



INVESTMENTS AND EMPLOYMENT

Strategies for Sunrise Andhra Pradesh



Global Forum for
Sustainable Transformation
www.gfst.in



**Global Forum for Sustainable
Transformation (GFST)**

www.gfst.in

The Global Forum for Sustainable Transformation is a platform dedicated to driving governance innovation, advancing policy research, and crafting strategies that foster sustainable impact and equitable economic growth.

All rights reserved.

No part of this publication may be copied or redistributed in any form without the prior written consent from Global Forum for Sustainable Transformation

The chapter on investment and employment in Andhra Pradesh presents a comprehensive strategic plan to leverage existing Memorandums of Understanding (MoUs) to drive economic growth and job creation within the state. A crucial aspect of this plan is to ensure the continuation and completion of MoUs signed during the 2014-2019 tenures, which are essential for achieving significant growth and effecting change. Analysing the current investment landscape, which reveals discrepancies in projected figures, highlights the need for data sanitization to ensure accuracy and usability. The plan proposes targeted actions to expedite project implementation and maximize employment generation. Key initiatives include focusing on MoUs in advanced stages of development, engaging relevant departments for project conversion, and aligning skill development efforts with investment requirements. Additionally, recent major investments by prominent companies outline plans for future investment summits aimed at further catalysing economic progress. Through these concerted efforts, Andhra Pradesh aims to realize its potential as a hub for investment and employment growth in the coming years. Moreover, the chapter emphasizes promoting innovation and entrepreneurship to drive sustainable economic growth in the state.

As per the investment tracker dashboard of GoAP as of 24 April 24, 2024¹, there are 3600 project MoUs with a committed investment of about 37 lakh crore and a job potential of 5 million. (2019 -15.5 lakh crore investment and 25.5 lakh employment)

1. However, a detailed analysis of the tracker indicates **over projection of the actual figures, apart from multiple other anomalies**. The actual figure comes out to be 2474 project MoUs worth 29.29 lakh cr with a potential employment of 31.45 lakh only.
2. Project-wise analysis indicates other anomalies.
3. Following is the reported status of the MoUs in different stages of completion as per the dashboard.

Category	Description	Investment Lakh Cr	Employment Lakh
G1	Gone into production	2.91	4.39
G2	Trial production	0.48	0.31
G3	Machinery erected	1.18	1.38
G4	Civil works	2.05	2.23
Y	Ready for foundation stone	0.30	2.11
R1	Land in possession & approvals granted	0.57	0.53

¹ https://www.apindustries.gov.in/Investment_AP/Index.aspx?LOS=All



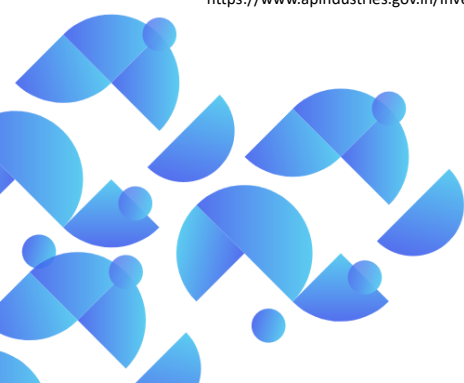
R2	Land in possession & approvals in progress	2.10	1.90
R3	Govt land sought but not allocated	4.68	6.88
R4	DPR to be submitted	14.97	11.67
	TOTAL	29.94	31.45

Categories G1 through G4 represent projects at various stages, from full production to civil works completion. Category Y denotes projects ready for the foundation stone, signalling imminent progress. Categories R1 through R4 represent projects with varying degrees of land possession and approvals, highlighting where administrative and logistical focus should be prioritized to facilitate project progression. Notably, R4 represents a substantial investment of ₹14.97 lakh crore with significant employment potential, indicating a critical area for strategic intervention and acceleration.

4. Action Plan

- a. **Sanitizing the data** – The first task involves cleaning up the data to ensure it is accurate and utilizable. This step is crucial to build a reliable foundation for all subsequent actions and decision-making processes.
- b. **Targeting R1 and R2 categories:** By focusing on projects in categories R1 and R2, the state can create employment for 2.4 lakh individuals in a relatively short period. These projects are already in advanced stages of approval, requiring less intervention to reach completion.
- c. **R4 Category** - An immediate review of the NREDCAP department, which accounts for ₹10.6 lakh crore worth of MoUs out of the ₹14.97 lakh crore in R4, is necessary. The goal is to renegotiate with investors and upgrade to an integrated system to facilitate faster implementation.
- d. **Employment** – Considering the promised potential of the MoUs, four departments need to take immediate review to seek the possibility of converting MoUs into DPR which have employment potential of about 11.8 lakh². These departments are
 - i. APTIDCO - 2.9 lakh in R3 and 1.6 lakh in R4 category
 - ii. NREDCAP - 2.6 lakh in R4
 - iii. IT - 0.9 in R3 and 1.3 lakh in R4

² https://www.apindustries.gov.in/Investment_AP/IndustryCount.aspx?Grid=Employment&LOS=All



- iv. Housing - 2.5 in R4
- e. **Skilling** – We need to map the skill requirement and locations of these investments and link them with nearby ITI, Polytechnics and other centres while upgrading them with support from corporations.
- f. **Tracker-I**
 - i. To track 15 lakh crore + 13 lakh crore MOUs signed in last 10 years
 - ii. To convert it into Decision support with verticals & targets
- g. **Tracker-II:** Expedite growth as per the targets, GoI projects, improve logistics efficiency and follow up efficiency & bottlenecks removal to fast track
 - i. Megaprojects
 - ii. Other verticals
 - iii. 100 days/ 1 year agenda
- h. **Big Ticket Announcement of March 23** (354 MoU, 13 lakh cr and 6 lakh employment)
 - i. **Reliance-** 40000 cr in 4G Network with 98% coverage
 - ii. **Reliance- Blue Ocean Economy** – Ocean energy, Seabed minerals and Marine Biotechnology
 - iii. **Adani** - 20,000 Crore already invested in the State, 2 Private Ports- Krishnapatnam & Gangavaram, 15,000 MW renewable project under Development.
 - iv. **Adani** - Adani Connex Data centre- Rs. 21,844 Crore investment with 50,000 jobs. India's largest integrated data Centre and Technology Business Park. 200+ MW data Centre with up to 100% renewable energy. Will have a Skill Development Centre and one of 3 tech zones planned in Vizag
 - v. **GMR** – 5000 cr
 - vi. **Bangur** – Shree Cements -5000 cr
 - vii. Other Investments -



Companies	Investment (Cr.)	Employment
NTPC	2,35,000	77,000
JSW	50,632	9,500
ABC Ltd	1,20,000	7,000
Aurobindo GP	10,365	5,250
Adani Green (Data Centre)	21,820	14,000
Aditya Birla	9,300	
Jindal Steel	7,500	2,500

- viii. Next Investment summit would be planned around the priority sectors identified and linked to PLI and ELI after the announcement of sector-specific policies and general Industry policy.

These investments highlight Andhra Pradesh's strategic importance as a hub for investment, offering substantial employment opportunities and fostering sustainable economic growth through innovation and technological advancement.





**Global Forum for
Sustainable Transformation**

www.gfst.in

Designed by GFST

All rights reserved.

No part of this publication may be copied or redistributed in any form without the prior written consent from Global Forum for Sustainable Transformation