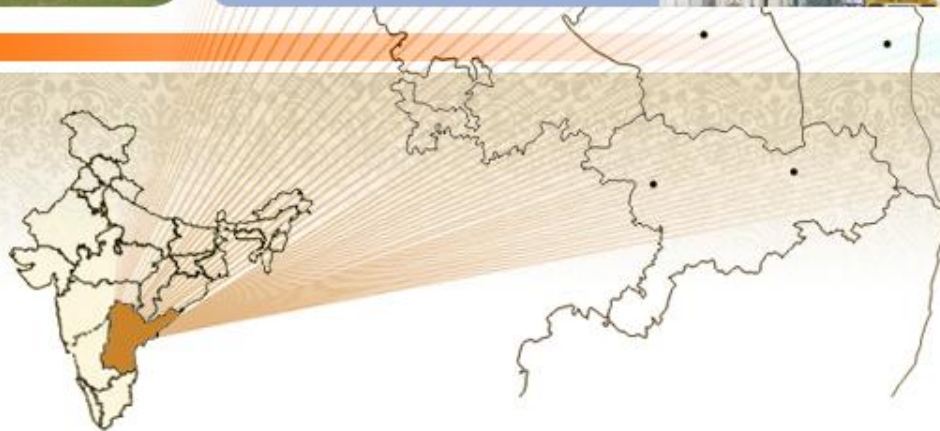


Andhra Pradesh

NOVEMBER
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THE RICE GRANARY OF INDIA



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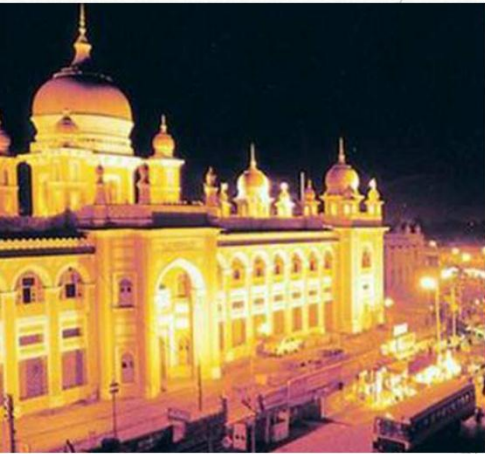
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Andhra Pradesh Factfile



Source: Maps of India

- Andhra Pradesh is located in the Southern peninsula of India and has a coast line of 974 km.
- The state is bound on the North by Odisha and Chhattisgarh, on the West by Maharashtra and Karnataka, on the South by Tamil Nadu and on the East by the Bay of Bengal.

→ Visakhapatnam, Vijayawada, Tirupati, Warangal, Guntur, Kakinada, Nellore and Kurnool are some of the key cities in the state.

→ The most commonly spoken language of the state is Telugu. Hindi, English and Tamil are the other languages used.

Parameters	Andhra Pradesh
Capital	Hyderabad
Geographical area (sq km)	275,100
Administrative districts (No)	23
Population density (persons per sq km)*	308
Total population (million)*	84.6
Male population (million)*	42.5
Female population (million)*	42.1
Sex ratio (females per 1,000 males)*	992
Literacy rate (%)*	67.7

Sources: Andhra Pradesh Government Website (www.aponline.gov.in),

*Provisional Data – Census 2011

Andhra Pradesh in Figures ... (1/2)

Parameter	Andhra Pradesh	All-States	Source
Economy			
GSDP as a percentage of all states' GSDP	8.2	100	CMIE, as of 2009-10, current prices
Average GSDP growth rate (%)*	16.1	15.5	CMIE, 2004-05 to 2009-10, current prices
Per capita GSDP (US\$)	1,198.4	1,302.4	CMIE, as of 2009-10, current prices
Physical Infrastructure			
Installed power capacity (MW)	15,035.5	173,626.4	Central Electricity Authority, as of March 2011
GSM cellular subscribers (No)	46,886,563	618,284,322	Cellular Operators Association of India, as of September 2011
Broadband subscribers (No)	992,222	10,737,850	Ministry of Communications & Information Technology, as of November 2010
National Highway length (km)	4,537	70,934	Ministry of Road Transport & Highways, Annual Report 2010-11
Major and minor ports (No)	1+13	12+187	Indian Ports Association
Airports (No)	9	133	Airport Authority of India

* Calculated in Indian Rupee Terms

Andhra Pradesh in Figures ... (2/2)

Parameter	Andhra Pradesh	All-States	Source
Social Indicators			
Literacy rate (%)	67.7	74.0	Provisional Data – Census 2011
Birth rate (per 1,000 population)	18.3	22.5	SRS Bulletin, 2009
Investment			
FDI Equity inflows (US\$ billion)	6.0	132.9	Department of Industrial Policy & Promotion, April 2000 to April 2011
Outstanding investments (US\$ billion)	622.0	7449.3	CMIE (2009-10)
Industrial infrastructure			
PPP projects (No)	100	808	www.pppindiadatabase.com
SEZ (No)	75	380	Notified as of October 2011, www.sezindia.nic.in

PPP: Public-Private Partnership, SEZ: Special Economic Zone, SRS: Sample Registration System

Advantage Andhra Pradesh ... (1/2)

Hub for Knowledge-Based Industries

Andhra Pradesh has emerged as a key state for the knowledge-based industry including IT, pharmaceuticals and biotechnology. Over 70 of the 500 top global corporations are present in the state.

Policy and Fiscal Incentives

The state offers a wide range of fiscal and policy incentives for businesses under the Industrial Investment Promotion Policy, 2010-2015. Additionally, the state has well drafted sector-specific policies.

Rich Labour Pool

The state has a large base of skilled labour, making it an ideal destination for the knowledge sectors. Further, the state has a large pool of semi-skilled and unskilled labour.

Advantage Andhra Pradesh ... (2/2)

Facilitating Infrastructure

The state has well-developed social, physical and industrial infrastructure and virtual connectivity, has good power, airport, IT and port infrastructure.

High Economic Growth

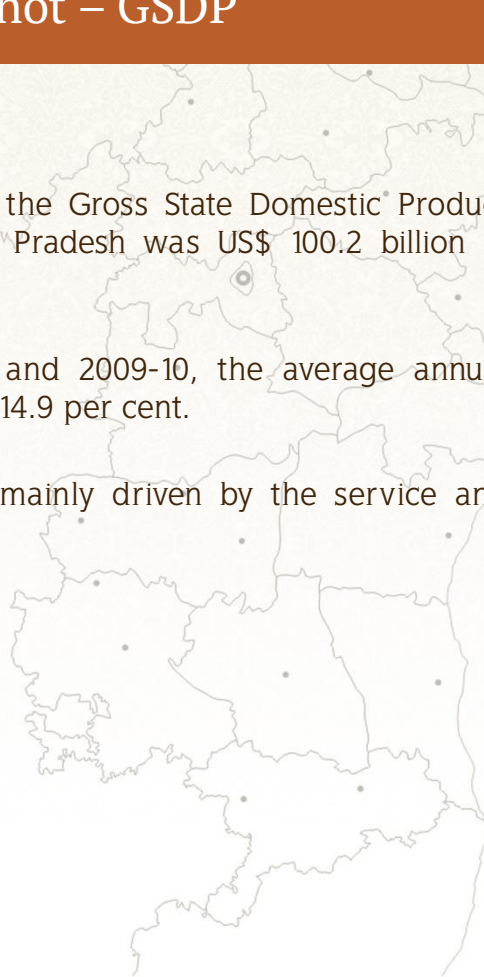
The state's GSDP grew at a CAGR (Compound Annual Growth Rate) of 14.9 per cent between 2004-05 and 2009-10. Vast natural gas reserves found in the Krishna-Godavari basin have opened up immense possibilities for the state economy. It is also a leading agricultural state in the country.

Stable Political Environment

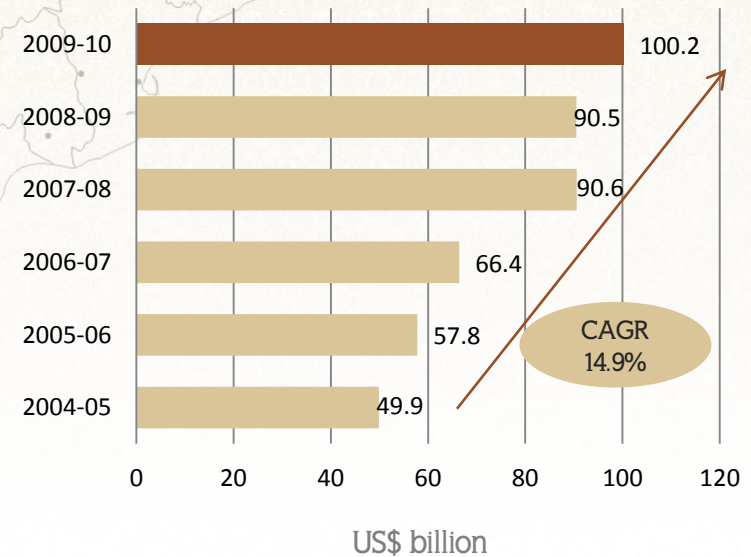
The state has a stable political environment with a single-party government. The State Government is committed towards creating a progressive business environment.

Economic Snapshot – GSDP

- At current prices, the Gross State Domestic Product (GSDP) of Andhra Pradesh was US\$ 100.2 billion in 2009-10.
- Between 2004-05 and 2009-10, the average annual GSDP growth was 14.9 per cent.
- This growth was mainly driven by the service and secondary sectors.



