

# ALL ODISHA RICE MILLERS ASSOCIATION

S-3/36 , Sec-A, Zone-B, Mancheswar Indl. Estate, Bhubaneswar-751010

Telefax: (0674) 2580933, 2583933

Chairman: Santosh Kr. Agrawal (094330 11631)

President: Shyamlal Agarwal (94370 51951)

Secretary: Santosh Kr. Sonthalia(94370 28933)

Visit us at [www.aorma.in](http://www.aorma.in)

email: [secretary.aorma@gmail.com](mailto:secretary.aorma@gmail.com)

Dated 16<sup>th</sup> October, 2015.

To,  
The Hon'ble Chief Secretary,  
Government of Odisha,  
Bhubaneswar.

Respected Sir,

**Sub: Abnormal increase in Factory License Fees.**

I would like to bring to your honour's kind information that the recent increase in the annual license fees for Factories by more than 5 times do not appears to be investor friendly and is also detrimental to providing more employment opportunities. There is growing resentment amongst the MSME units of our State. A brief detail of the comparative rate chart is given below for ready reference:-

Comparative chart showing Factory License Fees payable as per Old and New Rates				
SI No.	Total Amount of power (KW) installed and persons employed not exceeding	Amount of Annual Fees payable for Factory License Renewal (Rs.)		
		As per Old Rates	As per New Rates w.e.f. 23.9.15	Net increase over old rates
1	10 KW / 20 persons	1,200	6,000	500%
2	50 KW / 20 persons	1,500	6,000	400%
3	50 KW / 50 persons	2,250	15,000	667%
4	100 KW / 50 persons	3,000	15,000	500%
5	200 KW / 50 persons	5,250	35,000	667%
6	200 KW / 100 persons	6,000	35,000	583%
7	400 KW / 250 persons	15,000	90,000	600%
8	800 KW / 250 persons	18,000	150,000	833%

We may mention here that earlier there were 5 slabs to reach upto 500 employed persons i.e. 20, 50, 100, 250 & 500 whereas there are only 3 slabs now i.e. 40, 100 & 500. Similarly, there were 5 slabs to reach upto 400 KW category i.e. 10,50,100, 200 & 400 KW whereas it is now under only 2 slabs viz. 100 & 500KW.

Your honour may kindly appreciate that power is an essential part even for a small industry and SSI units having a connected load upto 250 or 350 KW needs special consideration. They also need support to generate more employment.

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Keeping the above in mind, it is suggested that 1) Maximum number of persons to be employed during any one day of the year not exceeding 40 & 100 under column 2 & 3 of the new schedule *may be substituted with 100 & 250* and 2) Total amount of power installed in KW not exceeding 100 under column-1 *may be substituted by 250 KW* to have wider option as well as to bring relief to the SSI Units of our State.

I therefore, most humbly request your honour to kindly intervene in the matter for logical rationalization of the revised license fee structure within a reasonable hike from the earlier structure. Hope, this will receive your honour's sympathetic consideration.

Yours faithfully,



(Santosh Kr. Agrawal),  
Chairman.

