

Andhra Pradesh Drone Corporation, Government of Andhra Pradesh, India

Expression of Interest (EOI) from Potential Applicants

for

Development of Drone City in Andhra Pradesh

(This document is meant for exclusive purposes of submitting a response to the EOI document and shall not be transferred, reproduced, or otherwise used for purposes other than that for which it is specifically issued)

The Chairman & Managing Director,
Andhra Pradesh Drones Corporation,
3rd Floor, NTR Administrative Block,
Pandit Nehru Bus Station, NH 65,
Vijayawada-520001, Andhra Pradesh, India.
ap-drones@ap.gov.in

DISCLAIMER

The information contained in this Expression of Interest document (the "EOI") or subsequently provided to Applicant(s), whether verbally or in documentary or any other form shared on behalf of Andhra Pradesh Drone Corporation ("Authority") is provided to the Applicant to assist in preparing the non-binding EOI on the terms and conditions set out in this EOI and such other terms and conditions subject to which such information is provided.

This EOI includes statements, which reflect various assumptions and assessments arrived at by the Authority in relation to the Project. Such assumptions, assessments and statements do not purport to contain all the information that each Applicant may require. The assumptions, assessments, statements and information contained in this EOI may not be complete, accurate, adequate or correct. Each Applicant should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this EOI and obtain independent advice from appropriate sources.

The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. The Authority accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

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The Authority may, in its absolute discretion but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this EOI.

Expression of Interest (EOI) from Potential Applicants for Development of Drone City in Andhra Pradesh

The issue of this EOI does not imply that the Authority is bound to select an Applicant for the Project and the Authority reserves the right to reject all or any of the Applications without assigning any reasons whatsoever.

The Applicant shall bear all its costs associated with or relating to the participation in this process regard less of the conduct or outcome of the process.

NOTICE INVITING EXPRESSION OF INTEREST (EOI) FROM POTENTIAL APPLICANTS FOR DEVELOPMENT OF DRONE CITY IN ANDHRA PRADESH



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www.Apsfl.in

Queries Applicants shall post queries by email to ap-drones@ap.gov.in with a copy (cc) to md.apsfl@ap.gov.in
Note: Please mention the subject of the email as:
Query on **"Expression of Interest (EOI) from Potential Applicants for Development of Drone City in Andhra Pradesh"**

EOI Schedule	Activities	Deadline
	Issue of EOI Document	14-06-2025
	Last Date for sending queries or clarifications regarding EOI	20-06-2025
	Response to queries or clarifications, to be posted on the website	24-06-2025
	Last date for EOI Submission	28-06-2025

Point of Contact Chairman and Managing Director, APDC

Website to download EOI <https://www.apsfl.in>

The right to accept/reject any or all EOI(s) received is reserved with Andhra Pradesh Drone Corporation, Government of Andhra Pradesh without assigning any reason thereof.

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1.Introduction and background

The global drone industry is witnessing exponential growth, with the Indian market poised to increase from USD 268 million in 2023 to USD 11.06 billion by 2030, at a CAGR of over 70%. This remarkable expansion is fuelled by the wide-ranging applications of drone technology across sectors such as agriculture, healthcare, logistics, infrastructure, and defence. In this dynamic environment, Andhra Pradesh is taking bold strides to establish itself as a frontrunner in the drone technology sector.

Drones in Andhra Pradesh are already proving to be transformative, serving multiple purposes across various industries. They enable precision farming, crop monitoring, disaster assessment, and infrastructure surveying while enhancing last-mile delivery, environmental monitoring, law enforcement, and cultural preservation efforts. Recognizing this potential, the Government of Andhra Pradesh is striving to create a world-class ecosystem for drone design, manufacturing, and deployment to address the increasing domestic and global demand.

By leveraging national initiatives and its investor-friendly policies, the Government of Andhra Pradesh has set up the Andhra Pradesh Drone Corporation Limited (APDC) as the nodal agency for all drone-related activities. This strategic move underscores the state's commitment to fostering innovation, facilitating investments, and positioning Andhra Pradesh as a premier hub for drone technology in India. The recently concluded Amaravati Drone Summit 2024 further highlighted the state's leadership in the sector, bringing together policymakers, industry leaders, and innovators to showcase advancements in drone technology. Further, the Government of Andhra Pradesh has approved and adopted the Andhra Pradesh Drone Policy 4.0 for the policy period 2024-29, with investor friendly terms and incentives. This initiative aims to consolidate the state's vision for a thriving drone ecosystem.

