

**GOVERNMENT OF ANDHRA PRADESH**  
**ABSTRACT**

ITE&C Department– IT Promotion - Administration of Incentives to the eligible Electronic Industrial Enterprises in Andhra Pradesh under the New/Expansion categories within the framework of the AP Electronic Policy 2014-20 (Amended) - Operational Guidelines for implementation – Orders - Issued.

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**INFORMATION TECHNOLOGY, ELECTRONICS & COMMUNICATIONS**  
**(Promotions Wing) DEPARTMENT**

**G.O.MS.No. 15**

**Dated: 09-10-2017**  
**Read the following:**

1. G.O.Ms.No.13, ITE&C (Promotions) Department, dated: 31.07.2010.
2. G.O Ms.No:13, ITE&C Dept, dated: 11.08.2014
3. Go Ms. No: 16, ITE&C Dept, dated: 09.09.2014.
4. Go Ms. No: 07 ITE&C Dept, dated: 06.04.2015.
5. Go Ms. No: 23, ITE&C Dept, dated: 05.12.2014.
6. Go Ms. No: 20, ITE&C Dept, dated: 22.09.2016.
7. Go Ms. No: 24, ITE&C Dept, dated: 05.11.2016.

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**ORDER**

In order to achieve the objective of promotion of Information & Communications Technology Sector as a prime growth engine for employment generation and overall socio-economic development of the State of Andhra Pradesh, Government after due consideration, issued orders vide G.Os first to seventh read above, putting in place the Andhra Pradesh Electronics Policy 2014-2020 (Amended) vide G.O 6<sup>th</sup> read above.

2. Further to enable Electronics Industry to set up, sustain, function and grow their operations in an investment-friendly, proactive, conducive and hassle free environment in the State, while identifying specific Focus Areas, Government has also pronounced certain incentives and facilitation measures in the said AP Electronics Policy 2014-2020.

3. Government have issued orders including amendments vide GO 6<sup>th</sup> read above to AP Electronics Policy 2014-20 issued vide Go. Ms. No: 16, IT&C (Promotions) Dept., dated 09-09-2014 and vide Go. Ms. No:7, IT&C (Promotions) Dept., dated 06-04-2015.

4. Taking into consideration the feed-back of Electronics Industry and in continuation of the orders issued vide G.O's 3<sup>rd</sup>, 4<sup>th</sup> and 6<sup>th</sup> read above, Government hereby issues the following operational guidelines for transparent administration of various incentives to the eligible Electronics industry/companies as applicable.

5. Operation Guidelines for disbursement of Incentives

**5.1 Background**

1.1 Andhra Pradesh Electronics Policy 2014-20 herein after called 'Policy' to encourage investments in the electronics sector in the state was notified vide G.O.Ms. No. 20 dated 22.09.2016.

1.2 As per the said notification and for effective functioning of the CCITI, the following guidelines are being laid down.

## 5.2 Definition

- 2.1 Applicant: Applicant for the purpose of the policy is an legal entity or consortium of legal entities registered in India, proposing to invest in a project under one of the verticals of Electronics System Design and Manufacturing listed as per M-SIPS of Government of India and as amended from time to time, and making an Initial Application (DPR), seeking approval of the project. CCITI will consider the applications which are not listed in m-SIPS on case to case basis.
- 2.2 Approved Project: Approved Project means a project approved by Information Technology, Electronics and Communication (ITE&C) department, Government of Andhra Pradesh under the policy based on an Initial Application
- 2.3 Electronic Manufacturing Clusters: Electronic Manufacturing Cluster (EMC) means a geographical area or a region, so notified by the ITE&C Department. This may include a Greenfield EMC or a Brownfield EMC.
- 2.4 Expansion of existing unit: Expansion of an existing unit for the purpose of the Policy means an increase in the value of fixed capital investment in plant and machinery of an existing unit by not less than 25% and 10% turnover of eligible line of activities, for the purposes of either expansion of capacity, or modernization or diversification.
- 2.5 Detailed Project Report: Detailed Project Report (DPR) for the purpose of the policy means a report submitted by the applicant seeking approval for a project/land/incentives as the case may be. The report should be in a prescribed format containing requisite information along with supporting documents.
- 2.6 Financial Year: Financial year begins on the 1st April of a year, and ends on 31st March of the following year.
- 2.7 Non-SEZ location: Non-SEZ location means an area which is not suitable within designated SEZ area.
- 2.8 Project: A Project under the Policy would be a new business enterprise or expansion of an existing enterprise which an applicant intends to implement as per an application submitted under the Policy. The business enterprise could be carried out at one or more locations.
- 2.9 SEZ location: SEZ location' means an area which is designated as Special Economic Zone under the provisions of the Special Economic Zones Act, 2005 (28 of 2005) and rules made there under.
- 2.10 Chartered Engineer: Engineers having corporate membership of the "The Institution of Engineers" (IE) and having Chartered Engineer certificate issued by IE, India.
- 2.11 Architect: An architect registered with 'The Council of Architecture' (COA) constituted by Government of India under the provisions of Architect Act 1972.
- 2.12 Cost Accountant: The members of the Institute of Cost Accountants of India and having a 'Certificate of Practice' issued by the said institute.
- 2.13 Chartered Accountant: The members of the Institute of Chartered Accountants of India and having a 'Certificate of Practice' issued by the said institute.
- 2.14 Eligible Investment: The capital expenditure which is considered eligible for incentives under the policy.
- 2.15 Lease: Lease for an asset would include "Right to use", "License to use", etc.
- 2.16 Tax: Tax means Tax paid to Commercial Tax Department by the way of net VAT and CST or State Goods and Services Tax (SGST) on goods produced by the Industrial Enterprise.

- 2.17 Date of Commencement of Commercial Production (DCP): The date on which commercial production has started, as indicated in the UAM/ EM Part – II /Part B of IEM/IL in respect of Micro, Small & Medium Enterprises and Large Industries respectively, as the case may be and as confirmed and certified by General Manager, District Industries Center (GM, DIC). While confirming/certifying the DCP of the enterprise by GM, DIC as stated above, due diligence is to be exercised by correlating date of purchase of machinery, date of installation, power release and first sale bill, power bills, GST payments etc. In case of any dispute on DCP between the Enterprise and the Department, CCITI will review and its decision is final.
- 2.18 Continuous Production: Continuous Production means continuous working of an Industrial Enterprise engaged in the activity of manufacture of approved lines for a minimum period of 3 years. If any Industrial Enterprise is not in operation / not in working for more than 90 days continuously, then the Industrial Enterprise shall be treated as break in production and not in continuous working. If break in production is condoned by CCITI, the continuous production period will be extended accordingly.
- 2.19 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 recognized by Reserve Bank of India for the purpose of sanction of term loan would be treated as the Approved Project Cost. However, the component of working capital margin will not be considered for computing investment subsidy. In case of self-financed Large and Mega industries which have not availed any assistance from financing institutions, such projects shall be referred to CCITI for inspection.
- 2.20 BC Enterprise: An enterprise with 100% BC entrepreneurs is eligible enterprise under BC category. BC entrepreneur refers to a person hailing from Andhra Pradesh and belonging to BC Category as notified by the Government of Andhra Pradesh from time to time.
- 2.21 SC/ST Enterprise: An enterprise with 100% SC/ST entrepreneurs is eligible enterprise under SC/ST category. SC/ST entrepreneur refers to a person belonging to SC/ST Category as notified by the Government of Andhra Pradesh from time to time. All non-statutory concessions granted to S.C. (Hindus) by the State Government including economic support schemes sanctioned by A.P. Scheduled Castes Cooperative Finance Corporation have been extended to Scheduled Caste converts to Christianity and Buddhism as per orders issued in the G.O.Ms.No.341, Social Welfare (PR) Dept. dated 30.8.1977.
- 2.22 Women Enterprise: An enterprise with 100% women entrepreneurs is eligible enterprise under Women category. Women entrepreneur refer to a women hailing from Andhra Pradesh.

