

OPERATIONAL GUIDELINES FOR SANCTION & DISBURSEMENT OF INTEREST SUBSIDY

UNDER ODISHA STATE FILM POLICY 2019

(See Para – 11.3 of OSFP 2019)

1. Short Title:

Operational guidelines for Sanction and Disbursement of Interest Subsidy under provisions of Odisha State Film Policy 2019.

2. **Commencement:** It shall come into force from the "Effective Date" of Odisha State Film Policy 2019 i.e. March 2, 2019.

3. Terms and Expressions

3.1 "Project" means Film Cities, Cinema Halls and Multiplexes as per definition at Annexure I of the policy

3.2 Terms and expressions used in this operational guideline, but not specifically defined here, shall have the same meaning as in Odisha State Film Policy 2019.

4. Policy Provisions: -

Interest Subsidy (Para 11.3 of OSFP 2019)

An interest subsidy at the rate of 5% per annum subject to maximum total of INR 1 crore in 5 years period shall be available to new projects. The subsidy will be available to eligible projects after 1 year from date of commencement of commercial operation of the project, maximum upto 5 years.

5. **Eligibility:-** The following projects shall be entitled to interest subsidy as applicable.

Projects satisfying the criteria and falling under the following category shall be eligible for the incentive-

5.1 New Film Cities, Cinema Halls and Multiplexes as defined in the OSFP 2019 shall be eligible for the incentive.

5.2 Multiplexes and cinema halls in within the limits of the municipal corporation areas of Bhubaneswar and Cuttack shall not be eligible for any incentives.

5.3 Project must have been approved by the State Level Committee/ Competent Authority under the extant of The Orissa Cinemas Regulation Act 1954

5.4 The Date of Operation for the project should be after the "Effective Date" of Odisha State Film Policy 2019.

5.5 Promoter should not have availed similar incentives, under any other scheme of the State Government for the project.

6. Time frame for filing application:

The eligible Projects shall file Application in prescribed form for sanction of Interest Subsidy within six

months after completion of 1 year from the date of commencement of commercial operation and within six months from end of each financial year for subsequent years. Application in the prescribed form received after the due date / incomplete in any respect shall be liable to be summarily rejected.

7. Procedure:

7.1 Projects satisfying the eligibility shall file 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" before General Manager of concerned RIC / DIC.

Application for sanction & disbursement of Interest Subsidy for the subsequent years, after 1st year / initial year of claim, during the eligible period shall accompany with the documents & valid statutory clearances / approvals only related to the year of claim.

The application with requisite documents shall be filed in duplicate and shall be self-attested by Proprietor / Managing Partner / Managing Director / Authorized Signatory.

7.2 On receipt of application, the acknowledgement as prescribed at Annexure- "C" shall be issued to the applicant duly signed by the General Manager, RIC / DIC / his authorized officer on the day of receipt. The General Manager, RIC / DIC may authorize any of his officers for the purpose.

7.3 After receipt of the application, RIC / DIC will check the eligibility concerning the claim and transmit one set of application with all documents indicating the date of commencement of operation of the project to the concerned Financial Institution / Bank within **3days** from the date of receipt of application for checking and furnishing the certificate in the format prescribed at Annexure –D on interest paid during the period of claim under intimation to the concerned project. Where the project is financed with term loan by more than one Financial Institution / Bank, the photocopy of application with relevant documents certified by the RIC / DIC shall be transmitted to the concerned Financial Institution(s) / Bank (s).

7.4 Within 15 days, the operational continuity of the project shall be checked by RIC / DIC, if felt necessary jointly with Financial institution / Bank.

8. Sanction:-

Sanction of interest subsidy shall be accorded in the prescribed format as at Annexure- E, if found eligible and suitable, within next 7 days by the General Manager, RIC / DIC under intimation to the concerned project / Directorate of Industries / OFDC.

9. Disbursement

9.1 The disbursement of sanctioned amount of interest subsidy or part thereof shall be made by the General Manager, RIC / DIC within **5 days** of sanction **subject to availability of funds under the scheme** through the financing agency from which it has availed the term loan.

9.2 The disbursement may be deferred if the project is found closed and may be effected on resumption of operation.

10. Rejection:

In case of rejection of application, the reasons of rejection shall be communicated to the project proponent within **25 days** of receipt of application from the claimant by the General Manager, RIC / DIC in the format prescribed at Annexure – "F".

11. Recovery

The amount disbursed towards interest subsidy or any part thereof shall be recoverable forthwith with penal interest as decided by the authority on following events.

