

Telangana beats southern peers in attracting investments: Assocham

79% growth recorded in 2012-17 period

OUR BUREAU

Hyderabad, September 14

Telangana has managed to beat its southern neighbours in attracting investments, according to a report released by industry body Assocham.

"The fruits of a slew of measures taken by the Telangana government in terms of providing an investor-friendly business environment are showing results. The State has beaten southern peers by achieving the highest growth rate of 79 per cent in terms of attracting investments during the five-year period from 2012 to 2017," the report said.

How they fared

In a detailed presentation, the chamber said Telangana topped with 79 per cent growth, followed by AP (50.8 per cent), Kerala (18.9 per cent), Tamil Nadu (11.2 per cent), and Karnataka 0.2 per cent. The all-India average is 26.6 per cent.

After releasing the report, 'Telangana: Economic Growth and



DS Rawat, Secretary-General, Assocham

Investment Performance,' here today, DS Rawat, Secretary-General, Assocham, and Babu Lal Jain, Senior Management Committee member of Assocham, said, "Telangana has surpassed national average growth rate of about 27 per cent in terms of attracting live investments during the five-year period under analysis."

Rawat said, "Telangana has attracted total outstanding investments worth ₹5.9 lakh crore as of FY 2017, which rose from ₹3.3 lakh crore worth of investments attracted by the region as of FY 2012."

Telangana share

As per the study undertaken by the Assocham Economic Re-

search Bureau, Telangana accounted for 3.3 per cent share in total investments worth over ₹177 lakh crore attracted by top industrial states across India as of FY 2017.

Over a fourth of investments Telangana attracted are in the irrigation sector (28 per cent), followed by non-financial sector (25 per cent), electricity sector (18.5 per cent) and manufacturing (11 per cent).

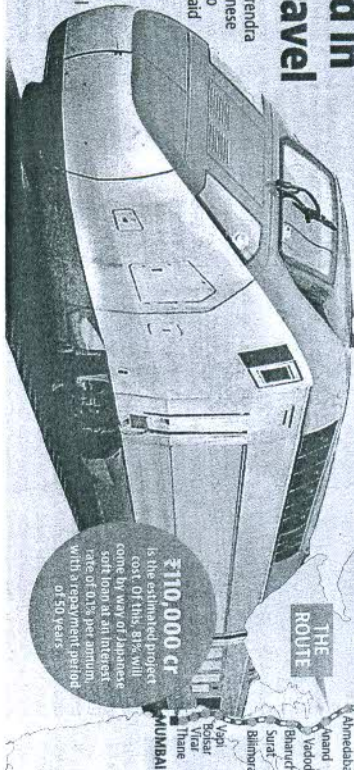
Robust growth

About 370 projects with investments worth about ₹4 lakh crore of the total investments attracted by Telangana are under different stages of implementation, Rawat said. The Assocham analysis shows that robust economic growth and better infrastructure availability have encouraged the private sector participation. This has resulted in sharp jump in investments.

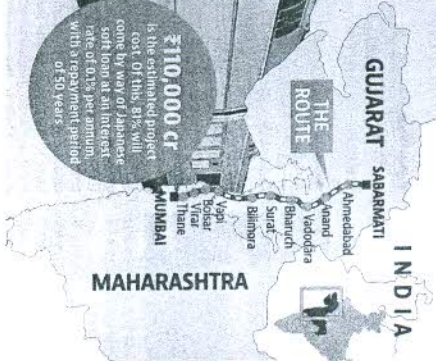
Telangana has also outperformed the national average in terms of economic growth. The year-on-year growth has touched 8.5 per cent in 2017 as against the all-India average growth of 6.6 per cent, the Assocham said.

