UK INDIA BUSINESS COUNCIL

partnership in action

SECTOR:
INFRASTRUCTURE

SECTOR OVERVIEW: JUNE 2012

With GDP growth dropping to 6.5% for the year ending March 2012, it was widely hoped that RBI would reduce interest rates this month but, due to inflationary pressure, RBI kept its repo rate at 8%. A rate cut would have been welcome relief for infrastructure companies, many of whom are struggling with high interest costs on large amounts of debt. Some, such as Lanco Power mooted to be considering non core business asset sales and others, such as Hindustan Construction Company, in the process of undergoing major debt restructurings.

In a concerted effort to boost the economy and investor sentiment, the Prime Minister has approved ambitious infrastructure targets across key sectors such as roads, airports and energy, the highlights of which are set out in this report.

Dr Farooq Abdullah, the Union Minister of New and Renewable Energy was in London last week to discuss business and investment opportunities in the sector. Speaking at a meeting attended by the UKIBC, he set out the $ 50 billion (£ 32 billion) investment planned in renewable energy until 2017 and urged investors “to support India’s quest for a low carbon and environmentally sustainable growth path”.

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At a recent UKIBC infrastructure round table, participants heard a case study from Mott MacDonald, insights from JCB and a view from UKTI Mumbai. All of whom were keen to emphasise India’s sound market fundamentals. Whilst pointing out some of the challenges, Stuart Bromley, Group Practice Manager for Transport at Mott MacDonald was keen to emphasise that India is a market that should not be ignored. Mott MacDonald has recently been awarded a major design and engineering contract for National Highway 200, adding to their portfolio of working on over 600 projects across numerous infrastructure sectors since first entering the market.

UK Business Perceptions of Asia – Survey

UK Trade & Investment (UKTI) is running a short survey to understand how UK companies perceive Asian markets and the benefits and challenges of doing business there. We want to know the concerns or issues you have when doing business in, or considering business in Asia. Your feedback will help us understand what more can be done to help UK companies succeed in Asia. The findings will be presented to Ministers and senior business people at the Asia Task Force meeting on 11 July 2012.

The survey will take around 3 minutes to complete.

To take part in our survey, please click on the link below.
http://www.surveymonkey.com/s/NL7HMGR

A summary of these results will be published on the Asia Task Force pages athttp://www.ukti.gov.uk/export/countries/asiapacific/fareast/china/asiataskforce.html and on UKTI social media channels in July.

BUSINESS OPPORTUNITY

2012-2013 Infrastructure Target approved

The Prime Minister Dr Manmohan Singh approved stretching infrastructure targets for the year 2012-2013 at a meeting on 6th June with Montek Singh Ahluwalia, Deputy Chairman Planning Commission and ministers from key infrastructure sectors of power, railways, roads, shipping, civil aviation and coal.

The targets, set by the Planning Commission after consultation with the respective ministries, are a clear indication of the importance given by the Government of India to increasing infrastructure investment particularly in these key sectors, to restore economic growth levels. In his closing remarks, the PM was keen to emphasise the importance of removing bottle necks and achieving targets, acknowledging that as India's GDP growth has dipped, it is imperative to inspire investor confidence in India's economic growth and importantly to attract FDI (read more: Press Information Bureau, Government of India press release dated 6thJune 2012 http://pib.nic.in/newsite/erelease.aspx).

SECTOR	HIGHLIGHTS - TARGETS for 2012-13
Ports	· 2 new major projects in Andhra Pradesh and West Bengal totaling Rupees 20,500 crore (£ 2.4 billion) and a target capacity of 116 MTPA · 42 projects totaling Rupees 14,500 crore (£ 1.6 billion) and a capacity of 244 MTPA, over three times what was achieved last year
Roads	· 9,500 kms, up 18.7% from last year · 4,360 kms of operation and maintenance contracts will be bid for the first time on a Own Maintain Transfer / PPP basis
Civil Aviation	· 3 new greenfield projects at Navi Mumbai, Goa and Kannur · New international airports in 3 or 4 locations in either Lucknow, Varanasi, Coimbatore, Trichy and Gaya · PPP projects for 10-12 existing airports and 10-12 greenfield

