

SPOTLIGHT

- Sector in Focus: Textiles and Apparel
- Industrial Infrastructure: New Apparel Parks in the State
- Ease of Doing Business: Key Business Reforms implemented by the State Pollution Control Board
- Investment Promotion Initiatives and Updates

► Message from Hon'ble CM



Odisha is identified as the top destination for manufacturing investments in India and recognized as the 'Manufacturing hub of the East'. My government is keen on further expanding the existing industrial base of the State.

Our vision is to generate 3 lakh new job opportunities for our youth through diversified investments by 2025. In view of this, we have launched several industry friendly policies to facilitate and incentivize the investors.

At this juncture, I am glad to note that Industrial Promotion & Investment Corporation of Odisha Limited (IPICOL) is launching "Invest Odisha" – a monthly Newsletter to keep the investor community informed and updated about the various initiatives undertaken by the State Government.

I wish the Newsletter and the editorial team all the success in achieving its objectives.

► Sector in Focus

Textiles and Apparel

Odisha has a long history of apparel and textile related industries. The handlooms of Odisha have gained worldwide acclaim and reputation for its indigenous design and quality. A major portion of the skilled workforce engaged in Textile and Apparel sector across the country, originates from Odisha.

The State has identified Textiles and Apparel as a focus sector for investments. In addition to the incentives extended by the Industrial Policy Resolution 2015, the State has also recently promulgated the Odisha Apparel Policy 2016 which provides additional fiscal and non-fiscal support for development of the sector.

Some of the major highlights of the policy framework and the existing ecosystem are:

Employment Based Incentives

- **Rs. 1,500 per worker** per month for 36 months to Apparel Units with minimum 200 workers
- Additional incentives available in case of more than Rs. 50/100 crore investment in industrially backward/other districts

Incentives to Apparel Parks

- **Capital grant of 20%** of project cost upto Rs. 20 crore
- **Interest free loan** upto 10% of project cost, maximum limit of Rs. 10 crore

Anchor Tenant Subsidy

- 25% subsidy on **cost of land**
- **VAT Reimbursement** for upto 9 years



Additional Fiscal Incentives

- **5% Interest Subsidy** per annum on term loan for a period of 5 years
- 100% reimbursement of **ESI and EPF**: a) 3 years for displaced workers, b) 5 years for persons with disabilities
- 100% exemption on **Stamp Duty**
- **Electricity Duty exemption** upto a contract demand of 5 MVA for a period of 5 years
- **Environmental infrastructure protection subsidy** for MSME units upto Rs. 20 lakh
- **VAT reimbursement** of 100% for 7 years to new industrial units
- 100% **Entry Tax reimbursement** on acquisition of plant & machinery and purchase of raw materials for 5 years

Supporting Ecosystem

- **Competitive Wage Rates (Daily):**
 - ▶ Unskilled Rs. 200
 - ▶ Semi-skilled Rs. 220
 - ▶ Skilled Rs. 240
 - ▶ Highly-skilled Rs. 260
- Apparel and Textile sector industries designated as **Public Utility Services**
- 100% assistance for obtaining **quality certification**
- 100% reimbursement of cost for **purchase of technology** upto Rs. 5 lakh

▶ Industrial Infrastructure

New Apparel Parks in the State

With ready availability of skilled labour and one of the most competitive land rates & incentive framework, Odisha offers a compelling value proposition for units in the Apparel Sector.

The State has identified dedicated locations in the vicinity of capital city, Bhubaneswar, to set up new state-of-the-art apparel parks as below:

- Ramdaspur 100 acres
- Chhatabar 100 acres
- Jayamangal 129 acres

These proposed parks would be developed to provide world-class facilities to the apparel industry along with common utilities infrastructure.

The master plan for all the 3 parks has been completed. The basic infrastructure facilities including the compound wall, road network, electricity connection and water network will be developed before end of this year.

▶ Ease of Doing Business

Key reforms by State Pollution Control Board

Odisha has undertaken several reforms over the past few months to ensure a hassle-free business environment for the investors. The State has also been recognized as a 'Leader' in the recent business reforms assessment undertaken by the Government of India.

Odisha State Pollution Control Board (OSPCB) has implemented a number of industry friendly reforms. OSPCB has an online consent management system and has reduced the timelines for approvals by upto 50% under different environment category projects as below:



Category	Consent to Establish		Consent to Operate	
	Earlier (In days)	Revised (In days)	Earlier (In days)	Revised (In days)
A	120	60	120	60
B	60	45	120	45
C	30	30	120	30

The Board has set the Validity for Consent to Establish for all types of industries to 5 years and has increased

the Validity for Consent to Operate under various category of industries upto 15 years from earlier 5 years.

Auto-renewal of Consent to Establish and Consent to Operate are now allowed based on self/third party certification.

White category industries in the State are exempted from consent administration while Green category industries have been exempted from routine inspections, subject to submission of self-certified compliance report

► Investment Promotion Activities and other Updates

GO-iPLUS wins the Geospatial Application Excellence Award 2017

GO-iPLUS, Government of Odisha's Industrial Portal for Land Use and Services has bagged the Geospatial Application Excellence Award 2017, under the category of best application of Geospatial Technology in Land Services. Mr Sanjeev Chopra, CMD IPICOL, received the award along with the team from IDCO, IPICOL and ORSAC.



CII Odisha Annual meeting on "Advantage Odisha"

A Session titled "Advantage Odisha" was organised on 25th Feb 2017 by CII Odisha. The views of various industry representatives on the policy outlook and investment ecosystem in the State was received.



Investment Facilitation across 5 cities

Senior officials from IPICOL visited Delhi, Kolkata, Hyderabad, Mumbai and Bengaluru during Jan-Feb 2017 and met more than 45 companies to inform the investors regarding the policy framework, available land bank and the project application process.

As part of these facilitation visits, sectoral meets were also organised at various locations as below to seek further investments in diversified sectors:

- Apparel meet at Delhi – Jan 07
- Pharma meet at Mumbai – Jan 12
- Apparel meet at Mumbai – Jan 13
- Pharma meet at Hyderabad – Jan 24
- ESDM meet at Bengaluru – Feb 13
- Apparel meet at Bengaluru – Feb 13

CSR round table

A round table discussion on institutionalization of Corporate Social Responsibility activities was organized jointly by the Industries Department, and National Law University, Odisha on 18th January 2017 at Bhubaneswar.

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