

GOVERNMENT OF ODISHA
MSME DEPARTMENT

NOTIFICATION

No. I-MSME(OFPF-2016)-07/2017(Pt.) 596 /MSME, Bhubaneswar, the 31st January, 2017

Subject : OPERATIONAL GUIDELINES FOR SANCTION & DISBURSEMENT OF CAPITAL INVESTMENT SUBSIDY ON PLANT AND MACHINERY FOR SETTING UP COLD CHAIN VALUE ADDITION AND PRESERVATION INFRASTRUCTURE (FOR NON-HORTICULTURAL PRODUCE) UNDER ODISHA FOOD PROCESSING POLICY, 2016 (OFPF-2016)

(See Para 7.2 of OFPP-2016)

- 1. Short Title:** - Operational guidelines for Capital Investment Subsidy on Plant and Machinery for setting up Cold Chain Value Addition and Preservation Infrastructure (for Non-Horticultural produce) (herein after called Cold Chain) under Odisha Food Processing Policy, 2016.
- 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 Odisha Food Processing Policy, 2016 i.e. 24.11.2016 until the applicability of IPR, 2015.
- 4. Terms and Expressions:** Terms and expressions used in this operational guideline, but not specifically defined / explained here, shall have the same meaning as in Odisha Food Processing Policy, 2016

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5. Policy Provisions-

New Cold Chain, Value Addition and Preservation Infrastructure (for Non-Horticultural produce) shall be eligible for CIS in the following manner:

Quantum	Maximum Limit
@ 35% of capital investment made in Plant & Machinery.	Up to Rs.5 crore

6. Eligibility: -

6.1 Cold Chain projects will be eligible only if they have following components:

6.1.1 Minimal Processing Centre at the farm level which will have facilities that includes weighing, sorting, grading, packaging, pre-cooling, chilling, cold storage and Individually Quick Freezing (IQF).

6.1.2 Mobile cooling trucks and reefer trucks as may be suitable for transportation of Non-horticulture produce.

6.1.3 Distribution hubs with multi product cold storage /Variable chilling/ freezing Chambers, Packaging facility, IQF and Blast/ Plate freezing etc.

6.1.4 Irradiation facility: Irradiation facilities may also cover warehousing, cold storage facilities etc. for storage of raw material and finished products for efficient utilization of the facility.

6.2 Eligible Sectors:

(a) Dairy – All milk and milk products, etc.

(b) Meat – All meat and meat products etc.

(c) Aquaculture and marine products like Prawns, Seafood, Fish, and their processed products etc.

(d) Any other non- horticultural food products requiring integrated cold chain.

6.3 Eligible Organizations:

Integrated Cold Chain and preservation infrastructure may be set up by individuals or groups of entrepreneurs interested in supply chain management, organizations such as Govt. / PSUs / Joint Ventures / Cooperatives / SHG's / Private Sector Companies or, Corporations.

6.4 Net Worth of Promoter(s) :

The applicant should have sound financial back ground. The net worth of the promoter(s) should be more than 1.5 times of the subsidy applied for.

6.5 The date of 1st Fixed Capital Investment (FCI) for new enterprises should be on or, after the effective date of this policy. The new enterprises must have commenced production within three years for MSME category of units and within five years for Large Industrial units from date of 1st FCI.

6.6 Incentives as envisaged in this policy shall not be applicable to an enterprise if the similar incentives are availed under any other policies of State Government or Government of India.

6.7 The applicable incentive shall not be sanctioned & disbursed if the enterprise is found closed / has gone out of production. In such a case, it may be deferred and will be released on satisfactory resumption of production.

- 6.8** All enterprises (except Micro units) should have availed loan from banks / financial institutions to a minimum extent of 10% of cost of plant & machinery.
- 6.9** All enterprises which have availed loan shall be required to get their projects appraised and or approved by the Financial Institutions / Bank(s). Micro Enterprises set up without financial assistance from Financial Institutions / Bank(s) will be required to get their projects approved by the R.I.C / D. I. C concerned.
- 6.10** The eligible New Micro and Small Enterprises shall furnish a VAT clearance Certificate till notification of GST. Post Notification of GST, it may be suitably revised / changed.

7. Determination of date of 1st Fixed Capital investment:

- 7.1** The date of acknowledgement of Entrepreneurship Identification Number (EIN) shall be on or after the effective date (Dt.24.11.2016) viz. date of Notification of Odisha Food Processing Policy-2016.
- 7.2** In case of own or ancestral land / land & building, the date of acknowledgement of Entrepreneurship Identification Number (EIN) shall be the date of first investment.
- 7.3** In case, land has been purchased after acknowledgement of Entrepreneurship Identification Number (EIN) and capital investment has been made on building, plant & machineries and balancing equipment subsequently, actual date of purchase of land as per registered Sale Deed will be taken as date of first investment.
- 7.4** In case of lease hold of IDCO land / IDCO land & shed / IDCO building, the date of payment of money towards cost of such IDCO land / IDCO land & shed / IDCO building shall be the date of first investment provided plant & machineries and balancing equipment are acquired later on. (Generally, allocation of IDCO land / IDCO land & shed / IDCO building is made after acknowledgement of EIN).
- 7.5** In case, where plant & machineries and balancing equipment are acquired after acknowledgement of EIN and before making payment of money towards cost of such IDCO land / IDCO land & shed / IDCO building, the first date of purchase of plant & machineries / balancing equipment which happens first shall be the date of first investment.
- 7.6** In case of private lease-hold land / private lease-hold land & building, where investment for construction of building & civil works / acquisition of plant & machinery and balancing equipment is made after acknowledgement of EIN, the first

