India’s youngest city Amaravati emerges as futuristic economic and business hub for global investors.
We need to aim high, higher than what we can reach, for it will enable us achieve our dreams. I inherited a vision – a vision of a prosperous, happy, inclusive state, and I have held on to that vision in all my endeavours. Every step that I have taken, I have been guided by my predecessors, the leaders who put the people before themselves. As NT Rama Rao, our former chief minister, said, “Society is the temple and people are the Gods”; our aim is to ensure that the fruits of various economic reforms reaches every individual in the state so that that we can build a society without poverty and inequalities; above all our goal is to establish a peaceful, secure and joyful society.

My goals for the state I have shared with you many a time. I want Andhra Pradesh to be the best state in India by 2029. My government’s priority has been to build a non-corrupt, stable, and peaceful society. To make such a society, economic growth must go hand-in-hand with inclusiveness and environmental sustainability. We must aim to achieve a GVA of Rs.6,35,692 and a growth rate of 15.91% by 2018-19. This will be possible only if all the wheels of the economy run together: The agricultural sector must achieve 22.66% growth rate; the industrial sector 13.07%, and the services sector 5.91%.

As a people’s government, it is very important for me that people can reach me with feedback and problems. Very soon, a “People First” phone line is going to be in place to speedily resolve people’s issues.

Over the last few months, we have been relentlessly pursuing our goals. We entered into new business partnerships with the Business Leaders Forum (BLF), Dubai; THK, a Japanese major in automobiles; SUN mobility for Electric Vehicles; Arvind Ltd. to set up an integrated apparel and textile park in Chittoor; Tech Mahindra to set up the country’s first Cyber Security Operations Centre; Ashok Leyland to set up a bus plant in Andhra Pradesh; Akon to set up a solar equipment unit and skill development centre, to name a few. The plan is to set up micro, small and medium enterprises (MSME) parks in every assembly segment. Special attention is being paid to investments in backward areas like Chittoor. This is a journey that I cannot undertake alone, I need each one of you to lend me your hand and support me so that I can make this dream of Swarna Andhra Pradesh come true.

The state has seen fast-paced growth, reaching double-digit growth of 11.07% in 2016-17 from 9.20% in 2014-15. The per capita income rose from Rs.93,699 in 2014-15 to Rs.1,42,054 in 2017-18.

On the agricultural front, AP has played a pioneering role in the inter-linking of rivers. The Godavari and Krishna rivers were inter-linked in a record period of 12 months, which has resulted in 15% increase in yield in the Krishna delta region.

Governance has always been a key focus area. We have been able to take the right decisions based on real-time data sourced from the ground level. The Real Time Governance Centre (RTGC), the brainchild of the chief minister, has enabled people-centric decisions, and helped us achieve a happiness index of 80%.
Message from Sri S.P. Tucker, IAS (Rtd.)
Executive Vice Chairman, APEDB and Former Chief Secretary, Government of Andhra Pradesh

Sustaining double-digit growth and job generation are pivotal for the economic development of the state. Over the last couple of years, the manufacturing sector gained momentum; however, its contribution to overall GVA is only 26%. The service sector, which is currently contributing 44%, has the potential to enhance its share to 55%. The growth of the service sector is imperative for economic development of the state, since every additional job that this sector creates contributes 3.8 times to GVA as compared to the agricultural sector. The states with GVA greater than Andhra Pradesh and are leading in terms of GDP contribution, increasing urbanization and per capita income recorded 64.3 to 54.6% service sector contribution to State’s GVA. The state’s economic development policy should consider instrumental strategies for enhancing the growth of Retail, IT & ITeS, Tourism and Hospitality Services, Medical Value Travel, Transport and Logistics, Education services and BFSI, which will translate into enhanced contribution of the services sector, thereby sustaining envisaged growth and generating jobs.

Message from Sri J. Krishna Kishore, IRS.
Chief Executive Officer, APEDB, Andhra Pradesh

As on 2nd of June 2018, it has been 4 years since the formation of the sunrise Andhra Pradesh state. Despite seemingly insurmountable challenges be it a fiscal deficit or a natural calamity like the hurricane Hud-Hud, it is a matter of fact that the new-born state of Andhra Pradesh has been resilient and converted challenges to opportunities.

In the past 4 years, the state has achieved a consistent double-digit growth rate, a total reduction in outstanding liabilities and revenue deficits, implemented competitive policy frameworks, became power surplus, consistently ranked No1 in Ease of Doing Business and the list goes on. Moreover, these developments are also reflected in a 30 per cent increase in state-wide per capita income over the last four years.

These economic achievements are a result of a concerted and conscientious effort towards achieving the sequential milestones laid down in the Vision 2029 under the progressive leadership of our Hon'ble Chief Minister. We are well on our way to become a developed state, with a happy, inclusive, globally competitive, innovation-driven society.

In the Q2 of 2018, Andhra Pradesh continues to lead the nation with the launch of policies such as the AP Electric Vehicles Policy and Animation & Gaming Policy to become the first mover in niche and emerging sectors. The APEDB is proud to have played a key role in these policy-making initiatives by working with various stakeholders.

In the past few months, the APEDB has worked with firms that have invested over a INR 2200 Crores employing over 12,000 staff at medium to high wages. These firms involve cement grinding and packing unit project, and integrated apparel and textile facility project, a stem cell hospital and research university project, bike tourism and urban mobility services project, a Solar Academy and Solar Assembly Plant, a linear motion equipment manufacturing project, et cetera.

The APEDB has also recently taken the lead in yet another strategic initiative towards sustainable economic development. Under the leadership of Sri. Nara Lokesh, Hon’ble Minister for IT and Panchayat Raj, alongside the World Economic Forum and Accenture Strategy global, the APEDB has initiated the “Accelerating sustainable production” study with a focus on Automobile and Electronics sectors engaging various stakeholders from the industry. We are proud to share that Andhra Pradesh is just one of the 3 global geographies that are selected in this study, which investigates the impact of fourth industrial revolution technologies towards sustainable production systems and socio-economic growth.

As we head towards 2020 and beyond, we will continue to transform ourselves and become catalysts of economic growth as the single point of contact, for any trade or investment into the state and invite you to make Andhra Pradesh, your business.
The AP chief minister has always been a skilled diplomat. On the 27 June 2018, he met with not one but four Indian ambassadors – the representatives to Spain, Austria, Vietnam and Kuwait – to increase the state’s investment potential and outline best practices for attracting foreign investment.

**Exploring tie-ups with Spain for automobiles and construction**

At the meeting, India’s Ambassador to Spain, D. Bala Venkatesh Verma, offered to send a delegation of CEOs from top-ranking companies to meet AP’s key automobile suppliers. It worked in the state’s favour that Spain’s current interests in renewable energy and automobiles matched AP’s focus areas. He also shared that big construction companies in Spain were keen on investing in infrastructural projects.

Mr. Verma stressed on the importance of cultural exchange to strengthen the economic ties. He suggested opening a foreign language school and offering courses on Indo-Pacific studies.

The chief minister wanted the Spanish delegation to get in touch with the concerned officials, who would provide all the necessary support.

**Austrian assistance for technical research and medical diagnostics**

Renu Pall, Indian Ambassador to Austria, highlighted the capacity that the state had to grow in exports. She urged the chief minister to explore to the fullest the potential that Montenegro held as a port city. She offered to arrange a delegation from Austria to meet with AP officials to develop the state’s prospects in technical research and medical diagnostics.

