

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

ITE&C Department – Promotion Wing - Andhra Pradesh Information Technology (IT) & Global Capability Centers (GCC) (4.0) 2024 -2029 – Operating Guidelines for Implementation – Orders – Issued.

**INFORMATION TECHNOLOGY, ELECTRONICS & COMMUNICATIONS
(PROMOTIONS) DEPARTMENT**

G.O.MS.No. 10

Dated: 01-05-2025

Read the following:

1. G.O.Ms.No. 9, IT,E&C (Promotions) Department, dated: 12.12.2024
2. G.O.Ms.No. 4, IT,E&C (Promotions) Department, dated: 24.03.2025
3. G.O.Ms.No. 8, IT,E&C (Promotions) Department, dated: 25.04.2025
4. e.File.No.:ITC01-IT0PROM(ITPR)/13/2025-PROMOTIONS (Comp.No.2771405) from ITE&C (Promotion Wing) Department, Government of Andhra Pradesh

ORDER:

In the reference 1, the Government has announced the implementation of the Andhra Pradesh Information Technology (IT) & Global Capability Centers (GCC) (4.0) 2024-2029, introducing a range of incentives aimed to strengthen the infrastructure gaps in the physical, financial, and the digital spaces and incentivize massive employment creation. This policy shall focus on creation of large-scale capacities in co-working spaces and neighborhood workspaces to provide flexibility in work spaces and foster work life balance to the employees in the IT and the GCC sector, which may result in improved productivity.

2. In the reference 2, the Government of Andhra Pradesh has established a detailed and structured workflow to facilitate the effective implementation of the Andhra Pradesh Information Technology (IT) and Global Capability Centers (GCC) Policy (4.0) for the period 2024–2029. This comprehensive framework outlines the procedures, roles, and responsibilities to ensure the successful execution of the policy’s objectives.

3. In the reference 3, the Consultative Committee for the Information Technology and Electronics Industry (CCITEI) is being restructured to effectively implement policies and address issues related to IT, ITeS, electronics, and start-ups. The re-constituted committee will serve as a platform for policy discussions, regulatory support, and industry growth, ensuring alignment with broader economic and technological goals. It will also streamline proposal evaluations and oversee the efficient, timely, and transparent disbursement of incentives.

4. The Government after careful examination, hereby accorded its approval for the Operating Guidelines for Andhra Pradesh Information Technology (IT) & Global Capability Centers (GCC) (4.0) 2024-2029 as appended to these orders.

5. This order is issued with the remarks and concurrence of the Finance Department (UO No.FIN01-FMU0PC(GAD1)/17/2025-FMU-GAD-I, Computer No.2774893), which states that “*the operational Guidelines for AP IT and GCC policy is agreed with a suggestion that yearly cap on incentives may be proposed.*”

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

BHASKAR KATAMNENI

SECRETARY TO GOVERNMENT

To:

All the Departments of Secretariat
The Secretary to Govt., Industries & Commerce Department, Government of Andhra Pradesh
The Commissioner and I.G., Stamps and Registration
The Director, Industries and Commerce, Andhra Pradesh
The Vice Chairman and Managing Director, APIIC,
The Commissioner, Information and Public Relations, Andhra Pradesh
The Member Secretary, A.P. Pollution Control Board, Andhra Pradesh
The Chairman and MD, AP TRANSCO
The Managing Director, APCPDCL/EPCPDCL /SPCPDCL
The Commissioner, Labour, Andhra Pradesh
The Vice Chairman, VUDA/TUDA/VGTMUDA
All the District Collectors and Magistrates, Andhra Pradesh
All the Municipal Commissioners, Andhra Pradesh
The CEO, APEDB
The Managing Director, APTS, Vijayawada
The Development Commissioner, VSEZ, Visakhapatnam
The Director, STPI, Andhra Pradesh

Copy to:

The Secretary, Ministry of Electronics and Information Technology (MeitY), Government of India
The Chief Minister’s Office, Government of Andhra Pradesh
PS to Chief Secretary to Government of Andhra Pradesh
PS to Prl. Finance Secretary, Government of Andhra Pradesh
OSD to Minister for HRD, ITE&C, RTGs, Government of Andhra Pradesh
PS to Minister for Finance, Government of Andhra Pradesh
PS to Minister for Revenue, Government of Andhra Pradesh
PS to Minister for MA and UD, Government of Andhra Pradesh
PS to Minister for Energy, Government of Andhra Pradesh
PS to Minister for Labour, Government of Andhra Pradesh
PS to Secretary Planning Department, Government of Andhra Pradesh

//FORWARDED::BY ORDER//

SECTION OFFICER

ANNEXURE

(Annexure to G.O.Ms.No.10, ITE&C(Prom Wing) Dept., dated:01.05.2025)



Operating Guidelines for Government of Andhra Pradesh IT & GCC Policy (4.0) 2024-29

TABLE OF CONTENTS

1. INTRODUCTION	5
SECTION A – GENERAL DEFINITIONS, INSTRUCTIONS, PROCESSES AND PROCEDURES	6
2. DEFINITIONS	6
3. INSTITUTIONAL MECHANISM FOR TAILOR MADE INCENTIVES.....	10
4. DIGITAL PLATFORMS FOR CLAIM APPLICATION.....	13
5. GENERAL GUIDELINES	14
6. PROCEDURE FOR CLAIMING VARIOUS INCENTIVES.....	16
7. PROCESS FLOW FOR INCENTIVE SANCTION	16
8. SERVICE LEVEL AGREEMENT (SLA) FOR SANCTION & DISBURSEMENT OF INCENTIVES:	17
9. PROCEDURE FOR INSPECTION OF ENTERPRISES	18
10. PROCEDURE FOR DISBURSEMENT OF FUNDS.....	18
11. RECOVERIES OF INCENTIVES SANCTIONED UNDER THE POLICY.	18
12. FURNISHING OF STATEMENT OF ACCOUNT/ INFORMATION BY ELIGIBLE ENTERPRISES	19
13. INTERPRETATION.....	20
14. PENALTIES	20
SECTION B – INCENTIVE ELIGIBILITY, APPLICABILITY AND EVALUATION PROCEDURES.....	20
15. QUALIFYING AND ELIGIBILITY OF APPLICANTS.....	20
16. INCENTIVES UNDER IT & GCC POLICY 4.0.....	25
17. INCENTIVE CLAIM VERIFICATION PROCEDURE.....	29

1. INTRODUCTION

Andhra Pradesh has been particularly well-known for producing engineering graduates who have ascended to leadership positions, spearheading world-renowned products and leading global IT firms. The graduates from Andhra Pradesh make a substantial contribution to the human resources pool within the IT industry, representing a significant percentage of its workforce. In the wake of the COVID-19 pandemic, the Indian knowledge economy, including IT/ITeS, GCCs, R&D sector have seen rapid adoption of latest technologies including AI, cyber security, transition to cloud etc. Additionally, IT/ITeS sector has seen a boom in remote work and other flexible forms of engagement. Approximately 20% of job postings in India now promote remote/hybrid working arrangements, up from around 0.9% in 2020, propelled by the growth of AI-driven jobs across sectors. This shift has had unique economic impact, with a young skilled labor force demanding more flexible work culture, continuous upskilling, and better quality of life. Global IT and GCC firms are also forced to reassess business models, given global headwinds impacting the bottom line.