date of investment towards construction of building & civil works / acquisition of plant & machinery / balancing equipment which is made first, shall be the date of first investment. .(If 1st date of investment is considered against investment made in construction of building & civil works, the expenditure incurred towards purchase of building material should exceed 10 % of cost envisaged for building & civil works in DPR, the date of attainment such expenditure shall be treated as date of first investment)

- 7.7** In case of Enterprise who made new investment on or after the effective date (Dt.24.11.2016) of the Odisha Food Processing Policy-2016 on the existing land towards building and plant & machinery, the date of acknowledgement of Entrepreneurship Identification Number (EIN) shall be the date of first investment
- 7.8** Balancing Equipment generally means equipment required for de-bottlenecking the production process.The list of items considered as Balancing Equipment is at Annexure-D(2).

8. Determination of date of production:

The date of production for availing of this incentive (CIS) shall be determined by the General Manager RIC/ DIC for Micro, Small & Medium Enterprises and Director of Industries, Odisha in case of Large Industrial Unit basing on the totality of documentary evidence as recorded in the Production Certificate or, such other certificate as may be introduced by the Government in lieu of Production Certificate.

9. Time frame for filing application:

Eligible enterprise shall file its claim in the prescribed Application Form, within one year from the date of starting production / within one year from the date of notification of this Operational guidelines, whichever is later. Application received after the due date/ incomplete in any respect shall be liable to be summarily rejected.

10. Assessment of eligible cost of Plant & Machinery:

- 10.1** Plant & Machinery means eligible cost of Plant & Machinery / Equipment related to production or, processing acquired till the date of commencement of production. The value of Plant & Machinery acquired after the date of commencement of production shall not be taken into consideration for computation / assessment of CIS.

- 10.2** The cost of Generator set and Reefer trucks / vans/ refrigerated carrier / insulated milk tankers are considered eligible for computation of CIS in respect of Cold Chain.
- 10.3** The detailed valuation of plant & machinery shall be made in the proforma prescribed at Annexure-D. The GM, RIC / DIC shall forward the application alongwith documents and filled in Annexure-D to Director of Industries, Odisha within 15 days
- 10.4** The list of ineligible items is cited in Annexure D(2) which shall be **excluded**.
- 10.5** The claim for CIS against new plant & machinery shall be supported with Bills & vouchers. Where the new plant & machinery have been procured from the Supplier(s) of outside the State, such Bills & vouchers checked / verified by the Commercial Tax authority only shall be taken in to consideration (as amended on introduction of GST). The view / opinion of Commercial Tax authority may be taken into account, if felt necessary.
- 10.6** In case, the cost of plant & machinery acquired exceeds the schematic provisions (as in approved DPR), the reasons for the excess investment should be explained by the enterprise and while recommending the proposal, the RIC / DIC shall also furnish justification thereof.
- 10.7** The cost of land, building, balancing equipment, electrification including, wiring, installation of cables, bus bar, electrical panels (not mounted on individual machines), circuit breakers etc, and installation & erection shall not be considered towards computation of Capital Investment Subsidy. But the enterprise shall fulfil the following conditions:
- 10.7.1** Land / land & building / building / shed shall be in the name of enterprise / Company **represented through** its proprietor / partner(s) / Director (s) / share-holder (s) / Member (s). If ROR of the land is in joint possession and no clear-cut title deed is established in the name of the promoter, the said land may be leased out vide registered lease deed in favour of the enterprise for a minimum period of **ten** years.
- 10.7.2** A certificate should be furnished by the General Manager, RIC / DIC that the land except lease-hold on which the enterprise is established, belongs to the Promoter / firm / Company and that the Promoter / firm / Company is the absolute owner of the land.

10.7.3 The building & civil works shall be accompanied with Plan layout, wherever applicable.

10.7.4 Registered Office of the enterprise / firm shall be in Odisha. Enterprises / firms / company whose Registered Office were outside the State before starting an enterprise in Odisha, in such cases the Enterprise / firm may be allowed to retain their Registered Office outside the State subject to following conditions:

10.7.4.1 Enterprises / firms / company should give an undertaking that they would continue to retain their purchase office within the State of Odisha and would give consideration and concession facilities to local units on merit in their purchase.

10.7.4.2 Undertake to give due consideration to local persons for employment.

10.7.4.3 Enterprises / firms / company should agree that they would be subject to the jurisdiction of competent Courts within Odisha in the matter of recovery and labour related matters.

11. Procedure:

11.1 New Eligible Cold Chains, which consider themselves as eligible, shall submit application in the prescribed form appended to this operational guideline at Annexure 'A' along with undertaking in Annexure A(1) and copies of all relevant documents as mentioned in the Checklist at Annexure 'B'. Application shall be submitted to the concerned General Manager, RIC/DIC in duplicate.

