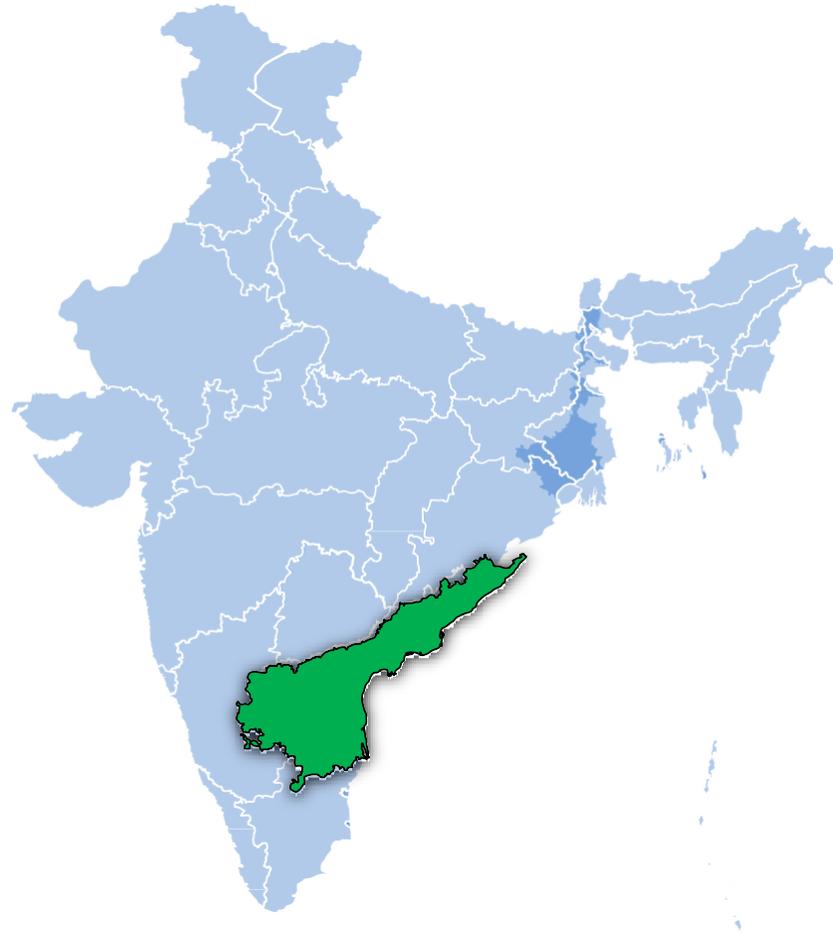


Leading the way forward Andhra Pradesh, India

**Mrs. Bhavna Saxena, IPS
Special Commissioner
Andhra Pradesh Economic Development Board
Government of Andhra Pradesh**

30th August, 2019

Andhra Pradesh is at Forefront of India's Transformation



8th

Largest state in India



4%

of India's total population



124

USD Billion GDP in 2018-19



11.2%

Growth rate (2017-18); Double digit growth in last 3 years



13%

of India's total coastline (974 km). Gateway to the east.



6

Existing Ports



6

Existing Airports



Note: GDP and Growth numbers are at Constant Prices

Focus sector – Textiles and apparels

- Second largest silk producer in India with 20% of India's production (5970 Empty Production)
- 7th Largest cotton producer in India (5% of India's Production) (Krishna, Guntur, Prakasham and Kurnool Major cotton producing industries)
- 19 Lakh of bales of cotton produced in 2017.
- 7% of India's spinning capacity (36 million spindles)
- 18,000 power looms
- 23 processing units
- 653 are MG units

Textile and Apparel policy 2018-23

Policy Objectives

- To ensure sustainable & inclusive growth
- To be one of the leading global textiles manufacturing hub.
- To be among the top 3 states in terms of industrial investments by 2022
- To create significant employment opportunities.

Key Policy Targets: 2020

- Textile Identified as a key thrust area
- Aims to make AP as a preferred destination for textile and apparel industrial activities.
- Increase contribution of Manufacturing to GSDP from 9.95% to 15%
- Generate employment opportunities for at least 2.5 lakh people
- Attract investment of at least 15,000 crores (USD 2.1 bn) in the sector by 2023.