2.23 ABBRIVATIONS:

AI	Artificial Intelligence
AP	Andhra Pradesh
APSFC	Andhra Pradesh State Financial Corporation
BC	Backward Classes
CCITI	Consultative Committee on Information Technology Industry
DCP	Date of Commercial Production
EM	Entrepreneurs' Memorandum
EMC	Electronics Manufacturing Cluster
GoAP	Government of Andhra Pradesh
GoI	Government of India
IEM	Industrial Entrepreneurs Memorandum
IL	Industrial License

ITE&C	Information Technology Electronics and Communication
M-SIPS	Modified Special Incentive Package Scheme
MSME	Micro, Small and Medium Enterprises
OBC	Other Backward Classes
R&D	Research and Development
SC	Scheduled Caste
SEZ	Special Economic Zone
SGST	State Goods and Services Tax
ST	Schedule Tribe
UAM	Udyog Aadhaar Memorandum

### 5.3 Claim for Incentives

- 3.1 The enterprise can claim incentives of State Government, Government of India, and Government of India agencies. However, the quantum of incentives for a particular component under the Government of India and Government of Andhra Pradesh schemes together shall be limited to 75% of the capex of that particular component.
- 3.2 Incentives offered by Government of Andhra Pradesh can be claimed, later of, claiming incentives of Government of India, and Government of India Agencies or completion of at least 1 financial year from commencement of production for Capex Subsidy. The clause does not apply for claiming SGST and power subsidy and the same can be claimed after 3 months of commencement of commercial production.
- 3.3 In case of expansion, modernization and diversification projects, disbursement claim can only be made after the applicant has made an investment in plant and machinery as per clause 5.2.2.4 of this guideline.
- 3.4 For the purpose of calculating threshold, only expenditure allowable under approved Capex items (including any expenditure incurred on these items prior to approval, but after the date of application) for the approved project or phase (s) of the project will be considered. However, investments in land made up to 6 months before the date of approval of a project will be considered for calculation of eligible incentives under the policy.

### 5.4 Capital expenditure eligible for incentives

- 4.1 As per para 5.2.2.5 of these guidelines investment made before the date of approval of a project will not be considered for calculation of eligible incentives under the policy. However, investments in land made up to 6 months before the date of approval of a project will be considered for calculation of eligible incentives under the policy.
- 4.2 The incentives will be available up to 5 years from the date of commercial production. The Incentives are extended to the units whose date of commercial production should be prior to 31-03-2020.
- 4.3 Reimbursement of Capex subsidy (investment subsidy) shall be within the amounts for each of the items under Capex as per the approval letter accorded by CCITI. Any variation in expenditure pertaining to an approved Capex item due to the following would be allowed, post approval of CCITI, even if it leads to variation in expenditure within the individual Capex items, as long as the total capex is within the overall approved Capex.
- Cost escalation due to exchange rate variation between date of approval and actual date of incurring the expenditure.
  - Revision in APSFC schedule of rates.

- 4.4 If the disbursement is filed by a successor in interest, the same will be accepted only after necessary approval from CCITI has been obtained for change in the applicant. All expenditures incurred / actions done by applicant(s) to whom approval was accorded by the CCITI would be considered for calculation of incentives, as they would have been considered if there was no change in applicant. In the event of applicant claiming incentives from Government of India, or any of its agencies, under any of its scheme(s), necessary approval from DeitY is required before filing for approval with CCITI.
- 4.5 The cost of purchase of land will be considered as part of eligible Capex, if it is part of the approved Capex by CCITI.
- 4.6 The cost of land exceeding 2% of the Capex of the approved project cost shall not be eligible for claiming incentives.
- 4.7 For the cost of **land** to be considered as eligible Capex, the following requirements should be met
- a. The land should either be purchased or taken on long lease (>30 years) by the applicant
  - b. Subsidized land, whether by the way of rebates/concession or otherwise, by Government of Andhra Pradesh or of its agencies is not eligible for Capex computation. Where a part of the project land has enjoyed rebates/concession/subsidy such portion of land will be treated as ineligible while computing Capex.
  - c. The payment for the purchase or lease of the land should not have been made prior to 6 months from the date of the approval of the project
  - d. Sale/lease deed should be registered in the name of Enterprise/ Industry/ Proprietor (applicant) as the case may be, for sanction of any incentives / concessions.
  - e. The land should not have been in the possession/ ownership of any Related Party within last 3 years from the date of purchase or date of lease by the applicant
  - f. Land inherited would not be considered for Capex computation
  - g. The land is required for the approved project or phase(s) of the project for which incentives are being claimed. If part of the land is being used for the project or phase(s) of the project, cost pertaining to only that part of the land shall be considered for incentives.
  - h. Cost of land required for the successful working of the new industrial enterprise would normally be computed by considering value of five times the plinth area of the factory building constructed and not exceeding the approved project cost. However, in respect of enterprises where the open land requirements would be large due to the specific nature industry, CCITI may consider allowing land in excess of 5 times of plinth area on case to case basis. However cost of site leveling, clearance, lying of roads, etc. will not be considered for capital cost.

### **5.5 Building Constructed**

- 5.1 The cost of construction of building will be considered as part of eligible Capex, if it is part of the approved Capex by CCITI.
- 5.2 The following aspects would be considered while calculating the eligible Capex of the building.
- a. The building is required for the approved project or phase(s) of the project for which incentives are being claimed. If part of building is being used for the project or phase(s)

of the project, cost pertaining to only that part of building shall be considered for incentives.

- b. The expenditure on the building is to be estimated based on APSFC schedule of rates as applicable at the time of construction of building. Special provisions for rates for specific states/region as per APSFC would be considered, as applicable. Items of expenditure for which APSFC rates are not available, actual expenditure or approved project cost whichever is lower may be considered.
- c. The items of civil works which are permitted for computation towards eligible cost are:
  1. Main Factory Shed
  2. Raw Material and finished products godown.
  3. Office room and Lab room
  4. Cooling water ponds.
  5. Boiler shed and generator room.
  6. Effluent treatment ponds, etc.
  7. Overhead Tank, bore-wells, and pump house and sump.
  8. Fencing and Gate.
  9. Architect fee and supervision charges.
  10. Compound wall.
  11. Canteen.
  12. Workers' rest room.
  13. Time Office.
  14. Cycle / Vehicle Stand.
  15. Security Shed and
  16. Toilet room and sanitary fittings
- d. The total value of items at (10) to (16) and similar items shall not exceed 10% of the total value of civil works. Total value of the civil works means items (1) to (9) only (within the approved project cost). The plinth area of the civil works based on the construction made by the Industrial Enterprise from items (1) to (9) only.

