

**GOVERNMENT OF ODISHA
REVENUE & DISASTER MANAGEMENT DEPARTMENT**

ORDER

Bhubaneswar dated the 4-1- , 2016

GE (GL)-S-04 / 2015(Pt) 266 / R &DM, Whereas State Government vide their Order No. 1403 dtd.18.1.2014 had laid down certain principles governing the conditionalities for grant of No Objection Certificate by IDCO in favour of their lessees for mortgage of the allotted Government land and acquired private land to the financial institutions including Banks for implementation of the Projects. The terms and conditions laid down therein seems difficult to mortgage the land to banks for financing the industries and also difficult for the banks to effect recovery of their dues by auctioning the mortgaged land as per law. Keeping these difficulties in view, revision of the said principles is active consideration of government some time past.

And, whereas the Government of Odisha in the Revenue & DM Department have made Resolution for mode of transfer of government land and acquired private land in favour of IDCO for creation of land bank and issue of NOC/Permission by IDCO in favour of the project proponents for creation of mortgage over leased out land for establishment of Industries vide No. 31320/R&DM dtd. 13th Nov. 2015.

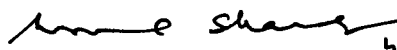
Now, basing on the said Resolution , the State Government do hereby lay down the following principles governing the conditionalities for grant of No Objection Certificate/Permission by IDCO in favour of the project proponents (Sub-lessees and subsequent sub-lessee) for creation of mortgage over leased out land for establishment of Industry.

- (i) IDCO shall be allowed to mortgage its leased land in favour of any scheduled bank or a financial institution duly notified by RBI or set up under a Law for execution of its own projects.

- (ii) IDCO shall be allowed to permit its lessees/sub-lessees, subject to the conditions of original lease, to mortgage the sub-leased land for availing financial assistance for setting up or running the project for which the land has been leased, to any scheduled bank or a statutory financial institution.
- (iii) For the leases/sub leases to be executed in future, appropriate clauses as at (i) and/or (ii) above, as the case may, shall be incorporated in the lease deeds.
- (iv) All NOCs/Permissions granted for mortgage shall be subject to condition that in the event of foreclosure of mortgage and taking over of assets by the mortgagee bank or other financial institution, the land so taken shall be used only for the purpose for which it was originally leased/sub-leased or for similar purpose permissible under the Industrial policy Resolution. Further, the transferee in whose favour the land is so transferred shall be required to pay the transfer fee as decided by Government along with such incidental/ administrative charges. On fulfilment of the above conditions, the IDCO may allot the land for the balance period of sub-lease to the transferee, on execution of a lease deed.

The earlier Order issued by the Revenue & DM Department vide No. GE (GL)-S-27/2013-1403/R&DM dated 18.01.2014 is superseded.


By order of the Governor


Principal Secretary to government 7/1/16

By Fax/e-mail


Memo No. 267 /RDM dated 4-1-16

Copy forwarded to Secretary, Board of Revenue, Odisha, Cuttack/ all RDCs/ all Collectors for information and necessary action.


4/1/16
Joint Secretary to Government

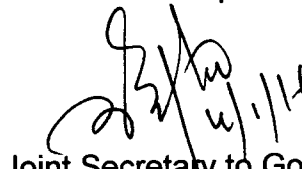
Memo No. 268 /RDM dated 4-1-16

Copy forwarded to Industries Department/ CMD, IDCO, Bhubaneswar for information and necessary action.


4/1/16
Joint Secretary to Government

Memo No. 269 /RDM dated 4-1-16

Copy forwarded to Deputy Secretary, I/C of IMU Cell/ all seats of LR&GE (A)/(B)/(C) Branch/ LA (A)/(B) Branch of Revenue & DM Department for information and necessary action.


4/1/16
Joint Secretary to Government