11.2 On receipt of application with copies of relevant documents, the acknowledgement as prescribed at Annexure-'C' shall be issued to the applicant duly signed by the General Manager, RIC /DIC/ their authorized officer on the day of receipt.

11.3 The applications shall be examined and scrutinized by the concerned RIC / DIC, who shall determine the date of first fixed capital investment and entitlement for assistance. After scrutiny and examination, correction, if any required on the application form, shall be made under the signature of General Manager, RIC /DIC or their authorized officer along with signature of the applicant.

11.4 The applications shall be forwarded to the Director of Industries, Odisha along with all relevant documents within 15 days from receipt of the complete application.

11.5 The Director of Industries, Odisha, on receipt of CIS application from GM, RIC / DIC may further examine the application. The enterprise will be jointly inspected by a team comprising of Addl. Director /Joint Director of Industries, GM, RIC/DIC, Branch Manager of financing bank and concerned Tahasildar. This process shall be

completed within 15 days from the date of receipt of proposal.

12. APPROVAL & SANCTION:

- 12.1** The proposal will be placed in State Directorate Level Committee (SDLC) alongwith the Joint Inspection Report for approval of sanction if the CIS amount involved is upto Rs.25.00 lakhs. In case the CIS amount exceeds Rs.25.00 lakhs, the SDLC shall recommend such cases to either Sub-SLEC or, SLEC depending on the CIS amount alongwith the Joint Inspection Report of the inspecting team. This process shall be completed within 30 days.
- 12.2** Upon approval by appropriate committee, the Director of Industries, Odisha will issue sanction letter in Annexure-'E' in favour of the unit under intimation to concerned GM, RIC / DIC within 7 days from the date of approval.
- 12.3** The enterprise on receipt of sanction letter shall be required to execute Agreement with DIC/ RIC/ DI/ as per Appendix-A and submit advance money receipt as at Annexure- E(1).
- 12.4** In case of rejection by any of the State Level Committees, the same will be communicated by DI to DIC/ RIC to the concerned enterprises in the format prescribed at Annexure-'F'

13. Disbursement of CIS:

- 13.1** On receipt of the sanction order, the GM, RIC / DIC shall further complete the process of signing agreement in the prescribed format as at Appendix-A, advance Money Receipt in triplicate and any other documents as may be required.
- 13.2** The disbursement of sanctioned amount for such proposals shall be made by the General Manager, RIC / DIC within 03 days of compliance by the applicant as cited in the sanction order. The CIS shall be released through financing institution / bank from which the cold chain has availed the term loan subject to availability of funds under the policy. In case of self-financed micro enterprises the subsidy amount can be disbursed directly to the unit.
- 13.3** Disbursement of CIS shall not be made, if the unit is found closed. It may be deferred and effected on satisfactory resumption of production.
- 13.4** The GM, RIC / DIC is required to submit Utilization Certificate in OGFR Form Annexure-VI to the Director of Industries within 15 days after disbursement of CIS in favour of the enterprise.
- 14. Maintenance of Records:** The receipt / forwarding / sanction / rejection / disbursement of Subsidy on Plant & Machinery shall be monitored both electronically & manually at DIC /RIC/Directorate of Industries level.

15. Funds & Audit:

- 15.1 Funds:** The Directorate of Industries, Odisha in consultation with DICs/ RICs will

estimate the requirement of funds and furnish the requirement to the MSME Department by 30th November for budget provision every year. The State Govt. in MSME Department will provide funds to Directorate of Industries, Odisha, who shall in turn place the funds to the extent necessary with RIC / DICs. The GM, RIC / DIC shall be the Disbursing Agency for CIS. The Disbursing Agency will maintain regular accounts for each case & shall be accountable to the Audit and the State Govt. Directorate of Industries will furnish the utilization certificate in OGFR-Annexure VI along with the list of beneficiaries disbursed with assistance at the end of each financial year.

15.2 Audit: The accounts maintained by the DI, Odisha / RICs / DICs shall be audited by the Finance Department / AG, Odisha.

16. Recovery of Subsidy on Plant & Machinery: Capital Investment Subsidy received by enterprise shall be recoverable under the provision of OPDR Act as arrears of land revenue on violation of Policy provisions, terms & conditions of Operational Guidelines & Agreement.

17. Miscellaneous:

17.1 Application for condonation of delay in implementation of projects due to force majeure (like natural calamities) only shall be dealt on case to case basis. The General Manager, RIC / DIC shall examine such case(s) and forward the application made by the entrepreneur with justification to the Director of Industries, Odisha, who shall examine and recommend the same to MSME Department for placement of the same to the Empowered Committee for consideration.

17.2 RIC / DIC / Bank / FI may inspect the enterprise once a year individually / jointly.

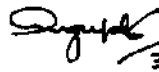
17.3 Administration of CIS in the contingencies like shifting of enterprise within the State, change of ownership etc. within the period of this incentive shall be governed as per the terms & conditions stipulated in the Agreement.

17.4 The Enterprise shall furnish its audited financial statements and other periodical statements of each financial year to the DIC/ RIC / DI during the period of incentives.