### **5.6 Purchase/Lease of built-up building**

- 6.1 The cost of purchase/lease of built up building will be considered as part of eligible Capex, if it is part of the approved Capex by CCITI.
- 6.2 The expenditure incurred for purchase/lease of an already constructed building would be considered as eligible Capex subject to the following requirements:
  - a. The building should be either purchased or leased by the applicant on long lease (>30 years).
  - b. The building is purchased/leased/registered in the name of Enterprise/ Industry/ Proprietor as the case may be, for sanction of any incentives / concessions.
  - c. The building is required for the approved project. If part of the building is being used for the project or phase(s) of the project, cost pertaining to only that part of the land/building shall be considered for incentives.
  - d. The said building should not have been in possession/ownership of any related part within last 3 years from the date of purchase by the Applicant.
  - e. Expenditure on furniture and fixtures on purchased/leased building shall be eligible Capex, if required for the project or phase(s) of the project.

- f. The cost eligible for incentives in case of purchased/ leased building would be capped at APSFC rates of similar areas as 5.5.5.2.c above.

### **5.7 Plant and Machinery**

- 7.1 The machinery should be purchased/leased in the name of the applicant. In cases where the machinery is being leased, the lease should be in the nature of financial lease within the meaning of Accounting Standard 19 issued by ICAI.
- 7.2 If the plant and machinery is refurbished, whether imported or procured domestically the applicant must produce a copy of the certificate for valuation of the machinery issued by an independent Chartered Engineer or any equivalent in the country of the supplier as submitted to Customs in India. Refurbished plant and machinery cannot be greater than 20% of the total value of the machinery or plant proposed to be purchased under the project for which policy subsidy is being claimed. The value of indigenous second hand machinery will not be computed towards eligible Capex for incentives.
- 7.3 The value of plant and machinery should be verified by CCITI from independent sources, including industry benchmarks.
- 7.4 Plant and machinery should have been procured/leased through legally valid documents after payment of applicable taxes and duties.
- 7.5 The value of plant, machinery and equipment procured by new Industrial Enterprise from APSFC / A.P. State Industrial Development Corporation / Nationalized Banks pertaining to disposed of Enterprise/Industry will be taken into account, provided such machinery has not enjoyed any incentives under any of the earlier incentive schemes. Only depreciated value of such plant, machinery and equipment, as certified by C.A. subject to such machinery having a minimum of further six (6) years life for MSEs and twelve (12) years for Medium Enterprise and Large Industries certified by a Licensed Engineer, will be taken into account for computing towards eligible Capex.
- 7.6 In respect of new Industries Enterprises setup in the premises belonging to disposed of Enterprises from any Financial Institution / disposed of enterprises/industries, if the earlier Enterprises availed incentives, only new assets created with fresh investment would be eligible for incentives.
- 7.7 Value of self-fabricated machinery by the new industrial Enterprise/Industry will have to be certified by a Chartered Engineer or Engineer of the term lending institution concerned for the purpose of computing the eligible Fixed Capital Investment.
- 7.8 The plant and machinery approved should only be used in manufacturing of the products that are approved in the approved letter issued by CCITI. The applicant has to submit a declaration in this regard each year from the time of application of incentives till any incentive under this policy is being claimed.
- 7.9 Diesel Generator is not allowed for computing towards Capex.
- 7.10 Transformer cost is not allowed for computing towards Capex.

### **5.8 Tools, dies, moulds, jigs, fixtures and parts, accessories, components and spares of plant and machinery or equipment**

- 8.1 Tools, dies, moulds, jigs, fixtures, and parts, accessories, components and spares will be considered as a part of eligible Capex, if it a part of approved Capex by CCITI.
- 8.2 Consumables and raw materials used by the applicant for the project shall not be considered as eligible Capex.

## **5.9 Expenditures related to Research and Development**

- 9.1 The expenditures related to R&D will be considered as a part of eligible Capex, if it a part of approved Capex by CCITI.
- 9.2 The software associated with R&D should have been procured/licensed through legally valid documents after payment of applicable taxes and duties.

## **5.10 Items not computable toward Capex**

- 10.1 Working capital, raw material, stores and all consumables including spare tools, etc.
- 10.2 Value of the Motor Vehicles.
- 10.3 Pre-operative expenses, advances, expenditure not supported by payment of bills wherever necessary.
- 10.4 Investment made outside the approved project cost and items not covered by approved project.
- 10.5 Term loan sanctioned by the Financial Institution after 6 months from the DCP.
- 10.6 In case of self-financed Enterprise/Industry, the fixed assets created after the DCP and also payment made after DCP, such value.

## **5.11 Related party transaction**

Related party is defined as per Indian Accounting Standard (Ind AS) 24 issued by ICAI. For building works, plant, machinery & equipment (including erection and commission of the same, tools, dies, moulds, jigs, fixtures and parts, accessories, components, spares of the plant and machinery or equipment) purchased/leased from Group companies / 'related' entities:

- 11.1 Transfer pricing certificate (for domestic and/or international procurement) as required for income tax purposes must be provided by the applicant. This should be submitted in accordance with the methodology as per Income Tax laws, even if not required by tax laws.
- 11.2 The decision on approval/rejection of the certificate and its amount shall be based on the final assessment by Income Tax authority. In case the Income Tax authority makes any changes to the acceptability of the transfer pricing certificate during the assessment process, then the onus lies on the applicant to inform to CCITI immediately and reimburse /repay to ITE&C department for any subsidy amount claimed on disallowed expenditure.
- 11.3 The investment in Capex items should be in line with the list and/or details of Capex items provided by the applicant at the time of applying for incentives and considered by the CCITI for approval. Any deviation would have to be justified; CCITI would verify the same before accepting it. A prior approval is required for significant variations in Capex incurred from the list/details submitted along with the application/considered for approval.
- 11.4 The Capex items, for which incentives are being claimed for, should be capitalized in the books of accounts of the applicant.
- 11.5 The Capex items, for which incentives are being claimed for, should actually be required for the project or the phase(s) of the project which have been approved for implementation by ITE&C department.
- 11.6 Any deviation from the products, for which the application was made and approved under the Electronics Policy 2014-20, should be done after taking prior approval from ITE&C Department.
- 11.7 If Government is satisfied that the incentives to a unit have been obtained by misrepresentation as to an essential fact, furnishing of false information or if the unit goes



out of production within 8 years after commencement of commercial production, Government will ask the unit to refund the grant or incentives along with accrued interest and penalties @ 10 times of the sanctioned and disbursed amount will be levied, after giving an opportunity to the unit of being heard. In this regard, Government shall have residual claim to the extent of incentives released on assets of the applicant.

11.8 All eligible industries shall submit their claims in the prescribed application form given at Annexure – I for reimbursement of Investment subsidy (Capex Subsidy) along with requisite documents mentioned therein.

