



Government of Madhya Pradesh

Madhya Pradesh IT, ITeS & ESDM Investment Promotion Policy and Scheme, 2016

(As Amended up to 28-09-2019)

**Department of Science and Technology
Government of Madhya Pradesh**





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**Madhya Pradesh IT, ITeS & ESDM Investment
Promotion Policy and Scheme, 2016
(As Amended up to 28-09-2019)**

**Department of Science and Technology
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**MP IT, ITeS and ESDM Investment
Promotion Policy 2016**

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The page features a light blue background with decorative elements. A large, faint watermark of the state of Madhya Pradesh is visible in the center. There are four solid blue squares: one vertical rectangle on the left, one horizontal rectangle below it, one vertical rectangle below that, and one square on the right. In the top right and bottom left corners, there are circular patterns of small blue dots of varying sizes.

**Madhya Pradesh
IT, ITeS & ESDM
Investment
Promotion Policy,
2016**

(As Amended up to 28-09-2019)



1. VISION:

This Policy aims to develop in Information Technology (IT), Information Technology Enabled Services (ITeS) and Electronics System Design and Manufacturing (ESDM) as a vibrant industry for inclusive growth and creating employment opportunities for people in the State and to promote innovation and entrepreneurship.

2. OBJECTIVES:

1. To increase the flow of investments in the State in Information Technology industry, ITeS & ESDM sectors.
2. To maximize direct and indirect employment generation opportunities for the youth in the State.
3. To promote development of the IT, ITeS and ESDM sectors in a balanced manner in the State.

3. STRATEGIES:

1. To ensure availability of land at reasonable price for the use of IT, ITeS & ESDM units.
2. Provide fiscal incentives for attracting investments and to make the State an attractive destination for the IT, ITeS and ESDM sectors.
3. Promote the adoption of industry best practises to make the State globally competitive.
4. Promote the development of a vibrant start-up ecosystem supported by an Incubator network to promote innovation, entrepreneurship and home grown IT Units in the State.

4. COURSE OF ACTION:

1. The State Government will earmark government land at suitable location for establishment of IT, ITeS, ESDM units and IT Investment Areas and make it available to the various eligible stakeholders at reasonable prices.
2. The State Government would take steps to promote public and private sector investment in the establishment of IT Parks and Electronic Manufacturing Clusters in the State.
3. Development plan prepared under the T&CP Act have provisions for Public and Semi-Public land use (PSP land use). Such land can be allotted to IT industry. Development Authorities may specifically earmark some parts of PSP land in their possession for the use of IT/ITeS/ESDM industry. Such earmarked land will be allotted as per the provisions of this policy.
4. Land of AKVN, urban local bodies, MSME and Revenue Departments can also be allotted to entities eligible under this Policy. These lands will also be allocated as per the provisions of this Policy by the department/ authority to whom the land belongs.
5. The State Government will work in close coordination with Government of India for the development of the IT, ITeS and ESDM sector in Madhya Pradesh.
6. The State Government will promote the development of incubation centres, plug and play facilities in the State to promote the development on Start-ups.

7. The State Government will promote the development of the ITeS sector in small towns and in rural areas to increase employment opportunities in such areas.

5. APPLICABILITY OF THIS POLICY:

Information Technology (IT), Information Technology Enabled Services (ITeS), Electronic System Design and Manufacturing (ESDM), Research and Development in these areas and other allied activities as certified by the Authorized Agency of Science and Technology Department, GoMP, will qualify for the benefits of this Policy.

6. SINGLE WINDOW CLEARANCE SYSTEMS:

Government of Madhya Pradesh would work for attracting IT, ITeS & ESDM investment in the State and MP State Electronics Development Corporation (MPSEDC) would act as a nodal agency for undertaking the formalities related to Project Clearance & Facilitation. MPSEDC would work in close co-ordination with TRIFAC for this purpose and make use of the Single window mechanism developed by TRIFAC.

7. INCENTIVES:

7.1 Incentives for Development of IT Investment Areas:

- 7.1.1 Government may notify an area of land developed or proposed to be developed as IT investment area provided that such area shall not be less than 5 acre over a contiguous basis. The land included in such area may be government land including land belonging to Developmental Authorities, Urban Local Bodies, AKVNs etc. or private land or a combination of them.
- 7.1.2 The developers of such IT investment areas shall be eligible for allotment of land, stamp duty and registration charges re-imbursement as per the relevant clause of this policy.
- 7.1.3 The area would also be eligible for FAR benefits for building constructions given under this policy.
- 7.1.4 The minimum area under IT/ITeS/ESDM activity in an IT investment area shall be 60% of the usable land/ built up area. In case of land belonging to Government or any Authority the minimum area of the land for IT/ITeS/ESDM activity would not be lesser than that mentioned in the terms of their land allotment.

7.2 Land Related Benefits:

- 7.2.1 **Land Allotment:** Government would earmark development and raw land for establishment of IT/ITeS/ESDM units and IT Investments Areas. This land would be made available to applicants including Developers who are willing to setup IT/ITeS/ESDM units and IT Investment Areas.
- 7.2.2 **Applicability of this policy on other government land and land of Developmental Authorities:** The provisions of this policy in relation to land related benefits shall be applicable to other Government Land including the Land developed by the AKVNs, Urban Local bodies, Land of the MSME department, Govt. of Madhya Pradesh and Development Authorities constituted under MP Gram Tatha Nagar Nivesh Adhiniyam

1973. The allotment and management of the land would however be done by the respective department/ entity.

7.2.3 Rebate in Cost of Land:

- a. Government land will be allotted to IT/ITeS/EDSM units and Developers of IT Investment Areas at a premium Calculated after applying a rebate on the cost of land.
- b. The Collector Guideline rate for unirrigated agricultural land of that area, {or the nearest area/ Village if unirrigated agricultural land rate is not available for that area where land is to be allotted) would be taken as the cost of land.
- c. The rebate on the cost of land would depend upon the type of applicant, the purpose for which land is to be used and the terms of allotments and will be as described in Annexure-1.
- d. Development charges would be levied separately, if the land has been developed by Government of Madhya Pradesh or its Agencies/ Authorities and will be determined as per the rules framed by the authority/agency that has incurred the development cost.

7.2.4 Lease rent: will be charged at the rate of 2% per year of the actual lease premium payable by the Unit.

7.2.5 Criteria for determination of area of land that can be allotted: A unit would be eligible for allotment of land as given below:

S. No.	Sector	Maximum area that can be allotted at concessional rates	Maximum allotable area on concessional rates
1	IT	1 acre per every 100 people employed in core operations*	25 acres
2	ITeS	1 acre per every 150 people employed in core operations	
3	ESDM	1 acre per every 50 people employed in core operations	

* Core operations means the number of people employed for the main economic activity of the unit and shall exclude people employed in support services such as security guards, gardening drivers etc.

Note: This criteria will not be applicable for establishment of Data Centers.

7.2.6 Term of lease: Land would be allotted on a lease up to 99 years with provision for renewal.

7.2.7 Procedure for allotment of land: The Authorised agency of Department of Science and Technology, Government of Madhya Pradesh would make available the information regarding the land available for allotment to the public by various means including, hosting of information on its website, periodic notifications in newspapers etc. Allotment would be done on a first come first serve basis by the authorised agency of Science and Technology Department (of the authority whose

land is to be allotted.) The allotting agency at its sole discretion may decide to allot any land through an open auction.

7.3 Relaxation in Floor Area Ratio (FAR): IT/ITeS/ESDM units and the Developers of 'IT Investment Area' would be permitted to avail an FAR of up to 2.5 or the maximum permissible FAR as per the Development Plan of that area, whichever is higher.

7.4 Sub-lease: Allottees would be permitted to sub-lease the built up area or usable land for activities permitted at the time of allotment, subject to their fulfilling the conditions of employing minimum number of people as per this policy if applicable. The following conditions shall also apply:

- a. The Unit/Developer would be free to sub-lease/license portion of land available for ancillary/other industry/commercial/residential use as per the terms of allotment. It is clarified that the allottee would be free to decide the financial terms of the sub-lease.
- b. For sub-lease of the part of usable land/built-up area to be used for IT/ITeS/other industry/ESDM activity. The permission of the allotting authority will be required. The allotting authority after satisfying itself that the sub-lease is as per the terms of the lease will take a decision on the application of the applicant and inform him of the decision taken in not later than one month's time of submission of application for grant of sub-lease.
- c. The Unit/Developer can sub-lease land/built-up area for ancillary/ commercial/ residential purpose only after he satisfies the allotting authority that he has developed the proportionate amount of area (which is in a ready to use condition) for IT/ITeS as per the terms of the land allotment. Violation this clause will be treated as a sufficient ground for cancellation and allotment of lease.

7.5 Mortgage: The units would be permitted to mortgage the land.

7.6 Interest Subsidy: Eligible units will get interest subsidy on term loan as given below:

Type of Units	Interest Subsidy
IT/ITeS	<ul style="list-style-type: none"> • Interest subsidy of 5% of terms loan on the interest Recovered of the actual rate charged by the lender on Terms loan, whichever is lower. • The maximum amount that a unit can obtain as re-imbusement will be INR 50 lakhs over a period of seven years. • The maximum amount that can be reimbursed in a year would be INR 12 lakhs. • This incentive is applicable for term loan including Foreign Currency Term Loan.

For ESDM Units Loan up to INR 10 Crores	<ul style="list-style-type: none"> • Interest subsidy 5% of term loan on the interest recovered or the actual rate charged by the lender on term loan, whichever is lower up to a loan amount of INR 10 Crores. • The maximum amount that can be reimbursed for any year would be INR 50 lakhs. • The maximum number of years for which this benefit can be given is five years. • This incentive is applicable for term loan, including Foreign Currency Term Loan.
For ESDM Units Loan beyond INR 10 Crores	<ul style="list-style-type: none"> • For that portion of the loan beyond Ten Crores Interest Subsidy on 2% of term loan on the interest recovered or the actual rate charged by the lender on term loan, whichever is lower shall be applicable. • The maximum amount to re-imburement that a unit shall be eligible for re-imburement shall be INR 3 Crores per annum (including the INR 50 lakhs for term loan component of less than INR 10 Cr) for a period of five years. • This incentive is applicable for term loan, including Foreign Currency Term Loan.

7.7 Capital Subsidy : Subsidy on Gross Fixed Capital Investment (GFCI) only to eligible:

Type of Units	Capital Subsidy
IT/ITeS	<ul style="list-style-type: none"> • Capital Subsidy of 10% for GFCI up to INR 2.5 Crores limited to INR 25 lakh. • For GFCI above INR 2.5 Crores, the capital subsidy would be 5% of the incremental GFCI plus INR 25 lakhs for GFCI up to INR 2.5 Crores. • The maximum capital subsidy that can be provided would be INR 50 lakhs.
ESDM	<ul style="list-style-type: none"> • Capital subsidy of 50% for GFCI up to INR 10 Crores limited to INR 5 Crore to be paid in seven equal annual instalments. • For GFCI above INR 10 Crores the capital subsidy would be 45% of the incremental GFCI plus INR 5 Crores for GFCI upto INR 10 Crores to be paid in seven equal annual instalments. • The maximum capital subsidy that can be provided would be INR 150 Crores over a period of seven years. <p>The amount of benefit availed against VAT & CST paid up to 30th June, 2017 will be deducted from the admissible limit of capital subsidy and rest amount shall be paid in seven equal annual instalments.</p>

GFCI Definition: For the purpose of incentives and their applicability, GFCI shall mean investment made in Gross Fixed Capital Investment in plant & machinery, buildings & sheds, but shall not include land & dwelling units.

7.8 IT Investment Promotion Assistance : Deleted

7.9 Reimbursement of Skill Gap Trainings:

S. No.	Reimbursement on Skill Gap Training	Eligibility	Capping
1	Maximum limit of INR 10,000 per employee	50% of the cost incurred	INR 1 Crore per unit

For providing skill gap trainings to the Engineers/IT/ITeS/ESDM Professionals that are domicile of Madhya Pradesh, one time reimbursement will be available to the units for the employee trained by the Unit within first two years of commencement of operations.

7.10 Incentive on Quality Certifications:

S. No.	Type of Incentives	Eligibility	Maximum Amount
1	CMM/CMMi/PCMM	75% of the cost	INR 6 Lakh
2	ISO 9001 or an equivalent/ better Certification	50% of the cost	INR 1 Lakh

This incentive will be available only once to the applicant Units.

7.11 Concessions on Stamp Duty and Registration Charges:

- Stamp duty and Registration charges shall be reimbursed to eligible Units/Developers on lease executed on government land including land of Development authorities. Urban local bodies, AKVN's etc.
- IT/ITeS/ESDM units set up in an IT investment area developed on private land will also be eligible for reimbursement of stamp duty Charges and Registration charges for the first time only.
- Stamp duty and Registration charges payable by IT Units on mortgage/hypothecation with banks/financial Institutions in IT investment area will be reimbursed.

7.12 Incentive Related to Statutory Regulations:

The following exemptions under the relevant Acts will be applicable to the IT units:

- IT/ITeS/ESDM units shall be granted exemption from the provisions of the Madhya Pradesh Shops and Establishment Act 1958 relating to the hours of business and weekly closure by issuing notification under the Act. Women workers shall also be allowed to work 24 hours subject to the conditions fulfilled by the employers relating to women worker's security and safety at the work place and during the transit.
- The hours of work for women employees working in an IT manufacturing unit shall be relaxed under the Factories Act. Accordingly for IT establishments, Women may be

able to work 24 hours in such manufacturing units subject to the conditions fulfilled by the employers relating to women worker's security and safety at the work place and during the transit.

- iii. The IT units shall be added as an independent employment in the schedule of Minimum Wages Act. 1948 so that the workers shall be classified separately and their wages could be fixed as per their efficiency and skill level.
- iv. IT Units shall be permitted for self-certification of the registers and forms as contemplated under various following Act, Payment of Gratuity Act and Maternity Benefit Act. Equal Remuneration Act. Water & Pollution Act. Employment Exchange Act. Factories Act. Employee's Provident Fund & Misc. Provisions Act, Contract Labour (Regulation and Abolition) Act and shall also be allowed to maintain unified register and record instead of maintenance of different registers and records under different Labour Acts.

7.13 Entry Tax Exemption: Deleted

7.14 Patent Assistance: Assistance for filing patents would be provided as below:

S. No.	Patent	Eligibility	Limit per Unit
1	Domestic	50% assistance, maximum 2 Lakh	INR 10 Lakhs
2	International	50% assistance, maximum 5 Lakh	INR 25 Lakhs

7.15 Assistance in Marketing:

- a. All eligible units shall be entitled to receive 50% subsidy on expenses incurred for participating in designated National/International Exhibitions/Events etc. subject to a maximum limit of INR 2 Lakh for international and 1 Lakh for National Events. This incentive shall be available to unit once in financial year.
- b. Industry Associations will be entitled to receive up to 50% of stall rent for participation in International Trade Fairs as Madhya Pradesh Pavilion outside India subject to a ceiling of INR 10 lakhs. Minimum five industrial unit's participation will be necessary as part of group to avail 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.