Andhra Pradesh's GSDP



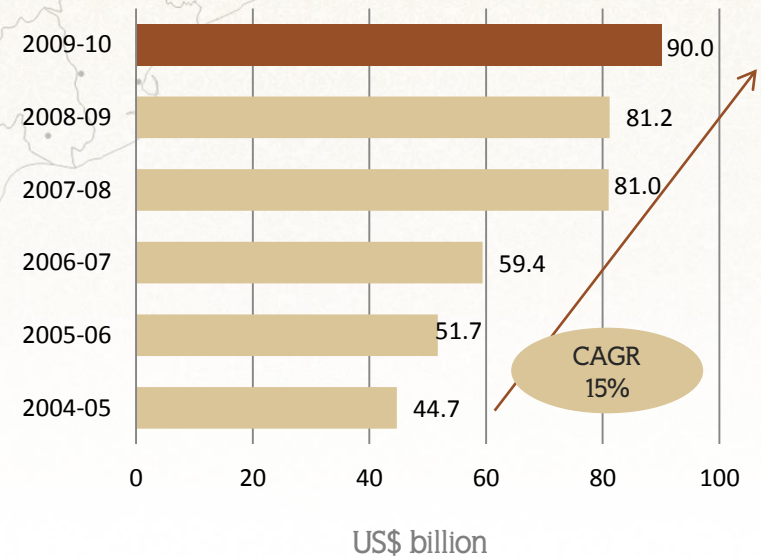
Source: CMIE

Economic Snapshot – NSDP

- At current prices, the Net State Domestic Product (NSDP) of Andhra Pradesh was about US\$ 90 billion in 2009-10.
- The average NSDP growth rate between 2004-05 and 2009-10, was about 15 per cent.



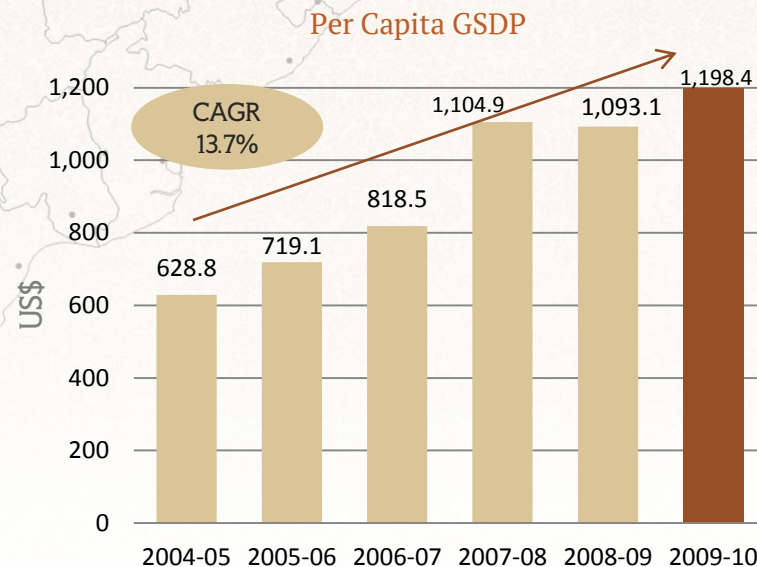
Andhra Pradesh's NSDP



Source: CMIE

Economic Snapshot – Per Capita GSDP

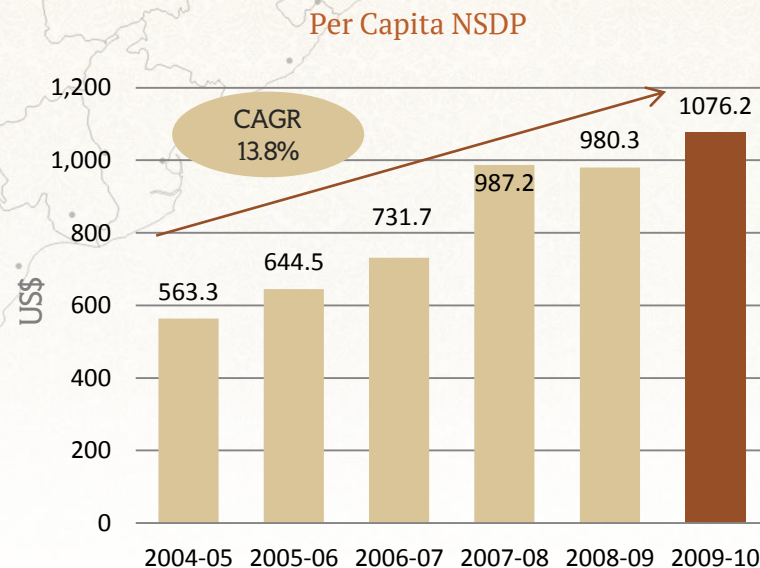
- The per capita GSDP of Andhra Pradesh increased from US\$ 628.8 in 2004-05 to US\$ 1,198.4 in 2009-10.
- The average per capita GSDP increased by 13.7 per cent between 2004-05 and 2009-10.



Source: CMIE

Economic Snapshot – Per Capita NSDP

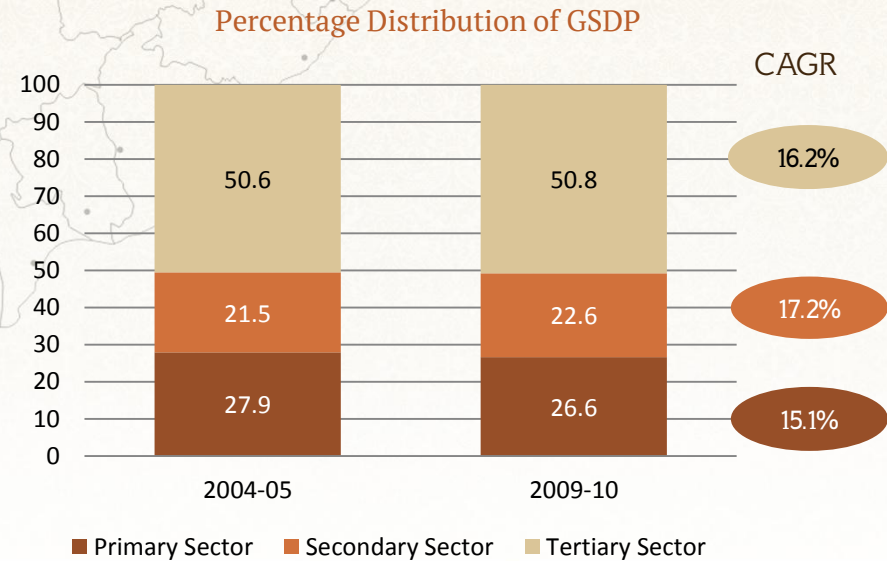
- The per capita NSDP of Andhra Pradesh increased from US\$ 563.3 in 2004-05 to US\$ 1,076.2 in 2009-10.
- The average per capita NSDP increased by 13.8 per cent between 2004-05 and 2009-10.



Source: CMIE

Economic Snapshot – Percentage Distribution of GSDP

- In 2009-10, the tertiary sector at US\$ 50.9 billion, contributed 50.8 per cent to the GSDP (at current prices). It was followed by primary sector, contributing 26.6 per cent (US\$ 26.7 billion) and the secondary sector's contribution of 22.6 per cent (US\$ 22.6 billion).
- The secondary sector had fastest growth of 17.2 per cent followed by tertiary sector (16.2 per cent) and primary sector (15.1 per cent) between 2004-05 to 2009-10.



Source: CMIE

Economic Snapshot – Agricultural Production

- In 2009-10, the total area under food grain production in the state was 6.6 million hectares.
- The total production of food grains was 15.6 million tonnes in 2009-10.
- Major food grains[^] produced in the state are rice, maize, pulses and jowar.
- Sugarcane, cotton, groundnut, chilly and onion are some of the other major crops produced in the state.
- Andhra Pradesh is the largest producer of rice in India.

[^]Food grains include rice, jowar, bajra, maize, ragi, wheat, pulses and other millets.

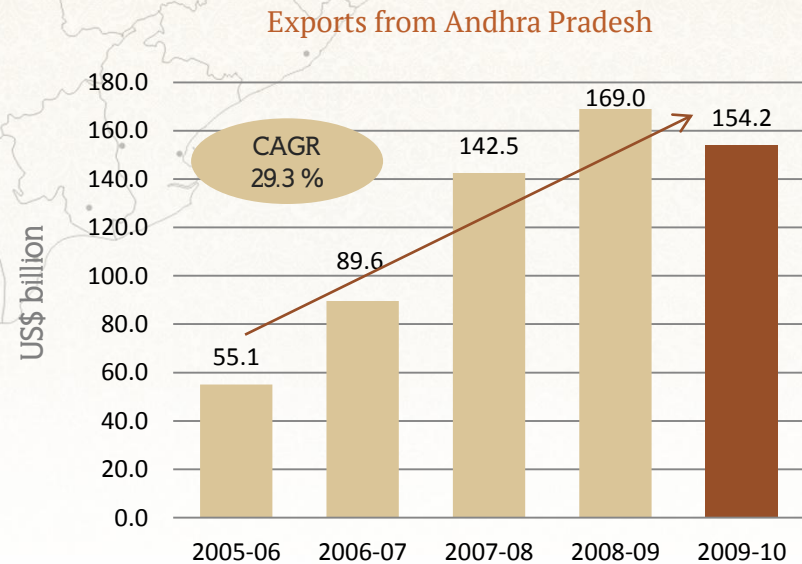
Crop	Annual Production ('000 tonnes) - 2009-10
Sugarcane	11,696
Rice	10,838
Cotton	3,232*
Maize	2,761
Mango	1,989
Pulses	1,431
Groundnut	1,007
Chilly	831
Onion	708
Jowar (Sorghum)	437
Green Gram	63

Source: Agricultural Statistics at a Glance, Andhra Pradesh 2009-10

* '000 Bales of 170 kgs each

Economic Snapshot – Exports

- Andhra Pradesh's exports increased at a Compound Annual Growth Rate (CAGR) of about 29.3 per cent between 2005-06 and 2009-10.
- Computer software contributes more than 45 percent to the total exports from the state. Drugs and pharmaceuticals, fine chemicals, animal, marine and leather products, engineering products, agriculture and agro based products, minerals and mineral products, handlooms, handicrafts, textiles, gems and jewellery, electronics and electrical products are other major export items.

