

OPERATIONAL GUIDELINES ON EXEMPTION OF ELECTRICITY DUTY UNDER IPR-2015

[See Para 5.4.4 (a), (b) & (c) of IPR-2015]

- 1. Short Title:** - Operational guidelines for Exemption of Electricity Duty under provisions of Para- 5.4.4 (a), (b) & (c) of 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: -

- (i) Terms and expressions used in this operational guideline, but not specifically defined here, shall have the same meaning as in Industrial Policy Resolution, 2015.
- (ii) "Electrical Authority" means Superintendent Engineer-cum-Electrical Inspector for the purpose of exemption of Electricity Duty.

5. Policy Provisions:-

Para- 5.4.4 (a), (b) & (c) of Industrial Policy Resolution, 2015

- (a)** New M S M Es shall be exempted from the payment of electricity duty up to a contract demand of 500 KVA for a period of 5 years from the date of availing power supply for production.
- (b)** New industrial unit in Priority sector shall be exempted from the payment of electricity duty up to a contract demand of 5 MVA for a period of 5 years from the date of availing power supply for production.
- (c)** New & existing industrial units setting up Captive Power Plant with non-conventional sources & bio-fuel shall be exempted from payment of 100% Electricity Duty for a period of 5 years from the date of commissioning as Green Energy Subsidy.

6. Eligibility: -

- 6.1 New industrial unit under Micro enterprise / Small enterprise / Medium Enterprise up to a contract demand of 500 KVA other than Priority sector industries.
- 6.2 Migrated industrial unit treated as new industrial unit under Micro enterprise / Small enterprise / Medium Enterprise up to a contract demand of 500 KVA other than Priority sector industries.

- 6.3 Rehabilitated sick industrial unit treated at par with new industrial unit under Micro enterprise / Small enterprise / Medium Enterprise up to a contract demand of 500 KVA other than Priority sector industries.
- 6.4 Industrial unit seized under Section 29 of the State Financial Corporation Act, 1951 / Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (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 up to a contract demand of 500 KVA other than Priority sector industries.
- 6.5 New industrial unit under Micro enterprise / Small enterprise / Medium Enterprise / Large Industries up to a contract demand of 5 MVA in Priority sector.
- 6.6 Migrated industrial unit treated as new industrial unit under Micro enterprise / Small enterprise / Medium Enterprise / Large Industries up to a contract demand of up to a contract demand of 5 MVA 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 up to a contract demand of 5 MVA in Priority sector.
- 6.8 Industrial unit seized under Section 29 of the State Financial Corporation Act, 1951 / Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (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 up to a contract demand of 5 MVA in Priority sector.
- 6.9 New & existing industrial units setting up Captive Power Plant with non-conventional sources & bio-fuel for Green Energy Subsidy.
- 6.10 Pioneer Units under each Priority sector shall be eligible for extension of period of incentives for an **additional two years** over and above the limit specified, provided the unit has been in continuous production during the normal period of incentive.
- 6.11 If the industrial unit has availed this incentive under any scheme of State Govt. or the Central Govt. (GoI) or Govt. Agencies or any financial institutions, it shall be eligible for the differential benefit only.

6.12 Units listed at **point 3 of SCHEDULE of Annexure - II of IPR-2015** shall not be eligible for fiscal incentives as industrial units

7. Time frame for filing application: - Eligible Industrial unit shall file its claim complete in all respect, **within One year** from the date of commencement of production.

In case of Captive Power Plant with non-conventional sources & bio-fuel, the claim shall be filed **within one year** from the date of its commissioning.

Pioneer Units in each Priority sector shall file its claim in two stages. It shall be **within one year** from the date of commencement of production / commissioning of CPP for production of Power, as the case may be, for normal period of incentives and for extension of period of incentives for an **additional two years** over and above the limit specified, it shall be within next **six months** of completion of normal period of incentive.

