

OPERATIONAL GUIDELINES ON ASSISTANCE FOR TECHNICAL KNOW-HOW (See Para- 5.4.10 of IPR 2015)

The technology, higher skill and high productivity are the basic need for rapid economic growth with effective and efficient utilization of resources. The State intervention in this regard is primarily promotional with catalytic inputs to acquire front line knowledge based technology to enhance our status among others.

In view of the above, State Govt. extends financial assistance for purchase of technical know-how so as to promote technology based enterprises in the State.

1. Short Title: - Operational guidelines for providing assistance for Technical know-how under Industrial Policy Resolution, 2015.

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 2015 i.e. 24.08.2015.

4. Terms and Expressions: -Terms and expressions used in this operational guideline, but not specifically defined / explained here, shall have the same meaning as in Industrial Policy Resolution 2015.

5. Definition / Explanation:-

(i) Know-how - Know-how is not defined in any Indian legislation but the definition which we can draw is, it is a kind of knowledge of a particular technology or subject, or it means to be acquainted with or be familiar with certain kind of technology and service, or the knowledge / experience / expertise / savvy, regarding particular technology and service or matter. This definition is general in nature.

Know-how covers detailed fabrication drawings, technical and operation manuals, assembly and testing procedures and application software as applicable.

(ii) T.D.B. – Technology Development Board (under Science & Technology Department, Government of India)

The Technology Development Board (under the Technology Development Board Act, 1995) is the first organization of its kind (within a government framework) with the sole objective of commercializing the fruit of indigenous research.

(iii) CSIR – Council of Scientific & Industrial Research

(iv) **Import of Know-How** - Any proprietary series of practical, non patented knowledge and owners experience or tests which is secret, substantial and identified in nature, when brought into India from outside India.

(v) **Indigenous know-how**- Technical know-how imparted by any Government Agencies / any other organizations approved by the State Govt. or Union Govt. in the country shall be treated as indigenous.

6. Policy Provisions:-

New Industrial Units in **Micro, Small & Medium Enterprise** and Priority Sector shall be eligible for reimbursement of hundred percentage (100%) of cost of purchase of technical know- how up to one lakh rupees in case of indigenous technology and up to five lakh rupees in case of imported technology.

7. Eligibility: -

7.1 New Micro, Small & Medium Enterprises,

7.2 Migrated industrial unit treated as new industrial unit under Micro Enterprise / Small Enterprise / Medium Enterprise.

7.3 Rehabilitated sick industrial unit treated at par with new industrial unit under Micro Enterprise / Small Enterprise / Medium Enterprise.

7.4 Industrial unit seized under Section 29 of the State Financial Corporation Act, 1951 / SARFAESI Act, 2002 and thereafter sold to a new entrepreneur on sale of assets basis and treated as new industrial unit for the purpose of this IPR under Micro Enterprise / Small Enterprise / Medium Enterprise.

7.5 New industrial unit under Micro Enterprise / Small Enterprise / Medium Enterprise / Large Industries in Priority Sector.

7.6 Migrated industrial unit treated as new industrial unit under Micro Enterprise / Small Enterprise / Medium Enterprise / Large Industries in Priority Sector.

7.7 Rehabilitated sick industrial unit treated at par with new industrial unit under Micro Enterprise / Small Enterprise / Medium Enterprise / Large Industries in Priority sector.

7.8 Industrial unit seized under Section 29 of the State Financial Corporation Act, 1951 and thereafter sold to a new entrepreneur on sale of assets basis and treated as new industrial unit for the purpose of this IPR under Micro Enterprise / Small Enterprise / Medium Enterprise / Large Industries in Priority Sector,

7.9 Pioneer Units under each Priority sector

8. Quantum of Assistance.

8.1 Eligible industrial units shall be provided with reimbursement of hundred percentage (100%) of cost of purchase of technical know- how up to one lakh

rupees in case of indigenous technology and up to five lakh rupees in case of imported technology.

8.2 The unit will be eligible for the **differential amount** of the benefit only if the industrial unit has availed any assistance, subsidy or any other incentives for technical Know-how from any State Govt. or Central Govt. (GoI) or Govt agencies or any Financial Institution of the country or abroad.