- A. If the information furnished is found to be false/ incorrect / misleading or misrepresented and there has been suppression of facts / materials or disbursed in excess of the amount actually admissible for whatsoever reason.
- B. If the project goes out of operation for a period exceeding six months at a time for any reasons other than labour troubles, want of electric power or for the reason which is beyond the control of entrepreneur / management during the period of incentives.

12. Miscellaneous:-

12.1 RIC / DIC / Director of Industries, Odisha / OFDC may inspect the project individually / jointly, if felt necessary.

12.2 The amount of Interest Subsidy allowed shall be recoverable with penal interest as decided by the authority 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.

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

12.4 Where any doubt arises regarding implementation of these Operational Guidelines, the same shall be referred to Government of Odisha in the Industries Department whose decision shall be final and binding on all the parties.

Annexure-A

APPLICATION FOR SANCTION & DISBURSEMENT OF INTEREST SUBSIDY UNDER ODISHA STATE FILM POLICY 2019

Application received after the due date / incomplete in any respect shall be liable for rejection

(Strike out whichever is not applicable)

M/s. _____

At _____

PO _____

Sub-Division _____

Dist. _____

(Location)

To

The General Manager,

Regional Industries Centre / District Industries Centre, _____

Sub-Sanction & disbursement of Interest Subsidy under Odisha State Film Policy 2019

Sir,

In accordance with the provisions laid down in Odisha State Film Policy 2019 and operational guidelines, the claim for Interest Subsidy is submitted herewith for the period ----- with following particulars.

1	Category of the Unit		:	
	Film City / Cinema Hall / Multiplex			
2	Address of Registered office		:	
3	Type of organization (Proprietorship / Partnership / Co-operative / Private Limited / Public Limited)		:	
4	Name of Proprietor / Managing Partner / Managing Director / Authorized Signatory		:	
5	PAN Of project proponent		:	
6	Date of commencement of operation			
7	Date of first fixed capital investment		:	
8	Name of the Financial Institution (s) / Bank(s)		:	
9	Date of first disbursement of Term loan			
10	Details of term loan availed (Date & Amount – FI / Bank wise)		:	
11	Details of Term loan repaid (financial year-wise) Attach separate Sheet FI / Bank wise		:	
12	a	Principal	:	
	b	Interest	:	
	Details of Interest subsidy sanctioned / availed so far with sanction order no & date (Financial Year-wise)		:	
13	Claim for interest subsidy (Specify the amount & period)		:	
14	Deferential amount of benefit claimed (Mention the details.			

i) I ,Sri _____ s/o _____ at present _____ (designation) of M/S _____

(name of the project) certify that the information furnished as above is true and correct to the best of my knowledge and belief.

ii) I hereby undertake to abide by the terms and conditions prescribed under the provisions of Odisha State Film Policy, 2019 and its operational guidelines.

iii) I hereby undertake to repay the interest subsidy or any part thereof with penal interest as decided by the authority- If the information stated above is found to be false/ incorrect / misleading or miss-represented and there has been suppression of facts / materials or if found to have been disbursed in excess of the amount actually admissible for whatsoever reason. 'OR' If the project goes out of operation for a period exceeding six months at a time for any reasons other than labour troubles, want of electric power or for the reason which is beyond the control of entrepreneur / management during the period of incentives.

iv) I hereby certify that I / We / the concerned promoter(s) have not defaulted to OSFC / IPICOL / SIDBI / Banks / Public Financial Institutions / other Government agencies in connection with the unit for which the incentive is sought or for any other unit / activity in the state with which concerned promoter(s) is / are directly or indirectly associated.

v) I hereby certify that this project has not been classified as a NPA at the time of making the application.

vi) I hereby certify that this project has not applied / applied / availed / not availed interest subsidy under any other scheme of the State Government

vii) I hereby undertake to furnish its audited financial statements and other periodical statements of each financial year to the RIC / DIC / OFDC / Directorate of Industries, Odisha during the period of incentives.

viii) Copies of relevant documents in support of information / facts furnished above are self-attested and enclosed herewith.

Signature of Proprietor / Managing Partner/

Managing Director / Authorized Signatory

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

Place-

Date-

Enclosure: -

1

2.

3.

4.

