

**Orissa Industrial Infrastructure
Development Corporation**

(A Government of Orissa Undertaking)
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ISO 9001 14001 CORPORATION

No. HO/ID/A/8864/01-96/ 21327

Date: 03.12.2009

C I R C U L A R

SUB: Amendment for Simplification of procedure for mutual transfer of leasehold interest in IDCO allotted properties in Industrial Estates/Areas.

The Board of Directors of IDCO in their 77th meeting held on 23.09.2009 (vide agenda item no. 4) have ratified the action taken by the management for simplification of the procedure for transfer of leasehold interest in IDCO allotted properties in Industrial Estate/Industrial Areas etc. vide circular no. 11249 dated 29.06.2009, issued by management earlier with further modification. Pursuant to the above decision, the aforementioned circular is hereby modified and the revised procedure is as under;

- a) Change in land use from Industry to Institutions in course of mutual transfer or otherwise is permissible in all Industrial Estate / Industrial Areas subject to the ceiling of 20% of salable area in respective IE / IA except for Chandaka & Mancheswar Industrial Estate.
- b) In Mancheswar & Chandaka Industrial Estate, the ceiling limit of land use for social infrastructure projects has been enhanced to 35% & 45% of saleable land from the existing limit of 20 % & 25 % respectively.
- c) Processing fee for mutual transfer proposals is enhanced to Rs. 10,000/- from Rs. 2,000/- in general and Rs. 20,000.00 from Rs.5,000.00 for transfer to Institutions (all social infrastructure projects).
- d) Transfer fee shall be realized at the rate of land prevailing at the time of disposal of the case and not at the time of application.
- e) The existing transfer fee of 10 % in case of mutual process and 5% in case of transfer made through OSFC / IPICOL after seizer of the unit u/s-29 of SFC act is here by enhanced to 25% and 15% respectively. In case of transfer made in favour of Social Infrastructure units including institutions, transfer fee at the rate of 40% on the prevailing land cost shall be realized.

- f) For transfers arising out of orders / decisions / decrees of Courts and judiciary authorities such as BIFR etc., transfer fee @ 15% of land cost shall be realized.
- g) (i) All proposals pending for mutual transfer prior to 2.2.2008 shall be dealt in accordance with the revised procedure as mentioned above and disposed accordingly. In case of mutual transfer involving change in land use to Institution etc., transfer fee @ 40% of land cost for institutional purpose on prevailing before 72nd Board meeting dt. 2.2.2008 or rate prevailing for Institution minus paid up amount whichever is higher shall be realized.
- (ii) Cases disposed but not complied on account of dispute on applicability of prevailing land rate prior to and after the decision of 72nd Board, shall be treated under the revised procedure i.e. transfer fee @ 40% of land cost for institutional purpose prevailing before 72nd Board meeting dt. 2.2.2008 or prevailing rate for institution minus paid up amount whichever is higher shall be applicable.
- (iii) Proposals pending prior to 72nd Board decision shall be processed without insisting on minimum period of utilization.
- (iv) Till revision of land rate as per IPR 2007, the industrial and institutional land rate fixed by the Board for Chandaka Industrial Estate is also to be applicable to Mancheswar Industrial Estate.
- (v) Allottee violating the terms and condition of allotment / agreement by way of change in land use without approval of IDCO, shall be imposed with penalty @ 10% per annum on the prevailing land cost from the date of detection.
- h) As a proof of utilization of the allotted property, the allottee has to submit utilization certification from the District Industries Centre to the effect that the unit established on the allotted property was in commercial production and issued Permanent Registration Certificate / EM Part-II or to furnish last five years Audited balance sheet alongwith Sales tax and Income tax clearance certificate from the competent authorities.
- i) Proposal for transfer of the allotted property lying vacant / unutilized beyond 5th year of handing over physical possession shall be allowed on realization **of transfer fee**, five times on the prevailing land cost.
- j) Transfer proposal on account of sale through OSFC / IPICOL / Financing Institutions / BIFR etc. shall be regularized on realization of penalty @ 5% (of the

prevailing land rate of industrial Estate / Industrial Areas etc.) per annum for the period of delay in addition to usual transfer fee as applicable allowing the 1st year from the date of sale/possession as moratorium period.

- k) No transfer fee shall be realized in case of transfer arising out of death of an allottee provided the transfer is within the family (husband/wife/son/daughter) and the same shall be permitted as per prevailing practice.
- l) IDCO allotted properties in different Industrial Estates / Industrial Areas etc. seized and sold by financing Institutions including IPICOL / OSFC under section- 29 of SFC Act, shall have to clear the IDCO dues in full before effect the transfer. Financing Institutions shall sell the properties for the purpose of industry / social infrastructure project but not for commercial/ other purposes.

This circular shall take immediate effect that all proposals including pending proposals are to be processed and disposed off as per the aforementioned decision.

By order.

Sd/-

Chief General Manager(ID)

Memo No 21328 Date: 03.12.2009

Copy to the Divisional Head, IDCO, Angul / BCD-I / BCD-II / Balasore / Berhampur / Bolangir / Cuttack / Keonjhar / Jajpur Road / Jharsuguda / Rourkela /Sunabeda for information and necessary action.

Copy to the President/Secretary, Orissa Small Scales Industries Association, Cuttack / Orissa Young Entrepreneurs Association, Cuttack & Rourkela / Utkal Chamber of Commerce and Industry, Bhubaneswar & Rourkela / Association of Industrial Entrepreneurs of Bhubaneswar / NOCCI, Balasore for information with a request to circulate the above guidelines to all concerned.

Copy to all Chief General Managers, IDCO / PS to Chairman / PS to Managing Director, IDCO for information.

Copy to Manager (MIS), IDCO for information with a request to launch this circular in IDCO website for general information.

Copy to All Officers & Dealing Assistants of ID Department, Head Office, IDCO Bhubaneswar for information and necessary action.

Chief General Manager (ID)