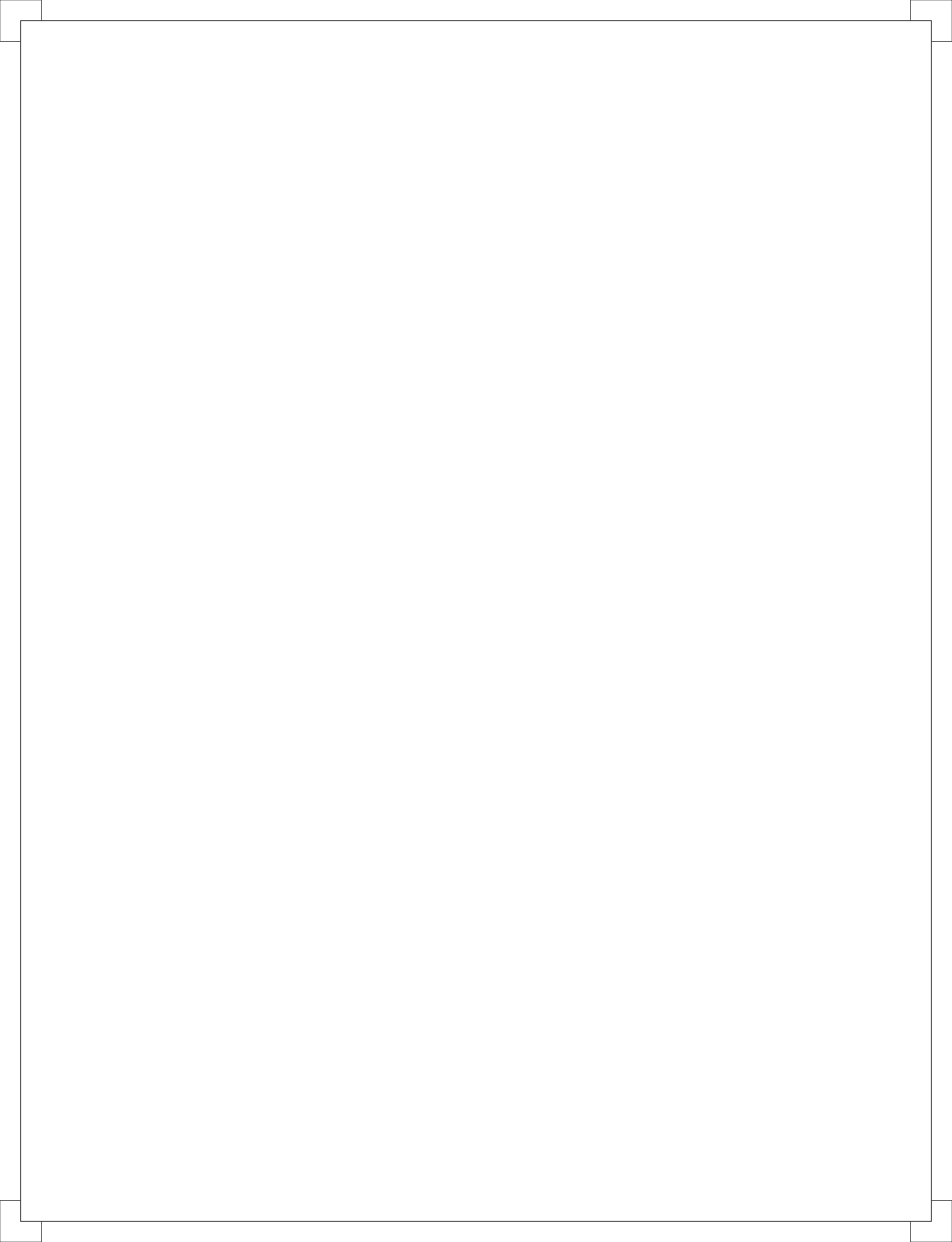




PHARMACEUTICALS POLICY 2016



DISHA
NEW OPPORTUNITIES



PHARMACEUTICALS POLICY

RESOLUTION 2016

Resolution

No. 8301/I,

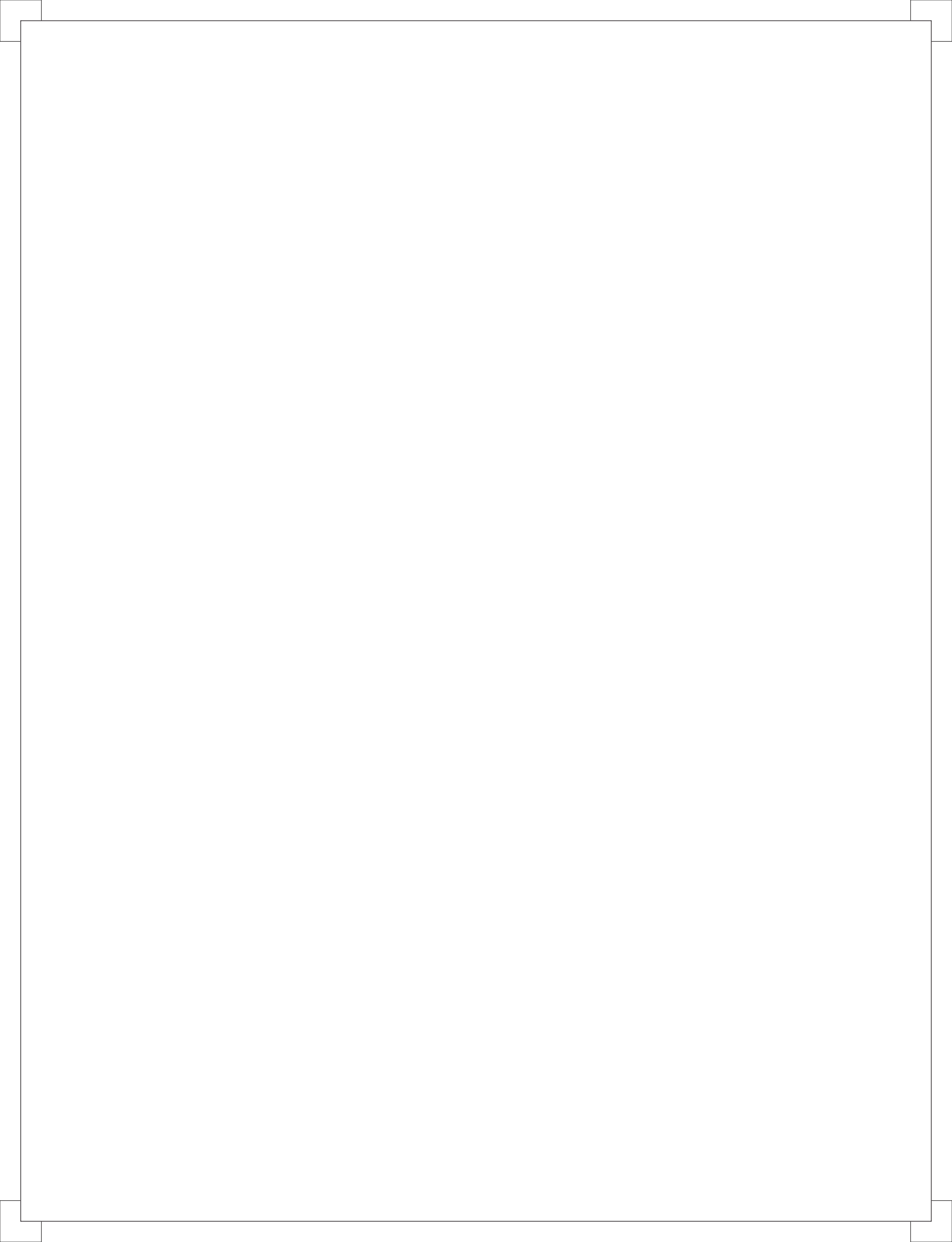
XIV - HI - 5/2016

Dated 24.11.2016



Government of Odisha

Industries Department





Preamble

Government of Odisha is committed to create an ecosystem for pharmaceuticals manufacturing in the State. This Policy shall act as a catalyst for higher investments and employment in the State in the pharmaceutical sector.

Vision



To promote Odisha as an investment destination of choice for investors in the pharmaceutical sector, by creating an enabling environment through dedicated industrial infrastructure development, financial assistance and ensuring ease of doing business.

