

**REPORT
ON
INDUSTRIAL POTENTIALITY SURVEY
OF
CUTTACK DISTRICT**

2014 - 15

Prepared by :-

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FOREWORD

Every year MSME-Development Institute, Cuttack under the Ministry of MSME, Govt. of India undertakes the preparation of Industrial Potentiality Survey for selected districts in the State of Odisha and publishes 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 Target for 2014-15, the district of Cuttack has been selected for this 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 Report tries to provide an overall view of the resources of the district and their utilization for the purpose of industrial growth and development. It includes detailed analysis of resource endowment, infrastructural facilities like transport and communication, banking network, electricity and power generation and irrigation channels. Focus has also been put on avenues of industrial growth, presence of Industrial Estates and Growth Centres and possibilities of setting up new micro and small enterprises.

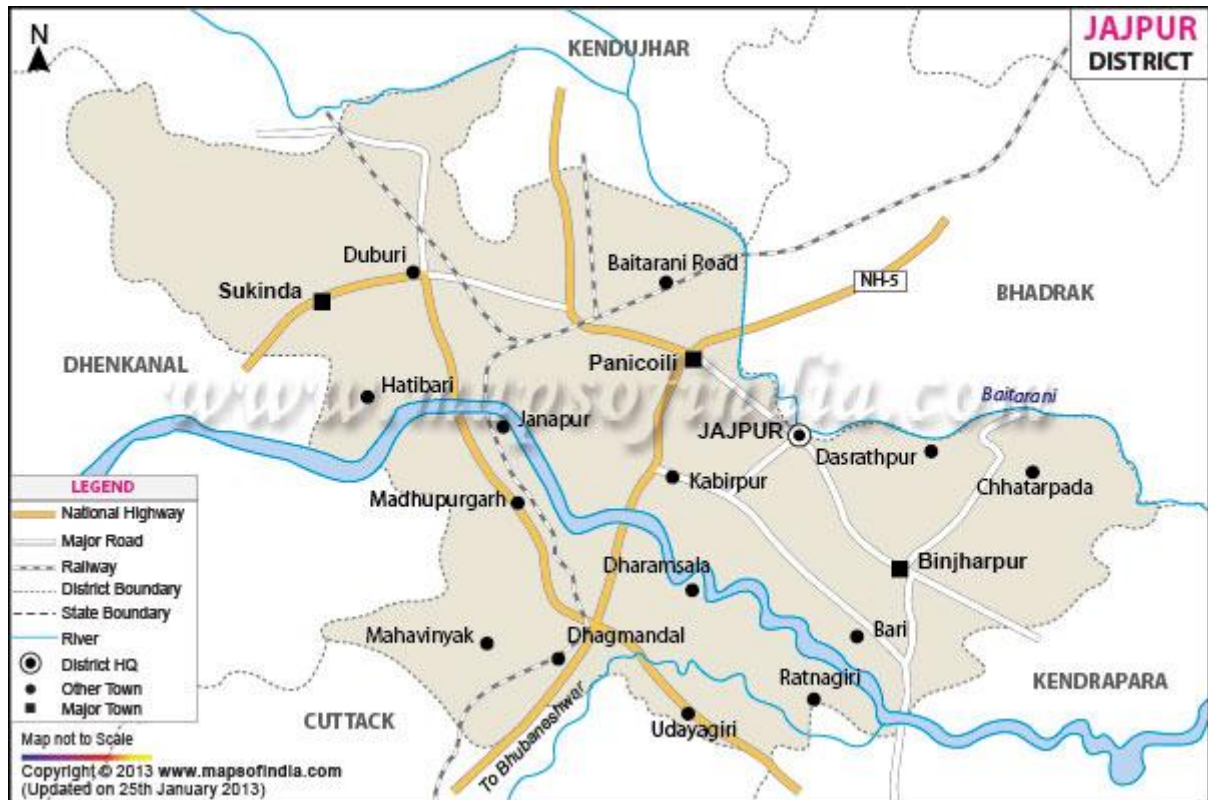
In preparing this report, necessary data and co-operation was obtained from various departments of State Govt., Central Govt., Financial Institutions, Local bodies, trade and Industry Associations, Dealers, Consumers, etc. I would like to extend my sincere thanks and regards to all of them for their sincere co-operation and assistance.

I hope this Report will be found very useful by Promotional Agencies, Financial Institutes, NGOs and above all the MSMEs of the district.

I appreciate the efforts rendered by Smt. R. Chakraborty, Asstt. Director (EI) of this Institute in preparing the Report.

*Dated: December, 2014
Place : Cuttack*

*(P. K. Gupta)
Deputy Director Incharge.*



EXECUTIVE SUMMARY

- i) *The district of Cuttack, also known as the millennium city of Odisha is one of the centrally located districts of the State. Located in the fertile delta plains of Mahanadi and Kathajodi rivers, Cuttack was once the Capital of Odisha. It is renowned for its rich tradition and heritage and is a major tourist centre. Cuttack also serves as a flourishing business hub with several major wholesale markets and communication centres operating in the district.*
- ii) *Cuttack district has a total area of 3932 sq.km. covering 2.52% of the total State area.*
- iii) *Demographically, the district enjoys a comfortable position with a total population of 26.24 lakhs which is only 5.25% of the State population and a sex ratio of 940 females per 1000 males as per 2011 provisional Census Report.*
- iv) *The density of population is 667 persons per sq.km. against the state average of 270 persons.*
- v) *In the literacy area of the district, it has significantly improved over a decade manifesting 85.5% and is higher than the state ratio of 72.9%.*
- vi) *As regards workforce, it constitutes about 30% of the total population.*
- vii) *Agriculture, being the major source of providing employment to about 80% of the total workforce, contributes significantly to the district's economy. The major crops are paddy, vegetables, spices and horticultural produce like guava, mango and banana.*
- viii) *Milk production is reported to be substantial and offer scope for commercial exploitation.*
- ix) *Forests constitute another major resource of the district, covering 13.61% of the total district area. Hence, the district is a storehouse of various major and minor forest resources.*
- x) *The infrastructural facilities comprise a very good banking network with UCO Bank as the Lead Bank, an effective telecom network and satisfactory road connectivity which enable the district to make efficient use of its factors of production.*
- xi) *Cuttack district has an excellent potential for industrial development, given its strategic location, good connectivity with all other districts of the State, proximity to the State capital and a strong industrial base with 11 large scale and 2 medium scale industries coupled with 8 Industrial Estates located in the district. The emerging industries (MSMEs) are mainly in the fields of engineering, IT and IT related services, Agro & Food processing, Glass & Ceramics, Readymade garments, Chemicals & Pharmaceuticals, Refractory, Metallurgy and mineral based industries.*
- xii) *The major mineral found in the district is fireclay. Besides, the district has easy access to important minerals like coal, chromite and iron ore which are found in the neighbouring districts of Angul and Jajpur. This has enabled setting up of several ancillary and downstream industries of Steel plants, Thermal Power Plants and Oil Refineries.*
- xiii) *The district has moderate capacity in the power sector with 46 33/11 KV Sub-stations. About 91% (1695 villages) of the total inhabited villages (640 villages) have been electrified as on 31-03-2009.*

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I
CUTTACK DISTRICT AT A GLANCE

A. GENERAL

1)	Geographical Area (sq. km.)	:	3932
2)	Total Population (Nos) (2011 Census)	:	2624000
	i) Urban population	:	736000
	ii) Rural population	:	1888000
	iii) Male population	:	1353000
	iv) Female population	:	1272000
3)	Density of population (Nos.)	:	667 per sq. km.
4)	Total percentage of literacy	:	85.5
	i) Rural	:	83.5
	ii) Urban	:	90.6
5)	Workers as percentage to total population	:	30.26
6)	No. of Sub-Divisions	:	3
7)	No. of Blocks	:	14
8)	No. of Assembly Constituencies	:	9
9)	No. of Inhabited villages	:	1856
10)	No. of Police stations	:	50
11)	No. of Panchayat Samities	:	14
12)	No. of Gram Panchayats	:	342
13)	No. of Municipality and Corporations	:	2
14)	Major Wholesale Markets (at Malgodown & Chhatrabazar)	:	2
15)	Net Area sown (2013-14)	:	185.677 Th. Hect.
16)	Forest Area (2001-02)	:	84.341 Th. Hect.

II

B. INFRASTRUCTURE

1)	Total Road Length (Kms.)	:	6565.76
	i) National Highways (Kms.)	:	63.65
	ii) State Highways (Kms.)	:	118.00
	iii) District Roads	:	532.12
2)	No. of Sub-Stations (Power) (33/11 KV Sub-stations)	:	46
3)	No. of Bank Branches and Financial Institutions	:	278
	i) Lead Bank	:	UCO
	ii) C.D Ratio (as on 31-12-2012)	:	52
4)	No. of Post Offices (2010-11)	:	352
5)	No. of Villages electrified(upto 31.03.09):		1695 (91%)

C. INDUSTRY

1)	No. of Large & Medium Scale Industrial Units	:	13
2)	No. of working mines (fire clay)	:	9
3)	Total No. of Micro, Small & Medium Enterprises set up during 2011-12 to 2013-14	:	1319

D. <u>PRINCIPAL CROPS</u>	:	1)Paddy, 2)Pulses, 3)Jute, 4)Potato, 5)Groundnut, 6)Mustard, 7) Ginger 8)Vegetables.
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CHAPTER – I

OBJECTIVE, SCOPE AND METHODOLOGY

Objective :

The district of Cuttack is one of the most traditional districts of the State with a rich cultural heritage and background coupled with a flourishing business centre. Originally founded in the year 1803 under the Bengal Presidency of British India, Cuttack had served as the Capital of Odisha, with Cuttack Commissioner as one of the heads of the British Govt. Under the British regime, the State of Odisha comprised of 3 districts viz. Cuttack, Puri and Balasore. However, for administrative purpose, power was decentralised and the erstwhile district of Cuttack was divided into 4 districts – Cuttack, Jajpur, Jagatsinghpur and Kendrapara on 1st April, 1993. The current district of Cuttack spreads over an area of 3932 sq. Kms and comprises 2.51% of the total geographical area of the State.

The main objectives of the present report of Industrial Potentiality Survey are to assess the resources both human and material available in the district; to appraise the existing infrastructural facilities; to evaluate the status of existing industries and to identify various prospects and problems. The report also aims at identifying prospective industries/SSI units emphasizing on major viable industries in the micro & small sector. Moreover, the importance of entrepreneurial talents and skills of the people which are basic to industrialization have also been given recognition.

Scope :

Although the present report emphasises mainly on the small scale industries, village and cottage industries, tiny, repairing and servicing enterprises, the scope of the report is vast.

In the various Chapters, developmental aspects of the district are analysed and assessed to highlight the various developmental scope. In the resource Chapter, human and material resources are analysed in detail. Human resource includes population, its literacy rate, occupational pattern of people, etc. whereas material resources include the agricultural produce, land utilisation, cropping pattern, forest resource, irrigation system, livestock resources, sericulture, mineral resource, etc.

For analysing infrastructure, a separate Chapter covers the physical and social infrastructures available in the district. Physical infrastructure covers land, factory accommodation, water, power, railways, road transport, communication, air transport, etc. and social infrastructure covers entrepreneurship, marketing potential, lending facilities, incentives, growth centres, etc.

Present industrial scenario of the large & medium scale industries and the small industries of the district have been discussed in the Chapter on present industrial structure.

In the District Planning Chapter, the prospective resource based and demand based industries of the district have been studied.

Besides, the industrial policy of the State of Odisha has also been highlighted to expand the scope of this report. So, this report may help the prospective entrepreneurs, promotional agencies and planners in the district.

Methodology :

The office of the Development Commissioner, M.S.M.E, New Delhi has issued guidelines for preparation of this report. The latest guidelines have been followed for preparing this report.

Study data has been collected from two sources viz. primary and secondary sources, for preparation of this report. In the initial stage, questionnaires were prepared and despatched to various Government and Semi-Government Departments like District Industries Centre, District Planning, Banks, Agriculture, Forest, Animal Resource Development, Power, Employment, etc. for collection of secondary data. Subsequently, a survey team of field officials of this Institute visited different offices including important executive Departments and collected the required data as per guidelines.

A separate questionnaire was also designed and 'Stratified Random Sample' method was applied for generating primary data. During field visits, the team interacted with existing SSI units, traders, trade associations, etc. for eliciting necessary response.

Finally, collected data has been compiled and analysed in depth to prepare and shape this report.

CHAPTER – II

GENERAL CHARACTERISTICS OF THE DISTRICT

Cuttack district is one of the oldest districts of Odisha. Cuttack is the district Headquarters and a flourishing business hub of Eastern India. It derives its name from the Sanskrit word Kataka which means Army Cantonment or the Fort Capital. Cuttack district started as a Military Cantonment because of its strategic location that further developed into the Capital of the State of Odisha.