7.16 Incentive Related to Power:

As per the provisions of the Industrial Promotion Policy, 2014 and as amended from time to time.

7.17 Special Package for BPO/BPM units: This clause will be applicable to BPO/BPM Units. The eligible units can choose to avail benefits either under this clause or the benefits available to normal IT Units as per their choice. The Units availing benefits under this special package will not be entitled to any other benefits of this policy except Land related benefits, Stamp duty and Registration charges re-imbursement. The details of the benefits available to the units under this clause are as follows:

a. One time incentive at the time of establishing and Starting of BPO/BPM units:

Investment Promotion Subsidy will be provided to BPO/BPM units as given below Limited to 75% of the actual capital investment.

Population of Town/local Body where unit is to be established	Category	Incentive Per Seat
>10 Lakh	"A"	INR 50,000
<10 up to 1 Lakh	"B"	INR 56,000
<1 Lakh	"C"	INR 62,000

b. Incentives for Operations:

Incentives for operations will be available to new BPO/BPM units as given below:

Population of Town/local Body where unit is to be established	Category	Incentive Per Seat per year for 4 years
>10 Lakh	"A"	INR 7,500
<10 up to 1 Lakh	"B"	INR 11,000
<1 Lakh	"C"	INR 14,500

Note:

1. Census 2011 figures will apply for population. Town/Local body is meant to include "Planning Area" as notified under the Madhya Pradesh Nagar Tatha Gram Nivesh Adhiniyam, 1973.
2. The number of people employed should be at least 1.5 times the number of the seats.

7.18 Benefits for Data Centers: Data Center with minimum proposed investment of INR 10 Crores will be entitled to avail Land Related benefits under this policy.

8. APPLICABILITY OF THIS POLICY TO NEW UNITS:

New units shall be eligible for all the benefits of this policy, even if they have been setup by a company that has already taken benefits under this policy.

9. Additional Benefits/ incentives other than the Policy can be given on Case to case basis after the approval of CCIP.
10. This Policy shall remain in force till the year 2021 or announcement of New Policy superseding this Policy. With this policy coming into force the earlier 'Madhya Pradesh information Technology investment Policy 2012 (as amended 2014). And the 'Madhya Pradesh Business Process Outsourcing/Business Process Management (BPO/BPM) Industry Investment Policy 2014' would be deemed to have been subsumed by this Policy and hence, cease to exist.

However all units availing benefits under that scheme would continue to enjoy the benefits as per the provisions of the old policy and would be ineligible for benefits for the same units under the new Policy.

Annexure-1

S. No.	Type of Applicant	Type of Land	Ratio of land use		Not IT use permissibility	Rebate on cost of land
			IT/ITeS/ESDM/Data Center	Ancillary/Commercial/other Industry/Residential		
1	IT/ITeS/Data Center Units	Developed Land and Raw Land	85%	15%	Up to 15% of the usable land/built-up area for non-IT purposes.	75%
	IT/ITeS Units	Developed Raw Land	60%	40%	Up to 40% of the usable land/built-up area for non-IT purposes.	50%
2	ESDM Units	Developed Land and Raw Land	85%	15%	Use of land only for ESDM purposes. Sub-lease as per the industrial Promotion Policy, 2014.	75%
3	Developer of an IT Investment Area	Raw Land	85%	15%	Can sub-lease 85% usable land/built-up area to IT/ITeS/ESDM units and remaining 15% for ancillary activities.	50%
	Developer of an IT Investment Area	Raw Land	60%	40%	Can sub-lease 60% usable land/built-up area to IT/ITeS/ESDM units and remaining 40% for ancillary activities.	25%





**Madhya Pradesh
IT, ITeS & ESDM
Investment
Promotion Scheme,
2016**
(As Amended up to 28-09-2019)



1. Introduction

Government of Madhya Pradesh has notified the 'Madhya Pradesh IT, ITeS & ESDM Investment Promotion Policy, 2016' on 18th October, 2016. The policy aims to develop Information Technology (IT), Information Technology enabled Services (ITeS) and Electronics System Design and Manufacturing (ESDM) as a vibrant industry for inclusive growth and creating employment opportunities for people in the State and to promote innovation and entrepreneurship.

The 'Madhya Pradesh IT, ITeS & ESDM Investment Promotion Scheme, 2016' has been formulated to implement the provisions of the 'Madhya Pradesh IT, ITeS & ESDM Investment Promotion Policy, 2016'.

2. Definitions

- a) **Apex Committee:** The empowered committee chaired by the Chief Secretary of the State.
- b) **Authorized Agency:** Madhya Pradesh State Electronics Development Corporation or any other agency authorized & notified by the Department of Science & Technology to perform the designated functions under this scheme.
- c) **Department of S&T:** Means the Department of Science & Technology, Government of Madhya Pradesh.
- d) **New IT/ITeS/ESDM Unit:** means any IT/ITeS/ESDM Unit that has been:
 - a. Established in Madhya Pradesh and for which commercial production or R&D activities has commenced on or after 18.10.2016.
 - b. Established by a holding/parent company which can be distinguished from the other units of the parent company by virtue of having a separate identity, resulting in capacity augmentation as can be verified by a separate book of accounts, asset register, electricity connection, independent premises etc.
- e) **Gross Fixed Capital Investment:** means the financial value of the investment made by the unit on the machinery, plant, furniture, building etc. and the transportation, installation and insurance premium of the same, but does not include investment made on dwelling units, cost of land, vehicles, consumables or spares.
- f) **IT Certificate:** is the certificate issued by the authorized agency, certifying that a commercial unit is engaged/proposed to be engaged in an IT/ITeS or ESDM activity and is thereby eligible for benefits under this scheme.
- g) **ITIA: IT Investment Area (ITIA):** is an area of land, not less than 5 acres over a contiguous basis and notified as an ITIA by the Department of Science & Technology, Government of Madhya Pradesh and may include land belonging to the Government of Madhya Pradesh, Urban Local Bodies, Development Authorities, private land or a combination of the above. A minimum of 60% of the area in an ITIA shall be used for an IT/ITeS/ESDM activity.
- h) **ITIA Developer Certificate:** the certificate issued by the authorized agency, certifying that a plan submitted by a commercial unit constitutes a proposal involving development of Information Technology Investment Area and is eligible for benefits under this scheme.
- i) **Financial Institution:** means any bank mentioned in the second schedule of the Reserve Bank of India Act, 1934 as amended from time to time and other financial institutions including financial institutions located outside India as may be notified by the Department of Finance, Government of Madhya Pradesh on the application of the investor/ financial institution

- j) **Term Loan:** refers to the loan raised by a unit to acquire fixed assets.
- k) **IT Policy 2016:** refers to the 'Madhya Pradesh IT, ITeS & ESDM Investment Promotion Policy, 2016' of the Government of Madhya Pradesh.
- l) **Date of Commercial Production:** will be the date on which the unit has started production of the end products on a commercial scale. In case of services, it will be reckoned as date of starting of provision of services by the unit to its clients. For the purpose of this clause, the date of first sale invoice raised by the unit would be considered as the date of commercial production.

3. Competent Authorities for sanction of benefits under the IT Policy:

(i) **MPSEDC to Constitute Committee:**

MD MPSEDC shall constitute a committee for scrutiny & recommendation for sanctioning benefits to the companies under the IT Scheme, 2016.

(ii) **Roles of Committee:**

The committee shall scrutinize and submit its recommendations to the MD on proposals received from units for the following benefits under the IT Policy 2016:-

1. Allotment of land in ITIA/IT Parks/EMC
2. Allotment of undeveloped land/raw land.
3. Capital subsidy
4. Interest subsidy
5. IT Investment Promotion Assistance (Deleted)
6. Reimbursement of skill gap training costs.
7. Incentives on quality certifications
8. Re-imburement of stamp duty and registration charges
9. Entry Tax Exemption (Deleted)
10. Patent assistance
11. Assistance in marketing
12. Special package for BPO/BPM units.
13. Benefits for Data Centers.
14. Any other matters as directed by the Government.

(iii) **Benefits of recurring nature:**

Some of the benefits recommended by the committee may be recurring in nature, for e.g. interest subsidy. The committee while submitting recommendation for these recurring nature benefits will determine the time schedule and the maximum amount of benefits that the applicant is eligible under the IT Policy 2016. Since disbursement would occur over a period of time, the applicants would then be required to submit applications periodically to the MPSEDC, which will disburse benefits of a recurring nature, after sanction by the competent authority.

(iv) **Powers of the Managing Director, MPSEDC:**

Managing Director, MPSEDC shall:-

- i. have all the powers to approve financial incentives under the scheme.

- ii. have the powers to certify an applicant's eligibility to avail benefits under the IT Policy 2016 by issuing an "IT Certificate" and "ITIA Developer Certificate".
- iii. have the powers to revoke the IT Certificate or ITIA Developer certificate if the unit does not do IT/ITeS or ESDM activity as per the certified plan of action of the company.

4. Eligibility of Units for obtaining Incentives under IT Policy 2016:

- a) Any new IT/ITeS/ESDM unit that has been issued IT certificate will be eligible for obtaining benefits under this policy.
- b) The units desiring to avail benefits under IT Policy 2016, must obtain IT certificate by making an application to MPSEDC with the necessary enclosures in FORM-1A.
- c) The MPSEDC shall consider and decide within a period of fifteen days from the date of submission of the application whether to issue IT certificate or not.
- d) An appeal against the decision of the MPSEDC may be made by the applicant to the Principal Secretary, Department of Science & Technology, as to whether the unit qualifies to be an IT/ITeS or ESDM unit and the decision of the Principal Secretary shall be final.
- e) All applications for obtaining any benefit under the IT Policy 2016 shall be accompanied with an IT certificate so issued by MPSEDC, unless specifically exempted.
- f) The certificate will be issued as per Form-20 for IT Units, Form-21 for ITeS Units, Form-22 for ESDM Unit & Form-23 for ITIA Developer.

5. Notification and Management of IT Investment Area (ITIA):

- a) The State Government, through Department of Science and Technology, may notify an area, developed or proposed to be developed, as IT investment area provided that such area is not less than 5 acres over a contiguous basis. The land included in such area may be government land including land belonging to Developmental Authorities, Urban Local Bodies, AKVN's etc. or private land or a combination of them.
- b) The minimum area under IT/ITeS/ESDM activity in an IT Investment area shall be 60% of the usable land /built up area. In case of land belonging to Government or any authority, the minimum area of the land for IT/ITeS/ESDM activity would not be lesser than that mentioned in the terms of their land allotment. For the purpose of this clause, Usable Land would constitute the land excluding roads, drainage, electricity or any other natural or statutory requirements because of which that area of land could not be used.
- c) Any person or Authority willing to establish an IT Investment Area shall submit application to the authorized agency in the Form-1B with necessary enclosures for obtaining ITIA Developer Certificate. The certificate will be issued as per Form-23. The developer shall submit additional information to the authorized agency for land allotment for ITIA, in Form-2 with necessary documents.
- d) After causing an enquiry by the authorized agency, with regards to the location, commercial potential/feasibility, infrastructure and connectivity of the proposed area, Department of Science & Technology will take a decision within a period of one month and may issue suitable order/notification regarding an area as ITIA.
- e) Land allotment for the ITIA as per the provisions of this scheme shall be the responsibility of the owner agency which are notified by Department of Science & Technology. Management of the ITIA will be done by the Developer.

- f) **Benefits available for Developers of ITIA:** Developers of ITIA can avail benefits of concessional rates for land allotment, re-imburement of Stamp duty and registration charges and FAR benefits as have been described in the relevant sections of this scheme.
- g) The ITIA Developer certificate is liable to be cancelled by the authorized agency if there is deviation from the stated objective by the Developer to the extent of being in contravention to the minimum requirement of land use for the purposes of IT/ITeS activity or ESDM activity.

6. Land related Benefits

a) Applicability of this Scheme:

This Scheme shall apply to public land including the land of State Government of Madhya Pradesh, MPSEDC, AKVNs, Urban Local Bodies and Development Authorities constituted under the Madhya Pradesh Gram Tatha Nagar Nivesh Adhiniyam 1973.

b) Rebate in the cost of land:

- Government land lease will be allotted to IT/ITeS/ESDM units and developers of IT Investment Areas at a premium calculated after applying a rebate on the cost of land.
- This rebate would apply on government land as well as land belonging to other government agencies notified by Department of Science & Technology.
- The guideline rate of the Registration department for un-irrigated agricultural land of that area, (or the nearest area/village if un-irrigated agricultural land rate is not available for that area where land is to be allotted) would be taken as the cost of land applicable at the time of land allotment.
- The rebate on the cost of land would depend upon the type of applicant, type of land, ratio of land use as in the table given below :

Sl. No.	Type of Applicant	Type of Land	Ratio of land use		Non-IT use permissibility	Rebate on cost of land
			IT/ITeS/ESDM /Data Center	Ancillary/ Commercial*/ other Industry/ Residential		
1	IT/ITeS/ Data Center Unit	Developed land and Raw Land	85%	15%	Up to 15% of the usable land/ built-up area for non-IT purposes.	75%
	IT/ITeS Unit	Developed and Raw Land	60%	40%	Upto 40% of the usable land/built-up area for non-IT purposes	50%
2	ESDM Units	Developed Land and Raw Land	85%	15%	Use of land only for ESDM purposes. Sub-lease as per the Industrial Promotion Policy, 2014	75%

Sl. No.	Type of Applicant	Type of Land	Ratio of land use		Non-IT use permissibility	Rebate on cost of land
			IT/ITeS/ESDM /Data Center	Ancillary/ Commercial* / other Industry/ Residential		
3	Developer of an IT Investment Area	Raw Land	85%	15%	Can sub-lease 85% usable land/ built-up area to IT/ITeS/ESDM units and remaining 15% for only ancillary activities	50%
	Developer of an IT Investment Area	Raw Land	60%	40%	Can sub-lease 60% usable land/ built-up area to IT/ITeS/ESDM units and remaining 40% for only ancillary activities	25%

* Food Courts, Hospitals, Shopping Malls, Residential Complex, Schools, Star Hotels, and other entertainment facilities.

