

**OPERATIONAL GUIDELINES ON  
EXEMPTION FROM PAYMENT OF PREMIUM LEVIABLE FOR CONVERSION OF  
LAND FOR INDUSTRIAL USE.  
[Para 5.4.1 (e) of IPR - 2015]**

- 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, 2015 i.e. 24.08.2015
- 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, 2015.

**5. Policy Provisions:-**

Para- 5.4.1(e) of Industrial Policy Resolution, 2015

New Industrial units and existing industrial units taking up expansion / modernization / diversification will be granted exemption under the provisions of clause –C of Section-73 of Orissa Land Reform 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 from General Manager, Regional Industries Centre / District Industries Centre for Micro & Small Enterprises as follows :

Micro and Small Enterprises	:	100% up to 5 Acres
Medium Enterprises	:	75% up to 25 Acres
Large Industries	:	50% up to 500 Acres
Priority Sector.	:	100% up to 100 Acres and 50% for balance area

**6. Eligibility: -**

**6.1** New Micro, Small & Medium Enterprises and Large Industries

**6.2** Migrated industrial unit treated as new industrial.

**6.3** Rehabilitated sick industrial unit treated at par with new industrial unit.



- 6.4 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.
- 6.5 New industrial unit under Micro Enterprise / Small Enterprise /Medium Enterprise / Large Industries in Priority Sector
- 6.6 Migrated industrial unit treated as new industrial unit under Micro Enterprise / Small Enterprise /Medium Enterprise / Large Industries in Priority Sector.
- 6.7 Rehabilitated sick industrial unit treated at par with new industrial unit under Micro Enterprise / Small Enterprise /Medium Enterprise / Large Industries in Priority sector.
- 6.8 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 under Micro Enterprise / Small Enterprise /Medium Enterprise / Large Industries in Priority Sector.
- 6.9 Existing Micro, Small & Medium Enterprises and Large Industries taking up expansion / modernization / diversification as defined in IPR
- 6.10 Existing Micro enterprise / Small enterprise /Medium Enterprise / Large Industries in Priority Sector taking up expansion / modernization / diversification as defined in IPR
7. Industrial unit that has availed this incentive under any scheme of the State Govt. or the Central Govt. or any Financial Institution(s), it shall be eligible for the **differential** amount of benefit only.

**8. Time frame for filing application: -**

- 8.1 Eligible Industrial unit shall file its claim complete in all respect, after acknowledgement of Entrepreneurship Memorandum Part-I in case of new MSME / Industrial Entrepreneurs' Memorandum (IEM) 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.
- 8.2 The delay in implementation of the project beyond the control of the entrepreneur may be condoned on a case to case basis by an Empowered Committee.

**9. Procedure: -**

- 9.1 Eligible industrial unit 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' 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.

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

**9.3** 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.

**9.4** General Manager, RIC / DIC shall examine the eligibility, sign the Certificate of verification prescribed at the bottom of the application and transmit one set of Application with copies of relevant documents in respect of Large Industries & Medium Enterprises within **3 days to the Director of Industries, Odisha** under intimation to industrial unit and IPICOL in case of Large Industries only.

**9.5** Recommendation to Concerned Tahasildar- Recommendation to the concerned Tahasildar shall be made to the real extend of the land requirement of the project.

**9.5.1** General Manager, RIC / DIC in case of Micro & Small Enterprises shall examine the eligibility, sign the Certificate of verification prescribed at the bottom of the application and recommend for exemption of premium to the concerned Tahsildar in the format as at **Annexure -D** under intimation to industrial unit within 7 days of receipt of proposal.

**9.5.2** Director of Industries, Odisha in case of Large Industries & Medium Enterprises shall examine the eligibility and recommend for exemption of premium to the concerned Tahsildar in the format as at **Annexure -D** under intimation to industrial unit & IPICOL in case of Large Industries only within 7 days of receipt of proposal from RIC /DIC.

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



**11. 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.

**10.2** 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 misrepresented 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.**

**10.3** The delay in implementation of the project beyond the control of the entrepreneur may be condoned on a case to case basis by an Empowered Committee.

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

Government of Odisha  
Industries Department

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Memo No 5943 /I., Bhubaneswar, dated 02.09.15  
XIV-HI-27/2015

Copy forwarded to All Department/All Heads of Department/All PSUs/ All RDCs/All Collectors/All DICs/All RICs/ Head, Portal Group, IT Centre, Secretariat, Bhubaneswar/All Section of Industries Department/Guard File(5 Copies) for information & necessary action.

  
Joint Secretary to Government.



**Annexure- A**

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

**(Para – 5.4.1 ( e ) of IPR 2015 )**

*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, 2015.

Sir,

In accordance with the provisions laid down in Industrial Policy Resolution, 2015, 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 / Existing Industrial units ( Micro / Small / Medium Enterprises / Large Industries) taking up Expansion / modernization / diversification.		
2	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	EM -I / EM-II / IEM & Production Certificate / I L No. and date	:			
8	Items of manufacture / activity ( Proposed / Existing / E/M/D)	:	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 2015 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 EM Part-I 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, 2015 et 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 Memorandum- Part –I / Part- II / IEM / Industrial License
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 Priority Sector Status
6	Approved Detailed project report
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, 2015 are true to the best of my / our knowledge & belief.
2. This is to certify that 1<sup>st</sup>. 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-2015 i.e. 24.08.2015.
3. The proposed new project / existing project taking up expansion / modernization / diversification has duly been apprised 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 miss-represented 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-2015.
  - (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 RIC / DIC / 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 .....



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-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 with seal & date-----

**(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 -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 with seal & date-----



**Annexure-D**

(Strike out whichever is not applicable)

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

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

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, 2015.

Sir,

In accordance with the provisions laid down in Industrial Policy Resolution, 2015 and its operational guidelines, I recommend for ----- % exemption from payment of premium leviable for conversion of land for industrial use----- in favour of M/ \_\_\_\_\_, At \_\_\_\_\_ P.O. \_\_\_\_\_ Dist. \_\_\_\_\_ bearing EM- I / EM-II / IEM / I L No. \_\_\_\_\_ date \_\_\_\_\_. The particulars are given below.

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

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, 2015 made by M /s \_\_\_\_\_ bearing EM -I / EM-II / IEM / IL No \_\_\_\_\_ Dt \_\_\_\_\_ on dt. \_\_\_\_\_ is rejected due to following reasons.

(Specify the reasons)

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

(Signature)