For more than a decade Global Leaders have made AP their home



Shahi Exports Pvt. Ltd.



INDIAN DESIGNS
Exports Pvt, Ltd.
Manufacturers & Exporters of Readymade Garments

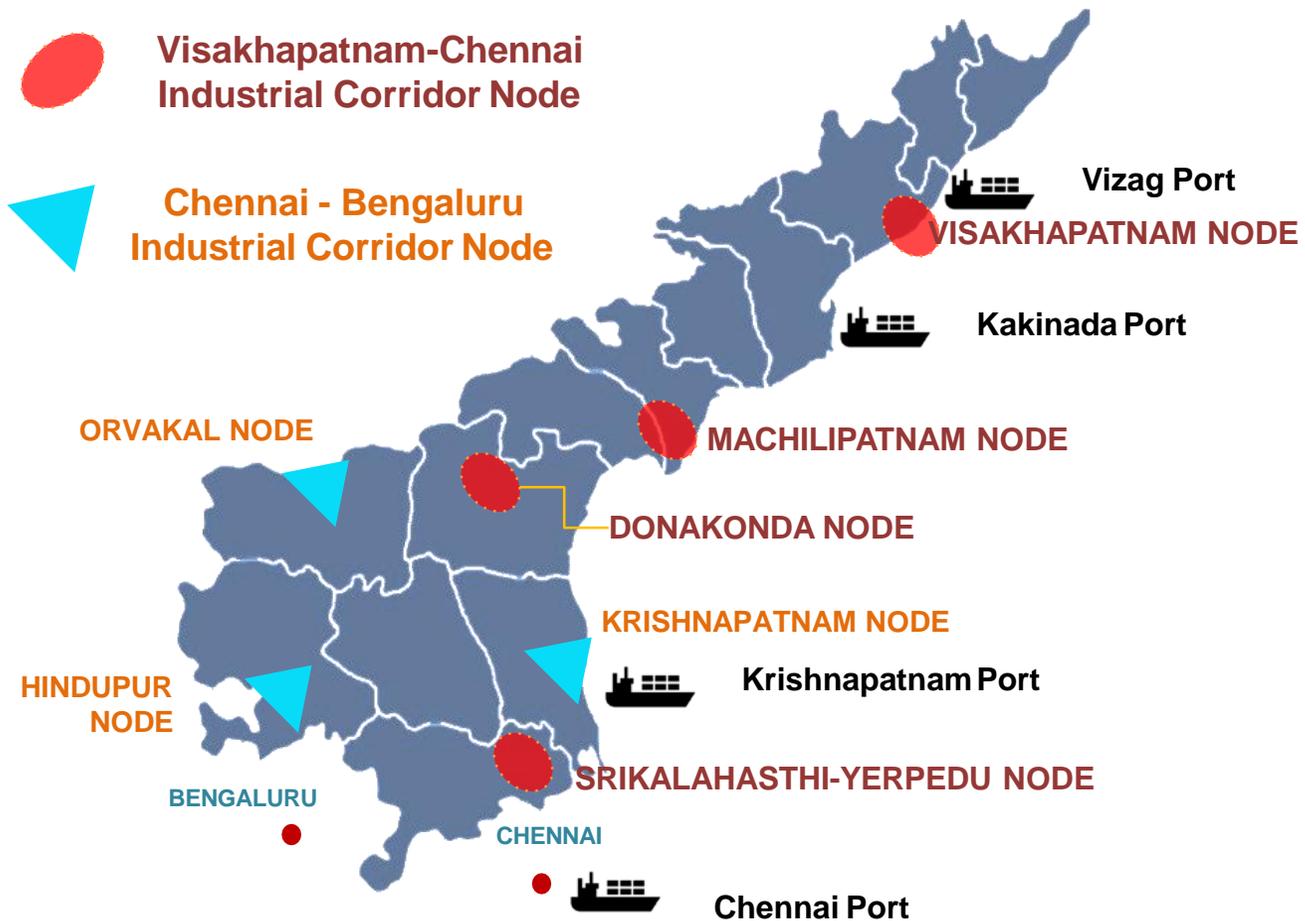


Strategy for development

- Strategy based on best in class policy instruments and physical incentives.
- Robust infrastructure including logistics and connectivity
- 300 Thousand acres of land bank
- 24x7 power supply.
- Widely available Raw material
- Skilled human capital
- Industrial corridors and cluster based industry development
- Large industrial parks plant.
- Commerce and export sales for boosting bilateral trade technology tiles
- Support to small industries and MSMEs.

