

**GOVERNMENT OF ODISHA
INDUSTRIES DEPARTMENT**

RESOLUTION

5248
No. - IND-HI2-POL-0003-2016-_____/I., Bhubaneswar, Dt. 18th August, 2020

Subject: Amendment of Industrial Policy Resolution (IPR) – 2015

Industrial Policy Resolution (IPR) - 2015 came into force vide Industries Department Resolution No. 5700/I, dated 24th August, 2015 with an objective to broad base industrial development in the State through effective and need based incentives and facilitation services. Under the provisions of Para 14 (e) and (f) of IPR – 2015, Government have been pleased to amend the provisions of the IPR – 2015 as follows:

1. Amendment of IPR-2015 after introduction of Goods & Services Tax (GST)

Consequent upon introduction of GST w.e.f., July 01, 2017, Para 5.4.5 and 5.4.6 may be read as:

5.4.5 GOODS AND SERVICES TAX (GST)

a) Net SGST Reimbursement instead of VAT reimbursement except for Cement manufacturing/ grinding units, Blast Furnace Slag based units, Hullers & Rice Mills, Flour Mills (excluding Roller Flour Mills), Pulse and Besan Mills w.e.f. 01.07.2017

i. New Micro, Small & Medium Enterprises shall be eligible for reimbursement of 75% of **net SGST paid for the balance period out of the eligibility period of five (5) years for units starting production before July 01, 2017 or five (5) years from the date of commencement of production for the units starting production on or after July 01, 2017** limited to 100% of cost of plant and machinery, in a tapered manner, provided that the **SGST reimbursement shall be applicable only to the net tax paid towards State component of GST**, after adjustment of input tax credit against the output tax liability.

ii. New industrial units in Priority Sector shall be eligible for reimbursement of 100% of **net SGST paid for the balance period out of the eligibility period of seven (7) years for units starting**

production before July 01, 2017 or seven (7) years from the date of commencement of production for the units starting production on or after July 01, 2017 limited to 200% of cost of plant and machinery, in a tapered manner, provided that the **SGST** reimbursement shall be applicable only to the net tax paid **towards the state component of GST**, after adjustment of input tax credit against the output tax liability.

- iii. Existing Micro, Small & Medium Enterprises taking up expansion/modernisation/ diversification as defined in this IPR shall be eligible for 75% reimbursement of **net SGST paid for the balance period out of the eligibility period of five (5) years for units starting production before July 01, 2017 or five (5) years from the date of commencement of production for the units starting production on or after July 01, 2017** subject to the condition that it shall be applicable only on increased production over and above the existing installed capacity limited to 100% of additional cost of plant and machinery acquired for taking up Expansion/ Modernization/ Diversification, in a tapered manner, provided that the **SGST** reimbursement shall be applicable only to the net tax paid **towards the state component of GST** after adjustment of input tax credit against the output tax liability.
- iv. Existing industrial units in Priority sector taking up expansion/modernisation/ diversification as defined in this IPR shall be eligible for 100% reimbursement of **net SGST paid for the balance period out of the eligibility period of seven (7) years for units starting production before July 01, 2017 or seven (7) years from the date of commencement of production for the units starting production on or after July 01, 2017** subject to the condition that it shall be applicable only on increased production over and above the existing installed capacity limited to 200% of additional cost of plant and machinery acquired for taking up Expansion/ Modernization/ Diversification, in a tapered manner, provided that the **SGST** reimbursement shall be applicable only to the net tax paid **towards the state component of GST**, after adjustment of input tax credit against the output tax liability.
- v. New Pioneer Units under each Priority Sector shall be eligible for reimbursement of 100% of **net SGST paid for the balance period out of the eligibility period of nine (9) years for units starting production before July 01, 2017 or nine (9) years from the date of commencement of production for the units starting production on or after July 01, 2017** limited to 200% of the cost of

plant & machinery in a tapered manner over a period of nine years provided that the **SGST** reimbursement shall be applicable only to the net tax paid **towards the state component of GST** after adjustment of input tax credit against the output tax liability.

- vi. Anchor Tenant in each industrial park shall be eligible for reimbursement of 100% of **net SGST paid for the balance period out of the eligibility period of nine (9) years for units starting production before July 01, 2017 or nine (9) years from the date of commencement of production for the units starting production on or after July 01, 2017** limited to 200% of the cost of plant & machinery in a tapered manner over a period of nine years provided that the **SGST** reimbursement shall be applicable only to the net tax paid **towards the state component of GST** after adjustment of input tax credit against the output tax liability.

vii. **Deleted**

b) Deleted with effect from 01 July 2020

5.4.6 Net SGST reimbursement instead of Entertainment Tax w.e.f.01.07.2017

- a) New Multiplex Cinema hall of at least 3 screens with minimum capital investment of Rs.3 crores and above with modern projection system, sound system, air conditioning, shall be eligible for reimbursement of 100% of **net State Component of GST for the balance period out of the eligibility period of five (5) years for units starting operation before July 01, 2017 or five (5) years from the date of commencement of operation for the units starting operation on or after July 01, 2017.**
- b) Existing cinema hall upgraded to a multiplex and modernised with minimum investment of Rs. one crore shall be eligible for reimbursement of 100% of **net State Component of GST for the balance period out of the eligibility period of five (5) years for units starting operation before July 01, 2017 or five (5) years from the date of commencement of operation for the units starting operation on or after July 01, 2017.**

c) **Deleted.**

2. "Priority Sector" under IPR 2015

Sl. No. 18 (j) of Para 15 i.e., Annexure I (Definitions and Interpretations) of IPR 2015 is amended with effect from the date of this notification as:

15.18 (j) Petro-chemicals & Chemicals

3. Amendment of Para 16 Annexure II with effect from the date of this notification

The provisions of Sub Para 3 of Para 16 i.e., Annexure-II of IPR 2015 are revised as follows:

- a) **Sl. No. 1.** *Hullers and Rice mills.*
- b) **Sl. No. 2.** *Flour mills (excluding Roller Flour mills), Pulse mills & Besan mills.*
- c) **Sl. No. 5.** *Edible / Non- edible Vegetable Oil Mills having:*
 - i. *Expeller with investment in plant & machinery less than Rs. 10 lakh*
 - ii. *Solvent Extraction with investment in plant & machinery less than Rs. 50 lakh*
 - iii. *Hydrogenation of Oil*
 - iv. *Repacking of Oil with Filtering, Colouring, and Deodorising*
 - v. *Refining of Oil with investment in plant & machinery less than Rs. 5 crore*
- d) **Sl. No. 13.** *Iron and Steel Processors:*
 - i. *Coiling and De coiling of Sheets, Straightening & Cutting of sheets & Rods , Cutting of angles, Channels, Bars Blooms, Billets, Slabs, etc.*
 - ii. *Iron and Steel scrap processing unit*
 - iii. *Integrated rolling mill*
- e) **Sl. No. 34.** *Standalone Packaged drinking / Mineral water units, Aerated water, soft drink units (except the units manufacturing fruit pulp and/or juice out of it).*

- f) **Sl. No. 38.** Thermal Power Plants except new intensive units with a contract demand of 2 MVA and above.

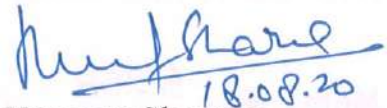
4. New point added to Sub Para 3 of Para 16 i.e., Annexure-II of IPR 2015:

Sl. No. 40. Downstream industries

Sl. No.	Aluminium	Sl No	Steel	Sl. No.	Stainless Steel
1	Al Circles	1	Welding Electrode	1	SS Stapler
2	Al Hinges	2	Corrugated Sheet	2	SS Structures
3	Al metal mesh	3	Cable Tray	3	SS Annealing
4	Al shots & notch bars	4	Motor Rewinding	4	Service Centres
5	Al Tower Bolts	5	Galvanizing of Structure pipes	Sl. No.	Other Items
6	Caps & closures	6	Pipe Coating		
7	Venetian blinds	7	Furniture Making		
		8	Barbed Wire		
		9	Wire Nails		

ORDER: Ordered that the Resolution be published in the extraordinary issue of the Odisha Gazette and copies of the Resolution be forwarded to all Departments, all Heads of Departments and Accountant General, Odisha.

By order of the Governor.


18.08.20

Hemant Sharma

Principal Secretary to Government.

Memo No. 5249 /I., Bhubaneswar, dated the 18th August, 2020

Copy forwarded to the Director of Printing, Stationary and Publication, Odisha, Cuttack with a request to kindly publish the Resolution in the extraordinary issue of the Odisha Gazette and supply 500 copies to this Department immediately.


18.08.2020
Joint Secretary to Government.

Memo No. 5250 /I., Bhubaneswar, dated the 18th August, 2020

Copy forwarded to the Odisha Gazette Cell in-charge, Odisha Gazette Cell, C/o Commerce Department for information with a request to take appropriate action to publish the Resolution in the next extraordinary issue of the Odisha Gazette.

Joint Secretary to Government.

Memo No. 5251 /I., Bhubaneswar, dated the 18th August, 2020

Copy forwarded to the Heads of Portal Group, IT Centre, Odisha Secretariat for information and necessary action.

He is requested to launch this Notification in the website of Industries Department for general information.

Joint Secretary to Government.

Memo No. 5252 /I., Bhubaneswar, dated the 18th August, 2020

Copy forwarded to All Departments/ All Heads of Departments/ All Revenue Divisional Commissioners/ All Collectors/ All Regional Industries Centres/ All District Industries Centres/ All Public Sector Undertakings/ Accountant General, Odisha, Bhubaneswar for information.

Joint Secretary to Government.

Memo No. 5253 /I., Bhubaneswar, dated the 18th August, 2020

Copy forwarded to Additional Secretary to Government, CMO/ P.S. to All Ministers/ O.S.D. to Chief Secretary, Odisha/ P.S. to Development Commissioner-cum-A.C.S., Odisha/ P.S. to Principal Secretary to Government, Industries Department for kind information of Hon'ble Chief Minister, Odisha, Hon'ble Ministers, Chief Secretary, Odisha, D.C.-cum-A.C.S., Odisha and Principal Secretary, Industries Department.

Joint Secretary to Government.

Memo No. 5254 /I., Bhubaneswar, dated the 18th August, 2020

Copy forwarded Parliamentary Affairs Department for information with reference to their Memo No. 3963/PA dated 12.08.2020.

Joint Secretary to Government.

Memo No. 5255 /I., Bhubaneswar, dated the 18th August, 2020

Copy forwarded to All Sections of Industries Department / Guard File for information.

Joint Secretary to Government.