- e. Development charges would be levied separately, if the land has been developed by Government of Madhya Pradesh or its agencies/authorities and will be determined as per the rules framed by the authority/agency that has incurred the development cost.

c) Allotment of land in IT Parks/ITIA owned by Dept. of Science & Technology:

- i) The authorized agency of Department of Science and Technology, Government of Madhya Pradesh would make available the information regarding land available for allotment and its cost to the public by various means including but not restricted to hosting of information on its website, periodic announcement in newspapers, etc.
- ii) On receipt of expression of interest from an investor to develop ITIA on developed land owned by Department of Science and Technology or suo-moto MPSEDC will invite open bids for allotment of such land for the purpose of ITIA on base price as detailed on the annx 1 of the policy 2016.
- iii) Only plots/land that has been substantially developed will be made available for allotment as developed land.
- iv) Applications for allotment of land shall be submitted in Form-2 with necessary enclosures accompanied by a deposit of twenty-five percent of the amount of land premium to the agency authorized by the Department of Science & Technology. This will also apply to ITIA developed by Department of Science & Technology.
- v) The authorized agency shall provide an acknowledgement to the applicant on receipt of the complete and filled up application.
- vi) The application shall be scrutinized by authorized agency. The authorized agency may call the applicant for personal hearing to justify the requirement of land.
- vii) All applications shall be decided within a period of one month from the date of submission of the complete application for land allotment.

- viii) The process of land allotment shall as far as possible be done through an online system and Letter of Allotment (LoA) shall be issued to the applicants whose cases have been approved by committee.
 - ix) The applicant shall have to deposit the remaining fees towards premium & development cost of land and lease rent for one year within a period of one month from the date of issue of the LoA. In case of delay beyond one month an interest at the rate 1% per month (simple interest) shall be levied on the outstanding amount.
 - x) In case the applicant fails to deposit the total amount within a period of six months from the date of the issue of the LoA, one notice will be served and will be asked to deposit within 15 days. If still not deposited, then it shall be deemed to be cancelled and the authorized agency shall be free to allot the land to another applicant. Premium shall be refunded after a deduction of 10% on the paid up premium.
 - xi) Allotment would be done on a first come first serve basis by the authorized agency of Science and Technology Department for the land available in IT Park.
 - xii) Once the applicant has deposited the necessary charges towards land allotment, the lease deed (as in FORM-24) will be executed between the authorized agency and the applicant within 45 days.
 - xiii) The applicant may submit application without an IT certificate. However, in such a case the eligibility for allotment of land would be considered after examining the suitability of applicant as IT/ITeS/ESDM unit.
 - xiv) The authorized agency may determine and collect a processing fee for scrutiny of the applications received for land allotment and other benefits under this scheme.
- d) **Allotment of raw/undeveloped land:**
- i) The area for allotment of raw land/undeveloped land shall be not less than 5 acres. It can only be allotted to applicants who have already received ITIA certificate from the authorized agency. On receipt of Expression/ Proposal of Interest from an investor to develop ITIA on raw/ undeveloped land owned by Department of Science and Technology or suo-moto MPSEDC will invite open bids for allotment of such land for the purpose of ITIA.
 - ii) Applications for allotment of land shall be submitted in Form-2 with necessary enclosures accompanied by a deposit of twenty five percent of the amount of land premium to the agency authorized by the Department of Science & Technology, in case of the land of the Department of Science & Technology. In case of land belonging to other agencies, the detailed process for land allotment, including agency for receiving and processing applications for land allotment, shall be determined by the respective agency.
 - iii) The authorized agency shall provide an acknowledgement to the applicant on receipt of the complete and filled up application.
 - iv) All applications shall be decided within a period of one month from the date of submission of the complete application for land allotment.
 - v) The applicant shall have to deposit the remaining fees towards cost of land and lease rent within a period of one month from the date of issue of the LoA. In case of delay beyond one month, an interest at the rate of one percent (1%) per month (simple interest) shall be levied on the outstanding amount.
 - vi) In case the applicant fails to deposit the total amount within a period of six months

from the date of the issue of the LoA, one notice will be served and will be asked to deposit within 15 days. If still not deposited, then it shall be deemed to be cancelled and the authorized agency shall be free to allot the land to another applicant. Premium shall be refunded after a deduction of 10% on the paid up premium.

- vii) Once the applicant has deposited the necessary charges towards land allotment, the lease deed as in Form-24 will be executed between the authorized agency and the applicant within 45 days.
- viii) The applicant may submit application without an IT/ITIA certificate. However, in such a case the eligibility for allotment of land would be considered after examining the suitability of applicant as IT/ITeS/ESDM unit.
- ix) The authorized agency may determine and collect a processing fee for scrutiny of the applications received for land allotment and other benefits under this scheme.
- e) **Lease Rent:** Lease Rent will be charged at the rate of 2% p.a. of the actual lease premium payable by the unit. The lease rent shall be deposited with the agency authorized by the Department of Science & Technology and governed by the conditions mentioned in the lease deed. Allotments made before 18th October 2016 would attract 1% p.a. lease rent instead of 2%.
- f) **Criteria for determination of area of land that can be allotted:**
 - 1) A unit would be eligible for allotment of land as given below: -

S.No	Sector	Maximum area that can be allotted at concessional rates	Maximum allotable area on concessional rates
1	IT	1 acre per every 100 people employed in core operations*	25 acres
2	ITeS	1 acre per every 150 people employed in core operations	
3	ESDM	1 acre per every 50 people employed in core operations	

* Core operation means the number of people employed for the main economic activity of the unit and shall exclude people employed in support services such as security guards, gardening, drivers etc.

Note: This criteria will not be applicable for establishment of Data Centers.

- 2) The requirement of land for ITIA will be assessed on the basis of the project report submitted by the developer. The employment sought to be generated while allotting land for ITIA to the developer should not be less than the combination of the above mentioned sectoral requirement for the usable area declared as ITIA.
- g) **Mortgage of land:** The applicant can mortgage the lease of the land as per the conditions mentioned in the lease deed.
- h) **Term of lease:** Land would be allotted on a lease for 99 years with provision for renewal as per the prevailing Government norms at the time of renewal.
- i) **Start of Commercial Production:** Allottee units should start commercial production or start services within 3 years from the date of land possession. If the unit could not start commercial production despite effective steps within the stipulated time frame, then the authorized agency may grant a further extension of up to two years upon genuine reasons. However, such extension of time shall not be for a period of more than six months at a time.

7. Incentives for Increased Floor Area Ratio (FAR):

IT/ITeS/ESDM units and the developers of 'IT Investment Area' would be permitted to avail an FAR of upto 2.5 or the maximum permissible FAR as per the development plan of that area, whichever is higher.

8. Sub-Lease of Land/Properties:

Lessees of land would be permitted to sub-lease the leased land, built-up area or usable land for activities as permitted at the time of allotment, subject to their fulfilling the conditions of employing minimum number of people as per the IT Policy 2016 applicable. The following conditions shall also apply:

- a) The unit/developer would be free to sub-lease/license portion of land available for ancillary/other industry/commercial/residential use as per the terms of allotment. It is clarified that the allottee would be free to decide the financial terms of the sub-lease. However, the sub leasing conditions cannot be conflicting or contradictory to the provision of the main lease deed.
- b) For sublease of the part of usable land/built-up area to be used for IT/ITeS/other industry/ESDM activity the permission of the allotting authority will be required. The applicant shall submit application authorized agency with necessary enclosures.
- c) The unit/developer can sub-lease land/built-up area for ancillary/commercial/ residential purposes only after it satisfies the allotting authority that it has developed a proportionate amount of area (which is in a ready to use condition) for IT/ITeS as per the terms of the land allotment.
- d) Usage by sub-lessee for an IT/ITeS/ESDM activity will be counted as usage of land/built-up area by the developer/unit.
- e) Sub-lease shall be subject to the conditions as specified in the lease deed.

9. Capital Subsidy:

- i. The unit will have to submit a comprehensive Capital Investment Plan to the authorized agency, along with the application for capital subsidy within 15 months of the date of start of commercial production as per Form-3 and Affidavit as per Form 15 along with the necessary documents as mentioned in the application form. However, the cases where date of start of commercial production is falling between 18.10.2016 and date of issue of the scheme then a period of six months will be given to the applicant from the date of issue of the scheme for filing the application.
- ii. Certificate from Chartered Accountant shall be obtained in the Form-3A.
- iii. The eligible units will be entitled for Capital Subsidy on Gross Fixed Capital Investment (GFCI) as follows:

Type of Units	Capital subsidy
IT/ITeS	<ul style="list-style-type: none">• Capital subsidy of 10% for GFCI upto INR 2.5 Crores limited to INR 25 Lakh.• For GFCI above INR 2.5 Crores, the capital subsidy would be 5% of the incremental GFCI plus INR 25 lakhs for GFCI upto INR 2.5 Crores• The maximum capital subsidy that can be provided would be INR 50 lakhs.

ESDM	<ul style="list-style-type: none"> • Capital subsidy of 50% for GFCI upto INR 10 Crores limited to INR 5 Crore to be paid in seven equal annual instalments. • For GFCI above INR 10 Crores the capital subsidy would be 45% of the incremental GFCI plus INR 5 Crore for GFCI upto INR 10 Crores to be paid in seven equal annual instalments. • The maximum capital subsidy that can be provided would be INR 150 Crores over a period of seven years. • The amount of benefit availed against VAT & CST paid up to 30th June, 2017 will be deducted from the admissible limit of capital subsidy and rest amount shall be paid in seven equal annual instalments.
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Example:

**** If an IT/ITeS Company's Gross Fixed Capital Investment is INR 5 Crores, it will be entitled for Capital Investment Subsidy as follows:*

- a) *Upto INR 2.50 Crores of GFCI at the rate 10% i.e. INR 25 Lakhs*
- b) *On balance INR 2.50 Crores of GFCI at the rate 5% i.e. INR 12.5 Lakhs Total INR 37.50 Lakhs*

- iv. List of eligible and non-eligible capital expenditure items is enclosed as Annexure-3B
- v. Capital Investment made upto 2 years before the start of commercial production and 1 Year after the start of commercial production shall be considered for computing the total GFCI. Capital subsidy shall be given once only.
- vi. Units must be operational during the entire benefit period.
- vii. For ESDM units that have commenced the commercial production on or before 18th October 2016 and have availed/are eligible for the benefit of VAT & CST as per the previous IT Policy till 30th June, 2017, the amount of benefit availed against VAT & CST paid up to 30th June, 2017 will be deducted from the admissible limit of capital subsidy and rest amount shall be paid in seven equal annual instalments.

10. Interest Subsidy:

- i. Within a period of one year from the date of start of commercial operations, the Unit or the financial institution lending term loan to the unit shall submit an application in Form 4 with necessary enclosures to the authorized agency for obtaining benefits of interest subsidy.
- ii. The authorized agency will take a decision and determine the time period and the overall financial limits that the unit is eligible under the Scheme. Based on the sanction given, the disbursement will be made on quarterly basis.
- iii. The unit can submit claims for interest subsidy on a quarterly basis in Form-16 with covering letter from the Bank/Financial institution.
- iv. Eligible units will get interest subsidy on term loan as given below: -

Type of Units	Interest subsidy
For IT/ITeS	<ul style="list-style-type: none"> • Interest subsidy of 5% of term loan on the interest recovered or the actual rate charged by the lender on term loan, whichever is lower. • The maximum amount that a unit can obtain as reimbursement will be INR 50 lakhs, over a period of seven years. • The maximum amount that can be reimbursed in a year would be INR 12 lakhs. • This incentive is applicable for term loan, including Foreign Currency Term Loan.
For ESDM units Loan upto INR 10 Crores	<ul style="list-style-type: none"> • Interest subsidy of 5% of term loan on the interest recovered or the actual rate charged by the lender on term loan, whichever is lower upto a loan amount of INR 10 Crores. • The maximum amount that can be reimbursed for any year would be INR 50 lakhs • The maximum number of years for which this benefit can be given is five years. • This incentive is applicable for term loan, including Foreign Currency Term Loan.
For ESDM units Loan beyond INR 10 Crores	<ul style="list-style-type: none"> • For that portion of the loan beyond ten crores interest subsidy of 2% of term loan on the interest recovered or the actual rate charged by the lender on term loan, whichever is lower shall be applicable. • The maximum amount of re-imbursement that a unit shall be eligible for re-imbursement shall be INR 3 Crores per annum (including the INR 50 lakhs for term loan component of less than INR 10 Cr) for a period of five years. • This incentive is applicable for term loan, including Foreign Currency Term Loan.

Example:

**If an IT/ITeS Unit avails a Term Loan of INR 1 Crore at the rate of 13% per year and the Unit pays INR13 Lakhs as interest to the Financial Institution, the Unit will be entitled for subsidy of 5% of INR 1 Crore i.e. INR 5 Lakhs in a year.*

***If an ESDM Unit avails a Term Loan of INR 25 Crores at the rate 13% per year and the Unit pays INR 3.25 Cores as interest to the Financial Institution, the Unit will be entitled for Interest Subsidy as follows:*

a) For Term Loan upto INR 10 Crores at the rate 5% i.e. INR 50 Lakhs

b) For the balance Term Loan of INR15 Crores at the rate 2% i.e. INR 30 Lakhs Total eligible Interest Subsidy INR 80 Lakhs

- v. In case of Foreign Currency Term Loan, the interest subsidy will be paid in Indian currency, as per the prevailing exchange rate for the foreign currency as per RBI at the time of payment of interest by the unit.
- vi. If a unit avails term loan more than once, it will still be entitled for the interest subsidy on additional term loan availed. However, the total period and amount of eligibility of interest subsidy shall be same as prescribed in the IT Policy 2016.
- vii. Interest subsidy will be released to the lending agency (Bank/Financial institution).

11. IT Investment Promotion Assistance: Deleted

12. Reimbursement on Skill Gap Trainings:

- i. After completion of the training the unit shall submit application in Form-6 with necessary enclosures for reimbursement of training costs to the authorized agency, within a period of three months from the date of completion of the training.
- ii. The authorized agency shall then disburse the funds sanctioned within a period of one week from the date of sanction.
- iii. The unit can apply for this benefit multiple times within the period eligible and within the maximum financial limits prescribed in the Policy.
- iv. For providing skill gap trainings to the Engineers/IT/ITeS/ESDM professionals that are domicile of Madhya Pradesh, one-time reimbursement will be available to the unit, for the employees trained by the unit within first two years of commencement of operations.

S/N	Reimbursement on skill gap training	Eligibility	Maximum Limit
1	Maximum limit of INR 10,000 per employee	50% of the cost incurred	INR 1 Crore per unit.

13. Incentive on Quality Certifications:

- i. For obtaining this incentive, the unit will submit application in Form-7
- ii. The authorized agency shall examine and decide on the application within a period of one month and inform the applicant.
- iii. The amount sanctioned shall be disbursed by the authorized agency within a period of one week from the date of approval.
- iv. This incentive will be available only once to the applicant units.

