

Government of Odisha
MSME Department

NOTIFICATION

No. MSME-IP-MISC-0012-2023 2038/MSME, Bhubaneswar, the 13 March, 2023

OPERATIONAL GUIDELINES FOR EXEMPTION AND REIMBURSEMENT OF PREMIUM LEVIABLE ON CONVERSION OF LAND FOR INDUSTRIAL USE

(Reference: Para 7.2 of Odisha MSME Development Policy, 2022)
(Effective from 30.11.2022)

- 1. Policy Provisions:** Para 7.2 of Odisha MSME Policy' 2022 states as follows.
"New enterprises and existing enterprises taking up Expansion/Modernization/ Diversification will be granted exemption under the provisions of Section-73(C) and clause-C of Section 8(A) of Orissa Land Reforms (OLR) Act, 1960 from payment of premium leviable on conversion of land for industrial purpose in the following manner:
 - Enterprises with investment in Plant & Machinery up to INR 10 crores: 100% up to 5 acres
 - Enterprises with investment in Plant & Machinery more than INR 10 crores and up to INR 50 crores: @75% up to 25 acres"
- 2. Terms and Expressions:** Terms and expressions used in this operational guideline, but not specifically defined here, shall have the same meaning as in Odisha MSME Development Policy, 2022 (OMSMEDP-2022).
- 3. Eligibility:**
 - 3.1** New industrial units / Existing industrial units taking up Expansion/Modernisation/Diversification, with an investment in Plant and machinery upto INR 50 crore, except units/activities listed under Annexure-II of Odisha MSME Policy' 2022.
 - 3.2** Migrated industrial unit/Rehabilitated sick industrial unit/ industrial unit seized under Section 29 of the State Financial Corporation Act, 1951/SARFAESI Act, 2002/ by the orders of NCLT under the IBC and thereafter sold to a new entrepreneur on sale of assets basis and treated as new industrial unit under Odisha MSME Policy-2022.
 - 3.3** Eligible Industrial unit that has availed this incentive under any scheme of State Government or Government of India or Government Agencies or any Financial Institution(s) shall be entitled only for the **differential** amount of benefit.
- 4. Procedure for exemption from payment of premium leviable on conversion of land for industrial purpose:**
 - 4.1 Online Application:** Eligible Industrial units shall submit e-application and undertaking in the prescribed form appended to this operational guideline at Annexure-'A' along with self-attested copies of all relevant documents as mentioned in the Checklist at Annexure-'B' in the AIM Portal (www.aimdashboard.odisha.gov.in).


13.03.2023

4.2 Examination of application: The General Manager (DIC) concerned shall examine the eligibility and if eligible, shall sign the Certificate of verification in the application form at Annexure-'A'.

4.3 Recommendation:

4.3.1 For investment in P&M upto 10 crores, the General Manager (DIC) concerned shall recommend the case to the local Tahasildar in the format as per Annexure -'C' within next **3 working days** under intimation to the industrial unit.

4.3.2 For investment in P&M above INR 10 crore and up to INR 50 crore, the General Manager (DIC) concerned shall transmit the application to the Director of Industries, Odisha within 7 working days of receiving the application under intimation to the applicant. Director of Industries, Odisha shall examine the case and if found eligible, he/she will recommend the case to the local Tahasildar concerned within 15 working days in the format as per Annexure -'C' under intimation to the industrial unit and the General Manager (DIC) concerned.

4.4 On receipt of the recommendation from General Manager (DIC) or Director of Industries, Odisha, as the case may be, the local Tahasildar concerned shall examine the case and if found alright, shall allow exemption from payment of premium as due and admissible within next 7 working days. The amount of exemption (in INR) allowed shall be intimated by him/her to the General Manager(DIC) concerned or the Director of Industries, as the case may be.

5. Procedure for reimbursement of premium levied on conversion of land for industrial purpose:-

5.1 Online Application: Industrial units those who have paid the premium leviable on conversion of land for industrial purpose after the effective date of this policy i.e **30.11.2022** shall submit e-application and undertaking in the prescribed form appended to this operational guideline at Annexure-'A1' along with self-attested copies of all relevant documents as mentioned in the Checklist at Annexure-'B1' in the AIM Portal (www.aimdashboard.odisha.gov.in) **within six months from the date of commencement of production.**

5.2 Examination of Application: General Manager (DIC) shall first examine the eligibility of the unit for reimbursement of premium levied on conversion of land for industrial purpose. If found eligible, he/she shall cross-check from the Tahasildar concerned regarding the quantum of premium levied on conversion of land for industrial purpose. If found alright, he/she shall then sanction reimbursement of premium levied on conversion of land for industrial purpose, to the extent permissible, in favour of the applicant unit within **30 working days** of receipt of application and send the sanction letter to Director of Industries (Odisha) under intimation to the applicant.