### **5.12 Disbursement of Capital Expenditure Subsidy**

12.1 All eligible industries, except MSMEs as defined under MSMED Act 2006 of Government of India, will be disbursed accrued subsidy over a period of 3 years subject to fulfillment of following conditions:

- a. 20% of the total accrued investment subsidy amount will be paid after, completing at least 1 financial year from DCP; or; 50% of proposed employment is achieved, whichever is later.
- b. 60% of the total accrued investment subsidy amount will be paid after, completing at least 2 financial years from DCP; or; 75% of proposed employment is achieved, whichever is later.
- c. 100% of the total accrued investment subsidy amount will be paid after, completing at least 3 financial years from DCP; or; 100% of proposed employment is achieved, whichever is later.

12.2 All eligible MSME industries as defined under MSMED Act 2006 of Government of India, will be disbursed accrued subsidy subject to completion of at least 70% of the proposed employment.

### **5.13 Power Subsidy**

13.1 All eligible industries shall submit their claims in the prescribed application form given at Annexure - II for reimbursement of power cost within 3 months after completion of every quarter i.e., by 30<sup>th</sup> of June for first half-year, 30<sup>th</sup> of September for second quarter, 31<sup>st</sup> of December for third quarter and 31<sup>st</sup> March for 4<sup>th</sup> quarter along with the documents mentioned in the application to the ITE&C department on half yearly basis.

13.2 All eligible industries will be reimbursed power cost as per quantum of subsidy mentioned in policy for a period of 5 years from the DCP. The tariff prevailing on 01.04.2017 will be taken as base rate and in case of any decrease in power tariff, the reimbursement will be reduced proportionately.

13.3 This reimbursement is only on the energy consumption (charges for number of units consumed only but not on Contract Maximum Demand (CMD) or any other charges levied by DISCOMs. Residential & colony power consumption is not eligible for reimbursement of power cost).

13.4 The reimbursement of power cost shall be applicable to all eligible (a) New Industrial Enterprises and (b) Expansion/Diversification Projects, subject to fulfilment of the conditions stipulated at para No. 5.2.2.4.

13.5 The power cost reimbursement shall be applicable to the Industrial Enterprises, which are utilizing power from DISCOMs and Rural Electrical Companies (RECs). However, power connection should be in the name of the applicant.

13.6 Reimbursement of power cost will be allowed in case of expansion/ diversification projects over and above base power consumed. For the purpose of reimbursement, annual power consumption will be taken into account. The reimbursement will be made every six (6) months, but in case actual power consumed during the year is less than annual base consumption, reimbursement made during any previous period will be adjusted in future reimbursement. If excess is paid and could not be adjusted in future claims, it will be recovered under Revenue Recovery Act.

13.7 The base annual consumption will be either average annual power consumption of previous three financial years of the expansion / diversification project as certified by Chartered Accountant or power consumption for 75% of connected power load of the original Industrial Enterprise, whichever is higher. Power consumed over and above the base consumption will be eligible for reimbursement of power cost. If the Enterprise /Industry has taken up expansion/diversification in the same year, the base power consumption will be calculated proportionately.

In case Industry/Enterprise purchases second hand land and building along with power either on lease or outright sale, the unit will not be entitled for any power cost reimbursement if the power connection is in the original Industry/Enterprise name. However, if the Industry/Enterprise transfers the power connection in the name of the present enterprise they are entitled for power cost reimbursement provided they install the new plant and machinery.

13.8 Power cost for the purpose to ascertain eligible reimbursement will be calculated as net of electricity duty.

#### **5.14 Exemption of Electricity Duty**

14.1 Exemption of electricity duty for the purpose of Electronics Policy 2014-20 means reimbursement of electricity duty as levied by DISCOMs and Rural Electrical Companies (RECs) from where power is sourced. The power connection should be in the name of the applicant.

14.2 All eligible industries will be reimbursed electricity duty as per quantum of subsidy mentioned in policy for a period of 5 years from the DCP. The tariff prevailing on 01.04.2017 will be taken as base rate and in case of any decrease in duty, the reimbursement will be reduced proportionately.

14.3 This reimbursement is only on the duty applied on energy consumption (charges for number of units consumed only but not on Contract Maximum Demand (CMD). Residential & colony power consumption is not eligible for reimbursement of electricity duty.

14.4 The reimbursement of electricity duty shall be applicable to all eligible (a) New Industrial Enterprises and (b) Expansion/Diversification Projects, subject to fulfilment of the conditions stipulated at para No. 5.2.2.4.

#### **5.15 VAT/CST Reimbursement**

15.1 VAT/CST reimbursement for the purpose of policy would mean reimbursement of State Goods and Services Tax as defined by Andhra Pradesh Goods and Services Tax Act, 2017.

15.2 All eligible industrial enterprises shall submit their claims in the prescribed application form given at Annexure - III for reimbursement of SGST within six months after completion of the financial year i.e. on or before 30th September along with required documents mentioned in the Application to ITE&C department.

15.3 The incentive shall be applicable to all eligible (a) New Industrial Enterprises and (b) Expansion/Diversification projects, subject to fulfilment of the conditions stipulated at Para No. 5.2.2.4.

- 15.4 The Expansion/Diversification projects will be allowed for reimbursement of State Goods and Services Tax (SGST) paid for consumption of raw material for production made over and above the base annual production capacity of the original Enterprise/Industry i.e. before expansion/diversification. The base annual consumption is either the average annual production of previous three financial years or 75% of installed capacity of the original Industrial Enterprise, whichever is higher in case of manufacturing single product (as certified by Financial Institution/ Chartered Accountant). If the Enterprise/Industry takes up expansion/diversification in the same year, the base capacity will be calculated proportionately. In case of multi products, the average consumption of raw materials of previous three financial years will be taken as base turnover (as certified by Chartered Accountant).
- 15.5 The Enterprise/Industry shall obtain the details of the net SGST paid during the year for which the claim is being made duly certified by Commercial Tax authorities in the form prescribed at Form –A for original/expansion/diversification by Enterprise/Industry separately as the case may be. Applicant will self-certify that the tax paid on goods consumed relates to actual production/manufacturing but not trading.

#### **5.16 Business Networking and Promotional Events**

- 16.1 All eligible industries shall submit their claims in the prescribed application form given at Annexure - IV for reimbursement of business networking and promotional events expenditure within three months after completion of such event.
- 16.2 Reimbursement of 50% of the cost for area limited to 9 sq.m. per unit will be extended by the department. For the purpose of calculation of subsidy, area above 9 sq.m. will be ineligible and the grant will be reduced proportionately.
- 16.3 Approval for participating in any event needs to be ascertained in written from CCITI by such participating enterprise prior to applying for such participation. Application should also mention cost of such participation along with all the other relevant and material details of the event.
- 16.4 Any electronics event in which MeitY/DeitY/Government of India/Government of Andhra Pradesh/ITE&C Department is a sponsor or associated in any such capacity will be de facto permitted for eligible enterprises to participate and clause 5.16.16.3 is relaxed in such circumstances.

