

Key considerations for Appraisal of Detailed Project Report (DPR) and Checklist of DPR Components

A. Key considerations for Appraisal of DPR

- a. Technical Capability of the Applicant is examined based on its past experience (if any) and the information provided with regards to on-boarding of any knowledge/technical partner to bring in technical expertise required for successful project implementation.
- b. Financial Capability of the Applicant is examined to check whether sufficient equity and debt sources are available to syndicate the capital required for the proposed project.
- c. The land requirement for the proposed project is assessed while considering one or more of the below approaches:
 - Layout and area break up statements provided by the applicant are analyzed in light of various Government Orders, including but not limited to, G.O.Ms.No. 119 (MA&UD) and G.O.Ms.No. 571 (Revenue Department).
 - Similar operational units (in India or abroad, as the case may be) are studied (on various parameters like manufacturing/production capacities, number of staff/workers employed, total built-up area/ground coverage of the unit, extent utilized, etc.) in order to benchmark the land requirements of the proposed project with respect to already implemented units of similar nature. Such similar operational units may be identified amongst the units already implemented by the Applicant (if any) or may be amongst the units implemented by any other company that is operating in similar line of business.
 - Investment & employment proposed by the Applicant are also analyzed in light of average per acre investment and employment generated in similar sector/industry at national and state level.
 - Allotments made by APIIC in past for similar projects (if any) are also studied.
- d. The implementation timelines proposed by the Applicant are examined to check the adherence to APIIC Allotment Regulations. As per the said regulations, the projects are classified into 3 categories based on the scale of investment and each Allottee is required to adhere to below timelines to commence commercial production of their proposed unit:

Category of project	Investment Size		Maximum time allowed to commence commercial production
	Enterprises engaged in manufacture or production, processing or preservation of goods	Enterprises engaged in providing or rendering of services	
Micro / Small / Medium Enterprises*	<ul style="list-style-type: none"> • Micro Enterprise - Investment in Plant & Machinery is less than Rs 25 Lakh 	<ul style="list-style-type: none"> • Micro Enterprise - Investment in equipment is less than Rs 10 Lakh 	Within 12 Months

	<ul style="list-style-type: none"> • Small Enterprise - Investment in Plant & Machinery is more than Rs 25 Lakh, but less than Rs 5 Crore 	<ul style="list-style-type: none"> • Small Enterprise - Investment in equipment is more than Rs 10 Lakh, but less than Rs 2 Crore 	
	<ul style="list-style-type: none"> • Medium Enterprise - Investment in Plant & Machinery is more than Rs 5 Crore, but less than Rs 10 Crore 	<ul style="list-style-type: none"> • Medium Enterprise - Investment in equipment is more than Rs 2 Crore, but less than Rs 5 Crore 	
Large Projects**	Investment in Plant & Machinery is less than Rs 500 Crores and more than the investment threshold for Medium enterprises as in MSMED Act. ***		Within 24 Months
Mega Projects**	Investment of at least Rs 500 Crores or direct employment generation of 2,000 people. ***		Within 36 Months

* As defined under MSMED Act 2006 issued by Ministry of MSME, Government of India

** As defined under Industrial Development Policy 2015-2020 issued by Industries & Commerce Department, Government of Andhra Pradesh

*** For sectors such as Textiles, Food Processing, Biotech etc., definition of large & mega projects may be different. Sector specific state policies shall be referred for project category definition.

B. Checklist of DPR Components

Below is an indicative checklist of the components that a DPR shall contain. APIIC's application process mandates the submission of DPR along with other statutory documents. Below checklist and the sample documents enclosed along herewith are indicative only and not exhaustive. An Applicant can submit its application for land allotment directly through the online application portal available at APIIC's website: <https://kpi.apiic.in:8443/ApiicWeb/login.jsp>.

1. Company Profile and details of existing business concerns

This section shall elaborate on the existing company, its products/ services, strengths, market position, annual turnover, years of existence, etc. Statutory documents such as Certificate of Incorporation and Audited Annual Reports (of past 3 financial years) / IT returns / Net worth certificates (as the case may be) shall be submitted.

2. Documentary evidence/ proof to showcase the experience of successfully executing similar projects in past (if any)

Details of the existing business units, (if any), in terms of capacity/scale, investment made, direct employment, space utilization, etc. shall be provided. In case of a new firm, justification based on the past experience of the management shall be provided.

3. Brief on the proposed project

This section shall provide details on the project for which land is sought from APIIC. The project details must provide information on the type of products/services proposed, process flows,

brief on technologies (without revealing proprietary details) and any other information that is relevant to impart an understanding of the proposed activity.