2.Development of “Drone City”

Andhra Pradesh holds immense potential for establishing a drone City, positioning itself as a hub for the growing drone industry. With advancements in drone technology revolutionizing sectors such as agriculture, surveillance, logistics, and disaster management, there is a pressing demand for an ecosystem that fosters

innovation and production. The state's strategic geographic location, robust infrastructure, and conducive business environment make it an ideal destination for Development of a drone City. Additionally, Andhra Pradesh offers a large pool of skilled and semi-skilled workforce, complemented by progressive policies aimed at attracting private investments in emerging technologies. Establishing a drone City will also leverage the state's proximity to key industrial and agricultural zones, enabling seamless integration of drone solutions across sectors.

A well-developed drone City has the potential to significantly contribute to the socio-economic growth of Andhra Pradesh and the nation at large. At the state level, it will serve as a catalyst for innovation, fostering research and development in cutting-edge drone technologies. By attracting domestic and international industry players, the drone City can enhance Andhra Pradesh's industrial competitiveness, making it a leading contributor to India's vision of becoming a global drone hub. At the national level, the drone City will aid in achieving strategic self-reliance in critical areas such as defense, logistics, and disaster management. It will also position India as an exporter of drone technology, thereby boosting foreign exchange earnings and strengthening the country's standing in global technology markets.

The establishment of a drone City will create a ripple effect on employment and infrastructure development. Directly, it will generate jobs in manufacturing, assembly, maintenance, and operations of drones. Indirectly, ancillary industries such as component suppliers, training institutions, and service providers will create additional employment opportunities. Moreover, the focus on upskilling through training and certification programs within the drone City ecosystem will empower the youth of Andhra Pradesh with future-ready skills.

From an infrastructure perspective, the drone City will lead to the development of state-of-the-art facilities, including manufacturing units, R&D centres, testing labs, and training institutes. This will drive the growth of associated infrastructure such as industrial Citys, transport networks, and communication systems, creating a robust ecosystem for industrial and technological advancement. Furthermore, the drone City can serve as a model for industrial development, incorporating green technologies and renewable energy solutions.

Key Benefits of Drone City

The drone City will generate a significant number of employment opportunities, addressing the state's objective of providing jobs for its growing population. The City will create direct jobs in manufacturing, R&D, testing, and operations. Additionally, indirect employment opportunities will arise in ancillary industries such as logistics, component supply, maintenance, and repair services.

The state's access to seaports and airports will enable efficient logistics and export operations, making it easier for drone manufacturers to reach global markets. Additionally, the state's connectivity to agricultural and industrial zones will enhance the potential for deploying drone solutions across sectors, ensuring widespread adoption of drone technologies within Andhra Pradesh itself.

With a significant portion of Andhra Pradesh's economy reliant on agriculture, the drone City can play a pivotal role in revolutionizing the sector. Precision agriculture, enabled by drones, will optimize resource usage, enhance crop yields, and reduce costs for farmers. The drone City's R&D facilities can develop customized drone solutions for local crops, addressing specific challenges such as irrigation management, pest control, and crop monitoring. By improving agricultural productivity, the City will directly contribute to rural development and food security in the state.

Drones will play a crucial role in disaster management by providing real-time data for early warning systems, damage assessment, and relief operations. The drone manufacturers can collaborate with government agencies to develop and deploy drones specifically designed for disaster response.

As India focuses on strengthening its defence capabilities, Andhra Pradesh's drone City can contribute significantly by manufacturing and testing drones for military applications. The state's coastal proximity and industrial base will make it suitable for developing drones for maritime surveillance, border security, and reconnaissance missions.

Lastly, drones can be utilized in public services such as land surveys, infrastructure monitoring, and urban planning, contributing to improved governance and service delivery in Andhra Pradesh.

Location – Kurnool

The Drone City is proposed to be established in Kurnool, located in the Rayalaseema region of Andhra Pradesh. Sufficient land parcel has been identified, providing ample space for developing manufacturing units, research and development (R&D) centres, shared testing facilities, training institutes, and supporting infrastructure. The terrain is suitable for industrial purposes with minimal requirement for extensive land levelling or modification.

Kurnool is well-connected by National Highway 44, a critical arterial route linking the region with major cities like Hyderabad and Bengaluru. This facilitates easy transportation of raw materials and finished products. The Kurnool railway station, part of the South Central Railway zone, ensures reliable freight movement to and from the City. The newly operational Kurnool Airport (Uyyalawada Narasimha Reddy Airport) provides direct connectivity for personnel and lightweight cargo, with potential for expansion to support air freight logistics. The site benefits from proximity to essential utilities, including power supply, water resources, and telecommunication networks, ensuring uninterrupted industrial operations. Nearby industrial zones and educational institutions further enhance the feasibility of establishing drone industrial City.

