

FRESH INVESTMENT

Fifteen mega projects (projex of ₹1,000 crore or more) from private sectors and eight from the public sector companies led to a quantum jump in August as compared with June and July months. According to the ProjectsToday database, a total of 640 projects worth ₹98,189 crore were announced in August 2014. The figures indicated an upturn in projex activities when compared with July 2014 project statistics. In July 2014, the country had seen announcement of 589 projects worth ₹53,473 crore.

Out of the total 640 new projects identified by ProjectsToday, 505 were startups worth ₹84,703 crore; 108 were renovation and modernisation projects; and 27 intended capacity expansion of existing units. Further, of the 640 projects, the promoters of 221 projects have not yet firmed up the costs of their projects. Most of these projects are in the Real Estate sector.

The Electricity sector saw a couple of high ticket projects in August 2014. Twenty eight power projects coupled with 43 power distribution projects accounted for nearly 30 per cent of the total fresh investment announced in August. Among the new power project proposals, four were of mega size. Adani Power plans to set up a 2,500 MW rejected coal-based power unit in Odisha, with an investment of ₹12,500 crore, which was the largest project announced in this month.

A ₹7,354 crore project of 1,320 MW (2x660 MW) supercritical coal-based power unit at Torniya, in Khandwa district of Madhya Pradesh, promoted by Dwarkesh Energy, and a 600 MW coal-based power unit of Creative Thermolite Power at

Bargarh, in Chitrakut district of Uttar Pradesh, were the other mega projects announced in this sector.

Of the 14 non-conventional power projects, the 700 MW ultra mega solar power unit (UMPP), spread across four villages - Barseta, Ramnagar, Latar and Badwaar in Rewa district of Madhya Pradesh, was the largest project with an investment of ₹4,000 crore. The project will be implemented by the New & Renewable Energy Department,

Madhya Pradesh, in a joint venture with the Ministry of New and Renewable Energy, Power Grid Corporation and Solar Energy Corporation of India.

Of the twenty three mega projects announced in August 2014, nine were in the

Manufacturing sector. Mideast Integrated Steels, which was the biggest project in this sector, plans to expand its steel capacity from 1.0 million tpa to 3.5 million tpa at Kalinganagar Industrial Complex, Danaagadi, in Jajpur district of Odisha, with an investment of ₹2,300 crore.

Expecting an upbeat in the Construction sector in the near future, the cement sector saw four mega projects announced in August 2014. The cement major, Ambuja Cements, plans to expand its cement capacity from 3.5 million tpa to six million tpa at Rawan, in Raipur district of Chhattisgarh. The project will also include expansion of the clinker unit from 4.42 million tpa to 7.62 million tpa; coal-based power unit from 63 MW to 96 MW; and a 12 MW waste heat recovery-based power unit, with an investment of ₹2,000 crore.

Besides the above projects, V P Cements intends to set up two cement projects, one with a capacity of 6.4 million tpa,

Private sector at the forefront

Fresh Investment by Sector - July 2014			
Sectors	Projects	₹Crore	Share (%)
Manufacturing	108	18,996.36	19.35
Mining	12	6,226.46	6.34
Electricity	28	29,938.51	30.49
Services & Utilities	489	42,959.30	43.75
Irrigation	3	68.10	0.07
All Sectors	640	98,188.73	100

Fresh Investment by Ownership - July 2014			
Ownership	Projects	₹Crore	Share (%)
Government	412	44,162.81	44.98
Central Govt	94	30,806.43	31.37
State Govt	318	13,356.38	13.60
Private Sector	228	54,025.92	55.02
Private (Indian)	213	50,315.92	51.24
Private (Foreign)	15	3,710.00	3.78
Grand Total	640	98,188.73	100

along with a four million tpa clinker unit, supported by an 80 MW coal-based captive power unit at Gundlakunta, and another 4.8 million tpa with a three million tpa clinker unit, coupled with a 60 MW coal-based captive power unit at Chinna Komerla in YSR district of Andhra Pradesh, with an investment of ₹2,000 crore and ₹1,200 crore, respectively.

A ₹1,500 crore cement unit at Kilimigundla, in Kurnool district of Andhra Pradesh, promoted by Ramco Cements, was the other mega project in this sector.