Since time immemorial, Cuttack has enjoyed a prestigious position in the history of the State. It became the Capital city of Odisha at the end of the 10th Century A.D. It came under British regime in 1803. The current district of Cuttack came into existence on 1st April, 1993.

The district is situated between the rivers Mahanadi on the north and Kathajodi on the south. Agriculture serves as the major livelihood of the people. It is also an important tourist centre given its historical and religious importance. The city is also reputed for its exquisite and delicate silver filigree works, artistic horn works and multi-coloured textile products. It also has a rich legacy of traditional handicraft industries.

Location :

Cuttack district is a narrow stretch of land spreading from East to West. It is bounded on the east by the districts of Jagatsinghpur and Kendrapara, on the north Dhenkanal and Jajpur districts of Odisha and on the west & south Khurda and Nayagarh district. Geographically the district is situated between 20 degree 03" to 20 degree 40" N latitude and between 84 degree 58" to 86 degree 20" E longitude.

Administrative set up :

The Headquarters of the district is Cuttack and it has 3 sub-divisions, 14 blocks, 50 Police stations, 15 Tehsils, 14 Panchayat samities, 342 Gram panchayats and 2 Municipalities. The administrative set up of Cuttack district is shown in table 2.1.

Table – 2.1

Administrative set up of Cuttack district

District Head Quarters		Cuttack	
Sub-division	3	Municipality & Corporation	2
Police Station	50	Block	14
Inhabited Villages	1856	Tehsils	15
Uninhabited Villages	94	Panchayat Samity	14
		Gram Panchayat	342
No. of Assembly Constituencies - 9			

Climate and rainfall :

The climate can be broadly classified into summer, monsoon and winter seasons, while early March to mid-June is the summer season, monsoon prevails from mid-June to October while November to February witnesses winter, rarely interrupted by rain.

The district lies within the tropical belt and hence experiences extremes of temperature during the summer season. The climate in general is hot and humid. Temperatures often shoot up above 40°C during the summers. Rainfall is moderate, the region coming under the influence of the southwest monsoon. The actual average rainfall in 2012 was 1637.5 mm. The winter season is characterized by mild temperature and occasional showers.

Soil :

The salient features of soil are widely diverse in the various blocks of the district. Generally speaking, the soil is mostly alluvium- at some places, it is newly formed and at other places, it is comparatively older alluvium soil and more matured. Black soil is also found in a few blocks like Tangi Choudwar, Athagarh and Badamba.

River :

Mahanadi is the major river of Cuttack district, which flows in an east-west direction. The river originates from Amarkantak Plateau, Chattisgarh and enters Odhisa near Padigan. The river enters its middle stage and flows over the plains at Naraj in Cuttack district. It drains into the Bay of Bengal where it forms a delta prior to draining into the sea. At this stage the river bifurcates to give birth to river Kathajodi and Birupa. The river Kathajodi further bifurcates into Kuakhali, which further downstream bifurcates into Daya and Bhargavi, both draining into the Chilka lake. Other rivers originating in the Mahanadi Delta include Samolia, Gobari, Prachi, Kadua, etc. These are basically drainage channels of short length.

Forest :

Dry deciduous mixed forests and dry deciduous sal forests comprise the major part of the forest areas. Evergreen forests are found in Athagarh block of Cuttack district. There is one reserved forest spread over an area of 512.27 sq. kms in Tangi and Choudhwar blocks. Total area under forests in Cuttack district is 535.14 sq. kms or 13.61% of the total district area (3932 sq. kms).

RESOURCES

Resources play an important role in the development of industries. The available resources support the growth and development of industry. Resource endowments may be divided into human resources and material resources. While human resources depict the quantum and quality of population, material resources account for the availability of various physical resources like agriculture produce, forest resources, livestock, horticulture products, etc.

Human Resource :

Human resource is very important for industrial growth because without entrepreneurship, skilled man power, etc. setting up of an industrial unit cannot be thought of. The efficient and optimum utilization of material or natural resources depend on the quality, skill and technical knowledge of the available human resources. The human resources of Cuttack district are elaborated below :-

Population

As per Census 2011, Cuttack district has a population of 26.24 lakh, which accounts for 6.25% of the State population. The decadal growth rate of population for the period 2001-11 has been 12.1% compared to 14% for the State as a whole. The salient features pertaining to population of Cuttack district are illustrated in table 3.1.

Table – 3.1

Population of Cuttack district (in '000 Nos.)

As per 2011 (P) Census						
Total	Male	Female	Urban	Rural	% of urban population to total	% of rural population to total
2624	1353	1272	736	1888	28.05%	71.95%

Source : 2011 Census

The above table shows that rural population comprises 72% of the total population whereas urban population comprises only 28% of the total signifying that the majority of the population resides in rural areas. The density of population is 667 people per square km. The sex ratio is 940 females against 1000 males. In rural area, the sex ratio is 945 (per 1000 males) and the corresponding figure in urban area is 927. The district is primarily rural and agrarian in nature.

Literacy

As per 1991 Census, the literacy rate of Cuttack district is shown in table 3.2.

Table – 3.2

Literacy rate of Cuttack district (%)

Rural	83.5
Urban	90.6
Total:-	85.5

Source : 2011 (P) Census.

The total literacy rate of the district is 85.50 percent in 2011 compared to 76.66% in 2001 consisting of 83.5 percent in rural area and 90.6 percent in urban area. The male and female literacy rates are 91.11 percent and 79.55 percent respectively as per 2011 Census. The literacy rate for the State of Odisha is 72.9%. In fact, Cuttack has a fairly high literacy rate compared to the other districts of the State.

Occupational pattern of population

The total workers of the district are classified into three categories, i.e. main workers, marginal workers and non-workers. The details of category-wise workers is shown in table 3.3.

Table – 3.3

Distribution of categorywise workers in Cuttack district **(as per 2001 Census)** (in Number)

Category	Number		
	Male	Female	Total
Total Workers	638088	155946	794034
Main workers	548078	65805	613883
Marginal workers	90010	90141	180151
Non-workers	569693	977367	1547060

Source : District Statistical Handbook, 2009, Cuttack

Analysis of the above table reveals that total workers in Cuttack district is 794034 Nos., which is 30.36% of the total district population (2624000 Nos.). The occupational pattern of the workers (main and marginal workers) is given in the table below :-

Classification of workers (main & marginal) based on occupation (in nos) as per 2001 Census for Cuttack district:

Total Workers	Cultivators	Agricultural labourers	Workers in Household Industry	Other Workers
794034	161216	181984	37866	412968

Among the main and marginal workers, agricultural labourers are the major group followed by cultivators. In contrast, the number of workers engaged in household industry is relatively low. Other workers constitute another dominant category in the main working populace.

An analysis of the occupational pattern of the population reveals that the district is agricultural in nature. Dependence on household industry and allied industries like servicing, repairing, etc. is not high.

The study of the demographic features of the district would remain incomplete if no light is thrown on the existing labour absorption outlets. Thus, the position of registered unemployed youths of the district along with their qualification as registered in District Employment Exchange of Cuttack is given in table 3.4.

Table - 3.4

**Exchangewise vis-à-vis skillwise unemployed youths as per
Live Registers in Cuttack district as on 30-06-2014**

Skills	Exchangewise No. of Registrants
A. Tradewise classification of Registrants	
i) Industrial	808
ii) Skilled & Semi skilled	2944
iii) Clerical	7974
iv) Educational	49569
v) Domestic	44
vi) Unskilled	490
vii) Others	602
B. Educational Classification	
i) Below Madhyamik	3660
ii) Madhyamik/HS & equivalent	13325
iii) ITI	3546
iv) Diploma Engineers/Engineers	1786
v) Doctors	-
vi) Others	40114
Total	62431
D. Ex-servicemen	Nil

Source: District Employment Officer, Cuttack.

From the above table, it is observed that the youths are qualified both in academic and technical lines in various disciplines. The district is definitely not lacking in traditional as well as modern technical skills. Bamboo craft, cane craft, jute craft, appliqué work, art textile, silver filigree work, terracotta, coir craft, etc. are the varieties of traditional skills available in the district. D.T.P, Data processing, Computer assembling, Fruit processing, Printing on polythene sheet, Card board manufacturing, etc. are the modern skills available in the district. There are two ITIs at Cuttack one at Narsingpur and the other at Jagatpur. The Rice Research Centre at Cuttack and the RavenShaw University are also Institutes of repute imparting quality education and research facilities. It, therefore, appears that there is no dearth of technical skills in the district. Efforts must be made to translate them into self-employment exercise by setting up efficient units. Organising motivational training workshops, seminars, etc. can also be thought of for this purpose.

Material Resources :

Material resources are basic to the growth of industrial units. On the other hand the growth of resource-based industry depends on the available quantum of material resources. Material resources consist of agricultural resources, forest resources, live stock resources and so on. The material resources available in the district are highlighted in the following paragraphs:-

Agriculture

Agriculture dominates the economic activities of the people. As already stated, the major workforce of the district is engaged in agriculture. The main agricultural produce of the district are paddy, vegetables, pulses, spices, etc. Details of agricultural production of the district are shown in table 3.5.

Table – 3.5

Agricultural area, yield and production for 2013-14 of Cuttack district
(Area in hectares, yield in Quintal/hectares & production in Metric Tonne)

Produce	Area	Yield	Production
Autumn Paddy	9080	17.49	15883
Winter Paddy	121608	25.36	308434
Total Kharif Paddy	130688	24.82	324317
Summer Paddy	3724	41.92	1561
Total Paddy	134412	25.10	337312
Wheat (Rabi)	162	18.16	294
Total Maize (Kharif & Rabi)	1881	22.49	4230
Ragi (Kharif)	89	7.17	64
Total Cereal (Kharif & Rabi)	136544	25.23	344516
Total Mung (Kharif & Rabi)	50372	3.34	16841
Total Pulses (Kharif & Rabi)	114900	3.85	44196
Total Foodgrains (Kharif & Rabi)	251444	15.46	38713
Groundnut (Kharif & Rabi)	10899	22.23	24227
Til (Kharif & Rabi)	2237	3.66	820
Total Oilseeds (Kharif & Rabi) (Castor, mustard, sunflower, linseed)	16211	16.26	26352
Jute (Kharif)	1504	40.90	6152
Mesta (Kharif)	182	7.92	11
Total Fibre (Kharif)	1686	37.34	6296
Total Sweet Potato (Kharif & Rabi)	876	79.33	6949
Potato (Rabi)	4047	98.54	39880
Onion (Rabi)	1911	80.16	15318
Other Vegetables (Kharif)	44090	101.14	445931
Other Vegetables (Rabi)	36809	124.99	460071
Total Fegetables (Kharif & Rabi)	87733	110.35	968148
Total Chil (Kharif & Rabi)	3801	8.82	3351
Coriander (Rabi)	1441	4.79	690
Garlic (Rabi)	925	39.36	3641
Turmeric (kharif)	775	33.27	2579
Ginger (Kharif)	540	34.31	1853
Total Spices (Kharif & Rabi)	7482	16.19	12114
Sugarcane	2535	569.79	144441

Source : The Principal Agriculture Office, Cuttack.

Like other districts in Odisha, paddy is the major produce in the district. The farmers are fast adopting HYV seeds in place of traditional seeds, due to higher yield rate of production.

Among other agricultural produces, vegetables production is also significant. It is produced throughout the year. Due to climatic advantages, vegetables are produced both in kharif and Rabi seasons. These productions are supplied to different places and fetch good prices.

Land utilization

The major part of the district is under plain land. There is only one Reserve Forest under Cuttack Division. Forest area is found mostly in Tangi-Choudwar Block. The land utilisation pattern of the district is given in table 3.6.

Table – 3.6

Classification of land utilization statistics in Cuttack district (2013-14)

(Area in hectares)

Year	Geographical Area	Forest Area	Area under Non-agricultural use	Barren & unculturable land	Permanent pastures	Land under Misc. trees & groves	Culturable waste land	Other fallow land	Current fallow	Net area sown	Gross Cropped area
2013-14	367087	84341	52729	9690	10375	11116	9824	862	2473	185677	370531

Source: Principal Agriculture Office, Cuttack.

The total area of the district is approximately 2.54 percent of the entire area of the State. Thus, Cuttack is one of the smallest districts of the State. Out of a total geographical area of 367087 hectares, net area sown comprises 50.58%, forests comprise 22.97% and area under non-agricultural use constitutes 14.36%. Forest coverage in Cuttack constitutes 2% of Odisha's total forest area.

Cropping intensity in Cuttack district is 197 (2013-14).

