



# ICT POLICY-2014

(Information & Communication Technology Policy)



DEPARTMENT OF INFORMATION TECHNOLOGY  
Government of Odisha





# ICT POLICY-2014

(Information & Communication Technology Policy)



**DEPARTMENT OF INFORMATION TECHNOLOGY**  
**Government of Odisha**



# Odisha

As an Emerging State for Investment

## Contents

---

1	Vision	01
2	Objective of ICT Policy	01
3	Target 2020	01
4	Special Focus Areas	02
5	Strategies	02-09
6	Incentives	09-14
7	Policy Implementation and Monitoring	14
8	Miscellaneous	15
9	Definitions	15
10	Abbreviations	16

## 1 Vision

**To develop IT/ITES/ESDM industries for inclusive growth and employment in the state of Odisha and leverage IT & ITES in governance to transform the state to a knowledge driven welfare society for improving the quality of life of citizens.**

## 2 Objectives of ICT Policy

**The key objectives and deliverables of the ICT Policy 2014 are:-**

1. To promote Odisha as an attractive investment destination for IT/ITES/ESDM companies by providing them with a congenial, industry friendly and proactive industrial climate and making infrastructure, supporting facilities and pool of trained manpower available for entrepreneurs at affordable cost.
2. To create employment opportunities for the youth and to improve their employability through IT educational initiatives and industry focused curriculums to help them participate in the IT revolution, derive economic benefits and eventually become self reliant.
3. To make Government more accessible to citizens and empowering them through enhanced access to information while improving governance through the use of IT and enhancing the quality of services to citizens.
4. To promote new IT/ITES destinations across the state by providing assistance in setting up quality IT infrastructure including IT parks.
5. To create world class ICT infrastructure for seamlessly connecting and integrating all ICT operators, Service Providers, Government, Regulators and end users.
6. To create "Brand Odisha" for IT/ITES/ESDM Industries across the globe.

## 3 Target 2020

The State of Odisha aspires to achieve following milestones by 2020 with effective implementation of this ICT Policy

1. To attract 10 leading IT/ITES & 5 leading ESDM companies to the State.
2. To achieve a gross ICT Turnover (including exports of software and IT Services, ESDM, Domestic consumption and Training) of USD 4 Billion (Rs. 24,000 Crores)
3. To achieve direct employment of 60,000 professionals in 800 IT/ITES/ESDM units.
4. To create a built-up space of 60 lakh square feet and a developed land bank of 2000 acres for IT/ITES/ESDM sectors.

## 4 Special Focus Areas

Sectors/areas which are identified for active promotion with special financial and policy benefits, in the present Policy are:

- Start-ups and MSME Units
- Products and R&D/Innovation Firms
- Local/Women Enterprises
- Incubation Centres in Educational Institutions & Private sector
- Electronic System Design and Manufacturing (ESDM).
- Entertainment IT (Visual Effects, Animation, Gaming)
- Level II Cities
- IT Parks/IT SEZs/IT Clusters
- Mega IT Projects
- IT Education

## 5 Strategies

### 5.1 Creating a right eco-systems and congenial environment for IT Investment

The Government will strive to make Odisha the preferred IT destination for IT/ITES/ESDM Companies by providing a congenial business environment, an investor friendly policy framework with a slew of attractive fiscal incentives and concessions.

### 5.2 Promoting "Brand Odisha"

The Government will undertake measures to create better visibility of the State in the National and International level, through 'Brand Odisha' activities and create awareness of the benefits of choosing Odisha as the IT destination. The Government will take the following steps to promote IT/ITES/ESDM industries:

- The State Government will target 50 leading IT/ITES/ESDM Companies of the Country and launch an aggressive marketing campaign for attracting them to the State.
- The Government will facilitate and support for holding of international and national conferences, exhibitions and events relating to the IT/ESDM sector in the State.
- The Government will organise an Annual IT Summit which will be a platform to showcase the achievements of the state and to attract investors to the state.
- The Government will facilitate participation of professionals of IT/ESDM SMEs in international and national conferences, exhibitions and events.
- The Government will showcase 'Odisha as a preferred IT destination' with a proper stall in all major National and International conferences, exhibitions and other events. A unique IT theme and Promotional Slogans, Logo will be used for all IT promotion and campaign activities.
- The Government will create a Vision Group which will study and recommend initiatives and interventions for growth of the IT/ITES/ESDM sector in the State.



