

**OPERATIONAL GUIDELINES ON
EXEMPTION FROM PAYMENT OF PREMIUM LEVIABLE FOR CONVERSION OF
LAND FOR INDUSTRIAL USE.**

[Para 4. 5.1 (d) of IPR - 2022]

- 1. Short Title:** - Operational guidelines on exemption from payment of premium leviable for conversion of land for industrial use.
- 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, 2022 i.e. 01.12.2022
- 4. Terms and Expressions:** -Terms and expressions used in this operational guideline, but not specifically defined here, shall have the same meaning as in Industrial Policy Resolution, 2022.
- 5. Policy Provisions:** -

Para- 4. 5.1(d) of Industrial Policy Resolution, 2022

New industrial units in Priority and Thrust sectors and existing industrial units in Priority and Thrust sectors taking up expansion/ modernization/ diversification will be granted 100% exemption under the provisions of clause-C of Section-73 of Orissa Land Reforms (OLR) Act, 1960 from payment of premium, leviable under provisions of clause-C of Section 8(A) of the OLR Act 1960 on production of eligibility certificate from the Director of Industries, Odisha for Large Industries and Medium Enterprises and G.M, RIC/DIC for Micro and Small Enterprises.

6. Eligibility: -

1. New Micro, Small & Medium Enterprises and Large Industries in Priority and Thrust sectors
2. Migrated industrial unit in Priority and Thrust sectors treated as new industrial unit.
3. Existing MSME or Large Industries in Priority and Thrust sectors taking up expansion / modernization /diversification (EMD) as defined in IPR
4. Industrial unit, that has availed this incentive under any scheme of the State Govt. or the Central Govt. or any Financial Institution(s), shall be eligible for the differential amount of benefit only.

7. Time frame for filing application: -

1. Eligible Industrial unit shall file its claim complete in all respect, after **acknowledgement of EIN / letter of PEAL approval** in case of new MSME unit / Industrial Entrepreneurs' Memorandum (IEM)/ letter of PEAL approval in case of new Large Industry and within the period of implementation i.e. three years for Micro, Small & Medium Enterprises and five years for Large Industries from date of first fixed capital investment.

2. In the delay in implementation of the project or submission of application beyond the control of the entrepreneur may be condoned on a case-to-case basis by an Empowered Committee.

8. Procedure: -

1. Eligible industrial unit in Thrust or Priority sector claiming exemption from payment of premium leviable for conversion of land for industrial use shall submit application in the prescribed form appended to this operational guideline at Annexure-'A' along with copies of all relevant documents as mentioned in the Checklist at Annexure-'B' including affidavit as mentioned in Annexure-B1 to the General Manager, Regional Industries Centre / District Industries Centre in duplicate in case of Large Industries & Medium Enterprises and in single in case of Micro & Small Enterprises.
2. Copies of the documents as indicated in the checklist shall be self - attested by Proprietor / Managing Partner / Managing Director / Authorized Signatory.
3. On receipt of application with copies of relevant documents, the acknowledgement as prescribed at Annexure-'C' shall be dispatched to the applicant by the designated authority on the day of receipt. The designated authority may authorize any of his officers for the purpose.
4. General Manager, RIC / DIC shall examine the eligibility, assess the quantum of land to be utilized for industrial purpose and sign the Certificate of verification prescribed at the bottom of the application and in respect of Large Industries & Medium Enterprises transmit one set of Application with copies of relevant documents to the Director of Industries, Odisha within 3 days under intimation to industrial unit and IPICOL.
 - a. In case of Micro & Small Enterprises, General Manager, RIC / DIC shall examine the eligibility, sign the letter and Certificate of verification prescribed at the bottom of the application and recommend for exemption of premium for actual quantum of land to be utilized for industrial purpose to the concerned Tahsildar in the format as at Annexure -D under intimation to industrial unit within 10 days of receipt of proposal.
 - b. Director of Industries, Odisha in case of Large Industries & Medium Enterprises shall examine the eligibility and recommend for exemption of premium for actual quantum of land to be utilized for industrial purpose to the concerned Tahsildar in the format as at Annexure -D under intimation to industrial unit & IPICOL/RIC/DIC in case of Large Industries only within 15 days of receipt of proposal from RIC /DIC.
 - c. The actual quantum of land to be utilized for industrial purpose is to be assessed by RIC/DIC. The help of team from DI, Odisha or/and IPICOL may be availed for actual land assessment.