#### **5.17 Skill enhancement by MSME**

- 17.1 All eligible Industrial Enterprises shall submit their claims in the prescribed application form given at Annexure - V for reimbursement of cost involved in skill up gradation and training the local manpower within six months after completion of such training programme along with required documents mentioned in application, to the CCITI.
- 17.2 The quantum and pre-requisites for claiming such reimbursement for skill up-gradation and training is defined as per section 6(iii) of the policy.
- 17.3 The Enterprise/Industry should submit the list of employees trained along with their appointment letters duly certified by the promoter.
- 17.4 The training should be more practical oriented rather than purely theoretical one.
- 17.5 This facility should be utilized for training the local manpower so that the local manpower will be readily suitable for employment.
- 17.6 The training should be aimed at up-gradation of skill in futuristic technologies, which should be useful to the organization.

### 5.18 Training Companies

Any autonomous institution promoted by Government/Public Sector Undertakings or private sector with a substantive background of electronics industries or skilled manpower development, that proposes to set up a training institution for skilling in electronics manufacturing/design, shall file an application with the department, duly enclosing the detailed project report, background note and documents related to credit worthiness of the promoter.

Department will scrutinize the proposal in detail and place the same with comments before CCITI for approval/rejection of the proposal. The selected proposal will be provided incentives subject to complying with the laid down criteria.

18.1 All eligible training companies, as per the policy, are eligible for investment subsidy of 50% or 1 crore, whichever is lower. Investment subsidy for this policy would mean eligible investment, as defined in clause 5.2.2.14, computable for subsidy.

18.2 The institute/industry/Enterprises shall only accept trainees of Andhra Pradesh.

18.3 The eligible institute/industry/Enterprises shall submit their claims in the prescribed application form given at Annexure – V along with the required documents mentioned in the application.

18.4 Project cost will cover Fixed Capital Investment in building, equipment and machinery (including installation cost), electrification, furniture and other miscellaneous investment required for setting up training facilities, excluding land cost. A maximum of 75% cost of machinery and training equipment will be eligible to be considered under infrastructure including building.

18.5 APSFC rates will be applicable for calculating eligible cost of building and plant & machinery.

18.6 The applicant/promoter will bear the recurring expenditure of running the training institution.

18.7 All such Training Centers shall be in continuous operation for a minimum period of 5 years.

### 5.19 Renewable Energy

19.1 Eligible units using renewable source of energy with minimum of 40% of their power requirements coming from renewable sources for their operations and manufacturing will be eligible for additional incentives such as electricity duty exemption for five (5) years.

19.2 Renewable energy for the purpose of this policy would mean energy derived from non-depleting resources and includes the following sources;

- Wind
- Solar radiation;
- Mini hydro;
- Biomass;
- Biofuels;
- Landfill & Sewage gas;
- Municipal solid waste;
- Industrial waste;
- Geothermal energy;
- Ocean energy;
- Any other energy source, as may be notified by the Ministry of New and Renewable Energy, Government of India; and
- Hybrids of above sources

19.3 All eligible Industrial Enterprises shall submit their claims in the prescribed application form given at Annexure – II along with required documents mentioned in application, to the CCITI.

#### **5.20 Recoveries of Incentives Sanctioned under the Scheme**

Incentives/concessions granted to an industrial enterprise shall be liable to be recovered under the following circumstances.

- 20.1 If the incentives/concessions are obtained by the industrial enterprise by misrepresentation of essential facts or by furnishing of false information or suppressions of material/immaterial facts or by submission of false/fake documents etc. In addition to recovery of the incentives granted, penalty will be levied @ 10 times of the sanctioned and disbursed amount and barred from availing incentives in future.
- 20.2 If the industrial enterprise goes out of production within six (6) years for MSEs and eight (8) years for Medium & Large Enterprises from the DCP. However, in case where the Enterprise/Industry remains out of production for period up to 36 months due to the reasons beyond its control such as shortage/unavailability of raw-materials, power, bills receivables, recession in the market etc., and the same is regularized/recognized by the CCITI are exempted from recovery/penalty.
- 20.3 If the industrial enterprise fails to furnish the prescribed statements and/ or information when it is called upon to furnish.
- 20.4 If the industrial enterprise effects change of management without prior approval from the financing institution concerned and the CCITI.
- 20.5 If the industrial enterprise shifts a part or whole of the industrial Enterprise/Industry, or lease out the whole or part of premises or the plant and machinery after receiving a part or whole of the incentives without prior approval of the CCITI.
- 20.6 If the whole or part of the industrial enterprise is sold without the prior approval of the financial institutions/CCITI.
- 20.7 If the industrial enterprise enters into a contract of any nature whatsoever by transferring the Management, without the prior approval of the financial institutions/CCITI.
- 20.8 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 GM, DICs will be designated as recovery officers by suitable Government Orders.
- 20.9 In this regard, the GM, DIC concerned should monitor the progress of the Enterprises and submit report to the department on half-yearly basis. In respect of advance subsidy cases, advance subsidy released to the unit shall be recovered under RR Act if the unit fails to implement the project within 2 years from the date of release of first installment. In such cases, criminal action will be initiated.

#### **5.21 Furnishing of Statement of account/information by eligible Industrial Enterprises**

Industrial Enterprises, which obtain incentives under the scheme, shall furnish certified copy of audited accounts including Balance Sheet before 30th June of the succeeding year to the department. Such statement should be furnished for a period of minimum six (6) years or eight (8) years as the case may be. Further, industrial Enterprises should also furnish details of production, sales, employment, etc., in the proforma prescribed to the department concerned as an Annual Return before 30th June of the succeeding year and obtain acknowledgment thereof. However, Enterprises which are released capital subsidy not exceeding Rs.1,00,000/- may furnish only the Annual Performance Report in the proforma prescribed to the department concerned as an Annual Return before 30th June of the succeeding year and obtain acknowledgment thereof for a period of six (6) years or eight (8) years as the case may be after going into commercial production. In case if

any entrepreneur fail to submit the certified audited accounts including Balance Sheet or Annual Performance Report in time, the recurring incentives in future will be stopped.

## 5.22 Interpretations

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

## 5.23 Penalties

Without prejudice to anything included in clause 5.20, 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 policies will invite civil and criminal action as per extant laws besides recovery of the amount irregularly disbursed, if any, and debaring the unit from claiming incentives in the future.

6. Process , release and monitoring of incentives are, if need be, subject to verification of authenticity of information furnished on turnover, investment, employment and continuity in operations of business, from the statutory agencies, such as, MeitY, SEZ Commissioner, Commissioner of Industries or any other appropriate/concerned statutory agency etc.

7. In case it is found at any point of time that any particular incentive is claimed by any Electronic company through misrepresentation of facts/furnishing of false information and in case it is found that the respective company is not eligible for the incentive so sanctioned or claimed, Government can seek the refund of the same from the company and initiate, any other penal action as is deemed fit.

8. The interpretation and decisions of the Government is final with regard to applications made by the Electronics Industry for any of the incentives available as per AP Electronics Policy 2014-2020. 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.

