



Telangana: ICT Industry

January 2018





For expanding IT/ITES in Telangana, the following broad range of incentives will be given:

S. No.	Incentives	Details	
1	Common Incentives	<ul style="list-style-type: none">• Land allocation and Land lease• Power• Registration• Patent filing and Quality Certifications,• Access to skilled labour, recruitment assistance• Fiscal incentives	
2	Specific Incentives	1	Mega projects
		2	IT Product and R&D companies
		3	Promote IT industry in Tier 2 cities
		4	Engineering Services
		5	SME and Mid-scale companies
		6	SC/ST Entrepreneurs
		7	Women Entrepreneurs



Common incentives across all focus areas (1/3)

S. No.	Incentives	Detailed Incentive
1	Land Allocation	<ul style="list-style-type: none">i. Land allotment to IT projects on case-by-case basisii. Preferential land allotment in the demarcated land parcel for IT projects; The land parcel is in the following regions:<ul style="list-style-type: none">a) Mamidipallib) Miyapurc) Tellapurd) Boduppale) Rajendra Nagar etc.
2	Land Lease	<ul style="list-style-type: none">i. Some land would be directly leased to the Mega project developers (who will be leasing > 1 acre land) for a period of 33 years (including the 3 year construction period)<ul style="list-style-type: none">a) The leased land will be available at 5% of the basic value; Yearly growth rate @ 5%b) While leasing the land to the IT company, deposits of 10% will be taken upfront from the companyc) There will be a relaxation during the construction period (maximum of 3 years) during which the lease rentals will not be charged.



Common incentives across all focus areas (2/3)

S. No.	Incentives	Detailed Incentive
2	Land Lease (Contd.)	<p>d) Specific check points will be kept to ensure the timely development on the allotted land; For eg., if the company fails to finish specific milestone after 3 years then an additional leeway of 1 year will be given, failing to which will lead to confiscation of the land from the private player</p> <p>e) The IT company will have to produce the occupation certificates of employment guarantee to retain the leased land</p>
3	Power	<p>i. Green building incentives:</p> <p>a) Retrofitting with energy efficient equipment (LEDs, Smart sensors etc.)—Cost reimbursement of up to 10% of retrofitting cost or INR 5 lacs, whichever is less, would be given to IT companies to conduct retrofitting study and implement the energy efficiency equipment</p> <p>b) Campuses (i.e. BUA of more than 1000 sq.mt.)) adopting LEED Platinum Standards would be given a separate incentive of reimbursement of- 10% of power bill or INR 10 lacs, whichever is lower, for only one full year</p> <p>c) 10% capital subsidy or INR 5lacs, whichever is lower, on installation of solar panels in addition to the central govt. subsidy for captive solar install.</p>



Common incentives across all focus areas (3/3)

S. No.	Incentives	Detailed Incentive
4	Registration	100% reimbursement of stamp duty, transfer duty and Registration on the first transaction; 50% reimbursement on the 2nd transaction
5	Patent filing	Provide incentive of INR 5 lakh for successful Indian patent & INR 10 lakhs for global
6	Quality Certifications	Govt. will reimburse 20% or INR 2 lacs /firm, whichever is lower, of the total expenditure incurred for obtaining quality certifications for CMM Level 4 upwards
7	Access to skilled labour	Initiative like TASK, will ensure employability-ready graduates, who also have domain expertise
8	Recruitment assistance	Rs.15 Lakhs as recruitment assistance for employing minimum 200 employees to the first 15 companies (in each of the following categories, i.e., SMEs and Midscale companies) within two years of commencement of commercial operations



1 Mega projects incentives

S. No.	Incentives	Detailed Incentive
1	Infrastructure	10% capital subsidy or INR 20 lacs, whichever is lower, on installation of solar power generation unit (of greater than 100KW) by existing as well as new IT company or infrastructure developer (exclusively for IT facility) will be given once to the developer/company, in addition to the central government subsidy for setting up solar captive power
2	Dedicated officer	Govt. shall provide one dedicated investment officer to the IT company executing mega project in order to expedite the investment process
3	Speedy clearances	<ul style="list-style-type: none">• Single window clearances under TS-iPASS• Pre-approved areas in identified areas (ITIR area)
4	Market Access	<ul style="list-style-type: none">• Govt could explore the possibility of being one of the clients of these companies based on the utility of product/ service offering• Allow beta testing of new products/services of these mega projects within state



2

Incentives for promotion of R&D and product companies

S. No.	Incentives	Detailed Incentive
1	R&D grants	Product Companies: Provide specific R&D grants to IT companies in tune of 10% of overall R&D exp. of the company's Telangana operations or 2% of annual turnover of company's Telangana operations or INR 5 lacs, whichever is lesser
2	Promotion of PhD students in technology sector	Intent to attract and nurture 1000 PhDs by providing research grants and stipends to PhD students; The stipend of INR 25,000 per month will be given to the top 25% PhD student; Stipend will be decided by a competent committee of top academicians
3	Power	Uninterrupted supply of power



3

Incentives to promote IT industry in Tier 2 cities.

S. No.	Incentives	Detailed Incentive
1	Power (Additional)	Uninterrupted supply of power
2	Fiscal Incentive	Waiver of municipal taxes for first three years of operation for first 5 IT Companies & IT parks in each town
3	Industry promotion	<ul style="list-style-type: none">• For promotion of event (by ICT association) in Tier 2 city, the govt. would provide reimbursement/sponsorship for the event up to a maximum of INR 5 lacs or 50% of the event cost, whichever is lower• 50% Exhibition stall rental cost or INR 50,000, whichever is lower, will be reimbursed for participating in the notified national/international exhibitions limited to 9 sq.mt. of space
4	Workforce	<ul style="list-style-type: none">• Create Non-IT skill development centre here to train work force for support functions• Faculty development program as part of TASK• Subsidy / Tax incentives for organizations providing skill development to the tune of 10 lacs or 20% of the total tax paid by the org., whichever is lower (apart from central government funding)



