)</b>		
1.	Milk	'000 MT	33.15
2.	Egg	Mill no.	24.87
3.	Meat(p) Except Poultry	MT	1574.12
<b>K.</b>	<b>Industry (till 31.3.14)</b>	<b>Nos</b>	
1.	No. of MSMEs established	Nos	1107
2.	Total Capital Investment	(Rs. In crore)	5404.57
3.	Total Employment Generated	Nos	7763
<b>L.</b>	<b>Education (2013-14)</b>		
A	Primary Schools		
1.	Number	Nos	901
2	Enrolment	Nos	78602
3.	Teachers	Nos	1935
4.	Teachers – Pupil Ratio	Ratio	40.62
B	Middle Schools		
1.	Number	Nos	492
2.	Enrolment	Nos	29300
3.	Teachers	Nos	1849
4.	Teachers – Pupil Ratio	Ratio	15.84
C	Secondary Schools		
1.	Number	Nos	157
2.	Enrolment	Nos	15025
3.	Teachers	Nos	558
4.	Teachers – Pupil Ratio	Ratio	26.93
<b>M</b>	<b>Medical &amp; Public Health (2013-14)</b>	<b>Nos</b>	
1.	District Headquarters Hospital		1
2.	Sub-Divisional & Other Hospitals		1
3.	Community Health Centres		8
4.	Primary Health Centres		20
5.	Ayurvedic Health Centres		7

6.	Homoeopathic Hospitals & Dispensaries		6
<b>N</b>	<b>Infrastructure (As on March 2014)</b>		
1.	No. of Post Offices	Nos	150
2.	No. of Banks	Nos	56
3.	Credit-Deposit Ratio	Ratio	23.88
4.	Villages Electrified	Nos	1310
5.	Railway Route Length	Kms	54.00
6.	No. of Railway Stations	Nos	8
<b>O</b>	<b>Road Length (2013-14)</b>	<b>Kms</b>	
1.	National Highway		0.00
2.	State Highway		249.30
3.	Major District Roads		67.70
4.	Other District Roads		57.39
5.	Village Roads		472.01
6.	Gram Panchayat Roads		5103.00
7.	Forest Roads		104.60

## **CHAPTER – II**

### **DISTRICT PROFILE**

#### **i) Location**

Gajapati District lies between 83°48` to 84°27` East Longitude and between 18°46` to 19°39` North Latitude. It is bounded by Ganjam & Andhra Pradesh on the East, Rayagada district on the West, Ganjam & Phulbani districts on the North & Andhra Pradesh on the South.

#### **2. Area and Topography**

The district has two distinct geographical and agro climatic divisions. The plains in the south east comprising Gosani and Kashinagar blocks have sandy loams and clay loam soil. The remaining part of the district has hilly table land with red laterite soil.

#### **3. Soil Condition**

The District has a total Geographical area of 4325 Sq.Kms, out of which net sown area is 0.80 Lakh ha. (out of which 60% is high land, 25% is medium land and 15% is low land). The major parts of the district belong to hilly terrain and undulated topography, which is inhabited by the Tribals. The Geographical formation of the district is Alluvial, brown land Laterites , Gondwanas, Newer Dolerites and Archon comprising of igneous and Metamorphic rocks. The main soil types are clay loam, sandy loam and red soil. The soil and climate is suitable for plantation crops and there is great potential for development of horticulture in the district.

#### **4. Administrative set up**

The district of Gajapati comprises of one sub- divisions, 7 tahasils, 7 CD Blocks, 11 Police stations, 129 Gram Panchayats with 1619 villages. There is one town, one municipality and one NAC in the district. The detail picture of administrative setup of the district is given bellow:

- District Headquarter:   Paralakhemundi
- No' of Sub- Divisions:   One
- No of NACs:               One
- No of CD Blocks:         7
- No of Police Stations:   11



- No of GPs: 129
- No of Villages: 1619

## **5. Climate and Rainfall**

The atmospheric temperature varies between 16 to 45 Degree Celsius. Winter is prolonged up to end of February in 5 tribal blocks. The normal rainfall of the district is 1403.3 mm. Maximum rainfall is received in Nuagada, Mohana Blocks & Kashinagar Block .

## **6. Mineral Resources**

The major economic mineral found in the district is Granite (Decorative Stone) in R.Sitapur, Sambellesa, Saradhapur, Uppalada and Sidhamadango of paralakhemundi Tahasil. The same is also available in Tribal Block Areas.

## **7. Water Resources**

The river Vansadhara and Mahendratana are two important rivers of Gajapati district. The river Vansadhara originated from Lanjigarh area of Kalahandi district and passes through Kashinagar Block and flows southwards along the boarder line of Gajapati district. The river Mahendratana has originated from the Mahendragiri range and flows in the westward direction through Rayagada Block and then to southward direction through Gosani block. Another river Badanadi flows through western part of Mohana block.

## **8. Forest Resources**

The total forest area of the district is 2468.98 Sq.Km., out of which 416.89 Sq.Kms come under reserve forests. The major portion of forests are located in R.Udayagiri, Mohana, Nuagad and Gumma blocks. The major forest products are timber, bamboo, sal seed, fire-wood, hill broom, Myra balans, Patala Garuda, Soap nut, B.Kaliakhali, Marsinga Leaf, Dhatuki flowers, Kochila seeds, Genduli gum, Siali leaves and Kathalai etc.

## **9. Tourist Spots**

There are around 6 nos. of tourist spots in Gajapati district, namely, Paralakhemundi, Budha Bihar At- Chandragiri, Mahendragiri, Gandahati waterfall, Harabhangi project & Khasada water fall near Chandragiri.

## **10. Infrastructural Facilities**

Infrastructure is an umbrella term for many activities referred to as “Social Capital”. It includes public utilities like power, telecommunications, sanitation and sewerage roads and major dams, canal works, irrigation and drainage, roadways, urban transport, post, waterways and airports. The prosperity of the district is determined by the achievement it made in creating and developing the infrastructure facilities. Gajapati district is connected by roads and railways to different parts of the state. In terms of railway infrastructure, Gajapati has only 54.00 kms of rail length. The district has not connected with National Highway, but it has 249.30 kms of State Highway, 67.70 kms of Major District Roads. The length of rural road is 472.01 kms and length of GP road is 5103.00 kms. The district also has one District Headquarters hospital and one Sub-Divisional hospital.

## **11. Industries**

There is no large or medium enterprises registered in this district. However, this district has 1107 registered SSI units having investment of Rs.5404.57 lakhs creating employment of 7763 persons.

# **CHAPTER – III**

## **Resource Analysis**

Planning is the cutting edge of economic development. The economic development of a region is directly related with the availability of resources like agriculture, horticulture, fisheries, forestry, animal husbandry etc., it is necessary to see that the available resources are allocated to different developmental sectors in a prudent and judicious manner. For ensuring growth in different sectors, it is essential

to improve the connectivity in the form of infrastructural service facilities like health, social welfare, rural connectivity etc.. Considering the socio-economic conditions of the people and the felt needs of the people, priorities need to be attached to certain developmental sectors. Thus, resource is a potential wealth and it is to be planned suitably for its effective utilization. The main objectives of resource planning are to unite the various organizations involved in the process of development in directing their efforts in a planned manner in accordance with potentialities available for exploitation and to enable optimum utilization of these scarce resources by channeling them into sectors with growth potential.

In this chapter, a brief resume has been attempted to analyze available resources for further development of the district. The analysis of resources has been categorized into human and material resources.

## **A. Human Resources**

The availability of quality and trained human resources is considered as a very important factor as it organizes all other factors of production efficiently for an optimal output.

### **ii) Population**

As per 2011 Census, the total population of the district is 577,000 out of which 283,000 are males and 295,000 are females. The sex ratio is 1043 females per 1000 males against the state average of 978 females per 1000 males. The density of population is 133 per sq. kms. The share of ST population in the district is 54.29% against the state average of 22.13. Similarly, the share of SC population in the district is 6.78% against the state average of 16.53. The growth of population is 11.4 % in the district against the state average 13.97% from 2001 to 2011. The comparative statistics on population is also given in the table below viz;

**Table – 1**  
**Comparative Statistics on Population as per 2011 Census of Gajapati District**  
**Vrs Orissa and India**

Sl. No.	Item(s)	Gajapati	Orissa	India
1.	Total Population	577,000	4,19,74,000	1,210,193,422
2.	Decennial Growth Rate of Population	11.4	14.00	17.64
3.	% of Literacy	53.5	72.9	74.00
	a) Male	64.4	82.40	82.10
	b) Female	43.2	64.36	65.50
4.	Density of Population (per sq. kms.)	133	269	328

Source: Districts at a Glance, Odisha 2014.

## 2. Literacy

In Gajapati district as per 2011 Census, 53.5 % of population is literate. The male literacy is 64.4% and that of female is 43.2% which is much below the state average i.e. 82.40% and 64.36% respectively. This is one of the most important characteristics which are creating hindrance in the way of socio-economic development of the district. At present, there are 901 Primary Schools, 492 Upper Primary School and 157 High Schools in Gajapati district. There are 4 ITI/ITC in the district. In terms of technical education this district is very poor. For Human Resources Development some technical colleges are required by which the local youths would get trained which would make them self-sufficient for establishment of MSMEs. In spite of the literacy campaign and other governmental efforts scenario of Gajapati was not satisfactory. The problem of dropout was most acute in the district. Due to acute poverty, illiterate parents, lack of proper motivation, absence of child friendly teaching, social taboos and apathy of the tribal people towards education, the rate of drop-out had increased to an alarming proportion.

## 3. Occupational Pattern

Manpower planning is the need of the hour. Without quality manpower, work suffers and in the process adequate resource potential cannot be utilized for the purpose. Amelioration of poverty and reduction in unemployment continue to be the prime objective of development planning. In order to achieve these twin objectives, several self-employment and wage employment programmes have been launched both in rural and urban areas in the district to benefit particularly economically backward and socially

vulnerable target groups. The problem of unemployment among educated youths who generally seek employment in Government and Semi-Government Offices, PSUs, Factories, Business establishments etc. is more acute. Although it aimed to achieve near-full employment, the problem of unemployment still persists.

Manpower planning at different levels includes the need for manpower for different categories (middle level) and the availability of these categories of manpower. As per 2011 Census, the total labour force in Gajapati district is 2,93,933.

The table below gives the picture of occupational pattern of Gajapati district which highlights the share of primary, secondary and tertiary sectors in the working population.

**Table 2**  
**Occupational Pattern of Gajapati District (2001 Census)**

<b>Sl. No.</b>	<b>Category of Workers</b>	<b>Nos.</b>	<b>% to Total Workers</b>
1.	Total Workers	293933	100.00
2.	Marginal Workers	123562	42.04
3.	Main Workers	170371	57.96
4.	Cultivators	65062	22.10
5.	Agricultural Labourers	153199	52.10
6.	Workers in Household & Cottage Industries	5370	1.8
7.	Other Workers	70302	23.90

Source : Economic Survey, 2012-13, Government of Orissa.

#### **4. Employment**

The problem of educated unemployed is a serious phenomenon in recent years. It is found among educated persons in general. The district has an employment exchange. Employment exchange apart from functioning as the agency for placement, the other related activities such as registration of names of candidates and submission of names against vacancies notified to it is also carried out in the

premises of employment exchanges. It is also responsible for the Collection of statistical report / returns relating to any employment and unemployment and implements various programmes concerning Vocational Guidance and Employment Counseling, Employment Market Information etc.

However, as regards uneducated unemployed who remain in the remote areas of the district, the employment exchange does not have the scope to enter their names in the live register of employment exchange. The employment exchange gives a partial figure. However, the fact remains that there is acute under employment in the district and steps should be taken to provide part-time employment to a large number of persons during off-seasons. The live register position and the employment seekers during last three years in Gajapati district are reflected in the table below viz;

**Table 3**  
**Live Register Position of Gajapati District during Last Three Years**

Sl. No.	Category	<u>Years</u>								
		<u>2011-12</u>			<u>2012-13</u>			<u>2013-14</u>		
		M	F	T	M	F	T	M	F	T
<b>A</b>	<b>General</b>									
	1. Matric	3261	759	4020	3584	621	4205	3441	636	4077
	2. Intermediate	2679	1117	3796	3959	1923	5882	3857	1935	2795
	3. Graduate	1347	572	1919	1421	609	2030	1425	624	2049
	4. Post Graduate	-	-	-	-	-	-	-	-	-
<b>B</b>	<b>Technical</b>									
	1. Skilled Worker	207	-	-	248	-	248	214	-	214
	2. Diploma Holder	83	4	207	107	84	193	135	84	219
	3. Engineers	-	-	87	-	-	-	-	-	-
	4. Doctors	-	-	-	-	-	-	-	-	-
	<b>TOTAL</b>	7577	2452	10029	9319	3239	12558	9072	3279	12351

Source : O/o District Employment Exchange, Gajapati

Note : The year refers to Calendar Years, 'M' denotes Male, 'F' denotes Fema

**Table 4****Employment in Organized Sector in Gajapati District during Last Three Years**

Sl. No.	Category	<u>Years</u>								
		<u>2011-12</u>			<u>2012-13</u>			<u>2013-14</u>		
		M	F	T	M	F	T	M	F	T
1.	Central Government	-	-	-	-	-	-	-	-	-
2.	State Government	15	1	16	-	-	-	11	2	13
3.	Quasi Government	-	-	-	-	1	1	-	-	-
4.	Local Bodies	-	-	-	-	-	-	-	-	-
	<b>TOTAL</b>	15	1	16	-	1	1	11	2	13
5.	Private Sector	-	-	-	-	-	-	-	-	-
	<b>GRAND TOTAL</b>	15	1	16	-	1	1	11	2	13

Source : O/o District Employment Exchange, Gajapati

Note : The year refers to Calendar Years, 'M' denotes Male, 'F' denotes Female, 'T' denotes Total

As a part of the State Employment Policy 2005 an Employment Mission has been proposed the objectives of which are highlighted below viz;

**Objectives of State Employment Mission**

The main objectives of the 'Mission' are as follows :

- i) To facilitate generation of adequate employment opportunities through a policy framework.
- ii) To recommend and initiate bold steps for infrastructure development which would open up avenues for self-employment and create a conducive atmosphere for sustainable wage employment.
- iii) To act as a catalyst in opening of marketing opportunities for commodities and goods produced in the state.
- iv) To mount special drive for creation of self-employment opportunities particularly in agriculture and allied sectors and small-scale industries, handicraft and cottage industries and in the IT sector.
- v) To encourage and facilitate training of young entrepreneurs on development of small-scale and cottage industries.
- vi) To monitor generation of employment in different sectors and programmes.
- vii) To facilitate launching of training programmes for both uneducated and educated unemployed persons for upgradation of their skill.

- viii) To formulate area and trade specific strategies for maximizing employment opportunities on a sustainable basis in the state.
- ix) To facilitate proactively substantial wage employment for various development activities with special emphasis on creation of community and individual assets. Sectors like forests, watershed development, rural communication and land development among others would receive priority.
- x) To facilitate a coordinated approach in achieving the above objectives through convergence of various ongoing schemes for maximizing the benefits overtime and space and in reaching out the most needy sections of the population.

### **New and Innovative Self-Employment Programmes(SEPs)**

- iii) Development Departments would formulate more proactive and innovative self-employment programmes so as to provide self-employment and wage-employment opportunities to the youth. Such schemes shall contain training component for upgradation of skill and entrepreneurial ability.
- ii) Assistance would be provided to educated unemployed persons for their self-employment in urban and rural growth centres in the services and small business sectors.
- iii) Development of infrastructure for marketing shall be given utmost priority.
- iv) Export promotion in Handloom, Coir & Cottage Industries would be given priority.
- iv) Handicraft artisans and Handloom Weavers would be assisted with a particular emphasis on market orientation and linkage with the SME sector.
- vi) Special measures would be initiated for improving the skills of young persons in order to improve their employability.
- v) Ancillarisation of large industries and promotion of downstream industries would receive priority of attention.

Employment Exchanges in various districts would be re-organized for counseling for self-employment programmes (SEPs).



## **5. Material/Physical Resources**

### **1. Agriculture**

In the district, almost 90 percentage of population live in rural areas and 87 percentage of workforce is engaged in agriculture sector. A predominant proportion of population is tribes, constituting 50.8% of the population and another 7% belongs to Scheduled Castes, who has small landholdings. Nearly 90% of the landholdings are marginal and small farmers. Thus resulting low productivity. Agriculture forms the major economic activity of the people in the district. The soil type and climate is suitable for both horticulture and agriculture crops. The major crops in the district consist of paddy (38560 Ha), Pulses (30680 Ha), Oilseeds (17080 Ha), Sugarcane and Cotton. As on 2006-07 the total food grain production in the district was 109870 MT. The cereals production consists of 92450 MT. The total pulses produced in the district were 17420 MT. Paddy is one of the major cereal crops in the district. The total area under paddy constitutes nearly 38560Ha with a production of 69070 MT (2006-07).

Agriculture and allied sector of the district provides a source of livelihood for a large share of the population. It is likely that the economy of the district is largely agrarian in coming years also. Agriculture will remain as the major source of living for the majority of population of the district. In this respect the agriculture and allied sector has to be developed in order to meet the increasing demand for food and livelihood opportunities. One of the major challenges in this sector is ensuring the food security of the population. Food security is not confined to the availability of the food alone. But it includes the accessibility to food to all section of the society. Food availability must be supported with purchasing power of the people. Agriculture and allied sector can play a very important role in improving purchasing power of the people. Therefore it is essential that strategies for development of this sector must focus on generating higher income and greater on-farm and of-farm employment opportunities. The sector has to positively respond to the changing food habit of the population also. A major trend observed in the food habit is the increase in the consumption of meat and meat products, inclusion of vegetable and fruit in the consumption basket. The production and productivity of major crops has to be increased so as to meet the increased demand.

The tables below gives the production of different agricultural crops in Gajapati district.

**Table 5**  
**Production of major crops in the district during 2013-14**

Sl.No.	Name of Crop	Quantity (In quintals)
1	Paddy	513022
2	Wheat	-
3	Maize	135205
4	Ragi	8190
5	Mung	5405
6	Biri	5258
7	Kulthi	1074
8	Til	2091
9	Groundnut	5321
10	Mustard	34
11	Jute	-
12	Potato	-
13	Sugercane	43420

Source : O/o Deputy Director, Agriculture, Gajapati.

**The State Agricultural Policy – 2013:** This is great step in the agriculture sector in the state. It will further the renaissance of the agriculture seen in the last decade and it aims to inspire a fresh generation of farmers who will look forward to face the challenges of the new century with confidence.

The Agriculture Policy is designed to be futuristic, flexible enough to anticipate and address emerging trends, identify potential areas for development and chalk out a clear agenda for agricultural development. The main objectives of this Policy are as follows:

- To bring in a shift from the present level of subsistence agriculture to a profitable commercial agriculture;
- To promote sustainable agricultural development;
- To enhance productivity of important crops by enhancing seed replacement, availability of quality planting materials, INM, IPM, water management, farm mechanization and technology transfer;
- To encourage crop substitution particularly in uplands and medium lands;

- To focus on horticultural crops including dry-land horticulture;
- To focus on poultry, dairy and fisheries to augment the income of the farmers;
- To encourage modern farming system approach;
- To encourage organic farming;
- To enhance water use efficiency through peoples' participation;
- To facilitate increased long term investment in agricultural sectors (on farm as well as off farm) both by private sector, public sector and private & public partnership (PPP), particularly for post harvest management, marketing, agro processing and value addition, etc;
- To encourage contract as well as compact farming;
- To increase access to credit for small and marginal farmers;
- To facilitate appropriate market linkages for agricultural produce with respect to which the State has competitive advantages;
- To improve the marketing facilities and access to market information; to implement integrated watershed development programs in watershed areas for Natural Resource Management (NRM), increased crop production as well as on-farm and non-farm income;
- To create appropriate institutions / facilities to undertake regulatory, enforcement and quality assurance activities matching to the emergent needs.
- To redefine the roles and responsibilities of the agricultural extension machinery by suitably restructuring the field extension set up.

