

**OPERATIONAL GUIDELINES FOR DISBURSEMENT OF CAPITAL INVESTMENT SUBSIDY FOR
CINEMA HALLS AND MULTIPLEXES UNDER ODISHA STATE FILM POLICY 2019**

(See Para 11.1a of OSFP 2019)

1. Short Title

Operational guidelines for Capital Investment Subsidy for Cinema Halls and Multiplexes under Odisha State Film Policy 2019.

2. Commencement

It shall come into force from the "Effective Date" of Odisha State Film Policy 2019 i.e. March 2, 2019.

3. Policy Provisions

Para 11.1b Capital Investment Subsidy

a. Capital investment subsidy shall be provided to eligible cinema halls and multiplexes projects, at the rate of 20% of the investment, subject to a ceiling of INR 4 crore.

4. Terms and Expressions

4.1 "Project" means Cinema Halls and Multiplexes as per definition in the OSFP 2019.

4.2 Investment means total eligible Fixed Capital Investment i.e. cost of Building, Equipments and Machinery and other fixed assets as per book value. Investment made on the following items will be taken into account for assessment for eligible "Fixed capital investment"-

- i. Building and other civil works towards building of the cinema hall units
- ii. Equipment and Machinery
- iii. Generator set
- iv. Waste disposal facilities
- v. Pollution Control equipment
- vi. Rain water harvesting
- vii. Energy conservation equipment
- viii. Non-conventional Energy equipments
- ix. Fire Fighting equipment / sensors for safety measures
- x. Electrical installations

The following shall be considered as ineligible investment for the purpose of availing Capital Investment Subsidy-

- i. Cost of land
- ii. Sewage Treatment Plant / Effluent Treatment Plant (covered under Para 11.8 of OSFP 2019)
- iii. Working capital

- iv. Goodwill
- v. Commissioning fees
- vi. Royalty
- vii. Pre-operative expenses
- viii. Second hand equipment and machinery, furniture fixtures, etc.
- ix. Interest capitalized
- x. Trucks, cars, vans, trailers and other transport vehicles
- xi. Consumables
- xii. Technical/Consultant fees

4.3 Terms and expressions used in this operational guideline, but not specifically defined / explained here, shall have the same meaning as in Odisha State Film Policy 2019.

5. Eligibility

Projects satisfying the criteria and falling under the following category shall be eligible for the incentive-

1. New Cinema Halls and Multiplexes as defined in the OSFP 2019 shall be eligible for the incentive.
2. Multiplexes and cinema halls in within the limits of the municipal corporation areas of Bhubaneswar and Cuttack shall not be eligible for any incentives.
3. Project must have been approved by the Competent Authority under the extant of The Orissa Cinemas Regulation Act 1954
4. The Date of Operation for the project should be after the "Effective Date" of Odisha State Film Policy 2019.
5. Project Promoter should not have availed similar incentives, under any other scheme of the State Government for the project.

6. Determination of Date Of Operation

The "Date of Operation" shall be determined by the Director of Industries, Odisha based on the totality of documentary evidence submitted.

7. Time frame for filing application:

Eligible projects shall apply for the incentive in the prescribed Application Form, complete in all respect, within one year from the date of operation. Application received after the due date/ incomplete in any respect shall be liable to be summarily rejected.

8. Constitution of Special Single Window Committee (SSWC)

1. Special Single Window Committee (SSWC)

The Special Single Window Committee shall be the competent authority to accord approval of subsidy to eligible projects. The Committee shall comprise of following members:

i.	Principal Secretary to Government, Industries Department	Chairman
ii.	Representative from Finance Department not below the rank of Joint Secretary	Member
iii.	Representative from Tourism Department not below the rank of Joint Secretary	Member
iv.	Managing Director , OFDC	Member
v.	Director of Industries, Government of Odisha	Member -Convener
vi.	Any other member(s) to be co-opted as per the decision of the Chairman	

8.2The State Level Committee shall go into merits of each case and decide on eligibility as well as quantum of subsidy admissible to the projects.