Industrial corridors – Land and Infrastructure readily available

VCIC is India's First Coastal Economic Corridor with numerous land options in close proximity to ports



VCIC

Four nodes proposed

- Vishakhapatnam Node (6,847 acres)
- Srikalahasthi - Yerpedu | Chittoor (24,191 acres)
- Machilipatnam (12,145 acres)
- Donakonda (17,117 acres)

CBIC

Three nodes proposed

- Krishnapatnam Node (10,480 acres)
- Hindupur Node (10,700 acres)
- Orvakal Node (7,800 acres)
- Kadapa Node (To be Added soon)

Commerce & Exports Cell – Boosting bilateral Trade and Technology Tie-ups

Working with various countries to setup Chambers of Commerce in Vijayawada



- Identify good trade relations
- Identify Specific Products which are doing well
- Identifying Global Trade Partners
- Trade pacts to support both partners

- Dedicated Central Trade Facilitation office
- District trade cells to strengthen information and build relations
- Periodic Consultation with Partners On Trade Promotion Strategy

- Attracting Export oriented investments
- Trade Missions
- Global Trade Summit

- Procure globally best technologies to boost AP Industries
- Fund technology improvements and Monitor progress
- Make technological improvements to suit Indian conditions

Cluster based industrial development in the state

Existing Successful Industrial Parks

Brandix India Apparel City, Visakhapatnam

- 1,000-acre textile park with world-class infrastructure
- Effluent Treatment Plant with 22 MLD with Marine discharge

Jawaharlal Nehru Pharma City, Visakhapatnam

- 100+ pharma firms over 2,400 acres
- 12 MLD Capacity ETP
- 40 Km Effluent conveyance system

Sricity, Nellore

- Multi product SEZ + DTZ + FTWZ spread over 7,500 acres
- 185 firms from 27 countries

Kakinada SEZ, Kakinada

- Multi Product SEZ and DTA
- Spread over 10,400 acres
- Upcoming 10 MTPA Petrochemical Complex by Haldia

Large Industrial Parks Planned



Policy for Industrial parks

Park development in collaboration with private investors



Walk to Work Spaces

Industrial Housing for workers to provide ease of living



Pollution control measures

Sector specific CETPs to ensure Sustainable Industrial Development



Skill Development

Skill Development center to quickly train and provide workforce suited to Industry need



Marketing

State to help market these Industrial Parks to the Global Investor community

We are Supporting Small Industries – Building Blocks for Local Industry

Facilitation



- Establishing help desk for MSME Entrepreneurs at Districts
- Assign Relationship Managers
- Funding options for MSMEs
- Project Appraisal Support
- Entrepreneur Training

Infrastructure



- Industrial cluster development
- Common facility centres
- Quality testing labs
- Identify potential sectors
- Project Facilitation
- Implementation Handholding