Table: 3.7

Cropping Intensity of Cuttack District (in Hect.)

Net area sown	Gross Cropped Area	Cropping Intensity
185677	370531	197

Source : The Principal Agriculture Office, Cuttack.

Fertilizer Consumption

Total fertilizer consumption of Cuttack district was 9135 Kg./hectare during Kharif 2013 and 9499 Kg./hectare during Rabi 2013-14. The category-wise fertilizer consumption of Cuttack district is given below :-

(figure in kg./hectare)

	Nitrogen	Phosphorus	K((Potassium)	Total
Kharif 2013	6786	1465	884	9135
Rabi 2013-14	5449	3474	576	9499

Irrigation

Cuttack district is basically agrarian in nature. As such irrigation forms an important aspect of resource development. It has been observed that better irrigational facilities have effective impact on the development of agriculture and agricultural diversification since irrigation facilities are imperative for diversifying the primary sector and for ensuring better productivity, thereby establishing a strong backward linkage with the industrial sector. Table 3.8 shows area irrigated by different sources in the district of Cuttack during 2013-14. Total area covered under irrigation network is 102.666 thousand hectares in Kharif 2013 and 58.756 thousand hectares in Rabi 2013-14.

Table – 3.8

Area Irrigated by different sources in the district of Cuttack

(in hectares)

Year	Area irrigated by					
	Govt. Canal	STW	RLI	ODW	Others	Total
	Major irrigation	Minor irrigation	Lift irrigation (Govt.)	Lift irrigation (Pvt.)	Dug well & Others	Total
Kharif 2013	51703	14046	17666	10910	8341	102666
Rabi 2013-14	6982	930	17779	20953	12112	58756

Source : Principal Agricultural Officer, Cuttack

Horticulture

The horticulture sector of Cuttack has made impressive development in recent years with the major fruit crops being mango, guava, banana and citrus fruits. The agro-climatic condition of the district and the nature of soil support horticultural production during summer and winter months. Agriculture and horticulture constitute the mainstay of the majority of the populace and contributes significantly to the State's Gross Domestic Product. Many of the horticultural produce grown in the district are used in fruit processing and preservation units.

The major horticultural and floricultural production of Cuttack district for the year 2013-14 is given below :

Table – 3.9

Major horticultural and floricultural produces of Cuttack district for the year 2013-14

Produce	Area (in hect.)	Production (in MT)
Major Fruits		
Anola	13	6.56
Banana	472	9086
Citrus	485	4217

Guava	187	1351
Litchi	17	57
Mango	3301	11876
Papaya	102	2867
Pineapple	40	700
Pomegranate	7	25
Sapota	300	1299
Other Fruit Crops	850	8380
Total :-	5774	39864

Major Vegetables		
Brinjal	5442	92460
Cabbage	2012	56537
Cauliflower	1364	21606
Okra	960	8659
Pea	127	1153
Tomato	3276	47338
Onion	925	9102
Potato	2842	48456
Sweet Potato	691	5901
Radish	672	7607
Bitter Gourd	442	4610
Bottle Gourd	483	6636
Beans	426	2143
Watermelon	428	8166
Muskmelon	7	126
Cucumber	146	2082
Printed Gourd	380	5138
Carrot	12	146
Capsicum	11	149
Other vegetables	4321	50469
Total :-	24967	378485
Mushroom	-	13242
Coconut	5572	346.96
Cashew nut	2044	1333
Coriander	1242	646
Ginger	520	2527
Garlic	899	4028
Turmeric	562	2563
Chilly	3816	3358
Major Flowers		
Rose	148	329 lakh stems
Gladioli	198	203.9 lakh spikes
Tuberose	30	759 Qntls.
Marigold	146	14390 Qntls.
Gerbera	2	29 Qntls.

Source : O/o the Dy. Director, Horticulture, Cuttack.

Forest

Forest is another important resource for economic development. The area under forest is 535.14 sq. kms which is 2 percent of the total forest area of the State. The forests are found mostly in Tanga – Chowduar Block.

There is only one Reserve Forest under Cuttack Division covering an area of 512.27 sq. kms. The forests are deciduous in nature – dry deciduous mixed forest and dry deciduous sal forests dominate the total forest coverage in the district. The

major trees found here are sal, teak, ocaria, eucalyptus, arjuna, guava, mango, siris, etc. The forests are also home to a variety of fauna like common Indian mongrose, house rat, squirrel, jacket, jungle cat, etc. Reptiles like garden lizard, common krait, rat snake, common cobra, common house geiko are also a part of the forest wild life. The forests also support various species of birds like koel, egret, king fisher, myna, black drongo, etc.

The classification of forest area in the district and major forest produce during 2013-14 is given below :-

Table : 10 (A)
Classification of forest area in Cuttack district as on 31-03-2014

Classes of forest	Area in Sq. kms.
Reserved Forest	512.27
Protected Forest	0.82
Unclassed Forest	0.45
Private Forest	-
Village Forest	21.60
Total :-	535.14

Table : 10 (B)

Forest Produce during 2013-14	
Produce	Quantity
Timber	134.342 cu. metres
Pole	133 Nos.
Log	-
Firewood	73.687 Qntls.

Source: O/o Divisional Forest Officer, Cuttack Forest Division, Cuttack

Fisheries

Odisha is one of the major maritime States, offering vast scope for development of Inland, Brackish Water and Marine fisheries. The State has 6.72 lakh ha. fresh water resources, 4.18 lakh ha. of Brackish water resources and 480 kms. of coast line. Fisheries play pivotal role in the socio economic life of farm families. The demand of fish and fisheries products is increasing day by day. This will not only provide ample income generating avenue to the fish farmers and fishermen but also supplement the protein requirement of malnourished population.

The State Government has introduced a number of programmes for enhancement of production and productivity as well as welfare packages for the socio-economic upliftment of fishers in the State. Fish farmers and fishermen are benefitted from programmes like a) Special PDS (Public Distribution System) for Fishermen affected by Olive Ridley Conservation, b) Replacement of Wooden Country Craft with FRP Boat, c) Motorisation of Country Craft, d) Assistance for Fish marketing Infrastructure for Fishermen, e) Assistance for net & boat for inland fishermen of the State, f) Group Accident Insurance Scheme for Fishermen (GAIS), g) House Sites for Fishermen under 'VASUNDHARA' and h) Award of Scholarship to Meritorious Children of the Fishermen Community.

In the recent budget, 2013-14, some new programmes have been introduced for fisheries development in the State. Glimpses of the new

programmes are as i) Interest subvention on credit support to fish farmers, ii) Promotion of intensive aquaculture and fresh water fish seed, iii) Empowering fishermen through mobile advisory services and establishment of toll free call centre for fisheries extension service and iv) Assistance to fishermen for livelihood development under RKVY assistance.

The district has an area of 61.48 hectares(2013-14) under ponds and tanks. Fresh water fish production during the same period was 10131 Metric tonnes.

The resource of the district in the fisheries sector is highlighted in the tables below:

Table – 3.11(A)

Yearwise Area Development under Ponds/Tanks in Cuttack

(Fig. in Hec)

Name of the district	2009-10		2010-11		2011-12		2012-13		2013-14	
	No.	Area	No.	Area	No.	Area	No.	Area	No.	Area
Cuttack	161	44.79	80	31.90	135	39.05	130	41.40	247	61.48

Table – 3.11(B)

Yearwise Area Development under Ponds/Tanks in Cuttack

(Fig. in MT)

District	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Cuttack	7769.93	7757.42	7391.56	8216.51	8205.00	10131.00

Livestock Resource

Livestock resource is another important factor of economic development. It helps in the development of both agriculture and industry.

Livestock population of Cuttack district is given in table 3.11.

Table – 3.12

Livestock population of Cuttack district in 2007

Category	2007
Cross Breed Cattle	169558
Indigenous Cattle	459288
Buffaloes :	28243
Sheep	75974
Goats	308803
Pigs	1144
Poultry	813178
Total :-	1856188

Source : O/o Chief District Veterinary Officer, Cuttack

Apart from this population of livestock, annual egg production is estimated at 42.76 million in 2013-14.

Few prospective industries which can be suggested on the basis of the above mentioned livestock resources include Dairy Farming, Poultry Farming and production of cattle feed/poultry feed.

Estimated milk production in the district in 2012-13 was 152.93 thousand metric tonnes and in 2013-14 was 145.63 thousand metric tonnes. Estimated meat production in 2013-14 was 8.43 thousand metric tonnes.

Veterinary Infrastructure available in the district includes 3 Sub-Division Veterinary Offices (SDVO) at Cuttack, Banki and Athagarh. Besides, there are 2 Veterinary Hospitals and 24 Veterinary Dispensaries.

There is one District Milk Union serving the districts of Cuttack, Jagatsinghpur, Kendrapara and Jajpur. There are 1368 Milk Producers Co-operative Societies, of which 716 are functional, including 207 Women Dairy Co-operative Societies. Besides, there are 33 Bulk Milk Coolers, each having a capacity of 1000 litres per day and 5 Bulk Milk Coolers with an average capacity of 5000 litres per day. Milk Processing unit is located at Bhubaneswar (Chandrasekharapur area)

Estimated production of Milk, Egg & Meat in the district of Cuttack

Milk (Th. metric tonnes)	Egg (numbers in million)	Meat (Th. metric tonnes)
152.93	42.76	8.43

Source : O/o Chief District Veterinary Officer, Cuttack.

Mineral

The major mineral found in Cuttack district is fireclay. As per data available in District Statistical Handbook, Cuttack, 2009, there are 9 working fireclay mines in Cuttack (2008-09), covering an area of 953.21 hectares and employing 120 workers. The total output from these mines stand at 76.69 thousand metric tonnes. Fireclay is mostly found in Talabasta of Banki Sub-Division and Naraj of Cuttack Sadar Sub-Division.

Besides, other important minerals like coal, chromite and iron ore are abundantly found in the neighbouring districts, which has enabled setting up of downstream industries in the sectors of steel and allied products in Cuttack district. Coal is found in the neighbouring Dhenkanal and Angul district, chromite in the Sukinda Chrome Ore Valley of Jajpur district and iron ore in the Daitari Iron Ore Mines of Jajpur district.

CHAPTER – IV

INFRASTRUCTURE

Infrastructure is a pre-requisite for laying the foundation of rapid industrialisation and economic growth of a place. Development of infrastructure helps the industrial growth and development in many ways as it reduces capital cost, increases labour productivity and makes available the required information at lesser costs. Infrastructure is classified into two categories viz. Economic Infrastructure and Social Infrastructure. These are discussed below:-

Economic Infrastructure :

Factory Accommodation

Industrial Infrastructure in terms of organised accommodation for industries is found in the eight Industrial Estates present in the district. These Industrial Estates provide land, shed and power to the MSME entrepreneurs at subsidized rates for setting up of MSMEs. The details of the 8 Industrial Estates are given below :-

Sl No.	Name of Industrial Estate	Total Area (in Acres)	Vacant Area (in Acres)
1	Cuttack Industrial Estate, Khapuria	45.46	-
2	Jagatpur New Industrial Estate	343.19	-
3	Jagatpur Old Industrial Estate	26.65	-
4	Choudwar Industrial Estate	412.00	90.00
5	Radhadamodarpur Industrial Estate	10.00	-
6	Nuasasan Industrial Estate	45.00	0.50
7	Ankula Industrial Estate	8.63	1.00
8	Nidhipur Industrial Estate	25.00	-
	Total :-	915.93	91.50

Source : Annual Action Plan 2014-15, DIC, Cuttack.

