

GOVERNMENT OF ODISHA
ELECTRONICS AND INFORMATION TECHNOLOGY DEPARTMENT

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NOTIFICATION

No 1988 /E&IT
E&IT-Dev-II-13/2017

Bhubaneswar
Dated 13-06-18

Sub: Operational Guidelines for Specific incentive for local Enterprises under ICT Policy 2014 (See Clause No. 6.19 of ICT Policy-2014)

1. **Short Title** - Operational guidelines of Specific Incentives for Local Enterprises under ICT Policy, 2014.
2. **Extent** - It shall extend to the whole 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 -

Terms and expressions used in this operational guideline, but not specifically defined here, shall have the same meaning as in ICT Policy 2014.

5. Policy Provisions -

- a) To encourage employment and promote the IT/ITES/ESDM industry in the state of Odisha, Government will provide specific incentives to the Local Enterprises in the state.
- b) The IT/ITES/ESDM units, who are having its Registered Office in Odisha and 50% of its executive employees as domicile of Odisha, will be termed as Local Enterprises.
- c) Local Enterprises will be entitled to a purchase preference as decided by the Government from time to time for IT solutions and services procured by the State Government/Public Sector Undertakings/ Government agencies/Local bodies. Those units will be allowed to participate in the government tenders in Joint Venture/Consortium form.

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

- a) New/Existing Units of Odisha coming under IT/ITES/ESDM Industry and having their Registered Office in the state
- b) The unit has not reached its total maximum limit of availing Subsidy Reimbursement for Specific Incentives for Local Enterprises, based on its prior application and disbursements from Government, if any.
- c) 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.
- d) 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.

- e) Any unit in the IT/ITES/ESDM sector having 50% of its executive employee recruitment from the people who are domicile of Odisha.

7. Timeframe for filing application: Eligible Industrial unit falling under IT/ITES/ESDM Unit shall file its claim in the prescribed Application Form complete in all respect. The duly filled application must be submitted within the validity period of this ICT policy 2014 till 2020. Application received after the due date/ incomplete in any respect shall be liable to be summarily rejected.

8. Approval Process:

8.1 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.

8.2 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.

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

8.4 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

8. Procedure

8.1 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.**

8.2 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.

8.3 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.

- 8.4 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.
 - 8.5 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.
 - 8.6 OCAC will act as the nodal point during the entire process to respond to any queries or address any grievances from the applicants.
9. **Disbursement** - Reimbursement of sanctioned amount for specific incentives of Local Enterprises shall be credited to the company's bank account after receiving supporting documents and/or 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 the approval by the Apex Committee.
 10. **Rejection** - In case of rejection of application, the reasons with detailed explanation/justification shall be communicated to the applicant unit.
 11. **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.
 12. **Monitoring** - A periodic monitoring by 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, incentives provided shall be withdrawn under due approval of the Apex Committee.
 13. **Recovery** - The amount sanctioned and paid towards reimbursement assistance related to specific incentives for Local Enterprises, or any part thereof, shall be recovered with penalty, as per prevailing rate of interest per annum, from the date of availing of this subsidy 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 or disbursement in excess of the amount actually admissible, for whatsoever reason.
 - b) If the IT/ITeS/LSDM unit goes out of operation for a period exceeding six months at a time for any reason other than labor issues, want of electric 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.

14. **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. 1989 /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. 1990 /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. 1991 /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. 1992 /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. 1993 /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. 1994 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

CHECKLIST TO APPLY FOR SPECIFIC INCENTIVES FOR LOCAL ENTERPRISES

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	Proof of the Start Date of Commercial Operation	<input type="checkbox"/>
7	Document in support of date of first investment in fixed capital i.e. investment in Computers / Computer Peripherals / Router / Plant / Machinery equipment etc.	<input type="checkbox"/>
8	Audited Balance Sheet and P/L Statement for last 3 financial years	<input type="checkbox"/>
9	Certificate from HR on details of the employees in the unit in Odisha (like Employee ID, Date of Joining, Designation, PF/EPF Account No.)	<input type="checkbox"/>
10	Certificate from HR regarding the Odisha domiciled employment of 50% employees at executive level of the unit currently.	<input type="checkbox"/>
11	Self-Declaration Certificate on the employment made by the unit year-on-year in the state along with current number of local and outstation employees	<input type="checkbox"/>
12	Self-Certificate on the key projects undertaken by the unit till date along with Work Order or Completion Certificate from the client	<input type="checkbox"/>
13	Undertaking that the industry unit has not availed subsidy earlier on specific incentives for Local Enterprises from any other State Govt. or Central Govt. schemes	<input type="checkbox"/>
14	Self-Declaration Certificate on the amount claimed for subsidy reimbursement related to Specific Incentives for Local Enterprises, as per entitlement against this incentive in ICT Policy 2014	<input type="checkbox"/>
15	Self-Declaration Certificate of not being currently blacklisted by any Government Department, Agency or Public Sector Units	<input type="checkbox"/>

Annexure - II

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 Specific Incentive(s) for Local Enterprises in the state Odisha 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.
3.

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	
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C.1 Existing Status	<input type="checkbox"/> New <input type="checkbox"/> Operational
C.2 Category	<input type="checkbox"/> Domestic <input type="checkbox"/> Export Oriented <input type="checkbox"/> 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.)	
<input type="checkbox"/> STPI	- (in Sq. Ft.)
<input type="checkbox"/> SEZ	- (in Sq. Ft.)
<input type="checkbox"/> Govt. Facility	- (in Sq. Ft.)
<input type="checkbox"/> Incubation Center	- (in Sq. Ft.)
<input type="checkbox"/> Own Building	- (in Sq. Ft.)
<input type="checkbox"/> 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

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I. Incentive Applied for (Choose the appropriate incentive)

- Assistance for Quality and security certification
- Human Capital investment subsidy
- Assistance for participation in Exhibition and Trade Delegation
- Assistance for patent
- Interest subsidy reimbursement
- Reimbursement of VAT
- Recruitment Assistance Subsidy
- Specific Incentive for local enterprises
- Specific Incentives for Anchor Investors in level-II locations
- Capital Investment Subsidy
- Rental for Incubation space
- Incentives for lease rental
- Exemption from Stamp Duty
- Power Incentives

J. Claim Details for Specific Incentives for Local Enterprises

Date of Commercial Production	
Number of Employees	
Number of employees domicile in Odisha	
Percentage of employees domicile in Odisha	

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 this application for reimbursement of subsidy related to Specific Incentives for Local Enterprises is on the basis of the investment made or cost incurred by M/s _____ 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).
- 5) The unit will be consistent in maintaining the 50% domicile employment at executive level of the unit

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 Specific incentives for Local Enterprises 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)