S.No.	Type of incentives	Eligibility	Maximum amount
1.	CMM/ CMMi/ PCMM	75% of the cost	INR 6 Lakh
2.	ISO 9001 or an equivalent/ better Certification	50% of the cost	INR 1 Lakh

14. Reimbursement of Stamp Duty And Registration Charges:

- i. The application for reimbursement of expenses towards stamp duty and registration charges shall be submitted in the form as per Form-8 along with necessary documents.
- ii. The authorized agency shall examine and decide on the application.
- iii. Stamp duty and registration charges shall be reimbursed to eligible units/developers on lease-executed on government land including land of Development Authorities, Urban local bodies, AKVNs etc.
- iv. IT/ITeS/ESDM units set up in an IT investment area developed on private land will also be eligible for reimbursement of stamp duty charges and registration charges for the first time only.
- v. Stamp duty and registration charges payable by IT Units on mortgage/hypothecation with banks/financial institutions in IT investment area will also be reimbursed.

15. Incentive Related to Statutory Regulations:

The following exemptions under the relevant Acts will be applicable to the IT units:

- i. The IT/ITeS/ESDM units shall be granted exemption from the provisions of the Madhya Pradesh Shops and Establishment Act 1958 relating to the hours of business and weekly closure as per notification issued. Women workers shall also be allowed to work 24 hours' subject to the conditions fulfilled by the employers relating to women workers' security and safety at the work place and during the transit.
- ii. The hours of work for women employees working in an IT manufacturing unit shall be relaxed under the Factories Act. Accordingly, for IT establishments, Women may be able to work 24 hours in such manufacturing units' subject to the conditions fulfilled by the employers relating to women worker's security and safety at the work place and during the transit.
- iii. The IT units shall be added as an independent employment in the schedule of Minimum Wages Act 1948 so that the workers shall be classified separately and their wages could be fixed as per their efficiency and skill level.
- iv. IT Units shall be permitted for self-certification of the registers and forms as contemplated under various following Acts viz Payment of Wages Act, Minimum Wages Act, Employees State Insurance Act, Payment of Gratuity Act, Maternity Benefit Act, Equal Remuneration Act, Water & Pollution Act, Employment Exchange Act, Factories Act, Employees' Provident Fund & Misc. Provisions Act, Contract Labor (Regulation and Abolition) Act and shall also be allowed to maintain unified register and record instead of maintenance of different registers and records under different Labour Acts.

The applicant is entitled to claim exemptions enumerated above before the respective competent authorities.

16. Entry Tax Exemption: Deleted

17. Patent Assistance:

- i. The application for availing Patent Assistance shall be submitted in the Form 10 along with necessary documents within six months from the date of obtaining the patent.
- ii. The authorized agency shall place the application to the competent authority, which shall examine and decide on the application within a period of one month and inform the applicant.
- iii. The amount sanctioned shall be disbursed by the authorized agency within a period of one week from the date of sanction.
- iv. Assistance for filing patents would be provided as given below:

S/N	Patent	Eligibility	Limit
1.	Domestic	50% assistance, maximum 2 lakh.	INR 10 lakhs per unit
2.	International	50% assistance, maximum 5 lakh.	INR 25 Lakhs per unit

18. Assistance in Marketing:

- i. The application for availing marketing assistance shall be submitted in the Form-11. For

- individual units along with necessary documents within three months from the end of financial year.
- ii. The authorized agency shall place the application to the authorized agency, which shall examine and decide on the application within a period of one month and inform the applicant.
 - iii. All eligible units shall be entitled to receive 50% subsidy on expenses incurred for participating in designated National/International exhibitions/events etc. subject to a maximum limit of INR 2 Lakhs for International and 1 Lakh for National events. This incentive shall be available to a unit once in a financial year, calculated separately for domestic & international event.
 - iv. For Industry Associations the application for availing marketing assistance shall be submitted in the Form-12 along with necessary documents. Industry Associations will be entitled to receive upto 50% of stall rent for participation in international trade fairs as Madhya Pradesh pavilion outside India subject to a ceiling of INR 10 lakhs. Minimum five industrial units participation will be necessary as part of group to avail 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.

19. Incentive Related to Power:

The incentives related to power shall be available as per the provisions of the Industrial Promotion Policy, 2014 and as amended from time to time as given below:

1. Electricity duty exemption: All eligible units having 'High Tension (HT)' connection by any DISCOM in the State by 3rd March 2019 shall be exempted from electricity duty as given below on terms and conditions brought over vide notification no. F-3-23-2013-XIII published in Gazette of Madhya Pradesh (extraordinary) on 4th March 2014.

S. No.	Type of unit	Period of exemption
1	Micro, Small, Medium, Large & Mega scale industrial unit	<ul style="list-style-type: none"> • For 33 KV connection: Upto a period of 5 years • For 132 KV connection: Upto a period of 7 years • For 220 KV connection :Upto a period of 10 years

The unit shall submit the application to the concerned Electricity Distribution Company.

20. Special Package for BPO/BPM units:

- i. This incentive will be applicable to BPO/BPM Units. The eligible units can choose to avail benefits either under this clause or the benefits available to normal IT units as per their choice. The units availing benefits under this special package will not be entitled to any other benefits of this policy except land related benefits, stamp duty and registration charges re-imburement.
- ii. The details of the benefits available to the units under this clause are as follows:
 - a. **One time incentive at the time of Establishing and Starting of BPO/BPM Unit:**

Investment Promotion Subsidy will be provided to BPO/BPM units as given below limited to 75% of the actual capital investment:

Population of Town/local body where unit is to be established.	Category	Incentive Per Seat (In INR)
>10 Lakh	"A"	50,000
<10 upto 1 Lakh	"B"	56,000
<1 Lakh	"C"	62,000

b. Incentives for Operations:

Incentives for operations will be available to the new BPO/BPM units as given below:

Population of Town/local body where unit is to be established.	Category	Incentive Per Seat per year for 4 years (In INR)
>10 Lakh	"A"	7500
<10 up to 1 Lakh	"B"	11000
<1 Lakh	"C"	14500

Note :-

1. *Census, 2011 figures will apply for population. Town/Local body is meant to include "Planning Area" as notified under the Madhya Pradesh Nagar Tatha Gram Nivesh Adhiniyam, 1973.*
 2. *The number of people employed should be at least 1.5 times the number of the seats.*
 3. *The eligible expenditure for one-time reimbursement of expenses shall be Form 18. This list may be modified as per requirement.*
- iii. The unit will have to submit the application for special package for BPO/BPM units within one year from the date of commercial operations in Form-13 and with necessary enclosures to the authorized agency along with the necessary documents as mentioned in the application Form.
 - iv. The authorized agency will examine the application of the unit for special package for BPO/BPM and the amount to be paid, within a period of one month of submission of the application.
 - v. Once the application is accorded sanction, the amount will be disbursed within a week of the sanction being accorded.
 - vi. For availing the benefits under incentives for operations the unit will submit application in Form-14 with necessary enclosures to authorized agency.
 - vii. The authorized agency will decide for the amount to be paid to the unit within a period of one month from the date of application.
 - viii. The number of seats approved by the authorized agency for the purposes of 'one-time incentive for establishment of BPO/BPM unit' shall be the maximum number of seats for which a unit would be eligible for benefits under incentives for operations for any given year.
 - ix. To determine the number of seats for which incentives for operations is to be sanctioned for a given period of time, the average number of seats engaged per month for the year for

which the claim is submitted would be considered.

- x. The unit would have to submit the application in Form-19 for the benefits under incentives for operations within three months of the completion of the year of operation.

20(A) Benefits for Data Centers:

Data Centers with minimum proposed investment of INR 10 Crores will be entitled to avail only Land Related benefits under this policy.

21. Applicability of this scheme to units that is already availing incentives under the earlier IT Policy, 2014:

- a) All such units which have been sanctioned and/or are availing any of the incentives under the earlier policies would continue to enjoy all the incentives as per the provisions of erstwhile policy and would be ineligible for benefits for the same under the new policy.
- b) All such units which are under the applied status and are not sanctioned the benefits of the earlier policy, would be assessed and disbursed as per the provisions of new Policy 2016 & its scheme.
- c) Units that were eligible to apply under IT policy 2014 and have not availed any particular benefits under that policy can apply under this policy within 6 months from the date of issuance of Scheme.

22. Responsibility of the Unit availing incentives:

- a) The applicant unit is responsible for providing correct information in the application form. In case, the information provided by the applicant is found to be false/misleading, the amount paid to the unit shall be recoverable as arrears of land revenue with an simple interest of 12% per annum from the date of disbursement.
- b) The units availing the benefits under the IT Policy, should maintain separate books of accounts.

23. Appeal:

Principal Secretary/ Secretary, Government of Madhya Pradesh, Department of Science and Technology will be the appellate authority in all matters as decided by the Managing Director, MPSEDC under this scheme, who would be the final authority.

24. Amendment/Relaxation/Deletion:

- a) The Department of Science & Technology will have the right to:
 - i) Formulate rules regarding the various actions to be taken as per the scheme.
 - ii) Issue directions and guidelines to enable ease of implementation, interpretation of rules etc.
 - iii) Resolve disputes arising during the implementation of policy.
- b) In case of interpretation of the rules/provisions of this scheme the decision/interpretation/clarification of the Principal Secretary/Secretary (S&T) shall be final and binding.
- c) In case of any dispute, the courts in Madhya Pradesh shall have the jurisdiction

- d) MPSEDC is authorized for any amendment or addition in the prescribed forms of Madhya Pradesh IT, ITeS and ESDM Investment Promotion Scheme-2016 which are annexed to this scheme.
- e) Apex Committee under GoMP is authorized for any amendment or addition in the Madhya Pradesh IT, ITeS and ESDM Investment Promotion Scheme-2016.
- f) The original version of the scheme is in English language, and if a conflict or discrepancy occurs between the English or Hindi version, English version shall prevail and take precedence over the other version.

25. Scheme period

This scheme shall be operational over the entire State of Madhya Pradesh and shall be in force from the date of its notification of the IT Policy 2016 to 31.12.2021 or announcement of new policy, whichever is earlier.

Forms

Form-1A

Format for Expression of Interest for registration as IT/ITeS & ESDM Investment unit

Portal Registration Id. _____ & Date _____ (system generated)

1	Type of Unit applied for Certificate (Please tick (✓) the appropriate box)	IT Unit			
		(BPO/BPM)			
		ITeS Unit			
		ESDM Unit			
2	Name of the Applicant Organization				
3	Status of the applicant undertaking (Please (✓) the appropriate box)	Company Under Companies Act			
		LLP			
		Partnership Firm			
		Proprietorship Firm			
		Society			
4	Registration Number (See Item 3 above)				
5	Address of Business/Location of the Unit	Existing			
		Proposed			
6	PAN				
7	Full Address of Registered Office of Applicant Organization				
	City				
	State				
	e-mail				
	URL (web address)				
	Phone				
8	Proposed Project Cost in INR				
9	Whether the applicant has other IT Unit at other locations (Please ✓ the appropriate box)	YES		NO	
	If Yes, indicate Locations with Address				
	Sl. No.	Location Name & Address			
List of Board of Directors/Partners/Individual					
S 1 . Name of Person (Details of each person must be separately provided)					
	No.				

Note : In case of Partners/Proprietor of firm, please affix their Photographs

UNDERTAKING

I/We will abide by all conditions which may be stipulated by the Ministry of Electronics & Information Technology, Government of India/ Department of Science and Technology, Government of Madhya Pradesh from time to time.

I/We hereby declare that above statements are true and correct to the best of my/our knowledge and belief.

I/We fully undertake that any Letter of Intent/Permission Letter granted to me/us on the basis of the statement furnished is liable to cancellation or being made ineffective, in addition to any other penalty that the Government may impose or any other action that may be taken having regard to the circumstances of the case, if it is found that any of the statements or facts therein are incorrect or false.

I/We hereby Undertake that none of the Partner/Director who is also a Partner/ Director of any other company or its associate concerns is debarred.

I/We hereby Undertake that none of the Partner/Director who is also a Partner/Director of any other company or its associate concern has been issued notice by the Government of India, or Letter of Intent/Permission.

I/We hereby undertake that we shall carryout only the activities shown in the project report submitted with the application and if any new activity is added it will be of the same class i.e. IT/ ITes/ESDM as the case may be.

Seal/Stamp of the Organization

Name in Block Letters

Designation

e-mail id

Aadhaar No.

Mobile No.

Date

Signature of the Authorised Person

Note: *Wherever additional information is required please attach as Annexure*

Documents to be attached along with the application Form-1A

1. Registration Certificate from the appropriate authority including Memorandum & Articles of Association and related documents.
 2. Project Report necessarily consisting of the following details:
 - a. Introduction of the project/unit
 - b. Objective of the project/unit including details of nature of business/ activity proposed.
 - c. Details of promoters and their background
 - d. Description of the business activity/ products of the proposed unit including:
 - i. Products/services of the unit
 - ii. Proposed / indicative location
 - iii. Details of markets targeted
 - iv. Details of investment including cost of land, building and plant & machinery (indicative plan of the building and list of plant & machinery should be provided). The Plan should also clearly indicate the area and built up space proposed to be used for IT & Non IT purposes.
 - v. Project implementation plan with time lines
 - vi. Details of manpower deployed/proposed to be deployed.
 - e. Projected financials statement:
 - i. Break up of investment proposed.
 - ii. Source of funds stating the amount of equity, loan or other means of finance
 - iii. Status of sourcing of funds
 - iv. Projected income & expenditure statement including depreciation and repayment of loans if any
 3. Authority letter in the form of Board resolution/Power of Attorney (as applicable) for signing the documents.
 4. Non-refundable Online Processing fee INR 20,000/- (Project cost 01-20 Crores) INR 50,000/- (Project cost 21-50 Crores) INR 1,00,000/- (Project cost 50 crores and above).
- Any other details/ supplementary information as asked in the application form.

**Application Form for Obtaining IT Investment Area Developers Certificate under M.P.
IT/ITeS & ESDM Investment Promotion Scheme-2016**

1	Name of the Applicant Organization				
2	Status of the applicant undertaking (Please (✓) the appropriate box)	Company Under Companies Act			
		LLP			
		Partnership Firm			
		Proprietorship Firm			
		Society			
3	Registration Number (See Item 2 above)				
4	PAN				
8	Full Address of Registered Office of Applicant Organization				
	City				
	State				
	e-mail				
	URL (web address)				
	Phone				
9	Address of the Proposed Location (IT Investment Area)	Govt. Land <i>(In Acres)</i>			
		Private Land <i>(In Acres)</i>			
10	Whether the Land is contiguous (Please ✓ the appropriate box)	YES		NO	
11	Proposed Project Cost in INR				
List of Board of Directors/Partners/Individual					
Sl. No.	Name of Person (Details of each person must be separately provided)				

Note : In case of Partners/Proprietor of firm, please provide their Photographs

UNDERTAKING

I/We will abide by all conditions which may be stipulated by the Ministry of Electronics & Information Technology, Government of India/ Department of Science and Technology, Government of Madhya Pradesh from time to time.