Power

Power is an important input for industrial development. Electric power supply creates opportunities for improving the productivity in both rural and urban areas. Adequate supply of power in a place allures the prospective entrepreneurs to install new industry and helps the existing units to expand their activity. Details of 33/11 KV Sub-stations found in the district are given below in Table 4.1:

Table: 4.1

Sl	Division	33/11KV S/S	No. of the
----	----------	-------------	------------

No.			11KV Feeders
1	C D D I	Sishubhaban 2X12.5 MVA	5
2		Old Jail 2X5 MVA	2
3		Sector-6 2X8 MVA	3
4		Sector-3 2X5 MVA	4
5		Kalinga 2X12.5 MVA + 1X8 MVA	9
6		Kalinga	2
7		Jobra 2X12.5 MVA	4
8		Medical 2X8 MVA	4
9		DRDA 2X8 MVA	5
10		Matha Mahta 2X8 MVA	4
11	C D D II	Badambadi 1X12.5 MVA + 1X8 MVA	3
12		OGP 2X8 MVA	4
13		Chaulianganja 2X12.5 MVA	6
14		CRRI 2X8 MVA	4
15		Jagatpur 2X8 MVA + 1X5 MVA + 1X3.15 MVA	4
16		Kandarpur 2X5 MVA	4
17		Kishannagar 2X3.15 MVA	4
18		Bentkar 2X5 MVA	4
19	C E D	Tangi 3X5 MVA + 1X3.15 MVA	4
20		Chhatia 1X3.15 MVA + 1X5 MVA	3
21		Chhatia 2X5 MVA	3
22		Choudwar 2X8 MVA	5
23		Badachana 2X3.15 MVA + 1X5 MVA	4
24		Balichandrapur 1X1.6 MVA + 2X3.15 MVA + 1X5 MVA	5
25		Damodarpur 2X3.15 MVA	3
26		Adaspur 2X5 MVA + 1X3.15 MVA	3
27		Niali 2X5 MVA + 1X3.15 MVA	4
28		Gopalpur 2X5 MVA	3
29		Phulnakhara 1X5 MVA + 1X3.15 MVA + 1X1.6 MVA	2
30	A E D	Khuntuni 2X5 MVA	4
31		Athagada 2X8 MVA + 1X5 MVA	5
32		Tigiria 2X5 MVA	4
33		Nuapatana 2X5 MVA	2
34		Badamba 3X5 MVA	4
35		Kandhabereni 1X5 MVA + 2X3.15 MVA	4
36		Narsinghpur 3X3.15 MVA	5
37		Narangabasta 1X5 MVA + 1X3.15 MVA	2
38		Khuntakata 1X5 MVA	2
39	S E D	Bahugram 4X5 MVA	4
40		Salipur 2X5 MVA	2
41		Nischintakoli 2X5 MVA + 1X3.15 MVA	3
42		Paldhuapadia 1X3.15 MVA	2
43		Mahanga 1X5 MVA + 1X3.15 MVA	3
44		Kothapada 1X5 MVA + 1X1.6 MVA	1

Railways

The district has two types of railways tracks viz. single line and double line with length 46.27 kms. (broad gauge) and 68 kms. (broad gauge) respectively. Thus, total distance covered by railways in the district is 114.27 kms., which is interspersed with 20 Railway Stations. Cuttack junction is one of the important stations on the Howrah-Chennai mainline of East Coast Railway and falls under Khurda Road Division. A branch line to Paradeep starts from Cuttack. It is well

connected to all parts of India by Railways. Other Railway stations in the district are Baranga Junction, Balikuda, Matagajpur, Kandarpur, Kathajodi, Kendrapara Road, Kapilas Road, Manguli, Nergundi and Naraj.

R o a d s

The principal mode of transportation of goods and movement of people within the district is by roads due to its better connectivity and network as compared to the railways. There are 2 National Highways passing through the district – NH 5 and NH 42 :NH 5 (NH 16 as per new numbering) runs from North to South of the district. NH 42 (NH 55 as per new numbering) connects Cuttack with Sambalpur. Feeder State Highways connect Cuttack to Jajpur, Paradeep, Talcher, Angul, Kendrapara and nearby towns in Cuttack district. Intracity transport is primarily through auto rickshaws though now-a-days DTS city buses ply in the city to join different places in the city and the State capital. The bus terminus at Cuttack is located at Badambari which is one of the largest bus terminus of the State from where thousands of Govt. and Private buses ply everyday to hundreds of destinations. Table 4.2 below shows the length of different categories of roads in Cuttack district.

Table – 4.2

Length of different categories of roads in Cuttack district, 2012-13 (in Kms)

Year 2012-13	
National Highways	63.55
State Highways	118.00
Major District Roads	195.81
Other District Roads	336.31
Panchayat Samity Road	1265.00 (2009-10)
Forest Road	204.45
Rural Roads	1372.64
Gram Panchayat Road	3010 (2009-10)
Total	6565.76

Source: Directorate of Economics & Statistics, Odisha..

Road Transport

All the blocks in the district are well connected by roadways which provide useful communication facilities within the district. Table 4.3 shows the number of registered motor vehicles of road in Cuttack district as on 31-03-2009.

Table – 4.3

Number of Registered Motor vehicles in Cuttack district as on 31st March, 2009

SI No.	Vehicles	No(s)
1	Motor Cycles, Scooters & Mopeds	18712
2	Three Wheelers & Auto	753

	Rickshaws	
3	Jeep & Stn Wagons	83
4	Pvt. Cars	2015
5	Contract Carriages	15
6	Taxies	494
7	State Carriages	81
8	Trucks & Lorries	1949
9	Tractor & Trailer	776
10	Others	451
	Total	25329

Source : District Statistical Handbook, 2009, Cuttack

Air Transport

The district does not have any air transport facility. The nearest Biju Patnaik Airport is located at Bhubaneswar, which is the capital of the State. In fact, it is the only airport of Odisha and is at a distance of 30 kms. (approx) from Cuttack district. The people in the district and the neighbouring districts can also avail of this air transport facility along with the tourists from other States and abroad. It is well connected with all the major cities of the country.

Postal and Telecommunication facilities

Cuttack district enjoys a widespread network of postal and telecommunication facilities. Adequate communication facilities are required to speed up the process of industrial development in the district. This creates a good linkage between production places, market centres, etc. thereby giving feedback information on demand, price and availability of raw materials. Five Head Post Offices function in the district; one each at Banki, Athagarh (NAC) and Choudwar (Municipality) and two at Cuttack (MC). All the towns and blocks have sub-post offices. The details of the postal services available in the district are shown in table 4.4.

Table – 4.4

Post & Telegraph Offices in the district of Cuttack

Year (as on 31st March)	Head Post Office	Sub- Post Office	Branch Post Office	Total	No. of Post offices having	
					Speed Post Services	Instant Money Order Service (IMO)
2008-09	5	102	245	352	26	15

Source : District Statistical Handbook 2009, Cuttack.

Social Infrastructure :

Lending Institutions

Finance is an indispensable part of industrial growth. Industries should be provided with adequate credit facilities and at the right juncture to stimulate their growth. It is, therefore, essential to have a sound network of financial institutions to mobilise savings from the people and meet the financial requirements of the industries within the area.

It is a well-known fact that small scale and cottage industries generally have a weak capital base. Systematic inflow of institutional credit is a pre-requisite for industrial development of an area particularly in the case of a developing district like Cuttack.

There are as many as 278 banks and financial institutions working in Cuttack district. State Bank of India and Odisha Gramin Bank have got the largest number of branches 47 and 44 respectively spread over all the blocks of the district followed by 22 branches of UCO Bank, 11 branches of Allahabad Bank, 10 branches of Canara Bank and so on. Almost all commercial banks have their branches in the district. Besides, there are also some co-operative bank branches working in the district like Urban Co-operative Bank, Orissa State Co-operative Bank, Cuttack Co-operative Bank, etc. UCO Bank is the lead bank of the district and works as a nodal agency for executing the District Credit Plan. Orissa State Financial Corporation has got a branch at Cuttack and mainly provides term loan/credit facilities to industries. Credit Deposit Ratio (CDR) as on 31-12-2012 is 52. Banking Profile of Cuttack district is given in table 4.5 below :-

Table – 4.5

No. of Bank Branches as on 31-03-2013 in Cuttack district

S I No.	Name of Bank	Rural	Semi-Urban	Urban	Total
1	Allahabad Bank	5	1	5	11
2	Andhra Bank	3		4	7
3	Bank of Baroda			4	4
4	Bank of India	1		5	6
5	Canara Bank	5	1	4	10
6	Central Bank of India	4		5	9
7	Corporation Bank			3	3
8	Dena Bank			1	1
9	Indian Bank	5	1	2	8
10	Indian Overseas Bank	1	1	4	6
11	Oriental Bank of Commerce		1	3	4
12	Punjab National Bank	4		4	8
13	Punjab & Sind Bank			2	2
14	State Bank of Bikaner & Joypur			1	1
15	State Bank of Hyderabad			2	2
16	State Bank of India	21	3	23	47
17	Syndicate Bank	4		3	7
18	UCO Bank	12	2	8	22
19	Union Bank			4	4
20	United Bank of India	5		4	9
21	Vijaya Bank			1	1
22	Bank of Maharashtra			1	1
23	Federal Bank			1	1
24	ICICI Bank		1	2	3
25	ING Vasya Bank			1	1
26	Axis Bank	1		4	5
27	HDFC Bank	1		3	4

28	Indusind Bank			1	1
29	Tamilnadu Mercantile Bank Ltd.			1	1
30	IDBI Bank			2	2
31	Karur Vasya Bank Ltd.			1	1
32	Karnataka Bank			1	1
33	South Indian Bank			1	1
34	Kotak Mahindra Bank			1	1
Total Commercial Bank		72	11	112	195
35	Odisha Gramya Bank	41		3	44
36	Banki C. C. Bank	9	1		10
37	Cuttack C. C. Bank	4	2	4	10
38	Card Bank		2	1	3
39	Urban Co-op. Bank	1	1	11	13
27	Orissa State Co-op. Bank			2	2
28	O. S. F. C.			1	1
Total Bank Branches		127	17	134	278

Source : Annual Credit Plan, Cuttack District, 2013-14.

To get a better view of the banking progress in Cuttack district, we can analyse the sectorwise target and achievement under Annual Credit Plan for the years 2011-12, 2012-13 and 2013-14 as given in the table below:-

Table: 4.6

Comparative Statement of A.C.P for the years 2011-12 to 2013-14

(Amount in Rs. `000)

S e c t o r	2011-12		2012-13		2013-14	
	Account	Amount	Account	Amount	Account	Amount
Crop Loan	138584	4623858	138252	3210585	148939	5398968
Term loan to Agril.	19146	993771	19930	717196	18417	305977
Allied to Agril.	6319	559485	6558	408937	5707	185686
Total Agriculture	164049	6177114	164740	4336718	173063	5890631
N.F.S (SSI)	16461	2671829	23808	2190254	23836	2569943
O. P. S (Services)	86025	17222370	91765	12974370	91927	13206146
Total Priority Sector	266535	26071313	280313	19501342	28826	21666720
Non-Priority Sector	35480	8809374	34803	9156414	34861	8586582
Total Credit Plan	302015	34880687	315116	28657756	323687	30253302

Source : Annual Credit Plan, Cuttack District, 2013-14.

The above table shows that there has been a moderate increase both in the no. of Agricultural Accounts and total loan to Agriculture in 2013-14 as compared to the previous 2 years. The percentage increase in no. of Agriculture Accounts and loan to Agriculture in 2013-14 over 2012-13 is 5.05% and 35.83% respectively. Similarly, for the SSI sector and Services sector, the no. of Accounts and total loan has increased in 2013-14 as compared to the previous 2 years. The percentage increase in no. of SSI Accounts and loan to SSI sector in 2013-14 over 2012-13 is 0.12% and 17.34% respectively. The corresponding figures for services sector for the same period are 0.18% and 1.79% respectively.

The C.D ratio in 2012-13 (52) is also much lower than that of the entire State as a whole (78.95). However, to push up the C.D. ratio and to improve the overall banking performance in the district, the Plan targets for the year 2014-15 have been raised substantially.

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 2 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 3 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, Kalahandi & 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 4 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. MemberConvenor.

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 5 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 outside 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 –

(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 incentivizing 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 into 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 IndustryInstitution 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 duecourse.

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.

CHAPTER – V

PRESENT INDUSTRIAL STRUCTURE

The study of existing industries is important because the present industrial structure forms the base for building up of further development. This development can be better achieved if the same is related to the existing industries in the district. Besides, the analysis of the existing industrial structure helps to ascertain the nature of industrial activities in the district and bring forth the strength and weakness of the industrial sector as a whole. Keeping the above perspective in view, an effort has been made in this Chapter to depict the present industrial scenario of the 14 blocks of the district.

The industrial scenario of the district comprises an admixture of large and medium industries along with small and traditional village industries. In view of creating favourable conditions in the economy for self-sustaining growth of small scale industries vis-à-vis traditional village industries, the following parameters viz. (i) General Industrial Climate, (ii) Large & Medium Scale Enterprise (iii) Micro & Small Scale Enterprises, (iv) Handicrafts, (v) Cluster Development Programme and lastly problems faced by the existing industries have been taken into consideration.

i) General Industrial Climate

Cuttack district has immense scope of industrialization, given its strategic location, availability of important natural resources, a well developed transport network ensuring smooth communication with other districts of the State and an enterprise friendly Govt. policy framework to attract private investors.

The district has 11 large and 2 medium scale industries which has encouraged the growth of ancillary and downstream industries. The growth of micro and small enterprises in the district has also been encouraging; till 2013-14, the district has 474 registered MSEs, the major industrial sectors being engineering and metal based, textile and repairing and servicing sectors.