9. The operational guidelines issued for administration of Incentives available under AP Electronics Policy 2014-2020 to the eligible Electronics industry/companies as mentioned above shall be in force and co-terminus with the validity period of the AP Electronics Policy 2014-2020.

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

**K.VIJAYANAND**  
**PRINCIPAL SECRETARY TO GOVERNMENT**

To  
All the Departments of Secretariat  
The Commissioner and I.G., Stamps and Registration, Andhra Pradesh  
The Vice Chairman and Managing Director, APIIC, Vijayawada  
The Commissioner, Industries, Andhra Pradesh  
The Executive Director, APIIC, Andhra Pradesh  
The Commissioner, Information and Public Relations, Andhra Pradesh  
The Member Secretary, A.P. Pollution Control Board, Andhra Pradesh  
The Chairman & MD, AP TRANSCO, Vijayawada  
The Managing Director, APEPCPDCL/SPCPDCL  
The Commissioner, Labour, Andhra Pradesh  
The Vice Chairman, VUDA/TUDA/VGTMUDA  
All the District Collectors & Magistrates, AP  
All the Municipal Commissioners, AP,  
The Development Commissioner, VSEZ, Visakhapatnam  
The Director, STPI, Andhra Pradesh  
The President, ITsAP, Andhra Pradesh

The Regional Director, NASSCOM, Andhra Pradesh,  
The President, VITA, Visakhapatnam,  
The President, RITPA, Visakhapatnam  
The President, GITA, Kakinada.  
The President, KITA, Vijayawada

Copy to:

The Secretary to GOI, (MeitY) , New Delhi  
The Chief Minister's Office/Chief PRO to C.M.  
The Chief Commissioner, Customs & Central Excise, Hyderabad  
The PS to Principal Secretary to CM Andhra Pradesh  
The PS to Chief Secretary to Govt. Andhra Pradesh  
The OSD to Minister for Information Technology, Andhra Pradesh  
The PS to Minister for Finance, Andhra Pradesh  
The PS to Minister for Major Industries, Andhra Pradesh  
The PS to Minister for Revenue, Andhra Pradesh  
The PS to Minister for MA&UD, Andhra Pradesh  
The PS to Minister for Energy, Andhra Pradesh  
The PS to Minister for Labour, Andhra Pradesh  
The PS to Spl CS Planning, Andhra Pradesh  
The PS to PFS, Andhra Pradesh

**// FORWARDED :: BY ORDER //**

**SECTION OFFICER**





a	b	c	d	e	f	L= (a or c (whichever is lower)/b)*5* f	For official use only
<b>Details of factory building</b>							
<b>Value of factory building as per approved project cost</b>							
S No.	Item	Actual cost as per civil engineer certificate	Cost as per APFSC rates	Calculation details			
1	Main factory shed						
2	Raw material and finished products godown						
3	Office room and lab room						
4	Cooling water ponds						
5	Boiler shed and generator room						
6	Effluent treatment ponds, etc.						
7	Overhead tanks, bore-wells and pump house and sump						
8	Fencing and gate						
9	Architect fees and supervision charges						
10	Compound wall						
11	Canteen						
12	Workers' rest room						
13	Time office						
14	Cycle/vehicle stand						
15	Security shed						
16	Toilet room & sanitary fittings						
	<b>Total</b>		<b>j</b>	<b>K</b>			
<b>Total eligible value of factory building P = j or k whichever is lower; provided total value of items (10) to (16) is less than or equal to 10% of sum of value of items (1) to (9), in which case 10% of sum of value of items (1) to (9) is taken</b>							
<b>Civil Engineer Certificate - (User uploads file)</b>							

<b>Chartered Engineer Certificate for Self Fabricated Machinery - (user uploads file)</b>
<b>Have you availed any special incentives from GoAP - (yes/no) radio Button</b>
<b>Eligible investment subsidy (in %) = Y (if above is Yes) (user uploads G.O.)</b>
<b><i>Details of machinery</i></b>
<b>Details to be populated from Common Application Form</b>
<b>Eligible value of machinery (M)</b>
<b>Eligible cost of Land for Investment Subsidy (X) = Lower of, [(P+M) * 2%] or [L]</b>
<b>Eligible cost of Factory building for Investment subsidy = P</b>
<b>Eligible cost of machinery for Investment subsidy = M</b>
<b>Total eligible capital investment(T)= (X)+(P)+(M)</b>
<b>Eligible investment subsidy (in %) e = {25% for MSME &amp; Mega); 30% for others} OR (Y) if applicable</b>
<b>Eligible investment subsidy S= (T) X e</b>
<b>Investment subsidy claimed from Government of India or its agencies = G (user uploads approval/disbursement letter)</b>
<b>Maximum eligible subsidy capped (H) = [(G) + (S) restricted to 75% of {(P) + (M) + (L)}]</b>
<b>% of eligible incentive amount to be reimbursed based on the date of application (Z) = (100% - if date of application is within 6 months from applicability period; 50% - if date of application is from 6 months up to 1 year of applicability period; 0%- if date of application is beyond 1 year of applicability period)</b>
<b>Final eligible incentive amount to be reimbursed [if (H) = True] (Q<sub>1</sub>) = (Z) * (S)</b>
<b>Final eligible incentive amount to be reimbursed [if (H) = False] (Q<sub>2</sub>) = (Z) * (S) [where S is proportionately reduced so as (G) + (S) = 75% of {(P) + (M) + (L)}]</b>

***System  
Calculated Value***

**Documents Required**

1. Civil Engineer Certificate
2. Chartered Engineer Certificate
3. Approved area certificate from Town and Country planning department (wherever applicable)
4. Financial institution certificate for eligible cost of plant and machinery
5. CCITI letter of approved Capex costs
6. Land purchase/sale deed

**K.VIJAYANAND  
PRINCIPAL SECRETARY TO GOVERNMENT**

**ANNEXURE-II**  
**Self Computation Sheet for computation of eligible Power Cost/ Electricity Duty  
 Reimbursement Incentive**

Sl. No	Fields Auto-Populated from Common Application Form				
1	Name of the Enterprise				
2	Address of the Enterprise				
3	Type of Enterprise (Manufacturing/Services)				
4	Constitution of the Enterprise				
6	Sector of Enterprise				
6	Type of Enterprise (Manufacturing/Services)				
7	Total Investment in Plant & Machinery (in INR Lakhs)				
8	Size of Enterprise (Micro/Small/Medium/Large/Mega)				
9	Line of Activity				
10	Date of Commencement of Commercial Production				
11	% of second hand machinery				
12	Land lease duration (in years)				
13	Production Capacity (as per IEM part b or industrial registration certificate)				
14	Production Capacity of illegible activities				
15	Financed (Self or Bank Financed)				
16	Applicable Policy				
<b>Details of Managing Director/Partners</b>					
Sl. No.	Name	Gender	Physically Handicapped	Community	Share (in %)