The chief minister expressed keen interest in building ties with Austria saying, “We want to expand in this area and will be very happy to collaborate with Austria … Exchange of knowledge is of utmost priority for us and AP will facilitate … research and technical development for mutual benefit.”

The chief minister wanted attention to be directed towards bringing in investments into the cotton and textile industry too.

**Vietnam models for horticultural and fisheries growth**

Vietnam’s growth trajectory should be emulated according to P. Harish, Indian Ambassador to Vietnam. He outlined how Vietnam had expanded from being just a rice producer and became an exporter of sea food, seasonal fruits and other horticultural items. Through government intervention and efficient marketing strategies, the country had successfully increased its per hectare yield. There were many lessons for AP here.

“Vietnam imports (the) majority of its sea food amounting close to USD 1.3 billion from Kakinada. They then process, package and export it to Japan and Europe and reap great benefits by providing value addition,” said the ambassador, briefing the chief minister on the growth story of Vietnam.

Mr. Harish also offered suggestions on how to develop Buddhist tourism in AP.

**Kuwaiti investors interested in tourism, construction and infrastructure**

The Indian Ambassador to Kuwait, K Jeeva Sagar, pointed out that Kuwait, which is the fourth richest country in the world per capita according to the World Bank, had capital to invest and that Kuwaiti investors were looking for opportunities to invest in tourism, construction and infrastructure projects. He offered to facilitate talks between the Kuwait Investment Authority (KIA) and AP officials.

Chief Minister seeks help of Indian Ambassadors
Singapore sees innumerable opportunities for business and collaboration with Andhra Pradesh

Singapore further strengthened its economic ties with AP and India, recently, when Chief Minister Chandrababu Naidu played host to Desmond Lee, the Minister for Social and Family Development. Mr. Lee’s delegation of 50 members included the who’s who of the business community in Singapore, comprising representatives from both local and international companies. Mr. Lee reaffirmed the team’s faith in AP’s booming economy, saying that “The business delegation, the Singapore Business Federation and the Joint Implementation Steering Committee, all have a sense of confidence when it comes to investing.”

Creating a safe ‘built environment’ in Amravati

Safe, high quality, friendly, sustainable – these are some of the terms that describe the construction work executed by the Building and Construction Authority (BCA) of Singapore. An MoU was signed between AP Real Estate Regulatory Authority (APRERA) and BCA to ensure knowledge sharing in the field of construction. The MoU will enable APRERA to bank on BCA’s expertise in the areas of setup, operation and best practices in construction to develop an excellent ‘built environment’ in AP.

Hugh Lim, the CEO of BCA, was confident that the Construction and Real Estate Network’s (CORENET) e-submission system for project approvals could be adapted to meet the building requirements of the new capital. “We (will) also focus on Green Building Roadmaps and Green Mark Certification to promote environmental sustainability, which is in line with the state’s vision of building the green, eco-friendly city of Amaravati,” said Mr. Lim.

AP to have its very own Construction City

Responding to Mr. Lim’s statements, the chief minister put forward the unique proposition of establishing a Construction City – an entire city that is developed as a hub for manufacturing construction materials, designing, construction academies, and trade.

The chief minister added, “There is a huge market in India for this, as we bring our construction materials from different parts of the world”; he requested the cooperation of the delegates to help build on this idea. (He intends to take this discussion forward during his scheduled visit to Singapore in July.)

“Our goal is to create 9 cities and 27 townships, all of which will be self-sustainable. I want the state to be tourist-friendly, promoting our native cultural strengths through religious tourism, agricultural tourism and village tourism,” he said.

A long and fruitful partnership

Mr. Chandrababu Naidu extolled the friendship shared by Singapore and AP. He acknowledged Singapore’s role in the development of Amaravati and urged their continued support in bringing innovation and infrastructure to the state. “Amaravati is a land of many opportunities as it is surrounded by rivers (with a 60 km waterfront), green forest areas and dynamic people. Sky is the limit for development,” he said.

Mr. Lee responded warmly saying, “From the time we decided to participate in the development of a new city, our relationship has manifested itself into innumerable things like exchange programmes, master-plans, MoUs and infrastructure... Amaravati is very carefully and intricately planned, without haphazard progress, (and it will) maintain adherence to the idea of a beautiful, smart, people-friendly city.”

The economic collaboration between AP and Singapore is managed by the Amaravati Project Office and APEDB, which has identified the core areas of economic collaboration. Mr. Krishna Kishore, CEO, APEDB, facilitated the visit of the minister and his team.
Mr. Krishna Kishore, CEO, APEDB, and Mr. Preetham Reddy, Special Representative, GoAP, led a delegation to Japan to catalyse trade, investments and partnerships to Andhra Pradesh.

Japan shares a special relationship with AP and APEDB has nurtured this friendship by building resilient and sustainable partnerships with the country.

Mr. Daisaku Hiraki, Vice Minister of Economy, Trade and Industry, and Chandrababu Naidu, the Hon’ble Chief Minister, have always affirmed that AP and Japan can play a significant role in strengthening the economic relations between India and Japan.

AP, owing to its robust infrastructure, excellent connectivity, enabling policies, integration with global value chains and a skilled and ready workforce, is specially equipped to attract investments in manufacturing.

APEDB also met with officials from the Ministry of Agriculture, Forests and Fisheries (MAFF). They will collaborate to develop a master plan for the food value-chain in AP. MAFF will also facilitate meetings with Japanese food majors looking for opportunities to invest in India and AP.

The delegation also interacted with senior representatives of JAMA, JEITA, JPCA to build synergies and linkages with member companies of these associations.

The Japan tour generated investment proposals worth Rs. 5000 crore from companies such as Lixil, THK, AKSA Pharmaceuticals, YKK, Minebea, Alloy Industries and Softbank Energy.

The delegation met and interacted with existing companies like Isuzu, Mitsubishi, Kobelco, IMOP and Toray and requested them to be advocates of the Andhra Pradesh growth story.

AP is also encouraging the establishment of Japanese Industrial Townships and Japan India Institutes for Manufacturing to attract manufacturers into the state.
Japan, the world’s third biggest economy, has been invested in AP’s growth right from the start. It has brought its technological expertise and work ethic into every engagement with the state, especially its capital-building activity.

The AP Assembly passed a Bill granting statutory status to APEDB. Therefore, the APEDB Act, 2018 has been in force now. The Board was conceptualised by the chief minister, N. Chandrababu Naidu, to reinvigorate growth, provide a stable macroeconomic framework and to ensure a market friendly environment to secure investments into the state.

“We have been working for two years as per a Government Order (GO). Now, the Board has been given statutory status,” said J. Krishna Kishore, CEO, APEDB.

The Bill was moved by the finance minister, Yanamala Ramakrishnudu, on behalf of the chief minister.

In addition to bringing investments into the state, APEDB also supports GoAP in external engagement, project facilitation and strategic planning among other activities, thus intensifying the state’s economic growth.

