

**Scheme of assistance for IT/ITeS Industry
under IT/ITeS Policy (2016-21)**

**Government of Gujarat
Science and Technology Department
G.R. No: ITP/10/2011/299230/(912)/IT
Sachivalaya, Gandhinagar
Date: 12th February 2016.**

RESOLUTION

Read: IT/ITeS Policy (2016-21) dated 12th February, 2016

Preamble

Traditionally Information Technology (IT) and IT enabled Services (ITeS) sector in Gujarat has been dealt on par with other sectors of Industry. However, recognizing the importance of IT as an integral part of all other industries and its penetration in to all walks of day-to-day life, it was felt that the power of technology needs to be harnessed to act as a force multiplier in addressing the current challenges in the fields of agriculture, education, healthcare, energy, industry, telecommunication, rural development, tourism, textile, etc. and to ensure equitable and inclusive growth and development. In that context a separate IT Policy for the State of Gujarat was issued in 2014.

In the last one year the Government of India has stepped-up on the criticality of IT in the national growth objective. The National Policy on Skill Development and Entrepreneurship while acknowledging a huge demographic dividend potential, recognizes the need to gainfully upskill around 400 million personnel by 2022 and create employment opportunities for the same. Another initiative of Government of India in Digital India also lays emphasis on adoption of ICT for governance, employment generation, citizen empowerment and economic development.

Previously, during 90's and first decade of 21st Century, while Gujarat continued to build its leadership position in manufacturing industries such as Pharmaceuticals, Chemicals, Petro-chemicals, Cement, Power sector, etc. few states built their capacities in the IT sector, which led to an ecosystem where presence of other players has become a critical factor in drawing newer players to the same locality.

To ensure that Gujarat replicates its successes of manufacturing sector in the IT/ITeS sector as well, it became necessary to revisit the provisions of the IT Policy (2014-19) to make it more attractive and entrepreneur-friendly. Accordingly, the Government of Gujarat has come out with the 'IT/ITeS Policy (2016-21)'.

To enable IT/ITeS companies / units to set up, sustain, function and grow their operations in an investment-friendly, proactive, conducive and hassle free environment in Gujarat, the State Government has listed out its role in creating an enabling environment and has pronounced incentives that IT/ITeS units getting setup or expanded to in Gujarat are entitled to under the new policy. The objective of formulating a scheme to list out procedure as well as approval mechanism to operationalize the new policy in relation to providing assistance to IT/ITeS Industry was under active consideration of the Government. In consideration thereof, the Government of Gujarat resolves as under:

Resolution

In view of the strategy, approach, specified incentives under 'IT/ITeS Policy (2016-21)' (referred herein under as the "IT Policy"), the Government of Gujarat is pleased to introduce a "Scheme of assistance for IT/ITeS Industry" which will come into force from the date of issuance of this Government Resolution (GR) and will remain in operation till the operative period of the IT Policy.

1. Definitions

- 1.1. All the definitions as specified under the IT Policy shall have the meaning as specified therein.
- 1.2. "**IT Software**" means any representation of instruction, data, sound, and image including source code and object code recorded in a machine, readable form and capable of being manipulated or providing interactivity to use by means of automatic data processing machines.
- 1.3. "**IT/ITeS Service**" is construed as any service which results from the use of any IT software over a system of IT products for realizing the value addition.
- 1.4. "**IT/ITeS Industry**" includes development, production and services related to IT products, IT Software, IT service and ITeS.
- 1.5. "**Expansion and/or Diversification**" means an existing unit in Gujarat undertaking seat capacity expansion such that total seat capacity as well as head count of

employees on its payroll goes up by 50% of current seat capacity or by 1000 persons, whichever is lower, during the operative period of the policy.

- 1.6. **Eligible Units:** Any IT/ITeS unit with minimum 10 employees on its payroll, setting up its operations in Gujarat during the operative period of this policy or an existing IT/ITeS unit in Gujarat undertaking expansion and/or diversification will be eligible for availing incentives under this policy. For IT/ITES units being setup in the Gujarat International Finance Tec – City (GIFT), the minimum requirement of 10 employees will not apply.
- 1.7. **IT Enabled Services (ITeS) implies service rendering through application of IT and will include the following:**
- (a) Call Centres
 - (b) Medical Transcriptions
 - (c) Back Office Operation/Business Process Outsourcing (BPO)/ Knowledge Process Outsourcing (KPO)
 - (d) Revenue Accounting and other ancillary operations
 - (e) Insurance claim Processing
 - (f) Web/Digital Content Development/ ERP / Software and Application Development
 - (g) Financial and Accounting Processing
 - (h) HR & Payroll Processing
 - (i) Bioinformatics
 - (j) IT enabled banking, non-banking services including insurance, pension, Asset Management and market related services
 - (k) Depository and Security registration and dematerialization services
- 1.8. **Micro, Small and Medium Enterprises (MSMEs)** in IT Industry shall be construed as per the definition in the MSME Act, 2006 (as amended from time to time) of the Government of India.
- 1.9. **‘Horizontal IT/ITeS Park’** means a site which is developed during the operative period of policy in a minimum area of 5 acres in which 70% of saleable/leasable area is allotted to at least three IT/ITeS units.
- 1.10. **‘Vertical IT/ITeS Park’** means new development undertaken during the operative period of policy in the nature of either a vertical development in the shape of a tower or a group of towers with minimum 100,000 sqft of saleable/leasable area; out of which 70% of saleable/leasable area is allotted or to be allotted to at least three IT/ITeS units

or a vertical development in the shape of a tower or a group of towers with minimum 3000 seat capacity built by any IT/ITeS unit of which 60% capacity is actually occupied during the operative period of the policy.

- 1.11. **'Gross Fixed Capital Investment' (GFCI)** means the investment made in required building, furnishing, hardware, software and other related fixed assets required to produce products or services by eligible unit within two years from the date of commercial operations/production or till one year from coming to an end of this policy, whichever is earlier. Investment made in land will be excluded from computation of Gross Fixed Capital Investment.
- 1.12. **'Empowered Committee'** shall have the meaning as defined in para 6 of this GR.
- 1.13. **'Competent Authority'** shall have the meaning as defined in para 7 of this GR.
- 1.14. **'Built-up Area'** means the area covered by a building on all floors.

2. Assistance Available for Eligible IT/ITeS Parks

Assistance under the Policy shall be available for eligible greenfield IT/ITeS Parks, as herein under:

2.1. Capital Subsidy:

- (a) Horizontal IT/ITeS Parks will be provided capital subsidy @ 25% of fixed capital investment in buildings and infrastructure facilities, excluding the cost of land, subject to a ceiling of Rs. 25 crores.
- (b) Vertical IT/ITeS Parks will be provided capital subsidy of Rs. 300 per sqft for built-up area subject to a ceiling of Rs. 25 crores.

2.2. Registration/Stamp Duty Concession: The developer of IT/ITeS Park will be eligible for 100% reimbursement of Stamp Duty/Registration Fee/Conversion Fee, paid on sale/lease/transfer of land for developing an IT/ITeS Park.