I/We hereby declare that above statements are true and correct to the best of my/our knowledge and belief.

I/We fully undertake that any Letter of Intent/Permission Letter granted to me/us on the basis of the statement furnished is liable to cancellation or being made ineffective, in addition to any other penalty that the Government may impose or any other action that may be taken having regard to the circumstances of the case, if it is found that any of the statements or facts therein are incorrect or false.

I/We hereby Undertake that none of the Partner/Director who is also a Partner/ Director of any other company or its associate concerns is debarred.

I/We hereby Undertake that the private land is owned by me/us and is free from all encumbrances.

I/We hereby Undertake that none of the Partner/Director who is also a Partner/Director of any other company or its associate concern has been issued notice by the Government of India, or Letter of Intent/Permission.

I/We hereby undertake that we shall carryout only the activities shown in the Project report submitted with the application and if any new activity is added it will be of the same class i.e. IT/ ITes/ESDM as the case may be.

Seal/Stamp of the Organization

Name in Block Letters

Designation

e-mail id

Aadhaar No.

Mobile No.

Date

Signature of the Authorised Person

Note: *Wherever additional information is required please attach as Annexure*

Documents to be attached along with the application Form-1B

1. Registration Certificate from the appropriate authority including Memorandum & Articles of Association and related documents.
2. Project Report necessarily consisting of the following details:
 - a. Introduction of the project/unit
 - b. Objective of the project/unit including details of nature of business/ activity proposed.
 - c. Details of promoters and their background
 - d. Description of the business activity/ products of the proposed unit including:
 - i. Products/services of the unit
 - ii. Proposed / indicative location
 - iii. Details of markets targeted
 - iv. Details of investment including cost of land, building and plant & machinery (indicative plan of the building and list of plant & machinery should be provided). The Plan should also clearly indicate the area and built up space proposed to be used for IT & Non IT purposes.
 - v. Project implementation plan with time lines
 - vi. Details of manpower deployed/proposed to be deployed.
 - e. Projected financials statement:
 - i. Break up of investment proposed.
 - ii. Source of funds stating the amount of equity, loan or other means of finance
 - iii. Status of sourcing of funds
 - iv. Projected income & expenditure statement including depreciation and repayment of loans if any
3. Authority letter in the form of Board resolution/Power of Attorney (as applicable) for signing the documents.
4. Non-refundable Online Processing fee INR 20000/- (Project cost 01-20 Crores) INR 50000/- (Project cost 21-50 Crores) INR 100000/- (Project cost 50 crores and above).

Any other details/ supplementary information as asked in the application form.

**Application Form for obtaining Land under IT, ITeS & ESDM
Investment Scheme 2016
(see clause No. 6 of the scheme)**

1. Registration ID (As obtained in online registration)
2. Type of Applicant (Tick anyone):
 - a) IT/ITeS with option 1 (85% of the area to be used for core activity and 15% of usable land/ built up area for non IT purposes)
 - b) IT/ITeS with option 2 (60% of the area to be used for core activity and 40% of usable land/ built up area for non IT purposes)
 - c) ESDM with option 1 (85% of the area to be used for core activity and 15% of usable land/ built up area for non ESDM purposes)
 - d) Developers of IT investment area with option 1 (can sub lease 85% of the usable land / built up area to IT/ITeS/ESDM units and remaining 15% for Non-IT activities)
 - e) Developers of IT investment area with option 2 (can sub lease 60% of the usable land / built up area to IT/ITeS/ESDM units and remaining 40% for Non-IT activities)
3. Location of Land along with Plot Number and/or Khasra Number.

S.N	Village	Khasra Number	Area of present ownership	Area applied for allotment
Total Area applied				

4. Proposed employment

S.N	Activity	Nos
1	Core operations	
2	Non-core operations	
	Total	

Note: If there is any change in the details submitted along with the application Form-1 please submit revised details as per Form-1.

UNDERTAKING

I/We will abide by all conditions which may be stipulated by the Ministry of Electronics & Information Technology, Government of India/ Department of Science and Technology, Government of Madhya Pradesh from time to time.

I/We hereby declare that above statements are true and correct to the best of my/our knowledge and belief.

I/We fully undertake that any Letter of Intent/Permission Letter granted to me/us on the basis of the statement furnished is liable to cancellation or being made ineffective, in addition to any other penalty that the Government may impose or any other action that may be taken having regard to the circumstances of the case, if it is found that any of the statements or facts therein are incorrect or false.

Seal/Stamp of the company

Signature of the Authorized Person

Name in Block Letters

Designation

e-mail id

Aadhar No.

Mobile No

Date:

Note: *Wherever additional information is required please attach as annexure.*

**Application for Capital Subsidy
(See Clause No. 9 of the Scheme)**

1. Registration ID
2. Date of Commercial Production-
3. Gross Fixed Capital Investment (GFCI) made (Please see definition in scheme)-
4. Capital subsidy claimed (Rupees in Lacs)

UNDERTAKING

I/We hereby declare that above statements are true and correct to the best of my/our knowledge and belief.

I/We hereby Undertake that we are maintaining appropriate records in relation to capital procured and claimed for subsidy in a form that would meet the requirement of evidence in a court of law.

I/We hereby undertake that the Unit for which capital subsidy is claimed is a new unit as per the definition given in rules.

I/We undertake that we have not claimed any subsidy from any other source on account of assets claimed in the applied capital subsidy.

I/We undertake that the assets procured against which capital subsidy is being claimed, are being fully utilized in the operations of the firm and that the same are operational at present.

I/We undertake that all due diligence has been followed to ascertain the market price of the assets procured against which capital subsidy is being claimed.

I/We undertake that the granted capital subsidy along with penal interest will recoverable from we/us if it is found that there is any malafide effort in procuring the same.

I/We undertake to state that the premises of the firm is under our/my ownership or has been rented by me/us from

I/We undertake to produce documentary proof of above undertaking if called upon by authorized agency in this regard.

I/We certify that commercial production of Goods/Services (in the IT Unit for which capital subsidy is claimed) started on dated

Seal/Stamp of the Company

Name in Block Letters

Designation

e-mail id

Aadhar No.

Mobile No.

Date

Signature of the Authorized Person

Note : *Wherever additional information is required please attach as Annexure*

Documents to be submitted:

1. Proof of Payments made towards capital Investment (Bank statements with clear description).
2. Self-Certified copy of Balance sheet.
3. Certification from Chartered Accountant as per Form - 3A regarding investment against which capital subsidy is claimed.

Chartered Accountant Certificate

We hereby certify that M/s _____ having its unit at _____
_____ have made the following fixed capital investment during the period of
investment from ___/___/___ to ___/___/___.

	Nature of Fixed Assets	Gross Fixed Capital Investment Amount (In INR)
I.	Building	
	Building (other than Factory Building)	
	Factory Building	
	Other Civil Works	
	Sub Total	
II.	Plant & Machinery	
	Computer & Data Processing units	
	Computer Software	
	Imported Machinery	
	Indigenous Machinery	
	Other Machinery	
	Sub Total	
III.	Furniture & Fittings including AC	
IV.	Office Equipment	
V.	Electrical Installations and Equipment	
	GFCI TOTAL (I+II+III+IV+V)	

Details enclosed separately in the Annexure to this certificate.

The date of commercial production of the unit is _____. (defined as per IT Scheme)

We hereby confirm that we have examined the prescribed registers/books of account/invoices for the period of investment in respect of the above unit and certify that the aforesaid information is verified.

Name

Membership No.

FRN

UDIN (ICAI)

Full Address

Date

Signature & Seal of Chartered Accountant/Statutory Auditor

Annexure 3-B

List of eligible & non-eligible capital items for grant

No.	Eligible Capital Expenditure for grant
I	Building
	a. Building (other than factory Building)
	b. Factory Building
	Other Civil works
II	Plant & Machinery
	a. Computer & Data Processing units
	b. Computer Software
	c. Imported Machinery
	d. Indigenous Machinery
	e. Other Machinery
III	Furniture & Fittings including AC
IV	Office Equipments
V	Electrical Installations and Equipment
No.	Non-eligible Capital expenditure for grant
I	Value of land
II	Site development, Garden, landscaping etc.
III	Working capital
IV	Pre-operative and preliminary
V	Second hand machinery
VI	Capitalization of Interest
VII	Truck, Car, Van, Polo cart, Trailer, Tractor, Tanker and transport
VIII	Retailer departmental Store
IX	Properties on lease.
X	Portable fire extinguisher, carpet curtains etc.
XI	Property below 05 years of age (Excluding tent)
XII	Shops for commercial use, residence, office for self-use which is being made for smooth operation of unit

MD, MPSEDC would be authorized to change the list of eligible & non-eligible items.

**Application for Interest Subsidy
(see clause No. 10 of the scheme)**

1. Registration ID

A. Details of the financial support received:-	
Financial Institution/Bank name -	
Amount of Term loan -	
Date of Sanction -	
Interest rate duration of term loan -	
B. Interest Subsidy Claimed (In INR)	
(Total Interest Subsidy Claimed)	

UNDERTAKING

I/We hereby declare that above statements are true and correct to the best of my/our knowledge and belief.

I/We hereby undertake that the Unit for which interest subsidy is claimed is a new unit as per the definition given in rules.

I/We undertake that we have not claimed any subsidy from any other source on account of assets claimed in the applied interest subsidy.

I/We undertake that the granted interest subsidy along with penal interest will recoverable from we/us if it is found that there is any malafide effort in procuring the same.

I/We undertake to produce documentary proof of above undertaking if called upon by authorized agency in this regard.

I/We certify that commercial production of Goods/Services (in the IT Unit for which interest subsidy is claimed) started on dated.....

Seal/Stamp of the Company

Name in Block Letters
Designation
e-mail id
Aadhar No.
Mobile No.
Date

Signature of the Authorised Person

Note : *Wherever additional information is required please attach as Annexure*

Documents to be submitted:

1. Sanction letter of the Bank for term loan.

**Application Form for Skill Gap Training Reimbursement
(see clause No. 12 of the scheme)**

1. Registration ID
2. Period of Training (Only the domicile of MP)
3. State whether the training is conducted in house or through an outside agency.

(If the training is provided by an outside/outsourced institution provide details of the Institute.

Training Expenditure	Expenditure made	Expenditure Claimed
No of Trainees		
Rate of Stipend		
Stipend paid to trainees		
Salary/Fee paid to Trainers or Trainer Institute.		
Expenditure on Training Material.		
Total		

UNDERTAKING

I/We hereby declare that above statements are true and correct to the best of my/our knowledge and belief.

I/We hereby Undertake that we are maintaining appropriate records in relation to claimed skill gap training reimbursement in a form that would meet the requirement of evidence in a court of law.

I/We hereby undertake that the unit for which skill gap training reimbursement is claimed is a new unit as per the definition given in rules.

I/We undertake that we have not claimed any subsidy from any other source on account of training claimed in the applied skill gap training reimbursement.

I/We undertake that the granted skill gap training reimbursement along with penal interest will recoverable from we/us if it is found that there is any malafide effort in procuring the same.

I/We undertake to state that the premises of the firm is under our/my ownership or has been rented by me/us from

I/We undertake to produce documentary proof of above undertaking if called upon by authorized agency in this regard.

I/We certify that commercial production of Goods/Services (in the IT Unit for which skill gap training reimbursement is claimed) started on dated.....

I/We undertake that MPSEDC has been intimated the date of starting the training.

I/We have maintained the record of attendance of trainees and trainers.

Seal/Stamp of the Company

Signature of the Authorised Person

Name in Block Letters

Designation

e-mail id

Aadhar No.

Mobile No.

Date

Note : Wherever additional information is required please attach as Annexure

Documents to be submitted:

1. List of Trainees along with duration of training (with start date and end date) and domicile status along with their Aadhaar No.
2. Proof of providing employment to trainees (Salary Statement).
3. CA certified proof of payments made towards training material & trainers.

**Application Form for Quality Certification Incentives
(see clause No. 13 of the scheme)**

1. Registration ID
2. Name of Quality certification body
3. Quality Certificate details (CMMI/ISO etc)
4. Total expenditure incurred for the certification.
 - A. On Fee paid to the certifying Authority
 - B. On charges paid to consultant.
5. Amount claimed

UNDERTAKING

I/We hereby declare that above statements are true and correct to the best of my/our knowledge and belief.

I/We hereby Undertake that we are maintaining appropriate records in relation to Quality certification incentives claimed in a form that would meet the requirement of evidence in a court of law.

I/We hereby undertake that the Unit for which Quality certification incentives is claimed is a new Unit as per the definition given in rules.

I/We undertake that we have not claimed any subsidy from any other source on account of Quality certification claimed in the applied Quality certification incentives.

I/We undertake that the granted Quality certification incentives along with penal interest will recoverable from we/us if it is found that there is any malafide effort in procuring the same.

I/We undertake to state that the premises of the firm is under our/my ownership or has been rented by me/us from

I/We undertake to produce documentary proof of above undertaking if called upon by authorized agency in this regard.

I/We certify that commercial production of Goods/Services (in the IT Unit for which Quality certification incentives is claimed) started on dated.....

Seal/Stamp of the Company

Name in Block Letters

Designation

e-mail id

Aadhar No.

Mobile No.

Date

Signature of the Authorised Person

Note : *Wherever additional information is required please attach as Annexure*

Documents to be submitted:

1. Copy of the Quality Certificate for reimbursement has been applied.
2. Copy of Invoices for the payments made to the Certifying Body and Consultants (If any)
3. Bank Statement showing proof of Payment against the above Invoices.

**Application Form for Reimbursement of Stamp Duty and Registration Fee
(see clause No. 14 of the scheme)**

1. Registration ID
2. Description of the purpose for which stamp duty paid:
3. Total Amount Claimed
(A) Stamp Duty Amount Paid
(B) Registration charges Paid
4. Details of Bank Hypothecation if any

UNDERTAKING

I/We hereby declare that above statements are true and correct to the best of my/our knowledge and belief.

I/We hereby Undertake that we are maintaining appropriate records in relation to claim for stamp duty and registration fee subsidy in a form that would meet the requirement of evidence in a court of law.

I/We hereby undertake that the Unit for which stamp duty and registration fee is claimed is a new Unit as per the definition given in rules.

I/We undertake that we have not claimed any subsidy from any other source on account of duty/fee claimed in the applied stamp duty and registration fee.

I/We undertake that the granted stamp duty and registration fee along with penal interest will recoverable from we/us if it is found that there is any malafide effort in procuring the same.

I/We undertake to state that the premises of the firm is under our/my ownership or has been rented by me/us from

I/We undertake to produce documentary proof of above undertaking if called upon by authorized agency in this regard.

