

# The Odisha Gazette

EXTRAORDINARY  
PUBLISHED BY AUTHORITY

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No. 386 CUTTACK, WEDNESDAY, FEBRUARY 27, 2019/FALGUNA 8, 1940

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## ELECTRONICS & INFORMATION TECHNOLOGY DEPARTMENT

### NOTIFICATION

No 246--E&IT-Dev-II-13/2017-E&IT.,

Dated the 29<sup>th</sup> January 2019

Subject ---Power Incentives (under ICT Policy, 2014 --- Clause No. 6.12).

1. **Short Title** - Operational guidelines for power incentives under provisions of Odisha 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. 16<sup>th</sup> 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.

"Electrical Authority" means Superintendent Engineer-*cum*-Electrical Inspector for the purpose of exemption of Electricity Duty and Electrical Inspection Fee.

5. **Policy Provisions** - "Government will exempt IT/ITES/ESDM industry from the electricity duty and electrical inspection fee for a period of 5 (five) years".
6. **Eligibility** - IT/ITES/ESDM units satisfying prescribed definition and falling under the following criteria:-
  - a) New IT/ITES/ESDM unit under Micro Enterprise/Small Enterprise/Medium Enterprise/ Large Industries up to a contract demand of 5 MVA.
  - b) Migrated IT/ITES/ESDM unit treated as new IT/ITES/ESDM unit under Micro Enterprise / Small Enterprise / Medium Enterprise / Large Industries up to a contract demand of up to a contract demand of 5 MVA.
  - c) IT/ITES/ESDM 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.
  - d) Existing IT/ITES/ESDM units shall be eligible for exemption of electricity duty on power purchased from DISCOMs and exemption of electrical inspection fee for a period of 5 (five) years.
  - e) Commercial and trading establishment selling Hardware and Software as well as computer training centers are not eligible for availing electricity duty and electrical inspection fees exemption.
  - 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.
  - g) Time limit for implementation of any new project is strictly followed.

## **7. Timeframe for filing application :**

- a. Eligible IT/ITES/ESDM unit shall file its claim complete in all respect, within one year from the date of commencement of production or within one year from the date of notification of ICT Policy, 2014 / notification of this guideline whichever is later.
- b. In case of Captive Power Plant with non-conventional sources, the claim shall be filed within one year from the date of its commissioning.
- c. Application in the prescribed form 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. & I.T. Department and Chairman, OCAC for approval/ sanction/rejection.
- 8.2** The Secretary, E.&I.T. 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.&I.T. 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 the 25<sup>th</sup> July 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.&I.T. Department and Chairman, OCAC may also be placed before this Committee for perusal/approval.

## **9. 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 documents as indicated copies of the 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 co-ordinate and facilitate this.
- c. OCAC will check the eligibility and determine the applicability in each case within a minimum of 3 weeks 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 the 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 power incentives with justification, working status, specific suggestion, if any, for consideration. The Committee shall determine the date of first fixed capital investment, entitlement for electricity duty and

inspection fees, quantum of contract demand, date of availing power supply for production, present working status etc. After scrutiny and examination, correction, if any required on the application form, shall be made under the signature of General Manager, OCAC. The process of examination, scrutiny & spot visit etc. shall be completed within 30 days of receipt of proposal.

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

**10. Recommendation :**

- a. One set of application with supporting documents shall be forwarded to the Electrical Inspector of the concerned zone recommending exemption to be allowed.
- b. On receipt of the recommendation, the Electrical Inspector of the concerned zone shall exempt the recommended duty and inspection fees which will also be intimated to the Executive Engineer of concerned Electrical Division, Chief Electrical Inspector, Odisha, Bhubaneswar, General Manager, OCAC and applicant unit within stipulated timeframe from the date of recommendation from the OCAC, Odisha.
- c. In any case exemption is allowed after collection of electricity duty or inspection fees, the Executive Engineer concerned shall take necessary steps to adjust the excess collection against tariff payable by the IT/ITES/ESDM unit in near future after getting refund order from concerned Electrical Inspector.
- d. Electrical Inspector / Executive Engineer concerned, shall keep accounts of exemption and adjustment and intimate the same at the end of each financial year to the Chief Electrical Inspector (T&D), Odisha / OCAC so as to keep record of quantum of benefit extended.
- e. According to the provisions, the date of power supply for availing admissible exemption on electricity duty is the date of power supply by the agency for production. Therefore, it is advisable that IT/ITES/ESDM units should take construction power and production power separately and to execute separate agreement for construction power and production power.
- f. Exemption of electricity duty and inspection fees shall not be allowed if the unit is found closed. However it may be deferred and allowed on satisfactory resumption of production not exceeding the operational period.