- 17.5** Any change in facts or circumstances affecting the eligibility of the unit shall be intimated immediately to the DIC /RIC/ Directorate of Industries, Odisha by the unit.
- 18** Where any doubt arises regarding implementation of these rules, the same shall be referred to Government of Odisha in the MSME Department whose decision shall be final and binding on all the parties.
- 19** Time limit prescribed in this guideline is of working days from date of receipt by the concerned authority only.

This operational guideline has been concurred in by Finance Department vide their UOR No. 12-ES-II /Dated: 21.01.2017.

By Order of Governor


31.1.17
(L.N.Gupta)

Principal Secretary to Government

Memo No. I-MSME(OFP-2016)-07/2017(Pt.) 597 /MSME Dated 31-01-2017

Copy forwarded to All Departments/ All Heads of Departments/ Director of Industries, Odisha / All PSUs/ All Revenue Divisional Commissioners/ All Collectors/ All RICs/ All DICs/ Head, State Portal Group, IT Centre, Secretariat, Bhubaneswar/ All Sections of MSME Department/ Guard File (5 copies) for information and necessary action.


Additional Secretary to Government

APPLICATION FOR AVAILING CAPITAL INVESTMENT SUBSIDY ON PLANT AND MACHINERY FOR
SETTING UP COLD CHAIN VALUE ADDITION AND PRESERVATION INFRASTRUCTURE (FOR NON-
HORTICULTURAL PRODUCE) UNDER OFPP-2016

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

(See Para 7.2 of OFPP-2016)

(Strike out whichever is not applicable)

From:

M/s _____

At _____

PO _____

Sub Division _____

Dist. _____

{Location of the Enterprise}

Contact No(s): _____

Email Id : _____

To

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

Sub: Application for Capital Investment Subsidy on Plant and Machinery for Setting Up Cold Chain Value Addition And Preservation Infrastructure (For Non-Horticultural Produce) under the provisions of Odisha Food Processing Policy-2016.

Sir / Madam,

In accordance with the provisions laid down in Odisha Food Processing Policy-2016, its operational guidelines notified by MSME Department, Government of Odisha, the Application for sanction and disbursement of Capital Investment Subsidy on Plant & Machinery@ 35% is submitted with following particulars:

1.	Category of the Unit : Micro / Small /Medium Enterprises/ Large Industrial Unit	:	
2.	Address of Registered office	:	
3.	Type of organisation like Govt. institution / organization, Industry Association, Farmers' Association, Self Help Group, University, Co-operative, Individual Entrepreneur, Partnership firm, Company, etc.	:	
4.	Name of promoter(s)	:	
5.	Net worth of promoter(s) to be certified by a Chartered Accountant	:	

6.	Which two of the four criteria cited under para 6.1 of the Operational Guidelines is being satisfied by this project.	:			
7.	EIN / IEM / I L No. and date	:			
8.	Production Certificate No. & Date	:			
9.	Items of manufacture / activity with installed capacity	:	Item	Quantity	Value
		(i)			
		(ii)			
10.	Employment generated: i. Direct ii. Indirect Out of which : SC : ST : Women : Min. Community:	:			
11.	Name of the Financer, with IFSC code & MICR No. in case of financed enterprise	:			
12.	Amount of loan sanctioned with date	:			
13.	Term Loan A/c No. in case of financed enterprise	:			
14.	Date of first fixed capital investment i.e. investment in land / building/ Plant & machinery / balancing equipment (specify the investment)	:			
15.	Date of starting production as per Production Certificate	:			
16.	Whether Production has commenced within three years from the 1 st date of FCI, if no, whether project implementation delay has been condoned by Empowered Committee.	:			
17.	Details of fixed capital investment in Plant & Machinery (Rs. in lakhs):				
Sl.	As per scheme approved by Financial Institution / DIC	Actual expenditure incurred	Justification of excess investment,		
18.	Validity of Consent to operate / Authorisation granted by State				
19.	Validity of VAT Clearance (Post Notification of GST, it may be				
20.	Amount of CIS claimed (Rs)				
21.	Have applied for /availed CIS from any source, if so furnish the				

I, Sri _____ S/o _____ at present (designation) of M/s (name of the enterprise) certify that the information furnished as above is true and correct to the best of my knowledge and belief.

Place:

Date-

Signature of the Proprietor/ Managing Partner/

Managing Director/Authorized Signatory in full and on behalf of M/s _____

SELF-UNDERTAKING

(on non-judicial stamp paper of not less than rs.10/-)
(Strike out whichever is not applicable)

From

M/s. _____

At/PO _____

Dist. _____

- i) I / We hereby undertake that claim for Capital Investment Subsidy on Plant and Machinery for Setting up Cold Chain Value Addition and Preservation Infrastructure (For Non-Horticultural Produce) under Odisha Food Processing Policy, 2016 is for Rs. (in words).
- ii) I / We shall abide by the terms and conditions prescribed under the provisions of Odisha Food processing Policy, 2016 and its operational guidelines.
- iii) I / We shall repay / surrender the Capital Investment Subsidy on Plant & Machinery 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 or mis-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.
 - (b) If the enterprise goes out of production for a period exceeding six months at a time for any reasons other than labour troubles, want of electric power or for the reason which is beyond the control of entrepreneur / management during the period of incentives.
- iv) This enterprise has not applied / availed CIS on Plant & Machinery in any manner under any other scheme of the State Govt. or the Central Govt. or any Financial Institution(s).