Power Cost Reimbursement Details	Option for department officials to edit the variables entered by the applicant
Industrial Service Connection Number	
Category of Connection (LT/HT)	
Connected Power Load at the time of DCP (in HP)	
Connected Power Load at the time of DCP (in KVA)	
Connected Power Load at the time of incentive application (in HP)	
Connected Maximum Demand (KVA)	
Power Release Date	
Has any special incentive GO issued by the Government of Andhra Pradesh? (YES/NO) (only for mega industries)	
Upload Relevant Document (Option to choose and upload the file)	
Eligible Rate per Unit (if Mega) (As per the GO Uploaded)	
For Original/New Enterprises	

Month & Year	Source of Power (Drop Down options of DISCOM, REC, Captive)	Units consumed as per power bill	Eligible Units	Rate per unit	Amount paid as per bill	Base Fixed	Eligible Units	Electricity Duty	Eligible rate of incentive	Eligible Incentive Amount
		a	b	c	b*C	D = 25 % (mega) / 20% (others)	b	E	f = (c-e)*(100%-d%)	g = b*f
<p>% of eligible incentive amount to be reimbursed based on the date of application (100% - if date of application is within 3 months from applicability period; 75% - if date of application is from 3 months up to 6 months of applicability period; 50% - if date of application is from 6 months to 1 year of applicability period; 0% - if date of application is beyond 1 year of applicability period)</p>										
Final eligible incentive amount to be reimbursed (sum of g)										
Particulars to arrive at base consumption for Expansion/Diversification enterprise										
Number of units consumed for previous three years from the date of commencement of commercial production of expansion project										
Year (Preceding Years)		1st	2nd	3rd	Avg of 3 years (z)		If expansion taken up within an year then provide monthly detail of power consumption			
No of units consumed					(1st+2nd+3rd) / 3					
Highest unit consumed during last 3 years (X)										
Y = 75% of (X)										
Highest of units among (Y) and (Z) are the Base units										
Base units per month (M)										
Month & Year	Source of Power (Drop Down options of DISCOM, REC, Captive)	Units Consumed as per power bill	Eligible Units	Eligible units as per bill c	Rate per unit	Amount paid as per bill	Base fixed	Eligible units (Units consumed over and above base consumption)	Eligible rate of incentive	Eligible incentive amount
		a	b	c = a-b	r	p	m	E	20% (f)	g
								(c-m)		(e X (100-

					f)
Units eligible for original enterprise (if the policy is applicable for original enterprise as well)					
Month & Year	Source of Power (Drop Down options of DISCOM, REC, Captive)	Base units per month (d)	Applicable rate of incentive (for original enterprise) t	Eligible incentive amount (h)	
			20%	$h = (d \times (R - (r \times t)))$	
% of eligible incentive amount to be reimbursed based on the date of application (100% - if date of application is within 3 months from applicability period; 75% - if date of application is from 3 months up to 6 months of applicability period; 50% - if date of application is from 6 months to 1 year of applicability period; 0% - if date of application is beyond 1 year of applicability period)					
<b>Final eligible incentive amount to be reimbursed (g+h)</b>					

<b>System Calculated Value</b>
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## Documents Required

1. Power Release Certificate (once only)
2. Power Bill
3. Power Receipt

**K.VIJAYANAND**  
**PRINCIPAL SECRETARY TO GOVERNMENT**

**Annexure – III**  
**Self-computation sheet for Tax Subsidy**

<b>Fields Auto-Populated from Common Application Form</b>					
<b>Name of the Enterprise</b>					
<b>Address of the Enterprise</b>					
<b>Type of Enterprise (Manufacturing/Services)</b>					
<b>Constitution of the Enterprise</b>					
<b>Sector of Enterprise</b>					
<b>Type of Enterprise (Manufacturing/Services)</b>					
<b>Total Investment in Plant &amp; Machinery (in INR Lakhs)</b>					
<b>Size of Enterprise (Micro/Small/Medium/Large/Mega)</b>					
<b>Line of Activity</b>					
<b>Date of Commencement of Commercial Production</b>					
<b>% of second hand machinery</b>					
<b>Land lease duration (in years)</b>					
<b>Production Capacity (as per IEM part b or industrial registration certificate)</b>					
<b>Production Capacity of illegible activities</b>					
<b>Financed (Self or Bank Financed)</b>					
<b>Applicable Policy</b>					
<b>Details of Managing Director/Partners</b>					
Sl. No.	Name	Gender	Physically Handicapped	Community	Share (in %)

<b>Self-Computation Sheet for SGST reimbursement incentive</b>					
<b>SGST Tax Incentive Details</b>					
<b>GST Identification No.</b>					<b>Option for department official to edit the variables entered by applicant</b>
<b>GST Registration Date</b>					
<b>Authorisation Certificate by Commercial Tax Department - (user uploads file)</b>					
<b>Tax paid receipts - (user uploads file)</b>					
Sl. No.	Line of activity	Production Quantity in FY	Prevailing Tax Rate	Delete	
					<b>Add Line of Activity</b>
<b>For Original/New Enterprises</b>					
<i>Tax amount paid by the enterprise for financial year for goods manufactured/inter-state sale by the enterprise in state of Andhra Pradesh (in INR) ( As certified by the Commercial Tax Department)</i>					

S No.	From (MMDDY YYY)	To (MMDDY YYY)	In put SG ST paid	Output SGST paid	Net tax paid	Eligible % of SGST reimbursement	Eligible SGST reimbursement amount
			a	b	n=a-b	E	s = n * e
<b>% of eligible incentive amount to be reimbursed based on the date of application (100% - if date of application is within 6 months from applicability period; 50% - if date of application is from 6 months up to 1 year of applicability period; 0%- if date of application is beyond 1 year of applicability period) (g)</b>							
<b>Final eligible incentive amount to be reimbursed (s) X (g)</b>							
<b>Particulars to arrive at base consumption for Expansion/Diversification enterprises</b>							
<b>Production Capacity for previous three years from the date of commencement of commercial production of expansion project</b>							
Year (Preceding Years)	Line of activity	1st	2nd	3rd	Average of three years (Z)	If expansion taken up within 2 years then provide monthly detail of production. For diversification projects annual turnover is used to calculate the base turnover and subsequent proportionate eligible SGST amount	
Production capacity utilization/ Annual Turnover					Average of 1 <sup>st</sup> , 2 <sup>nd</sup> & 3 <sup>rd</sup> Production capacity utilization		
<b>Highest production capacity utilization / Annual turnover during last three years (X)</b>							
<b>(Y) =75% of (X)</b>							
<b>Highest among (Y) and (Z) is taken as base production or base turnover (B)</b>							
<b>Actual Production for the financial year or Annual Turnover for the year in case of diversification (f)</b>							
<b>Production over and above the base capacity/turnover L= (f)-(B)</b>							
<b>Eligible production or turnover L= (f)- (B) (zero in case of negative value of production over and above the base capacity/turnover)</b>							
<b>Tax amount paid by the enterprise for financial year for goods manufactured/interstate sale by the enterprise in state of Andhra Pradesh (in INR) ( As certified by the Commercial Tax Department)</b>							
S No.	From (MMDDY YYY)	To (MMDD YYYY)	In put SG ST paid	Output SGST paid	Net SGS T paid	Eligible % of SGST reimbursement	Eligible SGST reimbursement amount
			a	b	n=a-b	E	s = n * e
<b>Total eligible SGST reimbursement amount T=[(s)/ (f)] X (L)</b>							
<b>% of eligible incentive amount to be reimbursed based on the date of application (100% - if date of application is within 6 months from applicability period; 50% - if date of application is from 6 months up to 1 year of applicability period; 0%- if date of application is beyond 1 year of applicability period) (g)</b>							
<b>Final eligible incentive amount to be reimbursed (T) X (g)</b>							

