

OPERATIONAL GUIDELINES ON REIMBURSEMENT OF EMPLOYMENT RATING BASED INCENTIVES UNDER INDUSTRIAL POLICY RESOLUTION 2015

(See Para 5.4.18-A, B & C of IPR-2015)

(To be reviewed after one year)

1. **Short Title:-** Operational guidelines for providing Employment Rating Based Incentives under Industrial Policy Resolution, 2015.
2. **Extent:** - It shall extend to the whole of the State of Odisha.
3. **Commencement:** - It shall come into force from the "Effective Date" of Industrial Policy Resolution, 2015 i. e. 24.08.2015.
4. **Terms and Expressions:** -
 - a) Investment means cost of Land, Building, Plant & Machinery, Other fixed assets and Electrical installations as per book value (Working capital is not considered).
 - b) Employment means both direct employment and contractual employment on the payroll of the company and contractual employment through service provider covered under EPF & ESIC and considered only for those domiciled in the State.
 - c) *Newly recruited means persons appointed within six months before the commencement of training and shall include school drop-outs, high school passed, diploma holders, ITI certificate holders, graduates of engineering and non-engineering streams, etc.* The potential trainees shall be provided "employable skills" with a focused job-oriented course preferably as per National Occupational Standards (NOS) developed by the Sector Skills Council (SSC) for each sector under the "Skill India" programme.
 - d) Existing Employees means the employees on the job roles of the Industrial units for more than one year who may need up-gradation of skills as per National Occupational Standards developed by the Sector Skills Council for each sector under the "Skill India" programme.
 - e) Terms and expressions used in this operational guideline, but not specifically defined / explained here, shall have the same meaning as in Industrial Policy Resolution, 2015.

5. Policy Provisions:-

To encourage employment intensive industries in Odisha in the **Priority Sector**, government shall offer special package of incentives to the industrial projects as outlined below.

Classification of Districts:

For the purpose of administering the incentives, the classification of districts is as follows:

Category	Districts
A	All other districts other than Category B
B	Industrially Backward Districts- Kalahandi, Nuapada, Bolangir, Subarnapur, Koraput, Malkangiri, Rayagada, Nawrangpur, Kandhamal, Gajapati and Mayurbhanj.

Classification of Industry:

S. No.	Category	Investment (Rs. Cr)	Minimum Employment (No.)
Category A			
1	A 1	>100	100
2	A 2	>200	200
3	A 3	>500	400
Category B			
1	B 1	>50	75
2	B 2	>100	100
3	B 3	>250	200

A. REIMBURSEMENT IN POWER TARIFF:

Reimbursement per unit for a period of **5 years from the date of commercial production** shall be provided.

The incentive will be subject to the guidelines of OERC (if applicable), as laid down from time to time.

B. REIMBURSEMENT OF TRAINING SUBSIDY:

For every person trained and newly recruited in the unit, the State government shall reimburse the training cost as mentioned below for a period of **three years from the date of commercial production**. The training subsidy shall be reimbursed **only once for each trainee** either for training of newly recruited trainee or for skill up-gradation.

This support shall not be available to those trainees who are availing State government support for similar training programs.

The incentives on power tariff and training subsidy are listed below;

S. No.	Rating	Investment (Rs. Cr)	Employment (No.)	Reimbursement of Power Tariff (Rs./ Unit)	Training Subsidy (Rs./ Person)	
					New	Skill Up-gradation
Category A						
1	A 1 - a	>100	100-150	0.25	2500	1750
	A 1 - b		151-300	0.35	2750	1900
	A 1 - c		301-500	0.45	3000	2100
	A 1 - d		>500	0.50	3300	2400
2	A 2 - a	>200	200-250	0.40	3000	2000
	A 2 - b		251-500	0.50	3250	2250
	A 2 - c		501-1000	0.60	3500	2500
	A 2 - d		>1000	0.75	3750	2750
3	A 3 - a	>500	400-500	0.55	3300	2300
	A 3 - b		501-1000	0.65	3600	2600
	A 3 - c		1001-1500	0.80	3800	2800
	A 3 - d		>1500	1.00	4000	3000
Category B						
1	B 1 - a	>50	75-100	0.30	2600	1750
	B 1 - b		101-200	0.40	2750	2000
	B 1 - c		201-300	0.50	3000	2250