2.3. Incentive on Power Tariff and Electricity Duty:

- (a) IT/ITeS Park will be given power tariff subsidy at the rate of Re. 1 per unit in the billed amount of the utility as promotional incentive on reimbursement basis for a period of five years with effect from the date, beginning any time during the operative period of policy, as selected by the developer.
- (b) IT/ITeS Park will be given 100 % reimbursement for electricity duty paid for a period of five years on coterminous basis with power tariff subsidy.
- (c) Above assistance will be available to IT/ITeS Park on power purchased from the State electricity distribution companies or power distribution licensees. IT/ITeS

Park either generating power from its captive power plant or getting electricity through open access will not be eligible for the incentive.

3. Incentives to IT/ITeS Units: The eligible IT/ITeS units will be entitled to following incentives in addition to any incentives that it might be getting under Government of India schemes:

3.1. Capital Subsidy:

- (a) Eligible IT/ITeS units will be entitled to capital subsidy @ 25% of capital expenditure for one time purchase of Computers, networking and related hardware, subject to a ceiling of Rs. 1 crore.
- (b) Scheme of Assistance to Micro and Small Enterprises (MSEs) for purchasing shed and plot in mini estates developed by GIDC or by private developer and Assistance in rent to MSEs, issued vide Resolution No. MIS/102015/430906/CH dated 10th Mar 2015 and MIS/102014/430906/CH dated 10th Mar 2015, as may be amended from time to time, by Industries and Mines Department, Government of Gujarat would be applicable to MSEs in IT/ITeS sector as well.

3.2. Registration/Stamp Duty Concession: Eligible IT/ITeS units will be entitled to 100% reimbursement of Stamp Duty and Registration Fee paid on sale/lease/transfer of land and Office Space for the first transaction.

3.3. Lease Rental Subsidy: Eligible IT/ITeS units taking space on lease for their operations will be provided lease rental subsidy at the scale of 50 sqft per employee, for five years on reimbursement basis at following rates:

- (a) Rs. 8/sqft for units up to 20 employees
- (b) Rs. 5/sqft for units with >20 but < 100 employees
- (c) Rs. 3/sqft for units with >100 employees

Provided, that the lease rental subsidy shall not be more than the actual lease rental.

3.4. Interest Subsidy: Eligible IT/ITeS MSMEs will be provided interest subsidy as under:

- (a) @ 7% for micro enterprises with a ceiling of Rs. 25 lakhs per annum.
- (b) @ 5% for small and medium enterprises with a ceiling of Rs. 50 lakhs per annum.
- (c) Such interest subsidy shall be eligible for a maximum duration of five years.
- (d) Eligible IT/ITeS MSMEs will be entitled to interest subsidy assistance from the date of making application or when actual interest repayment to the lending financial institutions, after moratorium if any, begins based on the choice of

Eligible IT/ITeS MSMEs. However, the unit will be entitled for interest assistance only if the interest repayment has begun during the operative period of the current policy.

3.5. VAT/CST/GST Incentive:

- (a) The eligible IT/ITeS units will be provided reimbursement of net tax (net of input credits) paid by them under Section-13 of Gujarat Value Added Tax Act against their output tax liability. The reimbursement will be limited to a ceiling of 90% of the Gross Fixed Capital Investment (GFCI) made by the unit. Additional amount of tax paid, beyond above ceiling, will not be eligible for reimbursement. In no case, the amount of reimbursement shall exceed the total inflow of tax paid into the Government of Gujarat treasury. There would be certain restriction in respect of transfer of goods/services produced by eligible units out of state by the subsequent dealers so as to ensure that amount reimbursed is not again being claimed by way of tax credit for inter-state sale, branch transfer, consignment and export.
- (b) For domestic sales outside Gujarat (inter-state sales), 100% Central Sales Tax (CST) paid into Government of Gujarat treasury would be reimbursed, till GST is introduced. The amount of benefit availed under this clause will also be counted against the ceiling mentioned in sub para (a).
- (c) Notwithstanding anything mentioned in above clauses, it is stated that under the GST regime, as and when it comes into operation, the unit shall be reimbursed up to the extent of SGST paid in the intrastate sale of the specified goods, subject to the tax actually realized into the Government of Gujarat treasury, net of input credits, subject to overall ceiling of 90% of GFCI as maximum eligibility for reimbursement. Also, in the GST regime, the SGST will be reimbursed at a rate of tax which shall not be higher than the present rate of value added tax (excluding additional tax) of the specified goods.
- (d) VAT/CST/GST reimbursement will be allowed for a period of 8 years from the date of beginning of commercial operations subject to ceilings and limitations indicated in above sub clauses.
- (e) Electronics goods such as Mobiles, TV, etc. shall not be eligible for reimbursement under this scheme. Only IT/ITeS Services would be eligible under this scheme.

- (f) The eligible units availing VAT/GST reimbursement under this scheme will ensure that specified goods / services sold to Gujarat dealers would be further resold to customers within Gujarat as local sale only and interstate sale of such goods / services will not be allowed. If any Gujarat dealer adjusts tax credit by selling such goods / services to customers outside Gujarat, the amount of such tax credit shall be reduced from the amount of reimbursement to be allowed to the eligible IT/ITeS unit.

3.6. Incentive on Power Tariff and Electricity Duty:

- (a) Eligible IT/ITeS units will be given power tariff subsidy at the rate of Re. 1 per unit in the billed amount of the utility as promotional incentive on reimbursement basis for a period of five years from the date of commencement of commercial operations.
- (b) Eligible IT/ITeS units will be given 100 % reimbursement for electricity duty paid for a period of five years on coterminous basis with power tariff subsidy.
- (c) Existing units undertaking expansion/diversification will be entitled for power tariff subsidy and electricity duty reimbursement only for additional power consumed, attributable to such expansion/diversification. For computation of additional power consumed, additional consumption over average consumption of previous one year before the date of commencement of operations from expansion/diversification will be considered.
- (d) Above assistance will be available to eligible IT/ITeS units on power purchased from the State electricity distribution companies or power distribution licensees. The eligible IT/ITeS units either generating power from its captive power plant or getting electricity through open access will not be eligible for the incentive.

3.7. Employment Generation Incentive through EPF Contribution: Eligible IT/ITeS units will be given the benefit of reimbursement of the EPF contribution made by them for their incremental employees operating out of their offices in Gujarat for a period of five years. This reimbursement would be made subject to the following criteria:

- (a) 100% of EPF amount paid in case of female employees
- (b) 75% of EPF amount paid in case of male employees
- (c) The ceiling of EPF amount per employee will be 12% of Employee's basic salary plus applicable DA and retaining allowance.

- (d) For eligible units the assistance will be available for incremental employee count, occurring during the policy period, for a period of five years for each such incremental count. For this purpose average employee count of previous one year before commencement of operations from new setup/expansion/diversification shall be treated as base employee count and incremental count will be computed over such base count. To clarify it further, incremental employee count, happening every year during the policy period will be entitled to such benefit for duration of five years.
- (e) For this benefit, reference to word 'operating out of their offices in Gujarat' would mean that the employee is physically operating out of that office and staying in Gujarat.