These guidelines issued to clarify incentive applicability and claim procedures all applicants claiming incentives under IT & GCC policy 4.0 (2024-29).

SECTION A – GENERAL DEFINITIONS, INSTRUCTIONS, PROCESSES AND PROCEDURES

2. DEFINITIONS

2.1. Andhra Pradesh Information Technology (IT) & Global Capability Centers (GCC) Policy (4.0) 2024 -2029

Andhra Pradesh Information Technology (IT) & Global Capability Centers (GCC) Policy (4.0) 2024 -2029 means, the policy of state incentives/facilities announced by the state government vide G.O.Ms.No.6, Information Technology, Electronics & Communications (ITE&C) (Promotion Wing) Department, dated 14.11.2024 and amendments thereof.

2.2. Nodal Agency for Policy

S.No.	Policy	G.O. No	Validity Dates	Implementing Agency/ Nodal Office
1	Andhra Pradesh Information Technology (IT) & Global Capability Centers (GCC) Policy (4.0) 2024 -2029	6	14.11.2024 to 13.11.2029	Andhra Pradesh Economic Development Board (APEDB)

In line with G.O.Ms.No.4, dated 24.03.2025, as notified by IT,E&C Department, Government of Andhra Pradesh, APEDB will be the nodal agency for this policy and coordinate for all matters with the investor.

2.3. Applicant

Applicant shall mean any Building Infrastructure Developer, an entity with lines of activity IT, Cor working space developer or IT enabled Services, that is seeking benefit of any incentive, or a concession or a subsidy under either Andhra Pradesh Information Technology (IT) & Global Capability Centers (GCC) Policy (4.0) 2024 -2029.

2.4. Policy Period

Andhra Pradesh Information Technology (IT) & Global Capability Centers (GCC) Policy (4.0) 2024 -2029 will be operational from 14.11.2024 to 13.05.2030 until any further

amendments to the policies for extension of period. The policy will be applicable to the projects that have commenced operation on or before during the policy period.

2.5. Area of Operation

The policy is applicable for greenfield and brownfield projects, which are being setup or operating within the territory of state of Andhra Pradesh.

2.6. Information Technology

Information Technology (IT) is defined as the technology involving the development, maintenance, and use of computer systems, hardware, software, and networks for the processing and distribution of data.

2.7. IT enabled Services (ITeS):

Information Technology that enables the business by improving the quality of service is IT enabled services. IT enabled services covers the entire spectrum of operations which exploit information technology for improving efficiency of an organization. This will include:

- a) Call centre;
- b) Medical transcription;
- c) Back Office Operation/Business Process Outsourcing (BPO)/Knowledge Process Outsourcing (KPO);
- d) Cloud service provider;
- e) Data processing;
- f) Engineering and design;
- g) Remote maintenance;
- h) Legal and other databases;
- i) Website development and maintenance services;
- j) Geographic information system services;
- k) Revenue accounting and other ancillary operations;
- l) Insurance claim processing;
- m) Web/Digital content development/computer graphics/animation/ERP/Software and application development;
- n) Financial and accounting processing;
- o) Human resource & payroll processing services;
- p) IT enabled banking, non-banking services including insurance, pension, asset management and market related services; and

- q) Depository and security registration and dematerialization services; and other knowledge-based industries

2.8. IT/ITeS Firms

Any legal entity including but not limited to Private Limited Company or a Public Limited Company (as per the Companies Act 2013), a Registered Partnership Firm (under the Partnership Act, 1932) or Limited Liability Partnership (under the Limited Liability Partnership Act, 2008), who is engaged in providing any services or developing products related to IT/ITeS.

2.9. Global Capability Centers (GCC)

Global Capability Centers (GCCs) are entities established in India by parent companies or large-scale IT/ITeS firms (within or outside India) to deliver any kind of service activities including but not limited to Finance, accounting, R&D, Legal, IT, ITeS etc, to organizations present outside India.

2.10. Campus Hires

Campus hires refers to recruitment in the state through on campus, off campus, pool campus, walk-in or hiring from market, provided they were previously unemployed.

2.11. Co-working Space (CWS) / Neighborhood Working Space (NWS)

Coworking spaces refers to a Building or part of it dedicated for operation of multiple companies/individuals/teams either in a shared space or dedicated spaces, having basic working arrangement with facilities including but not limited to furniture, working cubicles, office stationery, conference/meeting rooms, internet, cafeteria etc.

Co-working space Developers (CWS)	Will have Minimum 100 seats (OR) 10,000 Square feet developed office space.
Neighborhood Working space Developers (NWS)	Will have minimum 10 seats (OR) Minimum 1,000 Square feet developed office space

2.12. Employment.

Employment is defined as job roles which are directly employed and EPF account for this job in the state of Andhra Pradesh is created. Such employment shall include on-roll workforce of the enterprise operating in the state only.

Inspecting officer will ascertain the final employment created, as an average number of employees working, post DCO, over an 18-month period prior to the claim submission date, as per employee register maintained in line with Labor laws.

The employment figure thus arrived and certified by inspecting officer shall be treated as employment.

2.13. IT Campus / IT Park

IT Campus refers to Large, self-contained complexes that house multiple IT companies or a single entity, with supporting commercial activities including but not limited to restaurants, entertainment cum shopping complex, Gymnasium, sporting centers, living space etc.

2.14. IT Campus / IT park developer

IT Campus or IT Park Developer means the real estate infrastructure developer or a builder constructing IT space for sale/ lease or lease-cum-sale for the IT industry.

2.15. Co-working space/Neighborhood working Space Developers

Entity committed to develop Information Technology Hubs/Clusters, Co-working Spaces/Plug and Play Infrastructure, thereby providing infrastructure facilities / office space on lease/rental arrangement to IT/ITeS entities or GCCs or start-ups or small teams for the purpose of carrying out business activities.

2.16. Seat/ Workstation

A designated space within a shared office environment where individuals from different companies or freelancers can work independently or collaboratively. These seats/ workstations typically include a desk, chair, and access to office amenities like Wi-Fi, printers, and meeting rooms.

2.17. Cold Shell

A commercial building with an unfinished interior and lacking heating, ventilating, and air conditioning (HVAC), and usually without lighting, plumbing, ceilings, elevators, or interior walls.

