

GOVERNMENT OF ODISHA
ELECTRONICS AND INFORMATION TECHNOLOGY DEPARTMENT

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NOTIFICATION

No. 1995 /E&IT
E&IT-Dev-II-13/2017

Bhubaneswar 13.06.18
Dated _____

Sub: Operational Guidelines for Specific Incentives for Anchor Investors in Level-II Locations under ICT Policy 2014 (See Clause No. 6.18 of ICT Policy-2014)

1. **Short Title** - Operational guidelines for reimbursement of Specific Incentives for Anchor Investors in Level-II Locations under ICT Policy, 2014.
2. **Extent** - It shall extend only to the Level II Locations of the State of Odisha.
3. **Commencement** - It shall come into force from the "Effective Date" of ICT Policy 2014, i.e. 16th January, 2014.
4. **Terms and Expressions** -
 - a) Here the reimbursement of subsidy is applicable only to the first five (5) anchor investors setting up units in the IT or ITES domain in the Level II Locations of the state.
 - b) Level-II locations in the state of Odisha would include Cuttack, Rourkela, Berhampur, Sambalpur, Paradeep, Puri, Angul and Jharsuguda.
 - c) This subsidy can be applied only after two years of starting of commercial operation in a Level-II Location, subject to meeting the minimum employees condition, and can be availed for 2 years upto a maximum limit set forth in the ICT Policy 2014 i.e. INR 10.00 Lakhs per year for IT units and INR 7.50 Lakhs per year for ITES units.
 - d) The IT/ITES unit cannot avail or apply for this incentive more than two (2) years during its operating period.
 - e) If the unit has availed any assistance/subsidy for the investment in setting up unit in a Level-II Location from any State Govt. or the Central Govt. (GOI), it shall be eligible only for the differential amount of assistance through this ICT Policy 2014.
 - f) Terms and expressions used in this operational guideline, but not specifically defined here, shall have the same meaning as in ICT Policy 2014.
5. **Policy Provisions** -

To encourage employment and development of IT/ITES units at Level-II locations of the state of Odisha, Government will provide a subsidy of maximum INR 10.00 Lakhs per year to the first five (5) anchor IT/ ITES companies in the entire state at those locations. This incentive would be available to a company as a reimbursable benefit for a maximum of two years as per the following:

 - a) For an anchor IT unit in a Level-II city of Odisha, the maximum subsidy limit that can be reimbursed will be INR 10.00 Lakhs per year, provided the minimum number of employees for the unit is 40 within a 2 year period.

- b) For an anchor ITES unit in a Level-II city of Odisha, the maximum subsidy limit that can be reimbursed will be INR 7.50 Lakhs per year, provided the minimum number of employees for the unit is 60 within a 2 year period.

6. Eligibility - IT/ITES/ESDM units satisfying definition and falling under the following criteria -

- a) New/Existing Units in Level-II Locations of Odisha state coming under IT/ITES Industry and having commercial operation for at least 2 years
- b) The unit has not reached its total maximum limit of availing Subsidy Reimbursement for Anchor Investors in Level-II Locations, based on its prior applications and disbursements from Government, if any
- c) The applicable incentive shall not be sanctioned & disbursed if the IT/ITES unit is found closed or has gone out of production during the evaluation and approval process.
- d) An IT/ITES/ESDM unit in a Level-II Location, having both IT and ITES business, can apply for subsidy reimbursement for either IT business or ITES business, but not both, subject to meeting the minimum employees condition. If any unit applies for subsidy reimbursement corresponding to both IT and ITES, the application will be summarily rejected and returned.
- e) Any unit, who has already availed the subsidy/applied for subsidy reimbursement for its IT business, will not be considered for evaluation and approval for reimbursement of this subsidy for its ITES business, if any, and vice-versa.
- f) Two or more companies, having the same registered office or the same senior leadership team (Managing Director/Managing Partner/CXO/Proprietor/Stakeholder), will not be considered for evaluation and approval for reimbursement of this subsidy, if they are having separate application for this incentive.

7. Timeframe for filing application: Eligible IT/ITES/ESDM unit falling under IT/ITES shall file its claim in the prescribed Application Form complete in all respect. The duly filled application must be submitted within the validity period of this ICT policy 2014 till 2020. Application received after the due date/ incomplete in any respect shall be liable to be summarily rejected.