- The Government will undertake aggressive marketing through electronic, social media campaign, road shows with specific focus on creating "Brand Odisha" and to drive home the location advantages of the state to prospective investors.
- The Government will celebrate the State Information Technology Day every year. On the day, awards will be given to IT/ITES/ESDM units for outstanding contribution and performance.

### 5.3 Civil Infrastructure Facilities

- The Government would strive to create infrastructure to lure private IT companies and top class IT professionals to the state. It will facilitate creation of IT/ESDM parks .
- The Government envisages removing the infrastructural bottlenecks which could hamper the growth of IT industry. State Government will encourage investment in PPP mode for creation of more world-class social and civil Infrastructure for professionals engaged in IT/ITES/ESDM Industries.
- Local bodies will give top priority in providing basic amenities like water, electricity & sewage facility for IT/ITES/ESDM industry.
- The government will assist in getting speedy clearance for Right of Way for optical fibre network and use of infrastructure of utilities like Power Grid, OPTCL, GRIDCO, BSNL etc.
- Initiatives will be taken to establish national level institutes in areas like e-Governance, e-Commerce, networking, multimedia and animation.

### 5.4 Human Resource Development & Increasing Employment Opportunities

Quality manpower is the lifeline of IT/ITES/ESDM industry. Therefore, manpower planning for these sectors would be done with utmost care. Government will monitor the existing capacities of technical institutions in the State on technology related subjects and take appropriate measures to narrow the gap in quality and quantity between supply and demand of professionals by the industry.

New institutions with primary focus on IT/Electronics will be encouraged. Old institutions desiring to convert their seats from other streams into IT/Electronics will be facilitated to do so. Technical standards and quality will be closely monitored. Regular interaction of students with successful entrepreneurs to encourage knowledge and experience transfer will be facilitated.

#### 5.4.1 Bridging the gap in quality manpower between demand and supply to IT/ITES/ESDM Industry

The following interventions will be initiated for bridging the gap in quality manpower between demand of and supply to these Industries:

- **Industry Oriented Academic Curriculum**

Curriculum of IT/Electronics streams would be made industry oriented by regular interaction between academia & industry experts. Training programs offered by organisations and training institutes in the State would be designed in consultation with experts from the industry and academia. Government will design a suitable framework involving both industry and academia to create an industry perspective courseware comprising of real-life case studies, and insights into application of technology with view to produce trained professionals who are "industry ready".



- **Soft Skills Programme**

Government will facilitate soft skill training programmes through professional trainers at college level by leveraging the facilities available in colleges/ universities. This programme aims at grooming individuals into excellent team players, who will have strong communication skills, and easily adapt to the corporate work culture.

- **Train the Trainer Programme**

Government would take help of the local IT industry to facilitate academic institutions to create a pool of Master Trainers by imparting intensive training to selected faculty members on technologies and applications which they deploy in software development, IT services and operational processes. These Master Trainers in turn would pass on the knowledge and skills to the students at the institute level. In the process, the gap between demand and supply of quality manpower would be effectively reduced.

- **IT/ITES Employability Test**

Government will conduct a range of Employability Tests of entry level opportunities in IT/ITES Sector every year across the State in collaboration (under PPP mode or otherwise) with national level organisations who specialise in such assessments.

## **5.4.2 IT in Schools and Academic Institutions**

Starting from the elementary school level, all the school children in the State will be covered under computer awareness and training programs in phases through appropriate initiatives by Government in School & Mass Education Department. Training will be imparted to all school teachers on computer usage in phases.

## **5.4.3 Connecting Universities & Colleges**

Government will facilitate connectivity among all Universities and Colleges in the State through Internet Service Providers and the National Knowledge Network (NKN).

## **5.4.4 Creating ICT Academy**

An ICT Academy with unified syllabus and standards will be established with support of Government of India (DeitY) to enhance the communication and technical skills of the trainees through active industry cooperation and participation.

## **5.5 e-Governance Initiatives & Citizen Centric Service Delivery**

The Government will introduce e-governance in every Department so that citizens are able to avail most of the Government services in their locality there by reducing the interface between Government & citizens. It will work towards an integrated e-Government by breaking down silos of information created and maintained by each Department.

