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**State Incentive**

## Defence Manufacturing in Odisha

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### One Time Incentives

#### 1. Land Cost Rebate

**Land at subsidised rates as per the Industrial Policy 2015:**

- Applicable for all industries

**25% subsidy on cost of land:**

- Applicable for Anchor Industrial Units, i.e. for investments by lead investors in a park or cluster which would promote and further facilitate investment in the park or cluster

**Exemption from payment of premium, leviable under OLR Act.1960 (Change of land-use charges):**

- 100% up to 100 acres and 50% for balance area

#### 2. Fixed Capital Rebate

**Capital Subsidy for Plant and Machinery - 10% of investment in plant and machinery:**

- Minimum investment of INR 100 crores in a forward district with employment for 100 workers and INR 50 crores in backward district with employment of 75 workers with maximum cap of INR 50 crores depending on investment and employment range.
- Maximum cap of INR 100 crores for the first three OEMs with INR 1000 crores investment and 1000 employment

**50% of the infrastructure cost:**

- Cost of land, building, plant and machinery to a maximum of INR 50 crore for common facility centre,

INR 30 crore for technology innovation centre and INR 25 crore for testing centre for the first park.

**For other parks:**

- Cost of infrastructure cost with a ceiling of INR 10 crore per green field industrial park/cluster
- Total cost with a ceiling of INR 5 crore for up gradation of brown field clusters

### 3. Stamp Duty Exemption

**100% Exemption:**

- With respect to land allotted by the Government to IDCO or Govt/IDCO to Private Industrial Estate Developers or when transfer of land/shed by Govt, IDCO and Private Industrial Estate developer to industrial units.
- On Loan agreements, credit deeds, mortgages and hypothecation deeds executed by the Industrial Units in favour of Banks or Financial Institutions

### 4. Other Incentives

- 100% of registration cost for Patent and Intellectual Property to a maximum of INR 10 lakhs
- 50% assistance subject to a maximum of INR 10 crores for R&D Investment

**For Workers' Hostel:**

- Land rate at 50% of the prevailing market rates of IDCO for 1-3 acres of land, based on employment and investment with minimum investment of INR 100 crores in a forward district with employment for 100 workers and INR 50 crores in backward district with employment of 75 workers.

## Recurring Incentives

### 1. SGST Reimbursement

**100% SGST reimbursement:**

- For a period of 7 years, to a maximum of 200% of cost of plant and machinery
- For New Pioneer units for a duration of 9 years, to a maximum of 200% of cost of plant and machinery
- For Anchor units for a duration of 9 years, to a maximum of 200% of cost of plant and machinery

This provision will be notified by government soon.

**2. Skill Development/ Training Incentive****Reimbursement of training cost up to INR 1750 – INR 4000 per person:**

- For every person newly trained or undergoing skill upgradation for a period of three years, based on employment and investment with minimum investment of INR 100 crores in a forward district with employment for 100 workers and INR 50 crores in backward district with employment of 75 workers.

**3. Interest Cost Subvention****5% per annum on term loan:**

- For a period of five years, to a maximum of INR 10 crores for the first three units. Maximum of INR 1 crore for all others.

**4. Power Tariff Rebate****Reimbursement of INR 0.25 – 1.25 per unit:**

- For a period of 5 years, based on employment and investment with minimum investment of INR 100 crores in a forward district with employment for 100 workers and INR 50 crores in backward district with employment of 75 workers.

**5. Electricity Duty Rebate**

**100% Exemption:**

- For a contract demand of 5 MVA for 5 years

**6. Employment Generation Incentive****100% Reimbursement of Employment Cost Subsidy (ESI/ESF):**

- For 5 years for displaced employees and for 7 years for disabled employees