Andhra Pradesh Economic Development Act, 2018 passed

The APEDB, modelled much like the Singapore EDB, was constituted on March 17, 2016 as a single-point of contact for investments in the state, with the chief minister as its chairman. It is intended for strategic investment planning and promotion, among other things. Encouraging members to vote in favour of the Bill, the finance minister said “EDB has been playing a significant role in attracting investments into the state.”
Andhra Pradesh to secure its cyber systems through collaboration with Tech Mahindra

As systems the world over become increasingly digitized, it is imperative that networks, data and programs are protected from attack. The tech-savvy chief minister of AP has taken steps in the right direction to ensure that cyber systems in the state and the country are not subjected to such threats. AP has collaborated with Tech Mahindra to set up the country’s first Cyber Security Operations Centre (CSOC) in Vijayawada. Tech Mahindra’s global expertise in cyber security and risk management will come in extremely handy to secure the government’s digital systems.

The state-of-the-art CSOC, which was inaugurated in April 2018, includes traditional SOC and predictive threat analytics capabilities and draws all central and state government entities under its umbrella.

According to Nara Lokesh, Minister for IT, AP, “Cyber security has undoubtedly become an increasingly critical and important issue. The APCSOC is our first line of defence against cyber threats.”

“We are confident the APCSOC will be a shining example of excellence and pave the way for a robust government security framework,” C.P. Gurnani, Managing Director (MD) and CEO, Tech Mahindra, added.

“People first, Industry first” motto makes AP a leader in industrial growth

The Andhra Pradesh chief minister is driven by a vision – the vision to make the state one among the three best states in India by 2022, the best state in India by 2029, and a global investment destination by 2050. Economic development is the crucial lever on which this vision hinges. To enable the state realise its vision, the Industries Department has introduced several policy interventions, identified ten focus sectors and released nine industrial and sector-specific policies, with best-in-class policy instruments and fiscal incentives to promote investments in the state.

GoAP’s policy interventions:
• Single Desk Policy 2015
• Industrial Development Policy 2015-20

Minister for Industries, Mr. N. Amarnatha Reddy inaugurates the Linde India food laboratory and training centre in the presence of Mr. Moloy Banerjee, Head, South Asia, Linde Gases.
• MSME Policy 2015-20
• Food Processing Policy 2015-20
• Textile and Apparel Policy 2015-20
• Aerospace & Defence Manufacturing Policy 2015-20
• Automobile & Auto Components 2015-20
• Biotechnology Policy 2015-20
• Retail Trade Policy 2016-20

Additionally, the GoAP has also released the “Backward Districts Ultra Mega Integrated Automobile Policy” to attract investments to the tune of over USD one billion. The overall target of the 2015−20 policies is to attract new investments worth USD 30.76 billion and to generate employment for ten lakh people.

National leader in Ease of Doing Business

Andhra Pradesh has been the national leader in Ease of Doing Business (EODB), enacting reforms consistently for the last two years. It was ranked second in 2015 and was the leading state in 2016. GoAP has also enacted the Andhra Pradesh Public Service Delivery Guarantee Act 2017, to guarantee public service delivery. The Act highlights the “Right to obtain delivery of services”, and covers 74 services across 22 departments, of which 44 are delivered through the Single Desk Portal. Timelines are stipulated for delivery of 95% of the public services, with penalty and appeal in case of delay in service delivery.

State with the highest number of MoU conversions

GoAP, in collaboration with the Confederation of Indian Industry (CII) and the Department of Industrial Policy & Promotion (DIPP), has organised three Partnership Summits in Visakhapatnam, one each in 2016, 2017 and 2018, showcasing investment opportunities and highlighting investor friendly policies. The Summits resulted in 1,594 MOUs being signed, with an investment potential of Rs.15.21 lakh crores and creation of 32.53 lakh jobs. In fact, the conversion rate of MOUs in AP has been 30–40%, whereas in other states it is 10–15%.

Large & Mega Enterprises

From 2014−18, GoAP has finalised 512 projects in the manufacturing sector, with a committed investment of Rs.4,32,384 crores and creation of 10,86,361 jobs. Out of them, 171 projects are underway, with an investment of Rs.44,299 crores, employing 95,639 persons.

Marque Investments

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<th>ESTABLISHED</th>
<th>UNDER IMPLEMENTATION</th>
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<tr>
<td>ISUZU</td>
<td>KIA MOTORS</td>
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<tr>
<td>FOXCONN</td>
<td>APOLLO TYRES</td>
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<td>BERGER</td>
<td>ASHOK LEYLAND</td>
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<td>PEPSICO</td>
<td>GREENPLY</td>
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<td>GAMESA</td>
<td>JAIN FOOD PARK</td>
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<td>DIXON</td>
<td>HERO MOTORS</td>
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<td>CELKON</td>
<td>ASIAN PAINTS</td>
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<td>PATANJALI</td>
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Micro, Small & Medium Enterprises (MSME)

During the last four years, 29,020 MSMEs have been established with an investment of Rs.13,053 crores, generating employment for 3,36,811 persons. From June 2014, the Government has allocated Rs.3,001 crores towards industrial incentives, out of which Rs.1,364 crores has been released. There is a dedicated MSME Corporation, with a corpus fund of Rs.100 crore, to focus on the development of this sector.

GoAP also has an M-Parks Policy focusing on establishing 175 state-of-the-art MSME Parks with plug-and-play facilities. 8,926 cents of land has already been identified in 96 assembly constituencies.

The efforts of GoAP have produced creditable results, with the growth of the industrial sector, in 2016−17, in AP, touching 10.16% - higher than the national average of 8.31%.

Mr. N. Amarnatha Reddy, Minister for Industries, conducts a review meeting with the officials managing investments and grounding of projects.
AP government plans MSME parks in every assembly segment

Micro, small and medium enterprises are the biggest employers after agriculture, which is why every government that places the well-being of its people at the forefront invests in developing this sector. Right from the beginning, MSME has been a key area of focus for the AP government. In fact, over the last 10 months, there has been a marked increase in the number of new enterprises that have been set up. To further augment growth of this sector, the government has now drawn up an innovative M-Parks (Micro, Small and Medium Enterprises Parks) Policy. The plan is for each M-Park to be set up in a 100 acre plot, with an investment of Rs.225 crores, creating 1,500 jobs in each of the 175 assembly constituencies. The newly created AP MSME Development Corporation will supervise the entire process.

By 2023, there will be 200 such parks housing 30,000 MSMEs, creating three lakh jobs. The total investment will be to the tune of Rs.45,000 crores.

But executing this plan has been challenging. Lack of financial resources and non-availability of land have come in the way of implementation.

Notwithstanding the hindrances, work on the M-Parks began in June, initially where land was readily available. New parks will be established as soon as issues related to land and finances get resolved.

The M-Parks will primarily focus on manufacturing, with sectors like small engineering, fabrication, plastics, automobiles and textiles, which have greater employment potential, being given preference.

Past experience has shown that MSMEs rarely deliver the promised results because the so-called entrepreneurs would get the land allotted, avail the subsidy, raise a temporary structure and never actually run the unit. “Under the new policy, however, we will ensure that the units are functional, with real employment creation. We are also involving the local public representatives to make the MSMEs effective,” said an official from the industries department.

To ensure that the M-Parks are self-sustaining, the state government will promote large and mega enterprises as anchor investors in these parks. This will increase the market prospects of the MSMEs. Of the total land in each M-Park, 10% will be allocated to large and mega enterprises, ensuring industrial growth across all regions of the state.

The MSMEs will be ably supported by the Development Corporation in areas of marketing, skill development, quality enhancement, exports, and warehousing facilities.

