

File No: 36(2)/2014 – IPHW VOL.-II

Government of India
Ministry of Communications and Information Technology
Department of Electronics and Information Technology
(IPHW-Division)

Dated: 26th September 2014

To

Mr. Bhaskar Reddy
Elcina Raaga Mayuri Electronics Park Pvt. Ltd.
50/760-B-9-A, Gayatri Estate
Kurnool-518002,
Andhra Pradesh

Subject: Electronics Manufacturing Cluster Scheme – “In principle” approval for Greenfield Electronics Manufacturing Cluster at Chilamathur Village, Anantpur District, Andhra Pradesh.

Sir,

I am directed to convey the “in-principle” approval of the Government of India under Electronics Manufacturing Cluster Scheme (EMC) for Greenfield EMC project at Chilamathur Village, Anantapur District, Andhra Pradesh with estimated project cost of Rs 40.17 Crores (excluding land cost) as per the following details:

Name of Applicant	:	ELCINA Raaga Mayuri Electronics Park Private Limited
Location of EMC	:	Chilamathur Village, Anantapur District, Andhra Pradesh
Area of EMC	:	46.62 Acres
Estimated Project Cost	:	Rs 40.17 Crores (excluding land cost)

2. This “in-principle” approval is valid for a period of 6 months from the date of issue of this letter, which may be extended by Steering Committee for Clusters (SCC), as found necessary in the best interest of the scheme. The final approval of the project would be subject to achievement of certain milestones as detailed below, within the prescribed period:

- (i) Formation of the SPV
- (ii) Procurement of land for the project
- (iii) Financial Closure of the project
- (iv) Collection of at least 10% of the stipulated financial contribution from industrial institutions/associations.
- (v) Preparation of detailed drawings and designs of the works and their detailed cost estimates.
- (vi) A firm implementation schedule (component/activity wise) specifying milestones and timelines

3. The eligible activities and break-up of project cost as approved, “in-principle” by the Steering Committee for Clusters are as follows:

S.No.	Particulars	Cost (Rs. In Crore)
A	Common Infrastructure Development Cost	23.93
B	Processing related Common facilities works with civil, interiors, services works	9.04
C	Non-Processing related Common facilities works with civil, interiors, services works	6.03
D	Total Cost of Infrastructure development Cost (A+B+C)	39.00
E	Project consultancy & administrative expenses	1.17
	Total (D+E)	40.17

3.1 Means of Finance: Confirmed Means of Finance to be provided by the applicant along with the final application.

4. This “in-principle” approval constitutes of an “in-principle” approval to apply for a formal approval for setting up a Greenfield Electronics Manufacturing Cluster as per relevant EMC Scheme notification and the guidelines. Upon receipt of application for final approval and its due consideration by the Competent Authority that all requirements with respect to the scheme have been satisfactorily complied, a final approval will be issued including sanction for projects approved for financial support that will be available for the said project(s). This “in-principle” approval in itself does not construe any obligation on Government of India to the said project(s).

5. The applicant needs to fulfill the following requirements by the time of submission of final application, as required by Steering Committee for Clusters:

5.1 The applicant shall provide complete land related documents.

5.2 Revised Agreement between ELCINA and Raaga Mayuri Builders Pvt. Ltd. with following amendments as suggested above by the SCC members.

a. The clause regarding right of withdrawal of the Land by M/s Raaga Mayuri Builders should be withdrawn.

b. The Manufacturers intending to participate in the cluster need not to be full members of ELCINA.

c. No rights of Raaga Mayuri Builders Pvt. Limited survive, so that SPV can decide on allocation of land to any member (s) interested in participating in the cluster.

5.3 Under no circumstances the land should be allotted to units other than ESDM units.

5.4 **Sources of Essential Supplies:** The applicant is required to provide clear cut requirement for water and power utilization for the proposed EMC and the authority providing the distribution.

5.5 **Economic Benefits:** The Applicant should provide the amount of Expected Investment by the constituent units into the EMC and the Expected Turnover of the units in the EMC.

5.6 **Anchor Unit:** The applicant should provide details of the prospective anchor unit in the EMC.



(Dr. Ajay Kumar)

Joint Secretary to Govt. of India

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