2.18. Warm Shell

An empty building which is partially fitted out, such that it will most likely be lined with plasterboard walls & ceiling (either grid & tile or plasterboard), have basic services connected, space with no seating, network cabling, office cabins. Facilities such as fire safety and alarm equipment, facilities to setup HVAC inside the office space

2.19. Fixed Capital Investment (FCI)

Fixed Capital Investment means investment on land, building, office, plant, machinery & equipment unless otherwise specified separately. Fixed capital Investment does not include working capital costs or any other operational costs.

2.20. Eligible Fixed Capital Investments (eFCI)

The eligible FCI definition shall be used for computation of incentives under this policy. Eligible FCI means,

- a) For CWS/NWS developers - only investment in Civil works, interior works, desk, chairs, utilities, network cabling etc. required to provide office space.
- b) For IT Campus Developers - only investment in Civil works, and building interiors

2.21. Approved Project Cost

Approved Project Cost means, the cost of the project on different components as approved by the term loan lending institution or in case of joint financing, by the lead term loan lending institution. The Appraised Project Cost by the Scheduled Commercial Banks/Financial Institutions/Industrial Finance Corporation of India recognized by Reserve Bank of India for the purpose of sanction of term loan would be treated as the Approved Project Cost. In respect of new self-financed projects, the Approved Project Cost needs to be certified by Chartered Accountant, and in case of existing self-finance projects the Approved Project Cost certified by Chartered Accountant, should be validated with the latest audited financial statements of the enterprise by the inspecting officer.

2.22. Date of Commencement of Commercial Operations (DCO)

DCO is the date on which commercial operation started, as verified through first sales bill/ commercial invoice.

2.23. **SIPC:** The State Investment Promotion Committee (SIPC) is an apex inter-secretarial body constituted in the state for the purpose of consider and recommend tailor-made benefits to Mega projects cutting across all industries and sectors.

2.24. **SIPB:** State Investment Promotion Board

2.25. Financial Year

1st April to 31st March of the next year

2.26. First Half Year

1st April to 30th September

2.27. Second Half Year

1st October to 31st March

3. INSTITUTIONAL MECHANISM FOR TAILOR MADE INCENTIVES

3.1. For the purpose of processing the claims the state has following committees to recommend and approve incentives as per policy or to extend tailor-made Benefits.

3.2. Only projects related to Andhra Pradesh IT & GCC Policy 4.0 2024-29 will be allowed to file claims for incentives under the policy. Approval will be provided by CCITEI.

3.3. Tailor made incentives:

- 1) Eligible companies desirous of seeking financial assistance/ concessions, beyond those already provided in the policy, must present detailed representations along with project reports to APEDB, clearly spelling out special incentives being sought with due justification before or during initial stages of implementation.
- 2) On receipt of such proposals, APEDB will examine the same with due diligence and forward it to the Government through CCITEI following due procedure defined before placing it in the State Investment Promotion Committee (SIPC) and State Investment Promotion Board (SIPB) for taking the decision in the matter.

#	Process for approving Tailor Made Incentives
1	Investor Submits Detailed Project Report (DPR) to APEDB
2	APEDB to scrutinize the DPR, assess benefits to the state and put up the case to CCITEI for evaluation
3	CCITEI to review and approve projects. In case of tailor made incentives, CCITEI to review and forward case to SIPC.
4	SIPC to review and recommend to SIPB based on merit of the case
5	SIPB to review and provide approval
6	IT, E&C Department to issue Government Order for every case, with list of incentives

3.4. State Investment Promotion Council (SIPC)

- 1) The State Investment Promotion Committee (SIPC) is an apex inter-secretarial body constituted in the state for the purpose of consider and recommend tailor-made benefits to Mega projects cutting across all industries and sectors.
- 2) The State Investment Promotion Committee (SIPC) shall convene at least once every month for discussion of agenda which constitute but not limited to
 - scrutinize and recommend tailor made incentives including Financial and non-financial benefits to Mega and above projects.
 - evaluate and recommend extent of land for projects having requirement of more than 50 acres.
 - evaluate and recommend revision/modification/relaxation on contractual terms for Mega and above projects that have breached agreed service level agreements. Any recommendation by SIPC shall not override conditions stipulated by the Judiciary.
 - Repetitive requests received from Mega and above projects that may require standardization/policy level interventions.

- 3) The concerned Principal Secretary/ Secretary to the Government, willing to place their proposals before the SIPC for decision, shall send the agenda notes to the Commissioner of Industries.
- 4) The Commissioner of Industries will circulate the agenda notes to all the members and collate their responses and will place before the SIPC in consultation with the Chairman.
- 5) The committee, after deliberations, will place their remarks before the State Investment Promotion Board for their consideration and approval / for a suitable decision.
- 6) The agenda shall be structured as indicated below to apprise the committee about the proposal and help the committee to take rational decision.

Proposals requesting Tailor made incentives or Land requirement > 50 acres	
1.	Firm details
2.	Proposal Summary view
3.	Investment break-up
4.	Financing Details
5.	Land Locations details
6.	Approvals status
7.	Incentive Wishlist
8.	Impact to state
Projects that breached SLA and requesting relaxations	
1.	Firm details
2.	Committed timeline vs Actual Timeline
3.	Request of company
4.	Sequence of events
5.	Department comments
6.	Impact to State

3.5. State Investment Promotion Board (SIPB)

- 1) The State Investment Promotion Board (SIPB) will meet at regular intervals to examine all the proposals related to Industrial and infrastructure Investments and to take appropriate decisions for early realization of investments in the state of Andhra Pradesh.
- 2) The SIPB shall evaluate the recommendations of SIPC and make a final decision on the agenda proposals.
- 3) After obtaining SIPC & SIPB approvals and ratification by cabinet (wherever required), respective line department Secretaries shall issue Government Order mentioning the terms agreed, timelines for each of the specific proposals.

3.6. Consultative Committee for Information Technology and Electronics

Investments CCITEI

- 1) The ITE&C department has constituted the Consultative Committee for Information Technology and Electronics Investments (CCITEI) to evaluate, approve and monitor projects related to IT and Electronics industries.
- 2) The consultative committee comprises of members as notified by a Government order from time to time.
- 3) Powers of CCITEI
 - i. To resolve the problems in implementation of the policies and cause necessary through implementing agencies such as APIIC/ Urban Development Authorities/ DISCOMs/ Municipal Corporations, for administration of various incentives sanctioned, and for speedy realization of the goals set forth in the upcoming polices within the said period.
 - ii. To prescribe the procedure and issue the guidelines and clarifications in implementation of all policies to be issued in coming years i.e. 2024-29. The CCITEI can recommend/approve/ defer any application for incentives/land allotments at its sole discretion.
 - iii. Interpretation
 - When any matter arises for the purpose of interpretation on which CCITEI could not take a decision or in case where any suggestions are made outside the scope of CCITEI in regard to implementation of the scheme, such matters shall be referred to the Government of Andhra Pradesh for decision.
 - The interpretation and decisions of the Government is final with regard to applications made by the IT/ITeS, and CWS/NWS/IT Campus developers for any of the incentives available as per AP IT and GCC Policy 2024-29, as applicable. Government shall not entertain any correspondence against its decision, nor can the matter be subjected for any challenge in any court of law at any point of time.