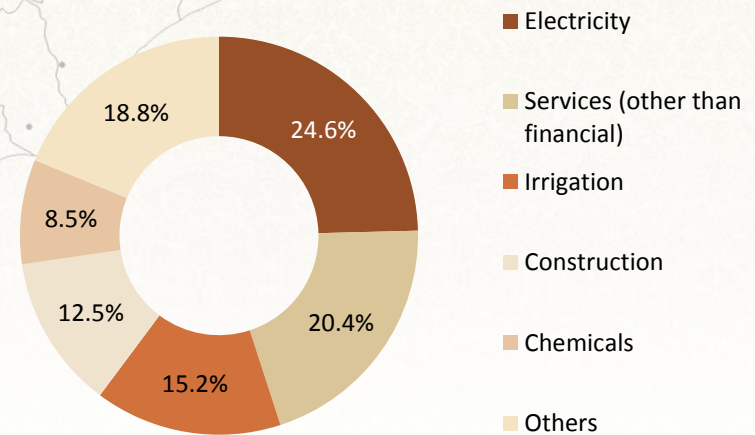


Source: Andhra Pradesh Socio Economic Survey 2010-11

Economic Snapshot – FDI Inflows & Investments

- According to the Department of Industrial Policy & Promotion, the cumulative FDI inflows from April 2000 to April 2011 amounted to US\$ 6.0 billion.
- The state has had a healthy FDI inflow over the years, primarily, in sectors related to IT and ITeS, automotive, engineering and electronics.
- In 2009-10, the total outstanding investments in the state were US\$ 622 billion.
- Of the total outstanding investments, electricity sector accounted for around 24.6 per cent followed by services (other than financial) sector at 20.4 per cent and irrigation sector at 15.2 per cent.

Break up of Outstanding Investments by Sectors (2009-10)



Others include food & beverages, textiles, non-metallic mineral products, metals & metal products, machinery and mining

Source: CMIE

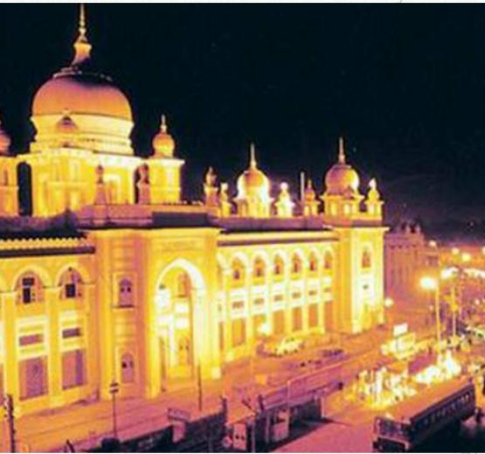
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Physical Infrastructure – Roads



Source: Maps of India

- As on March 2011, Andhra Pradesh has 17 National Highways running through it and covering 4,537 km.
- Roads under the State Road and Building Department was 70,394 km.
- As on March 2010, road density per thousand population was 0.86 km.
- As of October 2011, there were 41 Public-Private Partnership (PPP) projects in the roads sector that are at various stages of development.

Physical Infrastructure – Railways

→ Andhra Pradesh has a total railway network of 5,033.30 km, out of which 4,341.81 km is under the control of the South Central Railway with Secunderabad as the headquarters.

→ The state has a total of 677 railway stations and the broad gauge rail network of 4,996.61 km.

→ The Mass Rapid Transit Service (MRTS) project is expected to carry about 1.5 million passengers per day by 2015 and 2.2 million passengers per day by 2025.

→ The total cost for the MRTS project has been estimated at US\$ 2.6 billion. The Central Government has already sanctioned 20 per cent of the project cost through the Viability Gap Funding (VGF) mode.

→ The state is the first to have a PPP Metro Rail project sanctioned by Government of India.

→ The metro rail project is environmental friendly and is expected to reduce pollutants by about 3,100 Tonnes Per Annum (TPA).

→ In September 2010, construction work of the project has been awarded to Larsen & Toubro Limited through competitive bidding process.

Andhra Pradesh Railway Network		
Name of the Railway	No of Stations	Total Route (in kms)
South Central Railway	586	4,341.81
Southern Railway	16	120.85
East Coast Railway	75	570.64

Sources: Directorate of Economics and Statistics Website - www.apdes.ap.gov.in, Hyderabad Metro Rail Website - www.hyderabadmetrorail.in

Physical Infrastructure – Airports

- The state has an international airport at Hyderabad and domestic airports at Visakhapatnam, Tirupati, Rajahmundry, Warangal, Vijayawada, Donakonda, Kadapa and Puttaparthi.
- Hyderabad is connected to several key international destinations such as Amsterdam, Bangkok, Chicago, Frankfurt, Dubai, Singapore, Sharjah, London and Kuala Lumpur, besides all major destinations across India.
- The Rajiv Gandhi International Airport near Shamshabad (about 27 km from Hyderabad) is a newly completed airport. It has replaced the former international airport of the city at Begumpet.
- The total cost for this project was US\$ 560 million, it has been built on an area of 5,495 acres.

GMR-Hyderabad International Airport Limited (GHIAL), Shamsabad

Started operations in March 2008.

Constructed by the consortium of:

- GMR group
- Malaysia Airport Holding Berhad (MAHB)
- Government of Andhra Pradesh
- Airports Authority of India

Single terminal, expandable structure

Final capacity of 40 million passengers per year and one million tonne of cargo.

Total built-up area of 900,000 sq m.

Lufthansa Technik to set up a Maintenance, Repair and Overhaul (MRO) facility at the airport.

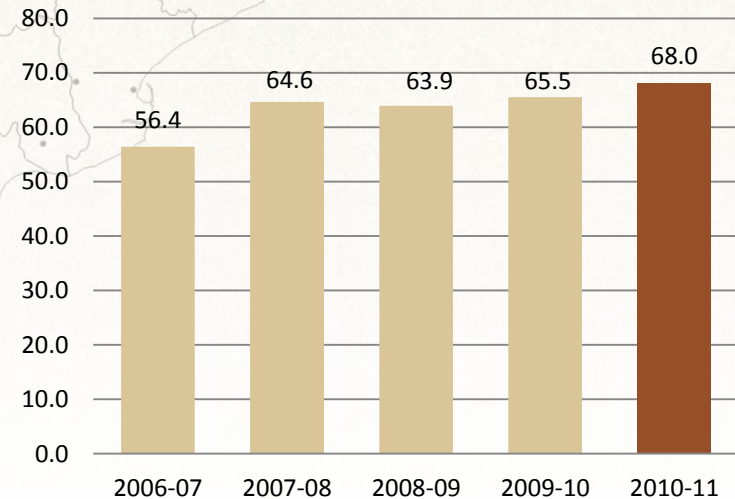
A new flight academy to be established at the airport.

Source: GHIAL website, www.hyderabad.aero

Physical Infrastructure – Ports

- Andhra Pradesh has the second-highest cargo-handling port.
- The Visakhapatnam port ranks amongst the top three of the 12 major ports in the country. In 2010-11, it had a port traffic of 68.04 million tonnes.
- Coking coal, iron ore, petroleum products and thermal coal are some of the key products handled by the port. It also has a high volume of container traffic.
- Other than Visakhapatnam, the state has 13 intermediate and minor ports.

Visakhapatnam Port Traffic (million tonnes)

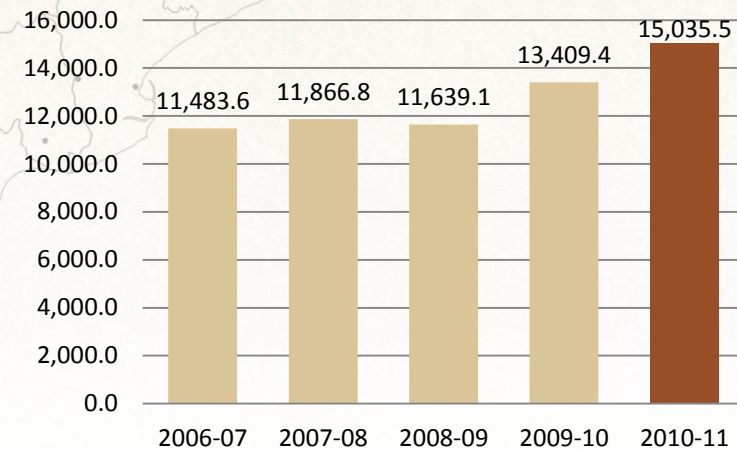


Source: Visakhapatnam Port

Physical Infrastructure – Power ... (1/2)

- As of March 2011, Andhra Pradesh had a total installed power generation capacity of 15,035.5 MW, which comprised 8,481.8 MW, under state utilities, 3,708.3 MW under private sector and 2,845.3 MW under the central utilities.
- Of the total installed power capacity, 10,297 MW was contributed by thermal power, 275 MW and 767 MW was contributed by nuclear and renewable capacity respectively. Hydro power contributed the rest of 3,695 MW of capacity.
- The entire capacity of gas-based power plants is contributed by the private sector.
- Per capita consumption of electricity was 929 KWh in 2009-10.

