

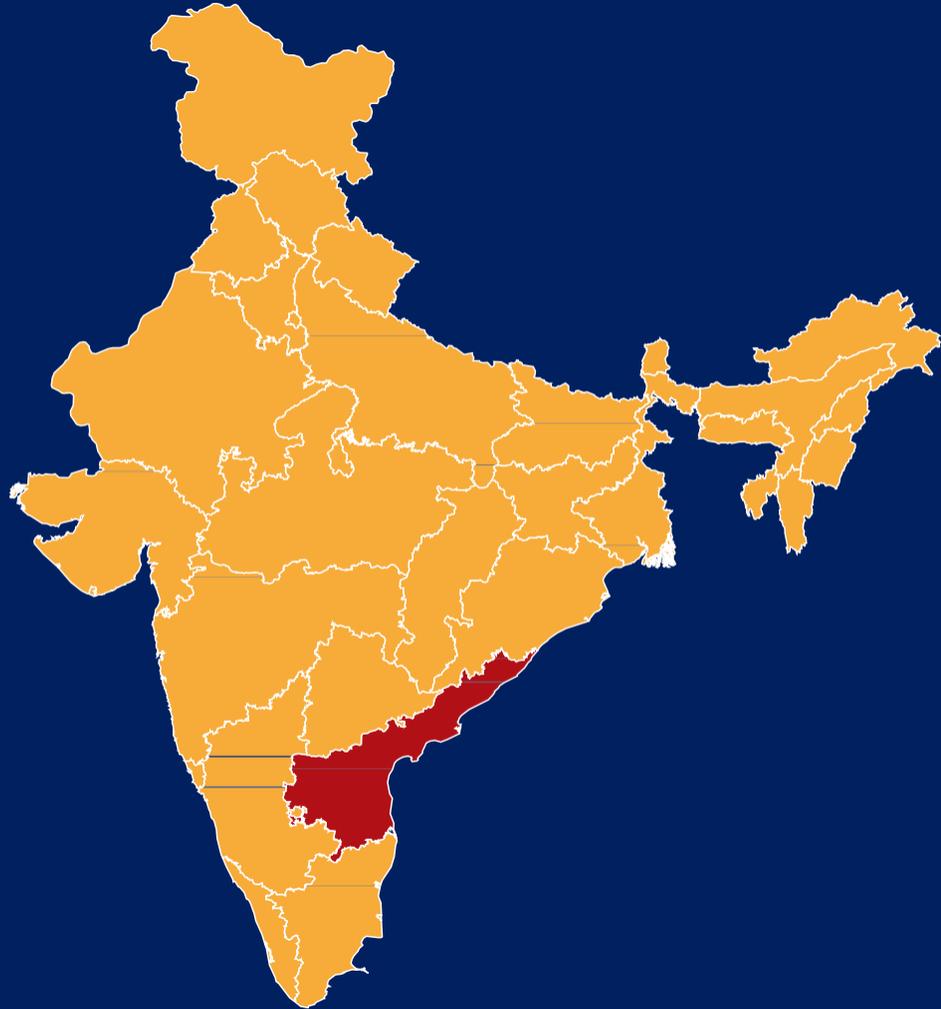


ANDHRA PRADESH

India's Sunrise State



Andhra Pradesh (A.P.) - Overview



8th

Largest State in India



4%

of India's total population



123

Billion USD GDP in 2017-18



13%

of India's total coastline (974 km)



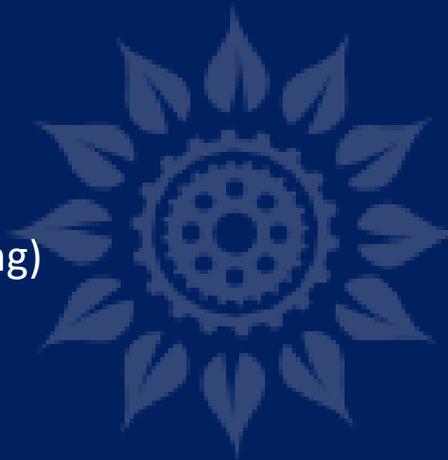
14

Ports by 2020 (6 existing)



12

Airports by 2020 (6 existing)



Andhra Pradesh (A.P.) - Overview

Committed

A.P. has been ranked no.1 in Ease of Doing Business in India, 2017-18 by the World Bank and the Department of Industrial Policy & Promotion (DIPP).