9. The amount of exemption (in INR) allowed may be intimated by concerned Tahasildar to the concerned designated authority recommended for such exemption.

10. Rejection:- In case of rejection of application at RIC / DIC / Director of Industries, Odisha / Tahasildar concerned, the reasons of rejection shall be communicated to the applicant unit by the concerned authority as early as possible or within a maximum period of **25 days** of receipt of application from the claimant unit in the format prescribed at Annexure – 'E'.

11. Miscellaneous:-

11.1 RIC / DIC / Director of Industries, Odisha / Tahasildar may inspect the industrial project site individually / jointly, if felt necessary.

11.2 The amount of exemption allowed shall be recoverable with penal interest as decided by the authority on following events-

A. If the information furnished is found to be false/ incorrect / misleading or mis-represented and there has been suppression of facts / materials or allowed in excess of the amount actually admissible for whatsoever reason.

B. If the industrial unit fails to commence production within three years for Micro, Small & Medium Enterprises / five years for Large Industries from the date of starting first fixed capital investment.

11.3 The delay in implementation of the project and/or submission of application beyond the control of the entrepreneur may be condoned on a case-to-case basis by an Empowered Committee.

11.4 Where any doubt arises regarding implementation of these rules, the same shall be referred to Government of Odisha in the Industries Department whose decision shall be final and binding on all the parties as envisaged under Para 10 (e) of IPR-2022.

11.5 Time limit prescribed in this guideline is of working days only.

12. This has been concurred in by the Finance Department vide file No. **FIN- ES2-MISC-0002-2023.**

**GOVERNMENT OF ODISHA
INDUSTRIES DEPARTMENT**

Memo no. 1086 /., Bhubaneswar Dated 7/2/2023.
IND-HI2-GUID-0001-2022

Copy forwarded to All Departments/All Heads of Departments/ All PSUs/ All Revenue Divisional Commissioners/All Collectors/ All DICs/All RICs/ Head Portal Group, IT centre, Secretariat, Bhubaneswar/ All Sections of Industries Departments/Guard File for information and necessary action.


Additional Secretary to Government.

Annexure- A

**APPLICATION FOR EXEMPTION FROM PAYMENT OF PREMIUM LEVIABLE FOR
CONVERSION OF LAND FOR INDUSTRIAL USE.**

(Para 4. 5.1 (d) of IPR - 2022)

*Application received incomplete in any respect shall be liable for rejection
(Strike out whichever is not applicable)*

From:

M/s. _____

At _____

PO _____

Dist. _____

To

General Manager,
Regional Industries Centre / District Industries Centre-----

Sub: Exemption from payment of premium leviable for conversion of land for industrial use under the provisions of Industrial Policy Resolution, 2022.

Sir,

In accordance with the provisions laid down in Industrial Policy Resolution, 2022, its operational guidelines notified by Revenue & Disaster Management Department, Government of Odisha, claim for exemption of premium leviable for conversion of land for industrial use is submitted with following particulars.

1	Category of the Unit	:	
	New Micro / Small / Medium Enterprises / Large Industries in Thrust or Priority Sector / Existing Industrial units (Micro / Small / Medium Enterprises / Large Industries in Thrust or Priority Sector) taking up Expansion / modernization / diversification.		
2	Thrust Sector / Priority Sector		
3	Address of Registered office	:	
4	Type of organization (Proprietorship / Partnership / Co-operative / Private Limited / Public Limited)	:	
5	Name of Proprietor / Managing Partner / Managing Director / Authorized Signatory	:	

6	Date of first fixed capital investment i.e. land / building / plant & machinery and balancing equipment.	:										
7	EIN / PC / IEM & Production Certificate / I L No. and date/ PEAL approval Letter No date	:										
8	Items of manufacture / activity (Proposed / Existing / E/M/D)	:	<table border="1"> <thead> <tr> <th>Item</th> <th>Quantity</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>(i)</td> <td></td> <td></td> </tr> <tr> <td>(ii)</td> <td></td> <td></td> </tr> </tbody> </table>	Item	Quantity	Value	(i)			(ii)		
Item	Quantity	Value										
(i)												
(ii)												
9	Proposed date of production / Date of Production											
10	Proposed location & Present status of the Project	:										
11	Name of the Financer with details of Loan applied for / sanctioned / availed											
12	Cost of the Project (New / Existing & E/M/D)											
13	Area of Land required as per DPR / Project report											
14	Area of Land acquired											
15	Particulars of Land to be converted	:										
	Mouza	Khata No	Plot No									
			Area									
			Present Kisam									

I, Sri _____ s/o _____ at present _____ (designation) of M/S _____ certify that the information furnished as above is true and correct to the best of my knowledge and belief.