Installed Power Capacity (MW)



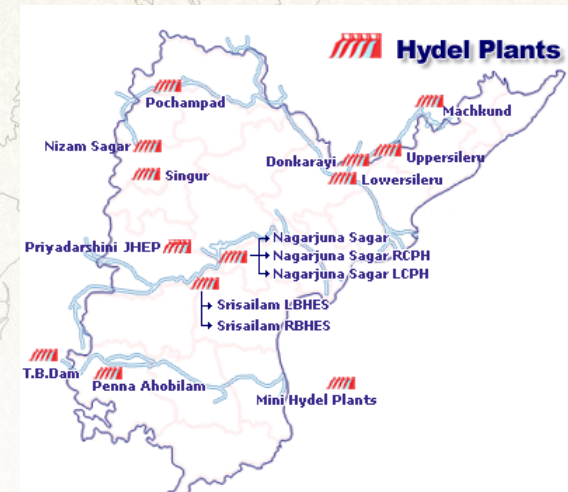
Source: Central Electricity Authority

Physical Infrastructure – Power ... (2/2)

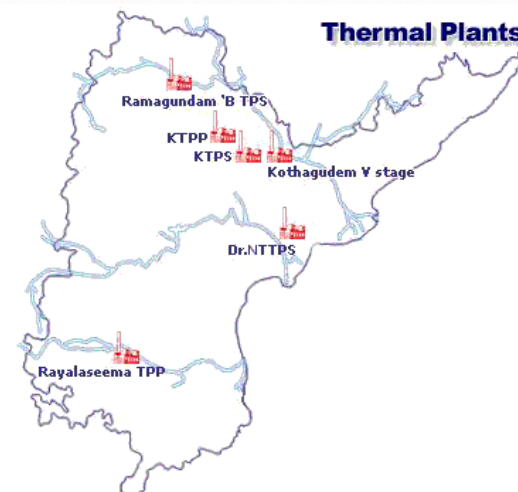
- The integrated Andhra Pradesh State Electricity Board (APSEB) was restructured in 1999 to form the following companies:

Segment	Company Name
Power Generation	Andhra Pradesh Power Generation Corporation Limited (AP Genco)
Power Transmission	Transmission Corporation of Andhra Pradesh Limited (AP Transco)
Power Distribution	Central Power Distribution Company of Andhra Pradesh Limited (APCPDCL), Hyderabad
	Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL), Tirupati
	Eastern Power Distribution Company of Andhra Pradesh Limited (APEPDCL), Visakhapatnam
	Northern Power Distribution Company of Andhra Pradesh Limited (APNPDCL), Warangal

AP Genco's Hydro-Power Plants



AP Genco's Thermal Power Plants



Physical Infrastructure – Telecom

- According to Department of Telecommunications, Government of India, Andhra Pradesh had 4,267 telephone exchanges and 2.38 million wire line telephone connections as of December 2010.
- The number of public call offices as of December 2010 was 133,531.
- As of September 2011, Andhra Pradesh had 46.8 million GSM cellular subscribers.
- The state has approximately 44,000 km of fibre-optic cable network with public and private sector connectivity.
- Reliance Communications has created infrastructure for providing the required bandwidth for basic telecom services and other high-end services by laying a fibre-optic cable backbone of 3,000 km throughout the state.
- As of March, 2010, there were 16,146 post offices in the state.

Telecom Infrastructure (As of December 2010)

GSM Cellular Subscribers	46,886,563*
Broadband Subscribers	992,222^
Telephone Exchanges	4,267
Wireless Subscribers	57,073,313
Wire-line Subscribers	2,382,272

Sources: Andhra Pradesh Socio Economic Survey 2010-11,
Cellular Operators Association of India,
Department of Telecommunications, Annual Report 2010-11,
*As of September 2011
^As of November 2010

Development Projects: Urban Infrastructure

- Under the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), 50 projects costing US\$1,137.5 million have been sanctioned for Hyderabad, Visakhapatnam, Vijayawada and Tirupati.
- Some of the key areas of development are roads/flyovers, water supply, storm water drainage, old city drains, solid-waste management and mass rapid transport system.
- Projects of value US\$ 229.8 million have been completed in 2005 and 2007. These projects were located in Hyderabad, Vijayawada and Vishakhapatnam and related to roads, water supply, drains/storm water drains and sewerage.
- In 2009-10, the Central Government has released US\$ 52.5 million for 22 projects.

Source: JNNURM, Ministry of Urban Development,
www.urbanindia.nic.in

Water Supply	Sewerage System and Solid-Waste Management System
<ul style="list-style-type: none"> • The average per capita supply of water in major cities is 106 lpcd*. • A coverage of 85 to 90 per cent in the core city areas. • Operation and maintenance costs being recovered from water tariffs is high, at 85 per cent in Hyderabad. 	<ul style="list-style-type: none"> • Solid waste collection efficiency is very high across the cities of Andhra Pradesh and varies from 85 to 100 per cent, on an average, for all the cities. • Area coverage of the sewerage system in the major cities varies from 10 per cent to 45 per cent.

* Litres Per Capita Per Day

Visakhapatnam's Urban Infrastructure Snapshot

- Visakhapatnam has a high per capita road length of 1.03 km.
- Percentage of pucca roads in the cities varies from 70 per cent to 95 per cent.
- Percentage coverage of storm water drains varies from 30 per cent to 50 per cent.

Development Projects: Key Public Private Partnership Projects

Project Name	Sector	PPP Type	Project Cost (US\$ million)	Stage
Vodarevu Nizampatnam Ports and Port-Based Corridor Development	Ports	BOOT	3,652.2	Construction
Gangavaram Port	Ports	BOT-Toll	358.6	Construction
Cuddapah Mydukur Kurnool Road	Roads	BOT-Toll	344.6	Construction
Integrated Solid Waste Management for Hyderabad	Urban Development	DBFOT	195.0	Construction
Four-Laning of Hyderabad Karimnagar Ramagundam Road	Roads	BOT-Toll	295.2	Bidding
Narketpally Addanki Medaramitla Road	Roads	BOT-Toll	260.2	Bidding
Bus Terminal and Commercial Development at Musheerabad	Urban Development	Lease	54.3	Bidding
Health Spa and Resort	Tourism	Lease	13.0	Bidding
Four-Laning of Khammam Tallada Devarapalli Road	Roads	BOT-Toll	143.5	EOI
Four-Laning of Perecherla Thokapalli Road	Roads	BOT-Toll	113.5	EOI
Four-Laning of Warangal Khammam Road	Roads	BOT-Toll	103.5	EOI

Source: www.pppindiadatabase.com

EOI-Expression Of Interest, BOOT: Build-Own-Operate-Transfer, BOT: Build-Operate-Transfer, DBFOT: Design-Build-Finance-Operate-Transfer

Development Projects: SEZs ... (1/3)

→ There are 36 operational SEZs in the state, as of October 2011.

Some of the Operational SEZs in Andhra Pradesh

Name/Developer	Location	Primary Industry
Visakhapatnam SEZ	Vishakhapatnam	Multi Product
Andhra Pradesh Industrial Infrastructure Corporation Ltd	Nanakramguda	IT/ITES
Brandix India Apparel City Private Ltd	Achutapuram, Visakhapatnam	Textile
Ramky Pharma City Pvt Ltd	Mandal, Visakhapatnam	Pharmaceuticals
CMC Limited	Ranga Reddy District, Hyderabad	IT/ITES
DivyaSree NSL Infrastructure Pvt Ltd	Ranga Reddy District, Hyderabad	IT/ITES
DLF Commercial Developers Ltd	Ranga Reddy District, Hyderabad	IT/ITES
Hyderabad Gems SEZ Ltd	Ranga Reddy District, Hyderabad	Gems and Jewellery
L&T Phoenix Info Parks Pvt Ltd	Mandal	IT/ITES
Infosys Technologies Ltd	Pocharam, Rangareddy	IT
Vivo Bio Tech Ltd Medak Dist	Medak	Bio-technology

Source: www.sezindia.nic.in

Development Projects: SEZs ... (2/3)

→ The state has 6 SEZs with valid in-principal approvals, as of October 2011.

SEZ with Valid In-Principal Approvals

Name/Developer	Location	Primary Industry
South Coast Infrastructure Development Co of Andhra Pradesh Private Ltd (SCIDCAP)	NH-5 between Prakasam and Nellore District	Building Materials
Lepakshi Knowledge Hub Private Ltd	Ananthapur	Multi Product
M/s Sri Kubera Infracom India Ltd	Sadasivpet, Medak	Strategic Manufacturing
M/s Drugs & Pharmaceuticals Manufactures Association	Nakkapalli Mandal, Visakhapatnam	Pharmaceuticals /APIs/Formulations
M/s Vivimed Labs Ltd	Boyapalem, Naruva & Chittivalasa villages, Ranasthalam Mandal, Srikakulam	Chemicals & Pharmaceuticals
M/s. Planet SEZ Private Limited	Visakhapatnam	Petroleum and Oil & Gas Industry

Source: www.sezindia.nic.in

Development Projects: SEZs ... (3/3)

→ There are 109 SEZs with formal approvals in the state, as of October 2011.

Some of the SEZ with Formal Approvals

Name/Developer	Location	Primary Industry
M/s Divi's Laboratories Ltd	Chippada, Visakhapatnam	Pharmaceuticals
WIPRO Ltd	Hyderabad	IT
APIIC	Visakhapatnam	Multi Product
M/s Krishnapatnam Infratech Pvt Ltd	Chillakur Mandal, Nellore	Multi Product
Deccan Infrastructure and Land Holdings Ltd	Mahabubnagar	Agriculture and Livestock
Andhra Pradesh Industrial Infrastructure Corporation Ltd (APIIC)	Nellore	Multi Product
Rassai Properties & Industries Ltd	Hindupur, Anantapur	Multi Services
Infosys Technologies Ltd	Pocharam Village, Ghatkesar Mandal, Rangareddy	IT
Andhra Pradesh Industrial Infrastructure Corporation Ltd(APIIC)	Nellore	Leather
Stargaze Properties Private Ltd	Kancha Imarath, Maheswaram	IT/ITes/ Electronic Hardware

Source: www.sezindia.nic.in

Social Infrastructure – Education ... (1/2)

- The state has a literacy rate of 67.7 per cent according to the provisional data of Census 2011; the male literacy rate is 75.6 per cent and the female literacy rate is 59.7 per cent.
- In 2009-10, a total of 13.3 million students were enrolled in 99,563 schools. There were 65,932 primary schools, 15,384 upper primary schools, 18,143 high schools and 104 higher secondary schools. The total number of teachers were 451,092.
- The state adds more than 100,000 engineering graduates, 12,000 management graduates and 350,000 English-speaking graduates every year.
- The Hyderabad University and the Osmania University are among the leading universities of the country.