	airports to be finalised and awarded · PPP in airport operations to be explored
Railways – PPP Projects	· Dedicated freight corridor for the Sonnagar-Dankuni · Elevated rail corridor in Mumbai Rupees 20,000 crore (£2.3 billion)
Power	· Capacity addition target of 18,000 MW including 2000 MW at the Kudankulam Atomic Power Project · Power generation target of 930 billion units, an increase of 6%
Coal	· Coal India to dispatch 470 MT of coal, up 8.7% · Of this amount, 347 MT will go to the power sector up 11% on last year

New and Renewable Energy Sector

Dr. Farooq Abdullah, Minister of New and Renewable Energy (MNRE), Government of India, was in London on 12th June to meet institutional investors to discuss investment and business opportunities in the sector. Setting out the investment planned of $ 50 billion (£ 32 billion) over the next 5 years and the strategic plan, he emphasised the strong desire to attract UK investment. In this regard, he was pleased to announce the intention to establish an Investment Promotion Cell in MNRE to provide a single point of contact to facilitate private sector engagement.

The Ministry of New and Renewable Energy (MNRE) is the government ministry responsible for all matters related to new and renewable sources of energy including supporting research, design and development of new and renewable technologies (e.g. through the Solar Energy Centre) , products and services, and policy. Its aim is to develop and deploy new and renewable energy to supplement the energy requirements of the country.

Currently India is the third largest green house gas emitter (with the energy sector contributing 63%). The government has set a target to reduce its energy intensity by 20% by 2020.

Committed to supplementing conventional fossil fuel based power, the MNRE has dedicated programes for all renewable energy sectors:

- harnessing wind, solar, small hydro and bio power;
- taking renewable energy systems to remote rural areas for lighting and cooking (33% of rural households do not have access to commercial energy sources), and
- encouraging the use of renewable energy in urban, industrial and commercial applications, such as solar powered air conditioning.

MNRE has implemented the Jawaharlal Nehru National Solar Mission and a wind powered programme for which the Indian Renewable Energy Development Agency (IREDA) provides loans.

Renewable Energy Investment Trends[1]

SECTOR:
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Year	Investments ($ Billion)	FDI ($ Million)
2007	3.3 Bn	2 Mn
2008	3.7 Bn	43 Mn
2009	2.7 Bn	85 Mn
2010	4.0 Bn	200 Mn
2011	10.3 Bn	500 Mn*

*estimates

As detailed in my December 2011 report, investment in clean energy reached record levels of $ 10.3 billion (£6.5 billion) last year (Read more: UKIBC Infrastructure report http://us1.campaign-archive2.com/?u=91c58f133e2de51adfb4290aa&id=40f10c16e7). The Minister is keen to attract even greater levels of investment.

The government has established a favourable policy environment to encourage such investment. 100% FDI is allowed under the automatic approval route for renewable energy projects. A National Action Plan on Climate Change was established in 2010, preferential attractive tariffs for producers of renewable energy have been in operation for some time, together with Renewable Energy (RE) certificates (RE certificates allow carbon credits to be traded). The trading of carbon credits is at an early stage in India, and Indian regulators are working closely with OFGEM in this regard). Renewable energy is also classified as an infrastructure sector and, as such, benefits from the fiscal and other incentives that categorisation offers (Read more: April 2012 sector view http://www.ukibc.com/key-sectors/infrastructure/members-only/1204_sector-view.aspx).

India stands in 5th position in the utilisation of new and renewable energy sources (after the USA, China, Germany and Spain), with an installed base of over 25,000 MW which is approximately 12.5% of total installed capacity.

Renewable Energy sector presents a USD 50 billion Investment Opportunity

An additional capacity of approx 30,000 MW is planned from various renewable Energy Technologies, with wind continuing to be the largest.