Strategic location

Located on the Southeast coast of India, A.P. is a natural gateway to the East & Southeast Asia.

Tirupati, one of the main Industrial Corridors of A.P., is closely located to major cities of India such as Chennai, Bengaluru.



Facts and figures (2017-2018)



Investment attracted
 Approx. INR 260 billion (USD 3.7 billion)



Employment generated
 Approx. 65,000 employees



Land allocated
 Approx. 750 acres of land allocated to start production



Record timelines—Case: KIA Motors
 MoU signed: April 2017
 Commencement of production: March 2019

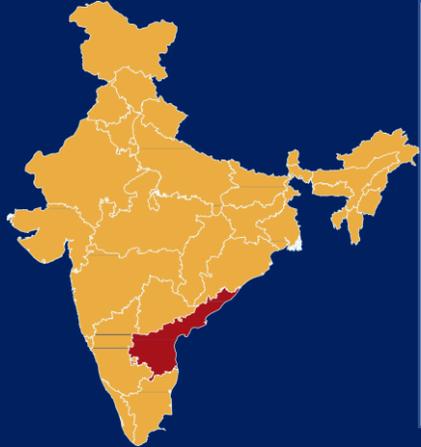


Leading sectors
 Mobile electronics, consumer electronics, automotive

Leading industry players present in A.P.

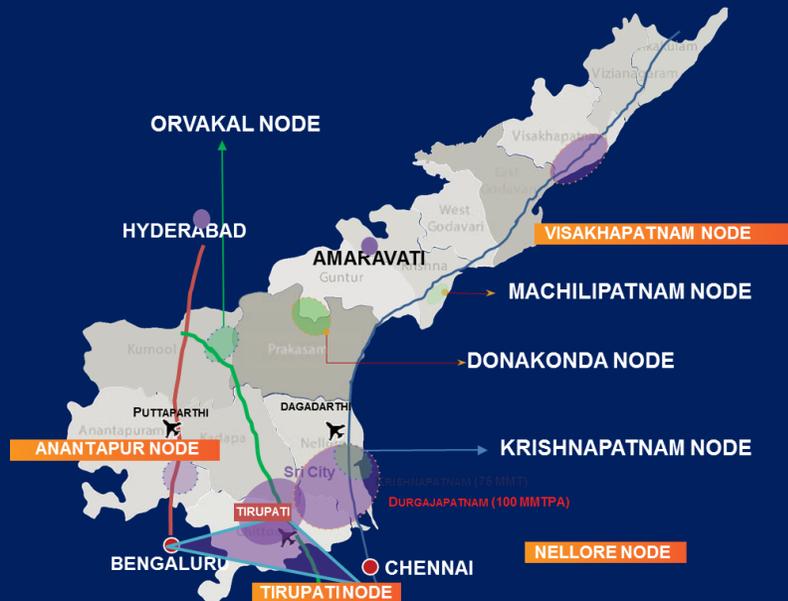


Manufacturing clusters in A.P.



Key facts about Andhra Pradesh (A.P)

- A.P is the 8th largest state in India
- A.P. covers 13% of India's coastline (974 kms)
- A.P. currently has 6 sea ports and 6 air ports. The state is in close proximity to major cities in India such as Chennai, Bengaluru, and Hyderabad.
- Presently, mobile phones and electronics components command a 90% share in invested capital in electronics manufacturing in A.P.
- 26% of all mobile phones made in India are currently manufactured in A.P.



Tirupati Node

- Consumer Electronics
- Mobile and Medical Electronics

Anantapur Node

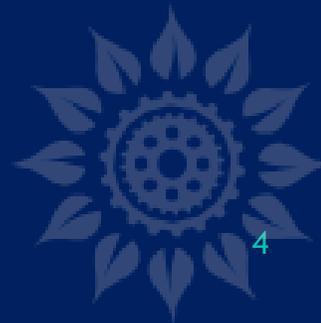
- PCB Cluster
- Defense & Aerospace Electronics
- Automotive Electronics

Vishakapatnam Node

- Medical Electronics

Nellore Node

- Automotive Electronics
- Components Mobile



Success stories of A.P.