4

Incentives to promote Engineering Services Companies

S. No.	Incentives	Detailed Incentive
1	Power	i. Uninterrupted supply of power
2	Government promotion	i. 50% Exhibition stall rental cost or INR 50,000, whichever is lower, will be reimbursed for participating in the notified national/international exhibitions limited to 9 sq.mts of space



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Incentives for promotion of SMEs and Midscale companies

S. No.	Incentives	Detailed Incentive
1	Power (Additional)	Uninterrupted supply of power
2	Govt. promotion	<ul style="list-style-type: none">• Facilitate subcontracting of minimum 20% of the Government IT projects to SMEs by the large companies if the project size is greater than 10 crores• 50% subsidy of the cost of employee participation as delegates in shortlisted national/international conferences/exhibitions, limited to 2 lacs per company per year• 50% Exhibition stall rental cost or INR 50,000, whichever is lower, will be reimbursed for participating in the notified national/international exhibitions limited to 9 sq.mts of space
3	Workforce	Recruitment Assistance at the rate of Rs. 20,000 per employee for a minimum annual recruitment of 100 new IT professionals from the colleges located in Telangana.
4	Other benefits	25% Subsidy on Lease Rentals up to Rs. 500,000 per annum for a period of 3 years



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Incentives for SC/ST Entrepreneurs

S. No.	Incentives	Detailed Incentive
1	Power (Additional)	Uninterrupted supply of power
2	Govt. promotion	<ul style="list-style-type: none">• Facilitate subcontracting of minimum 20% of the Government IT projects to SMEs by the large companies if the project size is greater than 10 crores• 50% subsidy of the cost of employee participation as delegates in shortlisted national/international conferences or exhibitions, limited to 2 lacs per company per year• 100% Exhibition stall rental cost or INR 50,000, whichever is lower, will be reimbursed for participating in the notified national/international exhibitions limited to 9 sq.mts of space
3	Workforce	Recruitment Assistance at the rate of Rs. 25,000 per employee for a minimum annual recruitment of 50 new IT professionals from the colleges located in Telangana.
4	Other benefits	25% investment subsidy on fixed capital Investment (additional 5% for SC Women and ST Women Entrepreneurs), with a maximum limit per unit of Rs. 2.5 million.



7

Incentives for Women Entrepreneurs

S. No.	Incentives	Detailed Incentive
1	Power (Additional)	Uninterrupted supply of power
2	Govt. promotion	<ul style="list-style-type: none">• Facilitate subcontracting of minimum 20% of the Government IT projects to SMEs by the large companies if the project size is greater than 10 crores• 50% subsidy of the cost of employee participation as delegates in shortlisted national/international conferences or exhibitions, limited to 2 lacs per company per year• 75% Exhibition stall rental cost or INR 50,000, whichever is lower, will be reimbursed for participating in the notified national/international exhibitions limited to 9 sq.mts of space
3	Workforce	Recruitment Assistance at the rate of Rs. 25,000 per employee for a minimum annual recruitment of 50 new IT professionals from the colleges located in Telangana.
4	Other benefits	20% investment subsidy on fixed capital Investment (additional 5% for SC Women and ST Women Entrepreneurs), with a maximum limit per unit of Rs. 2 million.



Fiscal Incentives offered to ESDM companies

S. No.	Category	Incentive
1	Common Incentives	<ul style="list-style-type: none">• Exemption of registration, transfer and stamp duty• Power subsidy• Patent filing• Quality certification reimbursement• VAT / CST / SGST reimbursement• Transport subsidy• Skill upgradation and training• Investment subsidy• Land cost and lease rentals• Promotion of cleaner and greener practices• Land conversion subsidy
2	Specific Incentives	<ul style="list-style-type: none">• Mega projects• Strategic projects and new age technologies• Mobile manufacturing units• Women entrepreneurs• SC / ST entrepreneurs• R&D institutions



Common Incentives offered to ESDM companies

S. No.	Incentive	Details
1	Exemption of registration, transfer and stamp duty	100% reimbursement of stamp duty, transfer duty and registration fee on sale / lease deeds / mortgages and hypothecations on the first transaction and 50% on the second transaction
2	Power subsidy	<ul style="list-style-type: none">• Fixed power cost reimbursement at Re 1 per unit for 5 years• 100% exemption on electricity duty for a period of 5 years
3	Patent filing	50% reimbursement, limited to INR 2 Lakhs
4	Quality certifications	50% reimbursement, limited to INR 2 Lakhs
5	VAT / CST / SGST	100% reimbursement for a period of 7 years
6	Transport subsidy	Subsidy on fuel cost / billing and freight (train), for 5 years, on imports of parts and components, from the sea port to Telangana plant. Following is the percentage subsidy over 5 years: 1 st yr – 60%, 2 nd yr – 50%, 3 rd yr – 40%, 4 th yr – 30% and 5 th – 20%



S. No.	Incentive	Details
7	Skill upgradation and training	To provide skill upgradation training in ESDM sector for required number of candidates and to contribute matching share in the EDF as per GoI Policy
8	Investment subsidy	20% Investment Subsidy, up to a maximum of INR 2 crores, for the first 25 eligible companies
9	Interest subvention	5.25% per annum on term loan for a period of 5 years or till reaching 50% of the capital involved, whichever is earlier, subject to an overall ceiling of INR 1 Crore
10	Land cost and lease rentals	<ul style="list-style-type: none">• Government shall provide a 25% subsidy on lease rentals to eligible companies for 10 years• 20% of land that is allotted can be used for dormitories exclusively for the employees
11	Promotion of cleaner / greener practices	Suitable incentives from policies and GOs approved by the Industries and Commerce, and Energy departments shall be applicable
12	Land conversion subsidy	Government aims to encourage the private EMCs by assisting in conversion of land from agricultural to non-agricultural