3. Instructions to applicants

The EOI encourages applicants to propose innovative and comprehensive solutions for establishing an integrated drone industry ecosystem, including manufacturing, research and development, testing facilities, and skill development programs. Proposals should focus on promoting economic growth, creating local employment opportunities, and uplifting the surrounding communities in Andhra Pradesh while adhering to technological innovation principles.

This EOI welcomes a wide array of proposals from interested parties, encompassing the following core areas: -

- (a) Drone Manufacturing and Production Facilities - Proposals should focus on setting up of end-to-end manufacturing and production unit for drones, including hardware components such as motors, frames, avionics, and sensors. Proposals are encouraged to include plans for indigenization of critical components to reduce reliance on imports, proposed land required and DPRs

- (b) Research and Development (R&D) Centres - Proposals should aim at setting up R&D centres for innovation in drone technology. These centres should focus on:-
 - (i) Developing advanced drone applications for industries like agriculture, logistics, surveillance, and defence.
 - (ii) Investment plan for setting up labs is also encouraged.
- (c) Testing, Certification, and Compliance Facilities - Proposals are sought for Development of state-of-the-art facilities for:-
 - (i) Drone flight testing, including flight performance, endurance, and Quality Compliance test labs.
- (d) Skill Development and Training Programs - Proposals should include the establishment of training institutes and tailor made programs to:
 - (i) Train drone pilots, technicians, and operators with certifications in line with DGCA requirements.
 - (ii) Tailor made training program proposals with required training equipment (simulators) can also be proposed
- (e) Infrastructure and Logistics Development - Proposals should focus on setting up of smart warehouse and inventory management systems and related infrastructure
- (f) Repair, Maintenance, and Support Services - Proposals should focus on Development of service centric facilities for:-
 - (i) Establishing technical support hubs for troubleshooting and upgrades.

Key Objectives

The key objective of these proposals is to establish a comprehensive drone ecosystem in Andhra Pradesh that fosters innovation, boosts economic growth, generates employment, and positions the state as a national leader in drone technology. The proposals should aim to create an integrated framework that encompasses drone manufacturing, research and development, testing and certification, skill development, and industry-specific applications, while promoting local community. The drone City will contribute to the state's industrial advancement, self-reliance, and alignment with national initiatives like "Make in India" and "Atmanirbhar Bharat."

Important Note: *This is an open-ended EOI. Applicants are welcome to present proposals that align with the broader objectives of the initiative and extend beyond the areas specifically mentioned above.*

4. Eligibility Criteria for the Applicants

The following eligibility criteria will be applicable:-

Mandatory for All Applicants

- (a) Applicants must provide a comprehensive business plan outlining their long-term vision, including the scope of their operations, investment commitments, and plans for staying in the region for at least 20 years.
- (b) All applicants must adhere to national and state-level regulations, including compliance with DGCA guidelines, airworthiness standards, and safety protocols relevant to drone operations.
- (c) Applicants must demonstrate a clear plan to create local employment opportunities, with a focus on training and upskilling the local workforce in their respective domains.

Relevant for domains specific applicants (manufacturing, R&D, infrastructure development)

- (a) Applicants should have a proven track record of at 1 to 3 years in drone manufacturing, aerospace, or related industries, showcasing expertise in design, production, and deployment of drones and related technologies.
- (b) Applicants must demonstrate access to state-of-the-art technology, tools, and processes, including automation, advanced materials, and innovative software for drone operations and analytics.
- (c) Applicants proposing training and skill development programs should showcase prior experience in providing technical education, certifications, or upskilling initiatives aligned with drone technology.

5. EOI Documents & application submission

5.1. Availing EOI Documents

The EOI document can be downloaded from the website link <https://www.apsfl.in> up to the date and time mentioned in the EOI.

5.2. Completeness of the EOI Response

Applicants are advised to study all instructions, forms, terms, requirements and other information in the EOI documents carefully. Submission of EOI shall be deemed to have been done after careful study and examination of the EOI document with full understanding of its implications. The response to this EOI should be full and complete in all respects.