9. Time frame for filing application: - The entrepreneur shall submit his claim within one year from the date of starting production.

Application in the prescribed form received after the due date / incomplete in any respect shall be liable to be summarily rejected.

10. Procedure:-

10.1 Industrial unit 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'** (in duplicate in case of Medium Enterprises & Large Industries) to the concerned General Manager, RIC/ DIC within the prescribed time limit.

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

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

10.3 After receipt of the application from the industrial unit i.e Micro and Small Enterprises, the concerned RIC / DIC will check the eligibility and veracity of facts concerning the claim, determine the IPR applicability & eligible amount of assistance and accord sanction of assistance in the prescribed format at Annexure- **'D'** in favour of the Micro and Small Enterprises under intimation to D.I. Odisha within next **15 days** from the date of receipt of application of the unit.

10.4 In case of Medium Enterprises and Large Industries, the concerned RIC / DIC will check the eligibility and veracity of facts concerning the claim and forward one set of Application with its relevant enclosures to the Director of Industries under intimation to the IPICOL and the industrial unit within 3 days of receipt as at **Annexure- AA.**

10.5 On receipt of application with requisite documents from General Manager, RIC / DIC concerned, Director of Industries, Odisha shall examine the proposal of Medium Enterprises and Large Industries, determine the IPR applicability & eligible amount of assistance and accord sanction of assistance in the prescribed format at Annexure- 'D' under intimation to the IPICOL and RIC / DIC within next **15 days** from the date of receipt of application from RIC /DIC concerned.

10.6 If required, the RIC/ DIC / Directorate of Industries, Odisha may refer the proposal of the industrial unit to obtain technical opinion / clarification / suggestion from the Govt ./ Semi Govt. / Govt controlled Agencies etc. within the State / country or abroad through the next higher authority prior to sanction of assistance.

In such cases, the time limit for sanction / disposal of proposal shall **not** be applicable where the proposal is referred or submitted for technical opinion to any organization beyond the State of Odisha.

11. Disbursement:-

11.1 The RIC/ DIC in case of Micro and Small Enterprises and Director of Industries in case of Medium Enterprises & Large Industries shall disburse the sanctioned amount of assistance to the industrial unit within next **5 days** subject to availability of funds under the scheme under intimation to Director of Industries, Odisha/ RIC /DIC.

11.2 The disbursement may be deferred if the unit is found closed and may be effected on resumption of production.

12. In case of **rejection** of application, the reasons of rejection shall be communicated to the applicant unit as early as possible or within **25 days** of receipt of application by concerned General Manager, RIC / DIC / D.I Odisha in the format prescribed at Annexure – 'E'.

13. Miscellaneous :-

13.1 RIC/ DIC / Directorate of Industries, Odisha may inspect the industrial unit, if felt necessary.

13.2 The Assistance or any part thereof with penal interest as decided by the authority shall become forthwith repayable by the entrepreneur(s), If the information furnished is found to be false / incorrect / misleading or mis-represented and there has been suppression of facts / materials or disbursed in excess of the amount actually admissible for whatsoever reason.

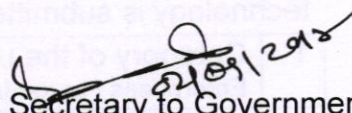
14. Time limit prescribed in this guideline is of working days only

15. The operational guidelines have been concurred in by Finance Department in their UOR No. 87-ES-II/F, dated 10.06.2015.

GOVERNMENT OF ODISHA
INDUSTRIES DEPARTMENT

Memo No. 5928 /I., Bhubaneswar, dated 2/9/2015.
XIV-HI-35/2015

Copy forwarded to All Departments/ All Heads of Departments/ All PSUs/ All Revenue Divisional Commissioners/ All Collectors/ All DICs/ All RICs/ Head, State Portal Group, IT Centre, Secretariat, Bhubaneswar/ All Sections of Industries Department/ Guard File (5 copies) for information and necessary action.


