

**Orissa Industrial Infrastructure
Development Corporation**

(A Government of Orissa Undertaking)
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ISO 9001 & 14001 CORPORATION

No. HO/ ID/A/8839/01-96(P-IV)/

25398

Date: 23.12.2010

C I R C U L A R

Sub: Revised circular on mutual transfer of lease hold interest in IDCO allotted properties in Industrial Estate and Industrial Areas.

The Board of Directors in their 84th meeting held on 22.11.2010 approved simplification of procedure for mutual transfer superseding the previous orders circulated vide letter No. 3550 dated 23.02.2008, and No. 21327 dated 03.12.2009. In pursuance to the above decision, the revised procedure is as under.

- 1) Mutual transfer of IDCO allotted properties shall be allowed without insisting for minimum period of utilization. Transfer of sick units shall be allowed on realization of required transfer fee.
- 2) a) Change in land use i.e. 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 of 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.
- 3) Processing fee for mutual transfer shall be as follows:-
 - a) In general for SME Sector – Rs.5,000/-
 - b) For social Infrastructure Projects & Institutions – Rs. 10,000/-
 - c) No differential processing fee on revised rate in general shall be realized.
- 4) Transfer fee shall be realized on the prevailing land rate at the time of disposal of the case for applications received after 23.02.2010.

Pending proposals received upto 23.02.2010 in complete shape shall be disposed on receipt of fees on land rate prevalent on 23.02.2010.

Application in complete shape shall mean submission of application for mutual transfer along with processing fee prevalent on date of application and copy of PRC/EM-I or PMT/EM-II of the transferor along-with application of the transferee with EM-I issued by DIC for applications under process and as per check list for new applicants.

- 5) Transfer fee on prevailing land cost at the time of disposal shall be realized as under
- Industry to Industry – 10%
 - OSFC/IPICOL/Financing Institutions transfer under section-29 of SFC Act- 5%
 - OSFC/IPICOL/Financing Institutions mutual transfer – 5%
 - Industry to Social Infrastructure Projects – 15%
 - Social Infrastructure Projects to Social Infrastructure Projects – 10%
 - Transfers arising out of Orders/decisions/decrees of Courts and judiciary authorities such as BIFR etc., transfer fee @ 5% on prevailing land cost shall be realized.
- 6) a) Allottee violating the terms and conditions of allotment/agreement by way of change of land use, penalty shall be imposed @ 2% in case applied before changing the industrial activities and @ 5% in case of unauthorized change of activity (without obtaining permission from IDCO) on the prevailing land cost.
- b) In case of change of activity from industry to industry on submission of proposal by allottee along with amended PRC/PMT or EM-Part-I/II and required processing fee, no transfer fee shall be realized on change of activity provided there is no change in constitution.
- c) Proposal shall be submitted by the allottee in the office of the Divisional Head, IDCO in complete shape as per check-list. Incomplete application shall not be accepted by IDCO and is to be treated as rejected (copy of checklist is enclosed).
- 7) Industries creating pollution shall be required to furnish clearance certificate of State Pollution Control Board, Orissa along with the proposal (for transferee).
- 8) If property is lying vacant at the time of application, transfer fee shall be realized @ five times of normal transfer fee.
- As a proof of utilization of the allotted property, the allottee has to submit EM-II, opinion of DIC/IPICOL may be called for if necessary.
- 9) a) Proposal on account of sale through OSFC/IPICOL/Financing Institutions/BIFR etc. shall be regularized on realization of penalty @ 1% per annum on the prevailing land rate 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.
- b) In case the unit applied to IDCO in complete shape submitting required processing fee, copy of sale and possession letter of OSFC/IPICOL/F.Is, and required registration certificate issued by DIC, no penalty shall be realized from the date of application.

- 10) 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).
- 11) Industrial units who are not eligible to get financial incentives under IPR, 15% additional land cost shall be charged over prevailing land cost for calculation of transfer fee. This principle shall also be applicable in case of change of activity on transfer.