8.3The State Level Committee shall discharge all other functions as may be necessary and subservient to the sanction and disbursement of subsidy among other things.

8.4 The State Level Committee may meet monthly or as per requirement.

9. Procedure for Approval, Sanction, Confirmation and Ratification thereon

9.1Projects satisfying the eligibility shall file application with Director of Industries, Odisha in the prescribed form appended to this operational guideline at **Annexure 1.1** along with copies of all relevant documents as mentioned in the Checklist at **Annexure 1.2**.

9.2 On receipt of application, the acknowledgement as prescribed at **Annexure- 2.1** shall be dispatched to the applicant by DI, Odisha within 3 working days.

9.3 DI, Odisha will check the eligibility and determine the applicability in each case within 7 working days of receipt of application, shall examine the veracity of facts concerning the claim, and crosscheck this with CA audited statements and supporting bills/vouchers provided by the project proponent. A committee constituting of representatives of the DI, Odisha and OFDC shall jointly visit the unit and assess the actual eligible fixed capital investment, as per the format in **Annexure 3.1**, which shall be submitted with the SSWC within 10 days of the application. The Lead Bank (if any) for the project shall also be informed before the joint inspection, and their representative shall also be invited to join the inspection with the committee, during inspections

9.5 The SSWC will review the application, and decide on the application for incentive for the project, within 21 days of the application.

9.6 Based on the assessment of the incentive for the project, the DI, Odisha shall communicate to the concerned project proponent within 3 working days of issue of the proceedings regarding the sanction of the incentive, as per the format in **Annexure-4.1**.

9.7 In case of rejection of the application, the same will be communicated by Director of Industries, Odisha to OFDC and to the concerned enterprises in the format prescribed at **Annexure 5.1**, within 3 days of the decision.

10. Disbursement of Capital Investment Subsidy

1. DI, Odisha shall disburse the subsidy / reimbursement to the Loan Account of the Lead Bank for the project or to the bank account of the Project Proponent within 14 days of sanction of the subsidy.
2. Disbursement will be made on availability of funds through budgetary provision as per the modality to be decided, if necessary, by the DI, Odisha.

11. Funds and Audit

1. **Funds:** The DI, Odisha will estimate the requirement of funds and furnish the requirement to the Industries Department for budget provision every year. The State Government in Industries Department will provide funds to DI, Odisha, who shall be the Disbursing Agency. The Disbursing Agency will maintain regular accounts for each case and shall be accountable to the Audit and the State Government. DI, Odisha will furnish the utilization certificate in OGFR-VI along with the list of beneficiaries disbursed with assistance at the end of each financial year.
2. **Audit:** The accounts maintained by the Director of Industries, Odisha shall be audited by the AG, Odisha.

12. Maintenance of Records:

The receipt / forwarding / sanction / rejection / disbursement of the incentive shall be monitored at the DI, Odisha level.

13. Recovery of Capital Investment Subsidy

In case where, a project in the opinion of the SSWC has availed of the Capital Investment Subsidy by misrepresentation, fraud or by furnishing false and misleading information or by suppressing facts / materials or disbursed in excess of the amount actually admissible for whatsoever reason, the incentive provided shall be returned together with an penal interest of 24% from the date of first disbursement.

14. Miscellaneous:

14.1 Application for Condonation of implementation delay shall be dealt separately by the SSWC

14.2 DI, Odisha/Any other authority appointed by the SSWC may inspect the project individually / jointly if required.

14.3 Any change in facts or circumstances affecting the eligibility of the project and contingencies like shifting of project within the State, change of ownership etc., shall be intimated immediately to the DI, Odisha by the Project Proponent.

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

14.5 Where any doubt arises regarding implementation of these Operational Guidelines, the same shall be referred to Government of Odisha in the Industries Department whose decision shall be final and binding on all the parties.

