

# Operational Guidelines for administration of State Policy for SEZs-2015.

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## 1. Introduction:

The Government of Odisha has announced a State Policy for Special Economic Zones-2015 vide Govt. in Industries Department Resolution No.3971/XIX-HI-53/2015 Dt.18.06.2015 to support and encourage development of SEZs in the State. In pursuance to Rule 5(5) of Central SEZ Rules 2006 certain fiscal benefits have been extended to SEZ Developers/ Co-developers/Units in the Policy for SEZs-2015. The guidelines of these fiscal benefits along with special facilities' concerning power supply and land are issued for the guidance of the concerned Officers and administration of the package of incentives.

## 2) Definitions

All words and expressions defined in the Central SEZ Act 2005 and SEZ Rules 2006 shall have the same meaning in the State Policy for SEZs 2015.

## 3) Applicability

State Policy for SEZs 2015 covers all SEZs approved and in pipeline after the effective date of this Policy.

## 4) Guidelines

### 4.1 Proposal for setting up SEZ

4.1.1 An applicant who intends to set up Special Economic Zone shall apply to IPICOL in the form at **Annexure -1** after preliminary identification of land. On receipt of such application, the authorized officer of IPICOL will verify the application along with list of documents and issue acknowledgement as in **Annexure-2**, if found complete in all respect. Screening of application will be taken up within 7 days by IPICOL in the light of the criteria prescribed under Clause 13.5 of the Policy for SEZ - 2015 and requirements stipulated under Rule5, 5A and 7 of the Central SEZ Rules, 2006. The proposal will be placed before the State Level Single Window clearance Authority (SLSWCA) for its decision. On approval of the proposal by SLSWCA, IPICOL will refer the case to IDCO for obtaining the information on availability of land within 3 days of approval by SLSWCA, in case land has not been arranged by the Developer.

IDCO will intimate the details of land available as per Rule 5 and 7 of Central SEZ Rule, 2006 to IPICOL within 15 days of receipt of reference from IPICOL. On confirmation of the availability of land as prescribed in SEZ Rule-2006 and Policy for SEZs, 2015, IPICOL will communicate the approval of SLSWCA along with land details within 3 days from receipt of details from IDCO to Industries Department for further recommendation to Board of Approval constituted under sub-section (1) of Sec 8 of the Central SEZ Act, 2005. The recommendation of the State Govt. to the Board of Approval will be made within over all time limit of forty-five days of receipt of application by IPICOL from the applicant.

4.1.2 Applicants having valid 'in principle' approval letter from Department of Commerce, Govt. of India as Developer, will also apply to IPICOL in the form at Annexure-1 with details of land. IPICOL will acknowledge and process the application as detailed at para 4.1.1. IDCO, in such case will make a spot visit and communicate recommendation within 15 days regarding the availability and feasibility of land under SEZ norms to IPICOL. Thereafter IPICOL will place the proposal before SLSWCA for approval. Once the identified land is in possession of the applicant, IPICOL will communicate the same to Industries Department for recommendation to Board of Approval. The recommendation by the State Government in this case will be made within six months of the date of issue of 'in principle' approval by Govt. of India for which the applicant needs to apply to IPICOL within four months of receipt of 'in principle' approval. In cases of delay beyond the period stipulated in the 'in principle' approval letter of an applicant due to reasons such as delay in allotment and delivery of possession of land and such other genuine difficulties, the State Government may recommend to Government of India to extend the period of validity as it deems fit.

4.1.3 If land available does not conform to the norms of SEZ and/or is not feasible for SEZ, IDCO will intimate to IPICOL along with detailed reasons. The same will be placed before SLSWCA for final decision. The decision of the SLSWCA will be communicated to the applicant within 5 days.

4.1.4 The applicant having valid 'in principle' approval and in possession of total land may apply to IPICOL with details of land in **Annexure -1** and

IPICOL will process as per procedure at Para 4.1.2. The Industries Department, after getting the communication from IPICOL will recommend to Govt. of India within a timeframe of one month.

4.1.5 Existing SEZ Developers having valid letter of approval issued by Department of Commerce, Govt. of India need not apply again. They will directly apply to IPICOL in the prescribed application for issue of certificate for exemption from state taxes/duties.

#### **4.2 Allotment of Land**

(a) Allotment of land to the Developer of the SEZ will be made by IDCO, after receipt of recommendation from IPICOL, as per the terms and conditions of lease and sub-lease. Upon allotment or confirmation of allotment of land, IDCO will furnish the certificate as prescribed in Rule 7 of the Central SEZ Rule, 2006 in favour of the Developer to IPICOL which will forward the same to Industries Department within five days for submission before Government of India for Formal Approval.