For the year 2014-15, the major sectors which have been identified for the growth of MSEs are (a) fly ash bricks, (b) Fabrication and light engineering sector, (c) Spices, (d) Readymade garments, (e) Food processing and (f) Information technology and Cyber services. These sectors provide ample scope for setting up of feasible and viable enterprises.

Cuttack district is also endowed with basic industrial infrastructure in the form of Industrial Estates. There are 8 Industrial Estates in the district, the details of which are given below :-

Sl No.	Name of Industrial Estate	Total Area (in Acres)	Vacant Area (in Acres)
1	Cuttack Industrial Estate, Khapuria	45.46	-
2	Jagatpur New Industrial Estate	343.19	-

3	Jagatpur Old Industrial Estate	26.65	-
4	Choudwar Industrial Estate	412.00	90.00
5	Radhadamodarpur Industrial Estate	10.00	-
6	Nuasaan Industrial Estate	45.00	0.50
7	Ankula Industrial Estate	8.63	1.00
8	Nidhipur Industrial Estate	25.00	-
	Total :-	915.93	91.50

Source : Annual Action Plan 2014-15, DIC, Cuttack.

ii) **Large & Medium Scale Enterprises**

The existence of large and medium scale Enterprises paves the way for rapid industrialization and ancillarisation. As mentioned earlier, the district has 11 large and 2 medium industries, which has not only prepared the base for setting up of MSEs but has also generated employment opportunities for the rural and urban masses of skilled labour. The details of these units are given below :

List of 11 large and 2 medium scale industries :

Large scale industries:

SL No.	Name & address of the unit	Item of Product	Investment (Rs. In lakh) with production date	Employment
1	OCL India Ltd., Tangi, Cuttack	Cement	69700	648
2	Sri Hardev Steel Pvt. Ltd., Sunjamuhan, Gurudihatia, Athagarh, Cuttack	Sponge Iron	-	51
3	RSB Transmission Pvt. Ltd, Tangi, Cuttack	Forging, Casting	2300	27
4	Orissa Industries Ltd., Baranga, Cuttack	Refractories/Sanitary ware Pipes	613 22-12-1948	0
5	Indian Charge Chrome Ltd., Chaudwar, Cuttack	High Carbon Ferro Chrome/Charge Chrome	28800 01-01-1990	0
6	Bajrangabali Alloys (P) Ltd., Manguli Chhak, Chaudwar, Cuttack	Rerolling Mill	674 02-01-1995	0
7	Tripti Drinks, I.E. Jagatpur, Cuttack	Soft Drinks	3800 10-09-1996	0
8	Biraja Steel And Power Pvt. Ltd., Suniamuhan, Athagarh, Cuttack	Sponge Iron	48000 24-09-2004	80
9	Arati Steels (P) Ltd., Ghantikhal, Athagarh, Cuttack	Steel Billet, Ferro Alloys	100000 09-09-2005	565
10	Maheshwary Ispat Ltd., Rampet, Athagarh, Cuttack	Sponge Iron	210000 01-04-1006	392
11	Raw Met Industries Ltd., Anantapur Athagarh, Cuttack	Ferro Aloys	100000 22-11-2006	686

Medium Scale Industries

1	Hi-Tech Agroboards (Pvt) Ltd., New I.E. Jagatpur, Phase-II, Plot No. 125	Jute raw/Jute stick	614.10	20
2	Manishri Refractories & Ceramics, I.E. Cuttack.	Manufacturer of Refractories	732.37	324

Source: Directorate of Industries,Cuttack

Enterprises in pipeline:

Sl No.	Name of the Enterprise	Location	Products	Investment (Rs. In Crores)	Progress
1	Nilachal Power	Gurudijhatia	Power	2580	Land acquisition under process
2	Tata Power	Munduli	Power	4348	Land acquisition under process
3	Visa Power	Choudwar	Power	4400	Land acquisition under process
4	Sunrise Sponge Iron & Steel Pvt. Ltd.	Sunia Muhan	Pig Iron	80	Land acquisition under process
5	R S B Casting Ltd.	Mania	Auto Component	60	Civil Construction under process
6	Grids Steels & Aloys Ltd.	Kapursingh	High carbon ferrochrome	33	Civil Construction under process

Source: Annual Action Plan,2014-15 ,DIC Cuttack

iii) Micro & Small Enterprises

Cuttack district enjoys several inherent advantages which has attracted industrial investment and new ventures in the MSE sector. These advantages include abundant availability of precious minerals like iron ore, bauxite, chromite, fireclay and coal in the nearby districts; proximity to the ports of Paradip, Vishakhapatnam and Haldia; sufficient availability of power and water resources; well developed transport network; and availability of surplus agricultural, horticultural and animal husbandry resources. This has enabled the district to develop into one of the largest and oldest business centres of the State.

The emerging MSEs are mostly in the sectors of engineering, Information Technology, Agro & Fod Processing, Glass & Ceramics, Chemicals and Pharmaceuticals, Refractory and Minerals & Metallurgy. Ancillary and downstream industries also have a marked and conspicuous presence in the district given the existence of Steel, Aluminum and Thermal Power Plants and Oil Refineries in the large scale industrial sector of the State. As per records of DIC, Cuttack, there are 11 registered ancillary enterprises and 32 downstream enterprises (flyash bricks) in

Cuttack. The category-wise micro and small enterprises set up in the district during the last 3 years is given in the table below :-

Sl No.	Category	2011-12			2012-13			2013-14		
		No. of units	Investment (Rs. In lakh)	Employment	No. of units	Investment (Rs. In lakh)	Employment	No. of units	Investment (Rs. In lakh)	Employment
1	Food & Allied	24	167.45	140	27	285.31	140	15	1388.75	96
2	Electrical & electronics	10	134.55	69	6	19.61	15	3	6.67	9
3	Chemical based	11	1092.28	130	11	61.25	72	8	2110.48	376
4	Engineering & Metal based	56	583.90	293	42	174.13	179	60	638.44	303
5	Forest & wood based	3	7.50	13	14	47.74	72	7	37.27	31
6	Glass & Ceramics	-	-	-	1	11.00	6	2	5.35	7
7	Textile based	37	183.16	284	51	167.67	259	69	228.49	252
8	Leather units	4	9.65	9	5	5.72	11	3	27.60	20
9	Paper	6	1024.77	57	5	11.94	23	5	52.58	27
10	Rubber & Plastic	1	1535.26	59	1	2.40	7	4	812.20	72
11	Repairing & Servicing	206	684.45	220	238	749.84	707	267	1134.98	893
12	Miscellaneous	45	186.92	739	41	1248.30	298	31	731.50	281
Total :-		403	5609.89	2013	442	2784.91	1789	474	7174.31	2367

Source : Annual Action Plan, 2014-15, DIC, Cuttack.

The above table depicts that there has been a steady rise in the number of MSEs in the district during the last 3 years – from 403 MSEs in 2011-12 to 442 in 2012-13 to 474 in 2013-14. The corresponding employment figures are 2013, 1789 and 2367 respectively. The major sectors which have experienced growth in MSEs are engineering and metal based sector, Textiles and Repairing Services. The details of MSEs set up and registered with DIC, Cuttack is given below :-

Year	MSME G.I.P			EM-I	EM-II
	Nos.	Investment (Rs. In lakhs)	Employment	Nos.	Nos.
2010-11	380	2703.70	1897	644	193
2011-12	403	5609.89	2013	650	208
2012-13	442	2784.91	1789	753	255
2013-14	474	7174.31	2367	1117	223

Source : Annual Action Plan 2014-15, DIC, Cuttack.

The Annual Action Plan of the district for 2014-15 envisages setting up of 525 MSMEs during 2014-15, of these 525 MSMEs, 60 are targeted to be set up in Food & Allied Sector, 42 in Engineering Sector, 25 in Glass & Ceramics, 35 in Textile, 30 in Rubber & Plastic and 110 in Repairing & Servicing Sector.

The Action Plan also proposes to set up 5 Ancillary and 10 Downstream Enterprises in Cuttack during 2014-15. The category-wise and blockwise details of MSMEs to be set up in Cuttack district during 2014-15 is given in the tables below :-

Categorywise MSMEs to be promoted during 2014-15

Sl No.	Category	No. of units to be set up	Invest-ment (Rs. In lakh)	Employment
1	Food & Allied	60	800	350
2	Electrical & electronics	06	30	20
3	Chemical based	07	200	60
4	Engineering & Metal based	42	650	400
5	Forest & wood based	06	30	20
6	Glass & Ceramics	25	900	300
7	Textile based	35	210	140
8	Leather units	04	20	20
9	Paper	06	30	30
10	Rubber & Plastic	30	250	180
11	Repairing & Servicing	110	500	500
12	Miscellaneous	194	1630	1130
	Total :-	525	5250	3150

MSMEs to be set up (Category/locationwise) during 2014-15

Place	Food & Agro based	Elec-trical & Elec-tronics	Che-mical	Engg & Metal-lur-gical	Forest & wood based	Glass & Cera-mic	Tex-tile	Lea-ther	Paper	Plas-tic	Ser-vi-cing	Misc	Total
Cuttack Mun.	7	1	2	15	-	1	5	-	2	10	48	57	148
Cuttack Sadar	3	-	1	2	-	1	2	-	2	5	12	20	48
Baranga	3	-	-	2	-	3	-	2	1	1	4	10	26
Kantapada	5	-	-	2	-	2	2	-	-	1	1	10	23
Niali	5	-	-	3	1	1	2	-	-	-	1	10	23
Salipur	5	1	-	2	-	2	1	-	-	2	5	8	26
Nischin-takoli	5	-	-	2	-	1	2	-	1	-	2	10	23
Mahanga	6	-	-	2	-	2	1	-	-	-	2	10	23
Tangi-Choudwar	4	-	2	4	-	4	6	1	-	5	10	12	48
Athagarh	4	-	2	2	-	3	3	1	-	5	6	10	36
Tigiria	2	-	-	1	-	1	5	-	-	-	1	5	15
Badamba	3	-	-	1	1	1	2	-	-	-	6	9	23
Narisngh-pur	3	2	-	2	4	1	2	-	-	-	2	7	23
Banki I & II.NAC	5	2	-	2	-	2	2	-	-	1	10	16	40
Total	60	6	7	42	6	25	35	4	6	30	110	194	525

Source : Annual Action Plan 2014-15, DIC, Cuttack.

iv) Handicrafts

The district has numerous handicraft activities and village industries. These industries have been set up based on traditional skills, availability of local raw materials and local demand. The produces are mostly used by local people and the rest is supplied to other parts of the country. A number of skilled village workers are engaged in these activities and earn their livelihood. A list of 23 major handicraft activities with their places of concentration and no. of artisans is given below :-

Sl No.	Name of the Craft	Atha-garh	Ba-ramba	Banki	Banki Dampada	Ba-ranga	Cuttack Sadar	Kanta-pada	Ma-hanga
1	Applique	10			25		118	43	35
2	Art Leather					39			

3	Art Textile			88	100		15		
4	Brass & Bell Metal				9				
5	Cane & Bamboo	310	156		81			193	40
6	Clay Toys & Idols						199	11	
7	Coir Craft							11	
8	Chokra Casting								
9	Durry & Carpet	28							
10	Embroidery							25	
11	Golden Grass								
12	Jute Craft								
13	Paddy Craft								
14	Palm leaf Products			42	1			4	
15	Paper Machine				1				
16	Patta & Tasar Painting	24			9			1	8
17	Silver filigree	1		106	112			54	43
18	Soft toys	3					1	3	
19	Stone carving				2			4	353
20	Terracotta				47	153			
21	Theatrical dress	23							
22	Wood carving	2			7		1	19	25
23	Zari works							10	
	Total	401	156	236	394	192	334	378	504

Sl No.	Name of the Craft	Narsingpur	Niali	Nischintakoili	Salipur	Tangi Choudwar	Tigiria	Total
1	Applique		3		15	22		271
2	Art Leather							39
3	Art Textile				3		69	275
4	Brass & Bell Metal					74	29	112
5	Cane & Bamboo	24		31		1	77	913
6	Clay Toys & Idols							1
7	Coir Craft				9			219
8	Chokra Casting	72						72
9	Durry & Carpet							28
10	Embroidery					1		26
11	Golden Grass					60		60
12	Jute Craft			2				2
13	Paddy Craft		10					10
14	Palm leaf Products			3				50
15	Paper Machine						2	3
16	Patta & Tasar Painting		1		2		45	90
17	Silver filigree					15		331
18	Soft toys				2	3		12
19	Stone carving				13	1	1	374
20	Terracotta			107	1			308
21	Theatrical dress							23
22	Wood carving		2	25	4	4	6	95
23	Zari works				1			11
	Total	96	16	168	50	181	229	740

Source : Annual Action Plan 2014-15, DIC, Cuttack.