Incentives to other categories of ESDM investments

S. No.	Category	Incentive
1	Mega projects	Government shall extend tailor made packages
2	Areas of special focus	Specially designed packages shall be provided on a case to case basis
3	Mobile manufacturing	As per approved mobile manufacturing GO
4	Women entrepreneurs	<ul style="list-style-type: none">• Additional 10% subsidy, subject of a maximum of INR 10 Lakhs for MSE• INR 5 Lakhs as recruitment assistance for employing a minimum of 50 employees within 2 years• 25% subsidy on lease rentals, up to INR 10 Lakhs per annum for a period of 3 years for specific plug and play built up space
5	SC / ST Entrepreneurs	As mentioned under T-PRIDE/IT Policy
6	R&D institutions	Assistance at 20% of project cost or up to INR 10 Lakhs, whichever is lower, for sponsored research work from any industrial unit to Government R&D Institution / Technical College



Non – Fiscal Incentives offered to ESDM companies

S. No.	Incentive
1	Electronics Industry units are regulated and governed as per the provision of the Air Act, Water Act, and E(P) Act 1986
2	Electronics Industry companies are exempt from the purview of statutory power cuts on similar lines of IT/ITES Industry
3	<p>Electronics Industry is exempt from inspections/certifications under the below-mentioned Acts and the Rules framed there under and as administered by the Labour Department, barring inspections arising out of specific complaints. The Electronic Industry (units) are permitted to file self-certificates, in the prescribed formats.</p> <p>The Factories Act 1948, The Maternity Benefit Act 1961, The Telangana Shops & Establishments Act 1988, The Contract Labour (Regulation & Abolition) Act 1970, The Payment of Wages Act 1936, The Minimum Wages Act 1948, The Employment Exchanges (Compulsory Notification of Vacancies) Act 1959</p>
4	General permission for 3 shift operations with women working at night
5	Electronics industry shall be declared essential service under Telangana Essential Services Maintenance Act



Fiscal Incentives offered to Rural Technology Centres (1/2)

S. No.	Incentive	Details
1	Panchayat Taxes	<ul style="list-style-type: none">Reimbursement of Panchayat taxes for first 3 years of operation for first 5 IT companies
2	Promotions Support	<ul style="list-style-type: none">Reimbursement / sponsorship of IT events up to a maximum of Rs. 5 Lakhs or 50% of the event cost, whichever is lower50% exhibition stall rental cost or Rs. 50,000, whichever is lower, limited to 9 sq. m. of space, for participating in notified exhibitions
3	Power	<ul style="list-style-type: none">Reimbursement at Rs. 1 per unit for 5 years, with a maximum amount of Rs. 10,000 per month
4	Capital Subsidy	<ul style="list-style-type: none">50% investment subsidy on fixed capital investment, with a maximum limit per unit of Rs. 40 Lakhs limited to first 3 companies
5	Rental Subsidy	<ul style="list-style-type: none">25% rental subsidy for 3 years to first 3 companies, followed by 10% to rest of the companies



Fiscal Incentives offered to Rural Technology Centres (2/2)

S. No.	Incentive	Details
6	Internet and Telephone	<ul style="list-style-type: none">• 25% reimbursement on internet and telephone charges for the first 3 years of operations
7	Duty Exemption	<ul style="list-style-type: none">• 100% exemption from payment of SD/EMD and cost of tender document
8	Workforce Development	<ul style="list-style-type: none">• TASK shall create skill development centres and faculty development programs for colleges and training institutions• Training subsidy of Rs. 2,500/month/person for 6 months• Recruitment assistance at the rate of Rs. 20,000 per employee for a minimum annual recruitment of 50 new IT professionals from the colleges located in Telagnana• Rs. 10 Lakhs subsidy to bridge the viability gap for first year for first 3 anchor units across all locations



Non - Fiscal Incentives offered to Rural Technology Centres

S. No.	Incentive
1	The Rural Technology Centers are exempt from the purview of the Telangana Pollution Control Act
2	<p>IT Industry is exempt from inspections under the following Acts and the Rules framed thereunder, barring inspections arising out of specific complaints. The IT units are permitted to file self-certificates, in the prescribed formats.</p> <ul style="list-style-type: none">• The Factories Act 1948• The Maternity Benefit Act 1961• The Telangana Shops & Establishments Act 1988• The Contract Labour (Regulation & Abolition) Act 1970• The Payment of Wages Act 1936• The Minimum Wages Act 1948• The Employment Exchanges (Compulsory Notification of Vacancies) Act 1959
3	General permission for three shift operations with women working in the night for IT/ITeS units/companies
4	Fibre based connectivity support with two Internet Service Providers



AVCGI specific initiatives and incentives

- Policy Initiatives

- Incentives



Policy Initiatives (1/5)

(1) Setting up of Animation and Gaming (IMAGE) City:

Telangana Animation and Gaming (IMAGE) City will be set up in Raidurgam Village RR District Hyderabad in 16 Acres by State Government through Telangana Industrial Infrastructure Corporation (TSIIC).

A world class facility providing an ideal environment for Businesses in Animation, Visual effects, Gaming & Comics Industry:

- Animation Film & Gaming: Production & Distribution, Media Content Management & Provider, Film Content Rights Management, Production, Post Production.
- Animation, Visual effects, Gaming & Comics Media Support Services: Web Designing & Management, Interactive Services (Webcasting / Streaming), Media Software Development & Integration, Access Spending, Multimedia Software Development, Video Games, Internet Gaming Broadcasting Hardware & Equipment, Satellite Services & Equipment Provider, GSM & Electronic Media, Media Equipment Rentals, Digital Media Management, Media Archiving & Distribution and Systems Integration Services.
- Animation, Visual effects, Gaming & Comics Media Marketing Services: Advertising & Corporate Identity & Branding, Intellectual Property Rights Management



5 IMAGE Tower is also being developed to promote Hyderabad as the *“Media Outsourcing Capital”*.

- Globally, the industry is \$ 222 Bn with India over \$ 4 Bn
- Setting up a new Gaming & Animation Park to serve as an incubator/spring board
- First Virtual Online College “Creative Mentors Animation & Gaming College” in Hyderabad
- Will leverage R&D to exploit new opportunities in the digital media value chain
- Enhance the international appeal of Hyderabad-made content, applications and services



Key players



Primary focus areas

- Film, animation & gaming
- New media & support services
- Media & marketing services
- Publishing
- Broadcasting
- Information agencies

Key facts

Area: 30 acres (under identification)

Built up space: 600,000 sq. ft.