8. Approval Process:

- 8.1** OCAC as nodal agency through PIU shall examine all the incentive/ Subsidy claims in accordance with the chronological order and place it before the Secretary, E& IT department and Chairman, OCAC for approval/ sanction/rejection.
- 8.2** The Secretary, E & IT department and Chairman OCAC shall be the competent authority to go into merits of each case to decide whether the applicant qualifies for grant of the incentive/ subsidy and will determine the quantum of incentive/ subsidy admissible and sanction any incentive/ subsidy claims of eligible IT/ITES/ESDM units.
- 8.3** The Secretary, E & IT department and Chairman OCAC may recommend/ approve/ reject/ defer any application for incentives/ subsidy at its Sole Discretion.

8.4 Any incentive beyond the ICT Policy provisions would be placed before the Apex Committee constituted under the chairmanship of Chief Secretary vide Notification No. 2126/IT/2015 dated 25/07/2015 issued by Dept. of Electronics & Information Technology, Govt. of Odisha for approval. All admissible incentives/subsidy released at the level of the Secretary to Government, E&IT Department and Chairman, OCAC may also be placed before this Committee for perusal/approval

9. Procedure

9.1 IT/ITES/ESDM units satisfying the eligibility shall file application in the prescribed form appended to this operational guideline in **Annexure II** along with copies of all relevant documents as mentioned in the Checklist in **Annexure I** and Undertaking prescribed in **Annexure III**.

Copies of the documents as indicated in the checklist should be self-certified by the Proprietor/ Managing Partner / Managing Director / Authorized Signatory.

9.2 On receipt of application, the acknowledgement as prescribed at Annexure IV shall be dispatched to the applicant / applicant unit duly signed by the authorized officer, on the day of receipt. OCAC will coordinate and facilitate this.

9.3 OCAC will check the eligibility and determine the applicability in each case within a maximum of 3 week timeline. All the documents submitted by the units shall be physically verified against the original by OCAC.

9.4 A detailed report will be submitted to SSWCA (State Level Single Window Clearance Authority) by OCAC for approval and to forward to Apex Committee for final approval with a detail note on fulfilment of eligibility criteria, time limit, incentive applicability, eligible amount of subsidy vis-à-vis capital investment made, any recommendation on capital investment subsidy amount with justification, working status, specific suggestion, if any, for consideration.

9.5 As per the Approval of the Apex committee, OCAC will disburse the eligible amount of subsidy to the bank/ financial institution directly, however if the business is self-financed then it will be reimbursed back to the industry unit directly.

9.6 OCAC will act as the nodal point during the entire process to respond to any queries or address any grievances from the applicants.

10. **Disbursement** - Disbursement of sanctioned amount for assistance to Anchor Investors in Level-II Locations shall be credited to the company's bank account after receiving supporting documents and/or evidences specified in this guideline, provided the maximum limit is not reached and the eligibility criteria and terms & conditions are continued to be met even after the approval by the Apex Committee.

11. **Rejection** - In case of rejection of application, the reasons with detailed explanation/justification shall be communicated to the applicant unit.

12. **Re-Application** - After fulfilling the criteria or requirement as per the rejection details, the company can reapply for the incentive within six (6) months from the date of rejection along with the reference of earlier application.

13. **Monitoring** - A periodic monitoring by OCAC will be administered to track the operations of the unit either by in-premise physical verification or review of related

documents received physically or in an electronic format. If any unit is found to be deliberately furnishing wrong/false information, incentives provided shall be withdrawn under due approval of the Apex Committee.

14. Recovery - The amount sanctioned and paid towards reimbursement assistance for the Anchor Investors in Level-II Locations, or any part thereof, shall be recovered with penalty, as per prevailing rate of interest per annum, from the date of availing of this subsidy under the following circumstances:

- a) If the information furnished is found to be false/ incorrect/misleading or misrepresented and there has been suppression of facts or disbursement in excess of the amount actually admissible, for whatsoever reason.
- b) If the IT/ITES/ESDM unit goes out of operation for a period exceeding six months at a time for any reason other than labor issues, want of electric power and/or network connectivity or for reasons beyond the control of entrepreneur / management during the period of incentives or within a year from date of receipt of the incentives.

