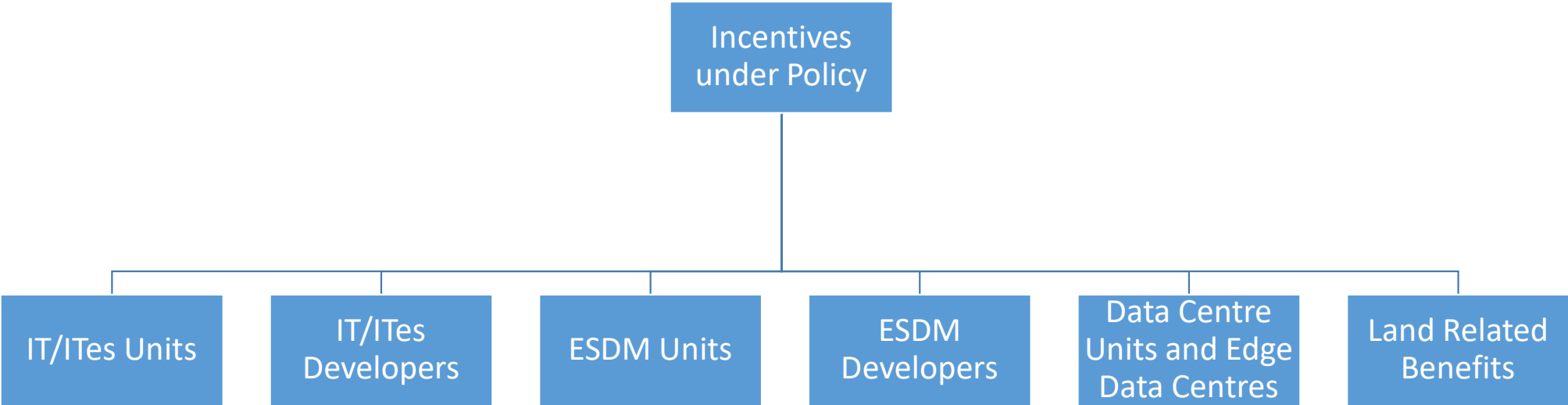


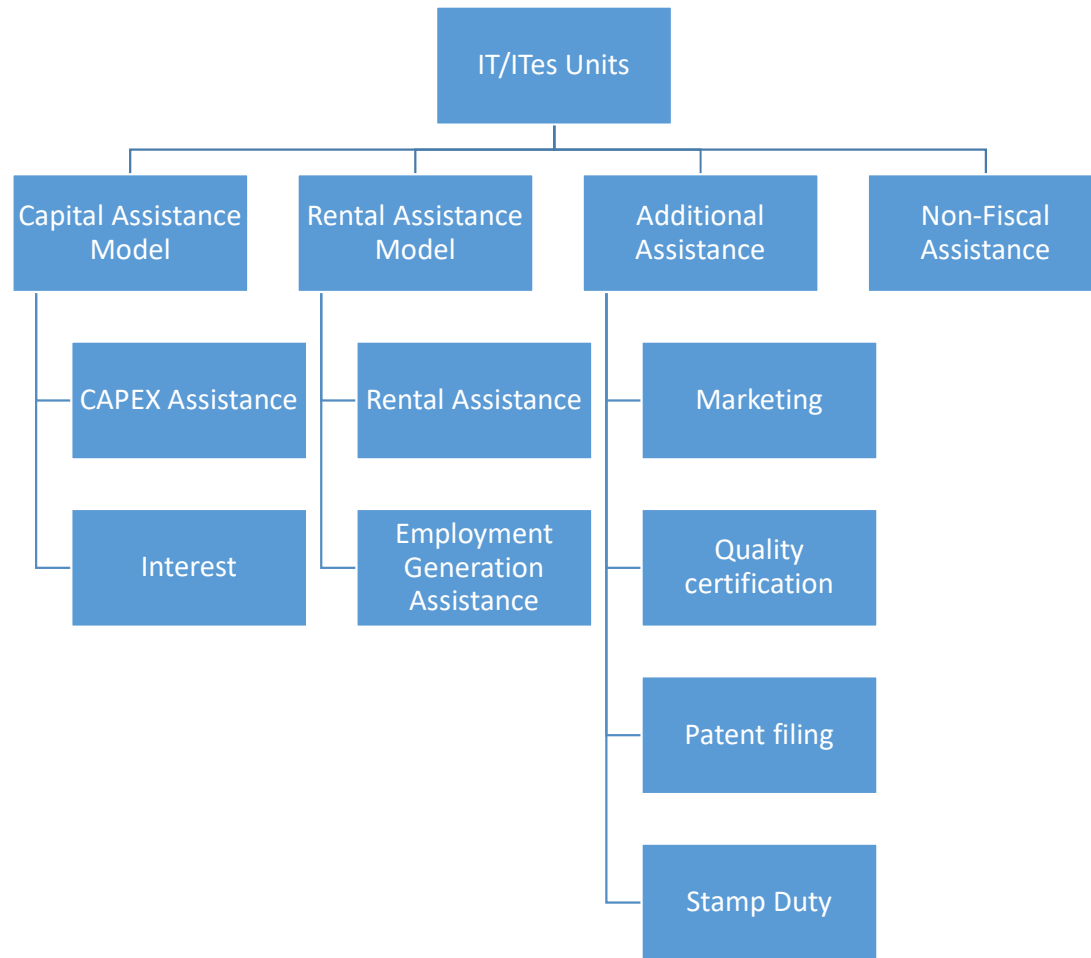
# ASCO PEDIA

**SUMMARY NOTE ON MADHYA PRADESH IT, ITES & ESDM INVESTMENT  
PROMOTION POLICY 2023**

# Madhya Pradesh IT, ITes & ESDM Investment Promotion Policy 2023



## A. IT, ITes Units



## i. Capital Assistance Model

### a) CAPEX Assistance:

- 25% of Capex Assistance on Gross Fixed Capital Investment (GFCI), additional 2% for women entrepreneurs, maximum upto 30 Cr.
  
- Disbursement in yearly equal instalment:
  - GFCI upto 10 cr: in 4 years
  - GFCI >10 cr up to 50cr: in 5 years
  - GFCI > 50 cr: in 7 years
  
- Cap of expenditure for construction/ development of new building:
  - Rs. 2000/ sq. ft. or actual, whichever is lower of built-up area, for bare shell infrastructure
  - Rs. 3000/ sq. ft. or actual, whichever is lower of built-up area, for furnished/ plug & play spaces.
  
- Min construction of 10,000 sq. ft. built-up and min. 80% of the built-up area to be constructed for core activities (commercial and non-IT excluded).

### b) Interest Assistance:

Interest assistance of 6% on the interest charged by the lender of the term loan (for creation of fixed assets, CC/OD not included). Maximum amount of assistance is INR 5cr in total 5 years from the date of payment of first instalment of loan.

## ii. Rental Assistance Model

### a) Rental Assistance:

District Category	Co-working rental assistance Per Seat Per Month (PSPM)	Total Ceiling	Rental assistance PSPM	Total Ceiling
A	Rs. 3000	Rs.10 cr.	Rs. 1000	Rs. 3 cr.
B	Rs. 1500	Rs. 5 cr.	Rs. 500	Rs.1.5 cr.

A- Bhopal, Indore, Jabalpur, Gwalior and Ujjain.  
 B- Sagar, Chhindwara, Satna, Raisen, Vidhisha, Dhar and Dewas.