A major thrust has been given to agriculture because of the vast potential for development in the district. For the existing crops, the main attempt would be to increase productivity. The programme in agriculture aims at (i) production of high yielding paddy, pulses and oil seeds, (ii) adopting protection measures, (iii) ensuring availability of adequate credit by co-operative and nationalized banks, (iv) increasing consumption of fertilizers, (v) technology transfer through field extension agencies and (vi) ensuring supply of inputs like seeds, fertilizer pesticides and irrigation.

## **2. Land Utilization**

Land is the first and foremost factor of production in any economic activity. So, land is a vital resource. Underdeveloped land is a drag on the cultivator and need to be brought into cultivable status.

In order to ensure better yields from high land and low rainfall areas, dry land farming technology is being implemented on a priority basis. In the backdrop of recent drought dry land farming and watershed development programme have become crucial. The table below gives the land utilization pattern of Gajapati district.

**Table – 6**

**Land Utilization Pattern of Gajapati District during 2011-12 (Area in 000 hectares)**

Sl.No.	Items	Area (in 000 hectares)
1.	Forest Area	56
2.	Misc. Trees and Groves	6
3.	Permanent Pasture	11
4.	Cultivable Waste	6
5.	Land put to Non-Agriculture Use	12
6.	Barren and Uncultivable Land	134
7.	Current Fallow	17
8.	Other Fallow	10
9.	Net Area Sown	51

Source : O/o Dy. Director, Agriculture, Gajapati.

**6. Cropping Pattern**

The major crops in the district consist of paddy, Pulses, Oilseeds, Spices and Cotton. The crop-wise gross cropped area in the district is given below in the table:

**.Table – 7**

**Crop-Wise Gross Cropped Area in Gajapati District during 2012-13  
(Area in '000 hectares)**

Sl.No.	Name of Crop(s)	Gross Cropped Area
1.	Rice	33.36
2.	Other Cereals	28.19
3.	Total Cereals	61.55
4.	Total Pulses	32.19
5.	Total Food grains	93.74
6.	Oil Seeds	12.09
7.	Vegetables	20.02
8.	Spices	3.36
9.	Fibers	1.06
10.	Sugarcane	0.05
11.	Tobacco	0.00
12.	Fruits	17.26
13.	<b>TOTAL</b>	<b>147.58</b>

Source : O/o Dy. Director, Agriculture, Gajapati.

Farm Mechanization contemplates use of available modern machinery and equipment for various agricultural operations and mechanization of selected farm operations is a key factor in successful implementation of an intensive farming system. Mechanizing the drudgery of agricultural operation especially during peak labour load period would enable timely completion of various operations which would result in remarkable increase in labour productivity and farm output. The impact of mechanization would facilitate adoption of multiple cropping, use of yield increasing technology and more profitable crop rotation.

## 7. Irrigation

The table below gives the source-wise irrigation potential created in Gajapati district during 2011-12.

**Table – 8**  
**Source-Wise Irrigation Potential Created in Gajapati District during 2011-12**

Sl.No.	Source of Irrigation	Area (in 000 Hectares)
1.	Major Medium	0.00
2.	Minor Flow	24.95
3.	Minor Lift	10.07
4.	TOTAL	35.02

Source : O/o Dy. Director, Agriculture, Gajapati.

## 8. Land Holdings

Agricultural productivity very much depends on the size of land holdings. Fragmented and very small size of land holdings reduces productivity due to problems in using modern methods of farming. The land holding pattern of Gajapati district is as reflected in the table :

**Table – 9**  
**Land Holding Pattern of Gajapati District (as per Agriculture Census 2005-06)**

Sl.No.	Item(s)	No.	Area(Hect)	Percentage of Area
1.	Marginal (<1.0 ha)	42956	22942	37.66
2.	Small (1-2 ha)	15279	21180	34.77
3.	Semi-medium (2-4 ha)	4717	12407	20.37
4.	Medium (4-10 ha)	730	3871	6.35
5.	Large (>10 ha)	42	519	0.85
6.	All Sizes	63724	60919	100.00
	Average size of holdings		0.96	

Source : O/o Dy. Director, Agriculture, Gajapati.

## **7. Horticulture**

- Increased land coverage under horticulture crops from current 7582 ha to 15,000 ha by 2020, by bringing in barren and uncultivable land under plant coverage(cashew, mango, citrus ets) through micro irrigation practices
- Increased area under cultivation of Turmeric, ginger, and improve the productivity of crops by supplying quality seed and planting materials developed in Agriculture research stations and replacing the low productive seeds used by farmers
- Increase area under Tuber crops like Sweet potato, Tapioca, yarn etc and ensuring food security of the people in the district
- Attaining self sufficiency in production of quality planting materials of various Horticulture crops such as vegetables, fruit and Tuber crops etc by encouraging Private entrepreneurship for setting up of Nurseries through the programmes of National Horticulture Mission
- Increase area under Floriculture by encouraging cultivation of Marigold, Gladioli, Jasmine, Rose, Tube rose etc especially in Tribal sub-plan area
- Improved management of waste land and degraded and rain fed farming lands through watershed programmes, and improving livelihoods of marginalized/ small farmers and landless families by covering 20,000 ha by 2020

- Increase and sustainable use of waste lands and horticulture land for increased plantation of cashew, fruit bearing plants and underneath shade crops
- Agriculture extension services to farmers growing cashew and other fruit bearing plants
- Establishment of Cashew Research Station in Gajapati District to promote research and innovations in cashew value chain
- Diversification of crops by bringing more area under vegetables. Increase in cultivable area from existing 18,170 ha to at least 25% and doubling the current level of production of 207,760 MT to 400,000 MT by 2020
- Incentives for farmers in growing vegetables and link them with retail stores in urban and semi-urban centres
- Promoting Farmer Markets in rural and urban centres for removing middle men in the vegetable trade and facilitate farmers to access direct marketing facility
- Build cold storage facilities in all major market centres especially in all blocks, for storage of vegetables for export

**Table – 10**  
**Area and Production of vegetable products in the district:**

Name of the crop	2012-13		
	Area in '000ha.	Yield in Kg./ha	Production in 000'MT
Kharif vegetable	8.72	10447	91.10
Rabi vegetable	11.30	14057	158.84
Total	20.02	12485	249.94

Source : O/o Dy. Director, Horticulture, Gajapati.

**Table – 11**  
**Area and Production of different floricultural crops in the district:**

Name of the crop	2012-13	
	Area in ha.	Production in Qtls.
Marigold	67	6534
Rose	54	110
Gladioli	52	51
Tube Rose	55	1436

Source : O/o Dy. Director, Horticulture, Gajapati.

**Table – 12**  
**Area and Production of Condiments & Spices products in the district:**

Name of the crop	2012-13		
	Area in '000ha.	Yield in Kg./ha	Production in 000'MT
Kharif vegetable	1.91	3979	7.60
Rabi vegetable	1.45	1007	1.46
Total	3.36	2696	9.06

Source : O/o Dy. Director, Horticulture, Gajapati.

### **SWOT Analysis for Horticulture Sector**

#### **1. Strength :**

- i) Suitable agro-climate for growing different kinds of fruits, vegetables, spices and flowers.
- ii) Abundant high and medium land can be diverted for horticulture crops.
- iii) Good co-ordination and co-operation with State Agriculture University (Krishi Vikash Kendra and Regional Research & technology Transfer Station)
- iv) Cheap and abundant availability of manpower

#### **2. Weakness**

- i) Poor marketing linkage and market infrastructure
- ii) Poor socio-economic condition of the farmers
- iii) Inadequate staff strength

#### **3. Opportunities**

- i) High demand for fruits, vegetables and flowers in the state
- ii) Tremendous scope for establishment of processing units
- iii) Availability of abundant suitable land for growing horticulture crops
- iv) Scope to generate marketable surplus for export to other districts

#### **4. Threats**

- i) Uncertainties in weather condition – drought
- ii) Uncertainty about market stability
- iii) Exploitation by middleman in market chain.



## **8. Forests**

- Increase the forest cover on forest land through planting of additional trees and promoting vegetation and undergrowth
- Planting of more trees outside forest land in rural and urban areas especially on community parks, along roads, canals, etc
- Updating land records and demarcation of forest area in the district
- Reducing shifting cultivation through provision of alternate employment opportunities to the tribes
- Initiate forest protection measures with wider community participation
- Promotion of collection and marketing of NTFPs for sustainable use of forest resources
- Increasing value addition of Forest Produce (including NTFPs and medicinal plants) and increasing the turnover from the forest sector overall and the share of income accruing to primary collectors
- Promotion of Vana Samrakshana Samitis(VSS) with active involvement of local community especially tribes
- Promotion of collective marketing of Non Timber Forest Based Products( NTFPs) and Minor Forest Produces( MFPs)
- Facilitate communities to develop and management of Common Property Resources like, Irrigation tanks, Ponds, streams, forest etc
- Sensitise tribal community to adopt soil and water conservation measures
- Empower the local community on sustainable management of forest resources through participatory forest management
- Strengthening Self-Help Groups, VSS and Community based Organisations s and make village level PFM institutions vibrant, articulate and better able to serve interests of the poor as well as negotiate with Panchayats, line departments and the market

## **9. Fisheries**

- Create and promote investment in infrastructure to support the development of fisheries and diversification of fish varieties, thus enhance production from the current level of 1400 MT per year to a tune of 5000 MT per year by 2020
- Disiltation and deweeding of tanks, biological and manual control methods to address infiltration of tanks and making them suitable for promoting inland fishing
- Renovation of all GP Tanks and construction of 300 additional Farm ponds for use of Pisciculture activities in the district

- Lease of 90% major tanks and water bodies for longer terms for commercial fishing for 5 to 10 years
- Construction of captive nursery tank both in government and private sector for production and supply of fingerlings/yearlings to fish farmers and establish fish-seed hatcheries in the district
- Revival of all existing fish farmers development societies and establish linkages with banks and other micro financial institutions for accessing credit on par with agriculture
- Establishing extension services and disease diagnostic centres in major production centers
- Public awareness and education in promoting better breeds
- Establish hygienic market facilities including cold storages and promote retail sales of fish products
- Modern processing methods, like filleting, boneless meat, dry fish in pockets and develop linkages with retailed markets
- Promote the welfare of the district's fish farmers through investments in housing, education, health and social security
- Capacity building of Fish farmers through training on Scientific Pisciculture practices

The annual fish production is 3447.58MT. This sector has provided the much needed nutritional security to the people of the district.

**Table – 13**

**Quantity and Value of Fish produced in Gajapati District (Qty. in MT, Value in Rs.lakhs)**

Items	2012-13	
	Qty.	Value
Fresh Water	3447.58	3818.29
Brackish Water	-	-
Inland Water	3447.58	3818.29
Marine Water	-	-
<b>Total</b>	<b>3447.58</b>	<b>3818.29</b>

Source : O/o Directorate of Fisheries, Cuttack

## 10. Animal Husbandry

Gajapati is richly endowed with livestock resources but in comparison their productivity is one of the lowest in the state. Diary is an important source of income for small/marginal farmers and agricultural labourers. Cattle and Buffalo are the main assets of agriculture and their contribution on the agricultural economy is very substantial. Animal Husbandry is indispensable in Gajapati for economic and strategic growth in order to maintain health status and to overcome the anticipated energy crisis and to maintain fertility of soil.

**Table – 14**  
**Livestock Population in Gajapati District As Per 2003 Census**

Sl.No.	Category of Livestock Population	Number
1.	<u>Cattle (i+ii)</u>	78658
	(i) Cross Breed	23040
	(ii) Indegenous	55618
2.	Buffalo	14635
3.	Sheep	12387
4.	Goat	134822
5.	Pig	30016
6.	Poultry	329161

Source : O/o CDVO, Gajapati.

**Table – 15**  
**Number of Veterinary Institutions and Personnel in Gajapati District (2012-13)**

Sl.No.	Name of Veterinary Institutions/Personnel	Number
1.	Veterinary Hospitals & Dispensaries	11
2.	Livestock Aid Centres(LACs)	54

Source : O/o CDVO, Gajapati.

- Improving the productivity of livestock resources by provisioning better feed practices, by extending animal care services, and breeding facility
- Provision of AI service and upgrading at least 15000 indigenous cows/ buffaloes per year and increase the cross breed buffalo and cows from the existing level of 3.2% and 4.2 % respectively to 40% each by 2020.

- Provision of veterinary extension services at the door steps of farmers. Promote health camps and fodder supply camps and establish stock points for fodder for lean periods/ drought periods
- Supply of 500 dairy cows/ buffaloes per year to the farmers through various dairy development schemes
- Establishment of fodder seed farm in all blocks
- Triple the milk production from existing 12,010 MT to 40,000 MT.
- Establishment of cold storage facility at Guma, Rayagada, Nuagada and R. Udayagiri blocks
- Strengthening the existing network of milk collection networks connecting rural areas to milk chilling centres for direct access of market to rural producers and better price to milk products
- Doubling the of meat, egg production from 6.3 lakh MT of meat to 12.6 lakh MT, 103.26 lakh eggs to 206.5 lakh egg production per annum
- Promote and encourage farmers to increase poultry farms and increase the number of poultry birds from existing 3.6 lakh to 10 lakh broilers by end of 2020 at the growth rate of 15% per annum
- As there is crisis in the poultry industry despite demand for meat and eggs, due to increased cost of inputs and recent outbreak of bird flu, the government to provide support either in provisioning of subsidies or incentives for exporting. Promote farmers to grow maize, jowar and other millets in degraded land and link them to poultry as feed, thus decrease burden on imports of feed.
- Increase infrastructural facilities like cold storages, cleaning, grading and packing of eggs for both internal and external markets
- Encourage farmers to undertake sheep/ goat/ pig farming on commercial basis and double the meat production from the current level of 631720 MT per year
- Establish cold storage facility in all major production centers for providing storage facility for meat and meat products

### **SWOT Analysis**

- (i) **Strength** : Boosting of animal husbandry production.

Boosting up the economy of the rural poor and SC/ST farmers in the district.

To save the livestock during drought and enhance the production.

- (ii) **Weakness** : scarcity of FMD Vaccine to save the livestock

non-availability of adequate medicines at required time

- (iii) **Opportunities** : self-consumption of animal husbandry products  
self-employment of the poor.
- (iv) **Threats** : low economical status of poor farmers  
for self-construction of projects  
lack of technical skills among farmers

There is at present large gap between requirement and availability of milch animals in Gajapati district. In this context, to increase the availability of essential articles like milk and milk products for human consumption and improving the nutritional status of the people, the need for enhancing the milk production at a faster rate needs more emphasis. The BPL farmers including SC/ST can derive sufficient economic benefits if they are suitably assisted in the project for cross breed dairy animals from calf to cow stage by granting subsidy from Government.

## 11. **Tourism:**

The tourist centres identified by tourism department in the Gajapati district are Gandahati, Harabhangi, Mahendragiri, Paralakhemundi, Jeerango (Chandragiri) & Khasada waterfall.

**Table: 16: Year wise tourist visited to the district.**

Year	Domestic	Foreign	Total
2009	207421	7	207428
2010	231004	1	231005
2011	241333	-	241333
2012	251388	-	251388

- Tourism industry is generating large scale employment. The labour to capital ratio in the tourism services is one of the highest, i.e., each million rupee investment creates jobs for all 48 people compared to 45 in agriculture and 13 in manufacturing industry.

- There is greater potential of tourism in the district with destinations like Adarsh Krushi Farm near Paralakamundi, Brundaban Palace on the banks of Mahendrathanaya in Paralakamundi, Serango, the Kashmir of Gajapati, a resort located near Gumma, Gandahati waterfalls, Mahendragiri hills, Taptapani Hotsprings, Chandragiri a tibetian resettlement and famous for garments and dogs of various breeds, Jeerango and Harabangi.
- Tourism will spur opportunities in other business avenues as well, like transportation, hospitality services, retail and mobile markets etc. It also helps in generating employment in small scale services like care hire, tourist guide services, hotels and eateries.
- Tourism will also boost sale of art forms and handicrafts like horn and bone crafts, jaikadi bags, etc and thus promote artisans
- For promoting tourism in the district, there is need to provide conveniences, information and security to tourists and develop ancillary services. There is scope for developing local tribal youth as tourist guides and establishes eco-friendly tourism and adventure sports like trekking etc.

## **12. Transport:**

**Table: 17: Number of motor vehicles registered (cumulative) in the district in 2012.**

Type	Number
Two Wheeler Scooter, Motorcycle & Moped	9266
Three Wheeler (Auto Rickshaw)	72
Jeep & Station Wagons	211
Private Car	274
Taxi	119

Contract carriage (Non-Govt. Bus0	5
State Carriage	64
Trucks & Lorries	268
Tractor & Trailers	1359
Miscellaneous Vehicls	196
TOTAL	11834

## CHAPTER – IV

### Infrastructure for Industrial Development

Attainment of a strong industrial growth is an essential pre-requisite for sustained economic development. A large share to the industrial growth could be contributed from natural endowments, manpower, favourable geographical and agro-climatic features available. However, availability of basic infrastructure like industrial accommodation, power, communication and social infrastructure etc. are pre-requisite for industrial development. In the absence of such facilities industrialization suffers heavily. Human development primarily consists of the removal of those conditions of social deprivation and discrimination that restrict capabilities of and deny opportunities for participating in nominal economic and social activities. It is needless to emphasize that infrastructure plays an important role in ensuring better human development index. The other infrastructural facilities include economic and social infrastructure like public utilities such as power, telecommunications, piped water supply, sanitation and sewerage, solid waste collection and disposal, piped gas, public works, roads & major dams and canal works for irrigation and drainage, other transport sectors i.e. urban and inter-urban railways, urban transport, ports and waterways and airports. So, in the context of Gajapati there is requirement of these basic infrastructures.

#### (A) Physical Infrastructure

##### 1. Land

Land is a primary factor for setting up of industrial units. The availability of land can be assessed from the land utilization pattern in the district. The yield from high land and medium land are very low due to non-adoption of suitable technology, cropping pattern and continuation with traditional method of

cultivation. The land can be utilized for industrial purposes and managed with application of modern scientific technology i.e. 'dry land technology'. Gajapati district has stretches of wastelands such as degraded lands, waterlogged soils, soil erosion, desertification etc. which have created decrease in per capita cultivable land. This has further aggravated the ecological imbalance. There is enough vacant land available which can be used for industrial purposes.

## 2. Water

There are three major rivers namely Vasandhara, Mahendranayana and Badanadi, flowing through the district. Water from these three major rivers form the sources of irrigation. The river Vansadhara originates from Lanjigarh area of Kalahandi district and passes through Kashinagar block and flows southwards along the borderline of Gajapati district. The river Mahendratanya is originating from the Mahendragiri range and flows in the westward direction through Rayagada block and then to southward direction through Gosani block. The river Badanadi flows through western part of Mohona block.

## 9. Railways

The district has the total railway route length of 54 kms and there are 8 railway stations in the district.

## 10. Roads

The details of other major roads are given below in the table:

**Table – 18**  
**Categories of Roads in Gajapati District**

Sl.No.	Name of Road	Distance (in Kms)
1.	National Highway	0.00
2.	State Highway	249.30
3.	Major District Roads	67.70
4.	Other District Roads	57.39
5.	Village Roads	472.01
6.	Gram Panchayat Roads	5103.00
7.	Forest Roads	104.60

Source : O/o Executive Engineer, R&B, Gajapati.