**11 Disbursement : N.A**

**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 after six (6) months from the date of rejection along with the reference of earlier application.

**14 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.

**15 Recovery :** The amount benefited towards or any part thereof 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 or disbursement in excess of the amount actually admissible, for whatsoever reason.
- b. If the IT/ITES/ESDM unit goes out of operation for a period exceeding six months at a time for any reason other than labour 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.

**16 Amendment** : Electronics & Information Technology Department (E. & I.T.) Government of Odisha shall be the competent authority to review and make necessary amendment in the operational guidelines from time to time.

By order of the Governor

R.N. PALAI

Special Secretary to Government

**CHECKLIST TO APPLY FOR POWER INCENTIVES**

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	Certified copy of the agreement indicating contract demand executed with Power Distribution Company for supply of power for production.	<input type="checkbox"/>
5	Certificate in support of date of power supply indicating connected load for production with Consumer No. of the industry from appropriate authority of Power Distribution Company.	<input type="checkbox"/>
6	Certificate from DIC/MSME/Startup in support of IT/ITES/ESDM industry	<input type="checkbox"/>
7	Details of electricity duty/electrical inspection fees exemption availed earlier, if any.	<input type="checkbox"/>
8	Proof of Start Date for Commercial Operation and last month Electricity Bill with payment voucher.	<input type="checkbox"/>
9	Proof of Start Date of Commercial Production of additional capacity (in case of expansion projects only).	<input type="checkbox"/>
10	Details of location of the Captive Power Plant	<input type="checkbox"/>
11	Permission accorded for installation of Captive Power Plant	<input type="checkbox"/>
12	Document in support of date of first fixed capital investment for setting of Captive Power Plant	<input type="checkbox"/>
13	Copy of approval letter of concerned A.E.I. (G) / E.E. (P) -cum- DEI (G) / S.E (P)- cum- E.I.(G) / Chief Engineer (P) -cum-CEI (G) under Rule 47-A of I.E. Rule 1956 for C.P.P. Date of commissioning of C.P.P. declared by the concerned Superintendent Engineer- cum- Electrical Inspector (G).	<input type="checkbox"/>
14	Quantum of power of CPP (non-conventional sources & bio-fuel) used for self- consumption from appropriate electrical authority.	<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	Self-declaration Certificate on the amount claimed for exemption of power incentives, as per entitlement against this incentive in ICT Policy, 2014.	<input type="checkbox"/>

**Annexure - II**

APPLICATION RECEIVED AFTER THE DUE DATE INVOLVING IN ANY RESPECT SHALL BE LIABLE FOR REJECTION

From  
M/s. \_\_\_\_\_  
At/P.O. \_\_\_\_\_  
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.

Subject : Application for receiving Power Incentives 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:

<b>I. Details of IT/ITES/ESDM Company</b>	
1. Name of the ICT Company	
2. Date of Incorporation	
2. Name of the MD/CEO	
3. Name(s) of the Director(s)	
4. Details of License obtained	
5. Registration Number & Date (issued by Commercial Tax Authority) TIN (Tax Payer's Identification Number)	
6. Registered with	<input type="checkbox"/> ROC <input type="checkbox"/> STPI <input type="checkbox"/> DIC <input type="checkbox"/> Others (please specify) .....
7. VAT No.	
8. Organization PAN No.	