(b) In case of acquired land, the developer shall settle the R&R issues before the acquired land is transferred to it and even after the land is transferred, if any R&R issue is raised either by way of public demand or by a judgement of any court, the developer shall have to settle the same at its own cost, before the land is sub-leased.

#### **4.3 Exemption of Stamp Duty, Registration Charges, Entry Tax, Electricity Duty and VAT**

Concerned SEZ Developer/Co-developer/Unit shall apply to IPICOL with following documents for issue of Certificate for Exemption of State taxes and duties in the prescribed application as at **Annexure-3**. The authorized officer of IPICOL will examine the application along with following documents and if found complete in all respect, will issue acknowledgement instantly as in **Annexure-2**.

(a) Formal approval letter and notification issued by Government of India in case of Developer/Co-developer and approval letter from Unit Approval Committee in case of SEZ Units.

(b) VAT Registration

- (c) OSPCB clearance - CTE (Consent to Establish)/CTO (Consent to Operate)
- (d) Undertaking to abide by the terms and conditions mentioned in the Policy for SEZs, 2015 as in **Annexue-5**.

The IPICOL will scrutinize the above application along with original documents and the Chairman-cum-Managing Director or the Managing Director will issue the Certificate of Eligibility of Exemption as per **Annexure-4** for SEZ Developer/Co-developer/ Unit in pursuance to Notification No.33077 dated 26.12.2015 of Finance Department, Notification No.27007 dated 21.9.2015 & No.27013 dated 21.9.2015 of Revenue and DM Department and Notification No. 2767 dated 11.4.2016 of Energy Department within 15 days of the date of receipt of the application, if all the prescribed documents are in order. On production of the certificate by the Developer/Co-Developer/Unit before the concerned authorities the exemptions shall be allowed.

**5) Rejection:** - In case of rejection of application by SLSWCA, the reasons of rejection shall be communicated to the applicant unit by the General Manager, IPICOL within a period of 5 days of decision by SLSWCA as at **Annexure - 6**.

**6)** Time limits prescribed in this guideline are in working days only.

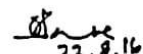
**7)** This has been issued in consultation with Energy Department, Rev. & D.M. Department and Finance Department, with approval of Government.

Government of Odisha  
Industries Department

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Memo No 5630/I., Bhubaneswar, dated 22.8.2016  
**XIX-HI-53/2015**

Copy forwarded to All Department/All Heads of Department/All PSUs/All RDCs/All Collectors/All DICs/All RICs/ Head, Portal Group, IT Centre, Secretariat, Bhubaneswar/All Section of Industries Department/Guard File(5 Copies) for information & necessary action.

  
22.8.16  
Joint Secretary to Government.

**Annexure -1**

**APPLICATION FOR SETTING UP OF SPECIAL ECONOMIC ZONE  
UNDER POLICY FOR SPECIAL ECONOMIC ZONES, 2015**

**I. Name and address of the Undertaking in full (Block Letters)**

Name of the Applicant .....

Full Address .....

(Regd. Office in case of  
limited companies and  
Head Office for others) .....

Pin Code .....

Tel. No. ....

Fax No. ....

Permanent E-Mail Address .....

Name and address of each  
of the Directors/Partners/  
Promoters, as the case  
may be .....

**II. Constitution of the applicant Firm or Company:**

- (a) Public Limited Company
- (b) Private Limited Company
- (c) Proprietorship
- (d) Partnership
- (e) Others (please specify)

*Note:* Copy of certificate of incorporation along with Article of Association and Memorandum in case of companies and partnership deed in case of partnership firms or as applicable may please be attached.

(f) Net worth

(Net worth of the Applicant (including Group companies) duly supported by Audited Accounts of the Developer for last 3 years (for all the constituents in case the Developer is a SPV). If the company is a new company, audited accounts of Flagship/ Holding Company/ promoters may be provided).

(g) Business experience, if any

III. (i) Location of the proposed Special Economic Zone: Whether the proposal is for—

(a) Special Economic Zone for Multi Product. (b) Special Economic Zone for Specific Sector. (c) Free Trade and Warehousing Zone.

(Tick R as applicable)

IV. (a) Distance from the nearest Sea Port or Airport or Rail or Road head to the proposed Special Economic Zone.

(b) Indicate the area of the proposed Special Economic Zone (in hectares)

(c) Availability of land

(i) Whether the applicant is in possession of the required land – Yes/ No

If yes, the detailed land schedule may be attached

(ii) Whether the applicant is interested to purchase the required land –Yes/ No

(iii) Whether the applicant intend to avail government land through IDCO- Yes / No

(iv) Whether the applicant is ready to acquire private land in and around the Govt. land through IDCO-Yes/No

V. Proposed Financial/Investment Details:

(i) Cost of Land.