### **5.5.1 e-Governance Strategies**

The Government will work towards enablement of citizen centric e-Governance initiatives which would help in mitigating the digital divide and bring the fruits of development to the marginalised population.

Every Government Department will earmark 2% of their annual plan budget or 1% of their overall budget (which ever is higher) for IT spending so as to provide services through electronic mode. The



departments will publish their annual e-governance action plan with service targets, monthly e-transactions and milestones to be achieved on the Odisha Government website. For the current year, this plan of action will be published within three months from the date of release of this policy.

## 5.5.2 Preferential Procurement

All e-Governance/IT projects of Government Departments/Government Agencies/Local Bodies with financial outlay not exceeding Rs. 1.00 Crore will be awarded through Local Competitive Bidding.

Government while awarding projects above Rs.5 Crore to national and international companies would stipulate mandatory local participation and collaborative arrangements (maximum up to 25% for deployment & maintenance components) for implementation with local enterprises having relevant experience, expertise and reach.

## 5.5.3 Government to Citizen (G2C) Strategies

The Government will progressively focus on providing various services to citizens without the interface of government offices. The citizens should get the services either from Common Service Centres or from the confines of their home through electronic means within stipulated timelines. The services notified by various Departments under the Odisha Right to Public Services Act'2012 would have to be delivered electronically so as to monitor the level of service actually available to the citizens.

## 5.5.4 State Core Infrastructure

As per National e-Governance Plan (NeGP), the following core IT Infrastructure for the state are envisioned.

- **State Data Repository**

The Government will work towards coding all master data bases and use with open Application Protocol Interface for various applications to be built in future. The services which can be delivered across the counter in Common Service Centres would be placed in the State Data Repository by the concerned Department for quick access and hassle free delivery.

- **State Wide Area Network (SWAN)**

The Government will ensure inter-connectivity of all its offices in the State through convergence of voice, video and data networks all across the State Government Departments and their field offices through OSWAN by end of 2014.

- **State Data Centre (SDC)**

The Government will ensure proper utilisation of the State Data Centre (SDC) by different departments for hosting their citizen centric and other e-Governance applications and expand it if there is a need for same.

- **State Secretariat IT Centre**

Government Departments will use this facility for hosting pilot applications before shifting them to the State Data Centre.

- **State Service Delivery Gateway (SSDG)/State Portal**

The Government will have a common platform to provide all government services through one portal through SSDG.

- **Common Service Centres (CSCs)**

The Government will ensure that at least one CSC is functional in every Gram Panchayat (GP) so as to facilitate citizen centric Services. Steps will be initiated to locate the Common Service Centre in the building of the GP.

## **5.5.5 Capacity Building of Government functionaries**

The Project e-Mission Team (PeMT) of each department will coordinate with the State e-Mission Team (SeMT) consultants available in OCAC regarding the departmental training needs, course curriculum, training material and application specific technicalities. SeMT consultants will help the departments to form the PeMT and select its members.

## **5.5.6 Data Security**

Government will ensure appropriate security and privacy of data collected by it. Mandatory security and quality audits will be conducted for all e-governance applications prior to hosting it in the State Data Centre. Government will ensure that citizen data is not used for commercial purposes.

## **5.5.7 e-Waste Management**

The Government affirms its commitment to environmental protection by ensuring proper e-Waste management. The disposal of obsolete IT equipments will be made in accordance with e-Waste management rules of the Government.

## **5.5.8 Adoption of New Technologies**

The Government will encourage use of new and evolving technologies such as Cloud Computing, Big Data, Open Source technology, and wireless technologies like Wi-Fi, WiMAX etc. to enhance the public service delivery and to ensure optimal use of resources and maximizing public value.

## **5.5.9 Software Piracy**

The Government will curb software piracy and protect the IPR of software companies. It will encourage and support the use of genuine and legitimate software in the State.

## **5.5.10 Migration to IPV6**

The Government will take adequate steps for upgrading the e-Government infrastructure and online services from the current Internet Protocol IPV4 to IPV6.

## **5.5.11 Provision of adequate Bandwidth**

The Government will enter into partnerships with public and private network providers so as to provide adequate bandwidth in all Gram Panchayat head quarters of the State.