Further, the entrepreneurs shall give an undertaking that without prior approval of the Apex Committee, they will not change the location of the whole or any part of the unit or affect any substantial change in the project / close the unit within a period of 5 years from the disbursement of the incentives.

15. Amendment – Electronics & Information Technology Department (E&IT), Govt. of Odisha shall be the competent authority to review and make necessary amendment in the operational guidelines from time to time.

By Order of Governor


(R. N. Palai)

Special Secretary to Government

Memo No. 1996 /EIT Dated 13-06-18

Copy forwarded to the Principal Secretary to Governor, Odisha / ACS to the Chief Minister, Odisha/ P.S. to all Ministers / OSD to Chief Secretary, Odisha/ P.S. to D.C Cum ACS / P.S to Principal Secretary to Government, E&IT Department for kind information of the Governor / Chief Minister / All Ministers / Chief Secretary / DC Cum ACS / Principal Secretary, respectively.



Deputy Secretary to Government

Memo No. 1997 /EIT Dated 13-06-18

Copy forwarded to All Departments of Government / all Heads of Department / all RDCS / all Collectors / Principal Resident Commissioner, Government of Odisha, Odisha Niwas, New Delhi – 110021/ Additional Secretary to Government, Deity / All PSUs / Director, STPI, Bhubaneswar / SIO, NIC, Bhubaneswar / AG (A&E) Odisha, Bhubaneswar for information.



Deputy Secretary to Government

Memo No. 1998 /EIT Dated 13-06-18

Copy forwarded to the CMD, IPICOL, Bhubaneswar / CMD, IDCO, Bhubaneswar for information and necessary action.



Deputy Secretary to Government

Memo No. 1999 /EIT Dated 13-06-18

Copy forwarded to the Director IIIT, Bhubaneswar / General Manager (Admin.) OCAC, Bhubaneswar / Head IF & IT Promotion Cell, OCAC / All Sections of E & IT Department for information and taking necessary action.



Memo No. 2000 /EIT Dated 13-06-18 Deputy Secretary to Government

Copy forwarded to the Director, Printing, Stationary & Publication, Odisha, Cuttack for immediate publication of the Notification in the Extra Ordinary issue of Odisha Gazette and supply of 500 Copies to this Department.



Deputy Secretary to Government

Memo No. 2001 Dated 13-06-18

Copy forwarded (with Soft Copy) to the Head, State Portal Group, IT Centre Secretariat for information and necessary action. He is requested to host the Notification in the Government website as well as website of E&IT Department for wide circulation.



Deputy Secretary to Government

Annexure – I

CHECKLIST TO APPLY FOR SUBSIDY REIMBURSEMENT FOR ANCHOR INVESTORS IN LEVEL-II LOCATIONS

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

(Tick Mark whichever is available and has been complied with)

No.	Documents Required	Available?
1	Certificate of Registration under Indian Partnership Act 1932 / Certificate of Incorporation under Company Act 1956	<input type="checkbox"/>
2	Memorandum and Articles of Association	<input type="checkbox"/>
3	Power of Attorney / Board Resolution/ Society Resolution, as applicable, while signing as Partner / Managing Director / Authorized person	<input type="checkbox"/>
4	Copy of GST/VAT Registration and Last GST/VAT Return	<input type="checkbox"/>
5	Copy of Organization PAN Card	<input type="checkbox"/>
6	Proof of the Start Date of Commercial Operation	<input type="checkbox"/>
7	Document in support of date of first investment in fixed capital i.e. investment in Computers / Computer Peripherals / Rougher / Plant / Machinery equipment etc.	<input type="checkbox"/>
8	Audited Balance Sheet and P/L Statement for last 3 financial years	<input type="checkbox"/>
9	Certificate from HR on details of the employees in the unit in Level-II location against this application (like Employee ID, Date of Joining, Designation, PF/EPF Account No.)	<input type="checkbox"/>
10	Self-Declaration Certificate on the current number of local and outstation employees in the IT or ITES unit in the location for which this application is being filed	<input type="checkbox"/>
11	Undertaking that the industry unit has not availed subsidy earlier on anchor investment in the Level-II location under this application from any other State Govt. or Central Govt. schemes	<input type="checkbox"/>
12	Self-Declaration Certificate on the amount claimed for subsidy reimbursement for Anchor Investors in Level-II Locations, as per entitlement against this incentive in ICT Policy 2014	<input type="checkbox"/>
13	Self-Declaration Certificate of not being currently blacklisted by any Government Department, Agency or Public Sector Units	<input type="checkbox"/>