- Will be given till 3 years from the start of the operations and minimum carpet area rented should be 3000 Sq. ft. (same applicable for Employment assistance)
- For Rental Assistance: Assistance on the basis of each employee occupying minimum 45 sq. ft. of carpet area in BPO and 60 sq. ft. other than BPO. (same applicable for Employment assistance)
- For Co-working rental assistance: A minimum of 20 seats should be taken for a period of 3 months at rent. Employees shall be the one whose EPF is deposited excluding WFH employees

### b) Employment Generation:

No. of Ee	Assistance (pm per Ee)
Upto 1000	Rs. 4000
1000-1500	Rs. 4500 per addition
1500-2000	Rs. 5000 per addition
Upto 200 Ees in rural BPOs	Rs. 5000

- Assistance for max 3 years upto total 15 cr.
- Min. 20 Ees and max 2000 Ees.
- Ee counted on basis of EPF deposited for min 6 months in a year and on pro-rata basis

### iii. Additional Assistance

- a) Marketing Assistance: 50% subsidy on expenses incurred for participating in exhibitions and events, etc. once in a financial year up to 3 years from start of the commercial operations subject to maximum limit of:
- Rs. 2 Lakhs for international
  - Rs. 1 Lakhs for national
- b) Quality Certification Assistance: 50% of total cost of quality certification, max ceiling of Rs. 6 Lakhs. This assistance can only be availed once for a single type/ kind of certification.
- c) Filing patents: Rs. 5 Lakhs for domestic patents and Rs. 10 Lakhs for international patents for each patent filed.
- d) Stamp Duty & Registration Charges: 100% on the charges for lease executed by Department of Science & Technology and other development authority of Govt. of M.P.

## B. Assistance for IT/ ITes Developers (Capital Assistance)

- ❑ 25% capital assistance on GFCI in 5 years
  - With min 2 Lakh sq. ft. built up
  - Max ceiling of 25 Cr. at a single location
  - Capex support (of 25%) will be given to first 5 IT/ITes park in any cat A city.
- ❑ 15% capital assistance on GFCI in 5 years
  - In city planning area of cat A districts: Min 50,000 sq.ft. saleable/ leaseable built up area in case of private land and 25,000 sq. ft. in case of gvt. land.
  - In city planning area of cat B districts: Min 25,000 sq.ft. saleable/ leaseable built up area
  - Max ceiling of Rs. 10 cr. at a single location.
- ❑ Out of total built-up area, 80% of the saleable/ leasable built-up area must be allocated to IT/ ITes units and rest 20% for other activities.
- ❑ Disbursement based on stages and occupancy:
  - Ist installement - 50% construction and 20% occupancy of IT/ ITes units
  - IInd installement - 70% construction and 40% occupancy of IT/ ITes units
  - IIIrd installement - 90% construction and 60% occupancy of IT/ ITes units
  - IVth installement - 100% construction and 60% occupancy of IT/ ITes units
  - Vth installement - 80% occupancy of IT/ ITes units

## C. ESDM units

a) CAPEX Assistance:

- 40% of Capex Assistance on Gross Fixed Capital Investment (GFCI), additional 2% for women entrepreneurs, maximum upto 150 Cr.
  
- Disbursement in yearly equal instalment:
  - GFCI upto 10 cr: in 4 years
  - GFCI >10 cr up to 50cr: in 5 years
  - GFCI > 50 cr: in 7 years
  
- Cap of expenditure for construction/ development of new building at Rs. 2000/ sq. ft. or actual, whichever is lower of built-up area.
  
- Min. 80% of the built-up area to be constructed for core activities (commercial and non-ESDM excluded).

b) Interest Assistance:

Interest assistance of 6% on the interest charged by the lender of the term loan (for creation of fixed assets, CC/OD not included). Maximum amount of assistance is INR 10 cr in total 5 years from the date of payment of first instalment of loan.