I / we shall furnish its audited financial statements and other periodical statements of each financial year to the RIC / DIC /Directorate of Industries, Odisha during the period of incentives.

Signature of the Proprietor / Managing Partner /
Managing Director / Authorised Signatory of
M/s -----

Date-

CHECK LIST

(See para 7.2 of OFPP-2016)

Copies of documents to be attached with the CIS application shall be self-certified in each page by
 Proprietor /Managing Partner / Managing Director / Authorized Signatory
 (Strike out whichever is not applicable)

Sl.	Documents
1.	Entrepreneurs' Identification Number (EIN) / Industrial Entrepreneurs' Memorandum
2.	Production Certificate duly issued by GM, RIC/ DIC / DI, Odisha
3.	Power of Attorney / Board Resolution / Society Resolution, as applicable, while signing as Partner / Managing Director / Authorized person.
4.	Certificate of registration under Indian Partnership Act 1932 / Societies Registration Act- 1860 / Certificate of Incorporation (Memorandum of Association & Article of Association) under Company Act-1956.
5.	Detailed project report duly approved by Bank / Financing Institution in case of financed enterprise / by GM, RIC/ DIC in case of self-financed enterprise with process flow diagram.
6.	Document in support of date of first investment in fixed capital of enterprise i.e. Land/ Building / Plant & Machinery /Balancing Equipment
7.	Sanction order(s) of the Term Loan, Status of Term Loan A/c, Bank A/c of Enterprise where Term loan is recovered or Bank A/c of Self-Finance case, IFS
8.	Copies of Invoices/ receipts duly self-certified by the promoter / authorised signatory
9.	Consent to operate / Authorization issued by State Pollution Control Board, Odisha except for White Category
10.	VAT clearance Certificate (May be changed accordingly on introduction of GST)
11.	Request for condonation of implementation delay with justification, if applicable.
12.	Declaration by firms who's Registered Office is outside the State.
13.	Document in support of land / land & building / building / shed over which the
14.	Registered lease deed in favour of the enterprise for a minimum period of ten years if the land / land & building is lease-hold.
15.	Approved Plan for building from the competent authority, wherever applicable.
16.	Certificate from GM, RIC/ DIC that the unit is set up on same land for which land
17.	Food License under FSSAI Act
18.	Undertaking in Annexure-A(1)
19.	Permission / clearance from Local Authority / Body

OFFICE OF THE GENERAL MANAGER, RIC / DIC, _____

Letter No. _____ / Date _____

Acknowledgement(To be issued by authorized officer / General Manager, RIC / DIC on the day
of receipt)

(Strike out whichever is not applicable)

To

Sri _____
M/s.

Received the application for "Capital Investment Subsidy on Plant and Machinery for Setting Up Cold Chain Value Addition And Preservation Infrastructure (For Non-Horticultural Produce)" under the provisions of Odisha Food Processing Policy- 2016 and its operational guidelines along with documents mentioned below from M/s _____ At/PO _____

Dist. _____ on dt. _____ through post / person.

List of documents

- 1
- 2

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

Annexure-D

Valuation of Plant & Machinery under OFPP-2016 (* Strike out which is not applicable)

Name & Address of the Enterprise: _____ (New Cold Chain)

Amount in Rupees

Sl.No.	Plant & Machinery Details	No.	Name of Supplier	Bill/invoice		Basic Cost	Taxes	Insurance	Freight / Transportation charges	Total value (Col. 7+Col. 8+ Col. 9+Col. 10)	Remarks
				No.	Date						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
A.	Eligible components										
1											
2											
Sub Total (A):											
B	Ineligible components										
1											
2											
Sub Total (B):											
Grand Total (A+B)											

Certified that the assets acquired by the enterprise are new, the cost has been duly paid for, the assets are required in process of operation and are found to be in use / working in the premises of enterprise.

Recommended for sanction of CIS @ 35% (Max- Rs.5 Cr.) of cost of Plant & M/c amounting to Rs. _____ (Rupees _____) only.

Encl:

- i. All the Bills / invoices duly verified by an official of DIC not below the rank of Asst. Manager
- ii. Labelled Photographs of installed Plant & machineries at the site.