I/We certify that commercial production of Goods/Services (in the IT Unit for which stamp duty and registration fee is claimed) started on dated.....

Seal/Stamp of the Company

Name in Block Letters

Designation

e-mail id

Aadhar No.

Mobile No.

Date

Signature of the Authorised Person

Note : *Wherever additional information is required please attach as Annexure*

Documents to be submitted:

1. Copy of registered document against which Stamp duty & charges have been paid.
2. Receipt for the Amount paid as stamp duty & registration charges.

**Application Form for Patent Assistance
(see clause No. 17 of the scheme)**

1.	Registration ID	
2.	Details of Patent Applied for	
3.	Date of obtaining Patent	
4.	Expenditure incurred	
5.	Payment to Agency awarding the Patent (IPR)	
6.	Payment to consultant/ lawyer for getting the patent.	

UNDERTAKING

I/We hereby declare that above statements are true and correct to the best of my/our knowledge and belief.

I/We hereby Undertake that we are maintaining appropriate records in relation to patent assistance and claimed for subsidy in a form that would meet the requirement of evidence in a court of law.

I/We hereby undertake that the Unit for which patent assistance is claimed is a new Unit as per the definition given in rules.

I/We undertake that we have not claimed any assistance from any other source on account of patent claimed in the applied patent assistance.

I/We undertake that the granted patent assistance along with penal interest will recoverable from we/us if it is found that there is any malafide effort in procuring the same.

I/We undertake to state that the premises of the firm is under our/my ownership or has been rented by me/us from

I/We undertake to produce documentary proof of above undertaking if called upon by authorized agency in this regard.

I/We certify that commercial production of Goods/Services (in the IT Unit for which patent assistance is claimed) started on dated.....

Seal/Stamp of the Company

Name in Block Letters

Designation

e-mail id

Aadhar No.

Mobile No.

Date

Signature of the Authorised Person

Note : *Wherever additional information is required please attach as Annexure*

Documents to be submitted:

1. Copy of Patent (IPR) Certificate received.
2. Invoice pertaining to application & processing of patent application.
3. Bank Statement for Proof of payment made to the Agency and/or consultant.

**Application Form for Marketing Support (For Individual Units)
(see clause No. 18 of the scheme)**

1. Registration ID
2. Name of Exhibition/Trade Fair in which participated
3. Place of Exhibition/Trade Fair
4. Date of Exhibition/Trade Fair
5. Amount Spent on Exhibition/Event Participation
6. Rebate on the participation indicating benefits, enquiries/order received etc.
7. Amount claimed (in INR)

UNDERTAKING

I/We hereby declare that above statements are true and correct to the best of my/our knowledge and belief.

I/We hereby Undertake that we are maintaining appropriate records in relation to marketing support claimed for subsidy in a form that would meet the requirement of evidence in a court of law.

I/We hereby undertake that the Unit for which marketing support is claimed is a new Unit as per the definition given in rules.

I/We undertake that we have not claimed any support from any other source on account of marketing assistance.

I/We undertake that the granted marketing support along with penal interest will recoverable from we/us if it is found that there is any malafide effort in procuring the same.

I/We undertake to state that the premises of the firm is under our/my ownership or has been rented by me/us from

I/We undertake to produce documentary proof of above undertaking if called upon by authorized agency in this regard.

I/We certify that commercial production of Goods/Services (in the IT Unit for which marketing support is claimed) started on dated.....

Seal/Stamp of the Company

Name in Block Letters

Designation

e-mail id

Aadhar No.

Mobile No.

Date

Signature of the Authorized Person

Note : *Wherever additional information is required please attach as Annexure*

Documents to be submitted:

1. Copy of invoices towards expenses.
2. Bank statement towards proof of payment for stall charges, expenses, delegate fees.

**Application Form for Marketing Support
(For Industry Associations)
(see clause No. 18 of the scheme)**

1. Registration ID
2. Name of Exhibition/Trade Fair in which participated
3. Place of Exhibition/ Trade Fair
4. Date of Exhibition/ Trade Fair
5. Amount Spent Stall Charges
6. Amount claimed

UNDERTAKING

I/We hereby undertake that:

I/We hereby declare that above statements are true and correct to the best of my/our knowledge and belief.

I/We hereby Undertake that we are maintaining appropriate records in relation to marketing support claimed for subsidy in a form that would meet the requirement of evidence in a court of law.

I/We hereby undertake that the Unit for which marketing support is claimed is a new Unit as per the definition given in rules.

I/We undertake that we have not claimed any support from any other source on account of marketing assistance.

I/We undertake that the granted marketing support along with penal interest will recoverable from we/us if it is found that there is any malafide effort in procuring the same.

I/We undertake to state that the premises of the firm is under our/my ownership or has been rented by me/us from

I/We undertake to produce documentary proof of above undertaking if called upon by authorized agency in this regard.

I/We certify that commercial production of Goods/Services (in the IT Unit for which marketing support is claimed) started on dated.....

Seal/Stamp of the Company

Name in Block Letters

Designation

e-mail id

Aadhar No.

Mobile No.

Date

Signature of the Authorised Person

Note : *Wherever additional information is required please attach as Annexure*

Documents to be submitted:

1. Copy of Invoice towards Stall Charges.
2. Bank Statement towards Proof of Payment for Stall charges.
3. List of companies participated who have exhibited in the Stall and amount charged from them if any.

**Application Form for Special Package for BPO/BPM units
(One Time Incentive)
(see clause No. 20 of the scheme)**

1. Registration ID
2. Population of Town/ Local body where unit is to be established :
(Please tick (✓) the appropriate box)

(A)	More than 10 Lakhs
(B)	1 Lakh to 10 Lakhs
(C)	Less than 1 Lakh
3. Number of seats established :
4. Number of direct employment generated (excluding support services like helper, driver gardner etc) :
5. Expenditure incurred on capital Investment certified by C.A. (As per form 18)
6. Date of Start of Commercial Operation :
7. Amount claimed

UNDERTAKING

I/We hereby declare that above statements are true and correct to the best of my/our knowledge and belief.

I/We hereby Undertake that we are maintaining appropriate records in relation to capital procured and claimed for subsidy in a form that would meet the requirement of evidence in a court of law.

I/We hereby undertake that the Unit for which one-time incentive is claimed is a new Unit as per the definition given in rules.

I/We undertake that we have not claimed any subsidy from any other source on account of assets claimed in the applied one-time incentive.

I/We undertake that the assets procured against which one-time incentive is being claimed, are being fully utilized in the operations of the firm and that the same are operational at present.

I/We undertake that all due diligence has been followed to ascertain the market price of the assets procured against which one-time incentive is being claimed.

I/We undertake that the granted one-time incentive along with penal interest will recoverable from we/ us if it is found that there is any malafide effort in procuring the same.

I/We undertake to state that the premises of the firm is under our/my ownership or has been rented by me/us from

I/We undertake to produce documentary proof of above undertaking if called upon by authorized agency in this regard.

I/We certify that commercial production of Goods/Services (in the BPO Unit for which one time incentive is claimed) started on dated.....

Seal/Stamp of the Company

Name in Block Letters

Designation

e-mail id

Aadhar No.

Mobile No.

Date

Signature of the Authorised Person

Note: *Wherever additional information is required please attach as Annexure*

Documents to be submitted:

1. Proof of Payments made towards capital Investment (Bank statements with clear description).
2. Self-Certified copy of Balance sheet for the complete duration of Investment.
3. Certification from Chartered Accountant regarding investment against which one-time incentive is claimed.
4. Certificate from Chartered Accountant for number of people employed.
5. Certified copy of Bank Statement for salary paid to the employees.

Seal/Stamp of the Company

Name in Block Letters

Designation

e-mail id

Aadhar No.

Mobile No.

Date

Signature of the Authorised Person

Note : *Wherever additional information is required please attach as Annexure*

Documents to be submitted:

1. Bank statement showing repayments & receipts.
2. Details of employed trainees along with their salary, along with Aadhaar no.
3. In case additional seats have been established after claiming one-time incentive proof of establishment of additional seats is to be submitted if incentive is being claimed for those seats.

**Affidavit to be submitted by the applicant in support of incentive claimed as per
Madhya Pradesh IT, ITeS & ESDM Investment Promotion Scheme, 2016**
(to be submitted on Required Stamp Paper duly Notarized)

1. Registration ID

I/ We hereby on oath certify as follows:

1. All the information provided in our Application dated for is true to the best of our knowledge and belief.
2. We are not defaulters of any State/Central Government or State/Government Undertaking.
3. In case it is found that, if we violate any condition/conditions of the Madhya Pradesh IT, ITeS & ESDM Investment Promotion Scheme, 2016, the Department will have full rights to discontinue and recover any incentive/assistance/exemption and we shall be responsible for returning such incentive with an interest of 12% per annum.
4. We shall keep the Unit/Project in operating condition during the period of incentive/assistance/exemption and minimum 4 years thereafter. In case the Unit/Project does not remain operational, we shall be responsible for returning the incentive/assistance/exemption received by us.

Seal/Stamp of the company

Signature of the Authorized Person

Name in Block Letters

Designation

Date

E-mail id

Mobile No

**List of admissible items for Calculation of GFCI
(Gross Fixed Capital Investment)
(see clause No. 20 of the scheme)**

Sl. No.	Item Description
1	Servers with OS
2	Software and Hardware per Licence cost for BPO/ITeS operations.
3	Networking Equipments (Switches, Routers, Firewalls, Voice/Video Conferencing Getaways)
4	Workstations (Desktop, Laptop, Tablets, IP Phone, Headsets)
5	Data Storage
6	Structured Cabling
7	UPS
8	Printer, Copier, Scanner & Projector
9	Refrigerators & Water Purifier
10	Fire & Securely Items
11	Computer Furniture
12	Electrical wiring and Fitting
13	Central Air-conditioning equipment, air-conditioning System
14	Captive diesel Generating Set and transformer of capacity commensurate with the actual requirement of the unit. Solar Power/Non conventional Energy Generator Set
15	Fax Machine
16	Private automatic branch exchange
17	Data Communication Equipment, Modem & VSA
18	Other misc. goods not exceeding 5% of the total cost of above items including Tools, Kits and spares
19	Expenditure on skill gap training for the first year

Note: GoMP will update this list periodically to keep in tune to the changes in technology & market practices.

**Application form for Receiving assistance under
Special Package for BPO/BPM Units (Incentives for Operations)
Annual Claim Form
(see clause No. 20 of the scheme)**

FY-----Period-----No-----

1. Registration ID
2. Name of the applicant Unit with contact details
3. Numbers of BPO Seats (for which running assistance is sought)
4. Total employment (excluding security guards, Gardners & Drivers etc.
5. Operational expenses (One year) In INR
 - i. Salary/wages
 - ii. ESI – Payment
 - iii. Electricity payment
 - iv. Building rent
 - v. Telecommunication/Internet expenses
 - vi. Other expenses

Total

Documents to be attached

1. AADHAAR number of all the regular employees Recruited/joined the unit.
2. Provident fund account number for the regular employees Recruited/joined the unit.
3. Proof of tax paid.
4. Proof of bills raised to the client along with payment received in bank
5. System Generated monthly attendance sheet.

UNDERTAKING

I/We hereby declare that above statements are true and correct to the best of my/our knowledge and belief.

I/We hereby undertake that we are maintaining appropriate records in relation to claimed incentive for operations in a form that would meet the requirement of evidence in a court of law.

I/We hereby undertake that the Unit for which incentive for operations is claimed is a new unit as per the definition given in rules.

I/We undertake that we have not claimed any subsidy from any other source on account of assets claimed in the applied incentive for operations.

I/We undertake that the granted incentive for operations along with penal interest will recoverable from we/us if it is found that there is any malafide effort in procuring the same.

I/We undertake to produce documentary proof of above undertaking if called upon by authorized agency in this regard.

Seal/Stamp of the Company

Name in Block Letters

Designation

e-mail id

Aadhar No.

Mobile No.

Date

Signature of the Authorised Person

Note : *Wherever additional information is required please attach as Annexure*

क्रं:एमपीएसईडीसी/आई.टी./छूट/...../

दिनांक...../...../.....

Registration ID: MPSEDCITPC20180000
(To be used in all communication)

आई.टी. इकाई प्रमाण-पत्र

प्रमाणित किया जाता है कि Regd. Off Address MADHYA PRADESH स्थित मेसर्स

.....

की.

Unit

Address
में प्रस्तावित इकाई के लिये प्रस्तावित

गतिविधियां

(.....

) सूचना प्रौद्योगिकी की श्रेणी में आती है तथा सूचना प्रौद्योगिकी निवेश नीति 2016 के अधीन शासन द्वारा अधिसूचित की जाने वाली छूट के लिए पात्र हैं।

यदि भविष्य में यह पाया जाता है कि, इकाई की गतिविधि आवेदन में दर्शाई गई गतिविधि से भिन्न है तो इस प्रमाण-पत्र के आधार पर दी गई छूट/लाभ वापिस ली जा सकती है एवं भविष्य के लिए अपात्र घोषित किया जा सकता है।

मध्यप्रदेश शासन, विज्ञान एवं प्रौद्योगिकी विभाग के आदेश क्रमांक एफ 1-2 2012/56 दिनांक 07.12.2012 के अनुसार म.प्र. राज्य इलेक्ट्रॉनिक्स विकास निगम उपरोक्त प्रमाण-पत्र जारी करने हेतु अधिकृत संस्था है।

यह प्रमाण-पत्र जारी करने की दिनांक से पाँच वर्ष तक वैध रहेगा।

मुख्य महाप्रबंधक
 म.प्र.स्टेट इलेक्ट्रॉनिक्स डेवलपमेंट
 कॉर्पोरेशन लिमिटेड

क्रं:एमपीएसईडीसी/आई.टी./छूट/...../

दिनांक / /

Registration ID: MPSEDCITPC20180000
(To be used in all communication)

आई.टी.ई.एस. इकाई प्रमाण-पत्र

प्रमाणित किया जाता है कि Regd. Off Address MADHYA PRADESH स्थित मेसर्स

.....
.....
.....की.

Unit

Address
.....में प्रस्तावित इकाई के लिये प्रस्तावित

गतिविधियां

(.....
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यह प्रमाण-पत्र जारी करने की दिनांक से पाँच वर्ष तक वैध रहेगा।

मुख्य महाप्रबंधक

म.प्र.स्टेट इलेक्ट्रॉनिक्स डेवलपमेंट
कॉर्पोरेशन लिमिटेड

क्रं:एमपीएसईडीसी/आई.टी./छूट/...../

दिनांक...../...../.....

Registration ID: MPSEDCITPC20180000
(To be used in all communication)

ई.एस.डी.एम. इकाई प्रमाण-पत्र

प्रमाणित किया जाता है कि Regd. Off Address MADHYA PRADESH स्थित मेसर्स

.....