Trade



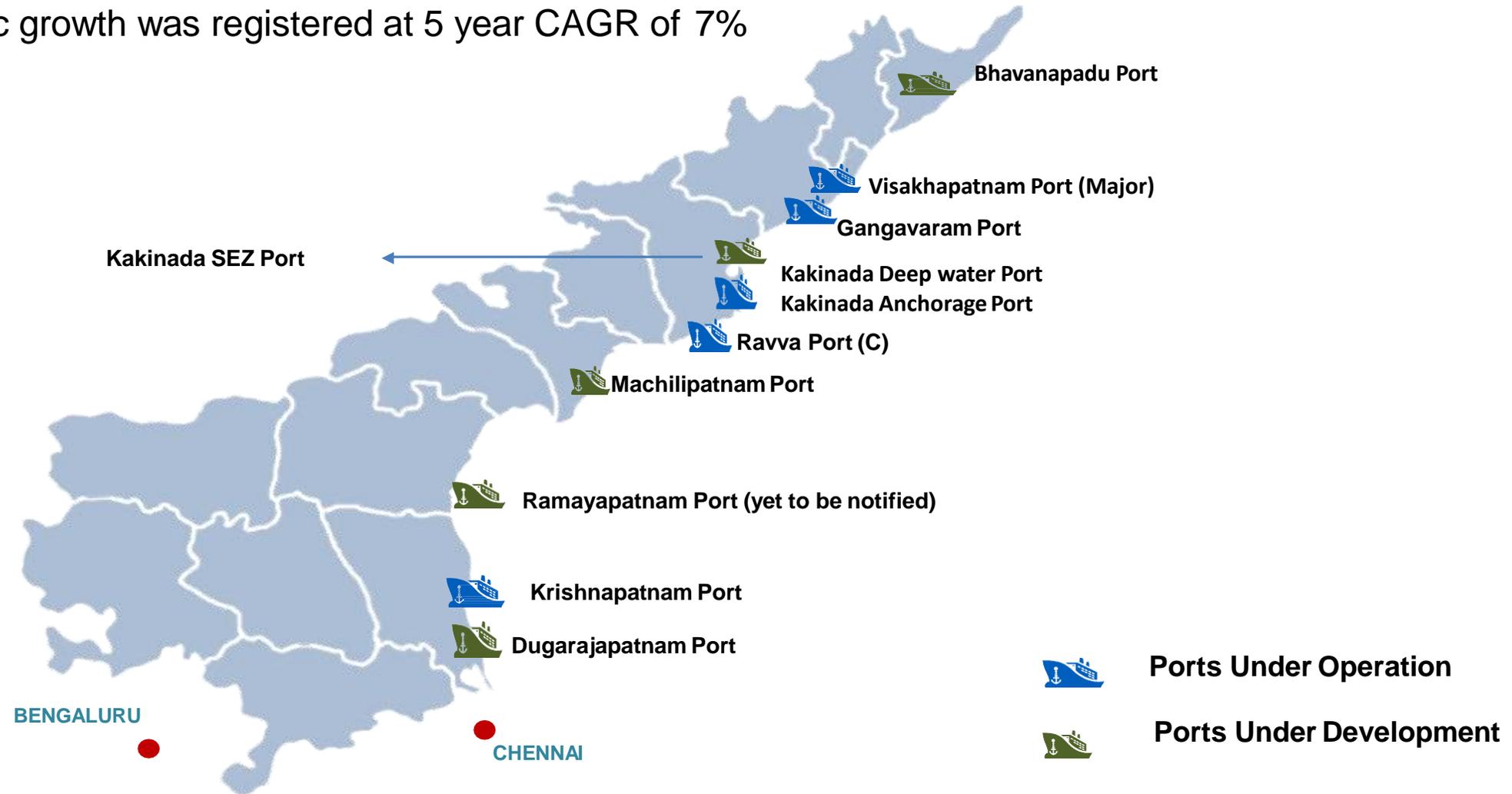
- Identify specific products from each district/region
- Create marketing linkages through various mediums
- Work with Global Trade organizations to improve trade

Dr. Y.S.R. Navodayam Scheme – Revival of Stressed Small Businesses (MSMEs)

- Support and Monitor “One-time Restructuring of MSME Loans”
- District MSME cell to create awareness, provide support and monitor progress
- Other Support through disbursement of incentives on priority