<i>Eligible SGST amount for original enterprise (if the policy is applicable for original enterprise as well)</i>	
<b>Total eligible SGST reimbursement amount <math>R=[(s)/(f)] \times (L)</math></b>	
<b>Eligible % of SGST reimbursement (U)</b>	
<b>% of eligible incentive amount to be reimbursed based on the date of application (100% - if date of application is within 6 months from applicability period; 50% - if date of application is from 6 months up to 1 year of applicability period; 0%- if date of application is beyond 1 year of applicability period)</b>	
<b>Final eligible incentive amount to be reimbursed <math>Q= (T)X(g) + R \times U</math></b>	
<b>Cumulative sum of Q (Over the years of tax incentive availed) = Less than or equal to (P) + (M) of Investment Subsidy; cumulative sum of Q is restricted to (P) + (M) of Investment Subsidy</b>	

System  
Calculated  
Value

Documents Required

1. Tax Payment receipt
2. Authorisation Certificate

**K.VIJAYANAND**  
**PRINCIPAL SECRETARY TO GOVERNMENT**



ANNEXURE –IV							
Self-Computation Sheet for computation of eligible cost of Skill Upgradation and Training incentive							
Fields Auto-Populated from Common Application Form							
Name of the Enterprise							
Address of the Enterprise							
Type of Enterprise (Manufacturing/Services)							
Constitution of the Enterprise							
Sector of Enterprise							
Type of Enterprise (Manufacturing/Services)							
Total Investment in Plant & Machinery (in INR Lakhs)							
Size of Enterprise (Micro/Small/Medium/Large/Mega)							
Line of Activity							
Date of Commencement of Commercial Production							
% of second hand machinery							
Land lease duration (in years)							
Production Capacity (as per IEM part b or industrial registration certificate)							
Production Capacity of illegible activities							
Financed (Self or Bank Financed)							
Applicable Policy							
Details of Managing Director/Partners							
Sl. No.	Name	Gender	Physically Handicapped	Community	Share (in %)		
Skill Upgradation and Training Details					Option for department official to edit the variables entered by applicant		
Name of the institute providing the training							
Name of the skill development programme							
Date of commencement of skill development programme							
Date of completion of skill development programme							
Number of employees - Less than 20   Equal to or more than 20 (Radio buttons) (only applicable if no. of employees equal to or more than 20)							
Duration of the skill development programme (total hours of training)							
Details of employees trained by the institute							
S No.	Employee Name	Gender	Domicile of Andhra Pradesh (YES/NO)	Training fees/employee	Reimbursement	Maximum Limit	Total Subsidy Claimed
				X	Y = 50% of (X)	M = 100000	P = Y * E
Total (sum of number of employees trained)			I				

<b>Total employees eligible for skill development training (only local manpower is eligible for skill development training incentive)</b>		<b>E</b>			
<b>Details of expenditure incurred in skill development</b>					
<b>S N o.</b>	<b>Type of Expendit ure</b>	<b>Date</b>	<b>Bill No.</b>	<b>Amount</b>	
<b>Total</b>				<b>T</b>	
<b>Admissible incentive amount - A = Lower of P or M</b>					
<b>% of eligible incentive amount to be reimbursed based on the date of application (100% - if date of application is within 6 months from completion of training programme; 0%- if date of application is beyond 6 months of completion of training programme) = G</b>					
<b>Final incentive amount = (A) * (G)</b>					

*System  
Calculated  
Value*

Documents Required

1. *Payment receipt*
2. *List of employees trained*
3. *Certified appointment letters of such employees*
4. *Certificate of domicile of such employees*
5. *Certificate of emerging technology on which employees were trained*

**K.VIJAYANAND  
PRINCIPAL SECRETARY TO GOVERNMENT**

<b>ANNEXURE-V</b>					
<b>Self-computation sheet for Business Networking Subsidy</b>					
<b>Fields Auto-Populated from Common Application Form</b>					
<b>Name of the Enterprise</b>					
<b>Address of the Enterprise</b>					
<b>Type of Enterprise (Manufacturing/Services)</b>					
<b>Constitution of the Enterprise</b>					
<b>Sector of Enterprise</b>					
<b>Type of Enterprise (Manufacturing/Services)</b>					
<b>Total Investment in Plant &amp; Machinery (in INR Lakhs)</b>					
<b>Size of Enterprise (Micro/Small/Medium/Large/Mega)</b>					
<b>Line of Activity</b>					
<b>Date of Commencement of Commercial Production</b>					
<b>% of second hand machinery</b>					
<b>Land lease duration (in years)</b>					
<b>Production Capacity (as per IEM part b or industrial registration certificate)</b>					
<b>Production Capacity of illegible activities</b>					
<b>Financed (Self or Bank Financed)</b>					
<b>Applicable Policy</b>					
<b>Details of Managing Director/Partners</b>					
<b>Sl. No.</b>	<b>Name</b>	<b>Gender</b>	<b>Physically Handicapped</b>	<b>Community</b>	<b>Share (in %)</b>

<b>Business Networking Details</b>		<b>Option for department official to edit the variables entered by applicant</b>
<i>Details of Event/exhibition attended</i>		
<b>Name of exhibition</b>		
<b>Venue &amp; Dates</b>		
<b>Name of organisation</b>		
<b>Address of the organisation</b>		
<b>Website Link</b>		
<b>Sponsor - (Drop down options - Government of India, Government of Andhra Pradesh, DeitY, MeitY, Others)</b>		
<b>Upload Approval letter (if 'others' is choosen)</b>		
<i>Details of expenditure incurred in Business Networking events (excluding Hotel &amp; Travel expenses &amp; Surveillance charges)</i>		

S no .	Date of payme nt	Applicant's Account Details		Recipient Account Details		Spa ce (in sq. ft.)	Amou nt	Amount/sq .ft.	Bas e spac e (e)	Gross Eligible Amoun t
		<i>Ban k</i>	<i>Accou nt Numb er</i>	<i>Ban k</i>	<i>Accou nt Numb er</i>					
<b>Eligible incentive amount G = 50% of (F)</b>										
<b>Eligible reimbursement of business networking cost (in %) (H)</b>										
<i>% of eligible incentive amount to be reimbursed based on the date of application (100% - if date of application is within 3 months from applicability period; 50% - if date of application is from 3 months up to 6 months of applicability period; 0%- if date of application is beyond 6 months of applicability period)</i>										
<b>Final eligible incentive amount to be reimbursed = (G) * (H)</b>										

## Documents Required

1. *Payment receipt*
2. *Participation Certificate*
3. *Copy of Delegate ID*
4. *Registration certificate/mail*

**K.VIJAYANAND**  
**PRINCIPAL SECRETARY TO GOVERNMENT**