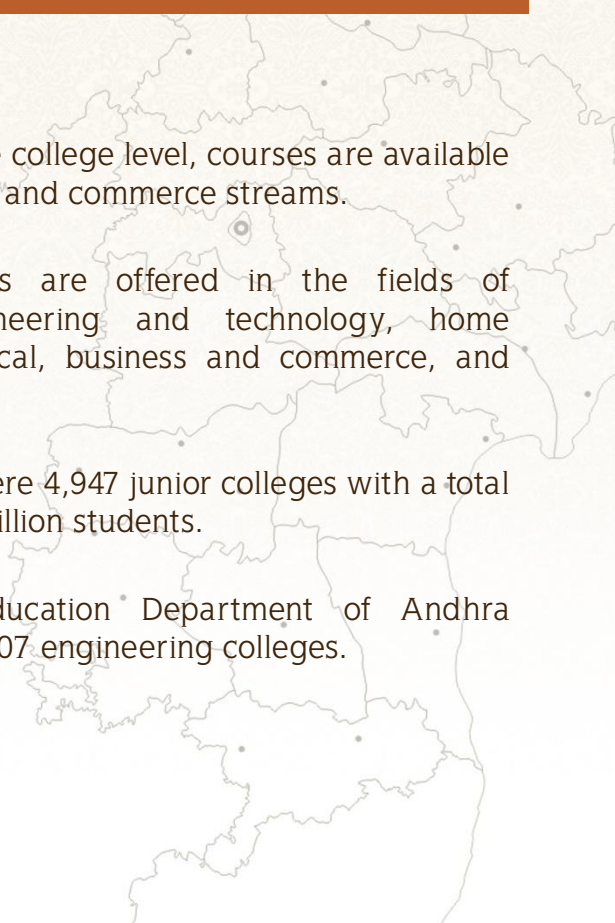
Colleges	Number of Colleges (2010-11)
Government Colleges	248
Aided Colleges	179
Government Junior Colleges	804
Private Aided Junior Colleges	275
Private Un-Aided Junior Colleges	2,706

Source: Andhra Pradesh Socio Economic Survey 2010-11

Course	Number of Colleges (2010-11)
Engineering	707
Master of Computer Application (MCA)	664
Master of Business Administration (MBA)	937
Bachelor of Pharmacy	292
Polytechnics	232

Source: Andhra Pradesh Socio Economic Survey 2010-11

Social Infrastructure – Education ... (2/2)

- 
- At the intermediate college level, courses are available in the science, arts and commerce streams.
 - Vocational courses are offered in the fields of agriculture, engineering and technology, home science, paramedical, business and commerce, and humanities.
 - In 2010-11, there were 4,947 junior colleges with a total enrolment of 0.8 million students.
 - The Technical Education Department of Andhra Pradesh supports 707 engineering colleges.

Life-Sciences Institutes

- Centre for Cellular and Molecular Biology
- Centre for DNA Fingerprinting and Diagnostics
- Indian Institute of Chemical Technology
- International Crop Research Institute for Arid and Semi-Arid Tropics (ICRISAT)
- Directorate of Rice Research, National Academy of Agricultural Research Management
- National Institute of Nutrition
- Indian Council of Agricultural Research Centres.

Social Infrastructure – Health

- Andhra Pradesh has 1,570 Primary Health Centres in the rural areas and 267 Urban Health Centres in the urban areas.
- There were 122 Community Health Centres with 4,840 beds and 12,522 Sub-Centres in the state.
- There are 233 Hospitals under the control of Andhra Pradesh Vaidya Vidhana Parishad (APVVP), which manages secondary level hospitals in the state.

Health Indicators (2009)	
Birth Rate*	18.3
Death Rate*	7.6
Infant Mortality Rate**	49
Life Expectancy at Birth (years)	
Male (2002-06)	62.9
Female (2002-06)	65.5

Source: Andhra Pradesh Socio Economic Survey 2010-11,
Sample Registration System 2009

*Per thousand persons

** Per thousand live births

Leading Hospitals in Hyderabad

Apollo Hospital
Yashoda Hospitals
Care Hospital
Wockhardt Kamineni Hospital
Nizams Institute of Medical Sciences
MNJ Institute of Oncology and Regional Cancer Centre
Indo-American Cancer Institute and Research Hospital
Global Hospital
Medwin Hospital
Medicity Hospital
L V Prasad Eye Institute
Krishna Institute of Medical Sciences

Cultural Infrastructure

- There are several sports complexes in Hyderabad, Visakhapatnam, Tirupati and other cities. Swimming and tennis are the major sports although, other games are also popular.
- The Boulders Hill in Hyderabad, The Army Golf Course in Secunderabad and the East Point Golf Club in Visakhapatnam are well known golf courses in the state.
- The Tirupati temple in Southern Andhra Pradesh makes the state one of the leading religious tourism spots in the country.
- AP Tourism promoted convention centres in Hyderabad include Taramati Baradari, Hyderabad International Convention Centre, Shilpa Kala Vedika, HITEX, Marriott Convention Centre, Ramoji Film City, Katriya De Royal – Convention Facilities.

→ Kuchipudi is the classical dance form from Andhra Pradesh. It is known for its graceful movements and its strong narrative / dramatic character.

Major Stadiums and Sports Complexes in Hyderabad

Swarnandhra Pradesh Sports Complex

G. M. C. Balayogi Athletic Stadium

Gachibowli Indoor Stadium

Fateh Maidan Sports Complex

The Lal Bahadur Stadium

Aquatics Complex

Kotla Vijay Bhaskar Reddy Indoor Stadium

SAAP Tennis Complex, Fateh Maidan

Shooting Range, Hyderabad Central University

Rajiv Gandhi International Cricket Stadium

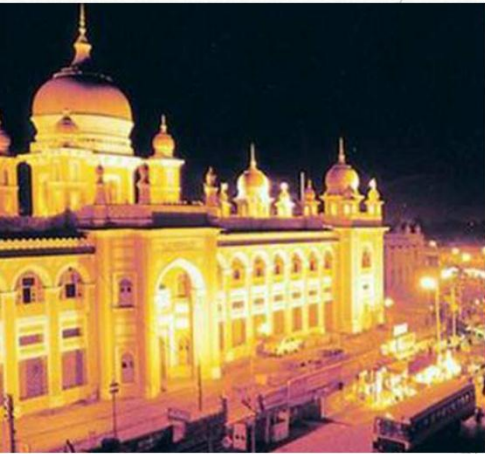
Andhra Pradesh

NOVEMBER
2011

THE RICE GRANARY OF INDIA

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Key Industries

- The natural resources, policy incentives and infrastructure in the state are favourably suited for investments in major sectors such as drugs and pharmaceuticals, biotechnology, IT and ITeS, mines and minerals, textiles, leather and tourism.
- Andhra Pradesh is one of the foremost states to have developed sector-specific policies.
- Forming industrial clusters and developing infrastructure has been a key strategy of the state to attract investments in various industries.
- Between August 1991 and September 2010, the state has received 6,910 proposal for large scale industries, of which, 3,012 have been implemented attracting investment of US\$ 13.39 billion and providing employment opportunity to 4,55,129 people.
- Another 505 proposals with investment of US\$ 19.47 billion are under implementation stage.

Key Industries in Andhra Pradesh

- Agro and Food-Based Industry
- Biotechnology
- Bulk Drugs and Pharmaceuticals
- IT and ITeS
- Mines and Minerals
- Textiles and Leather
- Tourism

Key Players



Key Industries – IT and IT-enabled Services ... (1/2)

- The share of IT exports from Andhra Pradesh occupies 15 per cent of national IT exports. IT sector contributes to more than 49 per cent of total exports from all sectors in the state.
- Total exports were about US\$ 7.0 billion in 2009-10 (from STP and SEZ).
- Total employment generated by IT and ITeS industry in the state increased from 2,51,786 in 2008-09 to 2,64,372 in 2009-10.
- In 2009-10, employment generated by the IT sector has grown by 12,586 (including STP and SEZ units).
- As of July 2009, the state had attracted investments to the tune of US\$ 110 million, of which investments from foreign companies were to the tune of US\$ 2-3 million.
- As of August 2010, 1,303 IT and ITeS companies were registered under STPI, Hyderabad scheme.

STP: Software Technology Park

Some of the Key Players

- Mahindra Satyam
- Microsoft
- IBM
- Cognizant

Key Industries – IT and IT-enabled Services ... (2/2)

Mahindra Satyam



- Formerly, Satyam Computers, Mahindra Satyam was established in 1987 and has its global headquarters at Hyderabad and several offices in 39 countries including India. The company provides software solutions to over 370 customers including four of the top ten electronics and electrical equipment manufacturers, three of the top ten in aerospace and defence, two of the top five chemicals manufacturers and four of the top five networking and communications equipment manufacturers.

Microsoft



- Established in 1998, the Microsoft India Development Centres (MSIDC) is located in Hyderabad on a 52-acre state-of-the-art campus and employs around 1,500 employees. The company focuses on strategic and IP sensitive product development for Microsoft. It is Microsoft's largest software development centre outside the US. It has established centres of excellence for storage, networking and mobility, and has filed over 270 patents in last five years.

IBM



- IBM is a leading global IT services and solutions provider with offices across the world. Products offered by company's India operations include software, storage, systems and servers, semiconductors etc. IBM has been present in India since 1992. Since inception, IBM in India has expanded its operations considerably with regional headquarters in Bengaluru and offices in 14 cities including a global delivery centre in Hyderabad.

Cognizant



- Founded as a captive arm of Dun & Bradstreet with headquarters in the US and operations in India, Cognizant now has over 50 development centres (including one in Hyderabad) and 25 regional sales offices, globally. Its services include business process outsourcing, application and IT infrastructure services and business consulting. In 2010, the company earned revenue of US\$ 4.6 billion. In December 2009, Cognizant invited 120 personnel working in Invensys Rail, at Hyderabad, to work on its recent global product research and development tie-up with the latter.