Breaking new ground in fast travel

Prime Minister Narendra Modi and his Japanese counterpart Shinzo Abe on Thursday laid the foundation of India's first high speed rail project, linking the country's commercial capital to Ahmedabad



The estimated project cost of this 612 km route by way of Japanese soft loan at an interest rate of 5.2% per annum with a repayment period of 50 years



508 km
Is the estimated length of the track of which 468 km is elevated, 27 km runs in a tunnel — 7 km of which runs undersea — and 13 km runs on the ground

350 kmph
The maximum design speed with train's maximum operating speed to be 320kmph on an elevated stretch

2.07 hours
Is the total duration of the journey with limited stops down from the existing time of 7-8 hours

Eight years in the pipeline

Feb 13, 2009: Railways minister Lalu Prasad recommended a pre-feasibility study to introduce a high-speed bullet train service on six routes including Mumbai-Ahmedabad in his budget speech

Dec 31, 2012: In an year-end review, the ministry of railways announced it has identified seven corridors for conducting pre-feasibility studies

May 30, 2013: Prime Minister Manmohan Singh and his Japanese counterpart Shinzo Abe laid down the course for introducing high-speed railway system in India

July 18, 2013: PM Manmohan Singh while addressing the 92nd annual meeting of ASSOCHAM, reiterated the ongoing feasibility study

January 27, 2014: Reports suggested that Japan offered to set up a joint venture to finance bullet train projects in the country

July 8, 2014: Railway minister Sushanta Gowda proposed the first bullet train on the Mumbai-Ahmedabad route in the 2014-15 budget session

July 21, 2015: The Japan International Cooperation Agency (JICA) submitted the feasibility study, estimating the ambitious project would cost ₹36,000 crore

December 12, 2015: India and Japan signed an MoU on cooperation and assistance in the project. Japan offered to finance over ₹79,000 crore for it

March 1, 2016: The ministry of railways formed a new special purpose vehicle — National High Speed Rail Corporation Limited — to implement the bullet train

April 29, 2016: In a press release, the ministry of railways announced the formation of a joint venture for the total completion cost of ₹7,556 crore

Inflation rises to 4-month high

AGE CORRESPONDENT
NEW DELHI, SEPT. 14

India's wholesale price inflation (WPI) accelerated to four-month high of 3.24 per cent in August driven by higher prices of food and fuel products.

Onion prices were up by 88.46 per cent in August and vegetables prices shot up by 44.91 per cent hitting the common man.

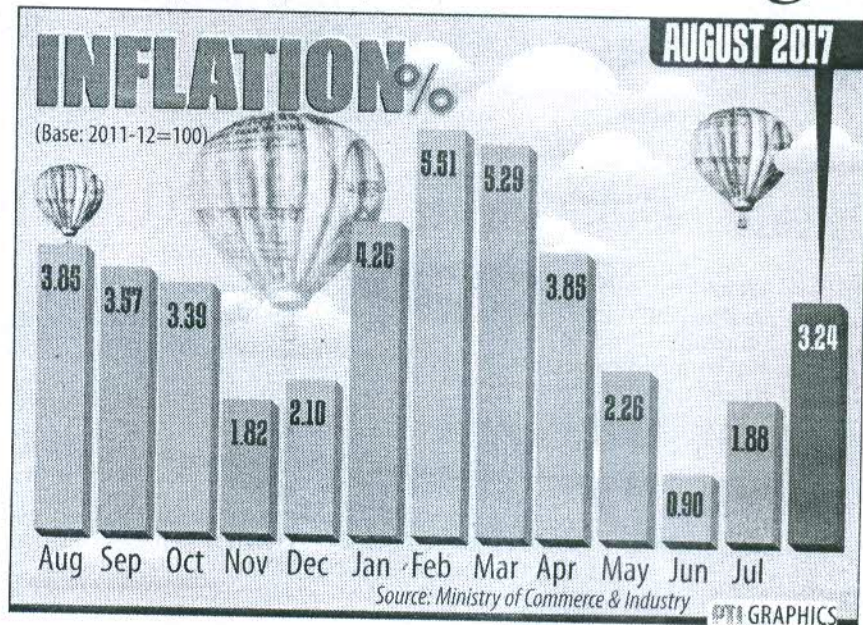
However, the prices of pulses were down by 30.16 per cent when compared to August last year.