Apart from the above, there exists a sizeable number of silver filigree artisans in Cuttack town/urban area. It is estimated that about 900 artisans (approx.) are engaged in silver filigree work in this area. Plans are being chalked out to develop a silver filigree hub in Cuttack town area.

v) Cluster Development Programme

Cluster Development Programme in Cuttack district encompasses four major clusters viz. a) Pharmaceuticals, b) Engineering, c) Spices, and d) Readymade Garments.

a) The **Pharmaceutical Cluster** in Bhubaneswar comprises of 54 Enterprises situated in the Industrial Estates of Cuttack, Jagatpur, Rasulgarh, Mancheswar and Chandaka. 20 Members have already installed moderate plant

after availing finance from Commercial Banks. Common Facility Centre (CFC) under MSE-CDP is yet to be set up. The new DPR under MSECDP for CFC is being submitted to SIDBI for Appraisal.

The cluster primarily manufactures drugs and pharmaceuticals with 54 functional MSE units employing 1500 workers, the average turnover of this cluster is around Rs. 20 lakh (2010-11). The cluster is constrained with marketing problems and needs to emphasize upon modernization and adoption of GMP norms.

b) **Engineering Cluster**, Cuttack: The preliminary Diagnostic Study Report of this cluster for appraisal has been prepared and is awaiting approval from Industries Directorate, Cuttack.

The principal products of the cluster are grills, gates, shutters, furnitures, etc. The SPV has been formed and is operational. There are 50 functional units in the cluster with a turnover of Rs. 25 Crores and employment of 1500 Nos.

The major issues which need to be addressed by this cluster are availability of land for CFC, technical expertise, employment of skilled man-power and use of modern, high and machinery.

c) **Spices Cluster**: This cluster in Cuttack has been adopted by MSME Development Institute, Cuttack from 2007-08 to 2009-10 under MSE-CDP and draft Diagnostic Study Report has been validated.

Soft interventions in the cluster have also been completed. However, preparation of DPR is yet to be completed and the proposal is still pending.

The principal products manufactured in the cluster are turmeric powder, chilli powder, ginger powder, ginger paste, jeera powder, dhania powder, panch phoran, etc. There are 150 functional units in the cluster with a turnover of Rs. 250 Crores (2010-11) and value of exports at Rs. 4.35 Crores (2010-11). The cluster has generated employment of about 7500 Nos.

d) **Readymade Garments Cluster**: This cluster at Govindpur, Cuttack (Tangi, Chowdwar) has been adopted by APITCO, Hyderabad. The draft Diagnostic Study Report has been validated.

The principal products manufactured in this cluster are gents shirts and trousers and ladies blouse and petticoat. There are about 680 functional micro enterprises in the cluster with a turnover of Rs. 25 Crores (2010-11) and employment generation of 3000 Nos. (approx.). The major problems facing this cluster are absence of design and training facility, lack of product testing facility, failure to establish brand identity and poor credit support from Banking Institutions.

Problems faced by existing industries

In view of the analysis made above, it can be concluded that the industrial growth rate of Cuttack district needs to be accelerated so that more employment opportunities can be generated and the district becomes a major industrial hub of the State to attract potential investors.

The major hurdles which need to be overcome to achieve the desired industrial growth rate are given below :-

- i) Non-availability of valuable raw materials like stainless steel which is basic for the development of engineering enterprises.
- ii) Shortage of fixed and working capital which severely impedes expansion and diversification of Projects.
- iii) Absence of Common Facility Centres which could have reduced production costs and enabled production of quality products.
- iv) Lack of proper technical know-how/knowledge prevents the MSEs from becoming competitive in the global markets.
- v) The far-flung and remote rural areas are deprived of proper communication linkages which make them dependent on middle men who take away a significant portion of their profits, leaving them exploited.
- vi) Lack of proper infrastructure in the Industrial Estates- Availability of uninterrupted power supply, proper drainage facility and well developed roads are essential pre-requisites for setting up of Industrial Estates. Most of the Industrial Estates in Cuttack are void of these facilities to the desired extent.
- vii) Cost of industrial land is on the higher side, thereby negating industrial ventures to a certain extent.

CHAPTER – VI

DISTRICT PLANNING FOR INDUSTRIAL DEVELOPMENT

Scope of new industries in the MSE sector has been suggested depending upon the availability of physical and human resources, infrastructural facilities, present state of industries along with problems, existence of large and medium scale industries, potential markets, demand of the local people and industrial policy in respect of MSE sector for the district.. The views and opinion of different promotional agencies which are involved directly or indirectly with the development of MSEs and the representatives of the trade and industry associations have also been given due weightage while identifying the potential areas and the new items which are viable for production in the MSE sector.

In the course of this exercise, the study team has identified the following resource based and demand based industries in the district, which are considered to be viable and feasible for development in the district.

The following is the list of candidate industries in the district of Cuttack.

A. Resource based industries

a) Agro-based industries

- 1) Spice grinding
- 2) Rice husking mill
- 3) Guava jelly
- 4) Mango jelly
- 5) Pickles
- 6) Cattle feed making
- 7) Poultry feed making
- 8) Vermicompose (bio-manure)
- 9) Edible oil refining
- 10) Tomato sauce
- 11) Packaged drinking water/Mineral water
- 12) Processing of fruits & vegetables
- 13) Leaf cups & plates

b) Mineral-based industries

- 1) Fly Ash bricks
- 2) Stone crushing
- 3) Cement concrete bricks
- 4) Cement products like pipe, jafri, etc.
- 5) Hollow blocks
- 6) Stone carving
- 7) Clay potteries
- 8) RCC Spun pipes
- 9) Quartz grinding
- 10) Bone china art & novelty wares

c) Livestock-based industries

- 1) Milk products (Paneer, Butter, Curd)
- 2) Meat products
- 3) Footwear making
- 4) Bone/horn items
- 5) Milk processing
- 6) Art leather work

d) Forest-based industries

- 1) Handmade paper making
- 2) Broom stick making
- 3) Wooden furniture making
- 4) Bamboo basket making
- 5) Exercise books & registers

e) Handicraft based industries

- 1) Silver filigree
- 2) Applique
- 3) Art textile
- 4) Golden grass craft
- 5) Soft toys
- 6) Wood carving
- 7) Zari work
- 8) Terracotta
- 9) Coir craft
- 10) Cane & bamboo craft

B. Demand based industries

a) Food industries

- 1) Noodles making
- 2) Wheat grinding
- 3) Food processing/preservation including pickles making
- 4) Bakery/confectionery products
- 5) Potato chips making
- 6) Dehydration of food and fruit products

b) General Engineering

- 1) Steel fabrication works
- 2) Gate and grill manufacturing
- 3) Black smithy
- 4) Automobile repairing/servicing
- 5) Hiring of machinery & equipment for the construction works
- 6) Engineering workshop
- 7) Wrought Iron furniture
- 8) Nuts, bolts, rivets, fasteners

c) Textile Industries

- 1) Readymade garments
- 2) Hosiery products

c) Service Industries

- 1) Laundry/dry cleaning
- 2) Screen Printing
- 3) Beauty Parlour
- 4) Agro service centre
- 5) Servicing of electronic wiring & equipment
- 6) Tyre vulcanizing/tube repairing
- 7) Computer Centre/Cyber Cafe
- 8) Mobile Repairing & servicing
- 9) Computer Assembling & Repairing
- 10) ISD/STD/PCO Booth
- 11) Photocopier/Lamination
- 12) Motor cycle repairing and servicing
- 13) Cable TV network

Detailed description of a few Prospective Industries :

1) Assembling and repairing of personal computer

Introduction :

Personal computers are widely used these days in office automation in business/trade, industries, banks, insurance establishments, hospitals, hotels, railways, airlines and transport services, etc. Besides, students also need computers for educational purpose.

Market Potential :

The market for personal computer is expanding day by day due to rapid computerisation of offices for accounts, inventory, sales, correspondence and communication etc. in business/trade, industry, banks, insurance establishments, hotels, tourism sector, hospitals, home etc. and also due to rapid computerisation of reservations in railways, airlines and other transport services.

The demand for personal computer (PCs) continues to grow and will continue to account for a large share of the total computer and peripherals spending in India. Many small, medium and large firms manufacture computers in India. Many multinational companies such as HP, IBM, Compaq and ACER have strong presence and manufacturing facilities in India. Dell has a marketing, sales and service operation in the country providing PCs to the market from its facilities in Malaysia. The small manufacturers have to face tough competition from multinationals in terms of price, quality, supply schedules and after

sales services. However, a significant portion of the market share is dominated by small Indian firms assembling computers.

2) Packaged drinking water/mineral water

Introduction :

It is needless to mention that water, a compound of Hydrogen and Oxygen is a precious natural gift, which is very essential for survival of mankind and animals. The water used for potable purposes should be free from undesirable impurities. The water available from untreated sources such as wells, boreholes and springs is generally not hygienic and safe for drinking. Thus, it is desirable and necessary to purify the water and supply it under hygienic conditions for human drinking purpose.

As the name implies, mineral water is purified water fortified with requisite amounts of minerals such as Barium, Iron, manganese, etc. which can be absorbed by the human body. It is either obtained from natural resources like spring and drilled wells or it is fortified artificially by blending and treating with mineral salts. Mineral water can be manufactured and packaged under hygienic conditions in properly washed and cleaned bottles in sterilized conditions.

Market Potential :

Unfortunately sufficient safe potable water is not available everywhere in the district and its neighbouring districts, either harmful chemical substances are found in the layers of earth which enter into water or it may be contaminated due to pathogenic micro organisms. If such water is consumed, it causes water born disease. Due to this, it has become imperative to process and bottle safe potable water for mankind in prevailing conditions.

The demand for purified water becomes more during summer season.

Although few companies have already entered in the bottling of safe potable water and mineral water, a huge gap still remains between demand and supply at all cities and towns. The product is widely accepted in offices, restaurants, railway stations, airport, bus stands, hospitals and households. So, there is good scope for establishing units in the field of processing and bottling of plain and mineralized drinking water in different parts of the district.

3) Wrought Iron Furniture

Wrought Iron Furniture is the latest addition to household furniture. Middle and high income group consumers are the major buyers of this item. Traditional wooden furniture are often replaced by wrought iron furniture due to its longevity as well as decorative looks. The product has good market demand and some units of this product may be set up in the district:

Introduction :

Wrought iron articles in furniture industry have become quite popular in the present day markets. Articles like chairs, sofas, tables and beds are made in quite attractive models with different designs on their arms and backs. Wooden furniture after some period gets worn out due to inherent problems in the quality of wood and normal wear and tear. Due to elegant appearance, durability and innovative designs, wrought iron furniture is becoming popular in modern society. They are fast replacing the conventional wooden tables, chairs, sofas, beds.

Market Potential:

With increase in the population and overall development that has taken place in the State, a large number of educational institutions, hospitals, commercial establishments and offices have sprung up in the State, creating a demand for furniture like chairs, tables, sofas and beds. This is creating good market potential in both urban and semi urban areas. As already explained, due to certain specific advantages, wrought iron furniture is fast replacing conventional wooden items. Apart from the domestic market, there is also export market for quality wrought iron furniture.

Technical Aspects:

In the open market, plenty of raw material for manufacturing of wrought iron furniture is available in the shape of round, square, square pipes and also in sectional form. Wrought iron has its own property of 'malleability'. It can withstand sufficient load without cracking.

Chairs, tables, sofas and beds used in offices, factories, houses and hospitals are made from light wrought iron sheets, strips and tabular wrought iron. The sheets, strips and tabular wrought iron are cut to required sizes and pressed to shape, bent in a press brake for sides and drawers. Pipes of wrought iron for chairs, tables, sofas and beds can also be bent according to design. Backs of chairs, tables and beds consists of decorative designing of various kinds of flowers and leaves ect. For this, design can be made in pressing machine on the strips of wrought iron of different sizes. Then the sides of wrought iron furniture are welded. Holes are made by drilling wherever necessary for fitting screws.

Fixing of doors, hinges, assembly, cleaning, picking and drying are to be done before painting. The spray painted articles are to be stove enamelled.

All machinery and raw material are indigenously available in the markets. Besides, skilled and semi skilled workers are also available locally.

4) Bonechina Art & Noveltywares

Introduction :

Ceramic Art and novelty ware are familiar for their irresistible artistic, decorative and aesthetic appeal. Broadly, the products may cover such items as Ashtrays, flower vases, figurines , Lamp bases, statues, decorative trays, souvenirs, toys and table wares including coffee Mug, Decorative plates etc. However apart from technological aspects, manufacturing such products require a good deal of imagination, artistry, design and aesthetic sense. Thus, ceramics are highly innovative in their design and looks..

For this reason, the products are always preferred by a section of consumers for the purpose of preservation as specimen of art, as also for regular usage.