I hereby undertake to abide by the terms and conditions prescribed under the provisions of Industrial Policy 2022 and its operational guidelines

I hereby undertake that the industrial unit shall commence production within stipulated time of three years for Micro, Small & Medium Enterprises / five years for Large Industries from the date of starting first fixed capital investment.

I shall repay the amount of exemption allowed with penal interest as decided by the authority-

- i. If the information furnished is found to be false/ incorrect / misleading or misrepresented and there has been suppression of facts / materials or allowed in excess of the amount actually admissible for whatsoever reason.
- ii. If the industrial unit fails to commence production within three years for three years for Micro, Small & Medium Enterprises / five years for Large Industries from the date of starting first fixed capital investment.

Copies of relevant documents in support of information / facts furnished above are **enclosed** here with.

Enclosure :-

- 1.
- 2.

Date-

Signature of the Proprietor / Managing Partner/ Managing Director /

Authorized Signatory in full and on behalf of M/s-----

Place-

CERTIFICATE OF VERIFICATION

Certified that the information furnished as above has duly been verified and found correct. The captioned industrial Unit ie M/s ----- At ----- Po----- Dist----- bearing EIN No----- Dt----- / IEM No ----- Date ----- is eligible at avail exemption from payment of premium leviable for conversion of land for industrial use under the provisions laid down at Para ----- of Industrial Policy Resolution, 2022 at the extent of ----- Acres of Agricultural Land is being used / proposed to be used for industrial purpose.

General Manager,

RIC / DIC -----

CHECK LIST

Copies of documents to be attached with the application shall be self-attested by Proprietor / Managing Partner/Managing Director / Authorized Signatory

(Strike out whichever is not applicable)

1	Entrepreneurs Identification Number / Production Certificate / IEM / Industrial License/ Letter on PEAL approval
2	Power of Attorney / Board Resolution / Society Resolution, as applicable, while signing as Partner / Managing Director / Authorized person.
3	Certificate of registration under Indian Partnership Act1932 / Societies Registration Act- 1860 / Certificate of incorporation (Memorandum of Association & Article of Association) under Company Act-1956
4	Document in support of date of first investment in fixed capital of industrial unit i.e. land / building / plant & machinery and balancing equipment
5	Provisional certificate on Priority Sector / Thrust Sector Status
6	Approved Detailed project report as approved by DSWCA / SLSWCA / HLCA
7	Appraisal & approval in support of expansion / modernization / diversification
8	Land document with land particulars to be converted for industrial use.
9	Valid statutory clearances / approvals / permissions for authorities including OSPCB, as applicable
10	Undertaking on non-judicial Stamp Paper duly signed by the applicant in the format – Annexure- B1.

UNDERTAKING

(Strike out whichever is not applicable)

1. This is to certify that the information furnished in the application for availing Exemption from payment of premium leviable for conversion of land for industrial use under the provisions of Industrial Policy Resolution, 2022 are true to the best of my / our knowledge & belief.
2. This is to certify that 1st. fixed capital investment in the new project / for taking up expansion / modernization / diversification of the existing industrial unit has commenced on or after the effective date of IPR-2022 i.e. 01.12.2022.
3. The proposed new project / existing project taking up expansion / modernization / diversification has duly been appraised and approved by-----
4. Further, I / we undertake to repay the amount of premium exempted or any part thereof with interest if,
 - A. The information furnished is found to be false / incorrect / misleading or misrepresented and there has been suppression of facts / materials / exempted in excess of the amount actually admissible for whatsoever reason.
 - B. The unit does not qualify the definition of Expansion / Modernization / Diversification as in Annexure-I, Definition & Interpretations of IPR- 2022.
 - C. The unit does not go into production within three years for Micro, Small & Medium Enterprises / five years for Large Industries from the date of starting first fixed capital investment.
 - D. The industrial unit shifts its location without prior approval of R.I.C / D.I.C / Director of Industries, Odisha / MSME Department / Industries Department.

