

Election Mode Affects Fresh Investment in April 2014

The ongoing Parliamentary elections and the prevailing model code of conduct have forced the state and central government agencies to hold back the announcement of their fresh investment plans. As a result, the month of April saw announcements of only 92 new projects worth ₹9,432 crore against 491 new proposals worth ₹30,594 crore taken up by the public sector in March 2014. In all, the month of April saw 311 startups worth ₹23,638 crore being announced by project promoters - both public and private.

A ₹9,000 crore power project of Rosa Power Supply Company was the largest new project of April 2014. The company intends to set up a 1,320 MW (2x660 MW) coal-based power project at Choudhera village, in Shahjahanpur district of Uttar Pradesh. The new plant will be housed within the boundaries of the company's existing power plant. ToR was underway for preparation of EIA/EMP report of the project.

Of the six mega projects (projex worth ₹500 crore or more) announced in April 2014, two were in the Manufacturing

sector. The first one was proposed by GAIL (India) to set up a poly butadiene rubber (PBR) unit with a capacity of 1.1 lakh tpa at Dahej in Bharuch district of Gujarat with an investment of ₹2,574 crore, and the second one was by MSN Laboratories to set up a ₹540 crore bulk drug project at Kasampet, in Mahaboob Nagar district of Andhra Pradesh.

The only mega project attracted by the Mining sector was owned by Neyveli Uttar Pradesh Power. The company plans to develop Pachwara south open cast coal mining project with a capacity of 10 million tpa at Kundapahari, Kharikalas and part of Chirudih villages at Gopikander block, Bangla/Silangu tehsil, in Dumka district of Jharkhand, with an investment of ₹750 crore.

Among the major sectors, Services & Utilities (Infrastructure) topped the investment chart with 205 projects worth ₹6,592 crore and accounted for 28 per cent of the total fresh investment announced in April 2014. A ₹5,000 crore, Visakhapatnam Metro Rail corridor by Greater Visakhapatnam Municipal Corporation was the mega project announced in this sector. The project will have four corridors: Gajuwaka to NAD Junction on NH-16; Gajuwaka to Visakhapatnam Railway Station; Hanumanthuwaka to Tagarapualasa on the NH-16 and Maddilapalem to NAD Junction on the NH-16.

Besides the above project, Indian Oil Corporation plans to lay three product pipelines - Mathura-Tundla product pipeline upto Kanpur; Paradip-Somnathpur (Balasore)-Haldia product pipeline and a 550 km Haldia-Barauni product pipeline.

Twenty two new power projects saw the Electricity sector attracting around ₹6,592 crore. A ₹700 crore, 100 MWp solar photovoltaic power unit at Mhasale, Sakri in Dhule district of Maharashtra by Greenraj Solar Energy was the largest non-conventional power project announced in the month. The project will be implemented in two phases, each with a capacity of 50 MWp. Besides this project, Rays Power Experts intends to set up two 5 MWp solar photovoltaic power units at Jagner, in Bikaner district of Rajasthan, and a solar park with a capacity of 50 MW in Neemuch district of Madhya Pradesh, with a total investment of ₹520 crore.

Among the states, Uttar Pradesh topped the investment chart with 15 projects worth ₹9,323 crore and accounted for 39 per cent of the total fresh investment emanated in April 2014, and Maharashtra attracted the highest number of new projects - 87 projects worth ₹1,429 crore. ■

Fresh Investment by Sector - Apr 2014

Sectors	Projects	₹Crore	Share (%)
Manufacturing	69	5,212.70	22.0
Mining	2	750.00	3.0
Electricity	22	10,905.61	46.0
Services & Utilities	205	6,592.36	28.0
Irrigation	13	177.47	1.0
All Sectors	311	23,638.14	100.0

Fresh Investment by Top Ten States - Apr 2014

States	Projects	₹Crore	Share (%)
Uttar Pradesh	15	9,323.10	39.0
Andhra Pradesh	29	5,896.00	25.0
Gujarat	22	3,034.56	13.0
Maharashtra	87	1,429.33	6.0
Jharkhand	3	762.03	3.0
Madhya Pradesh	10	644.26	3.0
Punjab	6	502.02	2.0
Rajasthan	20	389.67	2.0
Karnataka	16	316.10	1.0
Uttarakhand	18	290.00	1.0
All India	311	23,638.14	100.0