Visual representation from open sources.
Flight from Vijayawada to Singapore to boost investment

The Third Joint Implementation Steering Committee (JISC) meeting at the Taj Gateway Hotel in Vijayawada provided an opportunity to the chief minister and Singapore’s Minister of Communications and Information, S. Iswaran, to discuss a wide range of business matters.

At the top of their agenda of matters to be discussed was the need to improve direct flight connectivity between AP and Singapore. A decision was taken to introduce direct flights between the two places. “The first flight from Singapore should land in Vijayawada on July 8th,” said Chief Minister Chandrababu Naidu definitively.

**Infrastructure gets a big boost**

AP is going ahead full steam in building its infrastructure. The Amaravati Development Corporation, in collaboration with the Singapore Consortium, will build 1,604 km of roads, of which 697 are under construction. Also, 831 km, out of the 2,354 km of water supply lines planned, are under construction. Additionally, ‘Foster + Partners’ is developing a government complex in 1375 acres. As for housing, 3,840 apartments are being constructed.

**Amaravati start-up area to see fast-forward development**

The partnership between AP and Singapore to develop Amravati as a liveable city and a forward-looking economic hub was further firmed up when Andhra Pradesh Capital Region Development Authority (APCRDA) and Singapore-Amaravati Investments Holding Ltd (SAIH) signed the Concession and Development Agreement (CADA) to develop the start-up area. “After substantial progress since November, this is the last step towards starting the grounding of the project,” said Ajay Jain, Principal Secretary Energy, Infrastructure and Investments. Mr. Jain presented a summary of the progress made, confirming that the capital city had reached the construction stage of Phase 1. “After 1,254 days since CRDA was incorporated, economic activities and job creation is rapidly growing in the city. Out of the 33,732 acres pooled by 27,564 farmers, 61,887 plots have been returned to farmers. Sixty-three institutions have been allotted land, including those for tourism, sports, healthcare, banks, and state government and central government offices.”

**New centre for business activities**

Amaravati Development Partners (ADP) is a newly formed organisation that partners with Singapore Business Federation, Centre for Liveable Cities (CLC) and other members of the Consortium. ADP’s focus will be Catalytic Development — acting as the centre for business activities and documenting the capital region’s development. The centre will include a welcome gallery, an exhibition centre and a visitor’s area. The target is to complete the project by June 2019.

**Water and waste management**

Officials from CLC shared that an Integrated Solid Waste Management Plan is under progress.

The team also visited the Pulichintala dam, and stressed on the critical need to identify alternative water sources. There was a need for more focused workshops on how to plan for inclusion of green spaces and land management.
Andhra Pradesh developing new economic ties with Republic of Tatarstan, Russia

While the rest-of-India forecast for industrial growth is 7.4%, AP has been enjoying 10.5% growth. The upward graph is being sustained by exploring every new opportunity for partnership and investment. In April 2018, Tatarstan was added to list of partnering states when, on behalf of APEDB, Mr. J Krishna Kishore, the CEO, signed a Memorandum of Understanding (MoU) with Mr Shamil Ageev of the Chamber of Commerce and Industry of the Republic of Tatarstan (CCIRT). Ganta Srinivasa Rao, Minister for Human Resource Development, Government of Andhra Pradesh (GoAP), and His Excellency Rustam Nurgaliyevich Minnikhanov, President of the Republic of Tatarstan, were also present at the signing ceremony.

The MoU will encourage, facilitate and strengthen economic cooperation and promote commercial exchanges between the two regions. The agreement will also enable exchange of trade delegations and organisation of bilateral summits and meetings. The core sectors of collaboration are pharmaceuticals, IT, automobiles, shipbuilding, oil-gas-chemicals, engineering and defence. The MoU also expressly stated that the two countries will exchange information related to foreign trade, production, exports, manufacturing, investments and market trends in mutual areas of collaboration on a regular basis.

Speaking on the occasion, Mr. J Krishna Kishore, CEO, APEDB, said that “This agreement would result in greater economic cooperation with Tatarstan, Russia’s most prosperous republic. Tatarstan as a nerve-centre of industrialisation seeks to collaborate in areas of pharmaceuticals, information technology, shipbuilding, oil-gas-chemical complex and machinery building.” It would be mutually beneficial since “AP is a fast-growing and dynamic region of India which represents considerable opportunities for Tatarstan.”

Manufacturing opportunities

Tatarstan is one of the strongest, fastest growing, and diverse regional economies in Russia known for its oil refineries, automobiles, petrochemical complexes and machine-building plants. It also has advanced manufacturing capabilities and synergies. In fact, Kazan helicopters are the leading exporters of Russian aircraft in the world. The helicopters built by Kazan are very popular with the Indian armed forces. The CEO invited Kazan Helicopters to explore manufacturing opportunities in Andhra Pradesh.

Since GoAP is setting up two major auto clusters through Public-Private-Partnership (PPP) in Nellore and Chittoor districts, the APEDB also invited automobile companies from Tatarstan to establish manufacturing units in Andhra Pradesh.
Amaravati will become India’s ‘Model Capital’: Chandrababu Naidu

At the Mint Asia-Hindustan Times Leadership Summit, held in Singapore in April 2018, the AP chief minister, N. Chandrababu Naidu, shared his dream of building a capital that would be bigger and better than Singapore. His aim is to make Amravati India’s model capital.

The chief minister, who is driving the capital city project, acknowledges the role that Singapore is playing in building the new, futuristic and environmentally friendly city. In fact, two experts from Singapore are preparing the master plan.

Built on 217-sq m of land, Amravati is being designed to include more green cover (51%) and water bodies (10%); in other words, go the green way. Every effort is being taken to make the city more environment friendly; in fact, it is on the top of the list of priorities.

“We are benchmarking ourselves. I’m confident that we will build the best capital in India. Tomorrow, all over the world, people will talk about Amravati,” Mr. Naidu said.

Based on the timeline of the project, most of the buildings, luxury hotels, universities and central business firms should be operational by 2024. The final phase of the project is expected to be completed by 2029.

The smart city will also use technology to attract investors. “Once investment comes, it will be online. Then they can track it. All clearances will be online. Everything will be online. No more delay,” the chief minister said.

Technology, Mr. Naidu added, is something that he is familiar with, having promoted IT in India over the past 25 years. In addition to the business sector, the chief minister is promoting the use of technology in governance too.

“What I ask from you now is to come and see Amaravati, and then invest in our place,” Mr. Naidu urged, identifying IT, biotechnology, electronics, hardware, and automobile manufacturing as possible areas for investments.
Tirupathi summit opens investment opportunities to 38 global suppliers

At the recently concluded Xiaomi Supplier Investment Summit in Tirupati, the chief minister announced that the proliferation of automobile, electronics and hardware industries in AP will soon ensure the creation of a sustainable ecosystem. He met with 38 global suppliers of the mobile phone major Xiaomi India, and assured them of full support from the state, in terms of both infrastructure and resources.

The summit was conducted to showcase the investment opportunities in the state and highlight the government’s proactive initiatives, including subsidies for prospective industries. As a result of the summit, investment worth USD 2.5 billion is likely to come into the state and 50,000 new jobs will be created, many of them for women.

Speaking to the media after the discussions, the chief minister announced that many of the companies were considering huge investments in the region between Tirupati and Sri City, where it has multiple manufacturing units. He foresaw that Tirupati-Nellore-Chennai would develop as an industrial hub, especially for the electronics, hardware and automobile-related sectors.