## **5.5.12 Promotion of Mobile Governance**

Government will promote wider adoption of mobile governance across government services. Government will take steps to create a repository of mobile applications developed in various Departments to optimise its use.

### 5.5.13 Software Procurement Policy

A Software Procurement Policy of the state will be notified by IT Department within three months of notification of this policy. OCAC, the Technical Directorate of IT Department, will empanel the Software Development units located in Odisha based on area of expertise and profile. OCAC will assist the user department for the selection of the vendor and will give hand holding support. It will act as a bridge between User Departments/Directorate/Districts and the software vendors for smooth execution of the IT projects within Rs 20 lakhs.

### 5.5.14 Public-Private Partnership

The Government would try to leverage State and Central Government funds, support private investment and to create a conducive environment so as to utilize the efficiencies, innovativeness and flexibility of the private sector to provide better growth opportunities for IT/ITES/ESDM at an optimal cost.

- Each Department may prepare a shelf of IT projects which can be offered on PPP mode and take them forward through a private partner selected through a transparent process.
- The Government will put in place an effective and efficient institutional mechanism for speedy clearance of the projects.

## 5.6 Nurturing Research, Innovation & Entrepreneurship

The Government will support R&D, Innovation and Entrepreneurship in IT by Investing in R&D, innovation and IP creation. Government would also promote and sponsor research in IT, electronics and computer science in technical institutes leading to PhDs.

The Government will facilitate establishment of Incubation Centres in Universities, leading Government technical institutes and nationally accredited academic institutions across the State to help students work on innovative ideas and develop those to tangible business models.

## 5.7 Promoting Level-II cities of the State

The State Government will promote the emerging Level-II IT Hubs with a view to attract investment in the IT and ITES sectors through promotional campaign and special incentive schemes.

## 5.8 Local Language Promotion

The Government will promote the usage of Odia language in State IT Applications and services. All Government applications will be made compliant to Odia Unicode. Government websites would be made bilingual within six months of notification of this policy. Researchers will be provided with opportunity for innovative ideas and incentivised to pursue research in local language (Odia) in fields such as Optical Character Recognition (OCR), Transliteration and Digitisation.

## 5.9 Other Policy Measures

### 5.9.1 STPI/Special Economic Zones (SEZs) Policy

Government would take measures to create a congenial environment for the creation of IT Parks and Special Economic Zones in the State. The State Government would provide fiscal and non-financial incentives for speedy development of private IT establishments under the SEZ policy of the State. State Government will provide assistance for augmentation of Incubation facility at STPI-Rourkela and Berhampur for promoting establishment of more IT/ITES exporting units.

## **5.9.2 Export/Investment Promotion**

The Government would either set up Liaison offices or work with local organizations at selected foreign locations such as Silicon Valley (USA), Europe and Taipei (Taiwan) to support the export and investment promotion of the IT/ITES/ESDM industries of the state.

## **5.10 Labour Laws**

### **5.10.1 Self-certification allowed for IT companies under various Acts**

Government may allow self certification of the records/ registers maintained by IT & ITES companies under the following laws in consonance with the objectives of these Acts:

- Payment of Wages Act
- Minimum Wages Act
- Contract Labour (Regulations & Abolition) Act
- Payment of Bonus Act
- Payment of Gratuity Act
- Maternity Benefits Act
- Child Labour (Prohibition & Regulation) Act
- Workmen's Compensation Act
- Shops and Commercial Establishments Act
- Inter-State Migrant Workmen Act
- Equal Remuneration Act

IT/ITES/ESDM units may be waived off the routine inspection by Labour Department and they may be allowed for electronic filing of all legal returns/forms etc.

### **5.10.2 IT & ITES declared as Public Utility Services**

- State Government may declare IT/ ITES / ESDM units as Public Utility Services under the provisions of the Industrial Disputes Act, 1947.
- All the IT/ITES units are to be registered under Shops & Commercial Establishment Act.

### **5.10.3 Exemption/Considerations under Labour Laws**

- The Government may grant permission to work on a 24x7 model given the nature of work of the IT and ITES industry. These units may be either exempted from the certain provisions of the Shops and Establishment Act or given special consideration under Section 5(1), 7(1), 7(2) & 10(b):

## **5.11 Single Window Mechanism**

The Government will provide Single Window interface for the private sector to facilitate setting up of IT/ITES/ESDM establishments as prescribed under Odisha Industries (Facilitation) Act, 2004 and Rules made there under.

