



# South India Film Incentives Guide 2025

## Overview of South India as a Filming Hub

South India's film industries (Tollywood, Kollywood, Sandalwood, Mollywood) contribute over 50% of India's cinematic output, with incentives emphasising regional content, sustainability, and global collaborations. States offer rebates up to 30-50%, single-window clearances, and infrastructure support, making the region cost-competitive. National overlays like the 40% foreign film incentive (up to Rs. 30 crore) enhance appeal. Key trends for 2025: Eco-rebates, AVGC (Animation, VFX, Gaming, Comics) focus, and policy extensions for OTT/web series.

## State-Specific Incentives

### Telangana

Telangana positions itself as a global creative hub via the "Cinema 2047" vision and Film Tourism Promotion Policy 2025.

- **Subsidies:** Up to 30% on production costs (capped at Rs. 3 crore for features, Rs. 1 crore for web series/TV serials/documentaries). Minimum spend: Rs. 2 crore for features, Rs. 1 crore for series.
- **Additional Rebates:** Extra for eco-friendly shoots, international co-productions, and AVGC projects.
- **Permissions:** Single-window approvals via 'Film-in-Telangana' portal; state-supported locations and logistics.
- **Infrastructure:** Support for studios in Bharat Future City; welfare programs for workers (housing, training).
- **Eligibility:** Minimum shooting days; applications via Telangana Tourism Department.

### Tamil Nadu

Tamil Nadu's 2025 policy focuses on revenue-sharing, social themes, and AVGC-XR (Extended Reality) development.

- **Subsidies:** Up to 30% on expenses for features, web series, and documentaries (capped at Rs. 3 crore); 25% rebates for Tamil films with social themes. Minimum spend in B&C districts for extra incentives.
- **Revenue-Sharing Model:** Mandated for big-budget films; actors share profits instead of fixed salaries.
- **Other Support:** Reduced local service tax to 4%; 100 acres for housing; AVGC policy with talent creation pillars.
- **Permissions:** Streamlined via Tamil Nadu Tourism; focus on gender equality and global presence.
- **Eligibility:** Quality low-budget films prioritized; applications online.



## Karnataka

Karnataka's 2025-26 budget recognises cinema as an industry, offering rebates and infrastructure boosts.

- **Subsidies:** Up to Rs. 1 crore for Kannada/multilingual/co-produced films; Rs. 2.5 crore cap for features; 20% reimbursement for animation (max Rs. 50 lakh).
- **Ticket Cap:** Rs. 200 maximum for accessibility; 2% cess on tickets/TV for welfare.
- **Infrastructure:** Rs. 500 crore Film City in Mysuru; state OTT platform; subsidies for 100 films/year (Rs. 10 lakh each).
- **Permissions:** Single-window; focus on religious/cultural promotion.
- **Eligibility:** Qualified expenditures on personnel; applications via Department of E, IT & Bt.

## Kerala

Kerala's draft 2025 film policy designates production as an industry, emphasising financial frameworks and inclusivity.

- **Subsidies:** Up to 20% rebates for green projects; incentives for women/marginalized filmmakers; reduced entertainment taxes and electricity tariffs.
- **Special Schemes:** 'Women Cinema' and 'Cinema of Directors' for independent films; minimum one screening for indies.
- **Infrastructure:** Theatre incentives; focus on global presence and social responsibility.
- **Permissions:** Single-window clearances; access to incentives for Malayalam cinema.
- **Eligibility:** Minimum QPE; applications via Kerala Film Chamber.

## Andhra Pradesh

Andhra Pradesh's 2025 Film Tourism Policy streamlines pricing and attracts global investments.

- **Subsidies:** Reimbursement of stamp duty; SGST waivers for 15 years; incentives for local shoots to boost tourism.
- **Ticket Pricing:** Unified framework; incentives for Telugu cinema.
- **Infrastructure:** Rewards for studios/dubbing theaters; policy support under AP Tourism 2024-29.
- **Permissions:** Simplified processes; single GO for pricing.
- **Eligibility:** Minimum investment; applications via AP Cinematography Minister.



## Application Process and Tips

- **General:** Use FFO portal for national integration; state portals for local rebates. Minimum QPE: Rs. 1-2 crore.
- **Documents:** Script, budget, shooting schedule; proof of spend.
- **Timelines:** 15-30 days for approvals; post-shoot audits for rebates.

## Comparison Table

State	Max Rebate	Cap (Rs. Crore)	Focus Areas	Min Spend (Rs. Crore)
Telangana	30%	3 (features)	AVGC, Eco	2
Tamil Nadu	30%	3	Social Themes, AVGC-XR	Varies
Karnataka	20-50%	2.5	Regional, Animation	1
Kerala	20%	Varies	Green, Inclusivity	1
Andhra Pradesh	Varies (waivers)	N/A	Tourism, Infrastructure	Investment-based

# South India Film Production Checklist 2025

## Pre-Production Phase

- **Script & Budget:** Lock script; outline costs (cast, crew, equipment, locations). Include 10-20% contingency. Factor South incentives (e.g., Telangana 30% rebate).
- **Business Setup:** Form production company; open bank account; purchase insurance.
- **Casting & Crew:** Use local guilds (e.g., Chennai for VFX); casting sheet; talent releases.
- **Locations:** Scout via state tourism (e.g., Kerala backwaters); location releases; apply for permissions (FFO/single-window).
- **Equipment:** Rent from hubs (Hyderabad Ramoji); shot list; advanced planning for drones in restricted areas.
- **Incentives Check:** Verify eligibility (e.g., min spend in Andhra); submit applications early.



## Production Phase

- **On-Site Logistics:** Assign liaison officers; monitor weather (monsoons in Kerala); crew safety protocols.
- **Shooting Schedule:** Adhere to script; daily call sheets; music/location releases.
- **Compliance:** Follow eco-policies for rebates; indemnify damages; title setup for distribution.
- **Daily Wrap:** Review footage; secure data backups.

## Post-Production Phase

- **Editing & VFX:** Use Bengaluru hubs; post checklist for effects, sound.
- **Incentive Claims:** Submit audits/proof of spend; claim rebates (e.g., Karnataka animation 20%).
- **Delivery:** Finalize for OTT/theaters; marketing plan aligned with state promotions.

## Regional Tips Table

Phase	Telangana	Tamil Nadu Tip	Karnataka Tip	Kerala Tip	Andhra Pradesh
Pre-Prod	Apply via portal	Revenue-share model	Industry status funding	Women schemes	Tourism-linked shoots
Prod	Ramoji studios	Beach/temple experts	Urban tech integration	Eco-compliance	Coastal logistics
Post-Prod	AVGC rebates	VFX talent	Rs. 200 ticket cap	Indie screenings	SGST waivers