5.3 Disbursement:- Director of Industries, Odisha shall, on receipt of the sanction letter of General Manager (DIC), satisfy himself/herself about correctness of the reimbursement claim and if found correct, shall disburse the amount within **15 working days** of receipt of the sanction letter to the eligible industrial unit directly.

6. Rejection:-In case of **rejection** of application at any level, reasons of rejection must be communicated to the applicant unit and other stakeholders by the

authority concerned in the format prescribed at Annexure – 'D', within **15 days** from taking such decision for rejection.

- 7. Recovery:-**The amount of exemption allowed shall be recoverable with penal interest @ 18% per annum on following events.
- If the information furnished is found to be false/ incorrect/misleading or misrepresented and there has been suppression of facts/materials.
 - If the industrial unit fails to commence production within three years from the date of first fixed capital investment.
 - If exemption is sanctioned erroneously or in excess of the actual amount due and admissible. However, if the industrial unit is found to be not responsible for such erroneous or excess payment, then no penal interest shall be charged on him/her.
 - If the industrial unit shifts the registered office of the unit outside the State without taking prior permission of the State Government.

This operational guideline has been concurred in by Finance Department vide OSWAS File No. MSME-IP-MISC-0012-2023.


13.03.2023

Saswat Mishra(IAS)
Principal Secretary
MSME Department
Government of Odisha

Date: 13.03.2023

Memo No. 2039/MSME Dated 13-03-2023
Copy forwarded to Principal Secretary (Industries Department)/ MD (IPICOL)/ MD (IDCO) /Director of Industries (Odisha)/All Revenue Divisional Commissioners/All Collectors/All GM (DICs) /All Section of MSME Department/Guard File (5 copies) for information and necessary action.


13/3/23
Under Secretary to Government

Memo No. 2040/MSME Dated 13-03-2023
Copy forwarded to all Industries Associations for information and necessary action.


13/3/23
Under Secretary to Government

Annexure- A

APPLICATION (WITH UNDERTAKING) FOR EXEMPTION FROM PAYMENT OF PREMIUM LEVIABLE ON CONVERSION OF LAND FOR INDUSTRIAL PURPOSE

(Para 7.2 of Odisha MSMED Policy' 2022)

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

From:

To

General Manager, District Industries Centre,
(District):-

Sub: Exemption from payment of premium leviable on conversion of land for industrial purpose under the provisions of Odisha MSME Development Policy, 2022

Madam/ Sir,

In accordance with the provisions laid down in Odisha MSME Development Policy, 2022 and its operational guidelines, the claim for exemption for payment of premium leviable on conversion of land for industrial purpose is hereby submitted with following particulars.

1	Category of the Unit	:	
	New Industrial unit / Existing Industrial unit taking up expansion, modernization and diversification		
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	Entrepreneurs Identification Number / Production Certificate/ Udyam Registration Number	:	
6	Items of manufacture / activity (Proposed / Existing / E/M/D)	:	Item Quantity Value
			(I)
			(ii)
7	Proposed date of production / Date of Production		
8	Proposed location & Present status of the Project	:	
9	Amount of land premium exemption claimed	:	
10	a. Amount of land premium Exemption availed under any scheme of State Govt / Central Govt (GoI) / Govt. Agencies / Financial institutions (mention details)		
	b. Amount of differential claim to be exempted		
11	Statutory clearances, if any		

I, Smt/Sri _____ s/d/w/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 Odisha MSME Development Policy, 2022 and its operational guidelines. I also hereby undertake that the industrial unit shall commence production within stipulated time of three years from the date of first fixed capital investment. I further undertake that I shall repay the amount of exemption on premium leviable on conversion of land allowed with penal interest @ 18% per annum if:-

- i. The information furnished by me is found to be false/ incorrect / misleading or there has been suppression of facts / materials by me.
- ii. The industrial unit fails to commence production within three years from the date of first fixed capital investment.
- iii. If exemption is sanctioned erroneously or in excess of the actual amount due and admissible. However, if the industrial unit is found to be not responsible for such erroneous or excess payment, then no penal interest shall be charged on him/her.
- iv. If the industrial unit shifts the registered office of the unit outside the State without taking prior permission of the State Government.