की.

Unit

Address
में प्रस्तावित इकाई के लिये प्रस्तावित

गतिविधियां

(.....

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मुख्य महाप्रबंधक
 म.प्र.स्टेट इलेक्ट्रॉनिक्स डेवलपमेंट
 कॉर्पोरेशन लिमिटेड

**Eligibility Certificate for IT Investment Area Developers under
Madhya Pradesh IT, ITeS & ESDM Investment Promotion Scheme, 2016**

Ref. No.

Date

Registration ID

This is to Certify that M/s , registered with
..... vide Registration No
dated....., have Established/Proposed to Establish a Unit at
..... Accordingly the Company is entitled for the following benefits under Madhya Pradesh IT,
ITeS & ESDM Investment Promotion Scheme, 2016 for IT Investment Area mentioned above:

Rebate in cost of Land (if applicable)
Exemption in Stamp Duty and Registration Charges.
Relaxation in FAR

As per Order No....., MPSEDC is the authorized Agency to issue this
Certificate.

The eligibility Certificate is valid for a period of 5 years from the date of issue.

Seal/Stamp of the MPSEDC

Signature of the Authorized Person

LEASE DEED
(see clause No. 6(c) of the scheme)

This Deed of Lease ("Deed") is made on ----- day of ----- year -----.

BETWEEN

The Governor of Madhya Pradesh, acting through Managing Director, M P State Electronics Development Corporation Ltd., Bhopal (Hereinafter called the "Lessor" which expression shall, where the context so admits include his successor) of the ONE PART.

AND

M/s ----- having its registered office at ----- acting through Shri/Smt. ---
----- S/o / D/o Shri -----address ----- (herein after called the "Lessee"
which expression shall, where the context so admits, include its successors, permitted assigns
and amalgamated) of the OTHER PART.

The Lessor and Lessee are hereinafter collectively referred to as the "Parties" and individually as "Party".

WHEREAS upon the request of Lessee, the Lessor has agreed to grant to the Lessee, subject to the terms and conditions hereinafter specified, Lease of the parcel of Land in the ----- comprising of an area measuring ----- Hectares/Square meters situated in the Village/City --- ----- of Tehsil ----- of the District-----Madhya Pradesh, more particularly described in the schedule (A) hereunder annexed and for greater clarity delineated on the plan hereto annexed and thereon shown with boundaries in red colour (hereinafter referred to as 'the said Land') for a term of years (In words years) commencing from ----- and ending on ----- for the purpose of setting up ----- for developing ITIA (details of establishing IT Investment Area (ITIA) for IT/ITES/ESDM Industry (strike out whichever is not applicable), herein after referred to as "the said Activity /Business").

And whereas the Lessee has agreed to take from the Lessor the said Land on the terms and conditions hereinafter specified,

Now, therefore, this Deed witnesses and it is hereby agreed and declared as follows:-

1. DEFINITIONS & INTERPRETATION

In this Deed, unless the context otherwise requires,

- (a) References to any legislation or any provision thereof shall include amendment or re-enactment or consolidation of such legislation or any provision thereof so far as such amendment or re-enactment or consolidation applies or is capable of applying to any transaction entered into hereunder;
- (b) References to a "person" and words denoting a natural person shall be construed as a reference to any individual, company, corporation, society, trust, government, state or an agency of a state and shall include successors and assigns;

- (c) The words “include” and “including” are to be construed without limitation and shall be deemed to be followed by “without limitation” or “but not limited to” whether or not they are followed by such phrases;
- (d) Any reference to any period of time shall mean a reference to that according to Indian Standard Time;
- (e) References to any date, period or Project Milestone shall mean and include such date, period or Project Milestone as may be extended pursuant to this Deed;
- (f) Any reference to any period commencing “from” a specified day or date and “till” or “until” a specified day or date shall include both such days or dates; provided that if the last day of any period computed under this Deed is not a business day, then the period shall run until the end of the next business day;
- A business day means a working day (which is not a Holiday) for Govt. of M P
- (g) The words importing singular shall include plural and vice versa;
- (h) References to any gender shall include the other and the neutral gender;
- (i) “Indebtedness” shall be construed so as to include any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (j) References to the “winding-up”, “dissolution”, “insolvency”, or “reorganisation” of a company or corporation shall be construed as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, arrangement, protection or relief of debtors;
- (k) Save and except as otherwise provided in this Deed, any reference, at any time, to any agreement, deed, instrument, license or document of any description shall be construed as reference to that agreement, deed, instrument, license or other document as amended, varied, supplemented, modified or suspended at the time of such reference; provided that this Sub-clause shall not operate so as to increase liabilities or obligations of Government of Madhya Pradesh or the lessee hereunder or pursuant hereto in any manner whatsoever;
- (l) “Milestone” refers to action/(s) or event(s) marking a significant change or phase in development.
- (m) “Force Majeure” means fire, floods, natural calamities & disasters or other unforeseen acts such as acts of terrorism, war, civil war, strikes, sabotage, explosions, and other acts which are beyond the control of the party subjected to the Force Majeure.
- (n) “Construction Period” means the period beginning from the date of signing of Deed and ending on the Commercial Operation Date which shall be the date on which the Competent Authority has issued the Completion Certificate of the construction.
- (o) In the term “Bank/ Financial Institution”, “Bank” means any scheduled bank licensed by Reserve Bank of India and “Financial Institution” means any Institution declared as “Public Financial Institution” under section 4(A) of Companies Act 1956.
- (p) The term ‘IT’ or ‘ITeS/BPO/BPM’ or ‘ESDM’ Industry refers to an Industry certified as the particular type of Industry by the authorized agency of Govt of M P, Deptt of Science & Technology. (as per Clause of Madhya Pradesh IT, ITeS& ESDM Investment Promotion Scheme, 2016).

- (q) The term “ITIA Developer” refers to the Developer of an Information Technology Investment Area certified as ITIA Developer by the authorized agency of Govt of M P, Deptt of Science & Technology. (as per Clause of Madhya Pradesh IT, ITes& ESDM Investment Promotion Scheme, 2016).

2. BUSINESS ACTIVITIES

It is agreed upon that the referred Land is allotted to the Lessee for the operations of business referred to herein, under the provisions of Madhya Pradesh IT, ITes& ESDM Investment Promotion Scheme, 2016 (herein after called as “Policy”) and particularly the following-

- a)
- b)
- c)

The lessee shall be entitled to undertake such other activities as may be permissible in the Madhya Pradesh IT, ITes& ESDM Investment Promotion Scheme, 2016 framed by the State Government during the term of this lease.

3. PERIOD OF LEASE & ANNUAL LEASE RENT

In consideration of the Lease Premium, Lease Rent, development charges and maintenance charges herein reserved and the covenants on the part of the Lessee herein contained the Lessor shall demise to the Lessee and the Lessee shall accept a Lease of the said Land to hold the same for the purpose of establishing of ----- as mentioned herein above regarding -----(details of establishing IT Investment Area (ITIA), IT/ITES/ESDM Industry) for a period of years (In words.....) subject to the terms and conditions mentioned in this Deed. The yearly Lease Rent shall be Rs. (In words.....) (herein after referred to as the ‘Annual Lease Rent’).

4. LEASE CONSIDERATIONS

The Lessee has paid the following amount to the Lessor for the said Land:-

- a. Premium Rs ----- per acre/hect/sq.ft./sq.mtr. Amounting to a total of Rs. (Rupees in words-----) (hereinafter referred to as “Lease Premium”)
- b. Annual Lease Rent of Rs. (in words----- for the lease period)
- c. Any other charges (if applicable) Rs ----- (in words -----)

The Lease Premium shall be payable by the Lessee initially at the time of grant of Lease. The Lease Rent, shall be payable annually. The Lessee shall be bound to pay the Annual Lease Rent to the Lessor as per terms and conditions mentioned in the Deed.

5. PAYMENT OF ANNUAL LEASE RENTAL

During the term of the Deed, the Lessee shall pay to the Lessor, the annual Lease Rent and such other sum as may be determined as mutually agreed by both the parties, in the month of April each year in advance in the manner and at such place and in such mode as the Lessor may direct from time to time. In case of non-payment within the specified time frame, simple interest will be payable by the Lessee on the amount due for payment. Such simple interest will be calculated at the rate of 12% per annum from the date of accrual of Rent to the date of payment.

6. PAYMENT OF TAXES & DUTIES

The Lessee shall, from time to time and at all times during the term of the Lease, pay, except as aforesaid, all taxes, rates, assessments and other charges, which are or may, at any time hereafter during the said term be assessed, charged or imposed upon the said Land.

7. PAYMENT ON DUE DATE

All sums, such as due amount of Lease Rent or any other charges payable by the Lessee may be recovered by Lessor as arrears of Land revenue, if the same is not paid on the due date.

8. MECHANISM FOR RECOVERY OF DUES

Without prejudice to the liabilities of the Lessee and the rights of the Lessor or of any bank/ financial institution etc. as provided in clause 29 of this Deed, if the Lease Rent hereby reserved or any part thereof shall at any time be in arrears and unpaid for 1 year, next after the date whereon the same shall have become due, whether the same shall have been lawfully demanded or not or the Lessee becomes insolvent and / or goes into liquidation voluntarily or otherwise or if there be any attachment of the premises constructed by the Lessee on the Leasehold Land subject to adherence to all norms for construction, city plans and safety parameter as specified by Government of Madhya Pradesh or there is a breach or non observance by the Lessee of any of the terms and conditions and covenants herein contained and the Lessee fails to remedy the breach within 90 days of the notice in writing given by the Lessor or becomes insolvent or enters into an agreement with its creditors for composition of the industry, this Deed will be deemed to have been terminated and the Lessor may, notwithstanding the waiver of any previous dues, will exercise the right of re-entry without prejudice to any right or remedy of the Lessor for recovery of Rent remaining due under the Lease upon the said Land and deal the same, as if this demise had not been made.

Notwithstanding the above, on a request made in this regard by the lessee in writing, the Lessor shall have the right to continue the lease even if the Lessee becomes insolvent.

9. OBTAINING OF APPROVALS/ PERMISSIONS

The Lessee shall obtain all necessary approvals/ permissions required for starting the operation of business for example approval of SEZ Board etc. as per this Deed from various concerned Government departments and authorities within six months from the date of taking over possession of the Land. If the Lessee fails to commence construction after taking all necessary permissions/approvals etc as required by law within the period of 6 (Six) months as aforesaid, the Lessee shall apply to the Lessor in writing, before the expiry of the said period, for extension of time, justifying the circumstances in which it failed to do the needful within the said period and if the Lessor is satisfied that the delay has been for reasons beyond the control of Lessee, the aforesaid period may be extended by the Lessor. However, such extension of time shall not be for a period of more than six months at a time. It is further provided that the total extension of time granted to the lessee under this clause shall not exceed 2 (two) years.

10. SUBMISSION OF CONSTRUCTION PLANS & SPECIFICATIONS

The Lessee shall submit to the Lessor or any officer authorized by it in writing, from time to time, the plans and specifications for the construction and the same shall be in accordance with the prevailing law and as may be approved by the competent authority.

11. CONSTRUCTION ONLY AFTER OBTAINING PERMISSIONS

The Lessee shall not undertake any construction activity without obtaining permission of the Lessor and necessary approval of maps etc. by the competent authority.

12. LAND UTILIZATION FOR SPECIFIED BUSINESS/ACTIVITY

The Lessee shall use the said Land and works erected or constructed thereon only for the purpose of the business/activity stated herein above and shall not use the same or any other part thereof or permit it or any other part thereof to be used for any other purpose without the prior permission in writing from the Lessor. In such cases without prejudice to the rights of the Lessor to conclude the Deed and re-enter into the Leased Land, the Lessor will be entitled to revise the annual Lease Rent amount as it may deem fit as per the prevailing conditions. The Lessee shall make the payment of difference of amount of Lease Rent so payable. However, Lease shall be terminated forthwith if the Land is utilized for any purpose, other than the purpose for which it is allotted, without prior permission in writing of the Lessor.

13. BOUNDARY OF LAND

The Lessee shall, at its own expenses, forthwith erect and at all times maintain, repair and keep in good condition, all boundary marks and pillars along with the boundaries of the said Land according to the demarcation shown in the plan hereto annexed.

14. MAINTENANCE OF LAND

The Lessee shall keep the said Land and buildings erected thereon secure and in good condition through maintenance and upkeep at its own cost. The Lessee shall also develop its own parking arrangements on the Land allotted.

15. ENVIRONMENT PROTECTION

The Lessee shall be bound for environment protection measures as per the prevailing laws within the allotted Land area and shall not do anything adversely affecting the environment.

16. SURRENDER OF LAND

Subject to the provisions of clause 9 above, if the Lessee fails to obtain such approvals permissions within the period mentioned in Clause No. 10 above, including the extended period, if any, the Lessee shall be bound to surrender the Land. In case building/other assets have been constructed on the said Land the Lessee shall have the right to remove the assets at its own cost. The Lessor shall have the right of re-entry over the surrendered Land/premises.

17. MECHANISM FOR SURRENDER OF LAND

Lessee may surrender the Leased area in part or whole, by giving to the Lessor three calendar months notice in writing of its intention to do so. The Lessor shall have the right of re-entry over the surrendered Land/premises. On such re-entry, the Lessor may refund to the Lessee part of the Lease Premium paid by the Lessee at the time the Land was allotted/Leased out to the Lessee in the following manner :-

- a. 90%, if surrender of allotted/Leased Land occurs within two years from the date of taking over its possession.
- b. 80%, if surrender of allotted/Leased out Land occurs after two years but within three years.
- c. 70%, if surrender of allotted/Leased out Land occurs after three years but within four years.

- d. 50%, if surrender of allotted/Leased out Land occurs after four years but within six years.
- e. There will be no refund if surrender of allotted/Leased out Land occurs after six years.

Explanation: For the purpose of this clause, the period of possession of Land with the Lessee will be reckoned from the date of the Lessee taking possession to the date of handing over possession to the Lessor. Where possession of Land has not been taken, period between date of execution of Deed and date of surrender of Land shall be considered for calculation of refund of Lease Premium.

18. TIMELY IMPLEMENTATION

The Lessee hereby agrees that it shall implement the project for the said business and start the operation within ----- months failing which, the Lessor shall have the right to terminate the Deed after affording reasonable opportunity of hearing to the Lessee.

The Lessee hereby agrees that it shall complete the required construction and installation of the requisite equipments etc. and commence operations latest by the end of the ___ months from the date of execution of the Deed failing which the Lessor shall have the right to conclude the Lease and exercise the right to re-enter upon the Lease Property.