The district has a total road length of 5895 kilometers. This consists of state high way (250 km), district roads (105 km), forest roads (107 km), village and Grama Panchayat roads (5033 km). Paralakhemundi town is situated on the axis of State Highway No.17 connecting Berhampur at one end and Gunupur and Rayagada on the other. Berhampur is situated at 120 KM from this place and other urban nuclei like Gunupur and Rayagada are distanced at 60 & 120 KMs respectively. respectively. The nearest National Highway (N.H-5) junction is at around 40 KMs. from this place. There is a narrow gauge railway line (called Naupada-Gunupur Rail line) running through this town. The work of conversion to broad gauge is going on. The state highway is of 151 km. long with 66 km. long major district road, 4253 km. of grama Panchayats road and 440 km of village road till 1998-99. The district is having one head post office, 18 numbers of sub-post offices, and 130 branch offices with a total numbers of 146 post offices. It is having 50 km. of narrow gauge single lined railway line with seven railway stations.

#### 11. **Road Transport**

Road transport is one of the vital infrastructures for industrial development. The all weather road system of adequate capacity as a part of total transport infrastructure is the first pre-condition of accelerated economic growth and social development. An ambitious programme of industrial development can only be carried with the help of better road transport system. The number of motor vehicles registered in Gajapati district is as reflected below:

**Table – 19**  
**Number of registered vehicles in the District**

<b>Type</b>	<b>Number</b>
Two Wheeler Scooter, Motorcycle & Moped	9266
Three Wheeler (Auto Rickshaw)	72
Jeep & Station Wagons	211
Private Car	274
Taxi	119
Contract carriage (Non-Govt. Bus)	5

State Carriage	64
Trucks & Lorries	268
Tractor & Trailers	1359
Miscellaneous Vehicles	196
TOTAL	11834

### **Social Infrastructure**

#### **12. Education**

The existing educational institutions in Gajapati district are as follows:

**Table – 20**  
**Existing Educational Institution in Gajapati District During 2013-14**

<b>Sl.No.</b>	<b>Type of Educational Institution</b>	<b>Number of Institutions</b>
1.	<u>Primary School</u> a) Number b) Enrolment (no.) c) No. of Teachers d) Teachers-Pupil Ratio	901 78602 1935 40.62
2.	<u>Upper Primary School</u> a) Number b) Enrolment (no.) c) No. of Teachers d) Teachers-Pupil Ratio	492 29300 1849 15.84
3.	<u>Secondary School</u> a) Number b) Enrolment (no.) c) No. of Teachers d) Teachers-Pupil Ratio	157 15025 558 26.93
4.	General College-Junior i) Government ii) Private	16 2 14
5.	General College-Degree 13. Government 14. Private	8 1 7

**Table – 21: Existing Technical Institution in Gajapati District During 2012-13**

Sl.No.	Type of Institution	Name & Address	Annual Intake of Student/Units
1	Degree College	JAGANNATH INSTT FOR TECH. & MANAGE GUSANI BLOCK PARLAKHEMUNDI – 761 211, GAJAPATI ORISSA.	420 Students
2	Diploma School (Government)	Govt. Polytechnic, Gajapati	240 Students
3	Diploma School (Private)	Nil	
4	ITI (Government)	Nil	
5	ITI (Private)	1.Aid ITC, At/PO- Ranadevi, Block Paralakhemundi, Di Centurian ITC, At- Allurinagar,  2.Centurian ITC, At-Allurinagar, POParlakhemundi, Dist-Gajapati-761201,  3.Dr. Ambedkar ITC, At.- Chandragiri, Dist.- Gajapati,  4.Gajapati ITC, B.Sitapur, Dist. Gajapati.- 761201.	2 units  22 units  4 units  10 units

## 2. Entrepreneurship

MSME Development Institute, Ministry of MSME, Government of India, Cuttack is imparting training on 'entrepreneurship' and 'skill development' to the educated unemployed youths in different locations of the state and so also in Gajapati district to bring them to the mainstream in order to develop their entrepreneurial skills and abilities and in turn promoting self-employment. The Government sponsored programmes/schemes like Prime Minister's Employment Generation Programme (PMEGP), Credit Gurantee Trust for Micro & Small Enterprises (CGTMSE), Credit Linked Capital Subsidy Scheme (CLCSS), Marketing Development Assistance (MDA) Scheme, Cluster Development Programme (CDP) Scheme, ISO-Reimbursement, Bar Coding, VSBK etc., are being implemented by this Institute in the state as per the directions and guidelines of O/o Development Commissioner(MSME), New Delhi for the benefit of the target groups/actual beneficiaries. The beneficiaries are identified and given training on ESDPs, EDPs, BSDPs, etc. and recommendation of viable projects of the trainees/beneficiaries to

various banks and arrangement of bank finance are being done by MSME Development Institute, Cuttack.

### 3. Lending/Financial Institutions

The table below gives the credit-deposit ratio of various banks.

**Table – 22: District Wise Bank branch position as on March, 2014**

SI No.	Name Of Bank	Number of Branch
1	Allahabad Bank	0
2	Andhra Bank	2
3	Bank of Baroda	1
4	Bank of India	1
5	Bank of Maharashtra	0
6	Canara Bank	2
7	Central Bank of India	1
8	Corporation Bank	3
9	Dena Bank	0
10	IDBI BANK	0
11	Indian Bank	4
12	Indian Overseas Bank	1
13	Oriental Bank of Commerce	1
14	Punjab & Sind Bank	0
15	Punjab National Bank	3
16	State Bank of B & J	0
17	State Bank of Hyderabad	0
18	State Bank of India	10
19	State Bank of Mysore	0
20	State Bank of Travancore	0
21	Syndicate Bank	2
22	UCO Bank	1
23	Union Bank	1
24	United Bank of India	4
25	Vijaya Bank	0
<b>Total public Sector Banks</b>		<b>37</b>
26	Axis Bank Ltd	1
27	Federal Bank	0
28	HDFC Bank	1
29	ICICI Bank	2
30	Indus Ind Bank	0
31	ING Vysya Bank	0
32	Karnatak Bank Ltd.	0
33	Karur Vysya Bank	0
34	Kotak Mahindra Bank Ltd	0
35	Laxmi Vilas Bank	0
36	The South Indian Bank Ltd.	0
<b>Total private Sector Banks</b>		<b>4</b>
37	Odisha Gramya Bank	0
38	Utkal Grameen Bank	10
<b>Total Of RRBs</b>		<b>10</b>
<b>Total Commercial Banks</b>		<b>51</b>

39	Orissa State Co-Op. Bank	5
40	OSCARD Bank	0
<b>Total of Co-operative Banks</b>		<b>5</b>
<b>GrandTotal</b>		<b>56</b>

**Table – 23**

**Credit-Deposit Ratio(in %) of Banks/Financial Institutions Operating in Gajapati District During 2012-13 and 2013-14**

<b>Year</b>	<b>Deposit (in crore)</b>	<b>Advance (in crore)</b>	<b>CD Ratio</b>
<b>2012-13</b>	748.21	299.66	40.05
<b>2013-14</b>	1265.56	302.24	23.88

Source: SLBC, Odisha

**15. Incentives**

Incentives play an important role in boosting the industrial activity in an area. It speeds up the process of industrialization. The Government is providing various incentives on location basis to create positive motivation and encourage the entrepreneurs to set up the industrial units as it plays an important role in boosting industrial activities in an area. In order to cater to the above requirements in this state, 1) the Industrial Policy Resolution 2007; 2) MSME Development Policy 2009 and 3) Odisha Food Processing Policy 2013 of MSME Department, Government of Orissa have been implemented with the mission to create a business climate conducive to accelerate investment in industry and infrastructure projects, raise income, employment and economic growth in the state and reduce regional disparities in economic development. The details of the schemes may be seen at the **Annexure A, B & C**.

## **CHAPTER V**

### **PRESENT INDUSTRIAL STRUCTURE**

#### **General Industrial Climate**

Except a few agro-processing industries, there is no industry and industrial estate in this district. However some activities of cottage industries like Horn work, Jaikhadi bag, Cane and Bamboo, Ganjappa Card and Pattachitra Mukha, Tibetan and Woolen Carpet, Broom work and Siali leaf plate making find some place in the industrial sector of the district. The current employment in industrial sector is also very low, small scale and household industry constitutes 2.31%, construction 0.5%, and rural artisans at 0.77% of the population. In order to achieve gainful employment to all, we have to assess the potential for various sector including agriculture, small scale industries, and IT Tourism and services, for providing employment. One of the major challenges before the district during the coming years is to expand the employment opportunities for the growing unemployed and raising their living standard. With respect to this growth engine , the vision for the district in 2020 is Dynamic and vibrant network of small and medium enterprises and vocational trades flourished in the district generating diversified and sustainable employment opportunities for all eligible people of the district. The current industrial base of the district is very weak. In order to realize the vision of employment to all, it is important to develop the industrial scenario of the district. One of the constraints facing the district is the lack of entrepreneurial motivation among the people. There is high potential to develop employment opportunities in the growth centers like construction works, developing rural infrastructure, small scale industries and mining sectors etc. The development goals with respect to each of these sectors are provided in the following sections.

#### **Micro Small and Medium Enterprises**

- Considering the agriculture base of the district, there is potential for setting up of micro and small enterprises in areas of food processing, fruit processing etc. Fruit processing also offers opportunities for packaging, distribution and marketing can generate off-farm job.
- Another potential is in animal husbandry related enterprises. The livestock economy of the district reveals that a large number of populations keep cattle, goat, sheep. Goat and sheep constitute another source of employment to the people.
- Modern agro and forest based industries need to be encouraged in the district
- Promotion of various MSMEs like cashew processing, dal processing, cane/bamboo or wooden furniture, terracotta, Dhokaria casting, Saora art painting, apiary, embroidery, paper machie palm leaf craft, patta chitta , soft toys etc.
- Single window approach for facilitating registration, provision of BDS services, bank linkages etc for newly starting MSMEs
- Promotion of NTFP based enterprises. Major share of the district is covered by forest. In general the tribal livelihood is closely associated with forest and forest produces. The district has the potential for collection and marketing of Non Timber Forest Produces ( NTFPs) and Minor Forest Produces( MFPs)
- Promotion of Gajapati cashew cluster by setting up of common facilities center for quality control, grading packaging etc. Cashew processing is one of the important agro processing activities in the district. The development of this sector will provide employment and income to the people of the district
- Revival of Bagusala Pottery cluster through provision of financial assistance, setting up of common facility centers for design, training, packaging and marketing of Teracota products.

The present state of industrial progress in the district is as follows:

#### 16. **Large & Medium Scale Industries**

There is no large or medium enterprises registered in this district.

#### 17. **Micro & Small Scale Industries**

Total 1107 nos. of MSME of following categories with investment of Rs.5404.57 lacs and employment of 7763 persons have been established in this district as on 31.3.2014.

**Table: 24: Number of enterprises set up in the district till 31.3.2014**

Sl. No.	Category	No. of units established
1	Food, Agro & Allied	468 nos.
2	Chemical & Allied	12 nos.
3	Electrical & Electronics	25 nos.
4	Engineering & Metal based	75 nos.
5	Forest & Wood based	31 nos.
6	Glass & Ceramics	19 nos.
7	Leather based	05 nos.
8	Rubber & Plastic	14 nos.
9	Paper & Paper products	09 nos.
10	Textile based	42 nos.
11	Repairing & Servicing	350 nos.
12	Miscellaneous	51 nos.
13	Mineral based	6 nos.
	<b>TOTAL</b>	<b>1107 nos.</b>

Source : O/o GM, DIC, Gajapati.

**Table: 25: Block wise number of enterprises set up in the district till 31.3.2014**

Name of the Block	Number of Unit	Investment in P & M	Person employed
GUMA (T)	102	275.62	567
KASINAGAR(T)	115	868.96	817
MOHANA	172	301.67	443
NUAGADA(T)	32	33.04	64
PARALAKHEMUNDI(T)	218	1677.99	2311
R.UDAYAGIRI(T)	117	173.2	373
RAYAGADA	88	140.12	255
GAJAPATI(M)	310	878.68	478
KASINAGARA(NAC)	46	158.86	252



### iii) **Handloom, Rural, Cottage & Village Industries**

Gajapati is well known for its heritage of handicrafts. Providing good support to enhance the potential of handicrafts will bring good value for district economy.

- Horn works, pottery, cane works, bamboo articles are given thrust through skill building of artisans and extending credit support, market linkage and

### iv) **Prominent Clusters in the District:**

1. **Cashew Processing Cluster, Gajapati:** Over 120 cashew processing units are under operation in Ganjam and Gajapati districts of Odisha. Palasa, which is a major cashew production centre, has an annual turnover of over Rs.100 crore. Units based at Palasa process eight to nine lakh bags of raw material (each having 80 kg) per month. Ganjam-Gajapati Cashew and Kewda Cluster is located in the southern part of Orissa having 120 distillery units processing KEWDA and 120 units processing CASHEW with a total turnover of Rs 240 Crs. The selection of these two products was based on factors such as their production / processing, commercial demand, shelf life, potential for building enterprises and need for business development services.

### viii) **Micro and Small Enterprises - Cluster Development Programme (MSE-CDP):**

The Ministry of Micro, Small and Medium Enterprises (MSME), Government of India (GoI) has adopted the cluster development approach as a key strategy for enhancing the productivity and competitiveness as well as capacity building of Micro and

Small Enterprises (MSEs) and their collectives in the country. The Micro and Small Enterprises - Cluster Development Programme (MSE-CDP) is being implemented by Development Commissioner (MSME) all over the country through its branch offices viz. MSME-Development Institute.

### **Objectives of the Scheme**

- i. To support the sustainability and growth of MSEs by addressing common issues such as improvement of technology, skills and quality, market access, access to capital, etc.
- ii. To build capacity of MSEs for common supportive action through formation of self help groups, consortia, upgradation of associations, etc.
- iii. To create/upgrade infrastructural facilities in the new/existing industrial areas/ clusters of MSEs.
- iv. To set up common facility centres (for testing, training centre, raw material depot, effluent treatment, complementing production processes, etc).

### **The guidelines of the Scheme:**

- (i) **Diagnostic Study Reports:** To map the business processes in the cluster and propose remedial measures, with a validated action plan. Maximum cost Rs. 2.50 lakhs with Gol contribution 100%.
- (ii) **Soft Interventions:** Technical assistance, capacity building, exposure visits, market development, trust building, etc for the cluster units. Maximum cost of project Rs. 25.00 lakh, with Gol contribution of 75% (90% for Special Category States and for clusters with more than 50% women/micro/village/SC/ST units).
- (iii) **Detailed Project Report:** To prepare a technical feasible and financially viable project report for setting up of a common facility center for cluster of MSE units and/or infrastructure development project for new industrial estate/ area or for upgradation of infrastructure in existing industrial estate/ area/ cluster. Maximum cost Rs. 5.00 lakhs with Gol contribution 100%.

(iv) **Hard Intervention/Common Facility Centers (CFCs):** Creation of tangible “assets” like Testing Facility, Design Centre, Production Centre, Effluent Treatment Plant, Training Centre, R&D Centre, Raw Material Bank/Sales Depot, Product Display Centre, Information Centre, any other need based facility. Maximum eligible project cost of Rs. 15.00 crore with GoI contribution of 70% (90% for Special Category States and for clusters with more than 50% women/micro/village/SC/ST units).

(v) **Infrastructure Development:** Development of land, provision of water supply, drainage, Power distribution, non- conventional sources of Energy for common captive use, construction of roads, common facilities such as First Aid Centre, Canteen, other need based infrastructural facilities in new industrial (multi- product) areas/estates or existing industrial areas/estates/clusters. Maximum eligible project cost Rs.10.00 crore, with GoI contribution of 60% (80% for Special Category States and for clusters with more than 50% women/micro/SC/ST units).

## **CHAPTER – VI**

### **Prospects of Industrial Development**

Keeping in view the above factors, the potential industries in MSME sector have been identified under the following heads viz;

#### **Prospective of enterprises in Gajapati district:**

#### **A- Industries/Service/Business to be encouraged keeping in view of Large & Medium Industries of the District.**

##### **(i) Service Enterprises**

The following service enterprises are existing in the district viz;

1. Laundry & Dry Cleaning
2. STD/ISD Telephone Booth
3. Motels
4. DTP Centre
5. Dhabas
6. Cycle Repairing
7. Photo Binding
8. Beauty Parlour
9. Watch Repairing

**(ii) Potentials areas for service industry**

1. General Engineering Workshop
2. Repairing of Three Wheelers and Two Wheelers
3. General Fabrication
4. TV Repairing Centres
5. Cyber Café
6. Repairing of Electrical & Electronics Appliances

**(iii) Potential for new MSMEs**

1. Sauce, Jam, Squash & Noodles
2. Cattle Feed
3. Granite Polishing
4. Cashewnut Processing
5. Dal Processing
6. Screen Printing
7. General Fabrication
8. Voltage Stabilizer
9. Leaf, Cups & Plates(Mechanized)
10. Bamboo Products
11. Rubberized Coir Mattresses
12. Rice Sheller
13. Horn works.

**CHAPTER – VII**

**PLAN OF ACTION FOR PROMOTING MSMEs FOR  
INDUSTRIAL DEVELOPMENT**

The district of Gajapati is yet to achieve the desired level of growth including in industry sector despite having huge potential for development of this sector. The most important problem in our society is the problem of unemployment and stagnation in growth. Promotion and development of MSMEs is a better solution of problem of ever rising unemployment and giving a push to economic growth. So the following action plan is suggested for the promotion and development of MSMEs in this district.

i) **Intensive Industrial Motivational Campaigns**

Intensive Industrial Motivational Campaigns need to be organized at the Block levels to motivate the educated unemployed youths of the area to take up MSME activities based on resources available, skill and demand factor etc. to make them self employed besides creating employment opportunities for others. The facilities and opportunities available should also be told to the educated unemployed to utilize these for their ventures.

ii) **Entrepreneurial-cum-Skill Development Programmes**

As it has been observed that the youths of different areas are taking mind set and management skills of entrepreneurship so there is need of organizing intensive ESDPs in different parts of the district. The persons before taking of any enterprise should be aware of the basics of the art of entrepreneurship and also the risk taking ability through systematic training. The promotional agencies of the district as well as the state level and financial institutions should speed up their efforts in organizing the ESDPs as well as making follow up to get the desired results in this direction.

iii) **Seminars/Workshops**

Different seminars/workshops highlighting the need of MSME sector should be organized at the various schools and colleges to inculcate the attitude of entrepreneurship in the minds of the students and youths of the district and to motivate them to take to self employment ventures particularly in MSMEs as means of livelihood to face the challenge of unemployment.

iii) **Development of Infrastructure**

More and more industrial estates should be constructed in the district to facilitate the entrepreneurs to get the land and sheds easily. The industrial estates should be equipped with all requisite infrastructural facilities for smooth

running of the MSMEs. Further steps should be taken to select suitable areas for development of industries in the district. Besides the road, electricity, telecommunication etc. needs to be strengthened for smooth functioning of the unit.

**iv) Study Tours**

The existing as well as prospective entrepreneurs of the district should be taken to various industrial units/clusters in the state and outside for study tour to have on the spot exposure on information about the running enterprises. The local DIC as well as promotional agencies, banks should take initiatives in this regard.

**v) Industrial Exhibitions**

In the District Hqrs and other urban centres of the district Industrial Exhibitions, exhibiting the products manufactured should be conducted at regular intervals for the information of the people who are the ultimate buyers besides development taking place in industrial fields like technology, quality etc. should be displayed.

**vi) Setting up of Large Industries**

In the present liberalized and globalized era steps need to be taken to invite the entrepreneurs from out side to set up the large scale industry inside the district. This in turn will give a boost to the morale of the local entrepreneurs to set up ancillary and downstream MSMEs basing on the requirements of the large-scale industries.