Overall inflation of food articles went up by 5.75 per cent in August, as against 2.15 per cent in July.

Petrol inflation jumped by 24.55 per cent and diesel by 20.30 per cent.

The WPI was at was 1.88 per cent in July 2017 and 1.09 per cent in August 2016. Inflation in manufactured products witnessed a slight increase at 2.45 per cent in August, against 2.18 per cent in July. In fuel and power segment, inflation saw a sharp surge to a near double digit inflation at 9.99 per cent, against 4.37 per cent in July.

"Primary items such as perishables and oilseeds, as well as the pass through



of the global price rise in fuels and metals, drove a large part of the uptick in wholesale inflation in August 2017. Nevertheless, the uptick in headline as well as core wholesale inflation in August 2017, strengthens the case for a pause in the upcoming monetary policy review," said Aditi Nayar, principal economist at Icra.

She said the continued rise in crude oil prices is expected to push up the mineral oils sub-index in the ongoing month.

"However, the subsequent upside risk posed by crude oil and other fuels is likely to be limited," she added.

Assocham said that while spike in vegetable prices is seasonal in nature, a huge jump in petrol by over 24

per cent and diesel by over 20 per cent is worrisome and would prove to be cascading. "Certainly not a good macro-indicator, especially when the global crude oil prices have not gone up significantly and the prices at the filling stations are going up under a heavy burden of taxation both at the Centre and state level," it said.

Wholesale inflation rises to 4-month high of 3.24% in Aug

Spike in fuel prices will have cascading effect, says Assocham

TRIBUNE NEWS SERVICE

NEW DELHI, SEPTEMBER 14

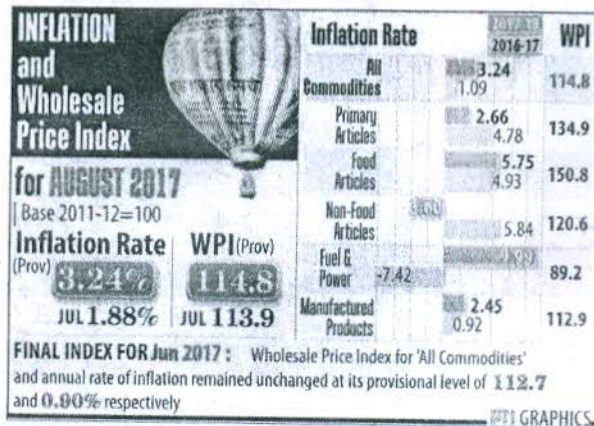
Wholesale inflation rose to a four-month high of 3.24% in August as prices of food articles and petrol and diesel prices have increased sharply.

Inflation based on the wholesale price index (WPI) was 1.88% in July 2017 and 1.09% in August 2016.

The last such high level of inflation was witnessed in April when the rate of price rise was 3.85%.

Industry body Assocham has warned that the spike in petrol and diesel prices will have a cascading effect.

It said while the spike in vegetable prices is seasonal in nature, a huge jump in petrol prices by over 24% and diesel by over 20% is worrisome and would prove



to be cascading.

Assocham said the prices at the filling stations are going up under a heavy burden of taxation both at the Centre and state level, especially when the global crude oil prices have not gone up significantly. Assocham has been demanding that the

petrol and diesel be brought under the Goods and Services Tax.

Aditi Nayar, Principal Economist, ICRA said primary items such as perishables and oilseeds, as well as the pass through of the global price rise in fuels and metals, drove a large part of

the uptick in WPI inflation in August.

"Nevertheless, the uptick in headline as well as core WPI inflation in August, strengthens the case for a pause in the upcoming monetary policy review", Nayar added.

The continued rise in crude oil prices is expected to push up the mineral oils sub-index in the ongoing month. However, the subsequent upside risk posed by crude oil and other fuels is likely to be limited.

Commenting on the latest WPI based inflation numbers, FICCI president Pankaj Patel said the increase in the inflation numbers is largely on account of the jump seen in prices of food articles and fuel items.