Est Project Cost : INR 1000 Cr

Projected exports: \$500 Mn

Employment generated: 25,000



Policy Initiatives (2/5)

(2) Business Improvement Areas (BIA):

- Common Facility Centers such as sound and acoustic Studios, Motion Capture Studios, video editing Labs Green Mat
- Setting-up of Office Tower for AVGC Industry.
- Establishing reliable and high speed telecommunication link as the volume of data transferred is multifold compared to IT industry.
- Ensuring reliable Power by setting up appropriate back up power and exempting industry from statutory power cuts.
- Establishing National AVGC Centers in line with National Informatics Centers (NIC)



Policy Initiatives (3/5)

(3) Allotment of Government land:

Allotment of appropriate extent of Government lands subject to fulfillment of prescribed obligations on employment, investment and terms & conditions of allotment, in Hyderabad and other Tier II locations of the State, to eligible Animation, Visual effects, Gaming & Comics companies for their expansion and setting up their own facilities.

(4) Setting up of Animation, Visual effects, Gaming & Comics Academy:

- State Government to set up world-class Academy and first of its kind in the country for AVCG
- Academy will impart Skill development programs to help create talent pool for the Industry
- Incubate new ideas and foster entrepreneurships



Policy Initiatives (4/5)

(5) Training & Placement through TASK

(6) Awareness Creation:

For creating public awareness and creating employment opportunities for Youths in Animation, Visual effects, Gaming & Comics industry, Government will conduct state-of-the-art national/ international scale events, conference & exhibitions on annual basis.

Participate in national/ international conferences and exhibitions conducted by industry to promote this sector.

(7) Promote Local Content Creation through reservation of air time:

State Government shall take up with Govt of India for reservation of at least 5 – 15% of airtime on channels (both foreign and domestic) to promote locally created content to provide level playing field for domestic content development and foster competition between domestic players, foreign companies that set up base in Telangana as well as start ups.



Policy Initiatives (5/5)

(8) Venture Capital Funding:

Government of Telangana shall create a suitable Venture Capital Funding mechanism in association with stakeholders to extend appropriate seed capital assistance to first generation entrepreneurs, start ups, Small & Medium Enterprises engaged in the Animation, Visual effects, Gaming & Comics sector.



Appendix

- Policy Initiatives

- Incentives



Fiscal Incentives (1/2)

- Reimbursement of production cost for “Animation Theatrical Released film” upto a maximum of Rs.10 lakhs per film for one company per annum. For SC/ST and Women Entrepreneurs - Rs.15 lakhs per film.
- Reimbursement of production cost for Animation Cartoon Series for TV and released on TV channel upto a maximum of Rs.5 lakhs per series for one company per annum(For SC/ST and Women Entrepreneurs - Rs.10 lakhs per film.)
- Reimbursement of GAME production cost for GAMING Companies which has developed online, mobile, console Game upto a maximum of Rs.5 lakhs per Game for one company per annum. (For SC/ST and Women Entrepreneurs - Rs.10 lakhs per game).
- 25% subsidy on lease rentals up to Rs.5 lakhs per annum up to a period of 3 years (For SC/ST and Women Entrepreneurs - 50% subsidy on lease rentals up to Rs.8 lakhs per annum).
- 100% reimbursement on first transaction and 50% reimbursement on 2nd transaction of stamp duty, transfer duty.
- Admissibility of Industrial Power category tariff for AVGC Companies.



Fiscal Incentives (2/2)

- Power Category Conversion and Power subsidy is also available to Training Institutions, Academies, Universities.
- Rs.15 Lakhs as recruitment assistance for employing minimum 100 employees within two years of commencement of commercial operations.
- Entertainment Tax Exemption: Full fledge Animation VFX Theater film produced and released in Telangana will be entitled for Entertainment Tax exemption.
- Reimbursement of 20% of expenditure incurred for obtaining quality certification upto Rs.4 lakhs. For SC/ST and Women Entrepreneurs – 40% reimbursement.
- 25% investment subsidy limited to Rs.25 Lakhs for fresh investments made post declaration of the said policy. For SC/ST and Women Entrepreneurs – 25% investment subsidy limited to Rs.35 Lakhs.
- 50% Exhibition stall rental cost limited to 9 sq.mts of space will be reimbursed for participating in AVGC Conferences and Exhibitions. For SC/ST and Women Entrepreneurs – 100% Exhibition stall rental cost
- Reimbursement of Internet Bandwidth charges, upto Rs.2 Lakhs per annum for a period of three years. For SC/ST and Women Entrepreneurs – reimbursement upto Rs.3 lakhs per annum.
- Mega Project Incentives: Special incentives and Subsidies package will be worked out for Mega Projects investments beyond Rs.100 Crores.



Other Administrative Facilitations

- Exempt from the purview of the statutory power cuts.
- Exempt from the purview of the Pollution Control Act, except in respect of power generation sets.
- Exempt from inspections under the following Acts and the Rules framed there under, barring inspections arising out of specific complaints. The units are permitted to file self-certificates, in the prescribed formats.
 - The Factories Act 1948.
 - The Shops & Establishments Act 1988.
 - The Contract Labour (Regulation & Abolition) Act 1970.
 - The Payment of Wages Act 1936.
 - The Minimum Wages Act 1948.
 - The Employment Exchanges (Compulsory Notification of Vacancies) Act 1959.
- General permission for three shift operations with women working in the night for AVGC companies subject to compliance of safety and security norms as prescribed by State Police Dept with regard to women safety.
- AVGC companies –declared under Essential Services Maintenance Act.