**viii) Status of National Manufacturing Competitiveness Programme (NMCP) in the district during 2013-14: Table 26:**

Sl. No.	Name of the Scheme	Venue	Date
1	Lean Manufacturing	-	
2	Design Clinic	-	
3	Market assistance & Tech. up gradation	-	

4	QMS/QT	-	
5	Tech. & quality up gradation support	-	
6	ICT	-	
7	Bar Code	Paralakhemundi	19-12-2013
8	IPR	-	
9	Incubator scheme	-	

**ix) Interventions by MSME-Development Institute:** Functioning as field level office of DC(MSME), MSME-DI is actively involved in educating and promoting entrepreneurship across all enthusiastic entrepreneurs in the district. In the year 2013-14 and 2014-15 MSME-DI, Cuttack has organized various categories of programmes in the district which include the Industrial Motivation Campaign (IMC) for the prospective entrepreneurs. The district has many natural and forest resources which can be exploited by way of cluster development scheme for the economic prosperity of the local people.

## CHAPTER-VIII

### STEPS TO SET UP MSMEs

Before going for setting up of any enterprise, the entrepreneur should move in a systematic way in order to get his desired level of output. At various levels, different agencies are functioning to provide different types of assistance to the entrepreneurs for setting up of MSMEs. So, following are the brief description of different agencies for rendering assistance to the entrepreneurs.

Type of Assistance	Name and Addresses of Agencies
1. Issue of Entrepreneurs Memorandum I & II	1. Directorate of Industries, Govt. of Orissa, Killamaidan, Cuttack 2. GM, DIC, all districts
2. Identification of project profiles, techno-economic and managerial consultancy services, market survey and economic survey reports	Director, MSME Development Institute, Vikash Sadan, College Square, Cuttack
3. Land and Industrial shed	MD, IDCO, IPICOL House, Janpath, Bhubaneswar
4. Financial assistance	1. MD, OSFC, OMP Square, Cuttack 2. MD, IPICOL, Janpath, Bhubaneswar 3. Director, KVIC, 6, Budha Nagar, Bhubaneswar

	4. Secretary, KVIB, Near Rupali Square, Bhubaneswar 5. General Manager, NABARD, Nayapalli, Bhubaneswar 6. General Manager, SIDBI, OCHC Building, Unit-3, Bhubaneswar 7. Nationalized Banks
5.For raw materials under Govt. supply	1) M.D, OSIC, Khapuria Industrial Estate, Cuttack 2) Sr.Branch Manager, NSIC, Link Road, Cuttack
6.Plant and machinery under hire/purchase basis	1) Regional Manager, NSIC, Abdul Hamid Street, Kolkata 2) Sr.Branch Manager, NSIC, Link Road, Cuttack
7.Power/Electricity	1) Chairman, GRID Corporation of Orissa, GRIDCO, Saheed Nagar, Bhubaneswar 2) Chairman, CESCO, IDCO Tower, Bhubaneswar
8.Technical Know-How	Director, MSME Development Institute, Vikash Sadan, College Square, Cuttack
9.Quality & Standard	1) Bureau of Indian Standards(BIS), Ministry of Civil Supplies, Consumer Affairs & Public Distributors, Govt. of India, 62/63, Ganganagar, Bhubaneswar 2) Director National Productivity Council, Ministry of Industry, Govt. of India, A/7, Surya Nagar, Bhubaneswar
10. ISO Certification Reimbursement	3) Director, MSME Development Institute, Vikash Sadan, College Square, Cuttack-753003
11.Marketing/Export Assistance	1) Director, MSME Development Institute, Vikash Sadan, College Square, Cuttack - 753003 2) Export Credit Guarantee Corporation of India Ltd., A-77, Saheed Nagar, Bhubaneswar 3) Director, EPM, Ashoka Market, Master Canteen, Bhubaneswar 4) Sr.Branch Manager, NSIC, Link Road, Cuttack
12.Other Promotional Agencies	1) MD, APICOL, Near Baramunda Bus Stand, Bhubaneswar 2) Director, Horticulture, Udyan Bhavan, Nayapalli, Bhubaneswar 3) Director, Animal Husbandry &



	<p>Veterinary Services, Mangalabag, Cuttack</p> <p>4) Director, Handicraft &amp; Cottage Industries, Saheed Nagar, Bhubaneswar</p> <p>5) Director of Textiles, Satya Nagar, Bhubaneswar</p> <p>6) Director of Fisheries, Jobra, Cuttack</p> <p>7) Coconut Development Board, Nayapalli, Bhubaneswar</p> <p>8) Coir Board, Jagamara, Bhubaneswar</p> <p>9) Principal Chief Conservator of Forest, Aranya Bhavan, Chandrasekharpur, Bhubaneswar</p>
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## CONCLUSION

Gajapati district is endowed with rich natural resources which remain untapped and offer scope for employment generation including wage employment. The potential for industrial development is an inter-play of factors such as natural resources, infrastructure, entrepreneurial skill, market demand, government policies etc. The district has ample potential for development in various sectors like agriculture & allied, horticulture, pisciculture, animal husbandry & poultry, handloom & cottage industries, sericulture, forests, rural & urban sectors, wage employment and development of SC/ST and minorities in the district. The importance of non-farm sector activities has assumed a great significance as this sector can provide ample scope for gainful employment opportunities to the vast rural poor. The socio-economic condition of people of Gajapati district is well suited for the development of non-farm sector activities since a large section of labour force is engaged in this sector without any noticeable improvement.

The vocational training programmes can be imparted in the district for self-employment, wage-employment and job opportunities in small business sector. A lot of work is to be done to provide basic infrastructure facilities like improvement of land, water, power, communication & credit institutions.

In order to create awareness among the people and to sensitize them to go for entrepreneurship, various Industrial Motivational Campaigns(IMCs), Entrepreneurship-

cum-Skill Development Programmes(ESDPs), Entrepreneurship Development Programmes(EDPs), seminars, exhibitions, study tours etc. can be conducted in the district extensively. MSME Development Institute, Cuttack is playing an active role in this direction by conducting such programmes in the remotest corners of the district for the benefit of the educated unemployed youths to go for self-employment ventures. The promotional agencies like banks & financial institutions, NGOs are supposed to have a holistic approach by their co-ordinated efforts to remove the missing link and to sensitize the people to take up ventures in the MSME sector. These efforts would definitely yield the results in flourishing the industrial activities in the district.

## **ANNEXURE - A**

### **1- Industrial Policy Resolution(IPR–2007), Industries Department, Government of Orissa**

#### **1. INTRODUCTION**

- 1.1. The Industrial Policy Resolution (IPR) of Orissa 2001 has put in place a robust policy framework for industrial promotion and investment facilitation in the State, including creation of an enabling environment. The Industrial Policy Resolution 2007 aims at reinforcing and further expanding this process.
- 1.2 In response to the strategic initiative taken by the State to leverage its abundant mineral and other natural resources to promote maximum value addition within the State, a large number of investment proposals have been received for setting up of mineral based industries such as steel, power, alumina and aluminium. During this period, the State Government have executed Memoranda of Understanding (MoU) with several leading private investors, including foreign companies for setting up of steel, alumina / aluminium, power, cement and other projects in the State involving a total investment of about Rs.400,000 crore. A sizeable percentage of these MoU projects are at different stages of project implementation. In the steel sector, 20 out of the 45 MoU projects have partially commenced commercial production with an investment of about Rs.12,000 crore, which has led to direct and indirect employment for about 25,000 persons. Similarly, substantial progress has been made in other sectors also.
- 1.3 Apart from investments in mineral based industries, the State has also been successful in attracting quality investments in Information Technology (IT),

Information Technology Enabled Services (ITES) and Tourism sector.

- 1.4 In order to sustain the current investment level, it has become imperative to provide high quality supporting industrial and social infrastructure. With a view to furthering this objective, a robust institutional mechanism has been put in place to encourage private investments in infrastructure development on public private partnership (PPP) mode. Planning and Coordination Department has been designated as the nodal department and the Orissa Industrial Infrastructure Development Corporation (IDCO) as the technical secretariat for promoting PPP projects. Some of the successful initiatives to promote PPP projects in infrastructure development include Info Park at Bhubaneswar, upgradation of industrial infrastructure at Kalinganagar Industrial Complex through IDCO and user industries, development of Haridaspur-Paradeep Rail Link jointly by Rail Vikas Nigam Limited and user industries, promotion of Special Economic Zones (SEZs) at different locations, and establishment of Bio-Tech Park, International Convention Centre and IIIT at Bhubaneswar. PPP in road infrastructure include Cuttack-Paradeep road and the Greater State Capital Region ring road. A Project Development Fund (PDF) has been set up by IDCO in partnership with Infrastructure Leasing and Financial Services (IL & FS) for developing and promoting priority PPP projects. A PPP Policy is also on the anvil, which will create the enabling environment and extend policy support to PPP initiatives, including PPP through community participation.
- 1.5 With a view to providing connectivity between mining belt and metal belt as also the hinterland and Port, large scale upgradation of National Highways and State Highways has been taken up. Similarly, to augment port handling capacity, three (3) new ports are being promoted, Dhamra and Kirtania in the north and Gopalpur in the south on PPP mode. Dhamra port is being developed with a cargo handling capacity of 80 million tones per annum (mtpa) with an investment outlay of about Rs.5,000 crore. Similarly, Gopalpur port is being developed in Southern Orissa, which is expected to have a cargo handling capacity of over 40 mtpa in the long run. Gopalpur would serve the industrial corridor of Southern Orissa, especially for the mining and mineral processing zone covering Kalahandi, Rayagada and Koraput Districts, and the proposed Special Economic Zone (SEZ) planned at Gopalpur itself.
- 1.6 Orissa has also emerged as a national hub for thermal power with a proposed capacity installation of over 20,000 MW in the medium term involving an investment of over Rs.80,000 crore. The State is therefore poised to leverage the

availability of low cost and reliable power to attract further investments.

- 1.7 With a view to making the current industrialization process sustainable, maximum emphasis shall be laid on sound environment management practices. With this objective in mind, the State Government among other things is actively promoting investments in new cement plants based on blast furnace slag and fly ash, which would be available in abundance due to the large number of steel and power plants coming up in the state. The regulatory and institutional arrangements for strict enforcement of environment laws shall be further strengthened commensurate with the increased work load owing to the large number of industries coming up in the State. At the same time environment friendly technologies shall be encouraged. Similarly, special efforts shall also be made for development of green belts around industrial areas.
- 1.8 The State Government has made pioneering efforts in formulating a robust Rehabilitation & Resettlement Policy by adopting a holistic livelihood approach for rehabilitation and resettlement of project affected families. Similarly, an appropriate policy dispensation has been put in place for industries to contribute towards periphery development as part of their corporate social responsibility.
- 1.9 Any policy is as good as its implementation mechanism. Accordingly, institutional arrangements for industrial promotion and investment facilitation at various levels shall be further strengthened, which shall include District Industries Centre (DIC) as the District Level Nodal Agency (DLNA), Industrial Promotion and Investment Corporation of Orissa Limited (IPICOL) as the State Level Nodal Agency (SLNA) and Team Orissa as the Common Focal Point for extending single window services to investors. At the helm, the High Level Clearance Authority (HLCA) chaired by the Chief Minister and State Level Single Window Clearance Authority (SLSWCA) chaired by the Chief Secretary shall provide the overall direction and guidance.
- 1.10 As part of its strategy for employment generation and export promotion, the State Government shall create an enabling environment for establishment of the SEZs at different locations. Special thrust shall be laid on promoting IT & ITES, biotechnology, engineering, food processing and textile & apparel industries, etc.
- 1.11 Comprehensive policy support shall continue to be extended to Micro and Small Scale Enterprises (MSE) sector in the areas of credit, marketing, technology development, quality control, infrastructure and rehabilitation. With a view to maximizing the outcome and impact of the current industrialization process,

special efforts shall be made to promote maximum possible forward and backward linkages between Large, Small and Medium Enterprises (SMEs) through development of ancillary and downstream industries. While accelerating the ongoing efforts, the IPR 2007 shall provide a new direction to the industrialization process by encouraging further value addition specially focusing on sectors such as engineering, textiles and apparel, agro processing, IT / ITES and tourism, etc., which together are expected to provide maximum benefit to the State in terms of growth of employment and revenue. Cluster approach shall be intensified to promote handicrafts, handlooms, Khadi & Village industries, coir industries and salt sector, which also offer huge employment opportunities. Special effort shall be made to provide them with support in areas such as design development, technology, credit and marketing.

- 1.12 In order to cater to the huge requirement of technical manpower of upcoming industries, special efforts shall be made on promoting new technical institutions, upgrading existing ones and maximizing industry-institution linkages. Technical education quality improvement shall be taken up on a mission mode.
- 1.13 IPR 2007 has been formulated after going through an elaborate iterative process wherein all stakeholders, including Industry Associations, Sector Specific Associations, Chambers of Commerce and Industry, Experts and Departments concerned have been consulted and their suggestions have been duly considered.

## **2. OBJECTIVES**

- 2.1 To transform Orissa into a vibrant industrialized State.
- 2.2 To enhance the share of Industries in State Gross Domestic Product.
- 2.3 To promote orderly and environmentally sustainable industrial growth.
- 2.4 To promote Orissa as a major manufacturing hub.
- 2.5 To maximize employment generation opportunities both direct and indirect.
- 2.6 To maximize linkages between micro, small, medium and large industries and make focused efforts for development of ancillary and downstream industries.
- 2.7 To promote employment intensive sectors such as handicrafts, handlooms, Khadi & Village industries, coir and salt.
- 2.8 To specifically promote sectors such as IT/ ITES, biotechnology, agro, marine and food processing, tourism, textiles and apparel and automotive industries, which offer maximum linkages for employment generation and exports.

- 2.9 To assist in arresting industrial sickness and promote revival and rehabilitation of potentially viable sick industries, especially in the micro, small and medium enterprises (MSME) sector.
- 2.10 To create awareness amongst and assist Micro, Small and Medium Enterprises (SMEs) to respond to the opportunities and challenges emerging under the World Trade Organisation (WTO) regime. A WTO Cell shall be established in the Industries Department.
- 2.11 To maximize industry and institution linkages in the areas such as manpower planning, research and development etc.
- 2.12 To make concerted efforts for balanced regional development.

### **3. STRATEGY**

- 3.1 To create an enabling environment for development of industrial and related social infrastructure of international standards.
- 3.2 Human Resources Development to create competitive scientific and technical manpower.
- 3.3 To promote entrepreneurship development for healthy industrial development.
- 3.4 To promote ancillary and downstream industrial parks at all major industrial hubs.
- 3.5 To promote specialized/ functional industrial area / park for thrust and priority sectors.
- 3.6 To provide special incentive packages for promotion of thrust, priority and MSME sectors.
- 3.7 To fully operationalise and strengthen the industrial facilitation mechanism under Orissa Industries (Facilitation) Act 2004 and Rules 2005.
- 3.8 To put in place an effective grievance redressal mechanism for speedy project implementation and also for addressing post implementation issues.

### **4. GENERAL POLICY FRAME WORK**

The Industrial Policy 2007 shall pursue a multi-pronged approach for industrial promotion by providing infrastructure support, institutional support and pre and post-production incentives. While the IPR shall support industrialization in general, directed efforts shall be made to incentivise investment in thrust and priority sectors with a view to maximizing the triple objectives of value addition, employment generation and revenue augmentation.

#### **4.1 Micro Enterprises:** the focus shall be on

- 4.1.1 Promoting linkages with micro finance institutions.
- 4.1.2 Product development through design and technology support.

4.1.3 Provision of raw material linkages. Orissa Small Industries Corporation (OSIC) shall set up raw material banks to provide such support.

4.1.4 Market development through focused market access initiatives.

4.1.5 Intensification of cluster development project with special emphasis on promotion of **Common Facility Centres (CFC)** through community based **Public Private Partnership (PPP)** initiatives.

**4.2 Small & Medium Enterprises:** the focus shall be on

4.2.1 Undertaking a special drive for modernization of SMEs.

4.2.2 Facilitating greater flow of institutional credit, including revival of the Orissa State Financial Corporation (OSFC).

4.2.3 Providing marketing support under Government purchase programme.

4.2.4 Rehabilitation of potentially viable sick industries.

4.2.5 Development of Special Industrial Parks for ancillary and downstream industries.

4.2.6 Cluster development approach for enhancing the competitiveness of potential sectors. Industry Associations shall be encouraged to set up Common Facility Centres and Testing Laboratories on PPP mode.

**4.3 Large Industries:** efforts shall be made

4.3.1 To leverage the concentration of metal industries for promoting manufacturing industries. Similarly, leverage the coastline advantage to promote port based industries such as ship building, chemical and petrochemical complex, leather, etc.

4.3.2 To maximize supply chain linkages with SMEs by facilitating ancillary and downstream industries.

4.3.3 To proactively encourage industry-institutional linkages for optimal manpower planning and maximizing local employment opportunities.

**4.4 Thrust sectors:** the objectives shall be

4.4.1 To facilitate directed investment into sectors that offer huge employment opportunities, maximize value addition and have a multiplier effect in terms of ancillary and downstream linkages.

4.4.2 To provide tailor made incentive packages and provide additional incentive for the pioneer industries in these sectors.

**4.5 Priority Sector:** the focus shall be on

4.5.1 Leveraging our competitive strengths

4.5.2 Provision of specialised industrial infrastructure requirements

**5. SINGLE WINDOW MECHANISM**

5.1 Single Window mechanism that has been established in pursuance with the



Orissa Industries (Facilitation) Act shall be made fully operational and extended throughout the State.

- 5.2 The District Industries Centres (DICs) shall be suitably restructured to enable them to effectively discharge the functions of DLNA. They shall also maintain a comprehensive database on micro and small enterprises.
- 5.3 5 DICs shall be upgraded to Regional DICs where heavy industrial concentration/potential exist. The Regional DICs shall provide comprehensive and intensive business development services to the existing and prospective investors and also provide necessary support services to the DICs falling within their respective jurisdiction.
- 5.4 IPICOL as the SLNA shall be further strengthened to function as an effective one stop shop for investors. The role of IPICOL as the Investment Promotion Agency shall be reinforced by establishing an Industrial Planning and Strategizing Unit (IPSU), which, apart from preparing State Industrial Development Perspective Plan, shall also identify thrust/ priority sectors for location specific industrial promotion and undertake related investment promotion activities, including preparation of publicity material and organization of road shows.
- 5.5 The District Level Single Window Clearance Authority (DLSWCA) shall be activated in all districts. The State Level Single Window Clearance Authority (SLSWCA) and High Level Clearance Authority (HLCA) shall review progress in implementation of the single window services at the district and state level.

#### **6. STATE LEVEL NODAL AGENCY**

- 6.1 IPICOL shall establish a Comprehensive Industrial Data Bank on medium and large scale industries with the help of a professional agency.
- 6.2 An Industrial Information Service Unit (IISU) will also be set up in IPICOL to cater exclusively to investment related information needs of existing and prospective investors.
- 6.3 In order to discharge its role as a one stop shop for all industry related approvals and clearances, IPICOL shall bring out a comprehensive operational manual, including guidelines for providing a single point interface between investors and the State Government departments/ agencies.
- 6.4 IPICOL shall develop and implement an web enabled Project Monitoring and Information System (PMIS) to facilitate time bound clearances to investment proposals, including facility for e-filing of Common Application Form (CAF), e-payment of processing fees and virtual single window interface between investors and different clearance authorities.
- 6.5 The Orissa Investment and Export Promotion Office (OIEPO) which is located in

the Office of the Resident Commissioner, Government of Orissa, New Delhi shall proactively network with Embassies, Industry Associations, Chambers of Commerce and Industry and others to promote Orissa as an attractive investment destination. The OIEPO shall function as integral part of the SLNA for extending outreach services to prospective investors outside the state.

It shall also facilitate investment related approvals and clearances in respect of the industrial projects coming up in the State by liaising with Government of India Ministries and other agencies concerned.

- 6.6 The Export Promotion and Coordination Cell (EPCC) which has been constituted in the Industries Department shall formulate an Export Policy and Action Plan for Export Promotion for the State and coordinate with OIEPO and all other Departments / Organisations / Agencies to promote exports from the State.