4. DIGITAL PLATFORMS FOR CLAIM APPLICATION

4.1. Single Desk Portal

- 1) Single Desk Portal is an integrated portal for applying and receiving all industrial licenses and permissions, for setting-up industry or start industrial activity in the state.
- 2) Any entity that needs support from government, should mandatorily create an account in Single Desk Portal (SDP) and furnish details in prescribed formats.

- 3) Any co-working space or Neighborhood Workstation or IT campus Developer will have to submit request for development by furnishing required details and receive approvals and licenses from respective authorities through SDP.

4.2. APIIC ERP

- 1) Andhra Pradesh Industrial Infrastructure Corporation (APIIC) is the state owned, nodal organization, which holds and manages government lands for allotment to industrial and approved commercial activities.
- 2) In line with G.O.Ms.No.4, dated 24.03.2025, as notified by IT,E&C Department, Government of Andhra Pradesh, Applications for the lands/buildings belonging to the APIIC for IT, E&C Sector will be applied through APIIC portal, as attached with the Single Desk Portal. The Detailed Project Reports (DPRs) submitted for the lands/buildings of APIIC by the interested firms in the APIIC Online Portal will be forwarded to APEDB and IT, E&C Department by the APIIC and these DPRs will be evaluated by Consultative Committee for Information Technology and Electronics Industry (CCITEI). The CCITEI shall make use of the remarks of the APEDB while evaluating the DPR.

4.3. Incentive Application Portal

- 1) Investors after becoming eligible to claim incentives under various policies of the state, will submit their application for incentives on the online portal.
- 2) Investors will have to upload all documentary proofs, filled-in all details in the prescribed forms on the incentives portal, for concerned department to scrutinize, verify, validate and sanction the incentive claim.

5. GENERAL GUIDELINES

- 5.1. Only approved infrastructure projects related to CWS, NWS, IT park/campus and eligible IT firms will be able to claim incentives under the AP IT & GCC Policy 2024-29. Approval will be provided by CCITEI.
- 5.2. Further, only those enterprises which fulfill the following criteria are eligible for incentives:
 - a. The enterprise should have a registered/branch office in Andhra Pradesh.
 - b. In case of filing for any employment or job creation incentive, The enterprise should pay and process the provident funds (PF) from Andhra Pradesh and pay professional tax to designated State authorities in Andhra Pradesh.
 - c. Employment created in the state of AP to considered. Employees may be tagged to notified CWS/NWS in AP on APCWS (Andhra Pradesh Co working space) portal created. IT firm to clearly indicate the CWS/NWS while filing for

incentives and gather attendance proof through biometric to capture presence in CWS/NWS in AP. CWS/NWS firm will share all biometric attendance data with the IT firm directly.

- 5.3. The incentives under this policy are in addition to any Government of India incentives which the IT enterprise may be eligible for.
- 5.4. The approved projects, where land allotment by government or government agencies is involved, will have to commence commercial operations within 3 (three) years for IT firms and 6 (six) years for IT Campus/IT Parks, from the date of handing over of land and where space allotment is involved, will have to commence commercial operations within one (1) year from the date of handing over of office space. However, CCITEI may take a decision extending the timelines after evaluation of justification stated by the enterprise.
- 5.5. The approved projects, where government office spaces are allotted to CWS/NWS developers, will have to commence commercial operations within 6 (six) months from the date of handing over of the government office. However, CCITEI may take a decision extending the timelines after evaluation of justification stated by the enterprise.
- 5.6. The enterprises availing incentives shall file separate claim application for each of the incentives they are eligible for, through online incentive portal/ application form as prescribed in the guidelines, within the stipulated time frame.
- 5.7. The entrepreneurs should have Permanent Account Number (PAN) and should file the Income Tax Returns annually in the name of the legal entity i.e. proprietor in the case of sole proprietorship, firm in case of partnership and in the name of the company in case of Private Limited companies etc.
- 5.8. The following items shall not be computable towards Fixed Capital Investment (FCI):
 - 1) Working capital, stores, and all consumables
 - 2) Value of motor vehicles.
 - 3) Pre-operative expenses, advances, expenditure not supported by payment of bills.
 - 4) Investment made outside the approved project cost and items not covered by approved project.
 - 5) Fixed assets which form part of project cost but not created within 6 months from the DCP or the date of filling the claim whichever is earlier if it is a financed enterprise.
 - 6) Term loan sanctioned by the financial institution after the DCO.
 - 7) In case of self-financed enterprise/ industry, the fixed assets created after the DCO and payment made after DCO.
 - 8) Diesel generators.

9) Transformers.

6. PROCEDURE FOR CLAIMING VARIOUS INCENTIVES

- 6.1. The entrepreneurs who wish to receive incentives have to file for the same on the on the online portal of Government of Andhra Pradesh.
- 6.2. All claims requested shall be within one policy period only. One claim cannot be requested under more than one policy period.
- 6.3. All the enterprises should have professional tax registration and should pay the professional tax as per G.O.Rt.No.664 Revenue (Commercial Taxes-II) department Dt. 24.08.2020.
- 6.4. To extent possible, incentives portal shall be integrated with APIs of concerned line departments (including but not limited to GSTIN, Energy, Excise, Commercial Tax, Labor), to leverage features of Artificial Intelligence for self-computation of incentive/concessions, digital validation of documents submitted, fraud detection and online certification required for incentive claim submission.
- 6.5. The Unit holder must obtain all the necessary statutory approvals/permissions/licenses for operating the unit. In case of deemed approvals, the online system shall not permit the user who didn't obtain necessary approvals/permissions/licences/ to apply for incentives beyond the exempted period. All the approvals can be sought from the Single desk portal at <https://www.apindustries.gov.in/APIIndus/UserInterface/SingleWindowServicesApplication/Public/EntrepreneurLogin.aspx>

7. PROCESS FLOW FOR INCENTIVE SANCTION

- 7.1. As per G.O. Rt. No. 24, dated 17th April 2025, notified by the IT,E&C Department, Government of Andhra Pradesh, for incentive applications up to INR 10 Lakhs, the District IT manager will scrutinize and analyze the applications for eligible firms applying under the policies of the ITE&C department, and submit to the General Manager, District Industries Center (GM-DIC), to be placed under District Industries and Export Promotion Committee on Incentives (DIEPC) for review and approval. The DIEPC constitution will be that notified by Department of Industries, Government of Andhra Pradesh, from time to time. The DIEPC committee shall consider the recommendations of the District IT manager and shall take appropriate decision including sanction or rejection of the claims. The decision will be communicated to the Joint Director, Promotions, IT, E&C Department for disbursement.