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

8. Procedure: -

8.1 Eligible industrial unit claiming exemption from the payment of Electricity Duty on Distribution Company's power supply & on power generation by Captive Power Plant with non-conventional sources & bio-fuel shall submit application in the prescribed form appended to this operational guideline at Annexure --'A- I' & 'A- II' respectively along with copies of all relevant documents as mentioned in the Checklist at Annexure -'B'. Application shall be submitted before the concerned General Manager, Regional Industries Centre / District Industries Centers for Micro, & Small Enterprises in duplicate and Medium Enterprises & Large Industries in triplicate

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

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

8.4 The application of Micro, Small & Medium Enterprises & Large Industries irrespective of their contract demand & sector shall be examined and scrutinized by the concerned RIC / DIC, who shall determine the date of first

fixed capital investment, entitlement for ED exemption, quantum of contract demand, date of availing power supply for production, ascertain date of commissioning, quantum of energy generation of CPP and its percentage for self- consumption as certified by the Electrical authority etc. After scrutiny and examination, correction, if any required on the application form, shall be made under the signature of General Manager, RIC /DIC / their authorized officer. The process of examination, scrutiny etc shall be completed within 15 days of receipt of proposal.

8.5 After completion of examination, scrutiny of the proposal, in case of Medium Enterprise / Large Industries irrespective of their contract demand & sector and quantum of energy generation of CPP etc. the RIC / DIC shall transmit the application and relevant documents in duplicate along with data in **Annexure -D** within 15 days of receipt of proposal under intimation to the applicant unit. The third set of application with copies of relevant documents shall be retained in the office of General Manager, RIC / DIC for record.

8.6 Director of Industries, Odisha, on receipt of application of Medium Enterprise / Large Industries irrespective of their contract demand & sector and quantum of energy generation of CPP etc. from RIC / DIC, may further examine the application within next 3 days.

8.7 Sanction of Exemption of Electricity Duty on Distribution Company's Power supply:-

8.7.1 One set of application with supporting documents shall be forwarded to the Superintendent Engineer-cum-Electrical Inspector of the concerned zone recommending exemption to be allowed with particulars in the prescribed form appended at Annexure- 'E' by the authority as below.

(a) The General Manager, RIC / DIC for Micro, & Small Enterprises irrespective of their contract demand & sector within next **5 days** of the 15 days prescribed for processing the proposal as above in Para – 8.4

(b) The Director of Industries, Odisha for Medium Enterprises and Large Industries irrespective of their contract demand & sector within next **8 days** of the 15 days prescribed for processing the proposal as above in Para – 8.4. **This 8 days includes 3 days for further processing of the proposal** as above in para- 8.6

Copies of said recommendation letter should be forwarded to Director of Industries, Odisha / General Manager, RIC / DIC / Managing Director, IPICOL as applicable and to the applicant unit.

- 8.7.2** On receipt of the recommendation from General Manager, RIC / DIC or Director of Industries, Odisha, as the case may be, the Superintendent Engineer-cum-Electrical Inspector of the concerned zone shall sanction the exemption of Electricity Duty and intimate the same to the Executive Engineer of concerned Electrical Division, Superintendent Engineer-cum-Electrical Inspector, Odisha, Bhubaneswar, Director of Industries, Odisha, General Manager, RIC / DIC / IPICOL and applicant unit in the prescribed format appended at Annexure- 'F' within **7 days** from the date of recommendation from the RIC/ DIC /Director of Industries, Odisha.
- 8.7.3** In any case exemption is allowed after collection of electricity duty; the Executive Engineer concerned shall take necessary steps to adjust the excess collection against tariff payable by the industrial unit in near future after getting refund order from concerned Superintendent Engineer-cum-Electrical Inspector.
- 8.7.4** Superintendent Engineer-cum-Electrical Inspector shall keep accounts of exemption and adjustment and intimate the same at the end of each financial year to the Superintendent Engineer-cum-Electrical Inspector, Odisha / Director of Industries, Odisha / RIC/ DIC concerned so as to keep record of quantum of benefit extended during the IPR 2015.
- 8.7.5** The date of Power Supply to avail of admissible exemption on Electricity Duty is the date of power supply by the DISTICO for production. Therefore, it is advisable that Industrial Units should take construction power and production power separately and to execute separate agreement for construction power and production power.