3.8. **Patent Assistance:**

- (a) Assistance at the rate of 50%, subject to a ceiling of Rs.2 lakhs per patent for domestic patents and Rs. 5 lakhs per patent for international patents, for meeting with the expenditure for obtaining patents will be available to any eligible IT/ITeS unit/institution.
- (b) Total quantum of assistance for obtaining such patents shall be limited to Rs. 25 lakh for international and Rs. 10 lakhs for domestic patents per unit/institution.
- (c) Fees paid to patent attorney and patent service centre will be eligible expenditure towards cost for assistance.
- (d) The assistance will be in the nature of reimbursement.

3.9. **Market Development Support**

- (a) Assistance to eligible IT/ITeS MSME units for participation in International Trade Fairs outside India at the rate of 50% of expenditure towards (i) total rent of stall or rent of space and amount paid to organizer towards creation of stall and on rented space (ii) product literature/ catalogue and (iii) display material subject to maximum Rs. 2 lakhs will be provided. Eligible IT/ITeS MSME units will be entitled to avail of this assistance maximum two times during the operative period of this policy. The assistance would be in the nature of reimbursement. IT/ITeS MSME units shall have to apply within three months from the date of participation for the assistance.
- (b) Assistance to Industry Associations for participation in International Trade Fair as Gujarat Pavilion outside India @ 50% of total rent subject to a ceiling of Rs. 10

lakhs will be provided. Minimum five industrial unit's participation will be necessary as part of group to get this assistance. Assistance shall be in the form of reimbursement and the association shall have to apply within three months from the date of such participation.

- (c) Viability Gap Support to Industries Associations will be provided for organizing Seminars / Exhibitions in Gujarat. Ceiling for such support will be Rs.4 lakhs for national and Rs. 8 lakhs for international Seminar/Exhibition.

3.10. Support to R&D Institutions: In order to give impetus to the Research and Development, support will be provided to R&D institutions set up with the approval of the State Government.

- (a) Apart from new R&D institutions, testing facilities will also be covered. The assistance will be given up to 60% of the project cost, excluding land, subject to a maximum of Rs 50 lakhs.
- (b) Assistance for Contract/Sponsored research work for IT/ITeS project from any industrial unit / industry association to recognized R&D Institution / Technical College approved by AICTE will be considered at 50% of the project cost, excluding cost of land and building, subject to a maximum of Rs 50 lakhs.

3.11. Quality Certification: Any Gujarat based IT/ITeS MSMEs will be granted assistance for a maximum of three industry standard quality certifications (CMMI, ISO, etc.), at a rate of 50% of cost of quality certification within the overall ceiling of Rs. 6 lakhs in 5 years.

The amount of assistance will include:-

- (a) Fees charged by certification agency
- (b) Consulting fees and training charges

3.12. Skill Enhancement:

- (a) Assistance will be provided to IT/ITeS MSMEs at the rate of 50% of fees paid, subject to a maximum Rs. 10,000 per employee on obtaining industry recognized skill certification. The assistance under this incentive will be subject to an overall ceiling of Rs. 1 lac per year per unit.
- (b) Any eligible IT/ITeS unit getting assistance under this policy will be required to take interns at a rate of minimum one intern for every twenty employees on its payroll during the period it gets assistance. Such intern(s) will be paid an honorarium at rates better than that under Minimum Wages Act. This mechanism of hiring interns will be different from and in addition to the Scheme of

Apprenticeship by Government of India, if applicable. This will help building a skilled resource base within the country.

4. **Setting up of Finishing Schools:** Capital assistance of up to 60% of the project cost excluding land, or Rs. 50 lakhs, whichever is lower, will be provided for setting up Finishing Schools for IT/ITES Sector in Colleges and Educational Institutes across the State.
5. **Procedure for Making Application and Approval of Assistance:** The following procedure will regulate the expression of interest, making the application by an applicant and process of approval, communication of approval by the Competent Authority for approving assistance under this Scheme:
 - 5.1. **Expression of Interest for availing assistance:** A person, company, legal entity or eligible unit intending to avail of assistance under this scheme shall intimate the Competent Authority in Government by an Expression of Interest as per Annexure-1 to this scheme.
 - 5.2. Any application, in whatever format, received by the Government in Industries & Mines Department or in Department of Science & Technology or under any of their subordinate offices, for benefits under IT Policy of the State Government (2014-19), made after 14th Nov 2014 till the issuance of this Scheme, will be deemed to be an application for Expression of Interest under this scheme.
 - 5.3. **Letter of In-principle Approval:** The competent authority, on receipt of the Expression of Interest for availing assistance, shall convey to the applicant its decision granting in-principle approval along with the indicative list of eligible assistance or alternatively convey the rejection and causes in brief thereof, the conditions, time lines that the applicant has to comply for availing assistance, the obligations of the applicant as well as of the competent authority in relation to disbursement of the assistance and the likely disbursement schedule. The in-principle approval by the competent authority shall be conveyed in a format as per Annexure-2a or 2b, within one month from the receipt of Expression of Interest as in para 5.1.
 - 5.4. Communication of in-principle approval doesn't confer any entitlement to the applicant. Entitlement and actual disbursal of the assistance will be an outcome pursuant to formal

application in format as in para 5.6, and in accordance with decision of the empowered committee subject to fulfillment of conditions specified therein.

- 5.5. **Validity of In-principle Approval:** The in-principle approval, conveyed as above in para 5.3, shall be valid for a period of one year. However, subject to fulfillment of conditions a and b as indicated in para 5 of Annexure-2a or Annexure-2b to this scheme and subject to satisfactory reasons for non-fulfillment of conditions c, d and e as indicated in para 4 of Annexure –2 to this scheme within one year, in-principle approval can be extended by the competent authority for a period of, at the most one year. After the said period of validity, in-principle approval shall lapse and eligible applicant will have no claim for any incentive or benefit against the Government. However, the intending applicant will be free to reinitiate process by filing a fresh Expression of Interest for availing assistance under the scheme, which will then be treated as a separate and a new application.
- 5.6. **Filing of Formal Application:** The applicant shall apply to the Competent Authority in the application form specified as per Annexure-3a or Annexure-3b. The entitlement of the applicant for evaluation of his claim for the assistance under the Scheme will arise only after filing of this application form along with the prescribed Annexures. The assistance will be eligible only if the formal application, as under this para, is made during the operative period of the IT/ITeS Policy (2016-21).
- (a) The Competent Authority will scrutinize the proposal and place it before the Empowered Committee for a decision on total assistance eligible to the applicant.
- (b) The Empowered Committee may call the applicant for a presentation or any clarification in relation to either eligible activity or the cost marked against the Eligible activity, or any of its components.
- (c) The Empowered Committee will record its decision as to approval of assistance in a Format as placed at Annexure –4.
- 5.7. **Methodology for Disbursement:** Based on the decision of Empowered Committee, the Competent Authority will convey the final decision on the eligibility of the applicant for the assistance under the Scheme, the schedule of disbursement and the contingent progress milestones in format as per Annexure – 5a or 5b.
- 5.8. **Schedule of Disbursement:**
- (a) **Schedule of Disbursement for IT/ITeS Parks:** The disbursement of Capital Subsidy will be in three tranches as per following schedule:

- (i) Advance release of 25% of eligible assistance by the Competent Authority subject to availability of whole area of IT/ITeS Park and approval of site layout plan/building plan.
- (ii) Second tranche of 50% of eligible assistance will be disbursed after the applicant has already incurred expenditure of 60% of the eligible project cost in eligible activities.
- (iii) The third and final tranche of the assistance amounting to 25% of eligible assistance will be paid when the applicant has incurred expenditure of 100% of the eligible project cost.
- (iv) Reimbursement of Stamp Duty and Registration Fee will be made to an applicant along with advance release in para (i) above.
- (v) Reimbursement of Electricity duty and benefit under power tariff subsidy will be made quarterly on production of proof of payment of the same.