Signature of GM, RIC / DIC with seal

Place:

Date:

LIST OF BALANCING EQUIPMENT

The investment made on the following items will be considered as Balancing Equipment for the purpose of determining date of 1st Fixed Capital Investment:

- i. Transformer and Captive Power Plant
- ii. Gas producing plant
- iii. Water treatment plant
- iv. Pollution control equipment (Certified by SPCB)
- v. R & D Equipment, Quality Control & Lab Equipment
- vi. Energy conservation equipment (Certified by GRIDCO, DISCOM, Electrical Inspector)
- vii. Firefighting equipment
- viii. Storage Tanks / Bins for storing of raw materials / finished goods
- ix. Empty gas cylinder for re-use

LIST OF INELIGIBLE PLANT & MACHINERY ITEMS UNDER OFPP-2016 UNDER CAPITAL INVESTMENT SUBSIDY ON PLANT AND MACHINERY FOR SETTING UP COLD CHAIN VALUE ADDITION AND PRESERVATION INFRASTRUCTURE (FOR NON-HORTICULTURAL PRODUCE)

- (i) Equipment such as tools, jigs, dies, moulds and spare parts for maintenance & the cost of consumable stores;
- (ii) installation of Plant & Machinery;
- (iii) research & development equipment and pollution control equipment;
- (iv) extra transformer installed by the enterprise as per the regulations of the State Electricity Board;
- (v) bank charges and service charges paid to the National Small Industries Corporation or, the State Small Industries Corporation;
- (vi) procurement or installation of cables, wiring, bus bars, electrical control panels (not mounted on individual machines), oil circuit breakers or miniature circuit breakers which are necessarily to be used for providing electrical power to the plant & machinery or for safety measures;
- (vii) gas producer plants;
- (viii) transportation charges (excluding sales-tax or value added tax and excise duty) for indigenous machinery from the place of their manufacture to the site of the enterprise;
- (ix) charges paid for technical know-how for erection of plant and machinery;
- (x) such storage tanks which store raw materials and finished products only and are not linked with the manufacturing process;
- (xi) fire fighting equipment.
- (xii) Computers & allied furniture
- (xiii) Transport vehicles other than the Reefer trucks / vans/ refrigerated carrier / insulated milk tankers.
- (xiv) Second hand machinery
- (xv) Plant & Machinery not directly related to cold chain or storage infrastructure.

While calculating the investment in Plant & machinery, the original price thereof, shall be taken into account provided that in the case of imported machinery, the following shall be included in calculating the value, namely:

- (i) Input Duty (excluding miscellaneous expenses such as transportation from the port to the site of the factory, demurrage paid to the port);
- (ii) Shipping charges;
- (iii) Customs clearance charges; and
- (iv) Sales Tax or Value Added Tax (to be replaced by GST on introduction).

SANCTION LETTER
(See Para 7.2 of OFPP-2016)
OFFICE OF THE DIRECTOR OF INDUSTRIES, ODISHA, CUTTACK.

Lt. No. /Dt
(Strike out whichever is not applicable)

To

Sub:- Sanction of Capital Investment Subsidy @ 35% of Capital Investment Subsidy On Plant And Machinery For Setting Up Cold Chain Value Addition And Preservation Infrastructure (For Non-Horticultural Produce) under Para-7.2 of Odisha Food Processing Policy, 2016.

Ref: Your application dated: _____ for availing Capital Investment Subsidy as per para-7.2 of OFPP-2016

Dear Sir / Madam,

We are pleased to inform you that the State Directorate Level Committee / Sub-Committee of State Level Empowered Committee (Sub-SLEC)/ State Level Empowered Committee (SLEC) under OFPP-2016 in its meeting held on _____ have approved Capital Investment Subsidy of Rs. _____ (Rupees _____ only) in favour of your unit @ 35% under the provisions of above Policy.

Basing on the documents furnished by you & recommended by concerned GM, RIC/DIC from time to time for the purpose of sanction of capital investment subsidy (CIS), the eligible cost of Plant & Machinery of the enterprise has been assessed as under:

In Rs. in lakhs

Eligible Cost of Plant & Machinery	
CIS @ 35% (Maximum up to Rs.5 Cr.)	

The said sanction of subsidy is subject to the following conditions in addition to the conditions prescribed under the scheme.

The above sanctioned amount can be disbursed in full subject to availability of funds.

You shall also have to execute an agreement with concerned GM, RIC / DIC and the agreement shall be on non-judicial stamp paper of not less than Rs.100/-, which shall be kept in the office of concerned RIC/DIC / Inspector General Registration, Cuttack.

The agreement should be executed by the proprietor, in the case of proprietary concern. In case of partnership, agreement should be executed

by all the partners; however, if any one of the partner hold a general power of attorney, he may execute the agreement on behalf of the remaining partners. In case of a company, you are requested to furnish a certified true copy of the resolution passed by the Board of Directors of your company for availing and utilizing the CIS sanctioned.

Erasures, if any should be properly, initialed No. blank should be left in the agreement and all the blanks should be filled in with proper initials. You shall also have to produce a Certificate on the working status of your unit from your financier duly countersigned by the concerned GM, RIC/ DIC.

Yours faithfully,

Director of Industries, Odisha

Memo No. _____ / Date: _____

Copy forwarded to Branch Manager, _____ (Name of the financing institution/ bank) for information and necessary action.

Addl. Director of Industries, Odisha/
Joint Director of Industries, Odisha

Memo No. _____ / Date: _____

Copy forwarded to General Manager, RIC / DIC _____ for information and necessary action. He is requested to ensure that the unit complies with all pre-conditions and submits all necessary documents such as copies of valid statutory clearances/ licenses / approvals(if any) prior to release of CIS and intimate the same to the undersigned.

Addl. Director of Industries, Odisha/
Joint Director of Industries, Odisha

Memo No. _____ / Date: _____

Copy to Additional Secretary to Govt. MSME Department, Bhubaneswar for information and necessary action.

