

GOVERNMENT OF ODISHA
ELECTRONICS AND INFORMATION TECHNOLOGY DEPARTMENT

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NOTIFICATION

No. 1967 /E&IT
E&IT-Dev-II-13/2017

Bhubaneswar
Dated 13-06-18

Sub: Operational Guidelines for Interest Subsidy Reimbursement under ICT Policy 2014 (See Clause No. 6. 6 of ICT Policy-2014).

1. **Short Title** - Operational guidelines for of Interest Subsidy reimbursement under ICT Policy, 2014.
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 ICT Policy 2014, i.e. 16th January, 2014.
4. **Terms and Expressions** -
 - a) Here interest refers to the Term Loan Interest availed by the company to purchase the fixed assets like Plant & Machinery, Computer hardware & peripherals, Electrical & Networking equipment and commercial operation infrastructure. Working capital and any loan on Land & Building procurement and/or development will not be considered.
 - b) The Interest Subsidy will be in the form of reimbursement of interest on term loan, availed by the company from public financial institution /Banks, for a period of 5 (five) years from the date of starting commercial operation by the company. The subsidy on interest will be credited to the bank from where the unit has availed the Term Loan.
 - c) This subsidy can be applied during first five years from the date of starting commercial operation and can be availed upto maximum limit set forth in the ICT Policy 2014 i.e. Rs. 10 Lacs for Micro industries and Rs. 20 Lacs for small enterprises of IT/ITES/ESDM industries.
 - d) The IT/ITES/ESDM unit cannot avail or apply for this incentive more than once during its operating period.
 - e) If the unit has availed any assistance/subsidy for the Term Loan Interest from a State Govt. or the Central Govt. (GOI), it shall be eligible only for the differential amount of assistance through this ICT Policy 2014.
 - f) This subsidy is applicable to both the new Term Loan availed after the effective date of this policy as well as any ongoing Term Loan post publishing of this policy. However in the latter case, only the remaining years of commercial operation out of the first 5 years of entitlement will be taken into consideration.
 - g) Terms and expressions used in this operational guideline, but not specifically defined/explained here, shall have the same meaning as in ICT Policy 2014.
5. **Policy Provisions** - New IT/ITES/ESDM unit coming under Micro. Small Enterprise will be entitled to interest subsidy @ five percent (5%) per annum on term loan availed from Public Financial Institutions / Banks for a period of five years from the date of starting of commercial production subject to limit of 10 Lakh rupees for micro enterprises and 20 Lakh rupees for small enterprises.

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

- a) The new IT/ITES/ESDM units in Odisha coming under Micro and small enterprise who have availed the Term Loan after publishing of the ICT Policy 2014.
- b) New IT/ITES/ESDM units in Odisha coming under Micro & Small Enterprise, whose Term Loan tenure falls within the operative period of the ICT Policy 2014.
- c) The company has not reached its total maximum limit of availing Interest Subsidy Reimbursement based on its prior applications and disbursements from Government, if any
- d) The applicable incentive shall not be sanctioned & disbursed if the IT/ITES/ESDM unit is found closed or has gone out of production during the evaluation and approval process.
- e) Sister concern under the Company who have already availed the subsidy/applied will not be considered for evaluation and approval for reimbursement of this subsidy.
- 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. Determination of date of production/Operation: The date of production/commencement of commercial operations for availing this incentive shall be determined by the OCAC Committee on the basis of supporting documents, enclosed with the incentive application, as per this operational guideline.

8. Timeframe for filing application: The eligible IT/ITES/ESDM unit shall file Application in prescribed form for sanction of Interest Subsidy Reimbursement within the Term Loan tenure and during the operative period of ICT Policy 2014. Application in the prescribed form received after the due date / incomplete in any respect is liable to be summarily rejected.

9. Approval Process:

- 9.1** 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.
- 9.2** 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.
- 9.3** The Secretary, E & IT department and Chairman OCAC may recommend/ approve/ reject/ defer any application for incentives/ subsidy at its Sole Discretion.

- 9.4 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

10. Procedure

- a. 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.
- b. 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.
- c. 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.
- d. 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.
- e. 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.
- f. OCAC will act as the nodal point during the entire process to respond to any queries or address any grievances from the applicants.

11. Disbursement - Disbursement of sanctioned amount for reimbursement of interest subsidy on Term Loan shall be credited to the company's bank account after receiving the document 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 approval of the Apex Committee.

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

13. 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.

14. **Monitoring** - A periodic monitoring by the 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, the incentives provided shall be withdrawn under approval of the Apex Committee and legal prosecution will be followed.

15. **Recovery** - The amount disbursed towards reimbursement of subsidy for Term Loan Interest shall be recovered with penalty, as per prevailing rate of interest per annum, from the date from which the subsidy is availed 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 for whatsoever reason.
- b) If the production unit goes out of operation for a period exceeding six months at a time for any reasons other than labor issues, want of electrical power and/or network connectivity or for reasons beyond the control of entrepreneur/management during the period of 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.

16. **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. 1968 /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. 1969 /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. 1970 /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. 1971 /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.



Deputy Secretary to Government

Memo No. 1972 /EIT Dated 13-06-18
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. 1973 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 INTEREST SUBSIDY REIMBURSEMENT

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	Industrial License and Production Certificate	<input type="checkbox"/>
7	Proof of the Start Date of Commercial Operation	<input type="checkbox"/>
8	Certificate of migrated industrial unit treated as new industrial unit issued by Director of Industries, Odisha	<input type="checkbox"/>
9	Approved DPR/Project Profile	<input type="checkbox"/>
10	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"/>
11	Copy of the details and Sanction Order(s) of the Term Loan	<input type="checkbox"/>
12	CA Certificate on the breakup of the principal and interest paid till date on a monthly or quarterly basis	<input type="checkbox"/>
13	Bank Statement for payment of regular interest by the unit since the disbursement of Term Loan (sealed and signed by Authorized Signatory)	<input type="checkbox"/>
14	Bank Certificate regarding the disbursement of the Term Loan to the unit till date	<input type="checkbox"/>
15	Self-Declaration Certificate of not being currently blacklisted by any Government Department, Agency or Public Sector Units	<input type="checkbox"/>
16	Undertaking that the industry unit has not availed subsidy earlier on the Term Loan interest from any other State Govt. or Central Govt. schemes	<input type="checkbox"/>
17	Self Declaration Certificate on the amount claimed for Term Loan Interest, as per entitlement against this incentive in ICT Policy 2014	<input type="checkbox"/>

Application received after the due date / incomplete in any respect shall be liable for rejection

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) 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.

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

- New
 Operational

C.2 Category

- Domestic
 Export Oriented
 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.)

- STPI - (in Sq. Ft.)
 SEZ - (in Sq. Ft.)
 Govt. Facility - (in Sq. Ft.)
 Incubation Center - (in Sq. Ft.)
 Own Building - (in Sq. Ft.)
 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	Attachme nt 1	Attachm ent 2	Attachm ent 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 <input type="checkbox"/> Specific Incentives for Anchor Investors in level-II locations <input type="checkbox"/> Capital Investment Subsidy

- Rental for Incubation space
- Incentives for lease rental
- Exemption from Stamp Duty
- Power Incentives

J. Claim Details for Interest Subsidy reimbursement	
Date of disbursement of Term Loan(s) & Issuing Authority(ies)	
Total Term Loan	
Repayment period and Rate of Interest for each Term Loan	
Total Repayment of Term Loan & Interest	

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(s) 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)