- 7.2. For incentive applications greater than INR 10 Lakhs, the APEDB/Evaluation Committee will scrutinize the applications put up the same to CCITEI for review and approval.
- 7.3. CCITEI is constituted for sanction/rejection of claims for the incentives.
- 7.4. **Profession Tax:** Payment of Profession Tax is mandatory for obtaining industrial approvals/ licenses, renewals and for availing incentives as per the Andhra Pradesh Tax on Professions, Trades, Callings and Employment Act 1987. All entrepreneurs shall submit undertaking that they are paying the profession Tax to the Government. All inspecting officers should ensure and certify the payment of profession tax by the enterprises before placing any claims in the portal and approved in CCITEI as the case may be.
- 7.5. The application is to be made on the online portal.
- 7.6. On receipt of the application for claiming incentives from the Enterprises, the inspection will be conducted to the Enterprise/Industry and verifies all the records/documents and provides recommendation in the inspection report to CCITEI.
- 7.7. The inspecting officers verifies all the machinery/equipment/office furniture and works as per list with bills, payment proofs (**validated with data from GSTIN or any other relevant databases linked through APIs**) and certify on the list of equipment.
- 7.8. Inspection report will be made available to the entrepreneur through his/her login on the online portal.
- 7.9. If the entrepreneur doesn't agree with the inspection report, he/she can appeal within 30 days of publication and uploading the inspection report.
- 7.10. For all firms, appeals are submitted to Secretary, IT,E&C department, duly notifying Joint Director, IT Promotions, IT,E&C Department.

8. SERVICE LEVEL AGREEMENT (SLA) FOR SANCTION & DISBURSEMENT OF INCENTIVES:

- 8.1. Upon receiving the application, CCITEI should make a decision on the application within 60 days from the application date, following the completion of the evaluation.
- 8.2. ITE&C Dept shall ensure that the incentives shall be disbursed within six months from the date of the decision taken by CCITEI.

9. PROCEDURE FOR INSPECTION OF ENTERPRISES

- 9.1. The concerned inspecting officers shall inspect the enterprises once in 6 months after first inspection / from the date of previous inspection in case of NWS and once in a year in case of CWS, IT firms and IT Campus.
- 9.2. The performance reports shall be obtained from the unit during the inspection in the prescribed format and the same shall be uploaded in the portal.
- 9.3. The claims received further shall be processed based on the earlier inspection / performance report filed earlier without inspecting the unit physically.
- 9.4. These performance reports shall also be utilized for analyzing the efficiency / performance of the unit and for facilitating other benefits if any.

10. PROCEDURE FOR DISBURSEMENT OF FUNDS

- 10.1. All sanctioned claims shall be kept ready in the chronological orders (as per the date of approval) for disbursement. No documents shall be uploaded by the entrepreneur for disbursement, except in cases involving courts, wherein court orders shall be honored.
- 10.2. The disbursements are made in a bunch of cases through consolidated release proceedings generated through online system for CCITEI sanctions observing the chronological order of such meetings held. The disbursement shall be made on the Integrated CFMS system based on the Proceedings generated.
- 10.3. Wherever the IT,E&C department finds any entity is sick, closed, change of management taken place, change of financial institution, shifting part of the machinery etc. or for any other reason not worthy of receiving subsidy till further examination, the IT, E&C Department shall not disburse the subsidy to such entity and a written intimation to be given to the Industry/Enterprise by the IT,E&C department. In case of above two situations, the subsidy shall be disbursed only after further clearance given by the CCITEI.
- 10.4. However, if the unit was in continuous operation for a period as prescribed i.e. 3 years from DCO and the amount is pending to be released even after such period, that amount should be released without insisting working status.

11. RECOVERIES OF INCENTIVES SANCTIONED UNDER THE POLICY.

- 11.1. Incentives/ concessions granted to firms shall be liable to be recovered under the following circumstances:

- i. If the incentives/ concessions are obtained by the enterprise by misrepresentation of essential facts or by furnishing of false information or suppressions of facts or by submission of false/ fake documents etc. In addition to recovery of the incentives granted, penalty will be levied as deemed fit and disbursed amount and barred from availing incentives in future.
 - ii. In case the enterprise goes out of operation within six (6) years from the DCO, as applicable. However, in the case where the unit remains out of operation for period up to 36 months due to the reasons beyond its control such as shortage of critical infrastructure, power and change of management, bills receivables, recession in the market, fire accidents and natural calamities etc., and the same is regularized by the CCITEI, then the enterprise is exempted from recovery/ penalty.
 - iii. If the unit fails to furnish the prescribed statements and/ or information when it is called upon to furnish.
 - iv. If the unit effects change of management without prior approval from the financing institution concerned and the CCITEI.
 - v. If the unit shifts a part or whole of the enterprise/ industry after receiving a part or whole of the incentives without prior approval of the CCITEI.
 - vi. If the whole or part of the unit is leased/ sold to another IT enterprise/ unit without the prior approval of the CCITEI.
 - vii. If the unit enters into a contract of any nature whatsoever by transferring the Management, without the prior approval of the CCITEI.
- 11.2. In the event of recoveries for reasons arising mentioned above, they shall be recovered treating them as arrears of Land Revenue under A.P. Revenue Recovery Act, 1864 and the ITE&C Department officers will be designated as recovery officers by suitable Government Orders. In this regard, CCITEI should monitor the progress of the unit and submit report to the ITE&C Department periodically.

12. FURNISHING OF STATEMENT OF ACCOUNT/ INFORMATION BY ELIGIBLE ENTERPRISES

The unit availing incentives for this project, shall furnish certified copy of audited accounts including balance sheet before 30th June of the succeeding year to IT,E&C Department through online system. Such statement should be furnished for a period of minimum six (6) years, as per the case. Further, the unit should also furnish details of operations, sales, employment, etc., through online system before 30th June of the succeeding year. In case the unit fails to submit the certified audited accounts including balance sheet or Annual Performance Report in time, the recurring incentives in future will not be disbursed.

13. INTERPRETATION

When any matter arises for the purpose of interpretation on which CCITEI could not take a decision or in case where any suggestions are made outside the scope of CCITEI in regard to implementation of the scheme, such matters shall be referred to the Government of Andhra Pradesh for decision.

14. PENALTIES

Without prejudice to anything included in this paragraph, it is hereby ordained that any willful misrepresentation of facts, action/ inaction on behalf of entrepreneur leading to irregular sanction/disbursement of incentives under the above policy will invite civil and criminal action as per extant laws besides recovery of the amount irregularly disbursed, if any, and debarring the unit from claiming incentives in the future.