## **7. HIGH LEVEL CLEARANCE AUTHORITY (HLCA)**

- 7.1 The HLCA chaired by the Chief Minister shall meet at least once in a quarter to review implementation of the IPR-2007. Besides giving overall direction to the industrial development efforts made by Team Orissa, the HLCA may give specific direction (s) wherever required.
- 7.2 The HLCA may constitute sub-committees / expert bodies by drawing resource persons from within and outside Government to look into various issues pertaining to industrial development such as promotion of Foreign Direct Investment (FDI), environment management, land policy, periphery development, ancillary and downstream development, promotion of frontier industries etc., which shall make recommendations for furthering such objectives.

## **8. TEAM ORISSA**

- 8.1 "Team Orissa" shall mean the broad institutional framework of the Government that is engaged in industrial facilitation and investment promotion in all key areas of economic growth. The Chief Minister is the Captain of Team Orissa and the principal goal of the Team is to provide necessary synergies and convergence of all Government efforts to ensure Orissa's position at the vanguard of economic and social prosperity.
- 8.2 The Team Orissa shall adopt the four (4) principles of Convergence, Coordination, Cohesion and Concerted efforts in furthering its objectives.
- 8.3 A comprehensive investment promotion website shall be developed for Team Orissa, by IPICOL as Technical Secretariat of Team Orissa and the State Level Nodal Agency.

## **9. INFRASTRUCTURE**

- 9.1 The State Government recognizes the need of providing quality industrial and social infrastructure for supporting healthy industrialization as also the need for

industry to follow environment friendly practices to make the industrialization process sustainable.

- 9.2 The State Government shall launch an Industrial and Allied Infrastructure Development Fund (IAIDF) with an initial corpus of Rs.100 crore to support industrial infrastructure and associated social infrastructure projects. The Fund shall encourage private investment in infrastructure development by providing supplementary viability gap funding, wherever needed, on the lines of Central Government viability gap funding scheme. IDCO shall also be eligible to avail itself of financial support from the IAIDF for creation of such infrastructure. The Fund shall also support pre-project development activities by designated agencies. The State Government shall separately issue detailed guidelines for operation of the IAIDF.
- 9.3 The State Government shall announce a comprehensive Land Policy to address all issues concerning identification, procurement and allotment of land for industrial and allied purposes, including creation of associated social infrastructure. IDCO along with Revenue Department shall vigorously implement the Land Bank Scheme, which was announced in the IPR-2001 to ensure orderly industrial growth. IDCO in association with DLNAs shall identify suitable tracts of government land for this purpose, which shall then be considered by the DLSWCA for alienation in favour of IDCO. The land premium shall be paid by IDCO after a moratorium of three years from the date of alienation. The moratorium period should be utilized by IDCO for development of the land for industrial and allied use. In the event of non-payment of premium within the stipulated period the land shall be liable for resumption.
- 9.4 The State Government shall announce a separate policy for Special Economic Zones as required under the Special Economic Zone Act, 2005 and Rules 2006.
- 9.5 Apart from the Land Bank Scheme mentioned above, IDCO shall also develop Functional Industrial Parks for promotion of thrust and priority sector industries. Expeditious steps shall be taken by IDCO to promote industrial parks for ancillary and downstream industries at all major industrial hubs in the state.
- 9.6 IDCO shall promote/ develop integrated industrial townships at selected locations as approved by the HLCA. Such townships will come up at locations having concentration of large and related industries, which have potential for developing into full-fledged industrial township.
- 9.7 IDCO shall take proactive steps to promote/ develop five (5) industrial corridors, namely, Chandikhol-Paradeep, Balasore-Bhadrak-Dhamara, Rayagada-Gopalpur, Sambalpur-Jharsuguda-Rourkela and Angul-Talcher-Duburi.

- 9.8 IDCO shall form a Special Purpose Vehicle (SPV) for promoting Petroleum, Chemicals and Petrochemical Investment Region (PCPIR) at Paradeep on PPP mode. The SPV shall identify and acquire land for the purpose and identify potential tenant industries based on the feed stock available from anchor industries. State Government Agencies concerned and Central Institute of Plastic & Engineering Technology (CIPET) shall also be involved in this project.
- 9.9 An Inter-departmental Advisory Committee comprising representatives from General Administration Department, Industries Department, Revenue Department and Housing & Urban Development Department, Bhubaneswar Development Authority (BDA) and IDCO shall be constituted under the Chairmanship of the Chief Secretary to identify land in the Greater Bhubaneswar Capital Region to promote critical urban, commercial and social infrastructure to develop Bhubaneswar as a Knowledge and High-tech City.
- 9.10 The Special Cell created in the Planning & Coordination Department and the Technical Secretariat for PPP located in IDCO for development of infrastructure projects in Public-Private Partnership mode shall prepare a shelf of projects in consultation with Departments concerned for high priority projects specifically aimed at supporting current industrialization process in the state. The Departments concerned such as Industries Department, Housing and Urban Development Department, Tourism Department, Water Resources Department, Energy Department, Information Technology Department, Science & Technology Department and Works Department shall set up PPP Cells to make focused effort in that direction.
- 9.11 Development of Industrial Areas and Industrial Estate by private developers shall be encouraged. The private developers shall be eligible to apply for Government or IDCO land for development of such industrial estates and industrial areas. While Government land shall be made available at the applicable industrial rate as specified in this policy, IDCO land will be available at the price determined by IDCO. The land shall be given strictly on lease basis after careful assessment of the area of land required. In case land needs to be acquired, IDCO, on application of the Developer, shall acquire the land following due procedure. All efforts shall be made to avoid double-cropped agricultural land and minimize R&R requirement.
- 9.12 IDCO shall promote a World Trade Centre (WTC) at Bhubaneswar to promote global networking and give international visibility to the industrial potential of the state.
- 9.13 IDCO shall act as the Nodal Agency in the State for promotion of Gas Grid in

association with different public and private entities in this field.

- 9.14 IDCO has already obtained Formal / In-principle approvals for development of IT / ITES, sector specific and multi product SEZs at different locations. These projects shall be implemented in a time bound manner by inviting co-developers through open competitive bidding process.
- 9.15 Special thrust shall be laid on promotion of high quality social infrastructure in the form of schools, colleges, technical and professional institutions, hotels, multiplexes, townships, commercial complexes, health-care facilities, leisure & entertainment facilities, resorts, golf courses, tourism areas, etc. through IDCO and private developers. Private developers shall be selected through open competitive bidding process.
- 9.16 A time bound action plan shall be drawn up and implemented for upgradation and maintenance of infrastructure facilities in existing Industrial Estates, Parks, IID Centres, Growth Centres etc of IDCO. Suitable financial and management models shall be developed for this purpose.
- 9.17 IDCO shall undertake a comprehensive Land Zoning Plan in respect of new Industrial Estates, Parks etc., and would also undertake planning of existing Industrial Estates to the extent possible. IDCO shall bring out a comprehensive land management regulation for industrial estates, parks, growth centres, etc. with the approval of Government in Industries Department. Orissa Industrial Infrastructure Development Corporation (OIIDC) Act would be broadly aligned with the changing needs in view of the current and emerging industrial scenario in the state.
- 9.18 A comprehensive policy for industrial use of water shall be formulated and announced by the State Government taking into account the surplus water available after factoring for drinking water supply and irrigation requirements.
- 9.19 The State shall leverage the availability of low cost and reliable power to attract industries. At the same time, large industries shall also be encouraged to set up their captive power plants.
- 9.20 Roads of economic importance shall be taken up on priority basis for development on PPP mode.
- 9.21 The State Government shall proactively promote construction of rail corridor between ports and industrial hubs including Therubeli-Gunupur rail corridor to provide port connectivity in southern Orissa through Gopalpur port.
- 9.22 Apart from Dhamara, Gopalpur and Kirtania ports, which are being developed on PPP mode, the State Government shall promote more ports and fishing harbours

at suitable locations for giving a thrust to economic activities in those regions. Special efforts shall also be made to develop industrial areas in the hinterland of ports for enhancing their viability and intensifying economic activities in the port area development region.

- 9.23 Inland Container Depots (ICD) shall be set up at suitable locations for facilitating containerized cargo from Orissa and the neighbouring land-locked States like Bihar, Jharkhand, Chattishgarh, etc. to the Paradeep Port and other ports in Orissa for exports, on PPP mode.

## **10. HUMAN RESOURCE DEVELOPMENT**

- 10.1 The emergence of Orissa as major industrial hub has necessitated elaborate planning for Quality Manpower and Human Resource Development. To respond to this need, Government has established the Biju Patnaik University of Technology (BPUT) at Rourkela to act as a focal point for strengthening technical education in the State. Among other initiatives, five new Post Graduate Departments are being opened in the disciplines of i) Advanced Computing; ii) Nano Biotechnology; iii) VLSI and Embedded Systems; iv) Robotics and Mechatronics; and v) Advanced Materials and Composites.

- 10.2 The State Government shall establish a Technical Education Strategic Planning Unit (TESPU) in the Industries Department to take up the following activities in mission mode:

- i.* Address the supply side and demand side issues of technical manpower.
- ii.* Address the need for introduction of new and specialized courses to match industry requirements.
- iii.* Upgrade the Orissa School of Mining Engineering (OSME – Degree Stream), Keonjhar to the level of an institution of National Excellence.
- iv.* Maximize industry institution linkages by encouraging industries to adopt existing technical institutions and also to set up specialized advanced technical training institutions wherever feasible.
- v.* Specialized Industrial Training Institutes (ITIs) shall be set up at locations having heavy concentration of specialized workmen. An Advanced Plumbing Institute shall be set up at Pattamundei and a Gemstone Cutting and Polishing Institute at Gopalpur.
- vi.* A special drive shall be undertaken for introduction of multi-skilling in areas such as material handling, machine operation and maintenance, furnace operation and maintenance, automobile engineering, plumbing, gemstone cutting and polishing, advance precision machine tools and power engineering, etc. The industries will

be closely associated for identification of courses and providing practical training to students.

- vii. A special drive shall be undertaken for setting up of Engineering Schools in all Districts that do not have such institution. Similarly, policy measures shall be taken to encourage opening of Industrial Training Centre (ITC) in blocks where there is no ITI/ITC.
  - viii. Steps will be taken for conferring of Deemed University status to University College of Engineering, Burla.
  - ix. An e-portal shall be launched by the Directorate of Technical Education and training for placement of manpower from ITIs and ITCs in the state, which would be similar to online employment exchange and will also have a Management Information System for tracking of placement.
  - x. A Special drive shall be undertaken for enforcement of the Apprentice Act.
  - xi. Government shall promote an International Institute of Information Technology (IIIT) at Bhubaneswar on Public-Private Partnership mode.
- 10.3 Government shall bring out comprehensive legislation for regulation and development of technical and professional institutions in the State.
- 10.4 Efforts shall be made for establishment of Indian Institute of Technology (IIT) and Indian Institute of Management (IIM) or their equivalent level institutions in the state.

## **11. REHABILITATION AND REVIVAL OF VIABLE SICK UNITS**

- 11.1 The recent intensification of industrial activities in the State provides significant growth opportunities for the existing industries, especially in the SME sector, including those, which have become sick for various reasons. The State Government shall undertake a comprehensive drive through Directorate of Industries for district wise identification of potentially viable sick units. Such industries shall be placed on a fast track mode for consideration of rehabilitation assistance by Government and all agencies concerned. The existing institutional mechanism of District Level Committees (DLC), Sub-Committee of State Level Inter Institutional Committee and the State Level Inter Institutional Committee (SLIIC) shall be suitably reinforced for this purpose.
- 11.2 The SLIIC shall be empowered to extend need based incentives as available under the present IPR for this purpose. The industries so assisted will be treated at par with new industrial unit for determining the maximum level of incentive that could be sanctioned by SLIIC.

## **12. LABOUR REFORM**

- 12.1 The Orissa Industries (Facilitation) Act-2004 and corresponding Rules-2005 lay down the broad framework for Labour Reforms. A time bound action plan shall be formulated for expeditious implementation of these provisions.
- 12.2 Highest priority shall be accorded to amalgamation of different records, registers and returns required to be maintained under the various Labour Laws and introduce systems of "Self-Certification" for labour related compliance of routine nature.
- 12.3 A system of joint inspection by various regulatory agencies such as Orissa State Pollution Control Board (OSPCB), Labour Inspector, Chief Inspector of Factories & Boilers, Regional Provident Fund Commissioner, and Regional Director, Employees State Insurance Corporation shall be devised and implemented in a time bound manner.
- 12.4 Implementation of these provisions shall be reviewed by the State Level Single Window Clearance Authority and the High Level Clearance Authority from time to time.
- 12.5 The following categories of Industries / Establishments shall be declared as "Public Utility Services" for the purpose of application of provisions under Chapter-V of the I.D. Act 1947.
  - i) Information Technology & IT Enabled Services
  - ii) Bio Technology
  - iii) Agro-based & Marine-based Processing
  - iv) Electronics & Telecommunications
  - v) Export Oriented Units
  - vi) Infrastructure projects including Industrial Parks and SEZs
- 12.6 Industrial units and establishments in the following categories shall be exempted from the provisions of Chapter VI of Factories Act 1948 (Working Hours of Adults).
  - i) Information Technology & IT Enabled Services
  - ii) Bio Technology
  - iii) Electronics & Telecommunication
  - iv) Export Oriented units
  - v) Industries set up in Special Economic Zones

### **13. MARKETING SUPPORT TO MICRO AND SMALL SCALE ENTERPRISE IN GOVERNMENT PROCUREMENT**

- 13.1 The existing rules for extending marketing support to Small Scale Industries shall be brought in alignment with the newly enacted Micro, Small and Medium Enterprises Act, 2006 and corresponding Rules. The following measures shall be undertaken:
  - (a) Comprehensive review of the rate contract purchase list, exclusive purchase list and open tender purchase list shall be undertaken by a Committee consisting of



Secretary, Industries Department, Director, Export Promotion and Marketing (EP&M), Director, Industries and representatives of Industries Associations, which shall submit their recommendations for Government approval in Industries Department.

- (b) With a view to encouraging large and medium industries, including those in private sector, in the State to meet their store purchase requirements from the local MSEs, institutional mechanism in the line of Plant Level Advisory Committee existing in respect of Central Public Sector Undertakings (CPSUs) shall be devised and implemented.
- (c) Specific efforts shall be made to increase awareness amongst local MSMEs regarding export opportunities and export procedures. The Export Promotion Cell in the Orissa Small Industries Corporation Limited shall be strengthened to assist local small-scale enterprise to access export market.

- 13.2 The State Government will ensure that requirement of store items of Government Departments and agencies under its control are procured from industries located within the State. Such local units shall get price preference for this purpose. Simultaneously efforts shall be made to ensure that local products are cost-effective and meet overall quality requirement for competitiveness.

*Explanation- I:* State Government Departments and Agencies under the control of State Government means Departments under the Orissa Government Rules of Business, Heads of Department and offices subordinate to them, Boards, Corporations, Development Authorities and Improvement Trusts, Municipalities, Notified Area Councils, Co-operative Bodies and Institutions aided by the State Government and also includes Companies where Government share is 50% or more.

*Explanation-II:* In order to give effect to the provisions of this paragraph the Orissa General Financial Rules (Appendix-6, Rule 96) shall be suitably amended and the Finance Department will issue detailed guidelines.

- 13.3 The State Government Departments and agencies will have to purchase their requirements of these items only from local industries with ISO/ ISI / EPM certification for the items, by involving competitive quotations from such industries. Efforts will be made to distribute the purchase order equitably among the participating industries, prepared to accept the lowest negotiated rate keeping in view their production capacity.
- 13.4 Local Small Scale Industrial units and Khadi & Village industrial units including handloom and handicrafts will enjoy a price preference of 5% over local medium and large industries and industries out side the State.

Any local small scale industrial unit having ISO or ISI Certification for its product will get an additional price preference of 3%.-

- 13.5 For monitoring of adherence of Government purchase policy and timely payment to the MSE units by the Government Departments / Agencies, a task force shall be constituted under Director, Export Promotion & Marketing, Orissa with Director of Industries, Orissa, Financial Advisor (FA), Industries Department, Director, SISI, Government of India and two representatives nominated by the Apex State Level Industry Associations, as members.
- 13.6 For facilitating government purchase of MSE products, an "MSE Exclusive List" shall be prepared by Director of Industries, taking the items generally manufactured by the MSE units of the State. The items so listed shall be reserved for the MSE units of the State for Government procurement through limited tender system.

#### **14. FINANCIAL AND OTHER SUPPORT MEASURES:**

##### **ELIGIBILITY**

- 14.1 New industrial units shall be eligible for incentives provided in this policy, subject to the general conditions and specific conditions as stipulated in this IPR. However Special Economic Zone (SEZ) & SEZ Units are not covered by this IPR for which a separate SEZ Policy is being issued.
- 14.2 Industrial units covered under earlier Industrial Policy Resolutions shall continue to enjoy the incentives if admissible under the said policy as per eligibility.
- 14.3 Migrated Industrial units shall be eligible for incentives provided in this policy, subject to the specific conditions stipulated in this policy.
- 14.4 Existing industrial units which take up expansion/ modernization/ diversification will be eligible for specific incentives as specified. However, defaulters of Banks, Development Financial Institutions, SIDBI, OSFC, IPICOL, Government and Government controlled agencies, will be eligible for such incentives only after they clear the dues.
- 14.5 Rehabilitated sick industrial units shall be eligible for such incentives as recommended by State Level Inter Institutional Committee (SLIIC) within the provisions of this IPR.

##### **14.6 Transferred Units**

- (i) A transferred unit after going into commercial production shall be eligible to avail of all or any of the incentives for the period for which the unit was eligible before transfer but could not avail of the same due to suspension of production or closure on account of sickness or for any other reason.
- (ii) An industrial unit 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 industrial unit for the purpose of this IPR. Arrears of VAT, Entry tax, MV tax, EPF, ESI and Excise duty payable by previous owners shall not be realizable from the transferees of the transferred units under section 29 of State Financial Corporations Act, unless, otherwise provided for in any act enacted by the Central or the State Government. These being public dues shall be realizable from the previous owners under the Orissa Public Demand Recovery Act, 1962 or any other relevant Act.

- 14.7** Industrial Units set up without financial assistance from Public Financial Institutions and / or Banks will be required to be assessed by the appropriate agency i.e.,
- (i) IPICOL and Directorate of Industries, Orissa jointly for Large Industrial Units;
  - (ii) DIC and OSFC jointly for Micro, Small & Medium Enterprises.
- 14.8** Pioneer Units in each Thrust Sector shall be eligible for extension of period of incentives for an additional two years over and above the limit specified, provided the unit has been in continuous commercial production during the normal period of incentive.

#### **GENERAL PROVISIONS**

- 14.9** Implementation of various provisions covering the incentives, concessions, etc., will be subject to the issue of detailed guidelines/ statutory notifications, wherever necessary, in respect of each item by the administrative Department concerned.
- 14.10** An industrial unit, which considers itself eligible for any incentives, shall apply in accordance with the operational guidelines and the same shall be considered and disposed of on merit by the competent authority.
- 14.11 Time frame for filing applications for different incentives**  
A unit 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.
- 14.12 Determination of date of commercial production**  
The date of commercial production for availing of incentives, shall be determined by the G.M / PM, DIC for Micro, Small & Medium Enterprises and the Director of Industries for the large industrial units basing on the totality of documentary evidence.

**15. SPECIAL INCENTIVES FOR K B K REGION, KANDHAMAL, GAJAPATI & MAYURBHANJ**

Non-mineral based new industrial units located in the Revenue districts of Kalahandi, Nuapada, Bolangir, Subarnpur, Koraput, Malkangiri, Rayagada, Nawrangpur, Khandamal, Gajapati and Mayurbhanj with minimum investment of five crore rupees in plant & machinery and providing direct employment to minimum hundred persons shall be treated as deemed thrust sector unit and be eligible for all incentives prescribed for the thrust sector.

Such deemed thrust sector status may also be granted to other industrial units by High Level Clearance Authority subject to concurrence of Finance Department and Cabinet approval.