The Food processing sector also had its share of mega projects. While the soft drink giant, Hindustan Coca-Cola Beverages, plans to set up two mega bottling plants with an investment of ₹1,000 crore each, in Andhra Pradesh and Telangana, GlaxoSmithKline Consumer Healthcare announced its intention to set up a ₹1,000 crore health drink facility to produce Horlicks and Boost in Andhra Pradesh.

Deepak Nitrite intends to set up a two lakh tpa phenols unit and a 1.2 lakh tpa acetones unit at Dahej, in Bharuch district of Gujarat, with an investment of ₹1,200 crore. The Board of Directors (BoD) cleared the investment plans recently.

The Mining Sector, marred by scams, attracted mega projects entailing a total investment of ₹5,219 crore. The project is proposed by Oil & Natural Gas Corporation (ONGC). The company plans the Daman development project, which will augment production of natural gas and condensate in its Tapti Daman block in the Arabian Sea. The project is situated about 90-100 km from Daman coast. In addition, the project includes development of C-24 field and monetization of B-12 marginal fields (B-12-11, B-12-13 and B-12-15). The project is expected to peak at 8.35 million standard cu mtr per day of gas and 9,286 barrel of condensate each day.

Among the major sectors, Services & Utilities (Infrastructure) topped the investment chart with 489 projects worth ₹42,959 crore, and accounted for 44 per cent of the total fresh investment announced in August 2014. A ₹4,274 crore Dimapur-Tizit railway line of 257 km in Nagaland, by Northeast Frontier Railway; a ₹2,129 crore eight laning of NH-1 (new NH-44) from Mukarba Chowk at 15.50 km to Panipat at 86.00 km in Haryana, promoted by NHA; a ₹1,473 crore doubling project of Panvel-Karjat railway line in Raigarh district of Maharashtra, by Mumbai Railway Vikas Corporation; a ₹1,239 crore Delhi-Sohna-Nuh-Firozpur-Jhirka-Alwar railway line in length of 104 km by Northern Railway; and a ₹1,112 crore Manugur-Ramagundam railway line in length of 200 km in Telangana, by South Central Railway were the mega projects announced in the transport infrastructure sector.

Fresh Investment by Top Ten States - July 2014

States	Projects	₹Crore	Share (%)
Odisha	52	15,913.70	16.21
Uttar Pradesh	32	12,715.15	12.95
Madhya Pradesh	15	11,965.95	12.19
Andhra Pradesh	34	10,949.70	11.15
Maharashtra	88	7,413.55	7.55
Offshore	1	5,219.00	5.32
Telangana	25	4,665.10	4.75
Nagaland	1	4,274.00	4.35
Gujarat	53	4,245.71	4.32
Haryana	41	3,960.31	4.03
All India	640	98,188.73	100

In the Construction sector, Prateek Buildtech India plans to develop an integrated township, 'Prateek Grand City', comprising 11 towers of G+28 floors, with total of 6,500 flats at Siddharth Vihar, in Ghaziabad district of Uttar Pradesh, with an investment of ₹5,000 crore. And Nagpur Municipal Corporation intends to develop a ₹4,627 crore township 'Orange City Street', in Nagpur, Maharashtra, on PPP basis. The project, also known as 'London Street project', comprises six different stretches earmarked for residential, commercial, IT Park, green zone, vegetable and meat market, and medical zone.

Besides the above projects, Infosys plans to develop an IT park at Sector 85, Noida, in Gautam Budh Nagar district of Uttar Pradesh, with an investment of ₹1,400 crore. The project will spread over 28 acre of land with eight blocks, comprising a research and development, and software development centre, besides special economic zone components.

LNG Bharat, a subsidiary of Rajahmundry-based KEI-RSOS Petroleum & Energy (KRPEL) plans to develop an LNG floating storage facility (Phase-I) with a capacity of five million tpa, with an investment of ₹1,000 crore, at Krishnapatnam Port, in Nellore district of Andhra Pradesh. A detailed project report (DPR) was prepared, and environmental study was underway.

Among the states, Odisha topped the investment chart with 52 projects worth ₹15,914 crore and accounted for 16 per cent of the total fresh investment emanated in August 2014; and Maharashtra attracted the highest number of new projects - 88 projects worth ₹7,414 crore. ■