SECTION B – INCENTIVE ELIGIBILITY, APPLICABILITY AND EVALUATION PROCEDURES

15. QUALIFYING AND ELIGIBILITY OF APPLICANTS

15.1. Eligibility criteria for projects to claim incentives under the policy are:

S. No	Applicant	Qualification	Commitment
1.	Co-working space Developers (CWS)	Turnover of at least INR 100 Cr (OR) developed co-working space of minimum 20,000 seats	Minimum 100 seats (OR) 10,000 Square feet developed office space.
2.	Neighborhood Working space Developers (NWS)	Turnover of at least INR 100 Cr (OR) developed co-working space of minimum 5,000 seats	minimum 10 seats (OR) Minimum 1,000 Square feet developed office space

3.	IT Campus developers	Developed minimum office space of 5 Lakh Square feet	Develop > 5 Lakh Square feet office space.
4.	IT & GCC Firms	Current Turnover > INR 30 Cr per year (OR) at least 50 current employees	Generate minimum of 50 no.s of new jobs, in IT/GCC sector, in the state of Andhra Pradesh

All IT firms which wish to claim incentives under the relevant policy as per this document, have to create employment during the operative period of the policy.

All CWS/NWS/IT Campus developers who wish to claim incentives under this policy, should possess approval from CCITEI during the operative period of this policy.

A CWS/NWS developer can also be a Special Purpose Vehicle (SPV) formed by one more individuals or organizations, bringing together financial and technical background. In such cases, the combined experience of the SPV will be considered. However, CCITEI will approve the projects on a case-to-case basis.

15.2. Project Approval:

All CWS/NWS/IT Campus developers who wish to claim incentives should get their project approved by CCITEI. The firms should submit a project report, detailing the following:

- a) About the Company
- b) Background of the promoter
- c) About the project
- d) Total Investment
- e) Total Employment/ Total Committed seats
- f) Timeline for completion of the project.
- g) Financial statements and net worth certificate of the firm.

15.3. CWS facilities should further include:

Facility	Specifications
Legal Clarity of the property	Clear & unencumbered Title of the original owner of the superstructure (such as Encumbrance Certificate and other supporting documents) and all other statutory permissions
Occupation Requirement	Minimum 70% of space should be usable as IT space seats with clear indication in the drawing
Manager cabin	Provision for Manager/Executive cabins.
	At least 1 cabin for 100 seats.
Meeting room/ Conference room	Meeting/conference room with a 42 inch or higher size of LED/LCD monitor.
	Can be used for virtual meetings or trainings.
	At least 6 seats and a table
	One such conference room, for every 100 seats created
Break Area/ Pantry	Dedicated space for break room/ Lunchroom/ Coffee stations etc.
	Should abide by corresponding regulatory codes for sanitation and hygiene.
Air Conditioning	Either central or wall mounted
Electrical Power	On site Power Back-up to support office equipment, lighting and 50% for air- conditioning.
	Additional power Back-up for Emergency Lighting & Critical Facilities to be provided.
Telecommunication and Data Communication network interface	Facility should have for broadband connectivity along with Wi-fi provision for occupants

Facility	Specifications
Internal wiring connection for data and power connections	Provided with concealed ducting for Power, Telecom and Data Cables in each hall of the building.
Fire Protection Mechanism	As per the provision so the code set by the regulations within the state.
Security	Biometric or RFID based access control system to track usage
Parking	Should provide adequate covered parking. In case there is not enough parking, should lease parking areas in the vicinity.
Adequate Toilet facilities	Adequate number of Washrooms should be provided for both male & female employees.
	24 Hr water supply in the washrooms should be ensured.
Seating	Should be modular and meeting standard ergonomic requirement for long period sitting.
	Should be well illuminated.
	Each seating should have sufficient power outlets and networking outlets with concealed cabling.
	A 42 inch or higher size of LED/LCD monitor for conducting trainings, virtual meetings etc.
Insurance	Building should be insured for all types of losses

15.4. NWS facilities should further include:

Facility	Specifications
Legal Clarity of the property	a) Clear & unencumbered Title of the original owner of the superstructure (such as Encumbrance Certificate and other supporting documents) and all other statutory permissions
Ceiling Height	b) A Minimum of 8 feet below the false ceiling c) A minimum of 1 feet from ceiling to false ceiling for running AC ducts, Fire Extinguisher facilities etc.
Air Conditioning	d) Either central or wall mounted
Electrical Power	e) On site Power Back-up to support office equipment, lighting and 50% for air- conditioning. f) Additional power Back-up for Emergency Lighting & Critical Facilities to be provided.
Telecommunication and Data Communication network interface	g) Facility should have for broadband connectivity along with Wi-fi provision for occupants
Fire Protection Mechanism	h) As per the provision so the code set by the regulations within the state.
Security	i) Biometric or RFID based access control system to track usage
Parking	j) Should provide adequate covered parking. In case there is not enough parking, should lease parking areas in the vicinity.
Adequate Toilet facilities	k) Should have access to adequate number of washrooms should be provided for both male & female employees, within or adjacent to the facility.

Facility	Specifications
	l) 24 Hr water supply in these washrooms should be ensured.
Seating	m) Can be a conference room setup or a modular and meeting standard ergonomic requirement for long period sitting. n) Should be well illuminated. o) Each seating should have sufficient power outlets and networking outlets with concealed cabling.
Insurance	p) Building should be insured for all types of losses

16. INCENTIVES UNDER IT & GCC POLICY 4.0

16.1. Co-Working Space developers:

- 1) **Capital Subsidy:** Co-working space Developers will be entitled for reimbursement of 50% of eligible fixed capital investment, up to a maximum of INR 2,000 per square feet of the total developed square feet.
- 2) **Rental lease subsidy**
 - a) 50% of total space rental, with a maximum subsidy of INR 2,000 per seat will be provided for the period of 6 months, as per committed seats of the investor.
- 3) **Other Benefits**
 - a) Industrial Tariff power to all approved projects by CCITEI
- 4) **Early Bird Incentive**
 - a) Selected Government buildings will be provided rent free for the period of 5 years. The building space, which is not yet identified for other purposes, will be shortlisted to be offered to CWS developers in as-is where-is basis. The CWS developer will be expected to refurbish at their own cost and pay for all maintenance and repair of the same. At any time the facility is handed back to the government department, the CWS developer will ensure that the facility is handed back in the same condition as it was offered. The CWS developer will execute a contract with the government department directly, which will include commercial terms, including caution deposit, advance deposit etc.

- b) Rental assistance of INR 2,000/seat will be provided for one year, if the firms create employment of more than 1,000 seats over 12 months and handholding for all compliances will be facilitated.