## 16. LAND

- 16.1** Government land earmarked for industry under the "Land Bank" scheme of IDCO and other Government land wherever available may be allotted for industrial units, including infrastructure projects.
- 16.2** Government land earmarked for "Land Bank" scheme and other Government land wherever available may be allotted for new industrial units, including infrastructure projects at the following concessional industrial rates.

Zones	Location	Concessional Industrial rate
Zone - A	Urban areas coming under the jurisdiction of Bhubaneswar Municipal Corporation, Cuttack Municipal Corporation, Rourkela Municipality, Berhampur Municipality, Sambalpur Municipality and Paradeep NAC.	Rates to be fixed by Revenue/ G. A. Department in consultation with Industries department
Zone - B	Revenue Sub- Divisions of Angul, Athagarh, Balasore, Berhampur, Champua, Cuttack, Dhenkanal, Jagatsinghpur, Jajpur, Jharsuguda, Keonjhar, Khurda, Panposh, Puri, Sambalpur, Talcher	<u>Municipal / NAC Area-</u> Zone -B -@ Rs 5 lakh / Ac, Zone- C-@ Rs 3 lakh / Ac, Zone- D @ Rs. 1.5 lakh/ Ac
Zone - C	Revenue Sub- Divisions of Banki, Baripada, Bhadrak, Baragarh, Bolangir, Chhatrapur, Jeypur, Koraput, Raygada, Sundergarh	<u>Other than Municipal /</u>
Zone - D	Revenue Sub- Divisions - Anandpur, Athamallik, Balliguda, Bamanghati, Bhanjanagar, Bhawanipatana, Birmaharajpur, Bonai, Boudh, Deogarh, Dharmagarh, Gunupur, Hindol, Kamakhyanagar, Kaptipada, Kandhamala, Kendrapada, Kuchinda, Malkangir, Nayagarh, Nuapada, Nilagir, Nabarangapur, Padampur, Pallahara, Panchpir, Paralakhemundi, Patnagarha, Rairakhol, Sonapur, Titilagarh.	<u>NAC Area-</u> Zone -B -@ Rs 2 lakh / Ac, Zone- C -@ Rs 1 lakh / Ac, Zone- D @ Rs. 0.5 lakh / Ac
► Ground Rent - @ 1% of the land value		

- 16.3** Infrastructure Projects and projects of IDCO for industrial and infrastructure use shall be entitled to allotment of Government land at concessional industrial rate.
- 16.4** Industrial Units in Thrust sector may be allotted land at special concessional rate by the High Level Clearance Authority.
- 16.5** The Industrial Estates, Industrial Areas, Industrial Parks, Growth Centres etc. shall be excluded from the tax regime of the Municipal and other local authorities for management by the local industries' associations, provided that the latter undertake to maintain the infrastructure of the industrial estates either directly or through other agencies by taking

consent of IDCO and Housing and Urban Development Department by amendment of the concerned Act, if required.

- 16.6** New Industrial units and existing industrial units taking up expansion/ modernisation/ diversification will be granted exemption under the provisions of clause - C of Section-73 of Orissa Land Reforms Act, 1960 from payment of premium, leviable under provisions of clause - C of Section 8 (A) of the OLR Act.1960 on production of eligibility certificate from the Director of Industries, Orissa for Large Industries and Medium Enterprises and G.M / PM, DIC for Micro, Small Enterprises as follows.

Micro & Small Sector	100 % up to 5 Acres
Medium Sector	75 % up to 25 Acres
Large Sector	50 % up to 500 Acres
Priority Sector	50%
Thrust Sector	100%

- 16.7** Micro & Small Enterprises shall be eligible to make the payment for IDCO shed in four annual installments.

**17. STAMP DUTY**

- 17.1** 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.

- 17.2** In respect of transfer of land / shed by Government, IDCO and Private industrial estate developers to new industrial units and existing industrial units taking up expansion, modernization and diversification, exemption on Stamp Duty shall be applicable as follows.

Micro & Small Sector	@ 75 % of applicable Stamp duty.
Medium Sector	@ 50 % -do-
Large Sector	@ 25 % -do-
Priority Sector	@ 50% -do-
Thrust Sector	@ 100 % -do-

- 17.3** Stamp duty will be exempted for units required to be transferred to a new owner / management under the provisions of the State Financial Corporation Act, 1951 or on the recommendation of the State Level Inter Institutional Committee (SLIIC).

- 17.4** Stamp duty will be exempted for units under proprietary /partnership firms to be converted to companies for rehabilitation on the recommendation of SLIIC.

- 17.5** 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) atleast 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 the Office of the Registrar of Companies is produced by the parties to the instrument to prove that the conditions prescribed above are fulfilled.
- 17.6** 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.
- 18. Value Added Tax (VAT), Central Sales Tax (CST), Entry Tax and Entertainment Tax**
- 18.1** VAT shall be exempted on finished products of Khadi, Village, Cottage & Handicraft industrial units and traditional coir products excluding artistic footwear, cosmetic jewellery, embroidery works, zari works, gemstone, silver filigree, woolen carpet sold at sales outlets of authorised cooperatives/ government agencies and agencies recognised by Khadi and Village Industries Board/ Commission, Coir Board, Coir Corporation, Handicraft Corporation & DIC.
- 18.2** Exemption of Entry Tax shall be available to eligible industrial units as follows:
- (a) New Micro & Small Enterprises shall be exempted from payment of Entry Tax on acquisition of plant & machinery for setting up of industrial units. Thrust Sector Units may also be considered for similar incentive on a case to case basis with the approval of the Cabinet.
  - (b) New Micro and Small Enterprises shall be exempted from payment of Entry Tax on purchase of raw materials for a period of five years from the date of starting commercial production subject to a ceiling of 100% of fixed capital investment. Thrust Sector Units may also be considered for similar incentive on a case to case basis with the approval of the Cabinet.
- Note: The exemption, as above, in Para 18.2, is subject to outcome of judicial proceedings.*
- 18.3** CST at concessional rate not exceeding two percent (2 %) shall be levied on sale of finished products by the new industrial units in Thrust sector for a period of ten years from the date of starting commercial production subject to a total maximum limit of 100% of fixed capital investment and further subject to the condition that input tax credit shall not be allowed in excess of the output tax payable on CST sales.

#### **18.4 VAT Reimbursement**

- (i) New Micro, Small & Medium Enterprises shall be eligible for reimbursement of fifty percent of VAT paid for a period of five years from the date of starting commercial production limited to 100% of fixed capital investment 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.
- (ii) New industrial units in Priority Sector shall be eligible for reimbursement of seventy-five percent (75%) of VAT paid for a period of five (5) years from the date of starting of commercial production, limited to hundred percent (100%) of fixed capital investment 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.
- (iii) New Industrial units of Thrust sector shall be eligible for reimbursement of seventy-five percent (75%) of VAT paid for a period of ten years from the date of starting commercial production limited to 200% of fixed capital investment 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.
- (iv) Existing industrial unit taking up expansion/ modernisation/ diversification as defined in this IPR shall be eligible for reimbursement of VAT paid to the extent applicable to the industrial category as defined in sub para 18.4 (i) to (iii) above subject to the condition that it shall be applicable only on increased commercial production over and above the existing installed capacity 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.

#### **18.5 Entertainment Tax (ET)-**

New Multiplex Cinema hall of at least 03 Screens with minimum capital investment of Rs. 3.00 crore & above with modern Projection system, Sound system, Air conditioner, Generator Set, furniture & fixtures etc, where first fixed capital investment commences after the effective date shall be eligible for 100% reimbursement of Entertainment Tax (ET) for a period of five years starting from the date of its commissioning. The eligibility for this incentive shall be certified by OFDC.

#### **19. INTEREST SUBSIDY**

- 19.1 New industrial unit coming under micro enterprise / small enterprise and thrust sector shall be entitled to interest subsidy @ five percent (5%) per annum on term loan availed from Public Financial Institutions / Banks for a period of five years from the date of starting commercial production subject to limit of ten lakh rupees for Micro Enterprises, twenty lakh rupees for Small Enterprises and one crore rupees for units under Thrust Sector, if it fulfills the condition stipulated under clause - 19.3 of this section.

19.2 New industrial unit grounded under PMRY / REGP shall be entitled to interest subsidy @ three percent per annum on term loan availed from public Financial Institutions / Banks for a period of five years from the date of starting commercial production subject to limit of twenty-five thousand rupees only, if it fulfills the condition stipulated under clause - 19.3 below.

19.3 Provided further that the concerned promoter(s) would not have defaulted to OSFC/ IPICOL/ SIDBI /Banks /Public Financial Institutions /other Government agencies in connection with the unit for which the incentive is sought or for any other unit/ activity in the state with which concerned promoter is directly or indirectly associated. For Micro and Small enterprises the interest subsidy shall be available only on term loan availed from OSFC.

**20. POWER**

20.1 New industrial unit other than Thrust sector industries shall be exempted from the payment of electricity duty upto a contract demand of 110 KVA for a period of 5 years from the date of availing power supply for commercial production. New industrial unit in the thrust sector shall be entitled to 100% exemption of electricity duty up to a contract demand of Five Megawatt for a period of 5 years from the date of availing power supply for commercial production.

20.2 New industrial unit setting up captive power plant shall be exempted from the payment of 50% of electricity duty for captive power plant for a period of 5 years for self-consumption only from the date of its commissioning.

20.3 Industries of seasonal nature like sugar, salt industries, etc., will be provided the facility of temporary surrender of a part of their connected/ sanctioned load subject to approval of OERC.

**21. PATENT REGISTRATION**

New Industrial units will be encouraged for filing patent of their research and State will provide assistance to entrepreneurs for Patent and Intellectual Property Right (IPR) provisions @ 50% of the registration cost up to maximum of five lakh rupees (Rs 5.00 lakh).

**22. QUALITY CERTIFICATION**

New Industrial units will be provided with assistance for obtaining quality certification from B.I.S and other internationally recognized Institutions @ fifty percent (50%) of the quality certification charges up to maximum of two lakh rupees (Rs. 2.00 lakh).

**23. ASSISTANCE FOR TECHNICAL KNOW-HOW**

New Micro, Small Enterprises and new Industrial Units of Thrust sector shall be eligible for reimbursement of fifty percentage of cost of purchase of technical know- how up to one



lakh rupees in case of indigenous technology and up to five lakh rupees in case of imported technology.

**24. MARKETING SYNDICATION**

OSIC / NSIC will act as Syndicate Leader for marketing of the products and services of Micro & Small Enterprises of the State and will be responsible for the overall quality control and collect service charges not exceeding 1% of sale value from the concerned units. In order to derive the benefit of scale, major bulk orders of the Government should be routed through OSIC so that it can act as a consortium leader for all the Micro & Small Enterprises and organize raw material supply at reasonable rate.

**25. FILM INDUSTRY**

- 25.1 Film Industry in Orissa provides direct and indirect employment to about 1.00 lakh people. In Orissa, the employment opportunities in film industry can be doubled by improving market outreach of Oriya films through appropriate incentives for film production, film studios and multiplexes.
- 25.2 All Oriya feature films produced in Orissa shall be exempted from Entertainment Tax.
- 25.3 Multiplexes shall be eligible to get allotment of government/ IDCO land at concessional industrial rate.
- 25.4 OFDC shall formulate a scheme for extending Soft loan assistance at a nominal rate of interest subject to maximum ceiling limit and on conditions as may be decided by OFDC to producers of films in the State.
- 25.5 Producers of films who utilize the facilities of Kalinga Studio Limited (KSL), Film & Television Institute of Orissa and Kalinga Prasad Colour Processing Laboratory will be eligible to get incentives in shape of subsidy subject to the ceiling limit and terms and conditions as may be laid down by OFDC.

**26. SHILPA ADALAT**

- 26.1 With a view to providing a timely and effective dispute/ grievance resolution mechanism for industries, the State Government shall constitute a Shilpa Adalat with the composition given at para 26.3 below, which shall meet every month and hear the grievances/ complaints of investors and make its recommendation to the appropriate authority/ authorities for consideration and redressal of the grievances.
- 26.2 SLSWCA shall be the competent authority for taking final decision in all grievances which do not involve any major policy decision. Where major policy decision is involved, such matters shall be placed before the HLCA, which shall be the final authority.

26.3 The Shilpa Adalat shall have the following composition:

i) Secretary, Industries	- Chairman
ii) Representatives of concerned Departments	- Members
iii) Managing Director, IPICOL	- Member
iv) Managing Director, IDCO	- Member
v) Managing Director, OSFC	- Member
vi) Managing Director, OSIC	- Member
vii) Director, Export Promotion & Marketing	- Member
viii) Director, Handicrafts & Cottage Industries	- Member
ix) Director, Industries	- Member Secretary

The Shilpa Adalat shall submit quarterly return on cases heard and disposed to the SLSWCA and the HLCA.

**27. ENTREPRENEURSHIP DEVELOPMENT**

The Institute of Entrepreneurship Development shall be strengthened through various measures, including Government support, strategic alliances with national level entrepreneurship institutes, industry linkages, linkages with technical and professional institutions and PPP initiatives.

**28. EXPORT PROMOTION:**

Augmentation of exports commensurate with the export potential of the State shall be a priority activity of the Government. An Export Policy and Action Plan for export promotion shall be notified in consultation with leading exporters of the State and related agencies. An Export Resource Centre shall be established in the Directorate of Export Promotion and Marketing.

**29. REVIEW AND MONITORING**

The implementation of the policy will be periodically reviewed by High Level Clearance Authority for necessary facilitation and mid-course correction, wherever necessary.

**30. MISCELLANEOUS**

- (a) This policy shall remain in force until substituted by another policy. The State Government may at any time amend any provision of this policy.
- (b) A special package of incentives over and above what has been enumerated in this Policy document may be considered for new industrial projects on case to case basis taking into account the benefits to the State. The Cabinet on the recommendations of the SLSWCA and the HLCA and concurrence of Finance department may consider such proposal.
- (c) Doubts relating to interpretation of any term and / or dispute relating to the operation of any provision under this IPR shall have to be referred to the Industries Department,

Government of Orissa for clarification / resolution and the decision of Government in this regard shall be final and binding on all concerned.

- (d) Implementation of various provisions covering the incentives, concessions etc. will be subject to the issue of detailed guidelines / statutory notifications, wherever necessary in respect of each item by the concerned Administrative Department.

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## **ANNEXURE - B**

### **2- ORISSA MSME DEVELOPMENT POLICY-2009**

#### **1. INTRODUCTION :-**

1.1 The Micro, Small & Medium Enterprises (MSMEs) contribute significantly to value addition, employment generation, exports and over all growth and development of the country's economy. Govt. of India has enacted the Micro, Small & Medium Enterprises Development Act-2006 with a view to providing a comprehensive legal frame work to address the needs of both the manufacturing and the service sector MSMEs, particularly to enable the MSMEs of the country to face the emerging challenges in globalized and competitive market. The Government of India has announced an all India campaign under the National Manufacturing Competitiveness Programme (NMCP) for the Micro, Small & Medium Enterprises so as to withstand global and organized competition and to thrive through better technologies and skills. The Govt. of Orissa has also notified Industrial Policy Resolution-2007 (IPR-2007) which provides for specific fiscal as well as non- fiscal interventions to develop the Micro, Small & Medium Enterprise of the State.

1.2 Despite the initiative taken in the successive industrial policies, the growth of MSMEs in Orissa is not at par with the national and international standards. The inherent richness of the State of Orissa in terms of abundant natural resources, human resources and an enterprise enabling polity need to be leveraged to realize the full potential of the Micro, Small & Medium Enterprise Sector of the State. The new wave of industrialization being witnessed in Orissa today, especially in the metal, power, cement, petro-chemical,

IT, tourism sector and the current growth in the services sector provide enormous opportunity for the growth of Micro, Small & Medium Enterprises in the State.

1.3 The Micro, Small & Medium Enterprises play a major role in broad- basing the industrial growth and augmenting employment opportunities, revenue, exports and economic growth. However, the MSMEs of the country as well as the state suffer from typical weakness and problems and have specific needs and requirements. In order to address such problems, needs and requirements of the MSMEs of the State in a focused manner and for their revival and development, Government of Orissa is declaring a policy christened as “**Orissa MSME Development Policy-2009**”.

1.4 Orissa MSME Development Policy-2009 has been formulated through an elaborate consultative process involving all stake-holders including Industries Associations, Financial Institutions, Experts and Government Departments concerned.

## **2. OBJECTIVES :-**

2.1 To catalyse setting up of new MSMEs.

2.2 To maximize growth of existing MSMEs.

2.3 To arrest sickness of MSMEs.

2.4 To revive of sick MSMEs.

2.5 To broad base the growth of MSME in all potential sectors of economy.

2.6 To provide opportunities to local entrepreneurial talent.

2.7 To maximize avenues for employment generation.

2.8 To make focused effort for sustainable and inclusive industrial growth aiming at balanced regional development.

2.9 To promote entrepreneurial spirit amongst the educated youth.

2.10 To enhance the contribution of MSMEs in manufacturing and services sector of the State's economy.

### **3. STRATEGY :-**

- 3.1 Enhance competitiveness of MSMEs through clusterisation
- 3.2 Facilitate setting up of ancillary & downstream units of existing and upcoming Large & Mega Industries.
- 3.3 Setting up of specialized/ focused industrial area / park for MSMEs.
- 3.4 Facilitate enhanced flow of credit to MSMEs.
- 3.5 Broaden marketing avenues.
- 3.6 Facilitate technological up-gradation of existing MSMEs and encourage the use of advanced cutting-edge technology amongst new MSMEs.
- 3.7 Establish Industry - Institution linkages.
- 3.8 Convergence of schemes and resources.
- 3.9 Enhance managerial, technical and financial capacity of local entrepreneurs.
- 3.10 Exposure of local MSMEs to best national and international practices.
- 3.11 Setting up consortium and Sub-Contract Exchanges of MSMEs.
- 3.12 Promote infrastructural linkages preferably in PPP mode.
- 3.13 Strengthening of the institutional support mechanism for MSMEs.
- 3.14 Facilitate backward and forward linkages.

### **4. INFRASTRUCTURE :-**

- 4.1 The infrastructural needs of MSMEs shall be addressed on priority and minimum 20% of the area in all industrial estates, industrial parks, industrial corridors and land banks shall be reserved for MSMEs, unless otherwise decided by Govt.
- 4.2 IDCO shall promote new exclusive industrial parks for MSMEs at all major industrial hubs in the State such as Kalinganagar, Barbil, Jharsuguda, Sambalpur, Dhenkanal, Angul, Paradeep, Rourkela, Bargarh, Balasore, Dhamra, Gopalpur, Chhatrapur, Rayagada, Gajapati & Choudwar and near the SEZs being set up in the State.
- 4.3 Wherever land is provided for setting up of large & Mega industries, 10% of such land subject to an upper limit of 200 Ac. shall be earmarked for setting up of MSMEs to facilitate setting up ancillary and downstream MSMEs preferable in cluster mode.

4.4 Sector specific Ancillary & Downstream industrial parks shall be set up by IDCO preferably in association with mother plants.

4.5 IDCO shall up-grade and maintain the infrastructure facilities in existing industrial estates, parks, IID centres, growth centres etc. preferably by associating user industries through appropriate management model.

4.6 The infrastructural requirements of MSMEs relating to water, power, waste management, environment management, testing laboratories, R&D institutions and civic amenities shall be addressed on priority.

4.7 Common Facility Centres (CFCs) set up by Special Purpose Vehicles (SPVs) of MSME clusters shall be entitled for allotment of land on free of cost basis at locations earmarked for the purpose by IDCO. This shall be treated as the State Government's share.

4.8 Large and Mega Industries who have signed MoUs / those who shall sign MoUs with State Govt., shall have to undertake in the MoU to develop 10% of the land subject to an upper limit of 200Ac. to facilitate setting up of Ancillary and Downstream MSMEs preferably in cluster mode.