KIA Motors, Anantapur facility



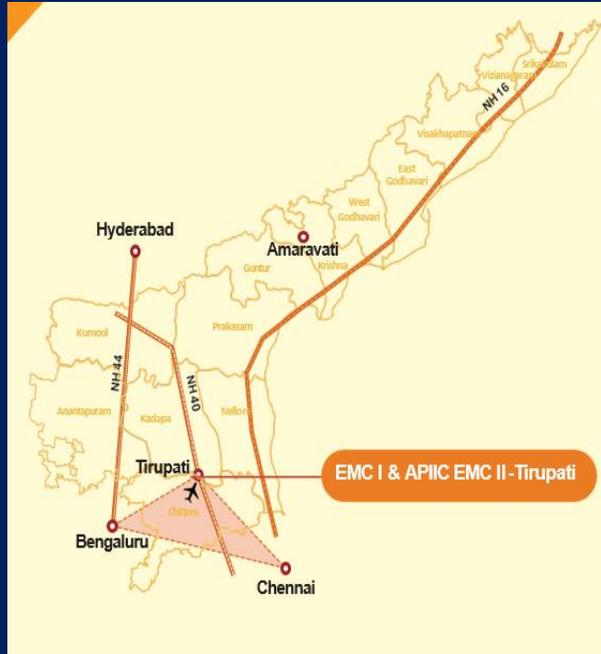
Alstom, Sri City facility



Success stories of A.P.



Manufacturing clusters in A.P.



Tirupati

- Availability of Land (in sq. meters)
809,200 in EMC
- Nearest sea ports
1 hour to Krishnapatnam port
90 mins to Chennai port
- Nearest airports
5 mins from Tirupati airport
90 mins from Chennai airport



Sri City

- Availability of Land (in sq. meters) 380,418
- Nearest sea ports
2 hours to Krishnapatnam port / Chennai port
- Nearest airports
2 hours to Tirupati airport / Chennai airport

Why A.P.

- Readily available infrastructure and world class common facilities that are required to attract new investments in Electronics Manufacturing Industry, considering the fast changing global economic situation
- Single Desk Clearance and Immediate Approvals
- Fast track approval of projects--A.P. aims to be among the top 50 locations worldwide in Ease of Doing Business by 2022. As part of this vision, the State targets to handhold electronics industries to progress from the initial discussion phase to commencement of operations in less than one (1) year.
- Lowest power and water tariffs and abundance of skilled manpower

A.P.'s policy framework

Government of A.P. has taken a leadership role in the country, in creating a conducive environment for the grounding of investments in Electronics sector, through the development of a robust policy framework.

No.	Incentive Category	Quantum of Incentive
1.	Investment Subsidy	<ul style="list-style-type: none"> • 30% of investment for Mega Projects*, capped at INR 250 Cr. (USD 35 million) • 25% of investment for General Projects, capped at INR 250 Cr. (USD 35 million) • 30% of investment for MSME/ BC/SC/ST/Women/ Rural IT industries, capped at INR 250 Cr. (USD 35 million)
2.	Power Subsidy	<ul style="list-style-type: none"> • 25% Power subsidy for Mega Projects* for a period of five (5) years • 20% Power subsidy for all other categories of companies for a period of five (5) years
3.	Exemption of Electricity Duty	<ul style="list-style-type: none"> • 100% exemption for a period of five (5) years
4.	SGST Reimbursement	<ul style="list-style-type: none"> • 100% reimbursement of SGST for a period of 10 years subject to a maximum of 100% of fixed capital investment other than land
5.	Incentives for Training Companies	<ul style="list-style-type: none"> • Training companies are eligible for investment subsidy of 50% capped to a maximum of INR 1 Cr. (USD 143,000)

*Mega Projects—an investment amount of and exceeding INR 250 Cr. (USD 35 million) or employs more than 2,500 within six (6) years.

A choice between the following two incentive categories (1a. and 1b.) is available for Ultra-Mega Projects*.

No.	Incentive Category	Quantum of Incentive
1a.	SGST reimbursement	<ul style="list-style-type: none"> • 100% reimbursement of SGST for a period of 15 years subject to a maximum of 100% of fixed capital investment (excluding land)
1b.	Revenue Linked Incentives	<ul style="list-style-type: none"> • Reimbursement of 1% of revenue realized in a financial year, for a period of 15 years, capped at a maximum of 100% of the fixed capital investment made in the project (excluding land)

*Ultra-Mega Projects—an investment amount exceeding INR 1,000 Cr. (USD 143 million) and employs more than 10,000 within six (6) years.