5.3. EOI Response Preparation Cost

The Applicant is responsible for all costs incurred in connection with participation in this process, including, but not limited to, costs incurred in conduct of informative and other diligence activities, participation in meetings/discussions/presentations, preparation of EOI response, in providing any additional information required by APDC. APDC will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the process. All materials submitted by the Applicant shall become the property of APDC and may be returned at its sole discretion.

5.4. Submission of EOI Queries

The format for seeking queries is as follows:-

Subject: Query for EOI FOR DEVELOPMENT OF DRONE CITY IN ANDHRA PRADESH		
Details of the query seeker	Name and Address of the Company	
	Name and Position of the Person submitting the query	
	Contact details	Mobile: Email id:
S. No	EOI Reference (Page/ Section)	Points of Clarification required
1		
2		
3		

5.5. Amendment of EOI Document

At any time before the deadline for submission of EOI, APDC, may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Applicant, modify the EOI Document by an amendment.

In order to afford prospective Applicants reasonable time in which to take the amendment into account in preparing their EOIs, APDC may, at its discretion, extend the last date for the receipt of EOIs. The Applicants are advised to visit the official website of APDC www.apsfl.in on regular basis for checking necessary updates. APDC also reserves the right to amend the dates mentioned in this EOI.

5.6. APDC's Right to Terminate the EOI Process

APDC reserves the right to terminate the EOI process at any time and without assigning any reason thereof. APDC makes no commitments, express or implied, that this process will result in a business transaction with anyone. This EOI does not constitute an offer by APDC.

5.7. Documents Establishing Applicants Qualification

The Applicant shall furnish, as part of its EOI documents establishing the Applicant's qualification in the formats provided in this EOI. The documentary evidence should be submitted by the Applicant as part of the response to the EOI. The documentary evidence of the Applicant's qualification shall be as specified in this EOI document.

5.8. Format and Signing of EOI

- (a) The Applicant shall prepare one hard copy of the EOI.
- (b) The EOI document shall be signed, at the time of submission, by the applicant or a person duly authorized by the applicant. The authorization shall be indicated by a copy of the written power-of-attorney accompanying the EOI. All the pages/documents of the EOI shall be signed by the authorized person. It is clarified that submitting an EOI is non-binding and does not obligate the Applicant or the Andhra Pradesh Drone Corporation to enter into any subsequent agreements or commitments.
- (c) Submission of EOI: Proposals not conforming submission of required documents as listed may lead to rejection of the Proposal. Submission of forged documents will also result in rejection of the Proposal. The Applicant should submit the Proposal as per the requirement of EOI which should be received in the office of the Chairman & Managing Director, Andhra Pradesh Drone Corporation, Government of Andhra Pradesh with the proper postal address of APDC on or before due date and time as mentioned in the EOI.

The postal cover should also highlight the "Project Name": "**Development of Drone City in Andhra Pradesh**". The Proposal received after due date and time will not be entertained. APDC is not liable/ responsible for any delay in receipt of documents for the reason whatsoever. APDC will not consider any proposal that arrives after the deadline as prescribed in the EOI. Any Proposal received after the deadline will be out rightly rejected by APDC.

5.9. Late Submission of EOI

EOI being submitted after the specified time limit and date will not be accepted.

5.10. Language of EOI

The responses prepared by the Applicant and all correspondence and documents relating to the documents exchanged by the Applicant and APDC, shall be written in English language. Any printed literature furnished by the Applicant in another language shall be accompanied by an English translation, in which case, for purposes of interpretation of the EOI, the English translation shall govern. If any supporting documents submitted are in any language other than English, translation of the same in English language is to be duly attested by the Applicant.

6. Formats for EOI Submission

Annexure I – Documents Checklist

Checklist for the Documents to be submitted in EOI response

S.No	Documents to be Submitted	Suggested Format	Submitted (Y/N)	Documentary Proof (Page No.)
1	Covering Letter	Annexure II		
2	Details of the Applicants	Annexure III		
3	Company Experience - Documentary Evidence for Relevant experience	Annexure IV		
4	Financial Capability of the applicant through a statutory Auditors Certification	Annexure V		
5	Project Proposal consisting of the Implementation Structure and Broad Financials	Annexure VI		

Annexure II – Submission Cover Letter

On the letterhead of the Applicant

Date:

To

The Chairman & Managing Director,
Andhra Pradesh Drone Corporation
3rd floor, NTR Administrative Bhavan,
Vijayawada - 520013, Andhra Pradesh, India.

