

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

IT, E&C Dept - Promotion Wing – Allotment of land to M/s. Raiden Infotech India Pvt Ltd in Visakhapatnam and Anakapalli districts and approval of tailor-made incentives for setting up Data Centers with proposed investment of INR 87,520 Crores and the potential to generate significant indirect employment across allied sectors – Orders –Issued.

INFORMATION TECHNOLOGY, ELECTRONICS AND COMMUNICATION
[IT, E & C] (PROMOTIONS) DEPARTMENT

G.O.MS.No.40

Date:11.10.2025
Read the following

1. G.O.Ms.No.6 IT, E & C (Promotion) Department, Date: 14.11.2024.
2. The proposal of M/s. Raiden Infotech India Pvt Ltd dated 22.08.2025
3. F.No. APIIC-25/58/2025-PROJSEC-APIIC dated 25.08.2025
4. Minutes of State Investment Promotion Committee Meeting, Date: 07.10.2025
5. Minutes of State Investment Promotion Board Meeting, Date: 08.10.2025
6. G.A. (CABINET) Department, U.O.No. 477/2025, Date: 10.10.2025

ORDER:

In the reference 1, the Government have issued the Andhra Pradesh Data Center Policy (4.0) 2024-29, that aims to add significant data center capacity in Andhra Pradesh during the policy period, with a focus on attracting investments in advanced data centers equipped with artificial intelligence (AI) capabilities, and establishing the state as a preferred destination for large-scale data embassies and data center parks.

2. Investments in data centers are expected to generate substantial economic benefits for the host region, both through direct contributions to GDP and employment, and indirect ripple effects across the local economy. These facilities typically lead to increased tax revenues, which can support public services such as education and help reduce the overall tax burden. Data centers also drive technological advancement by housing cutting-edge infrastructure and stimulating demand in sectors like construction, manufacturing, and IT services. Their operational needs such as land, specialized equipment, energy, and skilled labor, create long-term economic activity. Overall, such investments position the regions for sustained growth and readiness for future opportunities, especially in AI and digital innovation. Data center investments in Andhra Pradesh will not only create thousands of direct and indirect jobs but also drive innovation, attract global players, and position Andhra Pradesh as a digital powerhouse in the national and international landscape.

3. In the reference 2, M/s. Raiden Infotech India Pvt Ltd has submitted a proposal to set up more than 1000 MW Data Centers in a phased manner, with a cumulative investment of INR 87,520 Crores in Visakhapatnam and Anakapalli districts.

4. In the reference 3, APIIC has identified 120 acres of land in Adavivaram and

Mudasarlova Villages of Visakhapatnam Rural Mandal and 200 acres of land in Tarluvada Village of Anandapuram Mandal in Visakhapatnam District and 160 acres of land in Rambilli Village, Rambilli Mandal, Anakapalli District for establishing data centers. The Andhra Pradesh Economic Development Board (APEDB) after evaluating, recommended the proposal to the Consultative Committee on Information Technology and Electronics investments (CCITEI) and its meeting was held on 14.09.2025. The CCITEI forwarded the proposal to the SIPC (State Investment Promotion Committee) meeting held on 07.10.2025 and SIPC approved the same to be placed before SIPB.

5. Accordingly, the proposal was placed before the SIPB (State Investment Promotion Board) meeting which was held on 08.10.2025. The SIPB based on the recommendations from SIPC decided as follows:

Non-Fiscal Incentives:

1. *Affiliates & Partners: For creating the data center and allied ecosystem, the Government will facilitate the incentives to be available to the notified partners of M/s. Raiden Infotech India Pvt Ltd, subject to taking prior approval from the Government, and duly limited to the core business of data center operations. Also, the notified partners should invest to avail the incentives.*
2. *Cloud Partnership and Procurement: The Government will consider Google Cloud Services in the Government data services, as long as the procurement rules of the State are followed.*

Fiscal Incentives:

1. *Land Allotment: Allotment of land with a 25% discount on the value to the investor, 160 Acres at Rambilli; 120 Acres at Adavivaram & Mudasarlova; 200 Acres at Tarluvada. The land shall be made available to the notified partners of M/s. Raiden Infotech India Pvt Ltd, after intimation of the same by Raiden Infotech Pvt. Ltd, in writing and approval by the competent authority. In addition to this, allotment up to 15 acres is made available to the investor for a landing cable station after confirmation from the project proponent. The land allotment is made available to the investor, subject to survey and handover of possession of the land to APIIC.*
2. *Stamp Duty Exemption: 100% stamp duty and registration charges are exempted.*
3. *Capital Subsidy: 10% capital subsidy on plant and machinery for a period of 10 years. The incentive component is limited to INR 2,129 Cr.*
4. *OPGW Fiber Access: OPGW fiber access with a discount of 30% on the cost for a period of 20 years. O&M charges will be escalated at 5% for every 3 years. The total incentive component is limited to INR 282 Cr.*
5. *SGST Reimbursement: SGST reimbursement incentives are as follows:*
 - a. *SGST Reimbursement on Construction: 100% reimbursement on the Net SGST accrued to the State. The total incentive component is limited to INR 2,245 Cr. This incentive may be made available for a period of 10 years or until the project reaches its maximum capacity whichever is earlier.*
 - b. *SGST Reimbursement on Leasing Cost for a period of 10 years: 100%*

reimbursement on the Net SGST accrued to the State. The total incentive component is limited to INR 1,745 Cr.