<b>II. Address of Applicant</b>	
1. Address of Registered Office	
2. Contact Person	
3. Email Address	
4. Mobile No.	
5. Office Telephone No.	
6. Other Offices (if any)	

<b>III. Nature and Activities</b>
<b>A. Constitution of the Organization (Please Select as applicable)</b>
<input type="checkbox"/> Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Pvt. Ltd. <input type="checkbox"/> Ltd. <input type="checkbox"/> Co. <input type="checkbox"/> LLP <input type="checkbox"/> NGO <input type="checkbox"/> Others (Please Specify)

<b>B.1 Line of Activity/Core Competency/Nature/Type of the Organization (Please Select)</b>
<input type="checkbox"/> IT/ITES/BPO/BPM <input type="checkbox"/> Communications/IT Infrastructure Developer/IT Park/IT SEZ <input type="checkbox"/> MSMEs <input type="checkbox"/> IT Product/R&D Companies/Innovation <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>B.2 In case your organization is engaged in multiple activities, please indicate your core competency &amp; line of activity from which maximum revenues are generated</b>
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	

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
<b>Total</b>	Rs. _____	Year

E. Date of commencement of commercial operations: (Date on which the first invoice is raised by you on your client/customer)
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Date:	Attachment
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F. Place of Operation in Odisha: (Tick all that apply with the corresponding office space in sq. ft.)
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<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	Year 1	Year 2	Year 3
Export turnover			
Domestic turnover			
Total turnover*			
*Provide Annual Reports/Audited PL & BS	Attach ment 1	Attach ment 2	Attach ment 3
Name of the Financial Institution(s)/Bank(s) [in case loan is availed]			

H. Employment			
Total number of Employees at present	<b>Name of Location</b>		<b>No. of Employees</b>
Employee Category	<b>Category Name</b>		<b>No. of Employees</b>
	Technical		
	Non-Technical		
	Executive Level		
	Male		
	Female		
Employment (Last 3 years)	Differently Abled Persons		
	2014-15	2015-16	2016-17
I. Date of power supply for production			
J. Consumer No. of the Industry			
K. Connected load / contract demand			

L.Total capital investment (Headwise)	
M.(I)Whether Electricity Duty exemption was availed earlier ( Yes/ No) If yes, furnish in details (II) Whether Electrical inspection fees exemption was availed earlier ( Yes/ No) If yes, furnish in details	
N.Extent of exemption of electricity duty/electrical inspection fees and the period of exemption availed from any scheme of State Govt. or the Central Govt. (Gol Govt. Agencies or any financial institutions( Furnish details)	
O.Extent of exemption of electricity duty/inspection fees and the period for which exemption is claimed	
P.A/c No. of the Industrial unit	
Q. Name of Bank, Branch with IFSC code & MICR No.	

I,Shri \_\_\_\_\_ 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 ICT Policy 2014 and its operational guidelines.

I shall repay the amount of exemption on electricity duty allowed with penal interest as decided by the authority-

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.

If the industrial unit fails to commence production within three from the date of starting first fixed capital investment.

Copies of relevant documents in support of information / facts furnished above are enclosed here-with.

Enclosures:

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) This is to certify that the information furnished in the application for availing Electricity Duty/Inspection fees Exemption are true to the best of my / our knowledge & belief.
- 2) This application for exemption 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 16<sup>th</sup> January, 2014 for an amount of Rs. \_\_\_\_\_ (in words \_\_\_\_\_ only).
- 3) I/We shall abide by the terms and conditions prescribed under the provisions of ICT Policy, 2014 and its operational guidelines.
- 4) I/We shall repay the Subsidy/ exemption 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 industrial 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.
  - c. The unit does not go into production/operation within three years from the date of starting first fixed capital investment.
  - d. The industrial unit shifts its location without prior approval of OCAC/E&IT Department/ Industries Department.
- 5) This industrial unit has not applied/availed any exemption/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

Shri \_\_\_\_\_

M/s. \_\_\_\_\_

Received the application for exemption 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)