(b) Schedule of Disbursement for IT/ITeS Units, R&D Institutions and Finishing

Schools: The disbursement of incentives will be as under:

Sr.	Assistance Type	Disbursement Schedule	Remarks
1.	Capital Subsidy	On commencement of commercial operations	Reimbursement as per approval
2.	Reimbursement of Stamp Duty/	On Submission of Proof of Stamp Duty/Registration fee	Reimbursement on actuals
3.	Lease Rental Subsidy	Quarterly on submission of proof of payment	Reimbursement on actuals subject to
4.	Interest Subsidy	Quarterly basis on bank certificate for realization of due installments of previous	Reimbursement on actuals subject to ceiling
5.	Power Tariff and Electricity Duty	Quarterly on Submission of Proof of payment	Reimbursement on actuals subject to
6.	VAT/CST/GST Incentive	Quarterly on Submission of Proof	Reimbursement on actuals as per ceiling
7.	Employment Generation Grant on	Quarterly on submission of Proof	Reimbursement on actuals subject to

8.	Quality Certification	On submission of proof	Reimbursement subject to ceiling
9.	Patent Assistance	On filing of Patent	Reimbursement subject to ceiling
10.	Market Development	On submission of claim by IT/ITeS unit or Association	Reimbursement subject to ceiling
11.	Assistance for R&D Institute / Finishing School	Three Tranches: <ul style="list-style-type: none"> • 25% on acquisition of land, approval of building plan • 50% after expenditure of 60% of the project cost 	Subject to ceiling
12.	Contract/Sponsored research work from ITeS Unit/Industry Association	Two Tranches: <ul style="list-style-type: none"> • 50% on expenditure of 50% of project cost • 50% on submission of 	Subject to ceiling
13.	Viability Gap funding for exhibitions/ seminars in Gujarat	On submission of proof of expenditure by an recognized association	Subject to ceiling
14.	Skill Enhancement	On submission of proof of obtaining certification	Subject to ceiling

6. State Level Empowered Committee

6.1 For approval of the assistance to IT/ITeS MSME units, the State Level Empowered Committee (Empowered Committee as referred in the scheme) shall comprise of the following members:

- (a) Industries Commissioner – Chairperson
- (b) MD, GIL - Member
- (c) FA to DST – Member
- (d) JS (IT), Science & Technology Department – Member
- (e) Director, IT – Member Secretary

6.2 For approval of the assistance to all applicants, other than IT/ITeS MSME units, the State Level Empowered Committee (Empowered Committee as referred in the scheme) shall comprise of the following members:

- (a) ACS/PS/Secretary, Department of Science & Technology
- (b) ACS/PS/Secretary, Industries & Mines Department
- (c) Industries Commissioner
- (d) Secretary (Expenditure), Finance Department
- (e) M.D. - Gujarat Informatics Ltd.
- (f) Head, State eGovernance Mission Team
- (g) Director, IT - Member Secretary

The senior of the Secretary in-charges of Department of Science and Technology or Industries & Mines Department shall Chair the meeting.

7. Competent Authority

For undertaking process for grant of approval and disbursement of assistance, the following officers in their offices will be competent authorities for the benefits under this scheme:

7.1 IT/ITeS MSMEs: The General Manager, District Industries Centre

7.2 Other than IT/ITeS MSMEs: The Director, IT

8. Interpretation

Any interpretation or clarification under the scheme will be decided by the Department of Science and Technology and decision thereof would be final and binding to all.

9. Budgetary Provision

The expenditure on this account shall be made from the grants under the following budget head: "Demand no. 89" Major Head 2052, Information Technology Incentive Plan.

The above Government Resolution issues with the concurrence of Energy & Petrochemicals Department on the file of even number dated 04/01/2016, of Revenue Department dated

22/12/2015, Industries and Mines Department 04/01/2016 and of Finance Department dated 08/02/2016.

By order and in the name of the Governor of Gujarat,

Sd/-

(Dhananjay Dwivedi)

Secretary to the Government of Gujarat,
Department of Science and Technology

To

1. *Principal Secretary to Hon'ble Governorshri, Raj Bhavan, Gandhinagar.
2. Chief Principal Secretary to Hon'ble Chief Minister.
3. Principal Secretary to Hon'ble Chief Minister.
4. Secretary to Hon'ble Chief Minister.
5. Personal Secretary to Hon'ble Ministers, Government of Gujarat.
6. *Personal Secretary to the Leader of Opposition Party in Gujarat Legislative Assembly, Gandhinagar.
7. *Deputy Secretary to Chief Secretary, Government of Gujarat.
8. *Registrar, Hon'ble Gujarat High Court, Ahmedabad.
9. *Secretary, Gujarat Vigilance Commission, Gandhinagar.
10. *Secretary, Gujarat Public Service Commission, Ahmedabad.
11. *Secretary, Gujarat Legislature Secretariat, Gandhinagar.
12. *Secretary, Gujarat Civil Service Tribunal, Gandhinagar.
13. All Administrative Departments
14. VC and MD, GIDC, Udyog Bhavan
15. Industries Commissioner, Government of Gujarat

16. **All Heads of the Departments**
17. **All Collectors.**
18. **Managing Director, Gujarat Informatics Limited**
19. **Director, Information Technology**
20. **DDG and SIO, NIC, Gujarat**
21. **Account General (A&E) Gujarat, Post Box No. 2201, Rajkot.**
22. **Account General (A&E) Gujarat, Ahmedabad Branch, Ahmedabad.**
23. **Account General (Audit-1) Gujarat, MS Building, Ahmedabad.**
24. **Director, Account & Treasuries, Gujarat State, Gandhinagar**
25. **Pay & Account Offices, Ahmedabad/Gandhinagar**
26. **All District Treasury Offices**
27. **Resident Audit Officer, Ahmedabad/Gandhinagar.**
28. **Select File.**

***By Letter**

(Copy of this Resolution can be downloaded from URL: <http://dst.gujarat.gov.in>)

Annexure –1:

Application for Expression of Interest for Availing Assistance
under Scheme of Assistance for IT/ITeS Industry