Govt. promotes both local jobs and locally manufactured phones

In keeping with the state’s efforts to promote investment, the chief minister shared that "the government is contemplating to provide 50 acres of land or constructed space, skilled labour, timely incentives and even dormitory accommodation for the staff members. Our intention is to get more local jobs." He was appreciative of the investor’s growing preference for the Rayalaseema region, which would bring development to the backward area.

Xiaomi’s Global Vice-President, Manu Kumar Jain, who oversees India operations, reiterated the company’s commitment towards ‘Make in India’, promising to invest more in AP in view of the congenial working atmosphere here. He also offered 100% locally manufactured phones in the near future.

Ministers Nara Lokesh (Information Technology), N. Amarnatha Reddy (Industries) and Member of Parliament (Chittoor), N. Sivaprasad, were part of the state delegation.

Andhra Pradesh to become India’s first ‘Zero Budget Natural Farming state’

The government of Andhra Pradesh (AP) has launched a scale-out plan to transition 6 million farmers cultivating 8 million hectares of land from conventional synthetic chemical agriculture to Zero-Budget Natural Farming (ZBNF) by 2024, which would make AP India’s first 100 per cent natural farming state.

The programme is a contribution towards the UN Sustainable Development Goals (SDGs), focusing on, ‘Clean Water and Sanitation’, ‘No Poverty’, ‘Life on Land’, and ‘Responsible Consumption and Production’.

“The success of climate-resilient, Zero Budget Natural Farming in AP will not only help India in meeting its SDGs but it can also inspire and transform the lives of millions of farmers across the developing world,” said, Chief Minister Chandrababu Naidu.

The AP government is showing true leadership in transitioning one of India’s first “Green Revolution” states into one of India’s first natural farming states.

The AP ZBNF programme embeds social, environmental, and economic considerations to ensure inclusive and responsible growth. A farm cannot be economically viable if it continues to deplete the resources it needs, both ecological and social, to be productive.

Moreover, as 14 out of the 17 SDGs are dependent on the status of natural resources, the health of communities, access to secure nutrition, and empowerment of women, ZBNF constitutes an effective cross-sectoral strategy for achieving targets.
Amravati to be a ‘happy city’ in addition to being a smart one

The paradigm for development in AP is one which combines prosperity with happiness. Elucidating what happiness means at the three-day Happy Cities Summit held near Amravati, the chief minister said, “Happiness is not the result of any achievement or making more money”. The definition was further elaborated through extended interactions between Chandrababu Naidu and the Isha Foundation chairman, Sadguru Jaggi Vasudev, who was the chief guest at the event. The chief minister was definitive that the government, too, had a role to play in engendering happiness by creating liveable public spaces.

The summit saw the attendance of 1200 delegates from 37 countries. GoAP partnered with Dalberg, Confederation of Indian Industries and Centre for Liveable Cities (CLC), Singapore, to host the summit.

A framework for measuring ‘city happiness’

A key objective of the summit was to evolve a framework for thinking about and measuring ‘city happiness’. The summit also sought to lay down a set of principles, especially relevant for cities in the developing world, for guiding policy and action in establishing ‘happy cities’.

During the three-day summit, thinkers, designers, architects, planners, city leaders and entrepreneurs discussed and shared best practices, innovations and ideas for enhancing societal happiness in the cities of the 21st century.

There were discussions on a host of topics, including ‘Why happiness is the next frontier’, ‘Ease of living, measuring city happiness’, ‘Joyful living: liveable and inclusive communities’, ‘Clean, Blue and Green sustainable, efficient and resilient cities’, ‘Voices of the farmers – the first citizens of Amaravati’; and ‘Purpose and prosperity: Vibrant and innovative economies’.

Representatives lighting the lamps to inaugurate the Happy Cities Summit. Chief Minister N. Chandrababu Naidu and Jaggi Vasudev, Isha Foundation Chairman, also participated in the event.

Delegations from different countries, Chief Minister N Chandrababu Naidu and other officials who participated in the Summit.
Andhra Pradesh signs business pact with UAE-based BLF group

APEDB has taken the lead to sign an MoU with the Business Leaders Forum (BLF), Dubai. The MoU will see an inflow of investments into all the key sectors driving the state’s economy.

BLF, which is a not-for-profit forum, was formed as a part of the India Trade & Exhibition Centre (ITEC), by the Indian Embassy and Consulate General of India in UAE and the Ministry of Economy (UAE). It was established in 2017, to augment bilateral trade between both countries.

At the meeting with the BLF team at his residence in Undavalli, Chief Minister N Chandrababu Naidu, was confident that AP would be able to provide the best infrastructure and the right ecosystem for investments in every sector. He reiterated his commitment to turn AP into a self-sufficient and economically strong state. He asked the delegates to coordinate with APEDB to draw up an action plan to explore possible investments.

“UAE and AP have had a long and fulfilling relationship. While the size and population of AP are five times those of UAE, policies and business models set us apart. UAE knows how to identify the best talent and create wealth by allowing for execution through progressive economic policies,” he said.

“I want to make AP a hub for agriculture, horticulture, aquaculture and livestock cultivation. We are associating with new innovative education models. We are aiming to make the state CO2 neutral. Our investments in the IT infrastructure, education, health, mining, housing and other sectors. They proposed that the investments be made in the PPP mode.

The BLF team also used their visit to get an insight into the economic environment and understand the requirements of the state for establishing new industries.

APEDB and BLF will closely collaborate to draw up policies and regulations that will foster the growth and development of industries from UAE.

The following delegates participated in the meeting in addition to the APEDB CEO, Jasthi Krishna Kishore, and the Additional Secretary, A. V. Rajamouli:

1. Dr. Ram Buxani, President of BLF and Chairman of ITL Cosmos Group,
2. Mr. Paras Shahdadpuri, Senior Vice President of BLF and Chairman of Nikai Group of Companies,
3. Mr. Y. Sudhir Kumar Shetty, Vice President of BLF and President of UAE Exchange LLC,
4. Mr. Kamal Puri, Education Sector Chairman of BLF and Founder President of Skyline University College,
5. Mr. Rizwan Sajan, Construction Sector Chairman of BLF and Chairman of Danube Building Materials FZCO,
6. Mr. Sudesh Aggarwal, Investments Sector Chairman and Chairman of Giant Group of ITEC,
7. Mr. Adeeab Ahamed, Hospitality Sector Chairman and Managing Director of Lulu Financial Group, and
8. Mr. Nawab Shahtaj, Industry Sector Chairman and Chairman of Mulk Holdings FZC

Our governance is also done in real-time. Investments are made easy with the help of the latest technology, and I aim to integrate technology with all aspects of governance. IoT, artificial intelligence and other innovative solutions must be integrated with every aspect of the state; sky is the limit,” said the chief minister.

The delegates responded by saying that the Forum was keen to facilitate investments in the IT infrastructure, education, health, mining, housing and other sectors. They proposed that the investments be made in the PPP mode.

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Nara Lokesh says state committed to sports and youth development

Mr. Nara Lokesh, Minister for Panchayat Raj and Information Technology, announced that the government has taken steps to provide over three lakh jobs to youth in the IT sector in the state.

The state government has been committed to encourage sports and youth development in a big way and every constituency would get a mini stadium to achieve this goal, said the Minister. He inaugurated the NT Rama Rao Sports Complex in Kuppam and promised that all the four mandals in the constituency would get one stadium each.