**CAPITAL INVESTMENT SUBSIDY FOR CINEMA HALLS AND MULTIPLEXES UNDER ODISHA STATE
FILM POLICY 2019**

(See Para9.1 of operational guidelines)

From

M/s. _____

At/PO _____

Dist. _____

To

Director of Industries, Odisha

Cuttack

Sub: Application for Capital Investment Subsidy under Odisha State Film Policy 2019.

Sir,

In accordance with the provisions laid down in OSFP 2019 and its Operational Guidelines, the Application for sanction and disbursement of Capital Investment Subsidy is submitted with following particulars.

1.	Category of the Unit (Cinema Hall / Multiplex)	
2.	Address of project	Plot No. ____ Khata No. _____ measurement of area _____ Mouza _____ District _____
3.	Name and address of the Project Proponent	
4.	Name of Proprietor / Managing Partner / Managing Director / Authorized Signatory with designation, contact phone number and email id.	
5.	PAN number of Project Proponent	
6.	Date of approval by Competent Authority under the extant of The Orissa Cinemas Regulation Act	

	1954	
7.	Date of Operation for the project	
8.	<p>Bank Details (as applicable)</p> <p>i) Loan Account of the Lead Bank (if applicable)</p> <p>a) Name of the Bank</p> <p>b) A/c No.</p> <p>c) IFSC Code</p> <p>ii) Account details of Project Proponent</p> <p>a) Name of the Bank</p> <p>b) A/c No.</p> <p>c) IFSC Code</p>	

9.	Details of the eligible fixed capital expenditure in the project (Head-wise)	Head of Expenditure	Expenditure in Rs (supported by audited CA certificate, bills/vouchers) including applicable taxes
		i. Building and other civil works towards building of the cinema hall units	
		ii. Equipment and Machinery	
		iii. Generator set	
		iv. Waste disposal facilities	
		v. Pollution Control equipment	
		vi. Rain water harvesting	
		vii. Energy conservation equipment	
		viii. Non-conventional Energy equipments	
		ix. Fire Fighting equipment / sensors for safety measures	
		x. Electrical installations	
		Total	

i) I Mr/Ms _____ S/o _____ at present _____ (designation) of M/S _____ (name of the company) on behalf of the company, certify that the information furnished as above is true and correct to the best of my knowledge and belief.

ii) The project is operational, and the date of operation is _____.

iii) I/We hereby undertake that based on the proposed eligible Fixed Capital Investment for the project, the claim for Capital Investment Subsidy is for Rs. ----- (in words).

iv) I/We shall abide by the terms and conditions prescribed under the provisions of Odisha State Film Policy 2019 and its operational guidelines.

v) I/We shall repay the Capital Investment Subsidy or any part thereof with penal interest as decided by the authority if the information stated in the application and supporting documents is found to be false/ incorrect / misleading or miss-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., the incentive provided shall be returned together with an penal interest of 24% from the date of first disbursement.

vi) I/We have not applied / availed or will not apply for Capital Investment Subsidy in any manner under any other scheme of the State Government for the project

Date-

Signature of the Proprietor / Managing Partner/

Place-

Managing Director / Authorized Signatory in full and on behalf of

M/s-----

Annexure- 1.2

CHECK LIST

(See Para 9.1 of operational guidelines)

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

1	PAN number of Project Proponent
2	Power of Attorney / Board Resolution/ Society Resolution, as applicable, while signing as Managing Partner/Managing Director / Authorized Signatory.
3	Certificate of registration under Indian Partnership Act1932 / Societies Registration Act- 1860 / Certificate of incorporation (Memorandum of association & Article of Association)
4	Approval of the project from the Competent Authority under the extant of The Orissa Cinemas Regulation Act 1954
5	CA audited certificate on the actual eligible fixed capital investment, along with copies of bills and vouchers against all the declared fixed capital investment. The certificate should state that the fixed capital assets acquired by the project are new, the cost has been duly paid for and these assets are required in process of operation and are in use / working in the premises of the project.
6	Documentary proof towards Commencement of operation. Documents like Electricity Bill or the Ticket sold shall be considered for determination of the date of operation.
7	Copy of the following statutory approvals required for the project (as required for operation of the project) <ul style="list-style-type: none"> a. Consent to Operate b. Necessary approval on Fire Safety c. Necessary approval on Building Plans d. Necessary Certificate of Electrical Inspections
8	Sanction letter of Loan from Lead Bank (if applicable)