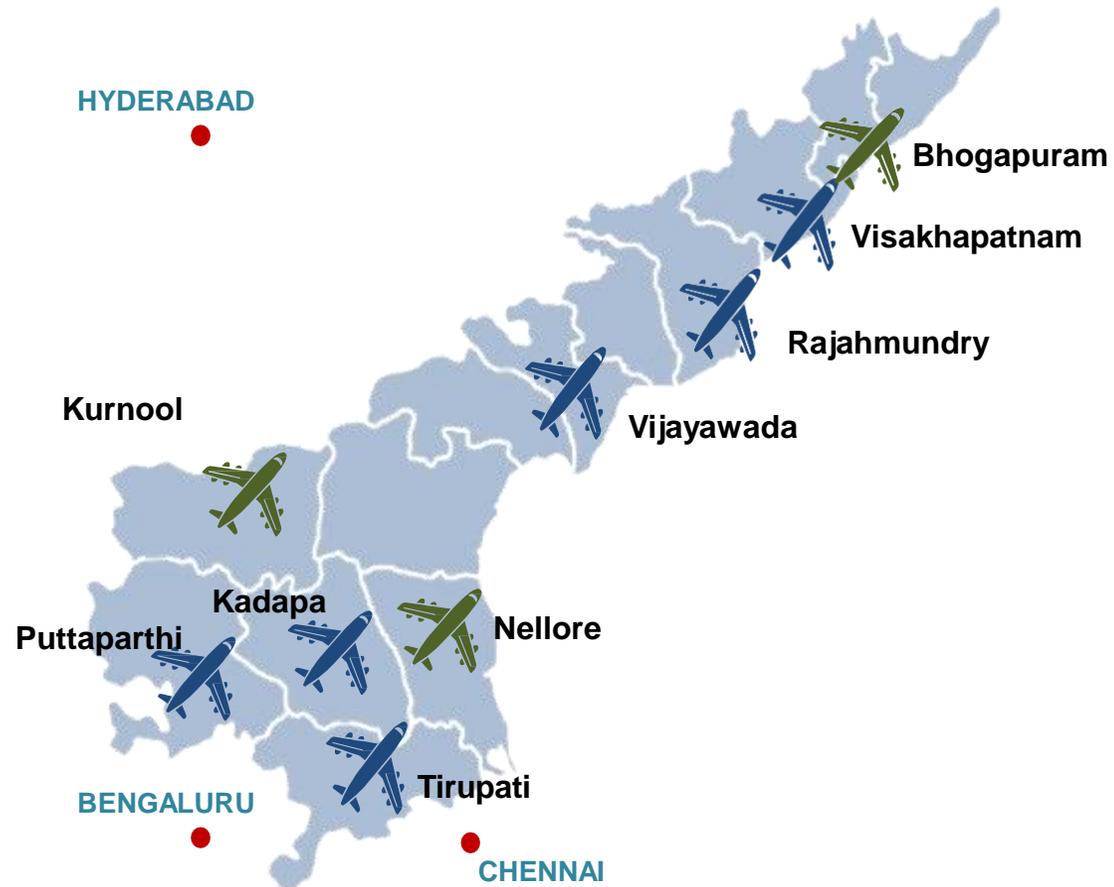
Maritime Focus – New Investments for Port and Port based Development

- AP has 974 km Coastline; 2nd longest in the country
- Traffic growth was registered at 5 year CAGR of 7%



Fast growing Airport sector providing Regional Connectivity

- AP has 6 operational airports
- 3 Airports are under development
- Traffic growth for 2018-19 YoY stands at 33%