Key Industries – Pharmaceuticals and Biotechnology ... (1/2)

- Hyderabad is the hub of the bulk-drugs industry, accounting for one-third of the national production of bulk drugs. The state produces a majority of 500 basic drugs produced in the country.
- The biotechnology market size in Andhra Pradesh during 2008-09 stood at US\$ 475 million and accounted for 18 per cent of the total Indian biotechnology industry.
- The State Government has helped develop the pharmaceutical and biotechnology industry through specific policies promoting knowledge-based cluster approach with financial incentives and appropriate infrastructure support.
- Presence of related educational infrastructure has also helped the industry. The biotechnology incubation centre was commissioned in 2008.

Some of the Key Players

- Albany Molecular Research Inc (AMRI)
- Novartis
- Matrix Laboratories Ltd
- Indian Immunologicals Ltd (IIL)

Key Industries – Pharmaceuticals and Biotechnology ... (2/2)

Albany Molecular Research Inc (AMRI)



- AMRI research centre is located in Hyderabad in the ICICI Knowledge Park. AMRI provides custom synthesis of scaffolds and building blocks, as well as preparation of reference standards. A second laboratory for preparing larger amounts of pharmaceutical intermediates, starting materials and other compounds is now operational as well. The centre's operations are fully integrated with US-based resources.

Novartis



- Novartis has presence in over 140 countries and employs 115,000 people. Has been present in India for the last 60 years in the healthcare sector. Has its healthcare-related IT/ITeS and R&D facility in Hyderabad. The company has a development centre at Hyderabad which integrates development franchises of the company through information technology. The facility also operates as a global centre for marketing and sales, sourcing, business planning and analysis. In 2009-10, the company earned revenue of US\$ 50.6 billion.

Matrix Laboratories Ltd



- Matrix has a USFDA-approved facility located at Hyderabad, and has a strong presence in central-nervous-system drugs, quinolone anti-bacterials, anti-retrovirals and anti-histamines. Focusing , mainly, on synthetic research and process development, Matrix has fourteen laboratories with a team of 200 scientists. In 2009-10, total revenue of the company was US\$ 398 million. It has three API facilities at Hyderabad and one at Visakhapatnam. In January 2007, Mylan Inc of the US acquired controlling stake in the company, following which Matrix has now become a subsidiary of Mylan.

Indian Immunologicals Ltd (IIL)



- IIL produces a range of veterinary vaccines such as Foot and Mouth Disease (FMD) vaccines, anti-rabies vaccines, bacterial vaccines, canine vaccines and a host of other combined vaccines. IIL's range of human vaccines comprises of rabies, Hepatitis B, measles, MMR and DPT. It has one of the leading research and development centres in India. The company has headquarters and manufacturing facilities in Hyderabad, an institute in Ooty and an overseas office in Vietnam.

Key Industries – Apparel and Textiles

- The state is a leading producer of cotton, with a production of about 3.23 million tonnes (bales of 170 Kgs each) in 2009-10. Medium grade and superior long staple varieties of cotton are predominantly grown in the state.
- The State Government has identified textile sector as one of the long term growth engines. To utilise potential of the sector, the State Government has already established five Apparel Export Parks (AEP) and seven textile parks. It proposes to establish another 15 AEPs in the state.
- There are over 80 spinning mills including a number of 100 per cent export-oriented units with state-of-the-art machinery, producing cotton, synthetic and blended yarns. There are 1,079 weaving units with a production capacity of 789 million metres of fabric per annum.
- The state has, moreover, emerged as a large textile processing centre. Over 100 units are there in the state with a processing capacity of 13 million metres of cloth per annum.
- The number of power looms in the state aggregates to around 44,000 employing approximately 1,10,000 workers.
- Apparels, fabrics and furnishings have been identified as potential products by the state. Total handloom & textiles exports from the state stood at around US\$ 0.34 billion in 2009-10.

Key Industries – Agri and Processed Food Sector ... (1/2)

- A variety of agro-climatic conditions in the state make it conducive for growing a variety of horticulture crops such as fruits, vegetables, spices, tuber crops, plantation crops and floriculture.
- The state is one of the largest producer of rice in India. It is a leading producer of cash crops such as tobacco, groundnut, dry chilly, turmeric, oilseeds, cotton, sugar and jute.
- The state is one of the largest producers of horticulture products with production of around 20.36 million tonnes (excluding cut flowers and coconuts) in 2009-10.
- The state produces some of the finest varieties of mangoes, grapes, guavas, papayas and bananas.
- It is the number one producer of sweet lime, lime, papaya, chilly, turmeric and palm oil.

→ As per the advance estimates, the area under food grains during the year 2010-11 is expected to be 7.8 million hectares as against 6.6 million hectares during 2009-10, which is an increase by 17 per cent.

Some of the Key Players

- CongAgra Foods
- Cargill India Pvt Ltd
- ITC
- Andhra Pradesh Dairy Development Cooperative Federation (APDDCF)

Key Industries – Agri and Processed Food Sector ... (2/2)

ConAgra Foods



- ConAgra Foods, US is one of the world's leading food companies. It has partnered with ITC Agro and established an R&D centre to adapt food technologies to Indian conditions. The company has dominant market position in the edible oils and branded foods sectors. Edible oil brands include Sundrop, Healthy World, ACT II and Rath. Agro Tech Foods Limited, an affiliate of ConAgra Foods have their registered office at Hyderabad.

Cargill India Pvt Ltd



- Cargill maintains a number of businesses in India, with operations including the handling and processing of a wide range of products, including refined oils, grain and oilseeds, sugar, cotton and animal feed. In addition, Cargill's presence in India has been growing since it began a joint venture operation in 1987. In 2006, Cargill entered into a joint venture and subsequently owned a leading shrimp feed manufacturing farm in Rajahmundry. It has also entered a joint venture project to set up a sugar refinery in the state.

ITC



- ITC is a large Indian business conglomerate with diverse business interests including agri-foods, paper, fast moving consumer goods, lifestyle and retailing and hotels. In 2009-10, the total revenue of the company was US\$ 5.5 billion. A substantial part of ITC's agri-business is located in Andhra Pradesh. The company has one unit each at Anaparti and Chirala and a research centre in Rajamundry. The company also runs its innovative internet based "e-choupal" initiative in the state for the benefit of the farmers.

Andhra Pradesh Dairy Development Cooperative Federation (APDDCF)



- APDDCF runs 12 dairy plants and manufactures milk products under the Vijaya brand name. These plants together have a capacity of 2,437 thousand litres per day. Products include butter, Ultra-High-Temperature (UHT) milk, milk powder, ghee, flavoured milk, khoa, kulfi and processed cheese. It is one of the 15 dairy cooperatives operating under the National Dairy Development Board (NDDB).

Key Industries – Agriculture and Allied Industry ... (1/2)

Forestry	Fisheries
<ul style="list-style-type: none"> Andhra Pradesh has 6.21 million hectares of forest area, which accounts for 22.6 per cent of the total geographical area of the state. In 2009-10, the contribution of forestry & logging to the GSDP was estimated at US\$ 1,129 million. 	<ul style="list-style-type: none"> The fisheries sector has been identified as one of the six growth engines in agriculture sector under, Vision-2020 of the state. Among Indian states, Andhra Pradesh is one of the largest producers of brackish-water shrimp and fresh-water prawn production. In 2009-10, the total production of fish in the state was 1.29 million tonnes compared to 1.25 million tonnes a year ago. Production of fish comprised of around 1,000,000 tonnes of inland fish (including fresh water prawn & brackish water shrimp) and around 293,000 tonnes of marine fish. The contribution of fisheries to GSDP in 2009-10 was estimated to be US\$ 2.04 billion. The Andhra Pradesh Government has entered into an agreement with the US-based World Tuna Development International (WTDI) to develop tuna fishery in the Bay of Bengal. The State Government will invest US\$ 2 million towards 51 per cent of the equity in the proposed joint venture company named as Andhra Pradesh Marine Fisheries Development Limited (APMFD) while WTDI will invest the remainder. The balance US\$ 11.5 million will be taken as term loans from banks.

Sources: Indian Institute of Economics, www.iieasia.in, Socio Economic Survey of Andhra Pradesh, 2010-11, www.aponline.gov.in,

Key Industries – Agriculture and Allied Industry ... (2/2)

- Animal husbandry is rapidly expanding in the state and is playing a significant role in improving the rural economy.
- This sector provides gainful employment to a large number of small and marginal farmers and agricultural labourers and enhance their economic status.
- Activities of the animal husbandry department have been oriented towards improving health of livestock and increased production of milk, eggs and meat.
- As of March 2010, the state had 5,083 institutes supporting production in the animal husbandry sector and 5,303 institutes for health of livestock.

Product	Production (2009-10)	Production (2008-09)
Milk (million tonnes)	10.4	9.6
Egg (in million)	19,396	18,344
Meat (million tonnes)	0.68	0.60

Source: Socio Economic Survey of Andhra Pradesh, 2010-11.