(to be filled in by person / entity applying)

1. Basic Information

1.	Name of the Person Applying	
2.	Contact Address Telephone: Mobile: Email:	
3.	Identity Proof PAN/ Passport/ Bank Statement with picture/ Aadhaar Card (Any one)	

2. Nature of Entity (Please provide as much information as you can)

1.	Type of the Entity that will seek assistance under the Scheme (Please attach certified copy of the memorandum and articles of association or equivalent registration documents if already done)	Proprietorship/ Partnership/ Company/ Association
2.	Office Address: Office: Factory: Tele No. : Fax No. : Email:	
3.	Registration Details (Enclose Memorandum and Articles of Association)	
	Certificate of Incorporation (please provide certified copy)	
	PAN Number (please provide certified copy)	
	Service Tax & Central Excise Certificate (please provide certified copy)	

4.	Name, address & contact details of the Directors/ Promotors along with the PAN Numbers (Please provide the CA Certificate showing the shareholding pattern)	
	a)	
	b)	
	c)	
5.	Name, designation & contact details of the Authorized Person	

3. Assistance will be sought for (Please tick mark the relevant column)

1.	IT/ITeS Unit	
2.	IT/ITeS Park	
3.	R&D Institution	
4.	Finishing School	
5.	IT/ITeS Industry Association	
6.	Contract / Sponsored Research Work	

4. Information for unit Type:

IT/ITeS Unit (New or Expansion/Diversification)		
1.	Location	
2.	Tentative area (Land in acres/Office Space in sqft)	
3.	Tentative Investment	
4.	Tentative Employment	
IT/ITeS Park		
1.	Location	
2.	Park Type (Horizontal / Vertical)	

2.	Tentative area of the land where IT/ITeS Park will be set up in acres	
3.	Total built up area in Sq. ft.	
3.	Tentative Project Cost (in Rupees), excluding cost of land	
4.	Brief Description of the activities undertaken so far by the applicant for setting up the IT/ITeS Park and Market Analysis carried out	
Research & Development Institution		
1.	Location	
2.	Tentative area of the land where R&D Institute will be set up in acres	
3.	Tentative Project Cost (in Rupees)	
4.	Brief Description of the activities undertaken so far by the applicant for setting up R&D Institute	
Finishing School		
1.	Location	
2.	Tentative area of the land where Finishing School will be set up in acres/sqft	
3.	Tentative Project Cost (in Rupees)	
4.	Brief Description of the activities undertaken so far by the applicant for setting up the Finishing School and Market Analysis carried out	
IT/ITeS Industry Association		
1.	Exhibition / Trade Fair Name	

2.	Date for the Exhibition / Trade Fair	
3.	Expenditure planned by Association	
4.	Did you avail this assistance under the current scheme previously, if yes, then date and amount	
Contract / Sponsored Research Work Details		
1.	Research Topic	
2.	Research Assigning Organization	
3.	Total Duration of Research	
4.	Total Cost for undertaking Research	
5.	Assistance for the same project from any other organization	

5. Assistance Sought under the scheme

Sr. No	Assistance Type	Unit Type Entitled to	Claimed Entitlement (Yes / No)	Approximate Amount of Assistance Sought
1.	Capital Subsidy	IT/ITeS Units / Park		
2.	Reimbursement of Stamp Duty/ Registration Fee	IT/ITeS Units / Park		
3.	Lease Rental Subsidy	IT/ITeS Units		
4.	Interest Subsidy	IT/ITeS MSMEs		
5.	Power Tariff and Electricity Duty	IT/ITeS Units / Park		

6.	VAT/CST/GST Incentive	IT/ITeS Units		
7.	Employment Generation Grant on EPF	IT/ITeS Units		
8.	Quality Certification	IT/ITeS MSMEs		
9.	Patent Assistance	IT/ITeS Units / Institutions		
10.	Market Development	IT/ITeS MSMEs		
11.	Assistance for R&D Institute / Finishing School	IT/ITeS Units / Institutions		
12.	Contract/Sponsored research work from IT/ITeS Units /Industry Association	IT/ITeS Units / Industry Association		
13.	Viability Gap funding for exhibitions/ seminars in Gujarat	IT/ITeS Industry Associations		
14.	Skill Enhancement	IT/ITeS MSMEs		

Signature of person making
application / Authorised Signatory of applicant

Annexure – 2a: Format for Letter of In-principle Approval for Assistance to IT/ITeS Unit under the Scheme of Assistance for IT/ITeS Industry

Date:

To

Ref: 1. Your Expression of Interest dated _____

Sub: In-principle approval for Assistance under Scheme of Assistance for IT/ITeS Industry

Sir/ Madam,

1. We are pleased to acknowledge your application dated _____ seeking assistance under the scheme for IT/ITeS Industry with registration no._____. In future correspondences please quote the registration number allotted to you.
2. On behalf of the Government of Gujarat, I convey the “in-principle” approval/ refusal with reference to your application dated _____ for assistance under the Scheme of assistance for IT/ITeS Industry for your unit/proposed unit at <<location>> with an estimated Investment of Rs. << >>.
3. Subject to the adherence to conditions as laid out in para 4 of this letter and subject to approval by the Empowered Committee, the assistance that you can avail under the scheme will be as under:

Sr. No	Assistance Type	Indicative eligible amount of assistance	Remarks
1	Capital Subsidy		
2	Reimbursement of Stamp Duty/ Registration Fee		
3	Lease Rental Subsidy		
4	Interest Subsidy		
5	Power Tariff and Electricity Duty		
6	VAT/CST/GST Incentive		

7	Employment Generation Grant on EPF		
8	Quality Certification		
9	Patent Assistance		
10	Market Development		
11	Assistance for R&D Institute / Finishing School		
12	Contract/Sponsored research work from IT/ITeS Unit/Industry Association		
13	Viability Gap funding for exhibitions/ seminars in Gujarat		
14	Skill Enhancement		

4. This in-principle approval is valid for a period of one (1) year from the date of issuance of this letter subject to fulfillment of the following conditions:-
- Procurement and having final possession of the land / office space.
 - Financial Closure of the Project – for computing financial closure, the applicant will be allowed to incorporate eligible assistance from Gol, GoG, under respective schemes for assistance to IT/ITeS unit, along with own equity and debt that the applicant will take.
 - Preparation and submission of Detailed Project Report (DPR)
 - Component/ activity wise implementation schedule specifying the timelines and corresponding milestones
 - Submission of application as per para 5.6 of the scheme within 1 year.
5. In case, the above conditions are not met by the end of the validity period of this in-principle approval, the validity will be extended for an additional period of maximum one (1) year subject to the fulfillment of the following mandatory conditions, with a satisfactory justification for the delay of the other conditions mentioned in para 4 above.
- Procurement and having final possession of the land / office space
 - Financial Closure of the Project
6. Application for extending validity of in-principle approval shall be made before expiry of one year from grant of in-principle approval. In case, the validity period is extended, a detailed timelines for fulfilling the following conditions should be intimated to the Competent Authority.