Addl. Director of Industries, Odisha/
Joint Director of Industries, Odisha

Memo No. _____ (2)/ Date: _____

Copy to Chief Accounts Officer/ DDO(Hqr.), Industries Directorate for information and necessary action.

Addl. Director of Industries, Odisha/
Joint Director of Industries, Odisha

FORMAT FOR ADVANCED MONEY RECEIPT

(To be submitted by authorised signatory of enterprise in their letter head at the time of execution of agreement)

Received with thanks from _____ sum of Rs.
(Rupees _____) only by cheque / draft No.

_____ dated @ 35% Capital Investment Subsidy on Plant and Machinery For Setting Up Cold Chain Value Addition And Preservation Infrastructure (For Non-Horticultural Produce) as per the terms and conditions laid down in the agreement executed by us on _____

Authorised Signatory of M/s _____

Place : _____

Date : _____

OFFICE OF THE DIRECTOR OF INDUSTRIES, ODISHA, CUTTACK

No. Dt
(Strike out whichever is not applicable)

To

The General Manager,
RIC / DIC, _____

Sub: Rejection of proposal of M/s _____

Ref: Your letter No. _____ dated _____

Sir / Madam,

This is to inform that proposal for Capital Investment Subsidy (CIS) on Plant & machinery of the captioned unit under the provisions of OFPP-2016 is rejected due to following reasons:

(Specify the reasons)

- 1.
- 2.
- 3.
- 4.

Addl. Director of Industries, Odisha /
Joint Director of Industries

Memo No. _____ dated _____
Copy to M/s _____ for information.

Addl. Director of Industries, Odisha /
Joint Director of Industries

AGREEMENT

(On Non-judicial stamp paper of not less than Rs.100/- and to be notarized)

This INDENTURE made on this day of _____, 20__ between a private / public limited company incorporated under companies Act, 1956, a cooperative society registered under the Orissa Cooperative Society Act 1962 and having its registered office at _____

OR

Carrying on business as a sole Proprietor / Partner / Director / Managing Director /Trustee / others in the firm with the name and style of M/s. _____ having its office at here in after called the entrepreneur (which expression shall unless it be repugnant to the context or meaning there of be deemed to include its successor or successors and assigns / the partners for the time being of the said firm and their assigns / his / their, executors, administrators and assigns) of the first part,

And

The General Manager, RIC /DIC _____ representing the Governor of Odisha, exercising the executive powers of the Government of the State of Odisha (here in after referred to as "the Governor" which expression shall unless it be repugnant to the context or meaning the thereof be deemed to include his successor of successors and assigns) of second part, as :-

- a) The Government of Odisha have framed a scheme as Capital Investment Subsidy under the provisions of Odisha Food Processing Policy, 2016 (OFPP-2016) for the enterprise / industrial units with a view to promote growth of industries standing therein that Government of Odisha will grant a subsidy to the Project Proponent who set up new industries in the districts of the State if the said parties satisfy the terms and conditions laid down under the Policy and its Rules & Guidelines which shall be deemed to be a part of this agreement.
- b) The Government of Odisha (hereinafter referred to as the Government has appointed the General Manager, RIC / DIC _____ to act as the Disbursing Agency of the said investment subsidy.
- c) The Entrepreneurs have set up an industries at on plot No. _ Khata No. _____ measurement of area _____ Mouza _____ District ___ standing in the

name of _____ and have satisfied other conditions of the capital investment subsidy scheme and have, therefore, become entitled to the benefits under the said Subsidy scheme.

d) The entrepreneurs by their application dated the day of _____ 20 applied to the Government for the grant of (Rupees _____ @ 25 %/ 33% / 35% / 50% Subsidy amounting to Rs. _____ (Rupees _____) and whereas

i) Relying on the said application and subsequent representations made by the entrepreneurs, the Government have sanctioned 10% subsidy on Plant & Machinery of Rs. _____ and the GM, RIC/DIC _____ has agreed to pay the same on behalf of the Government to the entrepreneur on their executing the necessary documents as hereinafter appearing and creating the fixed assets to the tune of Rs. _____

ii) Now this INDENTURE witnesses and it is hereby agreed by and between the parties hereto as under :-

1. In consideration of the Government agreeing to give to the entrepreneurs under the said scheme, in such instalments the Government in its sole discretion think fit, an aggregate amount of _____ and by way of the subsidy to the entrepreneurs creating the fixed assets of Rs. _____ for the purpose of the said unit and the entrepreneurs do and each of them do hereby covenant with the Government as under:-
2. The DI, Odisha will be entitled in its sole discretion to make disbursement of the Subsidy or of any part thereof of either in one or more instalments to the party on it complying with the terms & conditions of the Subsidy scheme and of this agreement.
3. In the event of any of the State Level Committees ultimately deciding for any reasons whatsoever that the entrepreneurs are entitled to a lesser amount of subsidy the excess amount of the Subsidy shall be repaid by the entrepreneurs to the DI, Odisha along with interest thereon @ 12 ^{1/2}% per annum or such other rate as the Government might decide from time to time from the date of payment of the said amount of Rs. _____ or, any part thereof paid under this agreement till the repayment.

