GEOGRAPHY & INVESTMENT PROFILE

Invest in Andhra Pradesh

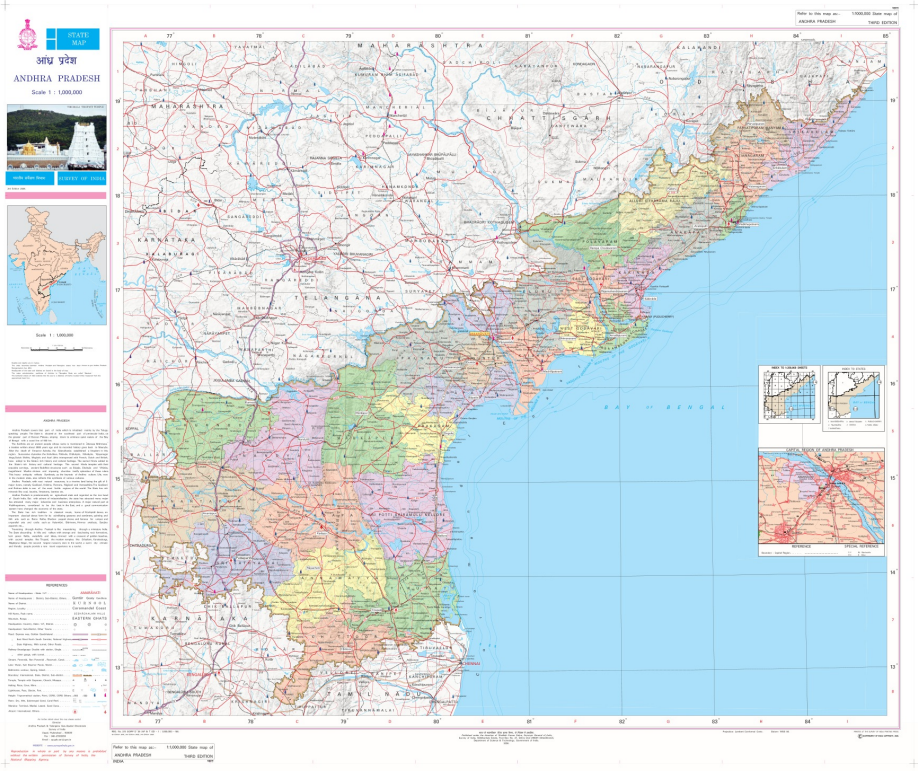
Location, supply chains and policy - an independent industrial investment lens.

ADMINISTRATIVE CENTRE

Amaravati

AREA

162, 968 km² (Mo FPI profile; geographical area, not available industrial land)



Official geographic context · full supplied sheet(s), resized · AP04

Geography and neighbours. Bay of Bengal coast; neighbours Odisha, Chhattisgarh, Telangana, Karnataka and Tamil Nadu. AP04

Investment discipline. Compare a customer-led project at the actual parcel. A map establishes context; it does not establish land availability, permits, utility allocation or cargo service.

OPPORTUNITIES & LOCATION

Propositions worth testing

Sector and location logic, commercial exposure, and a clear investment gate.

01 Visakhapatnam: pharmaceutical and medical-device suppliers

Evidence. Existing coastal pharmaceutical and manufacturing ecosystem in the state profile. AP01 · AP02 · AP06

Commercial case. Validated packaging, clean utilities and contract services can sell into established production chains.

Exposure. Customer audits and effluent permissions can determine viability more than nominal subsidy.

Before investment. Secure customer qualification and permitted effluent route.

02 Godavari-Krishna belt: aquaculture cold chain

Evidence. Mo FPI documents seafood and agricultural production. AP01 · AP02 · AP06

Commercial case. Processing, traceability and temperature-controlled consolidation connect dispersed inputs to export channels.

Exposure. Disease, residues, seasonal volumes and cold-chain breaks.

Before investment. Approved sourcing, water testing, export establishment approvals and contracted reefer capacity.

03 Tirupati-Sri City: electronics components

Evidence. State industrial and semiconductor policies identify electronics investment routes. AP01 · AP02 · AP06

Commercial case. Supplier localization is a testable route near established manufacturing, rather than speculative greenfield fabs.

Exposure. Imported equipment, buyer concentration and skill requirements.

Before investment. Anchor purchase qualification, customs model and firm power/water connection plan.

CONNECTIVITY & DELIVERED COST

Build the transport chain

Inbound inputs and outbound finished goods require separate cost and service tests.

01 Road

Route / assessment. NH 16 coastal access and cross-state links; compare actual truck routing from each parcel.

AP06

02 Rail

Route / assessment. Use existing coastal rail corridors only after confirming siding/terminal and cargo service.

AP06

03 Air

Route / assessment. Visakhapatnam, Vijayawada and Tirupati are airport access points; passenger operation does not establish suitable export cargo handling.

AP06

04 Sea and inland water

Route / assessment. Compare existing Visakhapatnam, Gangavaram, Krishnapatnam and Kakinada gateways by cargo; do not include the four under-construction ports as operating capacity.

AP06

05 Inbound / outbound

Route / assessment. Seafood requires approved reefer continuity; electronics needs predictable imported component customs and delivery. Quote both directions.