Sector	2017 Targets (MW)	Investment $ M/MW	Total $ Billion
Wind	15,000	1.25	19
Solar	10,000	2.50	25
Small Hydro	2,100	1.50	3
Biomass	2,700	1.25	3
TOTAL	29,800		**50**

Renewable energy has witnessed a significant increase in growth in recent years, and is growing at an annual rate of 23%. Rising from approximately 3,900 MW in 2002-03 to approximately 24,914MW in 2012.

Wind energy (onshore) continues to dominate India's renewable energy industry, accounting for 70% of installed capacity (17,352 MW), followed by small hydropower (3,395 MW), biomass power (3,224 MW) and solar power (941 MW). In terms of electricity generation, the renewable power installed capacity is generating around 50 billion units per year, equating to approximately 6.5% of the total electricity mix and 12.5 % of total capacity in 2011-12.

Offshore wind is at an early stage in India. Whilst the government does not have an off shore wind policy at the moment, MNRE is planning two pilot offshore wind farms off the coasts of Tamil Nadu and Gujarat. The projects will provide data on offshore wind speeds and their variability. The Oil and Natural Gas Corporation will help the government analyse the data. In addition, the UN's Risoe Centre on Energy, Climate & Sustainable Development is helping to carry out an offshore wind assessment in Chennai.

MAJOR ROAD SUCCESS FOR MOTT MACDONALD INDIA

Mott MacDonald India has been appointed design consultant by IVRCL Raipur-Bilaspur Tollways Ltd for the planned Raipur-Bilaspur National Highway 200 (NH 200) . The 127 km, mainly 4/6 lane road, will connect Chhattisgargh to Chandikohole in Orissa. The contract for the design and engineering works will include major bridges, flyovers and toll plazas. (Read more: http://www.ukibc.com/news_and_media/articles/120423_mott.aspx).

The National Highways Authority of India's National Highways Development Programme (NHPD), is a major programme to build 50,000 kms of roads to international standards over seven phases (Read more: March 2011 UKIBC infrastructure reporthttp://www.ukibc.com/wmslib/sector_reports/infrastructure/march_2011_report_-_infrastructure.pdf?).

Under phases 1, 2, 3 & 5 approximately 32,754 kms are largely complete or under implementation. Under phase 4 a total of 14,799 kms will be built and the focus is on developing roads in the interior regions. As at the end of March 2012, 3,318 kms is under implementation, leaving 11,481 kms to be bid/ awarded. NH 200, under Phase 4, will connect eastern and western India via NH 78 Ranchi and NH6 Nagpur.

In addition to major investment in new roads, large amounts are spent on road repairs. According to an article in the Mumbai Mirror on 30th May, last year the Mumbai Municipal Corporation (MMC) spent Rupees 87 crore(£ 10 million) fixing pot holes. Sources in the civic administration said the municipal authority has set aside around Rupees 54 crore (£ 6 million) this year to fix potholes after the monsoon season.

It is hoped that NHAIs plans to bid road operation and maintenance contracts on a PPP basis as mentioned above, will ensure both better operation and maintenance of roads and will reduce the amount spent on costs of repairs.

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Delhi Mumbai Industrial Corridor Development Project

The Delhi Mumbai Industrial Corridor (DMIC), a $ 90 billion (£60 billion) project, currently in the planning stage, is set to see some trunk infrastructure projects bidsoon. In the new city of Dholera alone, Rupees 3,000 crore (£ 335 million) will be spent on drainage, sewage and solid waste networks.

DMIC envisages the building of 7 new smart industrial cities along the 1,483 km route through Uttar Pradesh, Haryana, Rajasthan, Gujarat and Maharashtra.

By 2030, 40% of India's population will be urban, 68 cities will have a population of more than 1 million[2] . Recognising that industry is an engine to economic growth and that cities will account for nearly 70% of GDP by 2030, the Government of India's vision is to build 21st Century, smart sustainable cities, that people want to work, enjoy and live comfortably in. The new DMIC cities will help to meet the pressures of urbanisation and also lead India's economic growth for the next 20 years.