Place:

Date:

Signature of the Proprietor / Managing Partner /

Managing Director / Authorized Signatory in full

for and on behalf of M/s

**Annexure –C
(FOR OFFICE USE)**

OFFICE OF THE GENERAL MANAGER, RIC / DIC -----
Letter No.----- / Date-----

Acknowledgement
(To be issued on the day of receipt)
(Strike out whichever is not applicable)

To

Sri _____
M/s. _____

Received the application for ----- under the provisions of INDUSTRIAL POLICY RESOLUTION-2022 and its operational guidelines along with documents mentioned below from M/s----- At/PO----- Dist. ___ on dt. ----through post / person.

List of documents

- 1.
- 2.
- 3.

Signature with seal & date-----

**Annexure –C
(TO BE DISPATCHED TO THE APPLICANT)**
OFFICE OF THE GENERAL MANAGER, RIC / DIC -----
Letter No.----- / Date-----

Acknowledgement
(To be issued on the day of receipt)
(Strike out whichever is not applicable)

To

Sri _____
M/s. _____

Received the application for ----- under the provisions of INDUSTRIAL POLICY RESOLUTION -2022 and its operational guidelines along with documents mentioned below from M/s----- At/PO----- Dist. ___ on dt. ----through post / person.

List of documents

- 1.
- 2.
- 3.

Signature with seal & date-----

Annexure-D

OFFICE OF THE DIRECTOR OF INDUSTRIES, ODISHA / THE GENERAL
MANAGER, RIC / DIC ----

Letter No.----- / Date-----

(Strike out whichever is not applicable)

CERTIFICATE

From: _____

To _____

The Tahsildar,

Sub:- Exemption from payment of premium leviable for conversion of land for industrial use under the provisions of Industrial Policy Resolution, 2022.

Sir,

In accordance with the provisions laid down in Industrial Policy Resolution, 2022 and its operational guidelines and Notification no.____ dated.____-of R & DM Department, I recommend for exemption from payment of premium leviable for conversion of land for industrial use----- in favour of M/s _____, At _____ P.O.____ Dist.____ bearing EIN / PC / IEM / I L No.____ date_/ PEAL approval L No.____ date__. The particulars are given below.

1	Category New Micro / Small / Medium Enterprises / Large Industries under Thrust or Priority Sector/ Existing Micro / Small / Medium Enterprises / Large Industries under Thrust or Priority Sector taking up expansion, modernization and diversification	
2	Priority Sector/Thrust Sector (Specify the Sector)	
3	Address of Registered office	
4	Type of organization (Proprietorship / Partnership / Co-operative / Private Limited / Public Limited)	
5	Name of Proprietor / Managing Partner / Managing Director / Authorized Signatory	
6	Detail Particulars of land to be converted for industrial use.	
	Mouza	Khata No
	Plot No	Area
		Present Kisam

The amount of exemption (in INR) allowed may be intimated to the undersigned for record.

Yours faithfully,

Encl. As above. (Copy of Land Documents)

Director of Industries, Odisha /
General Manager, RIC / DIC ----)

Memo No. _____ / dt.

Copy forwarded to Sri _____ M/s _____, At _____ P.O. _____ Dist. _____ for information.

Director of Industries, Odisha /
General Manager, RIC / DIC -----)

Memo No. _____ / dt.

Copy forwarded to the Managing Director, IPICOL, IPICOL HOUSE, Janpath, Bhubaneswar for favour of information.

Director of Industries, Odisha
/
General Manager, RIC / DIC -----)

Annexure-E

(Strike out whichever is not applicable)

OFFICE OF THE DIRECTOR OF INDUSTRIES, ODISHA, CUTTACK /THE
GENERAL MANAGER, RIC / DIC -----

Letter No.----- / Date-----

From:

To

Sri _____
M/s _____,
At _____ P.O. _____
Dist. _____

This is to inform that –

The application for exemption from payment of premium leviable for conversion of land for industrial use under the provisions of Industrial Policy Resolution, 2022 made by M/s _____ bearing EIN / PC / IEM / IL No / PEAL approval L No. _____ Dt _____ on dt. _____ **is rejected** due to following reasons.

(Specify the reasons)

- 1.
- 2.
- 3.
- 4.

(Signature)

ABBREVIATIONS

1. **IDCO**- Odisha Industrial Infrastructure Development Corporation
2. **DIC**-- District Industries Centre
3. **RIC**-- Regional Industries Centre
4. **OLR**—Orissa Land Reforms
5. **PEAL**- Project Evaluation and Allotment of Land
6. **SLNA**- State Level Nodal Agency
7. **DLNA**- District Level Nodal Agency