This circular shall take immediate effect and new proposals and pending proposals are to be processed and disposed off as per the afore mentioned order. (Check list enclosed)

By order

Pranab Chandra Pradhan.
Chief General Manager (ID)

Memo No. 25399 Date: 23.12.2010

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 / Sr. PS to CMD, IDCO for information.

Copy to DGM (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.

Pranab Chandra Pradhan.
Chief General Manager (ID)

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CHECK-LIST (A) ON THE PROPOSAL OF MUTUAL TRANSFER

Documents to be submitted by the Transferor	
Sl	Item
1	Required Processing fees (in shape of Bank Draft/ Bankers cheque) (Non-refundable) drawn in favour of "OIIDC, Bhubaneswar".
2	Copy of lease agreement on the allotted property executed in the Sub-Registrar's office.
3	NOC from the financing institution to which property was mortgaged, if any
4	Clearance of IDCO dues up-to-date like Ground rent, Cess, IMC & water charges if any.
5	Undertaking towards Vacation of encroachment or its regularisation if any
6	Undertaking towards Regularisation of deviation of construction made on the property if any
7	As a proof of utilisation of the allotted property, the allottee has to submit utilisation certificate from the District Industries Centre / EM Part-II .
8	Copy of resolution passed by the Partners/ Directors / Trustee of the firm/company/trust etc. for disposal of the property in favour of transferee unit through mutual process / share patterns if any.
9	Consent in shape of Affidavit to transfer the assets & liabilities in favour of transferee unit through mutual process.
Documents to be submitted by the Transferee	
1	Detailed Project Report of the unit.
2	Copy of the Industrial Registration Certificate.(PRC/ PMT or EM Part-I/ Part-II) from DIC or recommendation from nodal agency.
3	Consent in shape of Affidavit to take over assets & liabilities of transferor unit through mutual process.
4	Documentary evidence as a proof of identification of the promoter(s) Partners / Directors / Trustees.
5	Copy of Registration Certificate of Society or Trust with their by-law, in case of Society or Trust
6	Affidavit regarding present and permanent address of the Promoter(s)/ Partners / Directors / Trustees of the Unit/ Firm /Company/ Trust.
7	Copy of Partnership deed / Trust deed / Certificate of Incorporation & Memorandum & Articles of Association of the Company/ Trust/ Firm, as the case may be/ share patterns if any.

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**CHECK-LIST (B) ON THE PROPOSAL OF PROPERTY SOLD BY IPICOL/ OSFC /
FINANCING INSTITUTIONS u/s-29 OF SFC ACT & PROPERTY SOLD BY BIFR etc.**

SI	Item
1	Application for approval of transfer proposal by the purchaser
2	Required Processing fees (in shape of Bank Draft/ Bankers cheque) (Non-refundable) drawn in favour of "OIIDC, Bhubaneswar".
3	Copy of Sale letter and Possession letters of OSFC / IPICOL / F.Is / BIFR etc
4	NOC from the concerned financing institution where property was mortgaged, if any
5	Proof of clearance of IDCO dues in up-to-date like H.P.dues, Ground rent, Cess, IMC & water charges if any.
6	Undertaking to regularise the excess land in possession besides the sold property if any, as per IDCO rule or vacation of encroached land.
7	Undertaking to regularise deviation of construction made on the property if any as per IDCO rule
8	Copy of resolution passed by the Partners/ Directors / Trustee of the firm/company/trust etc.
9	Project out line of the proposed land use duly signed by the purchaser.
10	Copy of the valid Industrial Registration Certificate (PRC/ PMT or EM Part-I/ Part-II) from DIC for Indl. Enterprise.
11	Undertaking to submit recommendation of nodal agency (if necessary)
12	Copy of Registration Certificate of Society or Trust with their by-law, in case of Society or Trust/ Copy of Partnership deed / Trust deed / Certificate of Incorporation & Memorandum & Articles of Association of the Company/ Trust/ Firm/sharing partner, as the case may be.
13	Affidavit regarding present/permanent address of Proprietor/ Partners/ Board of Directors.