Sub: Submission of EOI for Development of Drone City in Andhra Pradesh

Sir,

Being Duly Authorised to represent and act on behalf of

_____, understanding the information provided, the undersigned hereby apply in response to the EOI document for "Development of Drone City in Andhra Pradesh – [*Specific core area*]".

The details as per the EOI document are submitted herewith for the evaluation.

Yours faithfully,

Authorised Signatory
(Name, Title and Address)

Annexure III – Details of Company

S.No	Item	Details (to be filled by the Applicant in response to EOI)
1	Name of the Company	
2	Registered Address for Communication	
3	Mobile no and Email id	
4	Website address if any	
5	Details of Company Registration (Please enclose a copy of the registration certificate authorized by the concerned government authority)	
6	Registration Number and Year of Registration	
7	States/Countries where the Company operates	
8	Company Profile	
9	Audited financial statements of the last 3 financial years from the relevant experience in Local Currency, certified by the Statutory Auditor	

Contact Details of officials for future correspondence

Description	Details
Name	
Designation	
Address	
Mobile	
E-mail	

Annexure IV –Company Experience

Documentary Evidence for Relevant experience

Annexure V – Financial Capacity of Company

Previous three years Turnover from relevant experience and net-worth certificates in Indian Rupees certified by the Chartered Accountant (Currency Conversion Certificate required only for firms registered outside India)