Consultants working on plans for DMIC include Mott MacDonald, URS Scott Wilson and Halcrow. Halcrow is helping to deliver the project to build Dholera in Gujarat, including advising on key sustainability elements such as adapting to climate change, minimising the use of scarce resources (including energy) and planning for a land use and access strategy that encourages walking, cycling, public transport, waste minimisation and recycling and conserving water[3].

The city will cover an area of 900 km and the population is expected to be circa 2 million. The aim is to create a city that will provide housing for all income groups. Plans include public amenities and commercial facilities that will encourage the growth of a socially integrated, sustainable and affordable city.

According to Amitabh Kant, Chief Executive, Delhi Mumbai Industrial Corridor Development Corporation (DMICDC), quoted in the Times of India, Dholera is moving the fastest and town planning is well advanced. There has been no resistance to the development, which is attributed to the fact there are only 30,000 families living there, most of the agriculture land is single crop, and the state government owns a lot of land so very little land acquisition is needed. (Read more: http://articles.timesofindia.indiatimes.com/2012-04-04/ahmedabad/31286835_1_town-planning-land-acquisition-dholera).

Slow decisions around land acquistion and environmental clearances are usually the biggest stumbling blocks facing large scale infrastructure developments. The government, through the draft land acquisition bill, is trying to address this. But, the contentious bill is still in draft form (Read more: sector view August 2011 http://www.ukibc.com/key-sectors/infrastructure/members-only/1108-sector-view.aspx.)

Last month, the Government of India announced that stakes in DMIC previously owned by Infrastructure Leasing and Financial Services Ltd and Infrastructure Development Finance Company will be held by Housing and Urban Development Corporation, Life Insurance Company of India and India Infrastructure Finance Co. Ltd (IIFCL). (Read more: Economic Times http://articles.economictimes.indiatimes.com/2012-03-28/news/31249704_1_iifcl-and-lic-dmicdc-mega-industrialzones)

In addition, consideration is also being given to allow the Government of Japan to take a 26% equity stake. (Read more below). The Government of Japan already has a stake in DMIC (Read more: October 2011 sector view http://www.ukibc.com/key-sectors/infrastructure/members-only/1110-sector-view.aspx)

DMIC has been identified as a High Value Opportunity by UKTI which means that companies benefit from additional support e.g. with bidding strategies and through close co-ordination with other Government departments and stakeholders, the aim being to capture the greatest possible value for the UK economy.

Given that DMIC has technical and financial support from the Government of Japan, UKTI intend to discuss directly with Japanese stakeholders, to explore areas the UK's infrastructure development industry can collaborate on.

KolkataScoping Study

The business experts from HOK and Mott MacDonald are over half way through the three month scoping study to identify business opportunities, in both new development and urban regeneration that play to UK strengths. The secondees, who have been partly funded by their respective companies and UKTI, have been working closely with the urban development ministry, Kolkata Municipal Development Authority and Kolkata Municipal Corporation, to identify their key priorities. They are also meeting private sector developers, such as Nicco Group, to identify potential areas for partnership. Opportunities include the development of food parks, and consultancy services such as master planning.

Recognising that development needs to be planned better, the Government of West Bengal's aim is to take the strain off Kolkata by developing new towns, for example at Kalyani. Looking at Rajarhat, which is already partly developed, the plan is to develop it into an IT hub. Developing cultural tourism, for example at Shantiniketan, is also on the agenda and this presents a major opportunity given the wealth of heritage sites and buildings in Kolkata and across West Bengal.

The findings of the scoping study will be shared with business in a series of seminars and meetings to be organised by UKTI and UKIBC in September. A follow up delegation to Kolkata, together with one other city, will be planned for later in the year.

There is a strong desire in India to collaborate with the UK's infrastructure development industry. Many of India's leading companies visit the UK regularly with Nicco Group, Gammon and Srei to name a few, all having visited in the last month. They are keen to work with UK consultants and contractors across a broad spectrum of sectors, such as water and the environment and waste management.

Both the Government of India and businesses would like to see more UK contractors follow the example of Balfour Beatty and set up operations. Given the reduction in infrastructure spending in the UK and Europe, many more consultants are considering the India market and it is widely hoped that contractors will do so too.