- c) Marketing Assistance: 50% subsidy on expenses incurred for participating in exhibitions and events, etc. once in a financial year up to 3 years from start of the commercial operations subject to maximum limit of:
- Rs. 2 Lakhs for international
  - Rs. 1 Lakhs for national
- d) Quality Certification Assistance: 50% of total cost of quality certification, max ceiling of Rs. 6 Lakhs. This assistance can only be availed once for a single type/ kind of certification.
- e) Assistance for Testing & Calibration & Certification: Assistance on annual basis for first 3 years, assistance for ISO certification can be availed only once

Eligibility	Max Amount
50% of the cost (For Testing & Calibration in MP)	Rs. 10 Lakhs
25% of the cost (For Testing & Calibration outside MP)	Rs. 5 Lakhs
50% of the cost (For ISO)	Rs. 1 Lakhs

- f) Filing patents: Rs. 5 Lakhs for domestic patents and Rs. 10 Lakhs for international patents for each patent filed.
- d) Stamp Duty & Registration Charges: 100% on the charges for lease executed by Department of Science & Technology and other development authority of Govt. of M.P.

## D. Assistance for ESDM Developers (Capital Assistance)

- Ready built factory shed without common facility 15% capital assistance on GFCI capped @ Rs. 1500 per sq. ft. subject to max ceiling of Rs. 5 cr. at a single location. (Minimum area to be 25,000 sq. ft. built up area)
- Ready built factory shed with common facility (addition of Test labs and Calibration centres) 25% capital assistance on GFCI capped @ Rs. 2000 per sq. ft. subject to max ceiling of Rs. 25 cr. at a single location. (Minimum area to be 50,000 sq. ft. built up area)
- Out of total built-up area, 80% of the saleable/ leasable built-up area must be allocated to IT/ ITes units and rest 20% for other activities.
- Disbursement based on stages and occupancy in 5 equal installments:
  - Ist installement - 50% construction and 20% occupancy of ESDM units
  - IInd installement - 70% construction and 40% occupancy of ESDM units
  - IIIrd installement - 90% construction and 60% occupancy of ESDM units
  - IVth installement - 100% construction and 60% occupancy of ESDM units
  - Vth installement - 80% occupancy of ESDM units

## E. Data Centre units and Edge Data Centre

Data Centre units: Category A units with more than 5 MW capacity, mere cooling and providing other data centre facilities, etc. does not qualify.

Edge Data Centre: Min 50KW and max 1 MW provided 50 edge data centres are proposed to be setup in MP.

a) CAPEX Assistance:

- Five anchor data centres (other than edge data centres) with min GFCI of Rs. 500 cr. @ 25%.  
Max assistance of Rs. 125 cr. to each anchor data centre.
  
- The edge data centre and data centre will be provided assistance @ 15% on GFCI, max upto Rs. 50 cr. to each data centre.

b) Power tariff reimbursement:

Rs. 2 per unit for first 5 data centres (min 5 MW capacity) and Rs. 1 per unit for others, 5 years.

c) Electricity Duty reimbursement: HT connections will be reimbursed 100% electricity duty as:

- 33 KV for 3 years
- 132 KV for 5 years
- 220KV for 7 years

- d) Transmission and Wheeling Charges: 50 % reimbursement on intra state sale of power for 5 years
- e) Filing patents: Rs. 5 Lakhs for domestic patents and Rs. 10 Lakhs for international patents for each patent filed.
- f) Stamp Duty & Registration Charges: 100% on the charges for lease executed by Department of Science & Technology and other development authority of Govt. of M.P.
- g) Quality Certificate Assistance: Only one time assistance as under:

Type of assistances	Eligibility	Max Amount
Quality Certification	50% of cost	Rs. 6 Lakhs
Uptime Tier 3/4 Certification	50% of cost	Rs. 10 Lakhs

## F. Land related benefits

Rebate on land costs: Rebate on collector guidelines will be:

- Up to 0.5 acre – 75%
- > 0.5 acre up to 1 acre – 60%
- > 1 acre up to 5 acre – 50%
- > 5 acres – 25%

Built up area has been specified sector wise.

Lease rent: Lease rent will be charged at the rate of 2% per year of the actual lease premium payable to the allottee.