Financial Year	Annual Turn Over
2021-22	
2022-23	
2023-24	

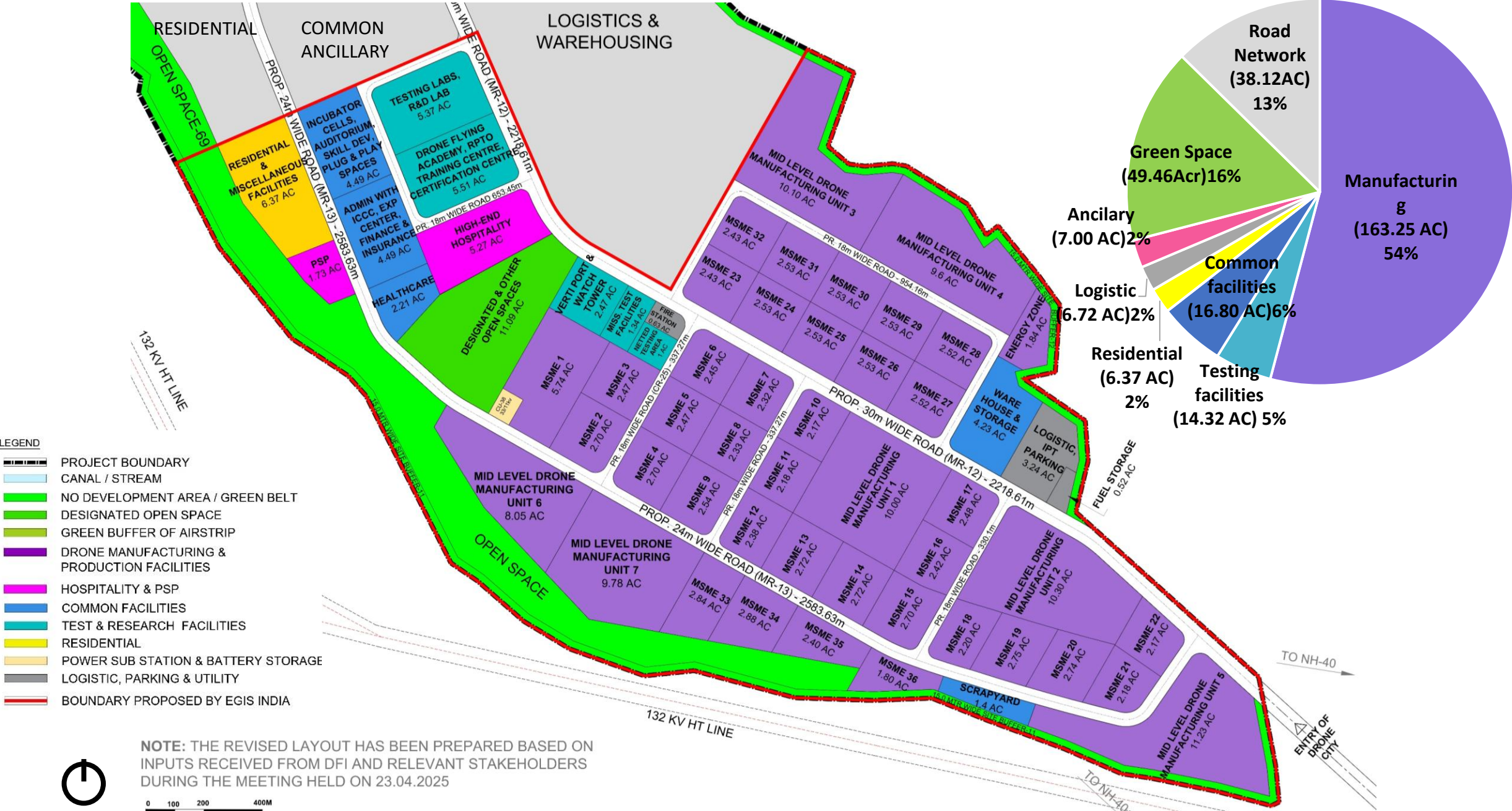
Annexure VI – Project Proposal

The Applicant shall submit the detailed proposal duly incorporating the following details:-

- (a) Nature of the Project
- (b) Name of the Project
- (c) Proposed investment
- (d) Extent of land required (SFT/SQM/ACRES, ETC.,)
- (e) Proposed Revenue share/ Annual Premium/ Upfront fee etc, to the Authority
- (f) Proposed Concession Period
- (g) Approximate Time frame required for commencement
- (h) Benefits of the Project
- (i) Direct and Indirect Employment generated from the Project
- (j) Support required from the Authority
- (k) Any additional suggestion or specific views

The applicant shall submit different Annexure for each of the Proposal submitted

DRONE CITY | OVERALL MASTER PLAN



DPR Response Template – Drone City Development

1. Company Profile

Detail	Description
Company Name	
Type (Private Ltd./LLP/Consortium etc.)	
Year of Establishment	
Registered Office Address	
Contact Person Name & Designation	
Phone & Email	
Website	
Brief Background (Max 250 words)	

2. Project Component Selection

Facility	Interested (Yes/No)
Drone Manufacturing Facility	
Repair and Maintenance Hub	
Drone Testing Facility (BVLOS)	
Research and Innovation Centre	
All of the above / Multiple	

3. Land Requirement

Particular	Description
------------	-------------

Total Land Area Required (in Acres)

Specific Infrastructure Needs

Utility Requirements
(Power/Water/Connectivity)

4. Investment Plan

Head	Amount/Description/Remarks
CAPEX	
OPEX (First 5 Years)	
Source of Funds (Equity, Debt, Govt. Support)	
FDI/Technology Partners (if any)	
Capacity Building Cost	

5. Concession Period & Business Model

Parameter	Proposed Response
Requested Concession Period (in years)	
Preferred Model (PPP / Lease / JV / Equity Participation)	
Revenue Sharing Offer (with Authority)	
Expected ROI (%)	

6. Construction Plan

Activity	Timeline	Remarks
Design & Planning		
Groundbreaking		

Construction Completion

Testing/Trial Runs

Commercial Operation Date
(COD)

7. Devices, Equipments and related Materials

Item	Description	Remarks on Source (Domestic/Imported)
Drones / UAVs		
Assembly Tools / Jigs		
Mechanical Arms/Wings		
GPS/ Navigation Systems		
Rotors		
Simulators/ BVLOS Simulators		
Batteries / Propulsion Systems		
Testing Hardware		
AI/ML Components (for R&D)		
IT Requirements		
Office Requirements		

8. Manpower Deployemnt Plan

Category	Number	Skill Level	Phase wise Deployment Plan
Engineers & Technicians			

Drone Pilots

R&D Scientists

Support Staff

Manpower Cost for 36 Months *Detailed Breakdown of all critical factors regarding breakdown of Funds for employees salary until Profit are generated from the Facility*

9. Regulatory Compliance

Area	Status	Remarks
DGCA Drone Authorization		
NPNT Compliance		
Airspace NOC (if applicable)		
Environmental Clearance		
others (Specify)		
Combined Funds for all necessary Approvals	<i>Description and Breakdown</i>	

10. Support Requested

Type	Description
Land Subsidy	
Infrastructure (Road, Power, Fiber) and Utilities	
Tax Incentives	
Government Partnership	
Training Support / Skilling	
<i>Total cost of Funds for the relevant Support provided</i>	

11. Annexures

Documents to Attach

Attached (Yes/No)

Company registration certificate

Financial statements (last 3 years)

Technical design briefs

MoUs with OEMs/technology partners
coming together for Drone City

Environmental and social sustainability
plan

Any past drone-related projects or
credentials

Work Orders