Industrial Promotion and Investment Corporation of Odisha Limited (IPICOL) is the State Level Nodal Agency to function as the single-point contact for the investors and also as the secretariat for The High Level Clearance Authority (HLCA) and the State Level Single Window Clearance Authority (SLSWCA) for investments above Rs. 50 crore. IPICOL will receive the Combined Application Form (CAF) and forwards



to the concerned departments or agencies for their comments and approvals. The project appraisal and comments of different departments are placed with HLCA and SLSWCA for a formal approval.

For investments upto Rs.50 crore, Odisha Computer Application Centre (OCAC) the State Level Nodal Agency for e-Governance & IT to function as the single point contact and will constitute a Special Single Window Clearance Authority (SSWCA) for evaluation and approval in place of District Level Single Window Clearance Committee.

### 5.12 Venture Capital Fund

The Government will set up a Special Purpose Vehicle (SPV) with OCAC as lead partner for administering Venture Capital Fund for IT/ITES/ESDM Start up Companies. The Venture Capital Fund would be created by Government PSUs/ Companies/Financial Institutions.

## 6 Incentives

### 6.1 Rental for Incubation space

IT/ITES/ESDM units with up to 40 people will get subsidy on the rental of Incubation Space for a maximum of 2 years as follows:

- Up to 250 sft of Space – 80 % subsidy
- Up to 500 sft of Space – 70 % subsidy
- Up to 1000 sft of Space – 60 % subsidy

The Subsidy will be applicable in all Government owned facilities as well as designated IT Parks & Incubation Centres.

### 6.2 Incentives for Lease Rentals

IT/ITES/ESDM units with a minimum of 40 employees and 2 years in operation will get subsidy on the Lease Rental of Built up Space for a maximum of 2 years as follows

- From 1000 sft to 3000 sft of space – 50 % subsidy
- From 3001 sft to 6000 sft of space – 40 % subsidy
- From 6001 sft to 10000 sft of space – 30 % subsidy

The Subsidy will be applicable in all Government owned facilities as well as designated IT Parks.

### 6.3 Outright Purchase of Built-up Space

The Government would encourage use of built-up space instead of allotment of land. In order to achieve this, a higher percentage of the total available space would be kept aside for long term lease to IT/ITES/ESDM units at affordable rates.

### 6.4 Allotment of Government Land

Government would encourage the IT/ITES/ESDM units initially to start with Incubation Centre/Operation from IT Parks/Hired Space. After attaining prescribed minimum employee strength as mentioned below, the unit will be eligible for applying for Land to build their own facility. IT/ITES/ESDM units meeting the following criteria will only be considered for allotment of Land:

Land Area Minimum	Employees	Minimum Years of Operation
Up to 0.5 Acre	50	2 Years
Up to 1 Acre	100	2 Years
More than 1 Acre	100 /Acre	3 Years

Land would be allotted on payment of land cost as per the IPR.

At each District headquarters, the District Administration would reserve between 10-20 acres of land for development of IT/ITES industries at each District Headquarter or Urban area in the district in case of non availability of land in the headquarters. The quantum of land allocation to an IT unit will be linked with employment generation and growth projection.

## 6.5 Land in the ITIR

The State Government of Odisha is in process of setting up of an IT Investment Region (ITIR) south of Bhubaneswar for IT/ITES/ESDM units.

Government will earmark land inside ITIR, for various categories of Industries like Small, Medium and large IT/ESDM units in various sectors, so as to create a balanced industrial eco-system. Government would also provision part of the area for support Infrastructure and facilities like Education, Healthcare, Retail, Entertainment, Housing, Banking etc. For linkage with external infrastructure, it would provide specific focus on Transport and Safety.

## 6.6 Interest Subsidy Reimbursement

New Industrial units coming under Micro & Small Enterprise will be entitled to interest subsidy @ five percent (5%) per annum on term loan availed from Public Financial Institutions / Banks for a period of five (5) years from the date of starting commercial operation subject to limit of ten (10) lakh rupees for Micro Enterprises, twenty (20) lakh rupees for Small Enterprises.