Joint Secretary to Government

**APPLICATION FOR REIMBURSEMENT OF COST OF PURCHASE OF TECHNICAL KNOW -
HOW UNDER INDUSTRIAL POLICY RESOLUTION 2015**

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 _____

Sub-Division _____

Dist. _____

(Location of the Industrial Unit)

To

The General Manager,
Regional Industries Centre / District Industries Centre, _____

Sub: Sanction & disbursement of assistance for technical know- how under provisions of
Industrial Policy Resolution 2015

Sir,

In accordance with the provisions laid down in Industrial Policy Resolution 2015 and operational guidelines, the claim for **reimbursement** of hundred percent (100%) of cost of purchase of technical know – how of indigenous technology / imported technology is submitted herewith with following particulars

| | | | |
|---|--|---|--|
| 1 | Category of the Unit (Micro / Small / Medium Enterprises / Large Industries – under Priority Sector) | : | |
| 2 | New Micro, Small & Medium Enterprises, / Migrated industrial unit treated as new industrial unit under Micro Enterprise / Small Enterprise / Medium Enterprise, / Rehabilitated sick industrial unit treated at par with new industrial unit under Micro Enterprise / Small Enterprise / Medium Enterprise, / Industrial unit seized under Section 29 of the State Financial Corporation Act, 1951 / SARFAESI Act, 2002 and thereafter sold to a new entrepreneur on sale of assets basis and treated as new industrial unit for the purpose of this IPR under Micro Enterprise / Small Enterprise / Medium Enterprise, / New industrial unit under Micro Enterprise / Small Enterprise / Medium Enterprise / Large Industries in Priority Sector, / Migrated industrial unit treated as new industrial unit under Micro Enterprise / Small Enterprise / Medium Enterprise / Large Industries in Priority Sector, / Rehabilitated sick industrial unit treated at par with new industrial unit under Micro Enterprise / Small Enterprise / Medium Enterprise / Large Industries in Priority sector, / Industrial unit seized under Section 29 of the State Financial Corporation Act, 1951 and thereafter sold to a new entrepreneur on sale of assets basis and treated as new industrial unit for the purpose of this IPR and comes under Priority Sector, / Pioneer Units under each 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 | EM-II / IEM / I L No. and date | : | | | |
| 7 | Items of manufacture / activity | : | Item | Quantity | Value |
| 8 | Date of Commencement of production | : | | | |
| 9 | Date of first fixed capital investment i.e. land / building / plant & machinery and balancing equipment. | : | | | |
| 10 | Total capital investment (Head-wise) | : | | | |
| | a | : | | | |
| | b | : | | | |
| | c | : | | | |
| 11 | Name & address of FI/ Bank extended Term loan | : | | | |
| 12 | Whether loan has been availed from FI / Banks for purchase of Technical Know-how/ Term loan for acquisition of Fixed assets specify- | : | | | |
| | a Name of F I / Bank | : | | | |
| | b Amount of loan availed | : | | | |
| 13 | A brief on Technical Know - how purchased | : | | | |
| 14 | Name & address with a profile of the Agency / Organization supplied the Technical Know-how. | : | | | |
| 15 | Whether Govt or its authorized Dept. / Organization has permitted for Import of Technical Know-how | : | | | |
| 16 | Amount of expenditure incurred towards purchase of Technical Know - how (Copy of the bills / vouchers / receipt etc. be submitted with a statement) | : | | | |
| 17 | Details of assistance sanctioned / availed so far from other organization / Agencies with sanction order no & date for purchasing of the same Technical Know-how, if so specify - | : | | | |
| 18 | Quantum of present claim for assistance | : | | | |
| 19 | Clearance of OSPCB, if required | : | | | |
| 20 | Details of assistance sanctioned / availed from any State Govt. or the Central Govt.(Govt) or any Financial Institutions of the country or abroad, with sanction order no & date | : | | | |
| 21 | Differential amount of Claim | : | | | |

I, Sri _____ s/o _____ at present _____ (designation) of M/S _____ (name of the industrial unit) 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 Industrial Policy, 2015 and **its operational guidelines**.

I hereby undertake to repay the assistance amount or any part thereof with penal interest as decided by the authority, If the information furnished is found to be false / incorrect / misleading or mis-represented and there has been suppression of facts / materials or disbursed in excess of the amount actually admissible for whatsoever reason.