- (a) Preparation and submission of DPR
 - (b) Component/ activity wise implementation schedule specifying the timelines and corresponding milestones
 - (c) Submission of formal application as per para 5.6 of the Scheme
7. In an instance where the criteria is not met within the validity period, with or without extension, the in-principle approval shall lapse and the applicant would not have any claim for any incentive / benefit against the Government. However, you can submit a new Expression of Interest which would not be linked to the application referenced herein and will be treated as a new application.
8. You are informed that till the filing of formal application as in Annexure – 3, you can change the applicant. You are further informed that in relation to the indicative assistance indicated in para 3 of the letter, the numbers are indicative only. Actual eligible amount will depend on scrutiny of formal application and supporting documents by the Competent Authority and approval by the Empowered Committee.

Yours Sincerely,

Annexure – 2b:

**Format for Letter of In-principle Approval for Assistance to IT/ITeS Park / R&D Institute /
Finishing School / Contract / Sponsored Research Work under the Scheme of Assistance for
IT/ITeS Industry**

Date:

To

Ref: 1. Your Expression of Interest dated _____

Sub: In-principle approval for Assistance under Scheme of Assistance for IT Industry

Sir/ Madam,

1. We are pleased to acknowledge your application dated _____ seeking assistance under the scheme for IT/ITeS Industry with registration no._____. In future correspondences please quote the registration number allotted to you.
2. On behalf of the Government of Gujarat, I convey the “in-principle” approval/ refusal with reference to your application dated _____ for assistance under the Scheme of assistance for IT/ITeS Industry for your proposed IT/ITeS Park / R&D Institute / Contract / Sponsored Research Work / Finishing School at <<location>> with an estimated Investment of Rs. << >>.
3. Subject to the adherence to conditions as laid out in para 4 of this letter and subject to approval by the Empowered Committee, the assistance, as applicable, that you can avail under the scheme will be as under:

Sr. No	Assistance Type	Indicative eligible amount of assistance	Remarks
1	Capital Subsidy / assistance		
2	Reimbursement of Stamp		

	Duty/Registration Fee		
3	Reimbursement of Conversion Fee		
4	Reimbursement of Power tariff subsidy and Electricity Duty		
5	Assistance for Contract / Sponsored research work		

4. This in-principle approval is valid for a period of one (1) year from the date of issuance of this letter subject to fulfillment of the following conditions:-
- Procurement and having final possession of the land / Office Space
 - Financial Closure of the Project – for computing financial closure, the applicant will be allowed to incorporate eligible assistance from Gol, GoG, under respective schemes for assistance to IT/ITeS unit, along with own equity and debt that the applicant will take.
 - Preparation and submission of Detailed Project Report (DPR)
 - Component/ activity wise implementation schedule specifying the timelines and corresponding milestones
 - Submission of application as per para 5.6 of the scheme within 1 year.
5. In case, the above conditions are not met by the end of the validity period of this in-principle approval, the validity will be extended for an additional period of maximum one (1) year subject to the fulfillment of the following mandatory conditions, with a satisfactory justification for the delay of the other conditions mentioned in para 4 above.
- Procurement and having final possession of the land / Office Space
 - Financial Closure of the Project
6. Application for extending validity of in-principle approval shall be made before expiry of one year from grant of in-principle approval. In case, the validity period is extended, a detailed timeline for fulfilling the following conditions should be intimated to the Competent Authority.
- Preparation and submission of DPR
 - Component/ activity wise implementation schedule specifying the timelines and corresponding milestones
 - Submission of formal application as per para 5.6 of the Scheme
7. In an instance where the criteria is not met within the validity period, with or without extension, the in-principle approval shall lapse and the applicant would not have any claim for any incentive / benefit

against the Government. However, you can submit a new Expression of Interest which would not be linked to the application referenced herein and will be treated as a new application.

8. You are informed that till the filing of formal application as in Annexure – 3, you can change the applicant. You are further informed that in relation to the indicative assistance indicated in para 3 of the letter, the numbers are indicative only. Actual eligible amount will depend on scrutiny of formal application and supporting documents by the Competent Authority and approval by the Empowered Committee.

Yours Sincerely,

Annexure –3a:

Application Form for Availing Assistance for IT/ITeS Unit
under the Scheme of Assistance for IT/ITeS Industry

(to be filled in by the applicant)

Application Registration No.

1. Basic Information

1	Name of the Unit				
2	Contact Address Telephone: Mobile: Email:				
3	Type of the Entity (Please attach certified copy of the memorandum and articles of association or equivalent registration document or Partnership Deed)			Proprietorship/ Partnership/ Company	
4	Registration Details (Enclose Memorandum and Articles of Association)				
	Certificate of Incorporation (please provide certified copy)				
	PAN Number (please provide certified copy)				
	Service Tax & VAT Registration No. (please provide certified copy)				
5	TIN No.				
	Name, address & contact details of the Directors/ Promoters along with the PAN/DIN Numbers (Please provide the CA Certificate showing the shareholding pattern)				
	Name	DIN /PAN	Address	Contact No.	Email
6	Name, designation & contact details of the Authorized Person (please enclose copy of authorisation letter)				

2. Details of Eligible IT/ITeS Unit

1	New Unit or Expansion/Diversification							
2	Location Address							
3	Area of the land / office space							
4	Proof of land/office space possession							
5	Brief Description of the Project							
6	Please enclose Detailed Project Report (DPR)							
7	Business Development & Recruitment Schedule (Projections)							
	Turnover	Year1	Year2	Year3	Year4	Year5	Year6	
	Domestic							
	Exports							
	Employees							

3. For Existing Units, undertaking Expansion/Diversification

1	Number of employees in existing unit			
2	Estimated Annual EPF contribution for current employees			
3	Average of last one year's electricity consumption in units			
4	Current area under usage (in sqft)			
5	Annual turnover of last three years			
	Year (-2)	Year (-1)	Year 0 (current year)	
6	VAT/CST/GST paid to Government of Gujarat over last three years			
	Year (-2)	Year (-1)	Year 0 (current year)	

4. Financial Projections of the Project

S No	Component	Year1	Year2	Year3	Year4	Year5	Year6
1.	Revenue Forecast						
2.	Expenditure Forecast						
3.	Net Profit Forecast						
4.	Cash Flows from business operations						

5. Means of Financing the Project

Total Project Cost <input type="text"/>	Promoters Contribution	
	Expected GoG Assistance	
	Expected Assistance from other Government Organisations	
	Debt/Borrowing (Please include Loan Sanction Letter)	
	Total (Rs.)	