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

Enclosure:-

- 1.
- 2.

Date-

Place- Name and Signature of the Proprietor / Managing Partner/
Managing Director /Authorized Signatory in full and on behalf of
M/s-----

CERTIFICATE OF VERIFICATION

Certified that the information furnished as above has duly been verified and found correct. The captioned industrial Unit, M/s----- At----- Dist----- bearing EIN No.---/P.C No----- Date----- and Udyam Registration No.-----is eligible to avail _____% exemption from payment of premium leviable for conversion of land for industrial use under the provisions laid down at Para 7.2 of Odisha MSME Development Policy, 2022 to the extent ofAcres of Agricultural Land which is being used/ proposed to be used for industrial purpose.

General Manager,
DIC-----



I, Smt/ Sri _____ s/d/w/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 Odisha MSME Development Policy, 2022 and its operational guidelines. I further undertake that I shall repay the reimbursed amount of Stamp duty with penal interest @ 18% per annum if:-

- i. The information furnished by me is found to be false/ incorrect / misleading or there has been suppression of facts / materials by me.
- ii. If exemption is sanctioned erroneously or in excess of the actual amount due and admissible. However, if the industrial unit is found to be not responsible for such erroneous or excess payment, then no penal interest shall be charged on him/her.
- iii. If the industrial unit shifts the registered office of the unit outside the State without taking prior permission of the State Government.

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

Enclosure:-

1.

2.

Date-

Place-

Name and Signature of the Proprietor / Managing Partner/
Managing Director /Authorized Signatory in full and on behalf of
M/s-----



Annexure –B

CHECK LIST (For Land conversion premium Exemption)

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 / Udyam Registration Number
2	Power of Attorney / Board Resolution / Society Resolution, as applicable, while signing as Partner / Managing Director / Authorized person
3	Appraisal & approval in support of expansion / modernization / diversification
4	Certificate on date of production in case of taking up E/M/D
5	Land document with land particulars to be converted for industrial use

Annexure –B1

CHECK LIST (For Re-imbusement of premium levied on Conversion of land for Industrial purpose)

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 and Production Certificate
2	Power of Attorney / Board Resolution / Society Resolution, as applicable, while signing as Partner / Managing Director / Authorized person
3	Appraisal & approval in support of expansion / modernization / diversification
4	Certificate on date of production in case of taking up E/M/D
5	Land document with land particulars converted for industrial purpose



Annexure-C

(Strike out whichever is not applicable)

OFFICE OF THE DIRECTOR OF INDUSTRIES, ODISHA /

OFFICE OF THE GENERAL MANAGER, DIC.....

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

From:

To

The Tahasildar,

Sub: - Exemption from payment of premium leviable for conversion of land for industrial use under the provisions of Odisha MSME Development Policy, 2022

Madam/ Sir,

In accordance with the provisions laid down in Odisha MSME Development Policy, 2022 and its operational guidelines, I hereby 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 No. _____ date _____ and Udyam Registration Number _____. The particulars are given below.

1	Category New / Existing Enterprises taking up E/M/D/(Micro/small/medium)					
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	Detail Particulars of land to be converted for industrial use					
	Tahasil	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

(Director of Industries, Odisha /
General Manager, DIC)

Memo No. _____/ dt.

Copy forwarded to Smt /Sri _____ M/s _____, At _____
P.O. _____ Dist. _____ for information.(Director of Industries, Odisha /
General Manager, DIC)

Memo No. _____/ dt.

Copy forwarded to the Director of Industries, Odisha/General Manager (DIC) for information.

(Director of Industries, Odisha /
General Manager, DIC)


Annexure-D

(Strike out whichever is not applicable)

OFFICE OF THE DIRECTOR OF INDUSTRIES, ODISHA /

OFFICE OF THE GENERAL MANAGER, DIC.....

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

From:

To

Sri _____

M/s _____,

At _____ P.O. _____

Dist. _____

This is to inform you that your application for exemption/Reimbursement from/of payment of premium leviable on conversion of land for industrial purpose under provisions of Odisha MSMED Policy, 2022 (Application Reference No:- _____) is **rejected** due to following reasons.

(Specify the reasons)

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

Director of Industries, Odisha /
GM, DIC