I hereby certify that this industrial unit has not applied for / sanctioned / availed any amount of assistance under any other scheme of the State Govt. or the Central Govt. or any Financial Institution(s) / Support organization in the country and abroad against which the present claim is made.

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

Date.

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

List of documents attached.

- 1.
- 2.
- 3.

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 Memorandum- Part- II / IEM / Industrial License / Production Certificate |
| 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 Act-1932 / 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 i.e. land / building / plant & machinery and balancing equipment |
| 5 | Priority Sector Status Certificate / Pioneer Unit Certificate |
| 6 | Migrated industrial unit treated as new industrial unit. |
| 7 | Rehabilitated sick industrial unit treated at par with new industrial unit and duly recommended by State Level Inter Institutional Committee (SLIIC) for this incentive. |
| 8 | Industrial unit seized under Section 29 of the State Financial Corporation Act, 1951 / SARFAESI Act, 2002 and thereafter sold to a new entrepreneur on sale of assets basis and treated as new industrial unit for the purpose of this IPR. |
| 9 | Sanction order of Banks / Financial Institutions extended Term loan |
| 10 | Loan sanction order of Banks / Financial Institutions for purchasing of Technical Know-how, if any |
| 11 | A note indicating the justification for purchasing of technical know-how |
| 12 | Justification on import of technical know-how |
| 13 | Permission of GoI or its authorized Dept. / Organization for import of the technical know-how |
| 14 | Profile of the Agency / Organization supplied the Technical Know-how. |
| 15 | Amount of expenditure incurred towards purchase of Technical Know - How (Copy of the bills / vouchers / receipt etc. be submitted with a statement) |
| 17 | Clearance of Pollution Control Board |
| 18 | Details of assistance applied for / sanctioned / availed so far with sanction order no & date and other supporting documents for purchasing of the same Technical Know-how from State Govt. / Central Govt (GoI) / Govt Agencies / Financial Institutions |
| 19 | Document in support of delay in implementation condoned by Empowered Committee |
| 20 | Undertaking as at Annexure – B1 on non-judicial Stamp Paper duly signed by the applicant |
| 21 | Statutory clearances |

UNDERTAKING

(Strike out whichever is not applicable)

- i) I / We shall abide by the terms and conditions prescribed under the provisions of Industrial Policy Resolution 2015 and its operational guidelines.
 - ii) I / We shall repay the assistance for Technical Know- how or any part thereof with penal interest as decided by the authority-
 - (a) If the information stated above is found to be false/ incorrect / misleading or mis-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.
 - (b) If the industrial unit goes out of production 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.
 - iii) I / we the promoter(s) have not defaulted to Banks / Development Financial Institutions / SIDBI / OSFC / IPICOL / Government and Government controlled 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.
 - iv) This industrial unit has not applied / applied /not availed / availed assistance for quality certification / its' renewal under any other scheme of the State Govt. or the Central Govt. or any Financial Institution(s).
- I / we shall furnish its audited financial statements and other periodical statements of each financial year to the RIC / DIC / IPICOL/ Directorate of Industries, Odisha during the period of incentives.

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

Place-

Date-

**Annexure –C
(FOR OFFICE USE)**

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

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

Acknowledgement

(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 **reimbursement** of hundred percent (100%) of cost of purchase of technical know-how of indigenous technology / imported technology under the provisions of INDUSTRIAL POLICY RESOLUTION, 2015 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 of authorized officer / General Manager, **RIC/ DIC**
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 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 **reimbursement** of hundred percent (100%) of cost of purchase of technical know-how of indigenous technology / imported technology under the provisions of INDUSTRIAL POLICY RESOLUTION 2015 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 of authorized officer / General Manager, **RIC/ DIC**
with seal & date-----

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

(Strike out whichever is not applicable)

SANCTION ORDER

Office order No. _____ dt. _____

Sanction is hereby accorded towards reimbursement of hundred percent (100%) of cost of purchase of indigenous / imported technical know – how for Rs. _____ (in words) 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) located at _____ Sub-Division _____ District _____ in accordance with the provisions laid down in Industrial Policy Resolution –2015 and the operational guidelines. This Sanction is towards differential amount of assistance and does not exceed the limit of ----- rupees as prescribed. In IPR 2015