Operational Airports

Tirupati
Kadapa
Rajahmundry
Visakhapatnam
Vijayawada
Puttaparthi



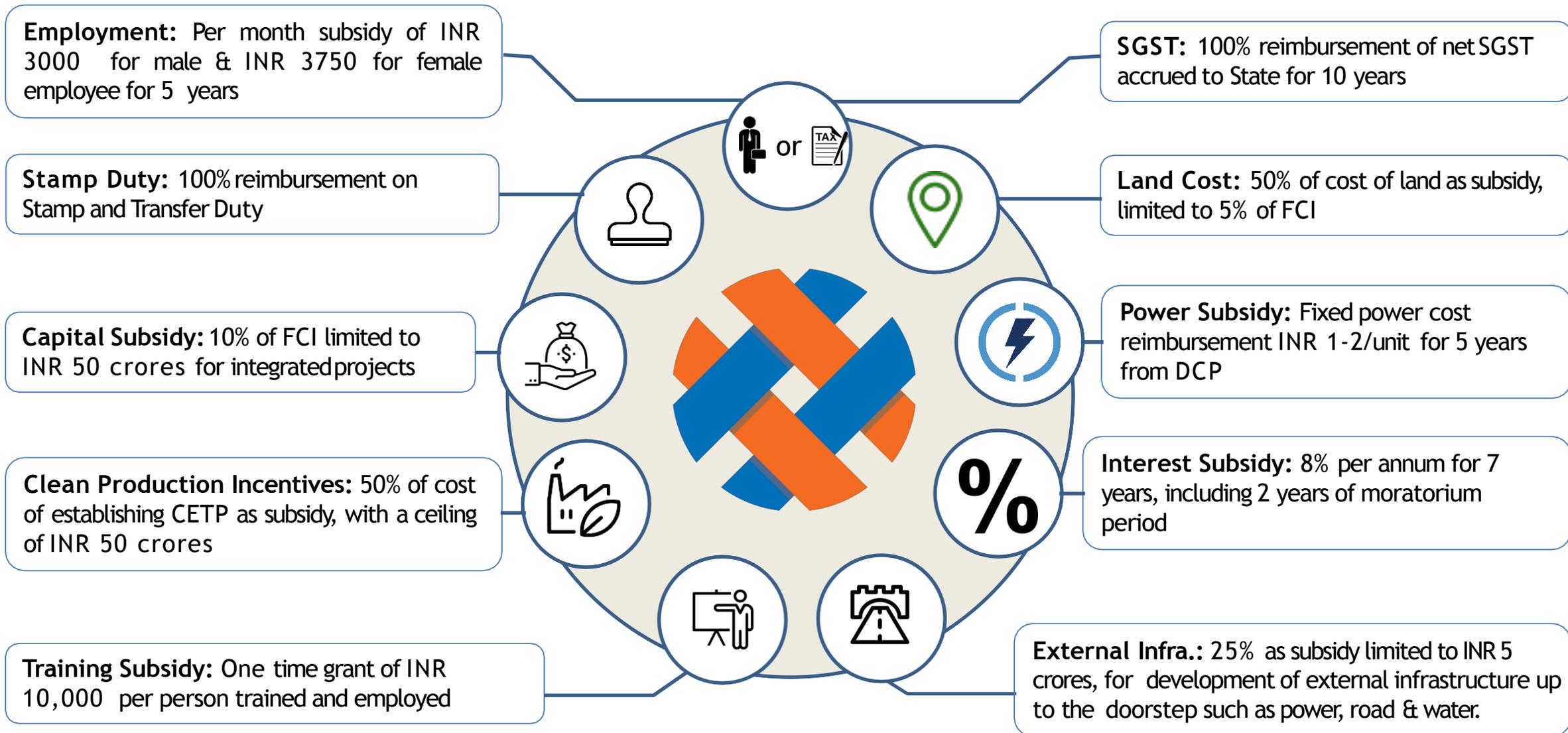
Under Development Airports

Kurnool
Bhogapuram
Nellore

Andhra Pradesh Advantage

Fiscal Incentives

Incentives under AP Textiles, Garment & Apparel Policy 2018



*INR 72 to 1 USD

Potential textiles zones in AP and opportunities for new investment

- **Vishakhapatnam (Readymade garment and Technical textiles)**
 - Existence of 2 apparel parks- Brandix & Vishakhapatnam Apparel Park
 - Port Base will help to import material for technical textiles.
- **Prakasham (Weaving, Processing & Made Ups)**
 - Concentrated spinning industry in and around
 - Coastal line suitable for processing
- **Nellore (Processing & Readymade Garments)**
 - District is an coastal line and suitable for processing
 - Close vicinity to Chennai.
- **Chittoor (Weaving & Readymade Garments)**
 - Close vicinity to Chennai & Bangalore
 - Existence of Nagari Power Loom cluster
- **Anantapuram (Readymade Garments)**
 - Close vicinity to Chennai & Bangalore
 - Existence of readymade Jeans manufacturing cluster in Rayadurg





ANDHRA PRADESH

Land of Infinite Opportunities