Mission



- a) State to become the top destination for Pharmaceutical sector investments in East India
- b) Develop industrial and common infrastructure for cluster development in the sector
- c) Provide fiscal and non-fiscal benefits in a transparent and time bound manner
- d) Implement a supportive regulatory framework and robust governance structure that enables hassle-free, time bound statutory clearances and monitoring of this policy

1. Objectives

The policy has the following key objectives:

- a) Transform Odisha into an attractive destination for private sector pharmaceutical investments. Create avenues for clinical and contract research, manufacturing and innovation opportunities.
- b) Promote establishment of specialized Pharmaceutical Parks with best-in-class infrastructure and technology. Promote infrastructure development through public and private sector participation.
- c) Encourage environment friendly manufacturing practices followed by industrial units in Pharmaceutical sectors
- d) Ensure a strong institutional framework for effective implementation, monitoring and evaluation of the policy

2. Scope

The policy would provide incentives and exemptions in conjunction with any other applicable existing policy of the State and Government of India.

3. Policy period

The Policy will remain in operation till the operative period of IPR-2015.

4. Pharmaceuticals Cluster

- 4.1 Developers of such green field Pharmaceuticals Cluster shall be eligible for a grant of up to 50% of the infrastructure cost with a ceiling of Rs.10 crore per park or cluster as per the OG on capital grant to support quality infrastructure under IPR 2015. In the case of upgradation of the existing parks / clusters the government will provide a similar support of 50% of total cost with a ceiling of Rs.5 crore provided the park / estate / cluster is user- managed.
- 4.2 - For adopting zero effluent /waste water discharge facilities (Common Effluent Treatment Plant, Incinerator, etc.), the developer will be eligible for additional environmental protection infrastructure subsidy of Rs.2 crore or 50% of cost of such common facilities, whichever is less, provided the developer has availed full support in **para 4.1**. Cost of such infrastructure should be computed separately.

5. Fiscal and Non-Fiscal Incentives to Industrial Units

Industrial Policy Resolution 2015 extends various fiscal and non-fiscal incentives for industries setting up facilities in the State. The following incentives shall be made available through this policy.

An investor may choose to avail benefit under a particular provision from either this policy or any other policy, but not both.

A. Employment and Investment based Incentives

For the purpose of administering the incentives under this policy, the classification of districts and industry shall be as follows:

Classification of Industries		
Category A	All other districts other than Category 'B'	
Category B	Industrially Backward Districts- Kalahandi, Nuapada, Bolangir, Subarnpur, Koraput, Malkangiri, Rayagada, Nawrangpur, Kandhamal, Gajapati and Mayurbhanj	
Category	Investment (Rs. Crore)	Minimum Employment
A0	>20	80
B0	>10	40

Capital Subsidy for Plant and Machinery

Subsidy for investment in plant and machinery shall be provided to units in the pharmaceutical sector as follows:

Category	Maximum Capital Subsidy
A0/ B0	10% of the cost of plant and machinery

The units falling under the above category shall also be provided the following:

- Committed 24*7 Power
- Dedicated industrial feeders

These incentives will be subject to the guidelines of OERC, as laid down from time to time.

B. Environmental Protection Infrastructure Subsidy

New individual manufacturing units in pharmaceutical sector adopting Zero Effluent/ Waste Water Discharge shall be eligible for an environmental protection infrastructure subsidy of Rs. 50 lakhs or 20% of capital cost, whichever is less. The units shall produce a certificate from State Pollution Control Board (SPCB), Odisha to this effect.

