

File No: 36(2)/2013 - IPHW
Government of India
Ministry of Communications and Information Technology
Department of Electronics and Information Technology

To

Date: 08, August 2013

Dr. C. Sreedhar

Executive Director (Projects)
Andhra Pradesh Industrial Infrastructure Corporation Ltd
5th Floor, Parishrama Bhavan, Fateh Maidan Road,
Basheerbagh, Hyderabad - 500 004
Andhra Pradesh,

Subject: Electronics Manufacturing Cluster Scheme – “In principle” approval for Greenfield Electronics Manufacturing Cluster at Maheshwaram, Ranga Reddy 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 project at Maheshwaram, Ranga Reddy District with estimated project cost of Rs 342.91 crores as per the following details:

Name of Applicant	:	Andhra Pradesh Industrial Infrastructure Corporation Ltd
Location of EMC	:	Ranga Reddy District, Maheshwaram, AP
Area of EMC	:	310.0 Acres
Estimated Project Cost:		Rs. 342.91 Crores

2. The “in-principle” approval is valid for a period of 6 months from the date 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:

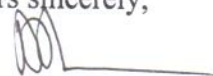
- (i) Formation of the SPV
- (ii) Procurement of land for the project
- (iii) Financial Closure of the project
- (iv) Collection of at least 10% of the stipulated financial contribution from industrial institutions/associations.
- (v) Preparation of detailed drawings and designs of the works and their 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. Crore)
A	Basic development, essential & regulatory services	132.28
B	Manufacturing support facilities	16.41
C	Other support facilities	17.23
D	Welfare facilities	45.27
E	External Infrastructure for Roads and Water	121.25
F	Administrative expenses	10.47
	Total	342.91

- 3.1 Means of Finance: Means of Finance to be provided by the applicant by the time of final application.
4. This "in-principle" approval constitutes of an "in-principle" approval to apply for a formal approval for setting up a Greenfield EMC as per relevant Policy Notification and guidelines. Upon receipt of application for formal approval and its due consideration by the Competent Authority that all requirements with respect to the scheme have been satisfactorily complied, a formal approval will be issued including sanction for projects approved for financial support that will be available for the said projects. This "in-principle" approval in itself does not construe any obligation on Government to the projects herein.
5. The applicant needs to fulfill the following requirements by the time of submission of final application, as required by Steering Committee for Clusters
- Applicant to provide details of the infrastructure that can be funded by State Government under the ITIR scheme. This is to ensure that there is no double funding.
 - For external infrastructure:
 - Applicant to provide details of means of finance.
 - Final DPR to contain a sustainable model for external infrastructure including maintenance, collections (if any), etc.
 - The details of the anchor unit in the EMC.
 - Complete documents relating to land title, non-encumbrance and "industrial use" should be provided by the Chief Promoter / SPV.

Yours sincerely,



Rajneesh Agrawal
Scientist-F