Annexure - II

Application received after the due date / incomplete in any respect shall be liable for rejection (Strike out whichever is not applicable)

From
M/s. _____
At/PO _____
Dist. _____

To
The General Manager, Admin
OCAC, E&IT Dept. Govt. of Odisha
OCAC Building, Plot No. N-1/7-D
Acharya Vihar Square, BBSR
Odisha - 751013

Sub: Application for receiving Incentive(s) for Anchor Investors in Level-II Locations of the state of Odisha under ICT Policy 2014

Sir,

In accordance with the provisions laid down in ICT Policy 2014 and its operational guidelines, the details of the organization and the reimbursement claims submitted are as following:

I. Details of IT/ITES/ESDM Company	
1. Name of the ICT Company	
2. Date of Incorporation	
3. Name of the MD/CEO	
3.1 Name(s) of the Director(s)	
4. Details of License obtained	
5. Registration Number & Date (Issued by Commercial Tax Authority) GSTIN	
6. Registered With	<input type="checkbox"/> ROC <input type="checkbox"/> STPI <input type="checkbox"/> DIC <input type="checkbox"/> Others (Please Specify)
7. Organization PAN No.	

II. Address of Applicant	
1. Address of Registered Office	
2. Contact Person	
3. Email Address	
4. Mobile No.	
5. Office Telephone No.	
6. Other Offices (if any)	

III. Nature and activities
A. Constitution of the Organization (Please Select as applicable)
<input type="checkbox"/> Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Pvt. Ltd. <input type="checkbox"/> Ltd. <input type="checkbox"/> LLP <input type="checkbox"/> NGO <input type="checkbox"/> Others (Please Specify)

B.1 Line of Activity/Core competency/nature/type of the Organization (Please Select)
<input type="checkbox"/> IT/ITES/BPO/BPM <input type="checkbox"/> Communications/IT Infrastructure Developer/IT Park/IT SEZ <input type="checkbox"/> Startups <input type="checkbox"/> MSMEs <input type="checkbox"/> IT Product/R&D Companies/Innovation <input type="checkbox"/> Local Entrepreneurs <input type="checkbox"/> Women Entrepreneurs <input type="checkbox"/> Visual Effect , Animation, and Gaming & Entertainment <input type="checkbox"/> Creation of IT Incubation Facilities at Educational Institutes <input type="checkbox"/> Electronic system design and Manufacturing (ESDM) <input type="checkbox"/> Mega IT projects

B.2 In case your organization is engaged in multiple activities, please indicate your core Competency & line of activity from which maximum revenues are generated
1.
2.
3.

B.3 In case your core competency is in IT Product/R&D activity, please give details on patents	
Obtained/registered/applied for on the date of application	

C.1 Existing Status	<input type="checkbox"/> New <input type="checkbox"/> Operational
C.2 Category	<input type="checkbox"/> Domestic <input type="checkbox"/> Export Oriented <input type="checkbox"/> 100% EOU

D. Investment Made in Odisha (Rs. in Lakhs)		
Date of first fixed capital investment i.e. land /building / plant & machinery (Please specify date here in DDMMYYYY):		
Plant & Machinery	Rs. _____ /-	Year -
Land & Buildings	Rs. _____ /-	Year -
Furniture and Fixtures	Rs. _____ /-	Year -
Electrical & Networking Equipment	Rs. _____ /-	Year -
Computers and Peripherals	Rs. _____ /-	Year -
Other Fixed Assets (Specify)	Rs. _____ /-	Year -
Total	Rs. _____ /-	Year -

E. Date of commencement of commercial production: (Date on which the first invoice is raised by you on your client/customer)	
Date:	Attachment

F. Place of Operation in Odisha: (Tick all that apply with the corresponding office space in sq. ft.)		
<input type="checkbox"/> STPI	-	(in Sq. Ft.)
<input type="checkbox"/> SEZ	-	(in Sq. Ft.)
<input type="checkbox"/> Govt. Facility	-	(in Sq. Ft.)
<input type="checkbox"/> Incubation Center	-	(in Sq. Ft.)
<input type="checkbox"/> Own Building	-	(in Sq. Ft.)
<input type="checkbox"/> Other Private IT Park	-	(in Sq. Ft.)