6. Government Procurement

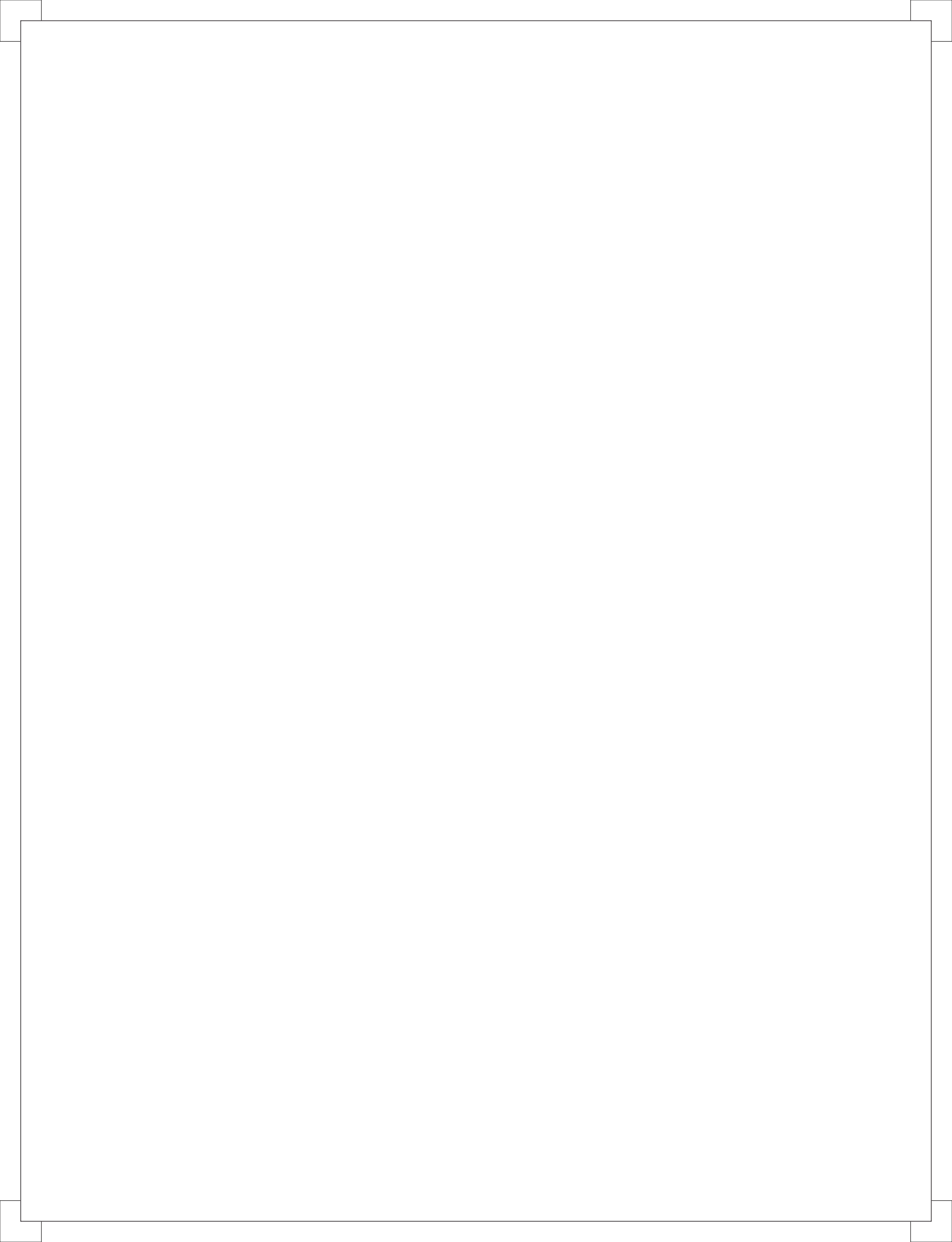
The eligibility criteria of minimum years of operations/experience and minimum turnover for prequalification in State Government procurement of pharma products manufactured by the units set up in the State after the introduction of the policy shall be waived for a period of three years from the date of commercial production provided the minimum capital investment in plant and machinery in such unit is Rs. 10 crore and other regulatory compliance, specified quality and technical specifications for such procurement are fully met."

7. Training and Skill Up-gradation

The Government will encourage educational institutions and industry associations to work on skill up-gradation initiatives through the Odisha Skill Development Authority to enhance the employability of the youth for the pharmaceutical sector.

8. General Terms and Condition

- a) For the purpose of this policy all terms, definitions and interpretations shall be as per the policies of the State Government for promotion and development of pharmaceutical manufacturing activities in the State
- b) 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 IPICOL / Industries Department, Government of Odisha for clarification / resolution and the decision of Government in this regard shall be final and binding on all concerned
- c) 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
- d) The State Government may at any time amend any provision of this policy





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For further details, please contact:

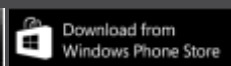
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