Provided that if the Lessee fails to commence operation within the said period, it may apply to the Lessor in writing for extension of time stating the reasons for the default. In case the Lessor is satisfied that the delay has occasioned for reasons beyond the control of the Lessee, the Lessor may grant such extension of time as deem fit and just considering the circumstances, as aforesaid. However, such extension of time shall not be for a period exceeding six months at a time. It is further provided that the total extension of time granted to the lessee under this clause shall not exceed 2 (two) years. Provided further that before concluding the Lease under this clause, the lessor shall issue a show cause notice to the lessee giving 30days clear time to the lessee from the date of service of the notice to submit its reply. On receiving the reply (if any) within aforesaid period, the lessor shall take final decision on the matter of cancellation of lease which shall be binding on the lessee. The decision of the lessor in this regard shall be in writing and shall be communicated to the lessee.

19. BUSINESS/ACTIVITY ON A CONTINUOUS BASIS

During the period of Lease, the Lessee shall continuously run the business/activities for which the Land is allotted. For any closure of the business/activities for a continuous period exceeding one year, Deed shall be liable to be terminated. In the case of BIFR or unit being declared sick or court cases, Lessor will take decision as per the directions issued to it by the Government of Madhya Pradesh and may keep the proceedings towards cancellation of Deed in abeyance.

20. MECHANISM ON TERMINATION OF LEASE

On termination of the Deed, the Lessee shall be given an opportunity to transfer or otherwise dispose of the building, plant and machinery and any other constructions on the said Land within the period of 90 days in accordance with the direction of Lessor on terms & conditions imposed by it. After the said 90 days period, the Lessor shall have full right on all the property left over in the said premises without payment of any compensation and will be free to dispose it off accordingly. If, however, the Lessee fails to remove or dispose of the all property including building, plant, machinery etc. from the leased Land, the Lessor shall have the right to take over the same and deal with such property, building, plant, machinery etc. in such manner as it may desire. The Lessor shall also have the right to transfer such property, building, plant, machinery etc. to any third party that the Lessor may install on the Lease Land upon termination of the

Lease of the Lessee and such successor-in-interest shall then have rights over such property, building, plant, machinery etc. and on such terms and conditions as may be determined by the Lessor. The Lessee shall be entitled to compensation/relief for such property, building, plant, machinery etc. at such rates as may be determined by a Government valuer appointed by the Lessor, in the event of taking over of such property, building, plant, machinery etc. by the Lessor.

The provisions this clause shall, however, operate without prejudice to the rights of the Lessor to claim damages from the Lessee for termination of Lease for a default committed by the Lessee or to claim recovery of any outstanding amount. In case the Lessor is entitled to any damages, or any amount is outstanding against the Lessee, the Lessor shall have the right to adjust the same from the amount payable to the Lessee under this clause.

21. CONSEQUENCES ON BREACH OF ANY CLAUSE

Consequent upon the infringement / breach of any of clauses of the Deed by the Lessee the Lessor will serve a notice upon the Lessee for rectification of breach/breaches within 90 days from the date of receipt of notice and in case of non-compliance of this notice, the Deed may be deemed to be terminated.

22. TERMINATION OF DEED

Deed shall be liable to be terminated in case the advance Lease Rent and other charges for the duration of 1 year remain overdue for payment by the Lessee. If Lessee makes payment of the entire amount due along with simple interest in a single instalment, Lessor may revoke such termination.

23. RIGHT OF RE-ENTRY

On the expiry of the Lease period or termination of the Deed due to breach of the conditions of the Deed, the Lessor shall have the right of re-entry over the Land/ premises. Unless otherwise specifically provided in the Deed, no refund of payments made or Lease Rent shall be admissible due to the termination of the Lease under such conditions on account of default committed by the Lessee.

24. UNUTILIZED LAND

The Lessee further agrees that if it is unable to utilize the entire Land Leased out to it within the period, as mentioned herein above, the Lessor shall have the right to take possession over of the unutilized Land without any payment or compensation and re-allot the same after giving due opportunity to the Lessee for representing its case. If the Lessor is satisfied with representation of Lessee, for the delay, an opportunity will be given to Lessee to complete the project within further fixed period, failing which the Lessor shall exercise its right to re-enter the unutilized Land without any payment or compensation and may re-allot the said Land to others.

It is further agreed that if the Lessee fails to utilise the entire Land leased out to it within the period prescribed in this Deed, the remaining portion of the Land i.e. the unutilised portion shall be deemed to have been surrendered by the Lessee to the Lessor, after a Show Cause Notice of not less than 30 days has been given to the Lessee and the Lessee has failed to satisfy the Lessor that such default in full utilisation of the Land has been bona fide and for reasons beyond its control. If however the Lessor is satisfied that the Lessee has not been able to use the entire Land for reasons beyond its control, the Lessor may grant such further time for this purpose as it may deem fit and the operation of the deemed surrender shall stand deferred until the expiry of such extended period of time.

The claims of the Lessee regarding the portion deemed to have been surrendered under this clause shall be settled as per the provisions of Clause 17 of this Deed. The provisions of Clause 17 regarding refund shall apply proportionately and mutatis mutandis to this clause.

25. FORCE MAJEURE

If either the Lessor or the Lessee's performance of any of its obligations is prevented, restricted or interfered with as a result of any Force Majeure then such affected party shall give written notice, including a description in detail of the cause of the Force Majeure, to the other party of such Force Majeure event as soon as reasonably practicable, but not later than thirty (30) days after the date on which the affected party knew or should have reasonably known the commencement of the Force Majeure event. As long as the affected party continues to be affected by the Force Majeure event, such affected party shall provide the other party with a written report on a fortnightly basis. The affected party shall be excused from such performance and any applicable deadline or time period specified in the Deed shall be extended accordingly to the extent of such prevention, restriction or interference: provided, however, that such party gives written notices to the other party of such Force Majeure as described above and makes reasonable efforts to avoid or remove such cause of non-performance and, subject to the terms hereof, resumes and continues performance whenever such causes are removed.

26. LIABILITY TO PAY COMPENSATION

While using the said Land if the Lessee causes any harm or injury to any person he shall be liable to pay compensation or damages in the same manner as principal is generally liable to pay.

27. NO CHANGE IN OWNERSHIP

- i. Lessee shall not change the constitution of ownership within three years from the date of execution of the Lease Deed.
- ii. After three years from the date of execution of Lease Deed, on the basis of change in the constitution of ownership of the unit, the Lessee may with the prior permission from the Lessor in writing and by paying the required fees or charges ascertained by MPSEDC, get the Lease Deed amended as per applicable laws and cost of such changes shall be paid by the lessee. Provided that the land use after the change in constitution of ownership shall remain within the scope of the policy/scheme in force.
- iii. This clause shall apply to all unless, the lessee is a company duly registered and listed in a recognized stock exchange in India.

In case of declared sick units/court cases/insolvency proceedings or any other legal action due to which title of the unit get affected or otherwise the Lessor will take action/decision as per the said rules/directions/applicable laws.

28. DEPOSIT OF A COPY OF DEED

The Lessee shall, after registration and execution, deposit a copy of this Deed duly Certified by the registering authority with the Lessor in this behalf within 30 days.

29. FINANCIAL ASSISTANCE FROM BANK/ FIs

Subject to the conditions prescribed in this Deed, the Lessee shall have all rights as provided in section 108(B)(j) of the Transfer of Property Act, 1882 in respect of the said Land only for the limited purpose of securing any loan from any Bank/ Financial Institution. The Lessee shall be

bound to take prior written consent of the Lessor before exercising its rights under this clause.

Provided that in the event the Bank/Financial institution auctions the said Lease rights of the Land for recovery of dues, the auction purchaser shall step into the shoes of the present Lessee and shall be bound by the terms and conditions of this Deed as if it were the original Lessee. Such auction purchaser shall enjoy the lease rights only for the remaining period of the Lease and such auction purchaser shall not re-transfer the said Land. The provisions of this clause, so far as they create obligations on the auction purchaser, shall be specifically mentioned in the loan agreement between the lessee and the bank/financial institution, and in the sale deed executed in favor of such auction purchaser, and also specifically notified in the auction proceedings.

Provided also that the balance of consideration received by the bank/financial institution from the auction, after satisfaction of the dues of the bank/financial institution, shall be paid to the lessor and the lessee shall have no right to claim the same.

Provided further that, in all circumstances the charge of the Lessor on the said Land shall be over and above all other charges that may be created on the said Land subsequent to the execution of this Deed.

30. NOTICES

Upon notice of 7 (seven) days by the Lessor, the Lessee shall not restrict the entry of the Lessor or a person authorized by it in the Leased premises and shall provide all information sought in writing by the Lessor or the authorized person.

31. COMPLYING WITH GOVERNING LAWS

The Lessee shall comply with all the provisions of Acts, Rules and Regulations of State Government/Central Government /Local Bodies/any other competent authority, in force from time to time for the operation of business.

32. DISPUTE RESOLUTION AND APPEAL

Any and all disputes or differences between the Lessor and the Lessee arising out of or in connection with this Deed or its performance or construction and meaning of the various clauses shall, in so far as possible, be firstly resolved amicably through mutual discussion between senior representatives, nominated in writing by the Lessor and Lessee, respectively. If within thirty (30) days of conciliation, the parties failed to reach to an amicable settlement, either of the party may file an appeal to the Principal Secretary/Secretary, Department of Science & Technology, Government of Madhya Pradesh within sixty (60) days from the first notice given by the affected party. The decision given by the appellate authority shall be final and binding upon the parties. Courts at Bhopal shall have exclusive jurisdiction over all the disputes arising out of or in connection with the instant Deed.

Special Conditions: (To be inserted on case to case basis as per provisions of IT Policy 2016 & IT/ITes/ESDM Investment Promotion Scheme 2016)

33. RENEWAL OF DEED

This Deed may be renewed for the period of years on the expiry of the Lease period as per the prevailing conditions and that every renewed Deed shall contain such of the conditions herein contained as shall be applicable and such other additions & alterations in the conditions as may be deemed necessary by the Lessor.

34. SUB-LETTING & ASSIGNMENT

“Subject to the provisions of this clause the lessee may sub-lease the land or any building, or part thereof, constructed on the demised premises as per the permissible FAR under its sub-lease provided% of such building or part thereof can be used for IT/ITeS/ESDM activities and% for non IT/ITeS/ESDM activities as per the terms of allotment to the lessor. Also provided that:

- i) The Lessee shall not Sub Lease any such part without prior permission in writing from the Lessor in this regard; and
- ii) The execution of such Sub Lease shall not absolve the Lessee of its obligation to ensure employment of the minimum number of employees provided in this lease deed on its own. The employees hired by the Sub Lessee(s) shall not be counted to the credit of the Lessee for this purpose. That is to say, notwithstanding the number of employees engaged by the sub-lessee, the lessee shall continue to be liable to ensure employment to minimum number of employees of the nature provided in this lease deed in proportion to the total plot area of the original lease between the present Lessor and the present Lessee. The Lessee will complete construction of the area proposed to be used for IT purposes before subleasing the permissible area; and also
- iii) The Lessee shall have the right to collect Sub Lease rent from the Sub Lease (s).
- iv) The Sub Leasing mentioned above cannot be conflicting or contradictory to the provision of the lease deed."
- v) The terms and conditions of main lease deed shall apply and be binding on sub lessee.
- vi) The period of sub lease shall never exceed the last date fixed for the expiry of the present lease. All subsisting sub leases shall be co-terminus with the present lease and would automatically come to an end upon expiry of the term of the present lease or upon premature termination of the present lease as per terms of this lease deed, without any further notice to the sub-lessee.
- vii) The sub lessee shall be bound to obtain necessary consents, permissions, approvals as may be required under any law and for in main lease as applicable from time to time from appropriate authorities.
- viii) In case of any breach or default committed by sub lessee, the lessee shall be responsible and liable and in such circumstances the lessor shall exercise all such rights and powers as available to him under main lease deed and under the said Rules as amended from time to time against the main lessee as well as sub lessee.
- ix) The sub lessee shall not further sub lease/assign or otherwise transfer or shall create any third party interest whatsoever in the demised land/building or part thereof.
- x) The lessee shall provide to the lessor a copy of sub-lease deed, contract or any agreement entered into with the Sub-lessee in respect of the demised land and building constructed thereon.
- xi) In case of default of payment of lease rent or any dues either by lessee or by Sub-lessee the lessor shall have right to demand and recover the same either from lessee or Sub-lessee and vice versa or from both lessee and sub lessee as provide in the main lease deed.

35. OBLIGATIONS OF THE LESSEE

The Lessee shall also comply following obligations set out hereunder:-

- (i) Lessee shall invest Rs. Crores or more in the first phase of the project to seat Engineers/IT/ITeS/ESDM professionals within years and further to invest another Rs. Crores or more in the Second and third phases of the project for an additional Engineers/IT/ITeS/ESDM professionals within the next years.
- (ii) Lessee shall create at least the minimum no. of jobs as per the requirement of IT, ITeS& ESDM Investment Promotion Scheme, 2016.
- (iii) Lessee will pay the water charges, electricity charges, ground Rent and other levies as demanded by the concerned authorities from time to time.
- (iv) Lessee shall make its own sewerage treatment arrangement inside its premises and discharge only the non- toxic effluent to the common drainage system to be provided by the appropriate local authority. The toxic effluent, if any, will be treated by Lessee at the source before discharging into sewerage system.

36. MILESTONES

The Lessee shall achieve the Milestones within the period as set forth in the Schedule-B of this Deed and violation thereof shall be deemed breach of the conditions of this Deed.

SCHEDULE (A):

Name of village:

Name of Tehsil:

Name of district:

Survey /Plot Nos:

Size of plot:

Total Area: acre/hec/sq.ft./sq.mtr.

SURROUNDED BY:

Above details shown in the Plan herewith annexed

SCHEDULE - B annexed

In witness whereof the parties hereto have signed this Deed on the date and year respectively mentioned against their signature.

Signature of Managing Director,
Madhya Pradesh State Electronics Development Corporation Limited
On behalf of the Governor of Madhya Pradesh

Date

LIST OF ABBREVIATIONS

BPO/BPM	Business Process Outsourcing/Business Process Management
CGM	Chief General Manager
CMM	Capability Maturity Model
CMMi	Capability Maturity Model Integration
CST	Central Sales Tax
DCGM	Deputy Chief General Manager
DISCOM	Distribution Company
EMC	Electronics Manufacturing Cluster
ESDM	Electronics System Design and Manufacturing
GM	General Manager
GST	Goods and Services tax
IT	Information Technology
ITIA	Information Technology Investment Area
LoA	Letter of Allotment
MD	Managing Director
MPSEDC	M.P. State Electronics Development Corporation
PCMM	Peoples Capability Maturity Model
S&T	Science & Technology
SGM	Senior General Manager
SGST	State Goods and Services tax
T&CP	Town & Country Planning
VAT	Value Added Tax

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