6. Assistance Sought under the scheme

Sr. No	Assistance Type	Eligible Expenditure/ Projected Expenditure	Claimed Assistance	Remarks
1	Capital Subsidy			
2	Reimbursement of Stamp Duty/ Registration Fee			

3	Lease Rental Subsidy			
4	Interest Subsidy			
5	Power Tariff and Electricity Duty			
6	VAT/CST/GST Incentive			
7	Employment Generation Grant on EPF			
8	Quality Certification			
9	Patent Assistance			
10	Market Development			
11	Assistance for R&D Institute / Finishing School			
12	Contract/Sponsored research work from IT/ ITeS Unit/Industry Association			
13	Viability Gap funding for exhibitions/ seminars in Gujarat			
14	Skill Enhancement			

7. Bank Account Details

1.	Name and address of Bank where account exists	
2.	Bank Account Number	
3.	IFSC Code	

4.	RTGS Details	
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8. Tentative date of beginning of commercial operations:

9. Declaration:

I, on behalf of my organisation, hereby declare the following:

- (a) Information, statements & other papers given herein are to the best of my knowledge & belief, true and correct in all particulars.
- (b) We are not availing any assistance under any other scheme/policy of Government of Gujarat departments or its subordinate offices.
- (c) I am duly authorized to sign an application and details and documents submitted in this application.
- (d) I undertake that we will ensure that specified goods / services sold to Gujarat dealers would be further resold to customers within Gujarat as local sale only and interstate sale of such goods / services will not be allowed. I further undertake that against reimbursement of VAT/GST availed or claimed by this unit, if for the same sale, a Gujarat based dealer adjusts tax credit by selling such goods/services to customers outside Gujarat, the amount of such tax credit shall be reduced from the amount of reimbursement to be allowed to this unit.
- (e) **We will hire one intern for every twenty employees on our payroll during the period we avail benefits under the scheme.**

Authorised Signatory

Note:

- 1. Any financial transactions / expenditure statements forecast submitted by the unit must be signed by the authorized signatory of the unit and be certified by the auditor/ chartered accountant.
- 2. The DPR should have detailed sections covering at least the following:
 - (a) Location details
 - (b) Company profile
 - (c) Promoters list
 - (d) Shareholding pattern

- (e) Product detail
- (f) Market survey / competitive landscape
- (g) Project cost components
- (h) Revenue / expenditure projections
- (i) Cash flows from business operations
- (j) Business development projections
- (k) Financial closure (Dependencies; Technological and Financial)
- (l) Risks and Assumptions
- (m) List of employees currently working at the unit, along with EPF contribution schedule of last one year (for existing units)

Annexure-3b:

**Application Form for Availing Assistance for IT/ITeS Park/ R&D Institute / Finishing School /
Contract / Sponsored Research Work
under the Scheme of Assistance for IT/ITeS Industry**

(to be filled in by the applicant)

Application Registration No.

1. Basic Information

1	Name of the Unit				
2	Contact Address Telephone: Mobile: Email:				
3	Type of the Entity (Please attach certified copy of the memorandum and articles of association or equivalent registration document or Partnership Deed)	Proprietorship/ Partnership/ Company			
4	Registration Details (Enclose Memorandum and Articles of Association)				
	Certificate of Incorporation (please provide certified copy)				
	PAN Number (please provide certified copy)				
	Service Tax & VAT Registration No. (please provide certified copy)				
	TIN No.				
5	Name, address & contact details of the Directors/ Promoters along with the PAN / DIN Numbers (Please provide the CA Certificate showing the shareholding pattern)				
	Name	DIN /PAN	Address	Contact No.	Email
6	Name, designation & contact details of the Authorized Person (please enclose copy of authorisation letter)				


2. Details of Proposed IT/ITeS Park / R&D Institute / Finishing School

1	Location Address	
2	Finalised area of the land / Office Space where IT/ITeS Park / R&D Institute / Finishing School will be set up	
3	Proof of Land / Office Space Possession (Please enclose map and relevant revenue record)	
4	Brief Description of the activities undertaken so far by the applicant since the in-principle approval for setting up the T/ITeS Park / R&D Institute / Finishing School	
5	Please enclose detailed project report of the Proposed Project	

3. Project Cost

S No	Project Component	Cost
1.		
2.		
3.		

4. Means of Financing the Project

Total Project Cost 	Promoters Contribution	
	Contribution from Enterprises occupying Park	
	Expected GoG Assistance	
	Expected Assistance from other Government Organisations	
	Debt/Borrowing (Please include	

	Loan Sanction Letter)	
	Total (Rs.)	

5. Assistance Sought under the scheme

Sr. No	Assistance Type	Indicative maximum eligible amount of assistance	Remarks
1	Capital Subsidy / assistance		
2	Reimbursement of Stamp Duty/Registration Fee		
3	Reimbursement of Conversion Fee		
4	Reimbursement of Power tariff subsidy and Electricity Duty		
5	Assistance for Contract / Sponsored research work		

6. Bank Account Details

1.	Name and address of Bank where account is kept	
2.	Bank Account Number	
3.	IFSC Code	
4.	RTGS Details	

7. Declaration:

I on behalf of my organisation hereby declare the following:

- (a) Information, statements & other papers given herein are to the best of my knowledge & belief, true and correct in all particulars.
- (b) We are not availing similar assistance from Government of Gujarat Departments or any of its Organization.

- (c) I am duly authorized to sign an application and details and documents submitted in this application.

Authorised Signatory

Note:

1. Any financial transactions / expenditure statements forecast submitted by the unit must be signed by the authorized signatory of the unit and be certified by the auditor/ chartered accountant.
2. The DPR should have detailed sections covering at least the following:
 - (a) Location details
 - (b) Company profile
 - (c) Promoters list
 - (d) Shareholding pattern
 - (e) Project cost components
 - (f) Revenue / expenditure projections
 - (g) Cash flows from business operations
 - (h) Business development projections
 - (i) Financial closure (Dependencies; Technological and Financial)
 - (j) Risks and Assumptions

Annexure – 4:

Format for Recording Minutes of Empowered Committee

Name of Applicant			
Assistance Sought			
Sr. No	Type of Assistance	Approximate Amount of Assistance	Remarks

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Descriptive Background (As proposed by Competent Authority for meeting)

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Discussion Part of Minutes, by Empowered Committee

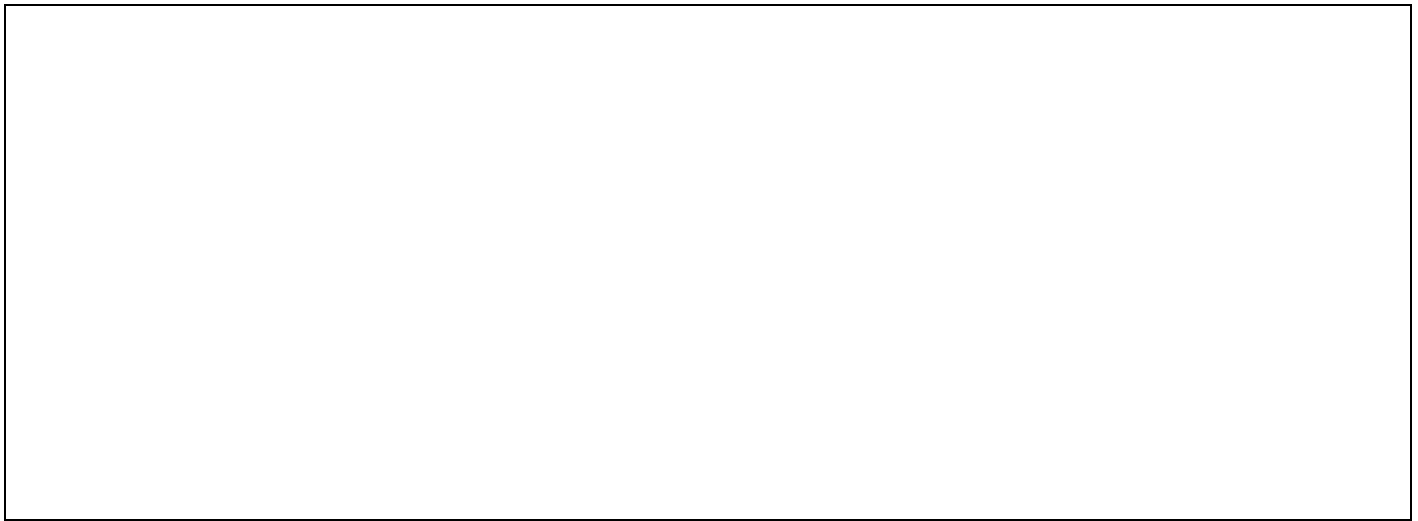
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Approval Granted by Empowered Committee