Technical aspects :

Considering the technical aspects, all the required raw-materials including Bone Ash, Feldspar, China/Ball Clays etc. are obtained in coarsely ground condition and weighed in requisite proportion as per batch composition. The materials are charged in a Ball Mill for further wet grinding and mixing as per requirement and discharged in a Blunger where suitable quantity of electrolyte and other essential additives may be mixed therewith. The casting slip, thus obtained, will be used for fabrication by way of slip casting only. However a small quantity of the clay slip may be further de-hydrated and used for fabrication by manual jiggering. The required de-hydration of the clay slip may be effected in a plaster of paris vat, separated by a thick cloth in between the clay slip and the vat, so as to obtain the desired plastic body. This process will eliminate the use of Agitator tank diaphragm pump, filter press and Pug Mill, thus saving investments thereof.

For the purpose of slip casting of the desired designs, suitable clay/plaster models are prepared and plaster moulds thereof are taken out, which are finally used for slip casting. When a number of moulds of the same design are required, a mother mould from the same, mould is prepared and working moulds are subsequently taken out from the same.

Mostly, the articles are shaped by clip casting in plaster moulds. Some articles may be shaped by the process of jiggering or throwing in a potter's wheel. They are then dried, finished, applied with glazes and decorations followed by bisque gloats firing. The decorations may include under glaze, overglaze, transfer printing, embossing etc.

For the purpose of firing, a shuttle kiln may be used which will eliminate the requirement of kiln furniture for covering the wares. However, refractory setters for setting the wares are proposed to be manufactured within the works by slip

casting. Firing of the wares may be effected at temperature ranging from 1100°C to 1250°C depending upon the type of firing objects and the nature of decoration applied thereupon. Usually, bisque firing is done at 1250°C while that of the glaze firing at 1100°C.

Necessary arrangements to control airborne dust and emissions during operations of the machines and the kiln are required to be ensured as per the Pollution Control Act.

5) Leaf Cups & Plates

Manufacturing of leaf cups and plates is another activity that can be suggested for the SSI sector. Leaf cups and plates are mostly made from sal leaves, banana leaves and other plant leaves. These are not only used in hotels and stalls but also in various social and religious functions held throughout the year. Thus, there is a great demand for this product all round the year. Paper and plastic cups and plates are the major competitors for this product. But leaf cups and plates have a higher leverage because of its hygienic aspect and environmental friendly manufacturing process which causes less pollution. Besides, they are cheaper than paper products and more durable. Leaf cups and plates may also be laminated with polythene coating for greater durability and attractiveness. Since the raw material for this product is abundantly available in the district and collected at minimum cost, the project is a low investment one without the requirement of any sophisticated technology.

The process of manufacture may be briefly explained as follows :-

The dry leaves are soaked in water for about 10 to 15 minutes to make them pliable. Polythene film is cut to the size of leaf. The required die is taken and one layer of leaves is placed on the electrically heated plate symmetrically above the die opening. The polythene film is placed above it and another layer of leaves is placed again on it. The total assembly is pressed with a pedal operated machine for about 2 to 3 seconds. During that operation polythene melts and two layers of leaves get attached. In that process, micro organisms attached to the surface of leaves are also destroyed. During pressing, the edges of leaves beyond required size are automatically cut and cups and plates of required shape are prepared. Then the finished products are cooled and counted or weighed and packed in hessian bags. Electrical heating may be excluded and pressing can also be done manually. The total project cost would be around Rs. 6 lakhs. The technical details are available with MSME-Development Institute, Cuttack

6) Cattle feed and Poultry feed

Cuttack is an agrarian district with farming as the major occupation of the masses. It is also rich in agricultural and farm resources which have led to the expansion and diversification of agro rural industries. Based on the cattle, livestock and poultry resources available in the district, dairy and poultry farming has also expanded in recent years. Govt. of Odisha has taken up several schemes through promotional and developmental agencies

to encourage dairy and poultry farming in rural and semi-urban areas. This has led to an increased demand for cattle and poultry feed. Besides, cattle and poultry feed provide hygienic and protein rich diet to cattle and poultry which helps to yield quality output in adequate quantity. A well balanced nutrition helps to enhance milk production and boost dairy farming. Thus, SSI units in this sector may be promoted to generate employment opportunities and add to income generation. This will encourage scientific farming and progressive growth in the rural sector.

The manufacturing process may be briefly described as follows :-

For cattle feed preparation selected ingredients are passed through a disintegrator or pulveriser to reduce the size of the particles to the required mash size. The different powdered raw materials are taken in Ribbon Blender for uniform mixing. After uniformly mixing the vitamins, minerals, mixers and molasses are added and extruded to get in pellet form or again blended to remain in powder form and then packed. The choice of cattle feed also vary from region to region, depending on local demand in manufacturer should prepare the menu for the feed. The quality of cattle feed also depend on the quality of raw material collected. The total project cost would come around Rs. 25 lakhs. The technical know-how and other details are available at MSME Development Institute, Cuttack for the benefit of the entrepreneurs.

7) Fly Ash Bricks

With a spurt in construction activities of the district due to industrialisation efforts of the Govt. and also due to rapid expansion and modernization of the agro-rural sector, the demand for construction materials like bricks have gone up considerably. Traditionally, clay bricks are the most commonly used building blocks generally used in the construction sector. But this product has a high moisture content and requires a high temperature during the manufacturing process which has an adverse effect on the environment as the atmospheric temperature rises considerably.

A better alternative to clay brick is fly ash brick, which uses fly ash or industrial ash from thermal power stations lime/gypsum from chemical plants and stone dust from stone crusher as the major raw material components. Besides, the manufacturing process has no effect on the atmospheric temperature and it saves on the use of clay or cultivable soil, thereby enabling better land utilization for agricultural purposes. Fly ash bricks are not only environment friendly but also have a greater longevity and durability. These bricks have uniform shape smooth finish and are less porous. Fly ash bricks require no plastering and have uniform colour like cement. They are lighter in weight, have dense composition and high compressive strength. The State Govt. has also been supportive of promoting MSEs in fly ash brick manufacturing.

The major raw materials needed for manufacturing fly ash bricks are fly ash, concrete, sand, lime, gypsum, cement, coal gangue, shale, ceramic and quarry dust. The raw materials are manually fed into a pan mixer or roller mixer where water is added in

the required proportion for intimate mixing and achieving homogenous mortar. The proportion of raw materials are generally in the ratio of fly ash – 62%, lime - 8%, gypsum – 5% and quarry dust – 25% depending on the quality of raw materials. After mixing, the mixture is mechanically shifted to the Hydraulic Brick Making Machines. The bricks are carried on wooden pellets to the open area where they are dried and water cured for 14 days. The bricks are then tested and sorted before dispatch.

8) Nuts, Bolts, Rivets, Fasteners/Steel Fabrication Products

The district has 11 large scale industries and 2 medium scale industries. Besides, there are 8 Industrial Estates, which house a large number of MSE units. Thus, the district has a significant industrial base which gives rise to the demand for nuts, bolts, rivets, fasteners in bulk quantity. Besides, construction activity has also seen an upward trend in the past few years. In view of the above, some MSEs may be suggested for this sector. These products have a high demand all throughout the year. Further, each product type has different designs and specifications, thereby offering a huge range of production possibilities.

Another field which has scope for the MSE sector is manufacturing of steel fabricated products like gates, grills, windows, furniture, etc. There exist a large number of steel and aluminum projects in the district and its surrounding areas. This creates demand for steel fabricated products. The existence of large and medium industries promotes development of ancillary activities which cater to the demand of the large and medium sector. This, in turn helps in the growth of demand for downstream products like steel fabricated products, etc. Thus, steel fabrication is another important activity for the MSE sector.

9) Internet & Browsing Centre

Introduction :

The current information technology has changed the world scenario in not only technical activities but also in socio-economic fields. Today, the computers and its software applications are made in such a way that even a layman can operate and can collect information related to his needs. The software made for such purposes are very user friendly. The type of information can be listed as technical, trade and commerce, tourism, air and rail booking, educational, latest news and the list goes on.

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Market potential :

A tremendous need exists for setting up of Internet browsing centres or Cyber Cafes. It is a little expensive for the middle class and lower middle class to purchase a computer and get interconnected. But the application and the necessity of computers and communication have become an indispensable part of everyone's life. The customers can approach the internet and browsing centre to send E-mail, browse about educational news

,job opportunities etc. Since all classes of society are expected to use Cyber Cafes, the idea of setting up of internet and browsing centre will lead to a very good growth.

Technical Aspects :

Suitable technically qualified supervisors should be employed in the centre. The supervisors should know the different browsers, Internet Explorer and Netscape Navigator and updated version of the same. Periodical software and hardware checks should be done in the PC. Antivirus programmes of updated version should be loaded. Scanner and printer may also installed to attract more customers.

10) Mobile phone repairing & servicing

Introduction

A Mobile or cellular (tele) phone is a long-range, portable electronic device for telecommunications over long distances.

Most current mobile phones connect to a cellular network of base stations(cell sites), which is in turn interconnected to the public stitched telephone net work(PSTN) (the exception are satellite phones). Cellular networks were first introduced during the early to mid 1980s. Previous mobile phones operating without a cellular network (the so-called 0G generation) such as Mobile Telephone Service, date Back to 1946. Until the mid to late 1980s, most mobile phones were sufficiently large that they were permanently installed in vehicles as car phones. With the advance of miniaturization, currently the vast majority of mobile phones are hand held. In addition to the standard voice function of a telephone, a mobile phone can support many additional services such as SMS for text messaging, packet switching for access to the Internet and MMS for sending and receiving photos and video.

Market Potential

From the slow start in 1995, the Indian mobile phone industry has come a long way. Cellular services have registered a phenomenal growth of more than 100 percent annually and this is an increasing demand for better services and lower price.

As the mobile hand set market is growing similarly the demand of servicing of handsets is also growing. The branded companies like Nokia, Samsung etc. have their own service centers in the metros and big cities but due to a gap between demand and service provided, more servicing centers with qualitative service at optimum price are required. This demand is felt more at the town level since servicing centres of branded companies are rarely available in the towns or rural areas. So enough potential is available for setting up of mobile servicing units in the SSI sector.

Technical Aspect

Servicing Process

Since there is no defined procedure for servicing of mobile hand sets at present, the servicing of mobile hand sets usually depends on the brand & model

no. of the handset due to different design concepts used by companies and rapid technological changes introduced in the era of mobile technology. Minor faults may be rectified with little experience, however major fault repairing require both knowledge and experience. The repairing basically consists of both hardware & software repairing. Hardware faults may rectified either by replacing the PCB module in which the fault has occurred or by identifying the section inside the PCB module where the fault has occurred or by replacing the faulty SMD components / Chips/ Microprocessor. The software fault may rectified by using standard software CD for a particular brand and model no., cable & a complete computer knowledge with appropriate software package.

The Govt. accords utmost importance to environmental pollution control. So, the small-scale entrepreneurs should adopt an environmental friendly attitude and adequate pollution control measures through process modification and technology substitution.

The following steps may be suggested to control pollution in electronics industry wherever applicable:

- i)** In electronic industry fumes and gases are released during hand soldering/wave soldering/Dip soldering which are harmful to people as well as environment and the end products. Alternative technologies may be used to phase out the existing polluting technologies. Numerous new fluxes have been developed containing 2-10% solids as opposed to the traditional 15-35% solids.
- ii)** Electronic industry uses CFCs, Carbon Tetrachloride and Methyl Chloroform for cleaning of printed circuit boards after assembly to remove flux residues left after soldering, and various kinds of foams for packaging. The use of such Ozone Depleting Substances (ODS) need to be gradually phased out with alternative chemicals solvents.

CHAPTER – VII

PLAN OF ACTION FOR INDUSTRIAL DEVELOPMENT

Before suggesting any plan of action for industrial development, SWOT (strengths, weaknesses, opportunities and threats) analysis is done for every district, keeping in mind its importance and peremptoriness since every economy is not bestowed with unmixed blessings. Hence, the SWOT analysis for the district of Cuttack has become inevitable and is depicted below.