## 6.7 Capital Investment Subsidy

20% investment subsidy on fixed capital Investment for plant and machinery (except land & Building) will be given to IT/ITES/ESDM units with a maximum limit of Rs. 50 Lakhs for IT/ITES industries and Rs 5 Crores for ESDM industries.

### 6.7A Human Capital Investment Subsidy

One time subsidy of 20% on investment for certification of employees (linked to Project Management program, Six Sigma & ITIL) will be given to IT/ITES/ESDM units with a maximum limit of Rs. 5 Lakhs.

## 6.8 Assistance for Quality and Security Certification

In order to enhance the competitive strength of the IT/ITES units, 50% of the fees paid to accredited agencies (ISO & CMM) for quality and security certification, limited to a maximum of Rs. 5 Lakhs, will be reimbursed.

## 6.9 Floor Space Index

Government will permit relaxed FSI to IT/ITES units and IT Parks subject to the regulation of Urban and Municipal Authority.

### 6.10 Stamp Duty Exemption

Government will extend exemption on stamp duty on lease / sale agreement of land or built up space allotted by Government/IDCO and other Govt. agencies as per the provisions of IPR.

### 6.11 Sales Tax and VAT

New industrial units in IT/ITES/ESDM Sector will be eligible for reimbursement of seventy-five percent (75%) of VAT paid for a period of five (5) years from the date of starting of commercial production, limited to hundred percent (100%) of Fixed Capital Investment provided that the VAT reimbursement will be applicable only to the net tax paid, after adjustment of input tax credit against the output tax liability.

Existing industrial unit taking up expansion/ modernisation/ diversification as defined in Industrial Policy Resolution (IPR) will be eligible for reimbursement of VAT paid to the extent applicable to the industrial category to the condition that it will be applicable only for a period of 5 years on increased commercial production over and above the existing installed capacity provided that the VAT reimbursement will be applicable only to the net tax paid, after adjustment of input tax credit against the output tax liability.

### 6.12 Power Incentives

IT/ITES/ESDM units being industries, industrial tariff will be applicable. Government will exempt these units from the Electricity Duty, Electrical Inspection fee.

Uninterrupted and quality power is critical for IT/ITES/ESDM units and infrastructure would be created to provide multi feeder power supply to designated IT Park, IT Zones and STPI complexes. Priority will be given to the sanction of power to new units and enhancement of load for existing units.

### 6.13 Recruitment Assistance

One time Recruitment Assistance for a maximum of 10 Lakhs per unit will be offered for net addition of minimum 20 professionals in executive level only to the IT/ITES/ESDM units as per the following table for a maximum of 3 years.

Recruitment Assistance	
Net addition during the year	Benefit in Rs./employee
10%	7000
15%	8000
20%	10000

For a company having a minimum strength of 100 employees, a further one time recruitment assistance for employing Women and Disabled persons up to Rs.10 Lakhs as by the IT/ITES/ESDM Units for a maximum of 3 years as per the following table would be given. The incentive will be applicable for employees added over & above the % shown below.



Women/Disabled Employment		
% of total staff (IT)	% of total staff (ITES)	Benefit Rs./employee
30%	40%	2000
40%	50%	4000
50%	60%	5000

## 6.14 Assistance for Participating in Exhibition and Trade Delegation

Subsidy would be reimbursed as per norms indicated below for participating in designated state/national/ international exhibitions and approved Trade Delegations. Government will also facilitate the participation of IT/ITES/ESDM units at the Odisha IT Pavilion at concessional rate. This incentive would be available to a company for a maximum of two times.