4.9 IDCO shall set up permanent exhibition centres for MSMEs at suitable locations in consultation with the Director of Industries.

4.10 Dedicated Industrial Parks for Women Entrepreneurs shall be developed by IDCO at suitable locations.

4.11 The MSMEs shall be accorded priority in allotment of land in existing as well as new industrial estates / parks developed by IDCO.

4.12 The District Level Single Window Clearance Authority shall be the competent authority for assessing the requirement of land of MSMEs and for recommendation of the same to IDCO / Revenue Department / General Administration Department / Urban Local Bodies and Urban Development Authorities such as BDA, CDA etc.

## **5. CREDIT :**

5.1 Adequate institutional credit is a major enabler for survival and growth of MSMEs. Concerted efforts shall be made for ensuring adequate flow of institutional credit to Micro, Small & Medium Enterprises.

5.2 A suitable mechanism shall be devised in the Government for monitoring the flow of credit to the MSME sector. Further, the existing institutional set up of District Co-ordination Committee (DCC), State Level Bankers' Committee (SLBC) and Empowered Committee of RBI shall be utilized effectively for the purpose.

5.3 A Credit Monitoring Group shall be constituted to monitor and facilitate the flow of institutional credit to MSMEs. The group shall consist of :

- 1 Secretary, Industries. Chairman.
- 2 Director, Institutional Finance, Govt.of Orissa Member
- 3 Regional Director, RBI Member
- 4 Chief General Manager, SBI Member
- 5 Convenor, SLBC Member
- 6 Zonal Manager, Bank of India. Member
- 7 General Manager, SIDBI Member
- 8 Managing Director, OSFC Member
- 9 Director, MSME DI, Cuttack. Member
- 10 Representative of an Apex Industries Association on annual rotation basis. Member
- 11 Director of Industries, Orissa. Member- Convenor.

5.4 Commercial Banks and Financial Institutions shall be encouraged to set up dedicated branches for MSMEs in the industrial hubs of the State. Infrastructure facilities including land for such branches shall be provided on priority basis at concessional industrial rate.

5.5 The schemes and programmes launched by Govt. of India / Govt. of Orissa for enhancing flow of credit to MSMEs such as Credit Guarantee Fund Trust for Micro & Small Enterprises (CGTMSE), Credit Linked Capital Subsidy Scheme (CLCSS), Technology Upgradation Fund (TUF) & National Equity Fund (NEF) and Interest Subsidy

Scheme of IPR-2007 shall be effectively implemented with active assistance of Banks and Financial Institutions.

5.6 The Orissa State Financial Corporation shall revive its operations and resume lending to MSMEs so as to substantially improve the flow of credit to MSME sector.

5.7 The MSMEs shall be encouraged to increasingly adopt credit rating by reputed agencies such as SMERA. A specific scheme to reimburse / subsidize the rating fees shall be launched by the Govt. in due course.

5.8 Orissa MSME Venture Capital Scheme : -

With a view to promoting new entrepreneurs, technologies and innovations “Orissa MSME Venture Capital Scheme” shall be launched. The basic purpose of the Scheme shall be to provide financial assistance and mentoring services to new and innovative MSMEs. The Scheme shall adopt a flexible approach for supporting the investee companies and provide financial assistance in the form of equity and quasi-equity. The detailed scheme in this regard shall be launched in due course by the Orissa State Financial Corporation with budgetary support from State Govt. and suitably involving other stake holders such as commercial Banks, Financial Institutions and industries and also by taking recourse to public finance.

## **6. RAW MATERIAL :-**

6.1 The State of Orissa has rich resources of varied raw materials required by cross-section of MSMEs. It shall be the endeavour of the Govt. that the MSMEs are enabled to source their required raw materials in an efficient and cost effective manner.

6.2 Appropriate steps shall be taken to establish linkages amongst MSMEs and Central / State Public Sector Undertakings (PSUs) for sourcing of crucial raw materials. The G.M. / P.M, DICs shall be the competent authority to assess the requirement of raw materials of MSMEs located within their jurisdiction and for recommending the same to competent authorities of the relevant Central / State PSUs and Govt. Departments through the Director of Industries, Orissa. It shall be incumbent upon the Orissa based PSUs to accord priority in allotment of raw materials to the MSMEs located within the State of



Orissa at the lowest rate as extended to any other buyer of the same material inside or out side the State.

6.3 The Orissa Small Industries Corporation Ltd (OSIC) / National Small Industries Corporation Ltd (NSIC) may act as the Nodal Agency for sourcing and supplying of raw materials required by the MSMEs. OSIC / NSIC shall set up Raw Material Banks to provide such support. The PSUs shall accord priority in supplying raw materials to OSIC / NSIC acting as the Nodal Agency for MSMEs and shall do so at the lowest rate as extended to any other buyer of the same material inside or outside the State.

6.4 Common procurement of raw material by SPVs of MSME Clusters shall be encouraged. The Govt. shall assist such SPVs in formulating appropriate raw material linkages.

## **7. MARKETING :**

7.1 The Govt. shall endeavour to promote marketing of goods and services produced by the MSMEs both in domestic and overseas markets by providing necessary policy, institutional and fiscal support wherever necessary.

7.2 Marketing Support to Micro & Small Enterprises (MSEs) in Government Procurement

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(a) The State Govt. will ensure that requirement of goods and services by Govt. Departments and Agencies under its control are procured from MSEs located within the State through the following procedure. [Explanation –I: State Government Departments and Agencies under the control of State Government means Departments under the Orissa Government Rules of Business, Heads of Department and offices subordinate to them, Boards, Corporations, Development Authorities and Improvement Trusts, Municipalities, Notified Area Councils, Co-operative Bodies and Institutions aided by the State Government and Companies where Government share is 50% or more . Explanation- II: In order to give effect to the provisions of this paragraph the Orissa General Financial Rules (Appendix-6, Rule 96) shall be suitably amended and the Finance Department will issue detailed guidelines. Explanation – III: The procurement

norms in this para- 7.2 shall not apply for purchases under D G S & D Rate Contract System and in cases where there are separate procurement guidelines prescribed by international / national funding agencies.]

(b) Rate Contract -

**i)** List of goods and services to be reserved for procurement from MSEs via Rate Contract System shall be prepared by the Director, Export Promotion & Marketing (DEP&M) taking into account the quantity and quality of goods being manufactured and services being provided by the local MSEs and their requirement by Govt. Departments and Agencies under their control.

**ii)** Any goods or services for which subsisting rate contract exists shall be mandatorily procured following the rate contract system and shall not be procured by any other means. (c) Purchase from Exclusive List

**i)** List of goods and services reserved for exclusive purchase from MSEs located within the State of Orissa will be prepared from time to time keeping in view the production capacity of the local MSEs and requirements of State Govt. Departments and Agencies under its control. This list shall consist of items for which sufficient production capacity exists within the State of Orissa so as to meet the entire demand of the Govt. sector. Such list shall be prepared and notified by the Director, EP&M. **ii)** The State Govt. Departments and Agencies under their control will have to procure their requirement of these items exclusively from local MSEs with ISO/ISI/EPM certification for the items by inviting limited competitive quotations from such local MSEs only. Efforts will be made to distribute the purchase order equitably among the participating enterprises prepared to accept lowest negotiated rate keeping in view their production capacity. (d) Purchase by Open Tender :

**i)** Goods and services other than those in the rate contract list or exclusive purchase list may be purchased by the State Govt. Departments and Agencies under the control of State Govt. through open tender. Local Micro and Small Enterprises and Khadi & Village Industrial Units including Coir, Handloom and Handicrafts, competing in the open tender shall be entitled to price preference of 10% vis-à-vis local medium and large industries as well as outside industries. Local Micro and Small Enterprises having ISO or ISI certification for their product shall get an additional price preference of 3% as per provisions of IPR-2007.

**ii)** Notice inviting tenders shall stipulate the condition that the participants to the tender must be registered under Orissa VAT or CST Act. While preparing comparative price

statement for evaluation of tender papers, the VAT payable in Orissa shall be excluded and price comparison shall be made only on the basic price. However, any tax payable outside Orissa shall be added to the basic price for such price comparison. (e) The local MSEs registered with respective DICs, Khadi, Village, Cottage & Handicraft Industries, OSIC and NSIC shall be exempted from payment of earnest money and shall pay 25% of the prescribed security deposit while participating in tenders of Govt. Departments and Agencies under its control. (f) 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, DIC or his representative will be a member of purchase committee constituted at District level or below. (g) In order to ensure that the policy on marketing support is meticulously followed, the Director, EP&M 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. (h) Director, EP&M will have the power to draw samples and test the quality of products of local industries from time to time and shall have powers to black list and de-register industries supplying products not conforming to prescribed quality and specifications. He shall have the power to black list local industries for trading in the store item instead of manufacturing.

### 7.3 Marketing Syndication and MSME Consortium :

a) OSIC will act as nodal procurement agency of the State Govt. Departments and Agencies under their control. Bulk orders for procurement of goods and services shall be routed through OSIC. For such procurement, advance payments shall be placed with OSIC by the Govt. Departments and Agencies under their control. b) While acting as a consortium leader of local MSMEs, OSIC shall be entitled to service charges not exceeding 1% of the order value from the concerned units.

7.4 Payment: State Govt. Departments and Agencies under their control will make prompt payment of dues of local MSEs and OSIC. The Directorate of EP&M shall closely monitor the status of timely payment of dues of MSEs.

7.5 The Micro, Small Enterprise Facilitation Council (MSEFC) constituted under the provisions of MSMED Act-2006 shall regularly take up cases related to delayed payments to MSEs.

7.6 With a view to encouraging large and mega industries including those in the private sector in the State to meet their store purchase requirements from the local MSEs, institutional mechanism in the line of Plant Level Advisory Committee existing in respect of Central Public Sector Undertakings shall be devised and implemented.

7.7 A new scheme in the nature of Factoring Assistance Scheme and Bill Discounting Scheme shall be devised and launched in order to assist the local MSEs in their marketing effort.

7.8 The Directorate of EP&M and OSIC shall organize annual Buyer & Seller Meet and Vendor Development Programmes amongst the large & mega industries and the Micro, Small & Medium Enterprises in association with IPICOL, Director of Industries, MSME DI, NSIC and Apex Industry Associations.

## **8. EXPORT PROMOTION :**

8.1 In order to realize the export potential of the MSMEs of the State, concerted efforts shall be made for creation of awareness about overseas markets and the identification of products of local MSMEs having export potential.

8.2 The Directorate of EP&M shall prepare a product country matrix for the MSMEs of Orissa identifying the products which have potential export market in specific overseas markets.

8.3 The Directorate of EP&M shall conduct regular sensitization programmes for the MSMEs about the export documentation procedure and logistic in association with FIEO, ECGC and other Export Promotion Councils of India.

8.4 The Directorate of EP&M shall publish an annual catalogue of products of MSMEs of Orissa having export potential.

## **9. TECHNOLOGY UPGRADATION :**

9.1 The Micro, Small & Medium Enterprises must be encouraged to adopt modern cutting edge technology in order to achieve competitiveness through cost reduction and quality upgradation. MSMEs shall be suitably incentivised to adopt modern technology.

9.2 An MSME Technology Up-gradation Scheme shall be launched to support the MSMEs for technological up-gradation. The scheme shall be utilized for providing subsidised credit support to MSMEs for undertaking modernisation and technological upgradation. OSFC shall be the nodal agency for this scheme. Detailed scheme shall be notified by Govt. in due course.

9.3 Assistance for Technical Know-how :

New Micro & Small Enterprises shall be eligible for reimbursement of 50% of cost of purchase of technical know-how up to Rs. 1 lakh in case of indigenous technology and up to Rs. 5 lakh in case of imported technology, as per IPR-2007.

9.4 The State Govt. shall endeavour to promote adoption of Clean Development Mechanism (CDM) and related technologies by the MSMEs. The Govt. shall subsidise consultancy services for adoption of CDM by the MSME to the extent of 50% of the charges or Rs. 25,000/- whichever is less. The detailed scheme along with guidelines in this regard shall be notified by the Govt. in due course.

9.5 Concerted efforts shall be made to increase awareness about the programmes and schemes of Govt. of India meant for incentivising the adoption of higher technology by MSMEs such as CLCSS, QMS (Quality Management Standards), QTT (Quality Technology Tools). The progress of credit delivery under such schemes shall be closely monitored and corrective steps initiated wherever necessary.

## **10. PROMOTION OF CLUSTERS :**

10.1 Cluster approach is the proven successful approach for sustainable growth of MSMEs in an increasingly globalizing competitive industrial economy. It is observed that

wherever MSMEs have come up in clusters and have evolved sufficient social capital amongst themselves in such clusters, they have been successful. The State Govt. therefore shall adopt the Cluster Development Approach for promoting Micro, Small & Medium Enterprises.

10.2 A Cluster Development Cell headed by an officer not below the rank of Joint Director of Industries shall be set up in the Directorate of Industries to intensify cluster development. This cell shall undertake studies of all the existing MSME clusters in the State and shall develop suitable cluster development action plans for making focused efforts to develop the enterprises in such clusters in a sustainable manner.

10.3 The Cluster Development Cell may also constitute itself into a Society Registered under the Societies Registration Act-1951 and evolve in to a professional body by adopting suitable means. The schemes and programmes of cluster development launched by the Govt. of India, State Govt. and Development / Consultancy Agencies shall be implemented in Orissa through this cell. This cell shall develop partnership with other like minded agencies and institutions working in the field of industrial cluster development. It shall also converge resources and dovetail available funds, schemes and programme so as to evolve a unified strategy for cluster development in the State of Orissa.

10.4 Apart from identifying and promoting existing clusters of MSMEs, new clusters of ancillary & down stream units shall be promoted at major industrial hubs such as Kalinganagar, Paradeep, Dhamra, Gopalpur, Angul, Dhenkanal, Sambalpur, Jharsuguda and Keonjhar etc.

10.5 To promote the development of Micro, Small and Medium Enterprises in cluster mode, the respective Associations / Groups of units in clusters shall be encouraged to form Special Purpose Vehicles (SPVs) for undertaking cluster development work in partnership with Govt. and other development agencies. To promote SPVs in MSME clusters, the SPVs shall be given the status of new small scale industrial units for the purpose of availing fiscal and non-fiscal incentives under this policy as well as under IPR-2007.

## **11. CONSORTIUM AND SUB-CONTRACT EXCHANGE :**

11.1 To derive the benefits of economies of scale, consortium of MSMEs shall be promoted by availing the schemes of Ministry of MSME, Govt. of India, NSIC and OSIC. To enable the MSMEs to participate in high value procurement and composite tenders, Sub-Contract Exchanges shall be promoted based on the product / service line and capacity of member units.

11.2 MSME Associations and SPVs of MSME Clusters shall be encouraged to set up Sub-Contract Exchange and Consortium. Such consortium and Sub-Contract Exchange recognized by the Directorate of Industries shall be allowed the same benefits as allowed to MSMEs as mentioned in the Chapter-7 of this policy.

## **12. REHABILITATION AND REVIVAL OF VIABLE SICK UNITS :**

12.1 The recent intensification of industrial activities in the State provides significant growth opportunities for the existing industries, especially in the MSME sector, including those, which have become sick for various reasons. The State Government shall undertake a comprehensive district wise drive through Directorate of Industries for identification of potentially viable sick units. Such industries shall be placed on a fast track mode for consideration of rehabilitation assistance by Government and all agencies concerned. The existing institutional mechanism of District Level Committees (DLC), Sub-Committee of State Level Inter Institutional Committee (Sub- SLIIC) and the State Level Inter Institutional Committee (SLIIC) shall be suitably reinforced for this purpose.

12.2 The SLIIC shall be empowered to extend need based incentives as available under the extant IPR for this purpose. The industries so assisted will be treated at par with new industrial units for determining the maximum level of incentives that could be sanctioned by SLIIC.

12.3 The Empowered Committee on SMEs constituted by the Reserve Bank of India, Bhubaneswar shall review the performance of banks and financial institutions in

implementing the decisions of SLIIC / Sub-SLIIC / DLC and shall provide suitable direction to Banks wherever necessary to ensure compliance on such decisions.

12.4 The State Govt. shall liaise with the Govt. of India to set up a State level body on the lines of BIFR for revival and rehabilitation of sick MSMEs.

### **13. INSTITUTIONAL SUPPORT :**

13.1 The Micro, Small & Medium Enterprises have certain inherent weaknesses and require strong institutional support to enable them to perform as per their potential. Over a period of time, the State Govt. has already established an institutional frame work in the Industries Department consisting of District Industries Centres at the grass root level and various Directorates, Corporations and Agencies at the Apex level. The working of this institutional frame work shall be streamlined and aligned with the requirements of a strong and vibrant MSME sector.

13.2 Efforts shall be made to create a professional working environment in the District Industries Centres who are the fulcrum of all promotional efforts aimed at MSMEs. The resources available at DICs including human resources shall be further augmented towards this end. The knowledge and professional skill of the officers and staff working in the DICs shall be further upgraded by providing them suitable training in modern management tools and practices, project formulation and appraisal methodology and other emerging trends of industrial development.

13.3 Five DICs shall be upgraded to Regional DICs at locations where industrial concentration and potential exist. The Regional DIC shall provide comprehensive and intensive business development services to the existing and prospective investors and also provide necessary support services to the DICs falling within their respective jurisdiction. The Regional DIC shall be headed by an officer not below the rank of Joint Director of Industries and shall be adequately staffed with professional and qualified personnel.

13.4 The existing set up of different level of DICs shall be given a fresh re-look and necessary restructuring shall be done in order to incorporate the changes which have



taken place in the industrial scenario of the State. Efforts shall be made to upgrade the DICs at locations where industrialization has picked up and potential for growth of MSMEs exist.

13.5 The Directorate of Industries shall be further strengthened in terms of resources so as to augment its efforts for accelerated and focused growth of the MSME sector in the changed industrial scenario of the State. A functional net work shall be established between the Directorate of Industries and other agencies such as Directorate of Export, Promotion & Marketing, Directorate of Technical Education & Training, Directorate of Handicraft & Cottage Industries, IPICOL, IDCO , Orissa Khadi & Village Industries Board, KVIC, NSIC, MSME D.I., OSFC and OSIC.

#### **14. SINGLE WINDOW MECHANISM :**

14.1 Single Window Mechanism that has been established in pursuance with the Orissa Industries (Facilitation) Act shall be made fully operational and extended through out the State. The District Level Single Window Clearance Authority (DLSWCA) shall be gradually activated in all the districts and the District Industries Centres shall be empowered to enable them to effectively discharge the function of DLNA.

14.2 The Project Monitoring and Information System (PMIS) shall be made effective and operational in all the DICs so as to monitor the progress of implementation of the Single Window Services at the district level.

#### **15 ENTREPRENEURSHIP DEVELOPMENT :**

15.1 The current industrialization being witnessed in the State provides tremendous opportunities for the growth of entrepreneurship. Focused efforts shall be made to promote the spirit of entrepreneurship amongst the youth of the State so as to harness the inherent talent amongst them.

15.2 The Institute of Entrepreneurship Development, Orissa shall be further strengthened and helped to evolve into a centre of excellence in the field of entrepreneurship development. The institute shall be accorded priority while undertaking

entrepreneurship development programmes and training programmes for Govt. schemes as well as entrepreneurship development programmes of the private sector.

15.3 Institutions of National and International Repute shall be encouraged to set up their branches in Orissa by providing necessary infrastructure and other support to augment the entrepreneurship development efforts of the State Govt.

15.4 Science & Technology Entrepreneurship Park (STEP) shall be established at various locations in the State by involving technical institutions, preferably in a PPP mode. The State Government shall partner with the upcoming Indian Institute of Technology, Bhubaneswar and the National Institute of Science, Education & Research (NISER), Bhubaneswar to set up science and technology entrepreneurship park and also endeavour to avail Govt. of India assistance for the same.