Annexure –B

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	PAN number of project proponent
2	Power of Attorney / Board Resolution / Society Resolution, as applicable, while signing as Partner / Managing Director / Authorized Signatory.
3	Certificate of registration under Indian Partnership Act 1932 / Societies Registration Act- 1860 / Certificate of incorporation (Memorandum of association & Article of Association) under Company Act-1956 and its amendments
4	Document in support of date of first investment in fixed capital
5	Document in support of Date of Commencement of operation.
6	Term loan sanction order and schedule of disbursement Financial Institute (s) / Banks
7	Documents in support of Interest Subsidy availed, if any. / interest paid
8	Consent to operate issued by OSPCB

Annexure -C

ACKNOWLEDGEMENT OF RECEIPT OF APPLICATION

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

(To be issued by authorized officer / General Manager, RIC / DIC / on the day of receipt)

(Strike out whichever is not applicable)

To

Sri _____

M/s. _____

Received the application for ----- under the provisions of Odisha State Film Policy 2019 and its operational guidelines along with documents mentioned below from M/s-----
----- At/PO-----Dist. ___on dt. -----.

List of documents

- 1.
- 2.

Signature of authorized officer / General Manager, **RIC**/ DIC ----

with seal & date-----

Annexure-D

INTEREST SUBSIDY UNDER ODISHA STATE FILM POLICY 2019

(For 1st / 2nd / 3rd. 4th. / 5th year of claim)

CERTIFICATE TO BE FURNISHED BY THE FINANCIAL INSTITUTION / BANK

(Strike out whichever is not applicable)

Certified that M/s. _____, Proprietor / Managing Partner / Managing Director / Authorized Signatory Sri _____ At/PO _____ Dist. _____ (Address of the Registered office of the unit) has been sanctioned with term loan of Rs. _____ (in words) _____ for setting up of fixed assets for the new project located at _____ Sub-Division _____ District _____. The term loan has been sanctioned on (Date) _____ and the disbursement of loan started with effect from dt. _____. (Mention sanction & disbursement with dates in tabular form if it is for more than one)

Further it is certified that the above project has already paid Rs. _____ (in words) _____ towards interest due against the period of claim i.e. Dt ____ to Dt. _____ and the project has not defaulted in payment of dues as per sanctioned order.

The details of interest due and interest paid by the project from the date of commencement of operation i.e. Dt----- are as below. (Does not include penal interest / interest on over dues)

Sl.	Period	Interest due (Rs)	Interest paid (Rs)
1	Date of commencement of operation to end of the first financial year		
2	2nd. financial year		
3	3rd. financial year		
4	4th. financial year		
5	5th. financial year		
6	1st. April of 6th. financial year to the end of completion of 5 years of operation		

Signature & Seal of the

Annexure-E

OFFICE OF THE GENERAL MANAGER, RIC / DIC-----

(Strike out whichever is not applicable)

SANCTION ORDER

Office order No. _____ dt. _____

Sanction is hereby accorded for payment of interest subsidy for the period----- (i.e starting from the date of commencement of operation to the end of the first financial year / 2nd. financial year / 3rd. financial year / 4th. financial year / 5th. financial year / 1st. April of 6th financial year to the end of completion of 5 years of operation) for Rs. _____ (Rupees _____) only in favour of M/s. _____ Proprietor / Managing Partner / Managing Director / Authorized Signatory Sri _____ At / PO _____ Dist. _____ (Address of the Registered office of the unit) has been sanctioned with term loan of Rs. _____ (in words) _____ for the new project located at _____ Sub-Division _____ District _____ in accordance with the provisions laid down in Odisha State Film Policy 2019 and operational guidelines.

The captioned project is a Film City / Cinema Hall / Multiplex and the total amount sanctioned so far, does not exceed the limit of Rupees One crore and prescribed rate of interest subsidy i.e.5% under Odisha State Film Policy, 2019.

General Manager, RIC / DIC ____

Memo No. _____ /Ind., dt. _____

Copy forwarded to M/s. _____ Proprietor / Managing Partner / Managing Director / Authorized Signatory Sri _____ At/PO _____ Dist. _____ for information.

General Manager, RIC / DIC ____

Memo No. _____ /dt. _____

Copy forwarded to the Financial Institutions / Bank / Director of Industries, Odisha / Managing Director, OFDC for information and necessary action.

General Manager, RIC / DIC ____

ANNEXURE-'F'

OFFICE OF THE GENERAL MANAGER, RIC / DIC-----

No----- Dt.-----

(Strike out whichever is not applicable)

This is to inform that –

The application for sanction of Interest Subsidy by M / S _____ bearing PAN No _____ dt _____ for the period _____ under OSFP 2019 is rejected due to following reasons.

(Specify the reasons)

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

Signature of G.M, RIC / DIC /D.I Odisha

with seal & date-----.

