

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

IT&C Dept., - Empanellment of Chartered Accountants for certifying the cases of **IT Companies/Internet Service Providers (ISPs)** for sanction of **Investment Subsidy – Orders – Issued.**

INFORMATION TECHNOLOGY AND COMMUNICATIONS DEPARTMENT

G.O.Ms.No.12

**Dated.11.07.2003.
Read the following:**

- 1. G.O.Ms.No.5, IT&C Department, dtd.29.01.2002.**
- 2. G.O.Ms.No.27, IT&C Department, dtd.27.06.2002.**
- 3. e.G.O.Ms.No.79, IT&C Department, dtd.14.05.2003.**

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ORDER:

For the promotion of the IT Industry in the State the ITES Policy & ICT Policy provide for certain incentives as per GOs first & second read above. Investment Subsidy is provided to the IT companies/ISPs up to 20% fixed capital investment subject to a ceiling of Rs.20 lakhs. The subsidy shall be 25% with a ceiling of Rs.50 lakhs in respect of entrepreneurs belonging to Scheduled Castes and Scheduled Tribes. The Consultative Committee on IT Industry (CCITI) felt the procedure for granting Investment Subsidy should be simplified and a convenient methodology be adopted by empanelling reputed Chartered Accountant Firms/Concerns who would verify the investments made by an IT Company/ISPs and would submit the report certifying investment made after physical verification. Their report is covered under the Chartered Accountants Act 1949 and guided by the rules of the Institute of Chartered Accountants of India.

2. Government in consultation with the Institute of Chartered Accountants, Hyderabad Branch has issued a notification in the newsletter of the Institute inviting applications from the Chartered Accountants for empanellment with IT&C Department similar to the practice adopted by the Nationalised Banks. In response to the advertisement numerous applications were received from the Chartered Accountant Firms/Concerns and shortlisting was done basing on the criteria given in the application.

3. Government, after careful consideration and examination of the applications received, hereby empanel the following Chartered Accountant Firms/Concerns with the IT&C Department for undertaking the work of certifying the investments of IT Companies/ISPs eligible for Investment Subsidy:

Sl. No.	Company Name	Location
1	Ayyadevara & Co.,	Hyderabad
2	Grandhy & Co.,	Hyderabad
3	Sekhar & Co.,	Hyderabad
4	C.Ramachandram & Co.,	Hyderabad
5	E.Saptharushi & Co.,	Hyderabad
6	Vasireddi & Co.,	Hyderabad
7	Narasimham V.V.V.L. & Co.,	Hyderabad
8	Karvy & Co.,	Hyderabad
9	L.Shyama Prasad & Co.,	Hyderabad
10	M.Anandam & Co.,	Hyderabad, Warangal & Nizambad
11	R.K.Poosarla Associates	Visakhapatnam
12	RAO & SHYAM	Visakhapatnam, Srikakulam & Rajahmundry

Contd. 2nd P...

13	Narayan & Associates	Vijayawada
14	K.V.Ramesh Babu	Vijayawada
15	B.Pandu Ranga Rao & Co.,	Guntur
16	S.Kishore Kumar	Cuddapah

4. The empanelled Chartered Accountants would verify and certify the Investment Subsidy made by the IT Companies/ISPs as per the following procedure:
- All IT Companies/ISPs for the grant of Investment Subsidy should submit application to the IT&C Department as per annexure IX of the ICT Policy at GO second read above.
 - After scrutiny of the application by the IT&C Department, if the applicant IT Company/ISP is found eligible as per the criteria laid, the same would be referred to the Empanelled CA Firm/Concern of the respective location serially and in rotation.
 - After the verification/audit of the investment made by the IT Company/ISPs, the empanelled CA Firm/Concern will submit the report, which will be placed before the CCITI for consideration.
 - Subject to approval of the said report by the CCITI, Investment Subsidy will be released to the IT Company/ISPs as stipulated under GO second read above.
5. The remuneration for each audit/verification report by the empanelled CA Firm/Concern would be borne by the Government. The remuneration to be paid is as below:
- For audit of IT Companies/ISPs with annual turnover upto Rs.10.00 Crores in the Small and Medium Enterprise (SME) segment the Government will pay the CA Firm/Concern Rs.6,000/- for each audited report.
 - For audit of IT Companies/ISPs with annual turnover above Rs.10 Crores per annum the Government will pay a remuneration of Rs.9,000/- for each audited report.
6. This order will be in force and coterminous with the ICT Policy announced in the GO second read above.
7. A copy of this order is available online at www.ap-it.com/govtorders.html

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

**Dr.J.C.MOHANTY
PRINCIPAL SECRETARY TO GOVERNMENT**

To
All Empanelled Chartered Accountant Firms/Concerns
The Principal Secretary to Government, Industries Department
The Commissioner of Industries Department
The Secretary to Government (R&E), Finance Department
The Accountant General, Andhra Pradesh, Hyderabad
The PAO, Andhra Pradesh, Hyderabad
The Director, Software Technology Parks of India, Hyderabad
The President, Hyderabad Software Exporters Association (HYSEA), Hyderabad
The President, Visakhapatnam Information Technology Association (VITA)- Visakhapatnam

Copy to:

The PS to Principal Secretary to Government, IT&C Department
The PS to SS to CM & Secretary to Government, IT&C Department
The PS to DC, Visakhapatnam Export Processing Zone (VEPZ) –Visakhapatnam

//FORWARDED BY ORDER//

SECTION OFFICER