8.8 Recommendation for Exemption of Electricity Duty on Captive Power Plant with non-conventional sources & bio-fuel:-

- 8.8.1** One set of application with supporting documents made by the new / existing industrial unit setting up Captive Power Plant with non-conventional sources & bio-fuel shall be forwarded to the Superintending Engineer (P)-cum-E.I. (G) of the concerned zone recommending for ED exemption with particulars in the prescribed form appended at Annexure- 'G' by the authority as below.
- (a) The General Manager, RIC / DIC for eligible Micro, & Small Enterprises setting up CPP with non-conventional sources & bio-fuel within next **5 days** of the 15 days prescribed for processing the proposal as above in Para – 8.4
- (b) The Director of Industries, Odisha for eligible Medium Enterprises and Large Industries within next **8 days** of the 15 days prescribed for processing the

proposal as above in Para – 8.4. **This 8 days includes 3 days for further processing of the proposal** as above in para- 8.6

Copies of said recommendation letter should be forwarded to Director of Industries, Odisha / General Manager, RIC / DIC / Managing Director, IPICOL as applicable and to the applicant unit.

8.8.2 On receipt of the recommendation from General Manager, RIC / DIC or Director of Industries, Odisha, as the case may be, the **Superintendent Engineer-cum-Electrical Inspector of the concerned zone shall exempt the recommended Electricity Duty** and intimate the same to the Executive Engineer of concerned Electrical Division, Superintendent Engineer-cum-Electrical Inspector, Director of Industries, Odisha, General Manager, RIC / DIC / IPICOL and applicant unit in the prescribed format appended at Annexure- 'H' within **7 days** from the date of recommendation from the RIC/ DIC /Director of Industries, Odisha. The S E (P) – cum- EI (G) shall take steps for adjustment of excess amount paid, if any, with intimation to all concerned.

8.8.3 Superintendent Engineer-cum-Electrical Inspector shall keep accounts of exemption and adjustment and intimate the same at the end of each financial year to the Superintendent Engineer-cum-Electrical Inspector, Director of Industries, Odisha / RIC/ DIC concerned so as to keep record of quantum of benefit extended during the IPR 2015.

8.8.4 Date of commissioning of the CPP with non-conventional sources & bio-fuel is to be submitted by the applicant unit along with the application form. Date of commissioning shall be mentioned on the Commissioning Report with joint signature of the representatives of the applicant unit, supplier / erector of the CPP with non-conventional sources & bio-fuel, concerned Superintendent Engineer-cum-Electrical Inspector and if applicable representatives of Distribution Company and Odisha Power Transmission Corporation Ltd.

9. Rejection: In case of **rejection** of application at the level of General Manager, RIC / DIC / Director of Industries, Odisha / Superintendent Engineer-cum-Electrical Inspector 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 **30 days** of receipt of application from the claimant unit at RIC /DIC/IPICOL level in the format prescribed at Annexure – 'I'.

10. Industrial units covered under earlier Industrial policy shall continue to enjoy the incentives if admissible under the said policy as per eligibility.

11. The receipt of claim filed by the industrial units and exemption of Electricity Duty allowed etc. shall be monitored both electronically & manually at DIC / Directorate of Industries, Odisha / Electrical authorities' level.

12. Miscellaneous:-

12.1 Electrical authority(s) / Directorate of Industries, Odisha/ RIC / DIC may inspect the industrial unit individually / jointly, if felt necessary.

12.2 Industrial Unit shall furnish information, reports, periodical statements etc to the RIC / DIC / IPICOL / Directorate of Industries, Odisha / Electrical authority concerned as and when required.

12.3 Industrial unit availed incentives will not be allowed to shift its' location without prior approval of RIC / DIC / Director of Industries, Odisha.

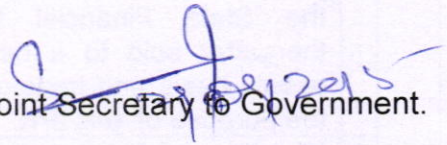
12.4 Time limit prescribed in this guideline is of working days only.

