

भारत सरकार
GOVERNMENT OF INDIA
संचार और सूचना प्रौद्योगिकी मंत्रालय
MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY
इलेक्ट्रॉनिकी और सूचना प्रौद्योगिकी विभाग
DEPARTMENT OF ELECTRONICS AND INFORMATION TECHNOLOGY
Website: www.deity.gov.in

संख्या

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दिनांक

4th February 2015

To,

Shri Nagarajan Raghavan
Chief financial Officer
Sri City Private Ltd.
No 85, Kutchery Road,
Mylapore
Chennai-600004

Subject: Electronics Manufacturing Cluster Scheme – “In-principle” approval for Greenfield Electronics Manufacturing Cluster at Satyavedu Mandal, District Chittoor, Andhra Pradesh.

Sir,

I am directed to convey the “In-principle” approval of the Government of India under Electronics Manufacturing Cluster Scheme (EMC) for setting up of Greenfield EMC project at Satyavedu Mandal, District Chittoor, Andhra Pradesh with estimated project cost of Rs. 49.22 Crores (excluding land cost) as per the following details:

Name of Applicant	:	M/s Sri City Private Ltd.
Location of EMC	:	Satyavedu Mandal, District Chittoor, Andhra Pradesh.
Area of EMC	:	94 Acres
Estimated Project Cost	:	Rs. 49.22 Crores (excluding land cost)

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

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



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

S. No.	Particulars	Cost (Rs. In Crore)
A	Basic Development	17.73
B	Essential Services	14
C	Welfare Services	3.4
D	Support Services	12.65
E	Cost of Infrastructure Development (A+B+C+D)	47.78
F	Project Consultancy & admin expenses	1.43
	Total (E+F)	49.22

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

4. This “In-principle” approval constitutes of an “In-principle” approval to apply for a formal approval for setting up a Greenfield EMC as per EMC Scheme Notification and Guidelines. Upon receipt of application for final approval and its due consideration by the Competent Authority that all requirements with respect to the scheme have been satisfactorily complied, a final approval will be issued including sanction for projects approved for financial support that will be available for the said project(s). This “In-principle” approval in itself does not construe any obligation on Government to the said project(s).
5. The applicant needs to fulfill the following requirements by the time of submission of final application:
- 5.1 **Anchor Unit:** In order to attract the ancillary units and to create synergies among the constituent units, the applicant should try for bringing in an anchor unit in the proposed EMC. The Anchor unit should propose to set up a unit in EMC engaged in the manufacturing of electronic products.
- 5.2 **Revenue Model:** The applicant should revise the revenue model so as to make the project viable and sustainable. They should provide detailed revenue projections and the assumptions used for the Revenue Model.
- 5.3 **SPV formation:** The SPV for the project needs to be in-line with the Guidelines for ‘Constitution of SPV for Implementation of EMC’ issued by the Department of Electronics and Information Technology (DeitY). The land for the project should be transferred to the SPV.
- 5.4 **Economic Benefits:** The Applicant should provide the amount of Expected Investment by the constituent units into the EMC and the Expected Turnover of the units in the EMC.
- 5.5 **Environmental Impact Assessment:** Applicant should provide necessary documentation for compliance to all applicable environmental regulations including Environmental Impact Assessment (EIA) Study as per “Technical EIA Guidance manual for Industrial Estates” as published by Ministry of Environment and Forests (MoEF) in August 2010.



(Dr. Ajay Kumar)
Joint Secretary to Govt. of India
Tel: 24360160