The captioned industrial unit is a New Micro, Small & Medium Enterprises, / Migrated industrial unit treated as new industrial unit under Micro Enterprise / Small Enterprise / Medium Enterprise, / Rehabilitated sick industrial unit treated at par with new industrial unit under Micro Enterprise / Small Enterprise / Medium Enterprise, / Industrial unit seized under Section 29 of the State Financial Corporation Act, 1951 / SARFAESI Act, 2002 and thereafter sold to a new entrepreneur on sale of assets basis and treated as new industrial unit for the purpose of this IPR under Micro Enterprise / Small Enterprise / Medium Enterprise, / New industrial unit under Micro Enterprise / Small Enterprise / Medium Enterprise / Large Industries in Priority Sector, / Migrated industrial unit treated as new industrial unit under Micro Enterprise / Small Enterprise / Medium Enterprise / Large Industries in Priority Sector, / Rehabilitated sick industrial unit treated at par with new industrial unit under Micro Enterprise / Small Enterprise / Medium Enterprise / Large Industries in Priority sector, / Industrial unit seized under Section 29 of the State Financial Corporation Act, 1951/ SARFAESI Act, 2002 and thereafter sold to a new entrepreneur on sale of assets basis and treated as new industrial unit for the purpose of this IPR and comes under Priority Sector, / Pioneer Units under each Priority sector and comes under IPR-2015 and the total amount sanctioned so far, does not exceed the limit one lakh rupees in case of indigenous technology and five lakh rupees in case of imported technology as prescribed in said Industrial Policy Resolution 2015.

General Manager, RIC/ DIC ____/
Director of Industries, Odisha.

Memo No. _____/dt. _____

Copy forwarded to the Director of Industries, Odisha / General Manager, RIC/ DIC ____/ Managing Director, IPICOL for information and necessary action.

General Manager, RIC/ DIC ____/
Director of Industries, Odisha

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 ____/
Director of Industries, Odisha

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

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

(Strike out whichever is not applicable)

To

The Director of Industries, Odisha
Cuttack.

Subject- Recommending the application for **reimbursement** of hundred percent (100%) of cost of purchase of technical know-how of indigenous technology / imported technology submitted by M/s ____ (Medium Enterprise / Large Industry)

Sir,

This is to certify that the claim submitted by

1. M/s. _____ At _____ PO _____ Sub-Division _____
Dist. _____ (Location of the Industrial Unit) has been verified.

2. The technical know-how transferred indigenously / imported to the unit was essential and useful for the industrial unit.

3. The unit has availed assistance from ----- and applied for differential amount for Rs. -----

4. The proposal is examined and found that the industrial unit is governed under the provisions of IPR-2015 and eligible for reimbursement of hundred percent (100%) of cost of purchase of technical know – how amounting to Rs. _____ (in words) Rupees _____. (Limiting to one lakh rupees in case of indigenous technology and up to five lakh rupees in case of imported technology)

Further, one set of application with copies of relevant documents as listed below is enclosed herewith for taking further course of action in the matter.

Enclosures.-

1.

2.

Signature of the General Manager, RIC/ DIC

Memo No----- Dt-----

Copy forwarded to M/s. _____ At _____ PO _____ Sub-Division _____ Dist. _____ for information.

Signature of the General Manager, RIC/ DIC

Memo No----- Dt-----

Copy forwarded to Managing Director, IPICOL, IPICOL House, Janpath, Bhubaneswar for information.

Signature of the General Manager, RIC/ DIC

Annexure- E

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

Letter No.----- / Date-----
(Strike out whichever is not applicable)

To

Sri _____
M/s. _____
At _____
PO _____
Sub-Division _____
Dist. _____
(Location of the Industrial Unit)

Sir,

This is to inform that your application for sanction of assistance for Technical Know-how filed on dt. _____ under IPR-2015 is rejected due to following reasons.

(Specify the reasons)

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

Signature of General Manager, RIC/ DIC /
Director of Industries, Odisha
with seal & date-----.