Strengths

- i. Cuttack is known as the millennium city and the commercial capital of Odisha. With 11 large scale industries and 8 Industrial Estates located in the district, Cuttack is one of the largest business hub and industrial base of the State. Many SSIs and ancillary industries have sprung up around these large and medium scale industries, thereby generating employment opportunities for the rural and urban masses.
- ii. Being a traditional city, it has a rich historical and cultural background with a strong tourism sector. The ruins of Barabati Fort, the famous Cuttack Chandi Mandir and the shrine of *Qadam-e-Rasool* (Prophet Mohammad) are some of the major tourist attractions of Cuttack. These are popular destinations for both national and international tourists.
- iii. Cuttack district enjoys a comfortable position in the sphere of maritime resources. Odisha has a long coastline of 480 kms. and 6.72 lakh hectares of fresh water resources. Fresh water fish production in Cuttack during 2013-14 was 10131 Metric Tonne. Overall, the district is ranked 8th among the 30 districts of the State in fresh water fish production. This has created avenues for setting up of various related industries like fish processing, setting up of ice plant, mini fish feed mill etc. Fisheries is a rapidly growing sector which offers enormous scope in generating employment and livelihood.
- iv. Cuttack is famous for its craftsmanship and skill in silver filigree work. It is an internationally acclaimed art wherein thin silver wires are designed and fashioned into exquisite jewellery, utensils and decorative items. Plans are being chalked out to set up a silver filigree hub in Cuttack. This will ensure better training facilities for the artisans of this craft with special emphasis on design development.

v. Cuttack is located in the fertile delta plains of the Mahanadi river. There are major rivers flowing across the district like Kathajodi, Kuakhai, Chitrotpala, Birupa etc. Owing to the presence of these water bodies, Cuttack is a highly fertile district with a strong agricultural base. It is a major producer of rice in the State.

Weaknesses

i. The district is prone to cyclones from the Bay of Bengal due to its proximity to the coast (85 kms. from Paradip Port). There is also a very high damage risk to the district from winds and cyclones. The 1999 Odisha cyclone caused major damage to life and property in the district. The Bureau of Indian Standards places the city inside "Seismic Zone III" on a scale ranging from I to V in order of increasing susceptibility to earthquakes.

ii. The district Headquarters is located at Cuttack which is a very traditional city with age-old infrastructure that need immediate modernization and expansion. The city roads are narrow and congested which hamper smooth communication.

iii. Intermittent power cuts are common in the district and stands as a major hurdle to industrial production.

Opportunities

i. The district is richly endowed with minerals like fire clay, chromite, limestone, etc. This has created opportunities for setting up of downstream enterprises like fly ash bricks, which are in great demand in the construction sector.

ii. Being a millennium city, Cuttack has major prospects in the tourism sector, which can be profitably explored. Initiatives can be taken in developing and exploring new tourist spots, given the rich historical background of Cuttack district.

iii. Industrial Cluster Development is a major programme of the State Govt. and the Central Govt. The major identified clusters of this district are in the fields of pharmaceuticals, spices, engineering goods and readymade garments. Development of these clusters will not only benefit the stake holders and generate employment opportunities, but will also promote growth of ancillary industries.

iv. Cuttack district has immense potential in development of industries, given its abundant natural resources in agriculture, horticulture and fisheries. It enjoys a strategic location in the State being well connected to other districts and States through a well knit network of roadways and railways. Its proximity to the port facilities at Paradip and Vishakhapatnam has also opened avenues for trade and business.

Threats

i. Being located near the Bay of Bengal coast, Cuttack district faces the threat and onslaught of cyclonic storms and winds. This causes major damage to life and property as well as agricultural crops and land.

ii. Scarcity of adequate ground water may also pose a threat to the district as most of the major rivers like Kathajodi, Birupa, Kuakhai partially dry up during the summer season as these are not perennial rivers. Scarcity of ground water is a major problem in Choudhar Industrial Estate which threatens industrial growth and development.

iii. Another major threat to this district is the danger of floods during monsoons. Most of the rivers overflow their banks during the monsoon season and Cuttack being located in the delta plains of the Mahanadi river is often inundated by the Mahanadi river system and its tributaries. Cuttack has witnessed some of the worst floods in the recent past.

In view of the above SWOT analysis, which gives us a snap shot view of the economy, an attempt has been made in this chapter to suggest a few actions which could be undertaken by the promotional agencies for development of small scale industries – an area where employment opportunities can be created at a reasonably low capital investment.

To put the industrial sector on the road to success, the following programmes namely entrepreneurship development training programmes, seminars, industrial exhibitions, study tours etc. are suggested for execution by the governmental and non-governmental agencies. It is expected that these programmes will serve as a catalyst to accelerate the pace of industrial growth and extract the best of entrepreneurship from the local people.

Entrepreneurship Development Programme (EDP)

If latent entrepreneurship were to be aroused, organizing Entrepreneurship Development Programmes would be the first bold step in the right direction. The rural masses with a low literacy level are victims of inherent shyness, which steer them away from industrial ventures. To overcome this barrier of shyness, EDPs are

organised at block levels in the district that make the prospective entrepreneurs aware of the various industrial possibilities, their feasibility and effectiveness in fuelling the engine of growth. These programmes are usually organised by the DIC, KVIC, MSME-DI and other promotional agencies. In this context DIC, Cuttack organizes EDP training programmes for PMEGP beneficiaries at different blocks every year as per its Annual Action Plan. Besides, to hone up the skill of rural artisans, DIC also conducts training programmes on weaving, knitting, cane and bamboo crafts every year. MSME-DI also conducts product cum process oriented entrepreneurship development training programmes in association with DIC and other district level promotional agencies every year in the district as per its action plan.

Seminars

Another effective way of spreading the knowledge of industrial growth and progress is through Seminars. Through well-organised Seminars, the people of the district can be made aware of the various heights, which industry has scaled and of the various avenues that are available for industrial exploitation of existing resources. Seminars may be organised at regular intervals and in all the blocks of the district, so that even the remote corners of the district remain well informed about the various facilities, technical support and other subsidies, which are offered by the Government for industrial growth. Special Seminars may be held for the educated unemployed, so that their basic education may be strengthened with technical education.

Intensive Industrial Campaigns

Intensive Industrial Campaigns include coordinating the activities of the various promotional agencies associated with the development of industries, particularly the Khadi & Village Industries so that the entrepreneurs may complete all formalities regarding techno-economic viability of the project, registration, finance, purchase of machinery through hire purchase scheme, etc. across the table. It is of great benefit to the small and tiny units if the necessary formalities can be settled, under one roof within a short span of time. This will not only save on time, but will also prove effective in fostering growth and development of village and khadi industries.

Industrial Exhibition

Industrial Exhibitions and fairs provide an outlet for the rural craftsmen to exhibit their products. These fairs also enable the rural masses to get a view of the wide range and gamut of industrial products available in the district. In this regard, the craftsmen should be encouraged to participate in industrial fairs and exhibitions. It will provide them an opportunity to explore the marketing potential of their products and establish direct contact with the buyers of their products. Such exhibitions are usually organised at the State Level and district level. Emphasis is to be put on organising the same at the block level of the district. This will ensure greater participation.

Study Tours

Study tours may be arranged to train the prospective entrepreneurs about modern techniques of production through practical training. The prospective entrepreneurs get knowledge about the entire production process through visits to various SSI units. Theoretical training imparted along with practical training serves

as the basic input for an entrepreneur before he ventures out in the field of industrial establishment. Study tours should be made an essential part of Entrepreneurship Development Programme to promote entrepreneurship among the masses.

Industrial Training Institutes

Cuttack is home to several Engineering Colleges and Technical Institutions. There are around 100 Engineering Colleges in Cuttack and several renowned technical Institutions like Institute of Management and Information Technology, Institute of Textile Technology, Bhubananda Orissa School of Engineering, Image Institute of Technology & Management, Ajay Binay Institute of Technology and several others. The Biju Patnaik Institute of Film & Television and the Madhusudan Law College are also well known Institutes in their respective fields. Ravenshaw University of Cuttack is one of the oldest Institutes of India and the oldest college of the State. It was granted university status in 2006. Asia's largest rice Institute, the Central Rice Research Institute is situated in Cuttack. It is equipped with modern state-of-the-art technology and offers excellent research opportunities.

The existing training facilities in these Institutes should be optimally utilized and the potential areas of industrial development should be properly identified for efficient utilization of the district's resources so that there is overall growth and development in the economy.

Industrial Estates and Commercial Estates

Another avenue for fostering industrial growth is through setting up of Industrial Estates & Commercial Estates. The district has a significant portion of wasteland, which may be suitably developed for setting up of an industrial estate and a commercial estate. In case of Industrial Estates, the entrepreneurs are provided with the industrial shed along with basic infrastructural facilities like power, water, etc. Similarly, in case of commercial estates, the entire estate is developed as a market complex and the rooms developed as shops are distributed among the interested entrepreneurs. These facilities enable the entrepreneurs to tide over the teething problems of setting up an infant industry. Thus, to encourage prospective entrepreneurs to explore the various industrial possibilities, an industrial estate and a commercial estate may be set up.

The district authorities have made realistic projections to fulfill the vision of industrialisation, which they have envisaged in their Annual Plan, 2014-15. With adequate State support and co-operation from all other promotional agencies, the district may soon set off at a steady rate of industrial growth.

Development of Infrastructure

For an all-round development of infrastructure, concerted efforts may be made for construction of roads, warehouses, market yard etc. so that entrepreneurs may take up new industrial ventures.

In view of implementing the various plans and programmes, the above areas are considered to be the most important because development of industries depends to a large extent on these factors. Besides, the process of industrialization takes place only when a conducive atmosphere is created. The better the supporting factors, the greater is the possibility of industrialization.

CHAPTER – VIII

STEPS TO SET UP MSMEs

Before planning to set up any enterprise, the entrepreneur has to be systematic in his approach so that the entire process is cost and time effective. Different agencies function at various levels to provide different types of assistance to the entrepreneurs for setting up of MSMEs. The following gives a brief description of the different agencies rendering assistance to the entrepreneurs.

SI No.	Type of Assistance	Name and addresses of agencies
1	Issue of Entrepreneurs Memorandum Part.I & II	i) Directorate of Industries, Govt. of Orissa, Killa Maidan, Cuttack. ii) 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	i) MD, OSFC, OMP Square, Cuttack ii) MD, IPICOL, Janpath, Bhubaneswar iii) Director, KVIC, 6 Budha Nagar, Bhubaneswar iv) Secretary, KVIB, Near Rupali Square, Bhubaneswar v) General Manager, NABARD, Nayapalli, Bhubaneswar vi) General Manager, SIDBI, OCHC Building, Unit-3, Bhubaneswar vii) Nationalised Banks
5	For raw materials under Govt. supply	i)MD, OSIC, Khapurja Industrial Estate, Cuttack ii) Sr. Branch Manager, NSIC, Link Road, Cuttack
6	Plant and machinery under hire/purchase basis	i)Regional Manager, NSIC, Abdul Hamid Street, Kolkata ii) Sr. Branch Manager, NSIC, Link Road, Cuttack
7	Power/Electricity	i)Chairman, GRID Corporation of Orissa, GRIDCO, Saheed Nagar, Bhubaneswar ii) Chairman, CESCO, IDCO Tower, Bhubaneswar
8	Technical Know-how	Director, MSME-Development Institute, Vikash Sadan, College Square, Cuttack
9	Quality & Standard	i)Bureau of Indian Standards (BIS), Ministry of Civil Supplies, Consumer Affairs & Public Distributors, Govt. of India, 62/63,

		Ganganagar, Bhubaneswar ii) Director, National Productivity Council, Ministry of Industry, Govt. of India, A/7, Surya Nagar, Bhubaneswar
10	ISO Certification Reimbursement	Director, MSME-Development Institute, Vikash Sadan, College Square, Cuttack
11	Marketing/Export Assistance	i) Director, MSME-Development Institute, Vikash Sadan, College Square, Cuttack ii)Export Credit Guarantee Corporation of India Ltd., A-77, Saheed Nagar, Bhubaneswar iii)Director, EPM, Ashoka Market, Master Canteen, Bhubaneswar iv) Sr. Branch Manager, NSIC, Link Road, Cuttack
12	Other Promotional Agencies	i)MD, APICOL, Near Baramunda Bus Stand, Bhubaneswar ii)Director, Horticulture, Udyan Bhavan, Nayapalli, Bhubaneswar iii)Director, Animal Husbandry & Veterinary Services, Managalabag, Cuttack iv)Director, Handicraft & Cottage Industries, Saheed Nagar, Bhubaneswar v)Director of Textiles, Satya Nagar, Bhubaneswar vi)Director of Fisheries, Jobra, Cuttack vii)Coconut, Development Board, Nayapalli, Bhubaneswar viii)Coir Board, Jagamara, Bhubaneswar ix)Principal Chief Conservator of Forest, Aranya Bhavan, Chandrasekharapur, Bhubaneswar

ORISSA INDUSTRIAL POLICY – 2007.

1. I N T R O D U C T I O N

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 Pattamundai 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

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 /NAC Area-</u> Zone -B -@ Rs 2 lakh /Ac, Zone- C -@ Rs 1lakh / Ac, Zone- D @Rs. 0.5 lakh / Ac
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	
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 seventyfive 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 seventyfive 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.