The minister pointed out that Mr. N. Chandrababu Naidu had always encouraged sports, and that it was during his tenure as chief minister of the combined state that many stadiums, including the Gachibowli stadium in Hyderabad, were constructed.

During the same period, he also took the initiative in conducting the Afro-Asian Games and the National Games in Hyderabad. Mr. Chandrababu Naidu also allotted land to the Pullela Gopichand Academy. The Academy has produced many medal winners like PV Sindhu, and Saina Nehwal.

Fraunhofer IMW partners with APEDB to attract investments from Germany

APEDB will collaborate with Fraunhofer IMW to conduct investment promotion activities and facilitate investment from Germany and other parts of Europe into the state. An MoU was exchanged on 23rd April 2018 at Hannover Messe, Germany to take this working arrangement forward. Fraunhofer IMW’s expertise lies in analysing the conditions for internationalisation of business and developing strategies, policy instruments and options that can be practically applied by industry, institutions, regions and governments. Fraunhofer IMW will help the state in forging successful partnerships to promote investment and knowledge transfer.

At the Fraunhofer Gesellschaft stand at Hannover Messe, Prof. Dr. Tobias Dauth introduced their representatives to the CEO, APEDB and discussed the possibilities of establishing close cooperation with the latter for furthering investments. The deliberations on identified areas of cooperation were continued when the CEO, APEDB, made an official visit to Fraunhofer IMW, Leipzig. Prof. Dr. Thorsten Posselt, Director of Fraunhofer IMW, led several engagements during this visit, focusing on the automobile and biotechnology sectors.

The CEO also visited the BMW manufacturing plant in Leipzig and met the Director, Mr. Kenzel, and his team to apprise them of the business friendly ecosystem in AP and invited them to leverage the growing market and the conducive business climate in the state. Collaboration between APEDB and Fraunhofer IMW will be mutually beneficial, enabling APEDB to get advice on the technology front and the German companies to enter the AP market.

AP is an emerging economy moving towards double-digit growth. The state presents abundant opportunities to medium and small enterprises in Germany and Europe to expand their operations using Fraunhofer IMW’s expertise.
Ashok Leyland, the world’s fourth largest bus maker and a flagship of the Hinduja Group, has committed an investment totalling Rs.340 crores towards setting up a bus plant in AP. The project will be undertaken in two phases.

As part of the first phase, work has commenced on building a greenfield factory near Model Industrial Park, Mallavalli village, in Krishna district. The factory is poised to manufacture 9,600 buses a year by the end of the second phase.

Speaking to journalists on the sidelines of the ground breaking ceremony, Mr. Vinod K. Dasari, MD & CEO of Ashok Leyland, said that the plant would start commercial operations six months from the government readying the road infrastructure and would employ over 5,000 people.

He added that, “While the plant will have the capability to make the entire range of buses of the Ashok Leyland brand, the facility will also include an electric vehicle development centre comprising a futuristic conveyor line, pilot assembly line and prototype development. It will be a completely green facility, with rooftop solar panels, LED lighting, battery operated vehicles for in-plant movement, positive water balance and zero discharge.”

### AP as strategic location for rest of India

“This facility will help us be ahead of the curve by ensuring our readiness towards implementation of the bus body code and to meet the rising demand for ready-to-use, fully-built trucks as well. We will also produce electric vehicles at this plant. The new plant is also strategically located to meet the demands of centre, east and southern India markets.”

Welcoming Ashok Leyland to AP, Chief Minister N. Chandrababu Naidu said, “It is a key addition to our family, expanding the manufacturing hub here.” The chief minister was also appreciative of the new jobs that the project would create and the skilling of labour that would ensue.

The venture was also applauded by Dheeraj G. Hinduja, Chairman, Ashok Leyland, who said, “The Hinduja Group is proud that its flagship Ashok Leyland has chosen the vibrant State of Andhra Pradesh for its latest plant. Ashok Leyland has been at the forefront of mass mobility in the country. With this new plant, we are preparing ourselves for the future.”
Franklin, a Fortune 500 company, to set up a global development centre in Visakhapatnam

Speaking at the inauguration of the new Franklin Templeton Investments office in Visakhapatnam, the chief minister said that the fact that a Fortune 500 company like Franklin Templeton Investments had chosen to set up a centre in the city was indicative of the future trends. There was every likelihood that Visakhapatnam would become a financial technology hub in the country, especially since the state is focused on strengthening its IT sector.

“The company will invest Rs.450 crores gradually on setting up the centre and provide 2,500 high-end jobs,” he added.

The chief minister recalled how the company had first set up the centre in Hyderabad in the undivided state way back in 2002 and expressed confidence and faith in him. It is well-known that it was he who had put Hyderabad on the IT growth trajectory and was now doing the same for Visakhapatnam.

Chandrababu Naidu lays foundation stone for NRT Icon project at Amaravati Government Complex

The state government will support the non-resident Telugu community’s efforts to establish industries, promised Chief Minister Nara Chandrababu Naidu after laying the foundation stone for the historic NRT iCON Tower in Amaravati.

It is a 33-storeyed building, which is the first direct investment project undertaken by the Andhra Pradesh Non-Resident Telugu (APNRT) Society. The high-rise building, which will be developed as a mixed-use zone with commercial, residential and recreational spaces, will come up near the Amaravati Government Complex (AGC) in Rayapudi.

The plan is to construct the building across five acres at an estimated cost of Rs.400 crores. The APNRT Society, which is promoting NRT Icon as ‘a real estate property with minimal risk’, is expecting the project to help create high-wage jobs for about 2,000-3,000 people.

The building will include office spaces, convention centres, meeting rooms and other workplace features in a built-up area of nine lakh sq ft. "It will also have residential facilities like garden apartments and recreational spaces, such as terrace gardens, spa and infinity pool," the members of the society said.
Delivering the second convocation address at the IIM-Visakhapatnam, the chief minister urged the young graduates to not tread the conventional path but use their imagination to spur their career growth in tandem with the growth of the state. He urged them to become entrepreneurs and create employment; in other words, to turn ‘job givers from job seekers’. Talking about information technology, the tech-savvy chief minister said, “The fourth industrial revolution has begun and this time it hinges on IT and IOT (Internet of Things). Make technology the platform for building your dreams. Set goals and proceed systematically towards them.”

He advised the management graduates saying, “Earning money is only a by-product, the important thing is building a strong career that revolves around ethical values.”

Women empowerment is the key

Commending IIM Visakhapatnam for promoting gender equity by admitting over 25% girls, he said, “Women empowerment is the key to the overall development of a country. The role reversal has already set in. Earlier, women were dependent on men, and now it is the other way round.” Quoting the success of women self-help groups (SHGs), he said, “what began as a small initiative years ago is today a strong force of 90 lakh women, managing 9 lakh organisations. If a woman can manage a home successfully, she can manage anything.” He urged the management of IIM Visakhapatnam to work towards increasing the percentage of women being admitted to 50% in the coming years.

Talking about the education system, he said that it needed a fundamental change and that “Education should be more oriented towards field and practical work rather than mere classroom learning. Knowledge should be utilised to create impact.”

At the convocation, 43 students out of a total of 45 were awarded degrees. It was a scene of joyous excitement as the graduates, dressed in their convocation gowns, received the degree from the chief minister.