Key Industries – Petroleum, Chemicals and Petrochemicals

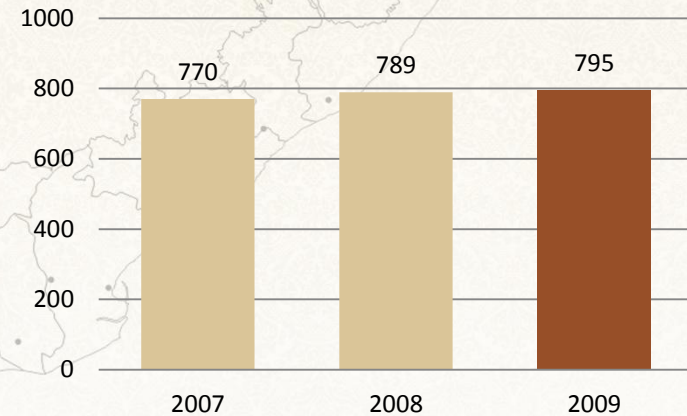
- According to the Ministry of Petroleum and Natural Gas, the net natural gas production was about 1,468 million cubic metre for 2009-10. The state's Krishna-Godavari basin area has a total hydrocarbon resource base of 1,130 million metric tonnes.
- Andhra Pradesh is set to become the second Indian state after Gujarat to enter the oil and gas exploration and production segment through bids for oil and gas blocks under the Central Government's New Exploration Licensing Policy (NELP).
- The Andhra Pradesh Government decided to enter the oil and gas exploration and development sector and set up a Special Purpose Vehicle (SPV), the Andhra Pradesh Gas Infrastructure Corp Limited as a joint venture between two state-owned entities. The infrastructure provider for industries in the state, Andhra Pradesh Industrial Infrastructure Corporation (APIIC), would hold 51 per cent in the SPV and AP Genco, would hold the balance.
- Hindustan Petroleum Corporation is setting up a Diesel Hydrotreater Unit of 2.2 MMTPA at Visakhapatnam refinery with an investment of US\$ 789 million. The project is expected to be completed by September 2011.
- In October 2009, the Department of Petroleum, Government of India, signed a Memorandum Of Understanding (MOU) with the Andhra Pradesh Government for setting up a petroleum, chemicals and petrochemicals investment region (PCPIR) in the Visakhapatnam-Kakinada region as an industrial cluster. The investments expected in the PCPIR are estimated to be around US\$ 74.6 billion. The State Government has initiated process of appointing consultant for preparing a master plan for the project.

MMTPA: Million Metric Tonne Per Annum

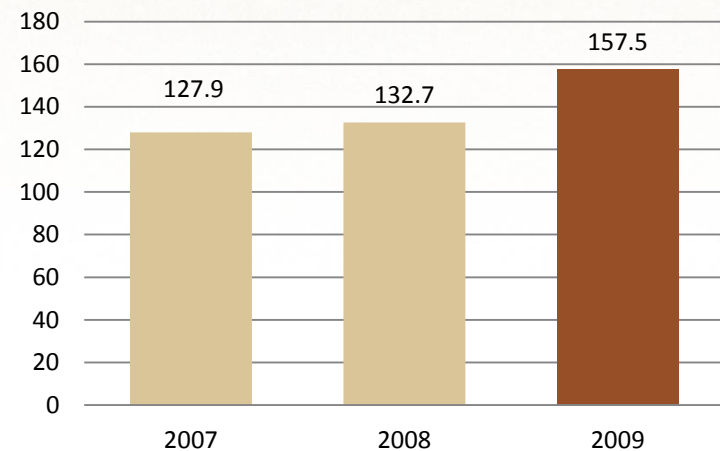
Key Industries – Tourism ... (1/2)

- Andhra Pradesh is known for its pristine beaches, sacred places of worship, lush green forests, spicy cuisine and hospitable people.
- With tourist attractions such as Charminar, Golconda Fort, and Ramoji Film City, Araku Valley, Borra Caves, Tirupati Balaji Temple, and Puttaparthi Saibaba, the state offers attractive investment opportunities to developers and investors.
- The state ranked seventh in international tourist arrivals and accounted for 5.8 per cent of the total international tourist arrivals in India in 2009. With 24.2 per cent share of domestic travelers, the state ranked first in domestic tourist arrivals.
- Thirty two projects have been sanctioned for the state by the Ministry of Tourism during the Eleventh Five Year Plan period (2007-2012, up to September 2010), at a project outlay of US\$ 35.3 million.
- The State Government has identified Hyderabad, Visakhapatnam, Tirupati, Vijayawada, Nagarjunasagar and Warangal for tourism development.

Arrival of International Tourist in Andhra Pradesh (in '000)



Arrival of Domestic Tourist in Andhra Pradesh (in million)



Source: Ministry of Tourism, Government of India

Key Industries – Tourism ... (2/2)

Upcoming Mega Projects -

- Kadapa Heritage Circuit
- Tirupati Heritage Circuit
- Charminar Area
- Mega Park near Nagarjuna Sagar

Sources: Ministry of Tourism , Government of India
and Socio Economic Survey 2010-11, Andhra Pradesh



Key Industries – Leather

- The state is a major producer of hides and skins, producing about 19 million pieces per annum, constituting around 10 per cent of the country's output.
- The 34 large and medium tanneries in the state produce about 40 million sq ft of processed hides and skins per annum.
- The state has 15 leather goods and footwear manufacturing units in the large- and medium-scale sector.
- The government provides financial assistance in the form of investment grants to the extent of 30 per cent of cost of plant and machinery for Small Scale Industries (SSI) and 20 per cent of cost of plant and machinery for other units, subject to a ceiling of US\$ 120,000 for technology up-gradation or/and expansion.

Leather Industries Development Corporation (LIDCAP)

LIDCAP is the nodal agency for leather industry development in the state.

Plans to establish 72 mini-industrial parks on 25 acres of land for processing raw material, 16 medium industrial parks of 100 acres each for processing semi-finished leather, six mega industrial parks of more than 300 acres each including an International Leather Complex at Krishnapatnam (KILC).

KILC has world class infrastructure for leather tanning and leather processing. The project finance is supported by the Government of India, Government of Andhra Pradesh and has private participation in the Special Purpose Vehicle (SPV).

KILC is located at Krishnapatnam in the Nellore district in an area of 412 acres near the sea coast. It is proposed that KILC will house about 25 tanning units in a floor area of 250 acres of land and about 21 leather processing units with capacities ranging between six and 25 tonnes and a total capacity of 300 tonnes in a floor area of 220 acres.

Source: Leather Sector in AP, ILC Profile, LIDCAP
Website: www.lidcap.org, www.aponline.gov.in

Key Industries – Mines and Minerals

- The state's mineral production was valued at US\$ 4.06 billion in 2009-10.
- According to Ministry of Mines, in 2009-10, Andhra Pradesh is estimated to account for approximately 10.74 per cent of total mineral production in the country.
- Coal is the major mineral produced in the state which contributed 32.73 per cent of the total value of mineral production in the state.
- Production of manganese ore increased by 35.69 per cent and petroleum (crude) by 5.19 per cent in 2009-10.
- Production of barytes increased by 26.92 percent, ochre by 28.92 per cent, dolomite by 22.91 per cent, and coal 13.20 per cent in 2009-10.

Contribution to National Minerals (%) in the Country	
Barytes	94
Ball Clay	63
Corundum	61
Diamond	40
Calcite	39
Mica	28
Garnet	26
Limestone	20

Sources: Indian Mineral Scenario - States, Ministry of Mines Website, www.mines.nic.in

Key Industries – Gems and Jewellery

- Hyderabad is one of the leading hubs for the jewellery sector in India. The state produces a wide array of precious- and semi-gems as well as pearls.
- Andhra Pradesh Gems and Jewellery park is a joint venture between the IOI Corporation and AP State Trading Corporation.
- It has been developed as a state-of-the-art facility in which the floor space will be sold to jewellers and pearl dealers.

Hyderabad Gems SEZ Limited (HGSEZ)

Situated at Hardware Park near the Rajiv Gandhi International Airport.

Spread across 200 acres, the Hyderabad SEZ houses about 75-100 diamond, gold and watch manufacturing units.

The SEZ also has a training centre for manufacturing jewellery and cutting and polishing of diamonds

Key Industries – Other Growth Sectors ... (1/2)

Hospitality, Leisure and Entertainment

- Being a major tourist hub in the country, the state is making rapid strides in the retail and entertainment segment.
- The sector is attracting investments in projects such as world-class spas, entertainment centres, mega shopping malls, multiplexes, business convention centres and theme parks.
- Urban entertainment, including amusement parks, has redefined leisure and entertainment activities in the state.

Hotel Projects Under Construction

Name	Promoters	Project Cost (US\$ million)	Location
Park Hyatt 7-Star Hotel	Gayatri Hi-Tech Hotels Limited	76.1	Banjara Hills, Hyderabad
Leela Palace Kempinsky Hotel	Hotel Leela Venture Limited	67.4	Hyderabad

Source: www.projectstoday.com

Key Industries – Other Growth Sectors ... (2/2)

Retail	Electronics Hardware	Semiconductors
<ul style="list-style-type: none"> Organised retail is catching up fast with significant mall development in the pipeline. Shopping malls are being developed in suburban and peripheral areas followed by central business district. Reliance Retail opened its first 'Reliance Fresh' stores in Hyderabad and Secunderabad in late 2006. Reebok has opened its largest store in the world in Hyderabad. GVK group opened 'GVK one' a world-class shopping space measuring over 6,00,000 sq ft at Hyderabad in May 2009. 'GVK one' also hosts a 1,200-seat INOX multiplex along with a themed entertainment centre 'Funzone' in Hyderabad. 	<ul style="list-style-type: none"> Key segments within the electronics hardware industries in the state: <ul style="list-style-type: none"> Telecommunications Industrial electronics Test and measuring equipment Computer and consumer electronics Strategic electronics There is immense scope for investments in the fields of nanotechnology, semiconductors, computer peripherals, appliances, precision engineering, Integrated Circuits, Large Scale Integration Chips (LSICs) and Very Large Scale Integration Chips (VLSICs). 	<ul style="list-style-type: none"> An investment of US\$ 3 billion has been announced for setting up a fabrication unit in the Fab City, Hyderabad to manufacture semiconductors used in computers, mobile phones and other digital devices Fab City has been allotted 1,200 acres, close to the new international airport. The Electronics Hardware Policy of the state offers various incentives such as exemptions, reimbursements, facilitating technical education, etc. to promote the industry.