16.2. Neighborhood Working space Developers.

- 1) Capital Subsidy:** Neighborhood space Developers will be entitled for 50% of eligible fixed capital investment, up to a maximum of INR 1,000 per square feet of the total developed Square feet.
- 2) Rental lease subsidy**
 - a) 50% of total space rental, with a maximum subsidy of INR 1,000 per seat will be provided for the period of 6 months, as per committed seats of the investor.
- 3) Early Bird:**
 - a) Selected Government buildings will be provided rent free for the period of 5 years. The building space, which is not yet identified for other purposes, will be shortlisted to be offered to NWS developers in as-is where-is basis. The NWS developer will be expected to refurbish at their own cost and pay for all maintenance and repair of the same. At any time, the facility is handed back to the government department, the NWS developer will ensure that the facility is handed back in the same condition as it was offered. The NWS developer will execute a contract with the government department directly, which will include commercial terms, including caution deposit, advance deposit etc.
 - b) 50% of total rent for space as Rental lease assistance, limited to INR 1,000/seat will be provided for 12 months, if the firms create employment of 500 seats across the state over 1 year period of policy.

16.3. IT Campus Developers

- 1) Capital Subsidy:** IT Campus Developers will be entitled for reimbursement of 50% of eligible fixed capital investment, up to a maximum of INR 2,000 per square feet.
- 2) Other Benefit**
 - a) Industrial tariff power,
 - b) Power at doorstep,
 - c) 100 feet road
 - d) System to fast-track approvals, area master plans, infrastructure buildup.
 - e) Mixed use (not exceeding 33%)
- 3) Early Bird:**
 - a) Exemption of contract demand charges for 3 years from start of phase 1
 - b) Land at subsidized rate

16.4. IT & GCC firms

1) Job creation subsidy for IT Firm: A Job creation subsidy, with reimbursement of 6 months CTC (cost to company) for new hires, in Andhra Pradesh (AP), under below mentioned categories.

- a) Campus hires of AP Domicile or Graduates from AP Colleges, at a maximum of INR 1,50,000. Graduates from both junior college (also known as intermediate or 12th class) and graduation and post-graduation as eligible.
- b) Top 10 NIRF (National institute ranking framework) ranked graduates (OR) Experience hires (10 years), with a maximum of INR 3,00,000
- c) Women/BC/SC/ST/Transgender – Additional, 100% reimbursement of employer share of EPF (Employee's Provident fund) contribution for 6 months

2) Rental subsidy

- a) 50% of total rental value with a maximum subsidy of INR 2,000 per seat will be provided for the period of 24 months as per committed seats, post creation of employment for the corresponding seat, for which the incentive is being claimed.

3) Power Incentive

- a) Industrial tariff will be applicable for IT and GCC firms and a discount of INR 1/unit will be provided for 5 years.

4) Employee Incentive

- a) HRA (OR) Children Education allowance up to INR 1 Lakh/employee for 3 consecutive years.
- b) Employees need to complete at least 18 months of employment in the state with the same firm before applying.
- c) Incentive will be paid directly to employee.
- d) Employees need to raise claim through state government's incentive portal, using the login of the IT firm.
- e) The IT firm needs to provide EPF contribution data for the employee every year

5) Land Facilitation

- a) Land to be facilitated for firms with Current Turnover > INR 30 Cr per year AND at least 50 current employees, post approval of CCITEI.
- b) Company should commit and fulfill at least 300 jobs per acre of land allocated.
- c) Remaining terms will be as per rules of APIIC or those of the corresponding organizations.
- d) In the case of a New Company being setup by a parent firm outside India, the revenue of the Parent Organization, i.e., the foreign entity, should be at least 30 Cr. provided the shareholding pattern of the new Indian firm is 100% same or fully owned subsidiary.

6) Early Bird

- e) Selected Government buildings will be provided rent free for the period of 5 years.
- f) The building space, which is not yet identified for other purposes, will be shortlisted to be offered to IT firms in as-is where-is basis. The IT firm will be expected to refurbish at their own cost and pay for all maintenance and repair of the same.
- g) At any time, the facility is handed back to the government department, the IT firm will ensure that the facility is handed back in the same condition as it was offered. The IT firm will execute a contract with the government department directly, which will include commercial terms, including caution deposit, advance deposit etc.

16.5. Early Bird Incentive Category

- 1) CWS firm - Creates more than 1,000 seats by the end of first year of release of this policy will be eligible to receive incentives under early bird category.
- 2) NWS firm - Creates more than 1,000 seats by the end of first year of release of this policy will be eligible to receive incentives under early bird category.
- 3) IT Campus applies for and receives approval from CCITEI, within 18 months of release of this policy will be eligible to receive incentives under early bird category.
- 4) CCITEI will review and approve the project applications through the online portal, post which the projects will be considered deemed approved.
- 5) These approvals are only for processing incentives and the firms need to take all necessary statutory and regulatory approvals that are applicable under state and federal laws.

16.6. Tailor Made Incentives

Projects meeting following criteria will be extended Tailor made Incentives and represented before SIPC for recommendations.

- 1) **Under IT & GCC Policy**
 - a. CWS/NWS: Firms creating more than 2,000 seats across the state of Andhra Pradesh.
 - b. IT Firms: Create employment for more than 2,000 people in the state.
 - c. IT Campus Developers: Firms creating more than 1 Million Square feet of office space. This office space must be in addition to the mix-usage amenities created in the campus and exclude retail, hospitality and parking.
- 2) Based on the gestation period, pioneering nature, locational aspects, technology, project's importance to the state's industrial growth and project's ability to

generate large scale employment for people or revenues for the state shall be considered by SIPC to decide tailor-made incentives.

- 3) Incentive include but not limited to Discount of Land cost and development of infrastructure such as water, roads and other requirements.

16.7. Training support:

- 1) IT, E&C department will work with all the colleges and universities in Andhra Pradesh to build talent pool required by the industry.
- 2) This will be done in coordination with industry stakeholders and HRD department, GoAP, based on market demand.

17. INCENTIVE CLAIM VERIFICATION PROCEDURE

17.1. Capital Subsidy/ Investment Subsidy

1) For CWS/NWS developers:

- a. For CWS developer, subsidy will be disbursed post 50% of seats are rented out.
- b. For NWS developer, Subsidy will be disbursed post 80% of seats are rented out.
- c. The eligible square feet will be as per the building plan approved by the concerned department of Government of Andhra Pradesh. For estimating whether 50% of the seats are occupied in the CWS and 80% of the seats are occupied in the NWS facility created, one seat will be assumed to take a maximum of 100 Square feet. Seats in conference rooms, manager rooms and cafeteria will also be eligible to be counted towards total seats created.
- d. For e.g. If CWS is created over a space of 10,000 square feet, the space can accommodate a total of at least 100 seats. Hence, the firm can apply for incentive only if at least 50 seats are given out for rent.
- e. For e.g. If NWS is created over a space of 1,000 square feet, the space can accommodate a total of 10 seats. Hence, the firm can apply for incentive only if at least 8 seats are given out for rent.
- f. Corresponding developer-tenant rental agreement (or equivalent) along with invoices and payment proofs are submitted for a period of at least 3 months from DCO.
- g. The minimum number of seats have to be created within one building but can be across multiple floors in the same building.