Chief Minister N Chandrababu Naidu presided over the Second Annual Convocation, IIM, Visakhapatnam. HRD Minister Ganta Srinivasa Rao and Hari S. Bhartia, Chairman of the Governing Board of IIM, Visakhapatnam also attended the function.
IT Minister Nara Lokesh receives “Digital Leader of the Year” Award for the best utilisation of technology in governance

When the Microsoft co-founder and philanthropist Bill Gates praised the state of AP at the valedictory session of the AP AgTech Summit-2017 for its enterprising use of technology, it was well deserved!

The momentum in AP has been building up − and it is technology that is making it happen, opening up even bigger opportunities in the state for growth, inclusion, and further investment. Consider the examples of the innumerable initiatives of using cutting-edge technology in Panchayat Raj, Rural Development, and Rural Water Supply departments – they stand testimony to the IT minister, Mr. Nara Lokesh’s work.

It was an acknowledgment of his leadership when he received the “Digital Leader of the Year” Award during the Business World Digital India Summit and Awards 2018 at New Delhi. The Business World magazine announced this award for the best utilisation of technology in governance. Mr. Lokesh won this award for using the latest technology and producing good results in the Panchayat Raj, Rural Development, and Rural Water Supply departments. Further endorsement of the state’s efforts were seen when the Panchayat Raj and the Rural Water Supply Department officials won another award for the ultramodern tracking system for its water supply programme.

Mr. Nara Lokesh, Minister for IT, Panchayat Raj & Rural Development, receives the “Digital Leader of the Year” Award at the Business World Digital India Summit in New Delhi.
Hero MotoCorp lays foundation for INR 1,600 crores facility in AP

What began as a discussion at a dinner table with the AP chief minister saw fruition in March 2018, when Hero MotoCorp, the country’s largest two-wheeler company, laid the foundation stone for its factory at Chittoor district. Chief Minister N Chandrababu Naidu laid the foundation stone in the presence of Pawan Munjal, Chairman, MD and CEO, Hero MotoCorp.

The Chittoor plant, which is being built on a 600-acre site, will see an investment of Rs. 1,600 crores and will become operational in December 2019. At full capacity, the factory will manufacture 1.8 million units.

The project will benefit the state on multiple fronts. It will spur development in a backward region of the state by creating 12,000 jobs, including 2,000 direct jobs. It will also spur auxiliary industries that supply the components, increasing total investments to Rs. 3,200 crores.

According to the CEO, a fully operational assembly line will ensure an installed capacity of 11 million units of motorcycles and scooters per annum. Hero’s present capacity is over eight million per annum. There was every possibility that the Chittoor plant would be developed as a key hub for exports since it was strategically located.

Premier automobile mechanical components company to invest $200m in facility at Sri City

Toughness, High Quality, and Know-how (THK), a well-known Japanese company manufacturing linear motion guides and equipment for transport vehicles, will soon be establishing a unit in Andhra Pradesh; it will, in fact, be its first manufacturing base in India. The $200 million investment will be done in a phased manner, with $50 million being invested during the first phase. The manufacturing facility will be spread across 50 acres, and construction is scheduled to start by August 2018.

Akihiro Teramachi, President and CEO, THK, and J Krishna Kishore, CEO, APEDB, signed the MoU. The chief minister was also present at the event.

Investment in the manufacturing sector

According to J Krishna Kishore, “THK shall accelerate full-scale globalisation by investing in AP as major production supplies are located near the source of demand. AP is also poised to catalyse investments in manufacturing.”

The state is also promoting a Japanese industrial township and Japan India Institutes for Manufacturing (JIMs) to attract more capital and manufacturers.

THK has a manufacturing presence in Japan, North America, China, Korea and Europe.
Amaravati to get a brand new multi-purpose convention centre

Kuni Umi Asset Management Company Ltd., well-known Japanese infrastructure firm, is not a new business investor for AP. Earlier this year, the company signed an MoU with APCRDA for an affordable housing project in Amaravati. They have now offered to build a multipurpose convention centre in the capital. The convention centre will act as a window to encourage Japanese investments besides boosting tourism.

The centre, which will be designed by the renowned Japanese architect Shigeru Ban, will be a modular one, which means that its components can be dismantled and reused or relocated. As per the proposal, it will have a ‘human future pavilion’, which will be able to seat 600 people.

MoU with SUN Mobility to revolutionise day-to-day travel in AP

The Partnership Summit 2018, held in Visakhapatnam, was the venue for many new business partnerships. APEDB signed an MoU with SUN Mobility to set up Interoperable Electric Vehicle (EV) Charging/ Swapping infrastructure, Smart Batteries™, Quick Interchange Stations™, and Smart Network. The MoU is going to revolutionise the way the state commutes.

The plan is to begin with a pilot in Visakhapatnam, followed by a statewide roll-out in select cities. The project, spread over 3 to 5 years, will include buses, three-wheelers, taxis and intra-city cargo vehicles.

The MoU aims at creating the necessary infrastructure for the EV ecosystem at the grassroots level, thereby enabling a cleaner, less polluted world for the current and future generations. By separating the battery from the vehicle, SUN Mobility aims to drastically reduce the upfront cost of EVs.

Fast-emerging automotive technologies

Speaking on the occasion, Mr. J Krishna Kishore, CEO, APEDB, said, “AP is disrupting tomorrow’s connectivity by driving India’s mobility today. We are glad to work with SUN Mobility to meet the infrastructure needs of the fast-emerging automotive technologies in the state.”

“At SUN Mobility, we see the future of mobility centred around electric transportation powered by renewable energy. It is encouraging to see the AP government support innovation and demonstrate their vision for a clean and sustainable future through partnerships with industry innovators like SUN Mobility,” said Uday Khemka, Co-Founder and Vice-Chairman, SUN Mobility.

MoUs were exchanged between APEDB CEO J. Krishna Kishore and Mr. Chetan Maini, Co-founder and Vice-Chairman, SUN Mobility to introduce radical changes in the way the state commutes.
IT Minister, Nara Lokesh, invites Akon Lighting Company to set up a solar equipment unit and a skill development centre

The World Economic Forum, Davos, provided the venue for a fruitful interaction between IT Minister, Nara Lokesh, and the Akon Lighting Africa company cofounder, Mr. Akon. The minister requested the latter to help implement the Community Solar Energy Project in some of the villages in AP on a pilot basis and the latter responded positively. Mr. Lokesh also reiterated the state’s commitment to renewable energy and outlined the revolutionary reforms being adopted by the government in the energy sector and its promotion of solar and wind energies. Mr. Akon confirmed that his company would set up a skill development academy to train the rural youth. The company will also partner with the AP government to set up a solar power equipment manufacturing centre.

Innovation centre

During his meeting with Prof. Beth Symon from the New York University Governance Lab in Davos, Mr. Lokesh invited him to set up an innovation centre in the state. Stating that the state government had introduced several innovations in governance, the minister said that AP was making use of technology and data in a wide range of areas to extend better services to the people in real time. The invitation was accepted by Beth Symon, who said that professors from the United States would help train resources to manage the innovation centre.

Mr. Symon also invited Mr. Lokesh to the New York University Governance Lab during his upcoming visit to the United States.

Later, the IT Minister met with the representatives of Hyperloop, a fast transit system for passenger and freight, and requested them to complete the study on the 12-km pilot project between Vijayawada and Amaravati at the earliest. The minister said the state could use the study for similar projects in other parts of AP.