13. This has been concurred in by Energy Department.

Government of Odisha
Industries Department

Memo No 5945 /I., Bhubaneswar, dated 02.09.2015
XIV-HI-28/2015

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.

**APPLICATION FOR EXEMPTION FROM PAYMENT OF ELECTRICITY DUTY ON
DISTRIBUTION COMPANY'S POWER SUPPLY**

(Para -5.4.4, (a) & (b) of IPR 2015)

*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 of the Industrial Unit)

To

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

Sub: Exemption from payment of Electricity Duty 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 Energy Department, Government of Odisha the claim for exemption of Electricity Duty is submitted herewith for the eligible period with following particulars.

1	Category of the Unit	:	
a	New Micro / Small / Medium Enterprises / Large Industries / Migrated industrial unit treated as new industrial unit under Micro, Small & Medium Enterprise / Large Industries /Rehabilitated sick industrial unit treated at par with new industrial unit under Micro, Small & Medium Enterprise / Large Industries / 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	:	
b	New Industrial Unit under Priority Sector / / Migrated industrial unit treated as new industrial unit and comes under Priority Sector / Rehabilitated sick industrial unit treated at par with new industrial unit and comes under 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 Unit in Priority Sector	:	
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	Date of first fixed capital investment i.e. land / building / plant & machinery and balancing equipment.	:	
6	EM-II / IEM & Production Certificate / I L No. and date	:	

7	Items of manufacture / activity	:	Item	Quantity	Value
			(I)		
			(ii)		
8	Date of starting production	:			
9	Date of power supply for production	:			
10	Consumer no of the Industry	:			
11	Connected load / contract demand	:		(in KVA / MVA)	
12	Total capital investment (Head-wise)	:			
	a	:			
	b	:			
	c	:			
	d	:			
	e	:			
13	Employment generated	:			
14	Whether Electricity Duty exemption has availed earlier (Yes/ No) If yes, furnish in details	:			
15	Extent of exemption of electricity duty and the period for which exemption is claimed	:			
16	Extent of exemption of electricity duty and the period of exemption availed from any scheme of State Govt. or the Central Govt. (GoI) or Govt. Agencies or any financial institutions (Furnish details)	:			
17	A/c No. of the Industrial unit	:			
18	Name of Bank Branch with IFSC code & MICR No	:			

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 Industrial Policy 2015 and its operational guidelines.

I hereby undertake to furnish information, reports, periodical statements etc to the DIC / Directorate of Industries, Odisha / Electrical authorities as and when required.

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 FURNISHED BY GENERAL MANAGER, RIC / DIC -----

Certified that the information furnished as above has been verified and found correct. The industrial unit is eligible for exemption of Electricity Duty under the provisions of IPR-2015.

Signature of authorized officer /
General Manager, RIC /DIC -----/ with seal & date-----

**APPLICATION FOR GREEN ENERGY SUBSIDY i.e. EXEMPTION FROM PAYMENT OF
ELECTRICITY DUTY ON CAPTIVE POWER PLANT WITH NON-CONVENTIONAL
SOURCES & BIO FUEL
(Para - 5.4.4, (c) of IPR 2015)**

*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 of the Industrial Unit)

To

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

Sub: Exemption from payment of Electricity Duty 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 Energy Department, Government of Odisha the claim for exemption of Electricity Duty is submitted herewith for the eligible period with following particulars.

1	Category of the Unit	:	
a	New Micro / Small / Medium Enterprises / Large Industries / Migrated industrial unit treated as new industrial unit under Micro, Small & Medium Enterprise / Large Industries / Rehabilitated sick industrial unit treated at par with new industrial unit under Micro, Small & Medium Enterprise / Large Industries / 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	:	
b	New Industrial Unit under Priority Sector / Migrated industrial unit treated as new industrial unit and comes under Priority Sector / Rehabilitated sick industrial unit treated at par with new industrial unit and comes under 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 Unit in Priority Sector	:	
2	Address of Registered office	:	
3	Type of organization (Proprietorship / Partnership / Co-operative / Private Limited / Public Limited)	:	