Sources: <http://industriesportal.apcgg.gov.in>, GVK group website: www.gvk.com

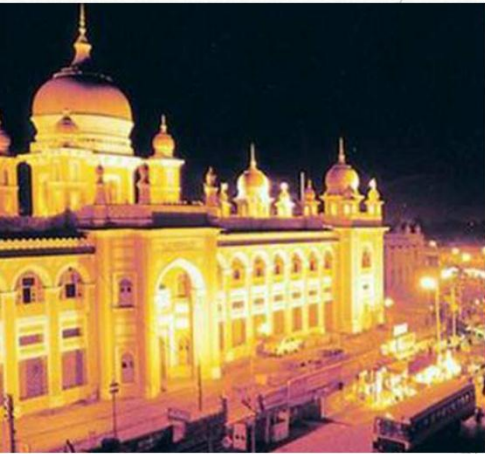
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Single-Window Approval Mechanism

- Andhra Pradesh is the first state in the country to have enacted the Industrial Single Window Clearance Act No 17 of 2002. The Act made it compulsory for new industries to register with the single-window to obtain clearances quickly. It also simplified procedures for getting industrial clearances.
- Committees were constituted at district and state levels to communicate to the applicant, the status of their clearances. It has set time slots for issuing clearances and incorporated a provision for deemed approval after the expiry of time limit.
- District level committees can clear investments not exceeding US\$ 219,442. State level committees can clear those exceeding US\$ 219,442.
- Above the district and state level committees is an empowered committee headed by the Chief Secretary of the State Government who reviews and monitors disposal of applications. Overall, a State Board under the chairmanship of the Chief Minister oversees the progress of the scheme.
- The maximum time taken to issue clearance of applications at all stages is 45 days. Violation of provisions of the Act made either through self-assessment or otherwise would invite a penalty of US\$ 109 in the first instance and US\$ 219 in the second instance.

Key Investment Promotion Offices ... (1/2)

Agency	Description
<p>State Investment Promotion Board (SIPB)</p>	<ul style="list-style-type: none"> The SIPB has been created by the Government of Andhra Pradesh with the state Chief Minister as Chairman and members consisting of the Finance Minister, Minister for Revenue, Minister for Major Industries, Minister for Energy, and other ministers connected with specific projects as special invitees as well as the Chief Secretary to Government as member or convener. The Industries & Commerce Department issues a single order on each project, incorporating the decisions of the Board. The concerned Departments of Secretariat issue further necessary orders, with which they are concerned, on the decisions taken by the SIPB.
<p>Major Industries, Commerce and Export promotion Ministry</p>	<ul style="list-style-type: none"> Controls the office of the Principal Secretary, Industries & Commerce, Commissioner of Industrial Promotion They are responsible for SSIs and control the office of the Commissioner of Industries & Export Promotion, Commissioner Handlooms and Textiles, Commissioner for Sugar and Director, Mines and Geology. The Industries & Commerce department is headed by the Industries Minister and is controlled by the Principal Secretary.

Key Investment Promotion Offices ... (2/2)

Corporations under Industries and Commerce Department

Andhra Pradesh Industrial Development Corporation (APIDC)

Andhra Pradesh Industrial Infrastructure Corporation (APIIC)

Andhra Pradesh Mineral Development Corporation (APMDC)

Andhra Pradesh State Finance Corporation (APSFC)

Andhra Pradesh State Trading Corporation (APSTC)

Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO)

Leather Industries Development Corporation of Andhra Pradesh (LIDCAP)

Andhra Pradesh Handicrafts Development Corporation (APHDC)

Andhra Pradesh Khadi & Village Industries Board (KVIB)

Contact List

Agency	Contact Information
AP Industrial Infrastructure Corporation	6th Floor, Parisrama Bhavan Fateh Maidan Road, Basheerbagh Hyderabad - 500 004 Phone: 91-40-2323 7622, 2321 2798 Fax: 91-40-2323 3393, 2323 3251 E-mail: hyd@apiic.in Website: www.apiic.in
Department of Industries and Commerce	Industries and Commerce Department 2nd Floor, D Block, Room No-348A Secretariat Hyderabad - 500022 Phone: 91-040-23454449 Fax: 91-040-23452985 E-mail: secy_inds@ap.gov.in Website: http://industriesportal.apcgg.gov.in/

Key Approvals Required ... (1/2)

S No	Approvals and Clearances Required	Respective Departments of State	Estimated Time
1	Registration, Industrial Entrepreneurs Memorandum (IEM), Industrial Licenses	Registrar of Firms	7 Days
2	Allotment of Land/Shed in Industrial Estates or Industrial Areas	Andhra Pradesh Industrial Development Corporation	7 Days for up to 1,000 sq m 21 Days for above 1,000 sq m
3	Acquisition and Alienation of Government Lands	Chief Commissioner of Land Administration (CCLA)	45 Days
4	Site and Building Plan Approval	Panchayat Raj Department	7 Days
		Urban Development Authority	
		Town and Country Planning	
		Municipality	
5	Change of Land Use	Urban Development Authority	45 Days
		Town and Country Planning	
		Municipality	
6	Consent for Establishment under Pollution Control	Green	7 Days
		Orange	21 Days
		Red	45 Days

Source: Commissionerate of Industries, Government of Andhra Pradesh

Key Approvals Required ... (2/2)

S No	Approvals and Clearances Required		Respective Departments of State	Estimated Time
7	Consent for Operation Under Pollution Control	Green	AP Pollution Control Board	7 Days
		Orange		21 Days
		Red		45 Days
8	No-Objection Certificate for Fire Safety		Fire Services Department	15 Days
9	Permission for Establishment of Distillery		Excise Department	30 Days
10	Licence for Possession and use of Rectified Spirit			7 Days
11	Licence for Possession and use of Denatured Spirit			7 Days
12	VAT/CST Registration		Commercial Taxes Department	7 Days
13	Power Feasibility		Power Distribution Companies	7 Days
14	Power Connection			23 Days
15	Approval of Factory Plans		Factories Department	7 Days
16	Factory License			7 Days
17	Sanction of Water Supply		Hyderabad Metro Water Supply and Sewerage Board	7 Days
18	Water Connection			23 Days
19	Permission to Draw Water from Rivers and/or Public Tanks		Irrigation Department	30 Days

Source: Commissionerate of Industries, Government of Andhra Pradesh

Cost of Doing Business in Andhra Pradesh

Parameter	Cost Estimate
Land Price (US\$ per sq m)	20 to 200
Labour Cost (minimum wages per day)	US\$ 2.8 to US\$ 5.5
Lease Rent (US cents per sq ft)	36.6 to 61.0
Electricity (US cents per unit)	Commercial: 15.8 Industrial: 9.8 to 10.8
Residential Rent (US cents per sq ft per month)	12.6 to 62.5
Five-Star Hotel Room (US\$ per night)	73.0 to 512.0
Water (US cents per 1,000 litres)	Commercial: 50.0 Industrial: 62.5

Sources: Andhra Pradesh Government Websites and Industry Sources,
Ministry of Labour and Employment, Government of India

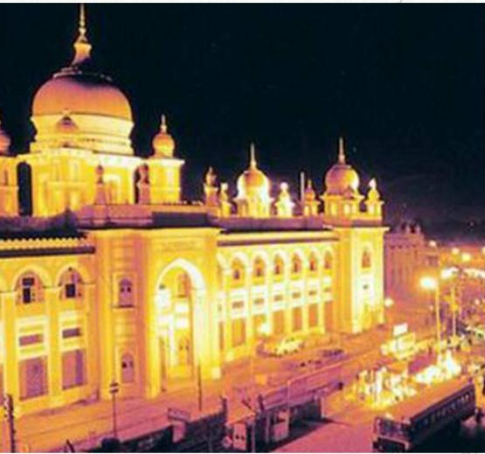
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State Acts & Policies ... (1/3)

Industrial Investment Promotion Policy (IIPP) 2010-2015

Objective

- To build a strong and vibrant industrial economy that spins off large capital formation in the state and advances inclusive development of all sections of people and industry, that creates increasing employment opportunities, and raises wage incomes to higher levels through skill upgradation so as to improve the quality of life of citizen of the state.

[Read more](#)

Information and Communications Technology (ICT) Policy 2010-2015

Objectives

To make Andhra Pradesh as one of the fore runners in the IT sector in the country. The objective will be achieved through the following:

- Provision of congenial, industry-friendly and proactive climate for IT companies to locate, grow and sustain their operations in most competitive and hassle-free environment.
- Creation of employment opportunities to the educated youth of all sections of the society across all regions.
- Achieving higher levels of exports resulting in enhanced productivity, and augmentation of GSDP.
- To spread IT to nook & corner of the state.
- Leverage IT as a tool for the socio-economic development of the state.

[Read more](#)

State Acts & Policies ... (2/3)

Food Processing Policy 2010-2015

Objective

- To give a special focus to food processing industry by extending the benefits for a period of 5 years from April 2010 to March 2015. The policy will cover areas like Horticulture, Agriculture, Animal husbandry, Fisheries, Agro food processing industries and allied industries.

[Read more](#)

Tourism Policy 2010

Objectives

- To position the state competitively for attracting private sector investments in tourism and hospitality sectors.
- To target the incentives to the private sector better as per the State Government's priorities in terms of geographical areas and tourism products
- To focus on maximum generation of employment in the sector by development of Human Resources through capacity building

[Read more](#)

State Acts & Policies ... (3/3)

Electronic Service Delivery Policy 2003

Objective

- To evolve a comprehensive and generic policy that permits rapid growth of electronic delivery of services under e-governance projects such as e-Seva, AOnline, e-Procurement, CARD and i-Community.

[Read more](#)

Biotechnology Policy 2001

Objective

- To undertake a detailed inventory evaluation of the bio-resources in the state, to encourage research and development (R&D), to develop high-quality infrastructure and provide special incentives to biotech industry.

[Read more](#)

Annexure

Exchange Rates

Year	INR equivalent of one US\$
2004-05	44.95
2005-06	44.28
2006-07	45.28
2007-08	40.24
2008-09	45.91
2009-10	47.41
2010-11	45.57

Average for the year

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