Farmers to be exposed to global best practices in agriculture

If industry is a thrust area for Andhra Pradesh, so is agriculture. The chief minister is equally invested in improving the agricultural sector and farmer livelihoods. At the recently concluded CII Partnership Summit, the chief minister was witness to the signing of an MoU between Amway India, a direct-selling FMCG company, and APEDB, the nodal state agency for implementation of the Organic Farming Enablement and Off-take Project. The Amway India CEO, Anshu Budhraja, and APEDB CEO, J. Krishna Kishore, were the signatories.

A release issued quoted Mr. Budhraja as saying: “We believe this project will benefit the agriculture sector, empower small farmers and expose them to our global best practices like NutriCert – certification for highest quality standards in procurement.”

The project will enable Amway India to source organic agricultural produce from local farmers for use in the manufacturing of Nutrilite products in India. The sourcing will be undertaken after examining the commercial viability and conducting appropriate feasibility studies.
Integrated apparel and textile park to come up in Chittoor

Along with automobiles, IT, petrochemicals, food and agro-based industries, textiles is also a sector that the state seeks to promote. Arvind Ltd., the flagship company of the Lalbhai Group, is India’s largest denim manufacturer and the world’s fourth-largest producer and exporter of denim. Recently, APDEB entered into an MoU with Arvind Ltd., paving the way for the setting up of an integrated apparel and textile park in Chittoor. This park will help transform Chittoor from a backward district into a developed one through value-added industrialisation.

The facility will be established, in multiple phases, across 100-125 acres, with an initial investment of Rs.250-300 crores, and will have the capacity to produce 24 million units of shirts and jeans per annum. The company will also train over 5,000 workers in garment making in the proposed unit.

Speaking at the event, J Krishna Kishore, CEO, APEDB, said: “Textiles is a priority sector for AP as the state aims to increase productivity and efficiency by attracting integrated textile units.” In fact, the chief minister has been promoting this sector since it has the potential to create employment, especially for women.

Preferred destination for investments in the chemical sector

Runaya Metsource LLP signed an MOU with APEDB, during the Partnership Summit in March 2018, to explore the possibilities of setting up a caustic soda plant in AP. The company is an entrepreneurial venture of the Agarwal family, which owns the Vedanta Group. Runaya seeks to leverage cutting-edge technology to enable innovation, sustainability and efficiency enhancement in the broader resources sector. It is estimated to have invested around Rs.1500-1600 crores in AP, and the current project is envisaged to generate employment for over 1500 people in the auxiliary industries. The factory will have the capacity to produce at least 300 tons of caustic soda daily.

Besides employment generation, the project will promote economic activity in the state through the procurement of construction material and services from local logistics, transportation, and fabrication units. The chlorine derivatives and various by-products from the plant have immense significance in organic, inorganic chemicals, steel pickling, food industry, PVC, metal cutting lubricant and public water treatment. Runaya Metsource is currently examining the techno-commercial feasibility of the project at a few locations in Visakhapatnam, Vizianagaram and Kakinada districts.
Vicat Group to set up a greenfield cement grinding unit

Vizianagaram is going to get a new cement grinding unit based on an MoU that the French cement major Vicat Group entered into with APEDB.

The MOU was exchanged at the Indo-French Economic Partnership event held in New Delhi.

The €2.5 billion Vicat Group started operations in India in 2008, with an Indian partner, in the name of VICAT Sagar Cement Pvt. Ltd. and, in 2014, became a 100% owned subsidiary of Vicat. It was renamed Kalburgi Cement Pvt. Ltd. and has an operating plant of 2.75 MTPA in the Kalburgi district of Karnataka.

The group plans to invest about Rs.1,735 crores in India. According to Anoop Kumar Saxena, CEO, Kalburgi Cements Pvt. Ltd., the proposed investment will complement the economic development agenda of the states, and boost growth by generating jobs; it will also pull marginalised families out of poverty.

MoU signed to bring stem cell treatment to AP

APDEB has signed an MoU with the Global Institute of Stem Cell Therapy and Research (GIOSTAR). The company was formed to provide stem cell-based therapy to aid those suffering from degenerative or genetic diseases around the world. The agreement will bring in direct investment of approximately Rs.150 crores into the state in two phases, and is expected to generate 200 direct jobs and more in auxiliary industries.

Solar academy and assembly plant for AP

A solar academy and solar assembly plant is to be established in AP on the basis of an MOU signed between the APDEB CEO, Shri J. Krishna Kishore, and Mr. Samba Bathily, CEO, Solektra Int. The Akon Lighting Africa is an initiative started by Solektra International to bring clean, renewable and affordable energy solutions primarily to rural and off-grid areas in Africa. The co-founders of Solektra International, Mr. Samba Bathily and celebrity singer Akon, were present during the signing of the MoU.
Innovative banana fibre cloth manufacturing unit to come up in AP

The chief minister has always encouraged innovative ideas, especially if they are clean, green and generate employment. A recent example is the Letter of Intent (LoI) signed between the Sunrise Farmers Banana Fibre Processing Industrial Co-operative Society Limited and APEDB to establish a cloth manufacturing unit using banana fibre and its by-products. The unit will come up in the East Godavari district of AP.

Mr. J. Krishna Kishore, CEO, APEDB, and Mr. Satyanarayana, Chief Promoter of the co-operative society, and Mr. Ambika Krishna, ex-MLC, were part of the signing ceremony. Agriculture and allied sectors enjoyed 11.2% GSDP growth rate during 2017-18. The chief minister wants to sustain the double-digit growth in the primary sector. Against this background, the APDEB CEO assured Mr. Satyanarayana that the requirements of the proposed project would be met on a timely basis.

The project will be set up in 25 acres in the East Godavari district as a pilot during the first phase and later scaled up to the other districts. It will bring direct investment to the tune of Rs.98 crores into the state and is expected to generate 300 direct jobs and 900 indirect jobs.

The Society also proposed to leverage its professional strengths in areas of investment, technology, planning and design to set up the proposed unit according to Dr. Sambasiva Rao Pokuri, who is coordinating the project on behalf of APEDB.

JRG automotive to set up plastic parts unit in Anantapur

In May 2018, JRG Automotive announced their decision to establish an automotive plastic parts unit in Anantapur district, AP, by signing an MoU with APEDB. The MoU was signed by Dilip Verma, General Manager, JRG Automotive, and J. Krishna Kishore, CEO, APEDB.

JRG Automotive, incorporated in 2012, is engaged primarily in the manufacture and sale of plastic moulded components to various original manufacturers and Tier-I suppliers. The company has four manufacturing plants in India.

JRG has undertaken site visits in Anantapur and finalised land parcels in Gudipalli. The unit is slated to create employment for at least 400 people.

Commending the new venture, the APEDB CEO said, “The state of AP has emerged as a destination of choice for major automotive manufacturers. This investment by JRG Automotive helps augment the automotive value chain in AP.”
Mr. Aylwin Tan, Chief Customer Solutions Officer at Ascendas-Singbridge and Ms. Beatrice Leow, Senior Vice President, Customer Services & Solutions Singapore facilitated a 3 day training programme on Investment Promotion. Mr. S.P. Tucker, Executive Vice Chairman, APEDB and Mr. J. Krishna Kishore, CEO, APEDB also participated on the final day of the programme at the APEDB Office.

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