4. The entrepreneurs shall duly observe and perform the covenants and the conditions to be observed and performed by him / them under the said scheme.
5. The entrepreneurs shall not without prior approval of the State Level Committee change the location of the whole or any part of the enterprise or affect any substantial change in the said project within a period of 5 years from the commercial production of the unit.
6. The entrepreneurs shall promptly furnish all the information asked for to the RIC / DIC, / Director of Industries / Government and also furnish certified copies of its audited balance sheet and profit & loss amount within a period of 6 months from the end of the year and also such other periodicals statements in such form and by such dates as may be prescribed by the Government from time to time to the RIC/ DIC, / Director of Industries, Orissa / State Government.
7. The said sum of Rs. _____or such part thereof as may have been till then paid by the Government to the entrepreneurs shall become forthwith repayable by the entrepreneurs to the Government in each and every of the following events namely :-
 - a) If the entrepreneurs goes out of production within 5 years from the date of start of production.
 - b) (i). If the entrepreneur(s) change(s) the location of whole or any part of the enterprise or effect any substantial construction or disposal of substantial part of their total fixed capital investment within a period of 5 years after going into commercial production.

(ii). If any information furnished by the entrepreneur (s) in his / their application for the subsidy or otherwise particularly regarding location, capital investment and production, capacity of the said unit prior to the sanctioning of the sum of Rs. _____ as the subsidy is found to be incorrect or false or misleading and there has been suppression of any material / facts.
 - c) If a distress of execution shall be levied upon any property of the entrepreneurs or any part of the said factory or a receiver thereof is appointed.
 - d) If the entrepreneurs shall commit a breach of any one of the covenants or

provisions herein contained and on his / their part to be observed and performed.

- e) If the entrepreneurs close the said factory for a period exceeding 6 months at a time for reasons other than the labour troubles, want of electric power or raw material or shall cease to carry on business for any reason whatsoever within 5 years from the date of commercial production.
 - f) If the entrepreneurs or any of them file a petition for being adjudicated as insolvent or are / is adjudicated as insolvent.
 - g) If any petition for winding up the entrepreneurs company is presenting to any court or the entrepreneurs company passes any resolution for being wound up.
 - h) If the entrepreneurs fail or neglect to forth with execute such further documents as may be required by the Government or to duly comply with any direction given to it by the Government or the RIC/ DIC. In each one of the aforesaid contingencies the entrepreneurs are to repay the whole amount mentioned above with interest thereon @ 12½% per annum or such rate as the Government might decide from time to time from the date of disbursement of the subsidy till the repayment.
8. Whenever any sum due and payable by the entrepreneur under these presents shall be in arrears the same shall be deemed to be public demand and may without prejudice to any other right and the remedies of the Government be recovered from the entrepreneurs as a public demand under the Orissa Public Demand Recovery Act, 1962.
9. The entrepreneurs shall permit any person or persons authorized by the Government in that behalf at any time and from time to time during the usual time or business to inspect and examine any part of the said factory and shall render to him / them such assistance as may be required for the Government and furnish to such person or person as aforesaid all such information relating to the said factory as may be required by such person or persons.
10. The entrepreneurs shall observe and perform all instruction and direction that may be issued from time to time by the Government or the DI, Odisha or RIC / DIC, in relation to utilisation of the said sum of Rs. and shall for 7 years hereinafter submit to the Government yearly periodical progress reports on the working of the

said unit at the time and the form prescribed by Government or the Corporation.

11. The entrepreneurs shall -

- a) Furnish further information asked for by the Government of Odisha or by the State Level Committee or by the RIC/ DIC, /DI, Odisha from time to time.
- b) Furnish to the RIC/ DIC/ DI(O) certified copies of the annual statement of accounts including the balance sheet and also periodical statements in such form and by such dates as may be prescribed by the Government or the RIC/ DIC, _____ from time to time.
- c) Furnish true copies of documents as may be required by the Government or the RIC/ DIC/DI, Odisha.

12. In the event of any dispute or difference arising between the parties hereto in respect of or in relation to this agreement or any provision herein contained either during the subsistence of this agreement or thereafter the same shall be referred to the sole arbitration or a suitable person acceptable to the entrepreneurs as well as the Government and / or the RIC/ DIC, _____/DI, Odisha or any other person nominated by Govt. and his decision thereof shall be final and binding on the parties. Such arbitration shall be under the provision of the Arbitration Act, 1940 and shall be held in Cuttack.

13. The entrepreneurs agree that in respect of any matters arising under this agreement the courts at Cuttack along with have exclusive jurisdiction and that the entrepreneurs submit to the same will not object that the courts at Cuttack have no jurisdiction for any reason whatsoever.

14. In the event of any action arising under any of the clause herein above the entrepreneurs agree to pay to the GM, RIC / DIC the legal charges and such other costs as the GM, RIC / DIC may be required to incur in connection with the aforesaid action.

15. The entrepreneurs agree to bear and pay all the costs charged and the expenses incidental to the preparation and the execution of the agreement.

In Witness whereof of parties hereto have affixed their common seal of this writing the day and year first herein above written.

The common seal of:

Is there into affixed pursuant to the resolution of the Board of Directors of the