Exhibition Subsidy			
Minimum Number of Employees	Maximum Space	Extent of Subsidy	Maximum Limit per Year (Rs. In Lakh)
Up to 40	6 Sqm	100%	0.5
Up to 80	9 Sqm	100%	1.00
Up to 120	16 Sqm	75%	2.00
Above 120	16 Sqm	50%	2.00

## 6.15 Assistance for Patent

Government will facilitate IP development by the IT units by reimbursing patent fees on acquisition as per the following table:

Patent Assistance		
Type of IT Unit	Total Limit : 10 Lakhs	Subsidy Limit
R & D/ Product	2 Lakhs/Patent	75%
S/W Development	2 Lakhs/Patent	75%
Others	Nil	Nil

## 6.16 Exempted from Entry Tax

New Micro & Small Enterprises in IT/ITES/ESDM sector will be exempted from payment of Entry Tax on acquisition of machinery and equipments for setting up of industrial units for a period of 3 years from the date of registration of the firm under OVAT/OET Act or till the date of completion of the project whichever is earlier. New Micro & Small Enterprises IT/ITES/ESDM sector will be exempted from payment of Entry Tax on purchase/receipt of raw materials for a period of five years from the date of commercial production subject to a ceiling of 100% of Fixed Capital Investment.



## 6.17 Exemption from State Pollution Control Act

IT/ITES units that are currently exempted from the purview of Acts/ Rules/ Orders/ Notification as administered by Odisha State Pollution Control Board (OSPCB) will continue to do so. Government would facilitate similar exemptions for new units.

## 6.18 Specific Incentives for Anchor Investors in Level-II Locations

Subsidy up to Rs.10 Lakhs will be provided to the first five anchors IT / ITES companies as per the following table for a maximum of 2 years.

Level II Cities		
Type of IT Unit	Minimum Number of Employees in 2 Years	Maximum Limit per year (Rs. In Lakh)
IT	40	10.00
ITES	60	7.50

## 6.19 Specific Incentives for Local Enterprises

The Government will provide special incentives to IT/ITES/ESDM units that employ local youths on their rolls. IT/ITES/ESDM unit having its registered office in Odisha and recruiting at least 50 % of its executive employees who are domicile of Odisha will be termed as Local Enterprises.

Local Enterprises will be entitled to a purchase preference as decided by Government from time to time for IT solutions and services procured by the State Government / Public Sector Undertakings / Government Agencies/Local Bodies. These Units will be allowed to participate in Tender in Joint venture/Consortium form.

## 6.20 Incentives for Green and Self Power generating IT Buildings

The Government will offer incentives as per the guidelines of OREDA and Department of Housing & Urban Development, Government of Odisha to IT/ITES/ESDM units going for green buildings.

## 6.21 Specific Incentives for Large & Mega Projects

In order to attract large and mega IT Investment and/or large employment opportunities, a special set of up front negotiated package of incentives and concessions will be decided on a case to case basis. These benefits will be extended to both new as well as existing units that scale up.

## 6.22 Specific Incentives for Incubation Centres in Educational Institutions

Government will create conducive environment for entrepreneurship development by promoting incubation centres promoted by Educational Institutions.

Biju Patnaik Technical University (BPUT), Odisha and IIIT, Bhubaneswar would be mandated to take suitable measures and initiatives for Entrepreneurship Development amongst the students from different engineering streams and those from other streams like management, hospitality and pharmaceuticals.

## 6.23 Specific Incentives for IT Parks/STPs

Considering the growing demand of IT space from IT industry for starting operations from the State, the Government will facilitate and encourage private initiatives to set up IT parks. Government will support IT park at strategic locations of the State.

- The Government will encourage establishment of Private IT Parks as per Central IT Park or STPI Policy of Government of India. State Government will send their recommendations for establishment of such IT Parks in private mode.
- Exemption from payment of entry tax on machines, equipment, procured for implementation of Infrastructure projects, for a period of three years or till the date of completion of the project, whichever is earlier.
- At least 60% of the built up area will be used for IT/ITES/ESDM purpose. The balance area will be used for non-processing area like recreation facilities, shops and retail, Banks, crèches, serviced apartments and other support services.
- The certified private IT parks will earmark 10 % of the total built up area as furnished space for allocation to incubation units.
- Rent Control would be exercised by the Government if an IT Park is set up with Government concessions or subsidies on land.

## 7 Policy Implementation and Monitoring

- An Apex Committee chaired by Chief Secretary will be formed to monitor the policy implementation and for approval of incentives. This committee would meet every quarter to take stock of the implementation of the policy with respect to its target and objectives.
- The Odisha Computer Applications Centre (OCAC) would be the Nodal Agency for implementation of the IT Policy. The Odisha Computer Applications Centre (OCAC) will be responsible for monitoring the progress of various activities under this Policy.
- The IT & ESDM Promotion Cell of OCAC would be converted to a Project Implementation Unit (PIU) with induction of specialists in the field of Management, Technology and Finance. The PIU would be responsible for implementing the ICT Policy 2013, including administering/facilitating extension of various incentives/concessions available under the policy for eligible units and would provide all information to the Apex committee to take appropriate decisions.
- An operational guideline for grounding this policy would be prepared by OCAC with in three months of notification of this policy.
- The disbursement of the incentives by the implementing agency will be in accordance with the chronological order of approved claims.