4. Market analysis/ justification for proposed project

This section shall present a business case while elaborating on the 'target market identification' and 'demand - supply dynamics'.

5. Justification for the extent of land required for the proposed project

This section shall include the layout of the proposed project (*clearly highlighting the area utilization*) and detailed area break - up for each of the components proposed (*including built - up areas, open areas, roads etc.*) under the project. For reference purposes, a sample area break-up and a sample layout is enclosed to this checklist.

6. Implementation Timeline for various phases of the proposed project

7. Investment proposed in various phases & Means of Finance

8. Proposed Employment to be generated (Direct & Indirect) in various phases:

Break-up shall be provided of the employment estimates, in terms of managerial staff, engineering staff, administrative, labour, etc. In case of service oriented business setups, organisation and staffing chart shall be provided along with the number of employees planned to be recruited at various levels/hierarchy.

9. Financial analysis to justify the feasibility of the proposed project

This section shall include the assumptions on cost and revenues on a time line (yearly/Quarterly), projected Profit & Loss Statement and cash flow statements along with financial viability indicators like NPV, IRR, DSCR, etc.

Enclosures:

1. **Sample area workings***: Is an illustrative document to help the entrepreneurs understand how to prepare area break – up schedule.
2. **Sample Layout Plan***: Is an illustrative document to help the entrepreneurs understand how to prepare layout plan.
3. **APIIC's Land Allotment Process**: Is a document to illustrate the allotment process of APIIC.

**Note: The layout plan and area breakup statement are indicative, and not exhaustive, in nature and shall only be used for reference purposes.*

Enclosure-1: Sample Area Workings

Sl. No	Description	Area in Sqmts	Area in Acres	% of Area
1	Entrance plaza / parking	3,181.37	0.79	0.66%
2	Institute and training center	3,375.00	0.83	0.69%
3	Change / lockers building	859.16	0.21	0.18%
4	Industrial Shed	2,729.15	0.67	0.56%
5	Guest houses	3,289.10	0.81	0.68%
6	Office building	1,800.00	0.44	0.37%
7	Canteen	1,800.00	0.44	0.37%
8	Raw material warehouse building	10,125.00	2.50	2.08%
9	FRP components shop	10,219.50	2.53	2.10%
10	Tube mill & sheet process shop	7,490.00	1.85	1.54%
11	Chassis frame shop	6,250.00	1.54	1.29%
12	Shop-1-chasis and furnishing	20,000.00	4.94	4.12%
13	Shop- 2- body shop	20,000.00	4.94	4.12%
14	Shop- 3- paint shop	10,000.00	2.47	2.06%
15	Shop- 4- Monocoque and furnishing	20,000.00	4.94	4.12%
16	Prototype shop	10,000.00	2.47	2.06%
17	Styling booth & PDI - 1	4,000.00	0.99	0.82%
18	Shop- 5- body shop	16,200.00	4.00	3.34%
19	Shop- 6-chasis body integration- model1	15,147.00	3.74	3.12%
20	Shop- 7-chasis body integration- model2	15,147.00	3.74	3.12%
21	Shop- 8- paint shop	11,340.00	2.80	2.34%
22	Shop- 9- furnishing shop	11,340.00	2.80	2.34%
23	Styling booth & PDI - 2	4,000.00	0.99	0.82%
24	Staff houses	27,961.70	6.91	5.76%
25	Executive - staff houses	13,368.61	3.30	2.75%
26	Phosphating & powder coating building	800.00	0.20	0.16%
27	Test track	34,761.94	8.59	7.16%
28	Roads	85,558.10	21.14	17.62%
29	Bus parking bays	21,198.96	5.24	4.37%
30	Office parking	7,440.00	1.84	1.53%
31	Co2, argon, nitrogen yard	4,277.00	1.06	0.88%
32	Wash , service bay & diesel station	2,012.50	0.50	0.41%
33	Utility area	3,806.53	0.94	0.78%
34	Scrap yard 1	1,624.32	0.40	0.33%
35	Scrap yard 2	7,001.62	1.73	1.44%
36	DG & power station	2,841.64	0.70	0.59%
37	Rainwater harvesting	9,541.10	2.36	1.96%
38	Open space area	55,153.70	13.63	11.36%
39	Total	485,640.00	120.00	100.00%