Sr. No	Type of Assistance	Maximum Eligible Amount of Assistance	Remarks

Conditions for Disbursement (Assistance Type-wise)

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Signatures of Members of Empowered Committee

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Annexure 5a:**Final Approval Letter Format**

Date:

To

Ref: 1. **Application Registration No**

Sub: Approval for Assistance under Scheme of Assistance for IT/ITeS Industry.

Sir/ Madam,

1. This is to convey the approval/ refusal of assistance under the Scheme of assistance for IT/ITeS Industry for your unit/proposed unit at <<location>> with an estimated Investment of Rs. << >>.
2. You are conveyed approval of financial assistance as per the table below, subject to fulfillment of conditions in para 3.

Sr. No	Assistance Type	Maximum Eligible Assistance Amount	Disbursement Schedule	Remarks
1.	Capital Subsidy		On commencement of commercial operations	Reimbursement as per approval
2.	Reimbursement of Stamp Duty/ Registration Fee		On Submission of Proof of Stamp Duty/Registration fee payment	Reimbursement on actuals
3.	Lease Rental Subsidy		Quarterly on submission of proof of payment	Reimbursement subject to ceiling
4.	Interest Subsidy		Quarterly basis on bank certificate for realization of due installments of	Reimbursement subject to ceiling

			previous quarter	
5.	Power Tariff and Electricity Duty		Quarterly on Submission of Proof of payment	Reimbursement subject to ceiling
6.	VAT/CST/GST Incentive		Quarterly on Submission of Proof	Reimbursement subject to ceiling
7.	Employment Generation Grant on EPF		Quarterly on submission of Proof	Reimbursement on actuals subject to ceiling
8.	Quality Certification		On submission of proof	Reimbursement subject to ceiling
9.	Patent Assistance		On filing of Patent	Reimbursement subject to ceiling
10.	Market Development		On submission of claim by IT/ITeS unit or Association	Reimbursement subject to ceiling
11.	Assistance for R&D Institute / Finishing School		Three Tranches: <ul style="list-style-type: none"> • 25% on acquisition of land, approval of building plan • 50% after expenditure of 60% of the project cost • 25% on commissioning 	Subject to ceiling
12.	Contract/Sponsored research work from IT/ITeS		Two Tranches: <ul style="list-style-type: none"> • 50% on expenditure of 50% of project cost 	Subject to ceiling

	Unit/Industry Association		<ul style="list-style-type: none"> 50% on submission of proof of completion 	
13.	Viability Gap funding for exhibitions/ seminars in Gujarat		On submission of proof of expenditure by an recognized association	Subject to ceiling
14.	Skill Enhancement		On submission of proof of obtaining certification	Subject to ceiling

3. Conditions:-

- 3.1 Stamp Duty/ Registration Fee shall be reimbursed subject to submission of proof, on actual basis.
- 3.2 Lease Rental Subsidy/EPF Contribution / Power Tariff Subsidy & Electricity Duty shall be reimbursed quarterly on submission of proof, subject to ceiling.
- 3.3 Interest Subsidy shall be reimbursed on quarterly basis subject to submission of proof, subject to maximum limit specified in the scheme.
- 3.4 Assistance for finishing school / quality certification / skill enhancement / patent registration / market development shall be given subject to incurring such expenditure, on production of vouchers/audited statement of account, subject to limits set in the scheme.
- 3.5 All assistance is subject to condition that the unit will begin its commercial operations during the operative period of the policy. Failing which, all assistance, including reimbursements, subsidy, etc., shall be recovered along with 12% interest per annum.
- 3.6 In accordance with the clause no. 3.12(b) of the scheme, you will hire interns at the rate of minimum one intern for every 20 employees on your payroll.

4. I wish you best of luck with the Project. Should you have any difficulty or have queries Mr. _____ will be your personal contact. He can be reached at _____.

Yours Sincerely

Annexure 5b:**Final Approval Letter Format**

Date:

To

Ref: 1. **Application Registration No**

Sub: Approval of Assistance for IT/ITeS Technology Park / R&D Institute / Finishing School / Contract / Sponsored Research Work under Scheme of Assistance for IT Industry.

Sir/ Madam,

1. This is to convey the approval/ refusal of assistance under the Scheme of assistance for IT / ITES Industry for your proposed IT/ITeS Technology Park / R&D Institute at <<location>> / Contract / Sponsored Research Work with an estimated Investment of Rs. << >>.
2. You are conveyed approval of financial assistance as per the table below, subject to fulfillment of conditions in para 3.

Sr. No	Assistance Type	Maximum Eligible Assistance	Disbursement Schedule	Remarks
1.	Capital Subsidy/ assistance for IT/ITeS Park/ R& D Institute / Finishing School		Three Tranches: <ul style="list-style-type: none"> • 25% on acquisition of land, approval of building plan • 50% after expenditure of 60% of the project cost • 25% on commissioning of the park 	
2.	Reimbursement of Stamp Duty/Registration Fee		On Submission of Proof of Stamp Duty/Registration fee payment	Reimbursement on actuals
3.	Reimbursement of		On submission of proof of conversion	Reimbursement

	Conversion Fee		fee payment	on actuals
4.	Reimbursement of Power Tariff Subsidy and Electricity Duty		Quarterly on submission of proof of payment	Reimbursement on actuals subject to ceiling
5.	Assistance for Contract / Sponsored research work		Two Tranches: <ul style="list-style-type: none"> • 50% on expenditure of 50% of project cost • 50% on submission of proof of completion 	Reimbursement on actuals subject to ceiling

3. All assistance is subject to condition that the unit will begin its commercial operations during the operative period of the policy. Failing which, all assistance, including reimbursements, subsidy, etc., shall be recovered along with 12% interest.

4. I wish you best of luck with the Project. Should you have any difficulty or have queries Mr. _____ will be your personal contact. He can be reached at _____.

Yours Sincerely