AP06

06 Utilities

Route / assessment. Pharma and semiconductor sites require written water quantity/quality, electrical capacity and effluent permissions; policy promotion is not allocation.

AP06

POLICY ROUTES & ELIGIBILITY

Model conditions, not headlines

Project category, eligible cost, deadlines and sanction control the usable benefit.

01 Sub-large industrial projects - capital subsidy

Terms. 12% of fixed capital investment, disbursed in five equal annual instalments from commercial production.

Conditions. FCI above ₹ 50 crore up to ₹ 500 crore; standard investment period two years from Consent for Establishment. Delay beyond committed commercial-production date reduces incentive by 0.5% for each month. Total combined policy/sector package cannot exceed 100% FCI.

Window / version. GO 68 dated 26 October 2024, policy 2024-29; precise operative eligibility and implementing rules must accompany sanction.

Evidence status. Original policy term verified; application/sanction remains project-specific

APV01

02 Sub-large industrial projects - operating support

Terms. Fixed power-cost reimbursement ₹ 1/unit for two years; 100% net SGST payable on eligible final products for five years from commercial production.

Conditions. SGST wording is products manufactured, sold and registered in the state; this is not reimbursement of all GST or all input tax. Overall FCI cap applies.

Window / version. Periods start at commercial production; current applicant needs valid policy eligibility.

Evidence status. Original policy term verified; application/sanction remains project-specific

APV01

03 PLI top-up for sub-large projects

Terms. 10% of the incentive sanctioned under an approved central scheme, capped at 5% of FCI made in Andhra Pradesh.

Conditions. Only approved central PLI or another state-notified central scheme; proportionate investment committed to central scheme; five annual instalments from production; no automatic stacking of headline percentages.

Window / version. Subject to approved central scheme and state eligibility.

Evidence status. Original policy term verified; application/sanction remains project-specific

APV01

POLICY ROUTES & ELIGIBILITY

Andhra Pradesh | continued

Evidence, conditions and investment tests continued from the preceding page.

04 Semiconductor and Display Fab Policy 4.0, 2024-29

Terms. Sector-specific project support route; numerical offer excluded pending clause reconciliation.

Conditions. Project category, central/state assistance interaction and approvals must be checked before a term sheet.

Evidence status. Original downloaded; current registration/implementation rules not independently confirmed.

AP03

Turn constraints into action

AKHB analysis: each opportunity depends on deliverable prerequisites.

Strengths

Existing coastal pharmaceutical and manufacturing ecosystem in the state profile. AP01 · AP02

NH 16 coastal access and cross-state links; compare actual truck routing from each parcel. AP06

Weaknesses

Cold-chain fragmentation AP01 · AP06

Coastal exposure AP01 · AP06

Opportunities

Export-compliant seafood services AP01 · AP06

Resilient storage and maintenance services AP01 · AP06

Threats

Disease and export-market rejection remain. AP01 · AP06

Severe events may interrupt all nearby routes. AP01 · AP06

Specific evidence still required

Early-bird 18/24-month enhanced rates excluded for new November 2026 investors without a verified extension.

Page 25 table and page 27 large-project threshold wording are not perfectly aligned; no interpretation of boundary investment amounts is supplied.

Implementing guidelines, sector eligibility for local procurement and policy commencement/termination clauses still need project-specific review.

DELIVERY PLAN & RISK

Who acts, and what must change

Treat execution responsibility and residual risk as part of the investment case.

01 Constraint-to-opportunity case

Constraint. Cold-chain fragmentation
Action. Aggregate pre-cooled volumes and traceable sourcing
Owner. Processor and producer organizations
Opportunity. Export-compliant seafood services
Prerequisites. Anchor throughput and tested backup power
Residual risk. Disease and export-market rejection remain.
AP01 · AP06

02 Constraint-to-opportunity case

Constraint. Coastal exposure
Action. Elevate critical equipment and diversify dispatch routes
Owner. Investor and estate operator
Opportunity. Resilient storage and maintenance services
Prerequisites. Flood/cyclone engineering and insurance terms
Residual risk. Severe events may interrupt all nearby routes.
AP01 · AP06

DELIVERY PLAN & RISK

Andhra Pradesh | continued

Evidence, conditions and investment tests continued from the preceding page.

03 Constraint-to-opportunity case

Constraint. New port dependence

Action. Underwrite against existing port routes; stage expansion

Owner. Investor and logistics provider

Opportunity. Flexible multi-gateway supply chains

Prerequisites. Binding freight quotations and cargo acceptance

Residual risk. Future port completion and tariff remain uncertain.

AP01 · AP06

Before capital commitment

Close the evidence gaps, then approve the site and financing assumptions.

Project decision sequence

Customer. Qualified demand and customer acceptance.

Site and utilities. Documented title or allotment, permitted use, power quality, water allocation and effluent capacity.

Logistics. Cargo acceptance, priced inbound/outbound routes, handling and contingencies.

Policy. Operative notification, eligible expenditure, filing dates, stacking limits and sanction.

Central framework and original documents

India entry guide: nationality and beneficial ownership; sectoral FDI route; entity and tax structure; customs and import rules; land and environment; labour and social security; remittance and treaty conditions. Central schemes are project-specific and cannot be assumed to stack with state support.

Full state profile and detailed policy conditions · Canonical evidence repository