(a) Type and quality of land i.e. waste and barren land, single crop or double crop etc.

(ii) Cost of proposed infrastructure, namely:

(a) Development of land.

(b) Boundary walls (as per prescribed specification), roads, drainage, water supply, electricity, etc.

(c) Plug & play facilities:.

(d) Port.

(e) Airport.

(f) Others, if any, give details

(iii) Total Investments

**VI. Means of Financing**

(a) Equity Capital

(b) Term Loan

(c) External Commercial Borrowings, if any, furnish details

(d) any other source

Total:

**VI.A. Foreign Direct Investment (FDI)**

(a) Extent of FDI (if any) in million U.S. Dollars.

(b) Source of FDI (Country and Company details may be provided.)

**VII. (i) Equity including Foreign Investment**

(Rs. Lakhs)      (US \$ Thousand)

(a) Authorized .....

(b) Subscribed .....

(c) Paid up Capital.....

*Note:* If it is existing company, please give the breakup of the existing and proposed capital structure

**(ii) Pattern of shareholding in the paid-up capital (Amount in Rupees)**

(Rs. in lakhs)      (US \$ Thousand)

(a) Foreign holding .....

(b) Non Resident Indian company/individual holding

- (i) Repatriable .....
- (ii) Non-repatriable .....
- (c) Resident holding .....
- (d) Total .....

**VIII. Development of identified area as Special Economic Zone: Give the following details:—**

Area in hectares

(i) Total area proposed for development as Special Economic Zone.

(ii) Area proposed to be developed as processing area.

(iii) Development activities proposed in the processing area,

Namely:—

(a) Site development,

(b) Construction of boundary walls (as per prescribed specification),

(c) Construction of roads,

(d) Installation of water supply and sanitation and sewage systems,

(e) Power distribution system,

(f) Telecom facilities,

(g) Construction of factory buildings and warehouses,

(h) Any other activity which may be required in the processing area.

(iv) Area proposed to be developed as non-processing area.

(v) Activities proposed in the non-processing area, namely:—

(a) Residential.

(b) Commercial complex.

(c) Recreation facilities.

(d) Social amenities-give details.

(e) Others-specify.

(vi) Standards of operation and maintenance of the facilities proposed



**IX.** Indicate exports and direct and indirect employment likely to be generated during the first five year period.

(Attach a Project Report outlining the economic and commercial viability of the proposal)

**X.** Has the applicant obtained any, Permission or Approval from Government of India for setting up any other SEZs, if so, details may be given and/or whether any such application is pending consideration before the State Government or Government of India?

**XI.** Has the applicant or any of his partners/Directors who are also partners/Directors of any other company or its associate concerns are being proceeded against and have been debarred from getting any License or Letter of Intent or Letter of Permission under the Foreign Trade (Development and Regulation) Act, 1992/Customs Act, 1962/Foreign Exchange Management Act, 1999/Central Excise Act, 1944.

**XII. UNDERTAKING:**

I hereby undertake abide by all the rules & regulations as specified in the Central SEZ Act 2005 and Rules 2006.

I hereby undertake abide by all other applicable rules, regulations, terms & conditions as specified in the Policy for SEZs-2015 announced vide Industries Department GO.No.3971 dated 18.06.2015 and the consequent statutory notifications/ amendments in this regard.

Place: .....

Signature of the Applicant .....

Date: .....

Name in Block Letters .....

Designation .....

Official Seal/Stamp .....

Tel. No .....

E-mail .....

Web-Site, if any .....

Full Residential Address .....

**Annexure -2**  
**(FOR OFFICE USE)**

INDUSTRIAL PROMOTION AND INVESTMENT CORPORATION OF ODISHA  
LIMITED, IPICOL HOUSE, JANPATH, BHUBANESWAR.

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

Acknowledgement  
(on the day of receipt)

(Strike out whichever is not applicable)

To

Sri \_\_\_\_\_

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

\_\_\_\_\_

Received the application for -----  
(Annexure-I/III) under the provisions of **State Policy for SEZs-2015** 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.
- 3.

Signature of authorized officer of **IPICOL**  
With seal & date-----

**Annexure-3**

**Application by the Developer / Co-developer/ Units for  
Issue of Eligibility Certificate of Exemption under SEZ Policy-2015.**

To

**The General Manger,  
IPICOL, Bhubaneswar**

Sub: Certificate for exemption from Entry Tax / VAT/Electricity Duty/Stamp  
Duty/Registration Fees to M/s -- under SEZ Policy-2015.