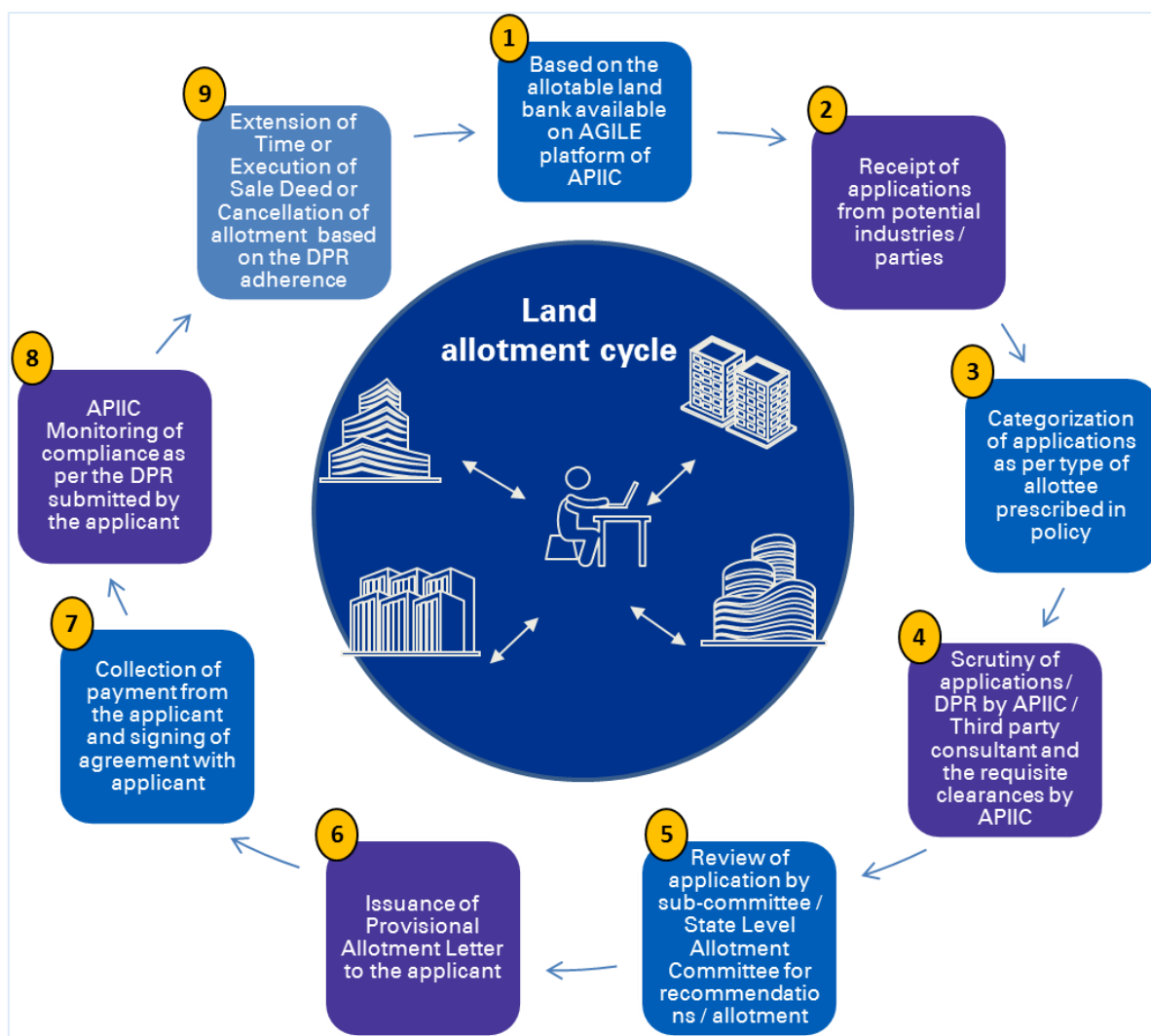
**Note: The above illustrated area break up statement is indicative and shall only be used for reference purposes.*

Enclosure-2: Sample Layout Plan



**Note: The above illustrated layout plan is indicative and shall only be used for reference purposes.*

Enclosure-3: APIIC's Land Allotment Process



Step 1: Explore land online/offline

Step 2: Apply online* for the selected plot or bulk land. During the online application, company has to submit statutory documents and Detailed Project Report (DPR) along with payment of EMD (10% of Land Cost)

Step 3: State Level Allotment Committee (SLAC) will study application and make a decision on allotment of land. SLAC sits every fortnight.

Step 4: After approval from SLAC, company will automatically receive provisional allotment letter on their mail ID.

Step 5: Payment of remaining land cost within 90 days

Step 6: Agreement to Sale

Step 7: Sale Deed on completion of operationalization of the project

**"LA for Others" process can be followed for land not in possession of APIIC. In this APIIC collects funds from company and acquires land for them.*