Annexure-I

(to G.O.Ms.No:2, ITE&C Dept, dated:16.03.2017)

Read with:

(G.O.Ms.No:03, ITE&C Dept., dated:12.04.2016, ICT Policy 2016)

Common Application Form for grant of Incentives to ICT Industries listed in the ICT Policy 2016

Note:

1. Fulfillment of eligibility for any request/claim/incentive mentioned hereunder, does not confer any right on the said claim, or entitle the applicant for su-motto sanction/release of the same nor is it obligatory for sanction of such claim/request/release of incentive on the part of the Sanctioning Authority. The sanction/release of any incentive is based on justification, merits of each case and subject of availability of budget/resources with the Government. No correspondence, whatsoever, in this regard, will be entertained.
2. Please fill all the relevant columns and enclose the relevant documentation to avoid rejection.
3. Please apply only for eligible & entitled benefit/incentive to avoid rejection.
4. The veracity of information/figures furnished in the application by the ICT industry, on investment/employment/turnover is subject to scrutiny and verification by the competent statutory authority, i.e., Director, STPI/Development Commissioner, VSEZ, Hyd/EPF/ two member committee as framed from time to time on need basis either during the CCITI meeting or prior to meeting.
5. If any information/figures furnished in the application are found to be false at any point of time either during the process of the application or during the applicability of the respective incentive/benefit, or if the applicant obtained such incentive/benefit by misrepresentation of facts, the said incentive/benefit so sanctioned/released is subject to withdrawal and will attract penal clauses as is deemed appropriate/levied by the Government.
6. The filled Application Form should be mailed to cciti@telangana.gov.in along with all the relevant documents.

APPLICATION FOR GRANT OF INCENTIVES TO IT COMPANIES

To
The Prl.Secretary to Government
Information Technology, Electronics & Communications Department
Government of Telangana
D Block, 2nd Floor,
Telangana Secretariat
Hyderabad-500022

I. Details of the Company:

1. Name of the Company:

2. Name of the Managing Director:

3. Name(s) of the Director(s):

II. Address of Applicant:

Name and Address:

Contact Person:

Email:

Mobile:

Telephone:

III. Nature and activities:

a. Constitution of the Organisation (Pl. tick mark one or more as is applicable:

Proprietary

Partnership

Pvt. Ltd.

Ltd. Co.

b.1. Line of Activity/Core competency/nature/type of the Organisation (Pl. mark):

IT/ITES

IT Infrastructure Developer

IT Park/IT SEZ/Incubation Center

Start up

SMEs

Product/R&D Companies

Engineering services

b.2. In case your organization is engaged in multiple activities, please indicate your core competency & line of activity from which maximum revenues are generated:

b.3. In case your core competency is in IT Product/R&D activity, please give details on Patents/Copy Right/Trade Mark obtained/registered/applied for on the date of application:

c. Date of incorporation of the Company/Firm:

d. Investment Made:

i) Plant & Machinery (Rs.):

ii) Land & Buildings (Rs.):

iii) Total (Rs.):

e. Date of commencement of commercial operations:

(Date on which the first invoice is raised)

f. Performance: last three years (In lakhs of Rupees):

Year	Export turnover	Domestic turnover	Total turnover*

g. Total number of Employees at present:

III. Categories under which incentives are applied for:

Regular	<input type="checkbox"/>	Women Entrepreneur	<input type="checkbox"/>
Mega Project	<input type="checkbox"/>	Engineering Services	<input type="checkbox"/>
IT Product/R&D Company	<input type="checkbox"/>	SME & Mid-Scale Company	<input type="checkbox"/>
Tier II Location	<input type="checkbox"/>	SC/ST Entrepreneur	<input type="checkbox"/>

V. Incentive applied for:

1.	Allotment of Government Land	<input type="checkbox"/>	2.	Power	<input type="checkbox"/>
3.	Stamp Duty, Transfer Duty and Registration Fee	<input type="checkbox"/>	4.	Patent Filing Costs / Copyright / Trade Mark	<input type="checkbox"/>
5.	Quality Certification	<input type="checkbox"/>	6.	Recruitment Assistance	<input type="checkbox"/>
7.	Exhibition Rental Refund	<input type="checkbox"/>	8.	Subsidy on Investments in Solar Power	<input type="checkbox"/>
9.	R&D Grants	<input type="checkbox"/>	10.	Reimbursement of Municipal Tax	<input type="checkbox"/>
11.	Promotion of IT Events	<input type="checkbox"/>	12.	Subsidy on Capital Investments	<input type="checkbox"/>
13.	Subsidy to Anchor Units	<input type="checkbox"/>	14.	Reimbursement of Telephone and Internet Charges	<input type="checkbox"/>
15.	Training Subsidy	<input type="checkbox"/>	16.	Reimbursement of SD and Cost of Tender Document	<input type="checkbox"/>
17.	Exemption from Payment of EMD	<input type="checkbox"/>	18.	Subsidy on Lease Rentals	<input type="checkbox"/>
19.	Interest Rate Subsidy	<input type="checkbox"/>	20.	Rebate on Land Cost (Women Entrepreneur)	<input type="checkbox"/>
21.	Declaration of IT Park Status	<input type="checkbox"/>			

[1] Allotment of land:

a. Place/Location of Land required

b. Proposed Activities

- c. Proposed Number of Employees on the land, if allotted:
- d. Total land required (in acres/sq.yards):
- e. Proposed Investment:
- f. Proposed Built up area (in sq. ft.):
- g. Proposed Start Date of Construction:
- h. Proposed Completion Date of construction:
- i. Source of funding:

Attach *Audited Financial Statement for the last three (3) years

*** Certificate from Provident Fund/Bank/Profession Tax/Income Tax/any other competent authority office confirming the no.of the employees currently along with a justification letter answering why the land is required and how it enhances the business.**

[2] Power

i. Conversion to Industrial Power Tariff:

- a. Service connection(s) No(s):
- b. Name as mentioned on the Bill
- c. Date of obtaining connection
- d. Load:

***Enclose copy of the Bill**

ii. Reimbursement of retrofitting cost

- a. Expenditure incurred (in Lakh Rupees):

***Enclose detailed audited statement of expenses towards the retrofitting study and implementation with copies of invoices**

iii. Energy Under Open Access System

The technology firm may place a special representation with a project proposal justifying the total power requirement and sources of renewable energy, to avail this incentive under the aforesaid incentive scheme. The CCITI will sanction the insourcing of renewable energy from other sources.