6. *Water Tariff Subsidy: The water tariff shall be subsidised by 25% for a period of 10 years. The total incentive component is limited to INR 12 Cr. The government shall facilitate the guaranteed water provision to the proposed sites for a period of 20 years.*

7. *RoW Fee Waiver: RoW cost related to the state government entities shall be waived for 20 years. The total incentive component is limited to INR 175 Cr.*

8. *Electrical Infrastructure Development and Upgradation: 100% reimbursement of the cost incurred by the project proponent. The total incentive component is limited to INR 500 Cr.*

9. *Power Tariff Subsidy: The power shall be provided with a discount of INR 1 per unit for a period of 15 years. The total incentive component is limited to INR 4,800 Cr. The incentive shall be made available for the first 10 years of the operations. Upon achieving the milestones of the proposed investment and proposed capacity, it shall be extended for subsequent 5 years.*

10. *Electricity Duty Exemption: 100% electricity duty shall be exempted for a period of 15 years. The total incentive component is limited to INR 1,200 Cr. The incentive shall be made available for the first 10 years of the operations. Upon achieving the milestones of the proposed investment and proposed capacity, it shall be extended for subsequent 5 years.*

11. *Transmission Charges Exemption: 100% transmission charges imposed by GoAP (Energy Dept.) for a period of 20 years shall be exempted. The total incentive component is limited to INR 4,000 Cr.*

12. *Renewable Energy and Carbon Free Energy Access (Cross Subsidy Charges Exemption): 100% cross-subsidy charges for a period of 20 years shall be exempted. The incentive is limited to Cross Subsidy Charges, and not banking charges. The total incentive component is limited to INR 4,500 Cr.*

13. *All the incentives related to Energy Dept. like Power Tariff Subsidy, Electricity Duty Exemption, Transmission Charges Exemption, and Renewable Energy and Carbon Free Energy Access (Cross Subsidy Charges Exemption), shall be extended on a discounted model. The ITE&C Dept shall work out the modalities for this arrangement with Energy Dept.*

14. *SIPB has decided to extend the above-listed incentives with an overall cap of INR 22,002 Cr.*

The above SIPB recommendations were placed before the council of ministers in its meeting dated 10.10.2025 and the same was approved.

6. The Government after careful examination of the proposal and keeping in the view the recommendations of the SIPB and the Council of Ministers, hereby approves for allotment of 480 acres of land in Visakhapatnam and Anakapalli districts. This allotment is for establishing AI data centers of about 1000 MW capacity with proposed investment of INR 87,520 crores with the potential to generate significant indirect employment across allied sectors.

7. The MD, APTS and the VC and MD, APIIC shall take necessary action.

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

**BHASKAR KATAMNENI
SECRETARY TO GOVERNMENT**

To

M/s. Raiden Infotech India Pvt Ltd
The Special Chief Secretary to Government, Revenue (CT) Department
The Special Chief Secretary to Government, Water Resources Department
The Principal Secretary to Government, Finance Department
The Principal Secretary to Government, Energy, I&I Department
The Principal Secretary to Government, MA&UD Department
The Secretary to Govt., Industries and Commerce Dept.
The Secretary to Government, Revenue (Endowments) Department
The VC&MD, APIIC Ltd, Mangalagiri.
The Director, Industries department, Andhra Pradesh
The Collector and District Magistrate, Visakhapatnam District.
The Collector and District Magistrate, Anakapalli District.
The CEO, Andhra Pradesh Economic Development Board
The MD, APTS, Vijayawada
The Commissioner, GVMC, Visakhapatnam.
The Commissioner, VMRDA, Visakhapatnam.
The VC&MD, VUDA, Visakhapatnam.
The CMD, APEPDCL, Visakhapatnam.

Copy to:

The OSD to Hon'ble Minister for Information Technology, Andhra Pradesh
The DC, VSEZ, Visakhapatnam
The PS to Principal Secretary to Hon'ble Chief Minister
The Director, Airport Authority, Visakhapatnam
The LET & F (Employment) Department.
The Law (B) Department
The GM, DIC, Visakhapatnam
The GM, DIC, Anakapalli
The ZM, APIIC, Visakhapatnam
The ZM, APIIC, Special Projects Zone, Visakhapatnam.
The ZM, APIIC, Anakapalli
The P.S. to Secretary to Government, Industries and Commerce dept.
The P.S. to Secretary/Special Secretary to Government, IT, E&C Department
SC/SF

//FORWARDED::BY ORDER//

SECTION OFFICER