15.5 Incubation centres for new entrepreneurs shall be set up at strategic locations in the State preferably in association with existing reputed institutions such as CIPET, CTTC, XIMB, NSIC, KVIC etc. The Business Incubator Scheme launched under National Manufacturing Competitiveness Programme of the Govt. of India for support to entrepreneurial and managerial development of MSMEs shall be effectively utilized for the purpose.

## **16. SKILL DEVELOPMENT :**

16.1 The recent growth of industries in Orissa has necessitated accelerated growth in availability of trained quality manpower. The State Govt. Shall take steps to augment the capacity of the technical training institutes. This shall be done by encouraging setting up of new institutes wherever necessary and by upgrading the capacity of existing technical institutes.

16.2 The infrastructure of Government ITIs shall be upgraded by providing them modern technical equipment and educational aids. The scheme of World Bank, Govt. of India and State Government assistance shall be dovetailed for ensuring maximum coverage. Private industries shall also be encouraged to assist in up-gradation of ITIs.

16.3 It shall be the endeavour of the State Govt. to maximize Industry- Institution linkage by encouraging industries to adopt existing technical institutions and also to set up new institutions wherever feasible.

16.4 To promote setting up of new Institutes for skill upgradation, the State Government shall endeavour to lease out suitable Government land as per NCVT norms to entrepreneurs so as to motivate them to come forward to set up quality ITCs.

16.5 Entrepreneurs heading MSMEs who wish to participate in higher training programme shall be helped by subsidising the cost of training. A detailed scheme shall follow in due course.

## **17 FISCAL INCENTIVES :**

17.1 The IPR-07 provides for wide ranging fiscal support measures for MSMEs. Efforts shall be made to increase awareness about these support measures amongst the entrepreneurs and the institutional frame work necessary to translate such support measures into actual practice shall be streamlined. Adequate budgetary provision shall be made so as to enable the MSMEs to fully utilize the fiscal incentives available in the IPR-07.

17.2 Apart from the fiscal incentives provided in IPR-07, the following incentives shall also be provided to eligible new units.

### **i) Capital Investment Subsidy :**

New Industrial Units belonging to Micro and Small Enterprise sector shall be entitled to capital investment subsidy of 10% of fixed capital investment subject to an upper limit of Rs. 8 lakhs only. SC, ST, PH, Women and Technical (Degree / Diploma holding) entrepreneurs shall be entitled to capital investment subsidy of 12% of fixed capital investment subject to an upper limit of Rs.10 lakhs. ii) The capital investment subsidy shall be governed as per rules and guidelines to be notified in due course. The terms & conditions and eligibility for availing subsidy under the scheme shall be devised so as to ensure proper targeting of genuine enterprises who shall be recommended by a State Level Apex Committee, to be constituted for the purpose.

17.3 Women entrepreneurs setting up new MSE shall be entitled to additional two (2) years fiscal incentives relating to VAT under IPR- 07 subject to being otherwise eligible for the said incentive and also subject to the over all absolute limits prescribed for the said incentive under IPR-07.

## **18 MISCELLANEOUS :**

a) This policy shall be read in conjunction with IPR-07. b) For the purpose of this policy all terms, definition and interpretation shall be as per IPR-07. c) Doubts relating to interpretation of any term and / or dispute relating to the operation of any provision under this policy shall have to be referred to the Industries Department, Government of Orissa for clarification / resolution and the decision of Government in this regard shall be final and binding on all concerned. d) The units as enshrined in Annexure-II, Schedule-Point (3) of IPR- 2007 shall not be eligible for fiscal incentives under this policy, but shall be eligible for investment facilitation, allotment of land under normal rules and recommendations to the financial institutions for term loan and working capital and for recommendation, if necessary, to the Power Distribution Corporation. e) The Grievance / Complaints of investors shall be redressed in Shilpa Adalat / District Level Shilpa Adalat as constituted by the Government in Industries Department from time to time. f) 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. Implementation of various provisions covering the incentives, concessions etc. will be subject to the issue of detailed guidelines / statutory notifications, wherever necessary in respect of each item by the concerned Administrative Department. g) This policy shall remain in force from the date of its notification until substituted by another policy. h) The State Government may at any time amend any provision of this policy.

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## **ANNEXURE - C**

### **3- Odisha Food Processing Policy 2013:**

## Odisha Food Processing Policy – 2013 :

- The Government of Odisha in MSME Department has brought out a new dedicated policy for food processing industries called "Odisha Food Processing Policy 2013 vide notification no. 1375-III-MSME-60/2013/ Dt. 15.3.2013. It aims at :
- Value addition & waste reduction of farm produce, maximization of employment opportunities and providing infrastructural, institutional & fiscal supports
- Project clearance under Single Window Mechanism under Odisha Industries (Facilitation) Act, 2004 and Rules, 2005
- Proposes On-line tracking of status of application for various clearances
- Supports establishment of Industrial Area in potential food cluster ; identification of Agri-Export Zones & Setting up of Common Facilities Centres in identified clusters
- Facilitates participation of IDCO in SPV for Mega Food Parks / Sea Food Park
- Encourages skill up-gradation training module in Agriculture Education, Research Institutions & private institutions.
- Utilizing Krishi Sahayak Kendras as Information Centres to maintain database on food processing enterprises, infrastructure providers, export destinations & other knowledge in food processing.

The fiscal incentives provided under this policy are as follows:

Sl.	Type of fiscal incentive	Quantum of incentive	Remarks
i.	Capital Investment Subsidy	For General category - 25% of project cost (excluding cost of land)	Maximum ceiling – Rs. 2.00 crore
		For Women, SC & ST and units in KBK districts - 33% of project cost (excluding cost of land)	Maximum ceiling – Rs. 3.00 crore
ii.	Interest Subsidy	5% p.a on working capital loan availed from public sector banks / OSFC for 1 <sup>st</sup> five years from D.O.P	Maximum ceiling – Rs. 5.00 lakhs p.a for 5 years
iii.	Rebate on land on project cost	From 1.00 to 50.00	Maximum- Ac. 5.00
		From 50.00 to 100.00	Maximum- Ac. 10.00
		Above 100.00	Maximum- Ac. 30.00
iv.	Electricity Duty exemption	For identified potential food cluster or, enterprises being set up in KBK district	Reimbursement of 25% of land rate
		Exempted for new units	For a maximum 10 years from DOP
		Exempted for expansion / diversification of	For a maximum 10 years from date of commencement of

		existing enterprises	policy.
v.	Quality Certification	Reimbursement upto 50% of cost of certification	HACCP, GMP, ISO 9000, Agmark, FPO, GLP, TQM.
vi.	Marketing support	As per para-7 of IPR-2007	
vii.	Entry Tax Exemption	On Plant & Machinery & Balancing equipment. On raw materials, incidental goods & packaging material for 5 years from D.O.P.	
viii.	Mega Food Park & Sea Food Parks	Capital Subsidy @ 20% of project cost to SPV	Maximum – Rs. 15.00 crores or, equity participation by GoO
		Cost of preparation of DPR	Rs. 5.00 lakhs for Mega Food Park. If project report is prepared for carbon credit – 50% of consultancy charges with a cap of Rs. 20.00 lakhs
		VAT reimbursement - 100% for 10 years	Max -200% of Fixed Capital Investment
		For Industrial units set up in Mega Food Parks & Sea Food park – CIS of 25% of project cost (excl. land cost)	Maximum limit- Rs. 2.00 cr. for General entrepreneurs and Rs. 3.00 cr. For SC, ST, Women & for KBK districts –Rs. 3.00 cr. Exemption of Entry Tax on P & M & balancing items Exemption of Entry Tax on raw materials for 5 years from DOP

## Major Resources :

Sl	Item	Qty.	Sl	Item	Qty.
Agriculture			Horticulture		
1	Rice	6828.00	1	Brinjal	2186.25
2	Maize	299.00	2	Tomato	1378.39
3	Other Pulses	270.00	3	Cabbage	1162.24
4	Tur	124.00	4	Sugar Cane	903.00
5	Other oil seed	100.00	5	Okra	651.81
6	Groundnut	86.00	6	Mango	647.93
7	Ragi	47.00	7	Sweet Potato	412.68

8	Gram	33.00	8	Banana	372.76
9	Sesamum	12.00	9	Onion	318.07
10	Linseed	12.00	10	Citrus	247.40
			11	Watermelon	241.24
			12	Potato	201.05
			13	Turmeric	191.02
Fisheries					
1	Fresh Fish	221.27	14	Bottle gourd	136.43
2	Meat	138.00	15	Radish	132.65
3	Eggs (in millions)	2357.10	16	Ginger	118.00
			17	Bitter gourd	111.87
			18	Papaya	99.90
			19	Potato	76.00
			20	Chillies	65.00
Animal Resources					
			21	Peas	52.53
1	Milk	1670.00	22	Beans	50.90
2	Meat	138.00	23	Garlic	35.82
3	Eggs (in millions)	2357.10	24	Coconut (Lakh nuts)	3218.50

## Existing Large Food processing Industries:

Sl. No.	Name and Address of the unit	Invest. (Rs. in lakh)	Item of Product
1	Hindustan Aqua Ltd. .I.E. Kalunga, Rourkela	2150	Cocacola, Thumpsup, Fanta & Sprite
2	Skol Breweries Ltd., Atharabanki, Paradeep, Jagatsinghpur	1146	Beer
3	Cargil India (P) Ltd., Oil Terminal Road, Atharabanki. Paradeep, Jagatsinghpur	9146	Palmoline Oil
4	Tripti Drinks, I.E. Jagatpur, Cuttack	3800	Soft Drinks
5	Shakti Sugar Ltd., Haripur, Korian, Dhenkanal, Dhenkanal	5300	Sugar
6	Denzong Breweries Pvt. Ltd., 59/A, I.E. Khurdha, Bhubaneswar	3000	Beer
7	Hindustan Cocacola Beverage Pvt. Ltd., I.E. Khurdha, Bhubaneswar	4867	Pulp out of Mango Used in Maza
8	Parle Agro Pvt. Ltd, 1/4 FPP, IE Khurdha	3544	Ready to serve beverage
9	Britannia Industries Ltd., IE, Chatabar	5100	Biscuits



### Upcoming Large Food processing Industries

Sl. No.	Name and Address of the unit	Invest. (Rs. in lakh)	Item of Product
1	Reliance Retail Limited, Daleiput, Khurda.	500.00	Food processing
2	NSL Sugars Ltd, Paradeep	800.00	Sugar
3	Seashore Agricultural Promotion Company Pvt. Ltd., Nabarangpur	158.47	Maize Processing
4	Anmol Biscuits Ltd., Khurda	81.14	Biscuit Mfg. Unit
5	BSMV Beverages Pvt. Ltd, Bhatli	59.60	AERATED Water (Soft Drink)
6	Nayagarh Sugar Complex Ltd., Churcunda	237.97	Sugar Plant

### Mega Food Park :

#### 1. M/s MITS Mega Food Park Ltd & IDCO

Sl.	Type of fiscal incentive	Quantum of incentive
i.	Total Area (in Ac.)	110.05
ii.	Land acquired (in Ac.)	50.05
iii.	Project Cost (Rs. in crores)	80.07
iv.	Amount sanctioned (Rs. in crores)	5.00
v.	Amount released (Rs. in crores)	5.00
vi.	Progress made	Under implementation

#### 2. M/s Huma Coastal Mega Food Park Ltd

Sl.	Type of fiscal incentive	Quantum of incentive
i.	Total Area (in Ac.)	72.00
ii.	Land acquired (in Ac.)	-
iii.	Project Cost (Rs. in crores)	116.00
iv.	Amount sanctioned (Rs. in crores)	-
v.	Amount released (Rs. in crores)	-
vi.	Progress made	Under implementation

#### 3. M/s Khurda Food Park, Mukunda Prasad :

Sl.	Type of fiscal incentive	Quantum of incentive
i.	Total Area (in Ac.)	-
ii.	Land acquired (in Ac.)	161.86
iii.	Project Cost (Rs. in crores)	9.91
iv.	Amount sanctioned (Rs. in crores)	-
v.	Amount released (Rs. in crores)	-
vi.	Progress made	Ac. 119.37 land allotted to 70 units

### Potential Food Processing Industries :

Sl	Activities	Product mix
a)	Cold chain	Integrated farm level processing / transportation / distribution of Vegetables, Horticulture produce, Milk, Meat, Prawn, Fish & Sea Food
b)	Fruit & Vegetables Fresh / Processed	Frozen, washed, cut, packaged fruits & vegetables
c)	Breakfast Cereals	Corn flakes, rice flakes, wheat flakes and other formulated breakfast cereal product
d)	Spices (Cryo grinding)	All medicinal & Culinary spices
e)	Coffee grinding	coffee powder
f)	Edible Oil (rice bran)	Edible Oil
g)	Solvent Extraction (Peanut Butter & Groundnut oil)	Peanut Butter
h)	Frozen French Fries	Frozen french fries, potato wedges
i)	Potato Flakes	Potato flakes
j)	Cashew processing	Processed cashew and cashew shell
k)	Value added Mango	Mango pulp
l)	Value added Tomato	tomato paste, puree, etc
m)	Bottling Unit	Juices, Ketchup, Squash
n)	RTE (Ready to eat) Food	Ready to eat food items such as Curries, Noodles etc
o)	RTC (Ready to cook)	RTC Frozen Items such as samosa, parantha, roti etc
p)	Poultry processing	Dressed chicken-full and parts, Boneless parts
q)	IQF (Individual Quick Freezing) Plant	Frozen vegetables
r)	Feed mill	Starter Feed, Finisher Feed
s)	Milk & milk products	Milk
t)	Egg Processing	Egg Powder
u)	Ancillary unit for food packaging	CFB, bags, & BOPP etc.
v)	Pickle unit	Mixed pickle, mango, lemon, chili pickle
w)	Maize products & Downstream Industries	Fine Soji and Fine flour
x)	Rice Milling	Raw Rice, Husk, Broken Rice, Rice Bran,
y)	Value added Mushroom	Mushroom processing
z)	Sea food line	Marine fish / prawn / shrimps / lobsters processing & packaging
aa)	Value added tamarind	Tamarind concentrate
ab)	Confectionary	Bread, biscuit, cake, pastries, etc

### Schemes under National Mission of Food Processing :

The scheme was launched by Ministry of Food Processing, GoI during 2012-13 as a new Centrally Sponsored Scheme during 12<sup>th</sup> Plan for implementation through states / UTs. The following components of the scheme are being implemented through State Mission Directorate, Odisha.

#### I. Technology upgradation / Establishment / Modernisation of Food Processing Industries:

##### i. Eligible Sector : Fruits & vegetables / Milk / Meat /

Poultry / Fish Products / Cereals like Rice, Flour /Pulses/ Oil milling including such other agri-horti sector/ Other consumer food products / Food flavour, colour, oleoresin, spices, coconuts, mushrooms, wines & hops.

##### ii. In-eligible Sector: Aerated water, packaged drinking water & soft drinks.

##### iii. Pattern of Assistance : 25% of cost of Plant & Machinery and Technical Civil works upto a ceiling of Rs. 50.00 lakhs.

33% with a maximum ceiling of Rs. 75.00 lakhs for ITD project area.

#### II. Cold Chain, Value addition and Preservation Infrastructure for non-horticultural produce:

##### i. Infrastructural Component:

a. Minimal Processing Centre at farm level with facilities of weighing, sorting, grading, packing, pre-cooling, cold storage and individual Quick Freezing (IQF)

b. Mobile Cooling Trucks & Reefer Trucks: For transport of non-horticulture produce.

c. Distribution hubs with multi product cold storage /Variable chilling/ freezing Chambers, Packing facility, IQF and Blast/ Plate freezing etc.

##### d. Irradiation facility

##### ii. Eligible Sectors:

(a) Dairy – All milk and milk products, etc.

(b) Meat – All meat and meat products etc.

(c) Aquaculture and marine products like Prawns, Seafood, Fish, and their processed products etc.

(d) Any other non- horticultural food products requiring integrated cold chain.

##### iii. Pattern of Assistance:

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.



**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 @ 6% will be paid to the Bank/FI directly against the term loan sanctioned by it, subject to a maximum of Rs. 2crores per project or actual interest accrued on term loan, whichever is less.

**Renewable Energy based pilot cold chain projects:** Grant in aid @ 90% of the bank appraised cost including the cost towards setting up of the solar power plant, subject to a maximum of Rs. 5 crore. There will be no component of Interest subsidy.

### III. Human Resource Development:

(i) Creation of infrastructure facilities for running Degree/ Diploma courses in Food Processing Technology.

- Maximum eligible amount – Rs. 1.00 cr.

(ii) Entrepreneurship Development Programme (EDP).

- 4 weeks EDP Training programme,
- One year follow-up;
- No. of trainees- 25-35 with SC/ST representation
- Maximum eligible amount – Rs. 3.00 lakhs.

(iii) Food Processing Training Centre (FPTC).

- Single product Line for one group of processing activity. Maximum assistance of Rs. 6.00 lakhs for fixed capital costs and Rs. 3.00 lakhs for revolving seed capital.
- Multi Product Line for more than one group of processing activity
- Maximum eligible amount – Rs. 15.00 lakhs for fixed capital costs and Rs. 5.00 lakhs for revolving seed capital.

(iv) Training at recognized institutes such as CFTRI / DFRL/ any other reputed State /National level training institutes of GOI/ State Govt.

- Assistance of Rs. 1.0 lakh for one batch of 20 trainees for 10 working days.

### IV. Promotional Activities:

- For Seminar / Workshops - Assistance @ 50% upto a maximum of Rs. 4.00 lakhs. No limit if State sponsored.
- Study / Survey / Feasibility Report - Assistance @ 50% upto a maximum of Rs. 4.00 lakhs. No limit if State sponsored.
- Exhibitions / Fairs - Assistance to be decided on merits of the proposal.

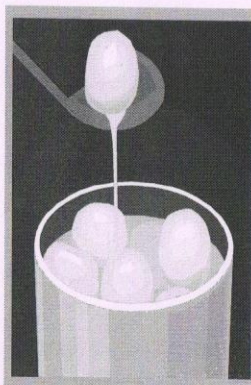
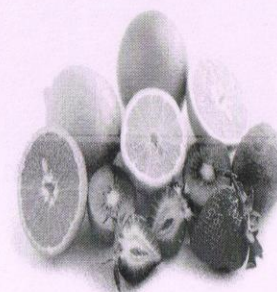
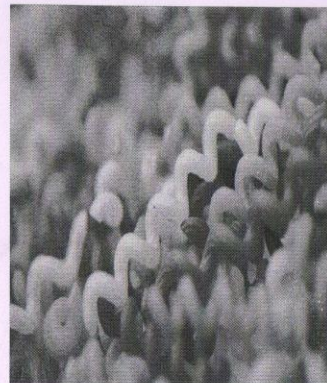
### V. Primary Processing Centre / Collection Centre :

- Applicable for both Horticulture & Non-Horticulture Produce like Fruits, Vegetables, Grains & Pulses, Dairy product, meat, Poultry, Fish, etc.
- Minimum land of Ac.1.00 – Ac. 2.00 with processing at Farm level which may include weighing, cleaning, sorting, grading, packing, pre-cooling, controlled atmosphere / modified atmosphere, Cold Storage, Dry Ware Houses and IQF.
- Mobile Pre-cooling trucks and Reefer trucks which may be suitable for transport of perishable agricultural products / horticulture / Dairy / Meat / Fish produce. /

**Assistance:** 50% of the eligible project cost in general areas and 75% in ITDP Area.

VI. **Modernization of Meat Shop :** Assistance of 50% of the cost of Machinery and Technical Civil work subject to a ceiling of Rs. 5.00 Lakhs and 75% in ITDP areas.

VII. **Reefer Vehicles :** For stand alone reefer vehicle and mobile pre-cooling vans for carrying horticulture and non-horticulture products grant-in-aid @50% of the cost of vehicle upto a maximum of Rs. 50.00 lakhs.



#### Contact Details :

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