

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

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**ORDER**

Bhubaneswar, Dated the 18-1-2014

No. GE (GL)-S-27/2013 1403 / R&DM. Whereas the clause 4 (viii) of Deed of Agreement and clause 5 (d) of Agreement prescribed in Revenue & Disaster Management Department letter No. 26678/R&DM dated 9/7/2013 for execution between the State Government and IDCO for transfer of Government land and transfer of acquired private land respectively, stipulate that the Corporation shall be competent to accord permission to the allottee or lessee to create mortgage in accordance with the principles laid down by the State Government by a general or a special order for such purpose, as and when required by the said allottee or lessee from time to time in respect of the demised/ allotted property i.e. land, shed etc. for securing loan from financial institutions including Banks for implementation of the project;

Now, therefore, the State Government do hereby lay down the following 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 Project: —

1. The permission for mortgage shall be within the terms and conditions of original lease.
2. While granting permission for mortgage, the same shall be examined and approved by the Board of Directors, IDCO on case to case basis.

3. The permission for mortgage shall be issued by IDCO only for the purpose of financing the project for which the land has been allotted. The Financial Institution shall also ensure that the sanctioned loan is utilized for the project on the demised land and in the event of default in repayment of loan by the lessee/ allottee, the financial institution/ Bank concerned shall obtain clearance from IDCO.
4. In case of auction sale of Government land transferred to IDCO due to default in repayment of the loan by the allottee or lessee, the concession in premium granted to the lessee on the land shall stand withdrawn and the auction purchaser shall have to deposit the differential land premium as per prevailing bench mark valuation of the land, at the time of auction, under the Stamp Rules and any other dues of the State Government or IDCO with the State Government in Revenue & Disaster Management Department or IDCO as the case may be, as the first charge against the mortgaged property. Adjustment of loan dues of the financial institution/ Bank will be the second charge and balance thereafter, if any, shall be deposited with the State Government in Revenue & Disaster Management Department.
5. In case of auction sale of private land acquired under Land Acquisition Act, 1894, and leased/ allotted to the Lessee/ Allottee, due to default in repayment of the loan by the allottee or lessee, the auction purchaser shall be liable to pay the differential market value and such other statutory benefits under Land Acquisition Act as assessed by appropriate Court of law to the land losers, if any, and the same shall not be a liability of the State or IDCO. In case of non-payment, the same shall be treated as violation of lease condition and liable for determination of lease and simultaneously the amount

shall be recovered from the lessee under the provisions of OPDR Act.

6. The decision of State Government in respect of amount of land premium as per benchmark valuation recoverable shall be final and binding on all the parties concerned.
7. The auction purchaser shall be bound by the terms and conditions of original lease and shall execute a fresh lease deed accordingly.
8. In case of any dispute on the demised property or claim for recovery of any amount from the allottee/ lessee by the financial institution/ Bank in any Court of Law, including the statutory authorities, it will be mandatory to add State of Odisha through the Secretary to Government in Revenue & Disaster Management Department in the State and Collector in the District as necessary party to the case.
9. Auction of the land shall be only for the same purpose. In case of change in the type of industry, State Government reserves the right to charge such consent fees as may be determined by Government.

By order of the Governor



18.1.14

Additional Chief Secretary to Government



Memo No. 1404 /RDM dated 18-1-14

By FAX

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

As per the direction of State Election Commissioner, Odisha, the Collector, Cuttack and Collector, Mayurbhanj are instructed to ensure that no entrepreneur within the limits of Cuttack Municipal Corporation and Baripada Municipality is given any benefit under this policy till 07.02.2014 in view of the election to the Cuttack Municipal Corporation and Baripada Municipality.

CH 18/1/14

Joint Secretary to Government

Memo No. 1405 /RDM dated 18-1-14

By FAX

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

As per the direction of State Election Commissioner, Odisha, the CMD, IDCO is requested to ensure that no entrepreneur within the limits of Cuttack Municipal Corporation and Baripada Municipality is given any benefit under this policy till 07.02.2014 in view of the election to the Cuttack Municipal Corporation and Baripada Municipality.

CH 18/1/14

Joint Secretary to Government

Memo No. 1406 /RDM dated 18-1-14

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

CH 18/1/14

Joint Secretary to Government