

**Indian Inc. with capex plans surging to Rs. 10,50,951 crore for the first half of 2008, according to AIM.**

Despite global slowdown, India is set to become a potential goldmine as the capacity expansion plans announced by Indian corporates surged to Rs.10,50,950 crore in the first six months of the current calendar year, according to AIM.

According to ASSOCHAM Investment Meter (AIM), “out of the total 24 states, Maharashtra, Andhra Pradesh, Orissa, West Bengal and Rajasthan were the most preferred destination by the private players for investments opportunities in the first half of 2008.”

The report titled “**India Inc. Investing... A Mid Year Report**” with industrialization drive moving at a faster pace, the state of Maharashtra topped the chart with investment commitments worth Rs. 1,20,065 crore in sectors like power, real estate, automobiles, ports & shipping. The biggest of the announcements were made by Tata Power at Rs. 25,000 crore planning to raise generation capacity from 2368 Mw to 12861 Mw for the next five years, Reliance Industries for setting up semi conductors and other micro-technology units announced an expenditure of Rs. 21,666 crore for the next ten years.

Andhra Pradesh being the second most mineral rich state of the country, attracted the second highest investment announcements with a share of 10.11 per cent totaling to Rs. 1,06,242 crore by major industrialist like Reliance Industries, Hindujas Group, Videocon Industries ltd. GAIL India etc for the next two to five years.

Home to huge iron ore and coal reserves, the state of Orissa emerged as the third most preferred destination with investment announcements worth Rs. 88,902 crore for the next two to five years.

Companies like Vedanta Resources announced a capex of Rs. 24,000 crore for the production of 35-40 million cubic meters of gas per day. Sterlite Industries with a capex of Rs. 17,000 crore announced its plan for generation of power. National Aluminum Cooperation (NALCO) made the third largest announcement in the state worth Rs. 14,000 crore for setting up a greenfield aluminum and captive power plant.

Powered by huge potential in steel and manufacturing sectors, the state of West Bengal attracted investment announcements worth Rs. 83,287 crore, majority of which will go into steel, manufacturing, hospitality. The top potential investor in the state was Cals Refineries planning to set up 20 million tonnes per anum capacity refinery project with a capex plan worth Rs. 20,000 crore for the next six years. Shyam Group with an investment of Rs. 9,900 crore announced its plans to set up an integrated steel power plant in Jamuria near Ansol district in West Bengal.

Rajasthan attracted 7.69 per cent of the total capital outlay proclaimed across the country over the next two to five years. The sectors that drew maximum investment plans were real estate, retail, expressways, energy alone attracting Rs. 68,400 crore by industrialist

like Omaxe Ltd., Parsvanath Developers, Carin India. Apart from the investment of Rs. 68,400 crore, corporates also planned investments in sectors like steel, cement, hospitality, cement, and telecom.

The state of Chattisgarh was host to outlay plans of about Rs. 67,212 crore as per the capex announcements made during the first six months of the current calendar year. Most of the capital spending was proclaimed in sectors like power, steel, cement, real estate mainly for setting up manufacturing plant for the next five years.

Among the corporates investing in the state, Gujarat Mineral Development Cooperation announced the maximum capex worth Rs. 20,000 crore, followed by Sterlite Industries with a plan of Rs. 17,000 crore and Tata steel with a capex plan worth Rs. 16,000 crore.

With rising property prices in the capital, corporate India has lined up investment plans worth Rs. 50,595 crore in the state of Haryana. As per the announcements, industrialists like Omaxe, CHD Developers planning to come up with residential and commercial projects have lined up Rs. 40,250 crore alone in the real estate sector. Apart from these sectors, investments were also announced in IT and retail sectors.

The capital of the country, Delhi & NCR took a backseat in terms of the investments announcements attracting Rs. 38,237 crore. NCR took the major share of capex plans worth Rs. 32,220 crore while Delhi with announcements worth Rs. 6,017 crore. Major developers like Parsvath Developers, Raheja Developers, Paramount Group have plans to expand their real estate business and set up group housing projects by next two to three years.

The city of Bangalore being high on industrialization scale attracted number of investments announcements. The state of Karnataka with a share of 3.08 per cent in the total capex plan for the first half of the current year attracted capital expenditure worth Rs. 32,321 crore. Companies like Hindujas along with ONGC have planned to invest around Rs. 20,000 crore for setting up 15 million tonne refinery in Kakinada and an LNG terminal at Mangalore. Baldota group with a capex plan of Rs. 4,469 crore have planned to set up an integrated steel plant in Koppal district.

Gujarat being one of the most industrialized state was among the top ten states attracting maximum investment announcements. The state attracted an outlay worth Rs. 28,136 crore for the next two to seven years. Jindal Saw (JSL) with the maximum capital expenditure plans to set up first shipbuilding and repair hub. Essar Power announced a capex plan of Rs. 4,800 crore for setting up 1200 Mw power plant in the state. The state also attracted investment announcements in the cement sector with Unitech cement planning to set up an establishment of green-field project in an outlay worth Rs. 3000 crore by the end of this fiscal.