[3] Reimbursement of Stamp duty, Transfer duty & Registration fee:

- a. Name and Location of the company:
- b. Extent of built up space (sq. ft.):
- c. Extent of Land in (acres):
- d. Nature of transaction
 - (i) Mention Sale/Purchase/Lease:
 - (ii) In case it is 2nd transaction: details of 1st transaction with date, location & amount of reimbursement availed

- e. Date of registration:
- f. Total value of the transaction:
- g. Amount of Registration Fee, Stamp duty and Transfer of property duty paid:
- h. Amount claimed as reimbursement:

***Enclose Copy of the Sale/Lease/Purchase Deed, Receipts/Challan paid on the amount of Registration Fee, Stamp Duty & Transfer of Property Duty to the Sub-Registrar, Registration Dept., Any other supporting documents, and Bank Guarantee, as per proforma (Annexure - XXI) for an equal amount of the claim for a period of 3 years**

[4] Patent/Copyright/Trademark Costs

- a. Name of the Patent:
- b. Name of the Product for which Patent Obtained:
- c. Date & No of Patent obtained (as per competent authority records):
- d. Name & Address of the Patent Approval Authority:
- e. Amount of expenditure incurred on obtaining the Patent:
- f. Amount claimed:

***Enclose copy of the Approved Patent from Competent Authority, Detailed statement of expenditure incurred certified by your audit firm and copies of all invoices/receipts for the expenditure.**

[5] Reimbursement of Quality Certification Expenditure

- a. Name/Level of Quality Certification achieved:
- b. Date of the Quality Certificate:
- c. Name of the Certifying Authority, with address:
- d. Total expenditure incurred for obtaining the Quality Certification:
- e. Total amount requested as reimbursement:

*** Enclose copy of the Quality Certificate/Industry Specific Certificate from Competent Authority, Statement of expenditure incurred certified by your audit firm, Copies of all invoices/receipts for the expenditure.**

[6] Reimbursement of Recruitment Assistance:

- a. Date of commencement of operations:
- b. Number of employees recruited within 1 year
- c. Number of employees recruited in the 2nd year
(Mention NA if assistance is applying for the first year only)
- d. Has assistance already been availed for the first year? (Mention Yes or No)
- e. Amount Requested as Reimbursement:

***Enclose Certificate from Provident Fund/Bank/Profession Tax/Income Tax/any other competent authority office confirming the no. of the employees and Proof of graduating from colleges in Telangana from Competent Authority for all the employees for which this incentive is being applied**

[7] Reimbursement of Exhibition Stall Rental:

- a. Name of the Exhibition/Conference including location
- b. Stall Area (in sq. mts.):
- c. Cost of Stall Rental:
- d. Date of Event:
- e. Total Amount Requested as Reimbursement:

***Enclose copy of invoice/receipt from the organizer clearly stating the name of the participating company and the event and the area of the stall along with the total amount paid by the company**

[8] Green Energy Incentives

i. Subsidy on Investment in Solar Power:

- a. Total Capital Investment made towards installing Solar Power Generation Unit (after April2016):
- b. Capacity of the plant (in kW):
- c. Amount of Capital Subsidy applied for:

***Enclose detailed audited statement of expenses towards capital investment for installation of solar power generation unit with copies of invoices**

ii. License to operate captive power generation unit

The technology firm may place a special representation with a project proposal justifying the need to operate a captive power generation unit to avail this incentive under the aforesaid incentive scheme

[9] R&D Grants

- a. Annual R&D Expenditure:
- b. Annual turnover of Telangana operations:
- c. Amount claimed:

***Enclose detailed audited statement of expenses incurred towards R&D activities for the financial year applied for along with copies of invoices, and a summary of the R&D Activity carried out by the firm clearly showcasing technology aspect of the work done**

[10] Reimbursement of Municipal Tax:

- a. Date of commencement of operations:
- b. Amount paid as Municipal Tax:
- c. Total Amount Requested as Reimbursement:

*** Enclose copy of invoice/receipt of the Municipal Tax paid from the competent authority**

[11] Promotion of IT Events:

- a. Name and Location of the IT Event:
- b. Total Cost of Conducting the Event:
- c. Date of Event:
- d. Amount Requested as Reimbursement/Sponsorship:

*** Enclose a proposal including number of delegates, confirmed speakers and any other information supporting your case, and a statement of expected expenses for the event**

[12] Subsidy on Capital Investment:

- a. Total Capital Investment made (after April2016):
- b. Amount of Capital Subsidy applied for:

*** Enclose Detailed Statement on Capital Investment made along with invoices, and a Bank Guarantee, as per proforma (Annexure - XXI) for an equal amount of the claim for a period of 3 years from the date of commencement of operations**

[13] Subsidy to Anchor Units

- a. Date of commencement of operations:
- b. Number of employees recruited within 1 year:
- c. Amount Requested as Reimbursement:

***Enclose certificate from Provident Fund/Bank/Profession Tax/Income Tax/any other competent authority office confirming the no. of the employees.**

[14] Reimbursement of Internet and Telephone Charges

- a. Date of commencement of operations:
- b. Number of Months (mention dates):
- c. Amount paid for Internet Services:
- d. Amount paid for Telephone Services:
- e. If reimbursement has been availed for the preceding period, please mention dates and total amount subsidized:
- f. Total Amount Requested as Reimbursement:

***Enclose copy of receipts/invoices from the service providers for the period applied for**

[15] Training Subsidy for employees:

- a. Number of employees trained:
- b. Course Name and Duration (mention dates):
- c. Total Amount Requested as Reimbursement:

***Enclose Certificate from Provident Fund/Bank/Profession Tax/Income Tax/any other competent authority office confirming the names and no. of the employees, and a certificate from TASK confirming the number of people, quality, and nature of training**

[16]. Reimbursement of SD and Cost of Tender Document:

- a. Date of Registration:
- b. Amount of Stamp duty:
- c. Cost of Tender Document:
- d. Total Amount Requested as Reimbursement:

*** Enclose copies of the payment challans**

[17]Exemption from Payment of EMD:

Please submit the filled application form along with a cover letter requesting for exemption from payment of EMD. Once approved, a signed letter will be given which can be used to avail the exemption for any Government Tender.