- h. The CWS/NWS developer will submit summary data from biometric login while claiming incentive. CCITEI will verify this data to understand trends in overall state and ensure the space is in operation.
- i. CWS/NWS developers will also share this biometric data with the IT firms who have rented seats from the developers.
- j. If the investor ceases to continue the operations before the time of disbursement of incentive, the incentive shall not be disbursed.

2) For IT Campus Developers:

- a. The eligible square feet will be for the office space in per the building plan approved by the concerned department of Government of Andhra Pradesh. The eligible square feet for office space will be estimated using the workstation space, meeting rooms, conference rooms, break areas, server rooms, maintenance space, other misc. equipment rooms. Eligible square feet will exclude mixed-use development spaces such as retail, hospitality, parking etc.
 - b. The developed building should have clear & unencumbered title of the original owner of the superstructure (such as Encumbrance Certificate and other supporting documents) and all other statutory permissions.
 - c. The claim should be for a developed building and should be a plug and play, with office seats and other facilities as mentioned in this document.
 - d. The subsidy will be disbursed if at least 30% of seats committed are rented out. For estimating whether 30% of the seats are rented in the facility created, one seat will be assumed to take a maximum of 100 Square feet. Seats in conference rooms, manager rooms and cafeteria will also be eligible to be counted towards total seats created.
 - e. For e.g. If IT Campus developer is created over a space of 5,00,000 square feet, the space can accommodate a total of at least 5,000 seats. Hence, the firm can apply for incentive only if at least 1,500 seats are given out for rent and the corresponding developer-tenant rental agreement (or equivalent) along with invoices and payment proofs are submitted for a period of at least 3 months from DCO.
- 3) All eligible Enterprises shall submit their claims for capital subsidy within one year from the DCO, subject to fulfilment of
- a. 50% of committed seats rented out in case of CWS
 - b. 80% of committed seats rented out in case of NWS
 - c. 30% of committed seats rented out in case of IT Campus developers

- 4) Any incentives filed after one year and before two years, will receive only 50% of the eligible incentive. Any incentive filed after 2 years will not be eligible for the incentive.
- 5) Claims to be submitted to the APEDB, through Online Incentive Portal.
- 6) The subsidy shall be released to the Enterprises as per the project cost certified by the Chartered accountant.

17.2. Power Subsidy

- 1) All eligible enterprises shall submit their claims for reimbursement of power cost within six months after completion of every half-year i.e., by 31st of March for first half-year and 30th of September for second half-year along with the documents mentioned in the application to the IT,E&C department on half- yearly basis through Online Incentive Portal.
- 2) This reimbursement is only on the energy consumption charges for number of units consumed in KVAH only but not on Contract Maximum Demand (CMD) or any other charges levied by DISCOMs. Residential & colony power consumption and open access power is not eligible for reimbursement of power cost.
- 1) The power cost reimbursement shall be applicable to the eligible Enterprises, which are utilizing power from DISCOMs and Rural Electrical Companies (RECs). However, power connection should be in the name of the Enterprise/Industry.

17.3. Job creation subsidy

- 3) All eligible enterprises shall submit their claims in the online portal employment generation incentive within one year from the completion of 18 months of the said employment position to IT, E&C Department. Any incentives filed after one year and before two years, will receive only 50% of the eligible incentive. Any incentive filed after 2 years will not be eligible for the incentive.
- 4) Existing or New Enterprises will be eligible for this incentive only for the new employment positions created in the state or new infrastructure created in the state during the operative period of this policy, post completion of the minimum time frame as mentioned.
- 5) Further, the IT industry/ enterprise shall create a minimum of 50 direct jobs in the state to be eligible for this incentive.
- 6) Only the employment positions completing 1 year of operations in the state shall be eligible for the incentive. Replacements shall not be allowed.
- 7) Replacement candidates for a given employment position for which incentive has already been claimed shall not be eligible for the incentive. Each employment position shall be given incentive only once.

- 8) This incentive shall be applicable to all eligible new and existing enterprises, only for those employment positions created post notification of this policy.
- 9) Any IT firm has to create a minimum of 50 new jobs to claim this incentive. Replacement jobs or candidates re-hired within 3 months of leaving the firm, will not be considered under this incentive and the base employment will be ascertained through EPF records, as on policy date, before approving incentives.

17.4. Employee incentives

- 1) All employees within eligible enterprises shall submit their claims for employee incentive within one year from the completion of 18 months of their employment position to IT, E&C Department. Any incentives filed after one year and before two years, will receive only 50% of the eligible incentive. Any incentive filed after 2 years will not be eligible for the incentive.
- 2) The employee can directly file for this incentive on the online incentive portal, from the login of their employer.
- 3) The employee will be eligible to receive 100% of HRA or Children education allowance, limited to INR 1 Lakh per year.
- 4) The employee can either claim HRA or Children education allowance, but not both, in one year.
 - 4.1. For e.g. employee can file HRA allowance in year 1, and Children education allowance in year 2 and HRA allowance in year 3.
- 5) Children education allowance can include education expenses for more than 1 child.
- 6) Only new employees within the enterprise will be eligible for this incentive.
- 7) Only the employment positions completing 18 months of operations in the state shall be eligible for the incentive. Replacements shall not be allowed.
- 8) The enterprise will have to attest the continued employment of the employee every year, for 3 years from filing this incentive. This incentive will be discontinued or not disbursed if the employee moves out of the firm.
- 9) Replacement candidates for a given employment position for which incentive has already been claimed shall not be eligible for the incentive. Each employment position shall be given incentive only once.
- 10) Any IT firm has to create a minimum of 50 new jobs to claim this incentive. Replacement jobs or candidates re-hired within 3 months of leaving the firm, will not be considered under this incentive and the base employment will be ascertained through EPF records before approving incentives.

17.5. Rental Subsidy

- 1) For IT firms
 - a) All IT firms within eligible enterprises shall submit their claims within one year from DCO. Any incentives filed after one year and before two years, will receive only 50% of the eligible incentive. Any incentive filed after 2 years will not be eligible for the incentive.
 - b) The duration of incentive will start from date of approval of the project by CCITEI or DCO, whichever is later.
 - c) The unit shall submit proof of rent paid for the premises, for every month, for the 24-month period, duly attested by a chartered accountant.
 - d) This incentive shall be applicable for existing firms, provided they are creating and occupying completely new office space, which should be clearly demarcated with its own biometric sign in systems.
- 2) For CWS/NWS developers
 - a) All CWS/NWS developer firms shall submit their claims within one year from DCO. Any incentives filed after one year and before two years, will receive only 50% of the eligible incentive. Any incentive filed after 2 years will not be eligible for the incentive.
 - b) The firm also has to submit the rent charged to its tenants since DCO.
 - c) 50% of the average rent per seat, upto a maximum of Rs. 2,000 seat for a period of 6 months, for unused seats at the time of filing claim, will be paid. The unused seats at the time of filing the claim shall be certified by a chartered accountant.