## 8 Miscellaneous

- ICT Policy 2004 will be superseded from the date of notification of this ICT Policy-2014.
- This policy will remain in force until 31st March 2020 or till substituted by another policy. The State Government may at any time amend any provision of this policy.
- Doubts relating to interpretation of any term and / or dispute relating to the operation of any provision under this policy will have to be referred to the Information Technology Department, Government of Odisha for clarification / resolution and the decision of Government in this regard will be final and binding on all concerned.
- 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.

## 9 Definitions

**DeitY** means Department of Electronics & Information Technology, Government of India

**Department** means a Department of Government of Odisha

**Government** means Government of Odisha unless specified as the Government of India or Government of a Particular state.

**Information Technology** includes Information Technology, electronics, communications, e-Governance, m-Governance initiatives, e-Commerce and m-Commerce.

**ITD** means Information Technology Department of Government of Odisha

**IT Application/IT Software** means a computer program which is designed to help people perform an activity. It can be also defined as any representation of instruction, data sound or image, including source code or objet code, recorded in machine readable form and capable of being manipulated to providing interactivity to a user with the means of a computer.

**MSME Units** means Micro, Small and Medium Units or Companies

**ESDM** means Electronics System Design and Manufacturing which includes but not restricted to, Electronics Hardware design and Manufacturing (which shall include embedded software) for IT, Telecommunications, Defense, Medical, Industrial, Automotive, Consumer Products, applications and components, parts accessories required for the aforesaid products and applications.

**IPR** means Industrial Policy Resolution being notified by Government of Odisha from time to time

**Large and Mega IT Projects** means such ICT projects, which will create employment of more than 1000 in the case of IT and 1500 in the case of ITES.

**Level II Cities** means Rourkela, Berhampur, Balasore, Sambalpur, Cuttack

**Year** means financial year starting on 1st of April & ending on 31st March unless specified otherwise

## 10 Abbreviations

IT	Information Technology
ITES	Information Technology Enabled Services
ESDM	Electronic System Design & Manufacturing
ICT	Information Communication Technology
OCAC	Odisha Computer Application Centre
STPI	Software Technology Park of India
SeMT	State e-Mission Team
PeMT	Project e-Mission Team
BPUT	Biju Patnaik University of Technology
OSPCB	Odisha State Pollution Control Board
LEED	Leadership in Energy and Environmental Design
GRIHA	Green Rating For Integrated Habitat Assessment
IDCO	Odisha Industrial Infrastructural Development Corporation
ISO	International Organization for Standardization
CMM	Capability Maturity Model
ITIL	Information Technology Infrastructure Liability
ITIR	Information Technology Investment Region
DeitY	Department of Electronics and Information Technology
OPTCL	Odisha Power Transmission Corporation Limited
GRIDCO	Grid Corporation of Odisha Limited
BSNL	Bharat Sanchar Nigam Limited
OREDA	Odisha Renewable Energy Development Agency
IPR	Industrial Policy Resolution – 2007
VAT	Value Added Tax



***For more details please contact :***

**Commissioner-cum-Secretary to Government**

Department of Information Technology  
Government of Odisha

Tel: +91 674 2567584, Fax: +91 674 2567842

Email : [itsec.or@nic.in](mailto:itsec.or@nic.in), [mspadhi@gmail.com](mailto:mspadhi@gmail.com)

**Head, IF & IT Promotion Cell**

Odisha Computer Application Centre

Tel : +91 674 2567295, 2567280, 2567064

Fax : +91 674 2582842

Email : [aditya.mohapatra@ocac.in](mailto:aditya.mohapatra@ocac.in)

**Address :**

OCAC Building, Plot No.: N-1/7-D,  
Acharya Vihar Square, Bhubaneswar  
Pin-751013, Odisha, India