[18] Subsidy on Lease Rentals

- a. Name and location of leased premises/Rented premises:
- b. Extent of built up space taken (sft):
- c. Total lease rentals per annum:
- d. If subsidy has been availed for the preceding period, please mention dates and total amount subsidized:
- e. Amount Requested as Subsidy:

***Enclose copy of receipts/invoices of payment made to the Landlord**

[19] Interest Subsidy

- a. Category of Loan Taken:
(Term Loan/Working Capital Loan)
- b. Principle:
- c. Interest Rate:
- d. Interest Rate Subsidy Applicable:
(8.5%/5%)

***Enclose letter from one recognized financial institution clearly specifying the loan amount, interest per annum and per annum payment to be made**

[20] Rebate on Land Cost

- a. Extent of Land (in acres):
- b. Date of registration:
- c. Total value of the transaction:
- d. Amount claimed as reimbursement:

***Enclose proof of being allotted land by the Government issued by a competent authority**

[21] Declaration of IT Park Status

- a. Extent of land in acres
- b. Location (Survey No. / address)

c. Names/No.of owners	<input type="text"/>
d. Proposed built up area (in sq.ft)	<input type="text"/>
e. Project size (Investment) (in Rs.)	<input type="text"/>
f. Expected date of completion	<input type="text"/>
e. Land taken by the Developer is own land or on Joint Development Basis	<input type="text"/>

***For the documents to be furnished along with Application, please refer to the G.O. on Declaration of IT Park Status.**

.....

DECLARATION

We hereby declare that the particulars as given in the application are correct to the best of our knowledge and belief and agree to the terms & conditions of Sanction of our request/incentive claimed /applied through this application.

Place:	<input type="text"/>	Signature:	<input type="text"/>
Date:	<input type="text"/>	Name of the authorized signatory:	<input type="text"/>
		Designation:	<input type="text"/>

Mandatory Documents for all applications:

- PAN Number and self-attested copy of PAN Card / TAN Number
- ROC Copy/Partnership Deed/Trade License Copy
- Audited Financial Statements for the last 3 years or since incorporation of company
- Memorandum of Association and Articles of Association documents



APPLICATION FOR GRANT OF INCENTIVES TO AVCG INDUSTRY/COMPANIES

**To
The Prl.Secretary to Government
Information Technology, Electronics & Communications Department
Government of Telangana
D Block, 2nd Floor,
Telangana Secretariat
Hyderabad-500022**

I. Details of AVCG Company:

1. Name of the Company:
2. Name of the Managing Director:
3. Name(s) of the Director(s):

II. Address of Applicant:

- Name and Address:
- Contact Person: Email:
- Mobile: Telephone:

III. Nature and activities:

- a. Type of Organisation (Pl. tick mark one or more as is applicable:

Proprietary Partnership Pvt. Ltd. Ltd. Co.

- b. Date of incorporation of the Company/Firm:

*** Enclose Memorandum and Articles of Association or as the entity may be in case of Sole Proprietorship/Partnership.**

- c. Date of commencement of commercial operations:

(Date on which the first invoice is raised by you on your client/customer)

- d.1. Line of Activity/Core competency/nature/type of the Organisation (Pl. mark):

1. Animation, Gaming & Digital Entertainment
2. VFX, Comics
3. Incubation Center
4. Start up
5. SMEs

6. AVCGI Product/R&D Companies
7. SC/ST Entrepreneurs
8. Women Entrepreneurs
9. Engineering services
10. Training Institutions
11. Tier II locations
12. Tier III locations
13. Creation of IT Incubation Facilities

d.2. In case your organization is engaged in multiple activities, please indicate your core competency & line of activity from which maximum revenues are generated:

d.3. In case your core competency is in AVCG Product/R&D activity, please give details on Patents/Copy Right/Trade Mark obtained/registered/applied for on the date of application:

e. Existing Status: (Whether operational/Domestic/Export oriented/100% EOU/STPI/SEZ)

f. Investment Made:

i) Plant & Machinery (Rs.):

ii) Land & Buildings (Rs.):

iii) Total (Rs.):

g. Performance: last three years (In lakhs of Rupees):

Year	Export turnover	Domestic turnover	Total turnover*

***Provide Annual Reports / Audited Financial statement**

h. Total number of Employees (employed at present) within India/Overseas:

***Attach authentication from Competent/Statutory Authority, on existing employment (as indicated at Annexure-XV)**

IV. Category under which incentives are applied for:

Normal/General

Mega Project

SC/ST Entrepreneur

Women Entrepreneur

***For Mega Project, provide financial statements for the previous financial year and proposed project proposal**

***For SC/ST Entrepreneurs or Women Entrepreneurs, provide shareholding pattern of the company along with caste certificate (in case of SC/ST Entrepreneur) or birth certificate (in case of Women Entrepreneur) of the applicant.**

V. Incentive applied for (Please mark):

1.	Power	<input type="checkbox"/>	2.	Reimbursement of Stamp duty, transfer duty & Registration fee	<input type="checkbox"/>
3.	Reimbursement of Recruitment Assistance	<input type="checkbox"/>	4.	Reimbursement of Exhibition Stall Rentals and conference delegate fee	<input type="checkbox"/>
5.	Reimbursement of Quality Certification expenditure	<input type="checkbox"/>	6.	Capital Investment Subsidy	<input type="checkbox"/>
7.	Reimbursement of production cost for Animation Theatrical released film	<input type="checkbox"/>	8.	Reimbursement of production cost for Animation Cartoon series	<input type="checkbox"/>
9.	Reimbursement of GAME Production cost	<input type="checkbox"/>	10.	Reimbursement of VFX Production cost	<input type="checkbox"/>
11.	Reimbursement of lease rentals subsidy	<input type="checkbox"/>	12.	Entertainment Tax Exemption	<input type="checkbox"/>
13.	Reimbursement of Internet Bandwidth charges	<input type="checkbox"/>	14.	Allotment of land	<input type="checkbox"/>

[1] Power:

i. Conversion to Industrial Power Tariff:

- a. Service connection(s) No(s):
- b. Name as mentioned on the Bill
- c. Date of obtaining connection
- d. Load: (per month / per annum)

*** Enclose copy of the Electricity Bill.**

ii. Avail Renewable Energy Under Open Access System:

The AVCG company may place a special representation with a project proposal justifying the total power requirement and sources of renewable energy, to avail this incentive under the aforesaid incentive scheme.