G. Performance: Last three financial years (in Rs. Lakhs)			
Year	1 st Year	2 nd Year	3 rd Year
Export turnover			
Domestic turnover			
Total turnover*			
*Provide Annual Reports/Audited PL & BS	Attachment 1	Attachment 2	Attachment 3
Name of the Financial Institution(s)/Bank(s) [in case loan is availed]			

H. Employment			
Total number of Employees at present	Name of Location		No. of Employees
Employee Category	Category Name		No. of Employees
	Technical		
	Non-Technical		
	Executive Level		
	Male		
	Female		
	Differently Abled Persons		
Employment (Last 3 years)	1 st Year	2 nd Year	3 rd Year

I. Incentive Applied for (Choose the appropriate incentive)
<input type="checkbox"/> Assistance for Quality and security certification <input type="checkbox"/> Human Capital investment subsidy <input type="checkbox"/> Assistance for participation in Exhibition and Trade Delegation <input type="checkbox"/> Assistance for patent <input type="checkbox"/> Interest subsidy reimbursement <input type="checkbox"/> Reimbursement of VAT <input type="checkbox"/> Recruitment Assistance Subsidy <input type="checkbox"/> Specific Incentive for local enterprises

- Specific Incentives for Anchor Investors in level-II locations
- Capital Investment Subsidy
- Rental for Incubation space
- Incentives for lease rental
- Exemption from Stamp Duty
- Power Incentives

J. Claim Details for Specific Incentives for Anchor Investors in Level-II Locations	
Number of employees	
Minimum number of employees working or two or more years	
Location of the unit	

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

Signature of the Proprietor / Managing Partner/Managing Director / Authorized Signatory in full and on behalf of

M/s _____

Date -

Place -

LETTER OF UNDERTAKING

From

M/s. _____

At/PO _____

Dist. _____

- 1) I/We hereby confirm that this application for reimbursement of subsidy is on the basis of the investment made or cost incurred by M/s _____ on account of the specific incentive(s) under this application in the state of Odisha on or after 16th January, 2014 for an amount of Rs. _____ (in words _____ only).
- 2) I/We shall abide by the terms and conditions prescribed under the provisions of ICT Policy, 2014 and its operational guidelines.
- 3) I/We shall repay the Subsidy received against this application or any part thereof with penal interest as decided by the authority:
 - (a) If the information stated in the application & supporting documents is found to be false/ incorrect/ misleading/ misrepresented 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.
 - (b) If the IT/ITES/ESDM unit goes out of production or commercial operation for a period exceeding six months at a time for any reasons other than labor issues, want of electric power and/or network communication or for reasons beyond the control of entrepreneur / management during the period of incentives.
- 4) This IT/ITES/ESDM unit has not applied/availed reimbursement for subsidy on any of the incentives applied through this application letter earlier under any other scheme of the State Government or the Central Government or any Financial Institution(s).

I/we shall furnish audited financial statements and other periodical statements of this organization for each financial year to OCAC during the period of availing incentives.

**Signature of the Proprietor / Managing Partner /
Managing Director / Authorized Signatory of
M/s**

Date

Place -

Letter No. _____ / Date _____

Acknowledgement

(To be issued by the Authorized Officer / General Manager, OCAC on the day of receipt)

To

Sri _____

M/s. _____

Received the application for reimbursement of incentive under provision of ICT Policy 2014 and its Operational Guidelines along with the supporting documents mentioned below.

From

Person/Post

On Date

List of supporting documents received:

- 1.
- 2.
- 3.
- 4.
- 5.

Signature of authorized officer / General Manager OCAC
(With seal & date)