Sir,

The Board of Approval of SEZ/ Unit Approval Committee, Government of India in its meeting held on ----- has granted formal approval to M/s. \_\_\_\_\_ as Developer/ Co-developer/ SEZ Unit status vide letter No. -----dt-----.The photocopies of the documents mentioned below are attached for reference.

Kindly issue necessary certificate referred above for production before the appropriate authorities.

Authorized Signatory

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

Copies of documents attached.

1. Formal approval letter and notification issued by Government of India in case of Developer/Co-developer and approval letter from Unit Approval Committee in case of SEZ Units.
2. VAT Registration
3. OSPCB clearance - COE/COO
4. Undertaking to abide the terms and conditions mentioned in the Policy for SEZs 2015.

**Annexure-4  
(FOR OFFICE USE)**

INDUSTRIAL PROMOTION AND INVESTMENT CORPORATION OF ODISHA  
LIMITED, IPICOL HOUSE, JANPATH, BHUBANESWAR.

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

**CERTIFICATE**

Sub: Certificate of Eligibility for Exemption of Stamp Duty, Registration Fees, Entry Tax, Electricity Duty & VAT to SEZ Developer/Co-developer/ Units on all purchases from DTA

- Ref: 1. Industries Department Resolution No 3971 dated 18/06/2015  
2. F.D Notification No33077 and 33082 dated 26/12/2015  
3. Revenue &DM Department Notification No27007 and 27013  
Dated 21/09/2015  
4. Energy Department Notification No2767 dated 11/04/2016

This is to certify that (Strike out whichever is not applicable):

1. Board of Approval of SEZ/ Unit Approval Committee, Government of India in its meeting held on ----- has granted formal approval to M/s. ....as Developer/ Co-developer/ Unit and issued approval letter vide No. -----dt. -----.
2. M/s. .... as Developer /Co-developer/ Unit has purchased/ allotted land by IDCO / Developer through sale/ lease/ sub-lease deed of agreement for ----- acres of land at Vill.....Tahsil .....for development of ----- SEZ/ for establishment of an Unit in the .....SEZ.
3. Certified that the Developer/Co-developer/ Unit is eligible for Stamp Duty, Registration Fees, Entry Tax, Electricity Duty & VAT Exemption as SEZ Developer/Co-developer / Units Exemption on all purchases

from DTA in pursuance to Notification/ orders of respective Departments referred above.

4. The SEZ Developer / Co-developer / Unit has to fulfill the terms and conditions as prescribed in the Government order cited above.

General Manager, IPICOL

To

1. Applicant SEZ Developer/Co developer/ Unit
2. Concerned Joint Commissioner of Commercial Tax
3. Concerned Sub-Registrar
4. Concerned Electrical Inspector/ Executive Engineer, DISCOM

**Annexure-5**

**Undertaking to be submitted by SEZ Developer/  
Co-developer/Unit**

**Undertaking on behalf of M/s -----**

1. I hereby undertake abide by all the rules & regulations as specified in the Central SEZ Act 2005 and Rules 2006.
2. I hereby undertake abide by all other applicable rules, regulations, terms & conditions as specified in the Policy for SEZs-2015 announced vide Industries Department GO.No.3971 dated 18.06.2015 and the consequent statutory notifications/ amendrnents in this regard.

Place:

Date:

Name:  
Designation

For M/s-----

**Annexure-6**

INDUSTRIAL PROMOTION AND INVESTMENT CORPORATION OF ODISHA  
LIMITED, IPICOL HOUSE, JANPATH, BHUBANESWAR.

Letter No.----- / Date-----  
(Strike out whichever is not applicable)

From

Sri-----

General Manager, IPICOL

To

Sri \_\_\_\_\_

M/s \_\_\_\_\_,

At \_\_\_\_\_ P.O. \_\_\_\_\_

Dist. \_\_\_\_\_

This is to inform that -

The application for **SETTING UP OF SPECIAL ECONOMIC ZONE/ Issue of Certificate of Eligibility Exemption of Stamp Duty, Registration Fees, Entry Tax, Electricity Duty & VAT Exemption** by M /s \_\_\_\_\_ bearing No. \_\_\_\_\_ dt. \_\_\_\_\_ under **POLICY FOR SPECIAL ECONOMIC ZONES, 2015** is rejected due to following reasons.

(Specify the reasons)

1.

2.

Signature of authorized officer of **IPICOL**  
With seal & date-----