

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

IT, E & C Dept - Promotions Wing – Allotment of 854.97 acres of land to Reliance Industries Limited in Vizianagaram District for establishing a Giga-Scale AI Data Center (AIDC) with Cable Landing Station (CLS) and approval of tailor-made incentives for the proposed cumulative investment of INR 1,08,010 Crores – Orders – Issued.

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

G.O.MS.No.30

Dated: 20.05.2026

Read the following

1. G.O.Ms.No.6 IT, E & C (Promotion) Department, Date: 14.11.2024
2. The proposal of Reliance Industries Limited, dated 31.03.2026
3. File No. APIIC-25/35/2026-PROJSEC-APIIC , Date:16.04.2026
4. Minutes of Consultative Committee on Information Technology and Electronics Industry (CCITEI) Meeting held on 23.04.2026
5. Minutes of State Investment Promotion Committee Meeting held on 25.04.2026
6. Minutes of State Investment Promotion Board Meeting held on 06.05.2026

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. Projects with investment commitment of more than INR 5,000 Crores and 50MW Data Center capacity are treated as Mega Projects are eligible for tailor-made incentives.

2. In the reference 2, Reliance Industries Limited submitted a proposal to establish a Giga-Scale AI Data Center (AIDC) with Cable Landing Station in Vizianagaram District, Andhra Pradesh, with a proposed investment of INR 1,08,010 Crores.

3. In the reference 3, the APIIC has identified an extent of 853.97 acres as suitable for the proposed data center project in Polipalli Village, Bhogapuram West Village, and Bhogapuram East Village, all located in Vizianagaram District. The company has requested the allotment of land at a concessional rate.

4. The Andhra Pradesh Economic Development Board (APEDB) after evaluating the proposal, recommended the proposal to the Consultative Committee on Information Technology and Electronics Industry (CCITEI). The proposal was placed before the CCITEI in its 18th meeting held on 23.04.2026. The CCITEI forwarded the proposal to the SIPC (State Investment Promotion Committee). The SIPC, in its 25th meeting held on 25.04.2026, approved the same to be placed before SIPB.

5. Accordingly, the proposal was placed before the State Investment Promotion Board (SIPB) in its 17th meeting held on 06.05.2026, and the SIPB, based on the recommendations of the SIPC, decided as follows:

A. Non – Fiscal Incentives:

*1. **Grid Infrastructure At-Source Waiver:** APTRANSCO shall facilitate the development of the Electrical Infrastructure, subject to a thorough feasibility check, detailed system studies, and field assessment. The provision is extended for the load end (Data Centre site). The project proponent shall bear the cost of the infrastructure.*

*2. **Single Window Clearance:** shall be facilitated as per EoDB rules.*

*3. **Empowered Nodal officer:** The Steering Committee shall oversee the implementation of the project, which is in line with the other DC projects.*

*4. **Water Supply Guarantee & Joint ownership of Desalination Plant:** The government shall facilitate the guaranteed water provision to the proposed sites for a period of 20 years through the Water Resource department/ M&UD/ APIIC. The project proponent shall bear the cost. APIIC is directed to study in detail on the joint ownership of the desalination plant and to present a feasible proposal to the Government.*

B. Fiscal Incentives:

*1. **Land Allotment:** Allotment of land at a 25% discount on the value to the company. The details are as follows:*

a. *The total extent of land recommended for the data center project is 853.97 acres.*

b. *Revenue Dept is directed to alienate the said lands to APIIC for further allotment to the company. The Company should pay 75% of the land cost to APIIC as and when APIIC initiates the land acquisition process.*

c. *One acre of land is recommended for the landing cable station. APIIC and District Administration to identify a suitable land parcel for further allotment to the company.*

2. Stamp Duty & Registration Exemption: *100% stamp duty and registration charges are exempted.*

3. Capital Subsidy: *Capital Subsidy at 6% of investment in Machinery & Equipment, disbursed over 10 equal instalments with a cap of INR 4,500.00 Cr.*

4. SGST Reimbursement:

a. *SGST Reimbursement on Construction: 100% reimbursement extended on the Net SGST accrued to the State. The total incentive component is limited to INR 2,527.38 Cr. This incentive is 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 extended on the Net SGST accrued to the State. The total incentive component is limited to INR 1,800 Cr.*

5. Water Tariff Subsidy: *The water tariff shall be subsidised by 15% for a period of 10 years. The total incentive component is limited to INR 552.41 Cr.*

6. OPGW Fibre Access Discount: *OPGW fibre access shall be offered with a discount of 30% on the cost for a period of 20 years. O&M charges shall be escalated to 5% every 3 years. The total incentive component is limited to INR 1,220.71 Cr.*

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 200 Cr.*

8. Power Tariff Subsidy: *The power shall be provided with a discount of INR 1 per unit for a period of 15 years, with a cap of INR 3,114.18 Cr.*

*9. **Cross-Subsidy Surcharge Exemption for 20 Years:** Cross-subsidy surcharge shall not be levied for the Captive Solar Park as per the provisions of the Energy Dept.*

*10. **Transmission / Wheeling Charges Exemption:** 100% transmission charges imposed by GoAP (Energy Dept.) for a period of 20 years shall be exempted, with a cap of INR 5,000 Cr.*

*11. **Electricity duty Exemption:** 100% exemption on electricity duty for 15 years shall be extended with a cap of INR 186.85 Cr.*

6. The Government, after careful examination of the proposal and keeping in view of the recommendations of the SIPB, hereby accords approval for allotment of 854.97 acres of land in Vizianagaram district to Reliance Industries Limited, at a 25% discounted rate. APIIC and District Administration are directed to identify one acre of land suitable for Cable Landing Station (CLS) for further allotment to the company. Further, tailor made (Non- Fiscal and Fiscal) incentives are approved as mentioned in the paragraph 5 of this Order. The land allotment is intended for establishment of a Giga-Scale AI Data Center (AIDC) with Cable Landing Station (CLS), with proposed cumulative investment of INR 1,08,010 Crores.

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

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

BHASKAR KATAMNENI
SECRETARY TO GOVERNMENT

To

Reliance Industries Limited

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, Vizianagaram District.

The CEO, Andhra Pradesh Economic Development Board

The MD, APTS, Vijayawada

The Commissioner, VMC, Vizianagaram.

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, Vizianagaram

The ZM, APIIC, Vizianagaram

The ZM, APIIC, Special Projects Zone, Visakhapatnam.

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