[2] Reimbursement of Stamp duty, Transfer duty & Registration fee (100/75/50%)

- a. Name and Location of the AVCG company:
- b. Extent of built up space (sq. ft.):
- c. Extent of Land in (acres): (if applicable)
- d. Nature of transaction
- (i) Mention Sale/Purchase/Lease:
- (ii) Claim for 100% / 75% / 50%
- (iii) In case it is 2nd transaction: details of 1st transaction with date, location & amount of reimbursement availed
- e. Date of registration:
- f. Total value of the transaction:

g. Amount of Registration Fee, Stamp duty and Transfer of property duty paid:

h. Amount claimed as reimbursement:

***Enclose copies of the sale/purchase/lease deed and the payment challans.
*This incentive is not applicable for the land allotted by the Govt.**

[3] Reimbursement of Recruitment Assistance:

a. Date of commencement of operations:

b. Number of employees recruited within 1 year

c. Number of employees recruited in the 2nd year

d. Whether applied for the first year / second year

e. Amount Requested as Reimbursement:

***Enclose Certificate from Provident Fund/Bank/Profession Tax/Income Tax office confirming the no. of the employees, Domicile/Birth Certificate/Proof of Birth from Competent Authority for 50% of the employees of Telangana origin for which this incentive is being applied.**

[4] Reimbursement of Exhibition Stall Rentals and Conference delegate fee:

a. Name of the Exhibition/Conference & Location:

b. Cost of Stall Rental for 9 sq Mts

d. Cost of conference delegate fee paid

d. Dates of Participation

e. Amount claimed:

***Enclose copy of invoices/receipts from Exhibition/Conference organizers.
*This incentive is applicable for notified events as per Government Memo on Calendar of Exhibitions & Conferences.**

[5] Reimbursement of Quality Certification Expenditure

a. Name/Level of Quality Certification achieved:

b. Date of the Quality Certificate:

c. Name of the Certifying Authority, with address:

d. Total expenditure incurred for obtaining the Quality Certification:

e. Total amount requested as reimbursement:

*** Enclose Copy of the Quality Certificate from Competent Authority, Statement of expenditure incurred duly certified by your audit firm, and copies of all invoices/receipts for the expenditure.**

[6] Subsidy on Capital Investment:

a. Total Capital Investment made (after April 2016):

b. Amount of Capital Subsidy applied for:

***Enclose Detailed Statement on Capital Investment made along with relevant invoices. See Annexure for more details**

[7] Reimbursement of production cost for Animation Theatrical Released Film

a. Production Cost (incurred after April 2016):

b. Total Amount Requested as Reimbursement:

***Enclose detailed audited statement on specific Production Cost made along with copies of invoices, Certificate from State/Central Board of Film or equivalent certificate (subject to confirmation by the members of CCAVCGI).**

[8] Reimbursement of production cost for Animation Cartoon Series

a. Production Cost (incurred after April 2016):

b. Total Amount Requested as Reimbursement:

***Enclose detailed audited statement on specific Production Cost made along with copies of invoices**

[9] Reimbursement of GAME Production cost

a. Production Cost (incurred after April 2016):

b. Total Amount Requested as Reimbursement:

Enclose detailed audited statement on specific Production Cost made along with Invoices, Proof of the total number of downloads made on iOS App Store, Google Play Store / Online PC based and other platforms or proof of nomination/award in a national/international reputed gaming conclave

[10] Reimbursement of VFX Production cost

a. Production Cost (incurred after April 2016):

b. Total Amount Requested as Reimbursement:

Enclose detailed audited statement on specific VFX Production Cost made along with Invoices towards manpower cost, software & hardware costs and professional services

[11] Subsidy on Lease Rentals

a. Name and location of leased premises/Rented premises:

b. Extent of built up space taken (sft):

c. Total lease rentals per annum:

d. If subsidy has been availed for the preceding period, please mention dates and total amount claimed earlier:

e. Amount Requested as Subsidy:

***Enclose receipt of payment made to the Landlord**

[12] Entertainment Tax Exemption

a. Name of the Animated Theatrical film

*** Enclose Summary of details of the film with regard to showcasing sufficient evidence about the film being made in Telangana. Also, include specifics of the work outsourced to any other State in India or abroad. Enclose a separate page providing the details.**

[13] Reimbursement of Internet Bandwidth Charges

a. Location:

b. Number of Months (mention dates):

c. Amount paid for Internet Services:

d. Total Amount Requested as Reimbursement:

***Enclose copies of invoices/receipts from the service providers for the period applied for.**

[14] Allotment of land:

Allotment of Government land is subject to applicant meeting eligibility criteria

a. Place/Location of Land required

b. Why is land required?

c. How does it enhance your business?

d. Proposed Activities (pl specify)

e. Proposed Number of Employees on the land, if allotted:

f. Extent of land required (area)(in acres):

g. Proposed Investment:

h. Proposed Built up area (in sq. ft.):

i. Proposed Start Date:

j. Proposed Completion Date:

k. Source of funding:

Any other relevant information/comments/remarks (in justification of your application)

*** Attach proof/evidence/document in support of the claim.**

DECLARATION

I hereby declare that the particulars as given in the application are correct to the best of my knowledge and belief and agree to the terms & conditions of Sanction of our request/incentive claimed /applied through this application.

Place:

Date:

Signature:

Name of the Authorized signatory:

Designation:

Mandatory Documents for all applications:

- In all cases of Application for incentives, the applicant should submit their PAN, TAN/ Service Tax/VAT Registration Number of the Corporate entity.
- Entities which are applying for Capital Investment Subsidy, Allotment of Land, Reimbursement of Production Cost and having more than 10 employees should submit their PF/ESI/TDS Details.