Annexure- 2.1

ACKNOWLEDGEMENT OF RECEIPT OF APPLICATION

(See Para- 9.2 of operational guidelines)

OFFICE OF THE DIRECTOR OF INDUSTRIES, ODISHA, CUTTACK.

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

To

Mr/Ms _____

M/s. _____

Received the application for ----- under the provisions of Odisha State Film Policy 2019 and its operational guidelines along with documents mentioned below from M/s-----
----- At/PO-----Dist. ___ on dt. _____.

List of documents

- 1.
- 2.
- 3.

Director of Industries, Odisha

with seal & date

Annexure- 3.1

JOINT INSPECTION REPORT- SITE VISIT AND ASSESSMENT OF DECLARED INVESTMENT AND DATE OF COMMERCIAL OPERATION

(See Para- 9.3 of operational guidelines)

- 1) I visited the site of the project of proponent M/S_____ at _____ (address) who has applied for Capital Investment Subsidy under Odisha State Film Policy 2019, as per application no _____.
- 2) The project is anoperational, and the date of commercial operations as per available documentary proof is _____.
- 3) I have verified the fixed capital assets declared by the project proponent, these are found to located in the premises of the unit and actually required in process of its operation.

Head of Expenditure	Declared Expenditure based on bills/vouchers audited by a CA including applicable taxes	Expenditure Assessed after joint inspection	Remarks (With reasons for variation)
i. Building and other civil works towards building of the cinema hall units			
ii. Equipment and Machinery			
iii. Generator set			
iv. Waste disposal facilities			
v. Pollution Control equipment			
vi. Rain water harvesting			
vii. Energy conservation equipment			
viii. Non-conventional Energy equipments			
ix. Fire Fighting equipment / sensors for safety measures			
x. Electrical installations			

Signature & Designation of Officer

forwarding the application with seal and date

SANCTION LETTER

(See Para- 9.6 of operational guidelines)

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

To

Mr/Ms _____

M/s. _____

Sub: Sanction of Capital Investment Subsidy

Ref: Your application for Capital Investment Subsidy dated -----

Dear Sir,

We are pleased to inform you that your application for the sanction of Capital Investment Subsidy in favour of your project, has been approved as per the Odisha State Film Policy 2019.

1. Based on the details furnished for the purpose of sanction of Capital Investment Subsidy, the amount of capital investment subsidy to which you are entitled to is determined at Rs. _____.
2. The above sanctioned incentives shall be disbursed to the Loan Account of the Lead Bank for the film project or to the bank account of the Project Proponent, as provided by you in your application.
3. Disbursement shall be subject to availability of funds allocated for the Capital Investment Subsidy as per the OSFP 2019.
4. You shall have to repay the Capital Investment Subsidy or any part thereof with penal interest In case where, it is found that you have availed Capital Investment Subsidy by misrepresentation, fraud or by furnishing false and misleading information or by suppressing facts / materials or disbursed in excess of the amount actually admissible for whatsoever reason, the incentive provided shall be returned together with an interest of 24% per annum from the date of first disbursement.

Director of Industries, Odisha,

Annexure5.1

REJECTION LETTER

(See Para- 9.7 of operational guidelines)

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

To

Mr/Ms _____

M/s. _____

Sub: Rejection of application for Capital Investment Subsidy

Ref: Your application for Capital Investment Subsidy dated -----

Dear Sir,

We inform you that based on the information provided in your application, your project has been found ineligible and application for incentives under the Odisha State Film Policy 2019 is rejected due to the following reasons.

The reasons for rejection are as follows –

a)

b)

c)

Director of Industries, Odisha