Memorandum of Understanding

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The MoU between UKTI and the Ministry of Urban Development, Government of India, covering urban regeneration and new development to encourage technical and commercial collaborations between private companies, government agencies and research institutes,is currently with the Ministry of External Affairs for approval. It is expected that this will be signed in London by Kamal Nath, the Union Minister of Urban Development later in the summer. UKIBC together with UKTI will arrange a business activity around that visit.

Infrastructure round table at UKIBC on 29th May 2012

Meeting participants heard a case study from Mott MacDonald and benefited from insights from JCB. Stuart Bromley, of Mott MacDonald described their extensive operations in India, where it is has 8 offices and employs 1,500 staff. The majority are local staff who are supported by expertise flown in for their specific technical skills. Mott MacDonald acquired Indian design consultants Dalal in 2001. Since then the business has gone from strength to strength and now it has completed over 600 contracts. Key projects include Delhi Metro and airport, Mumbai sewerage scheme and the procurement of rolling stock for the Ministry of Railways. Current metro projects comprise Chennai, Delhi extension, Bangalore, Kolkata, Mumbai andJaipur . Other projects include the High Speed Rail – Delhi-Patna study , Highways, Airports, a sustainable urban transport project in conjunction with the World Bank and a variety of Ports .

Stuart emphasised the favourable market fundamentals: namely a growing middle class, massive investment needed to support rapid urbanisation, and the opportunities presented by the growth in Tier II cities. Some of the challenges cited include getting the necessary government approvals, and governance. Operationally, wage inflation, staff turnover and recruitment were cited as issues to be aware of. With a high staff turnover rate due to the expanding market and the clamour for skills,much management time, money and energy is devoted to recruitment, retention and training.

Highlighting that JCB has been in India for 38 years, Philip Bouverat acknowledged that India can be a challenging market and emphasised the importance of doing your homework and seeking support from the sources available, whether that be from UKTI or UKIBC. He was quick to emphasise that the challenges are the same for all companies, whether domestic or foreign "JCB is not treated any differently to local players". Whilst remarking that there is unlikely to be any major policy changes this side of the general election (due in 2014), he is confident that India will go part way to achieving ambitions.

Infrastructure members heard fromBen Aldred, First Secretary, Financial, Infrastructure and Professional Services, British Deputy High Commission, Mumbai. Ben highlighted the attractiveness of India as a destination for business because of its large and well educated population. Emphasising the large city centres that need infrastructure investment from airport to metro projects. He said that India is a market is centred on making things and doing things – all of which need infrastructure.

Indian financial institutions are keen to attract funds from the UK's leading financial services sector as the scale of the investment means it can not be financed domestically.

UKIBC together with UKTI and HMT, through the Britain India Infrastructure Group and Economic and Financial Dialogues, are committed to support UK financial services in the market and are working with Ministry of Finance to identify solutions that will make this opportunity more liquid for UK Plc. Following the Infrastructure Debt Fundconsultation last year, direct dialogue is ongoing now in the private sector (Read more: December 2011 infrastructure sector report).

Infrastructure Debt Funds

Infrastructure Development Finance Company (IDFC) is the first to receive SEBI approval for an Infrastructure Debt Fund (IDF) on a Trust based mutual fund format, and it will now start the fund raising process. Last year the Ministry of Finance approved IDFs as a new asset class in order to attract long term domestic and foreign investors such as insurance funds, pension companies and sovereign wealth funds. Under the guidelines, IDFs can be established as a Trust, usually a Mutual Fund regulated by SEBI, or as a Company regulated by RBI (read more: December 2011 sector report).

The mutual fund allows rupee denominated units to be listed and traded on the Bombay Stock Exchange. Although it is widely acknowledged that the economic turmoil in the Eurozone in particular means it is a difficult market in which to attract foreign investors, it is hoped that if a successful precedent is set it will instill confidence in IDFs amongst foreign investors.

In March 2012, ICICI Bank, Bank of Baroda, Citicorp Finance India and Life Insurance Company signed a Memorandum of Understanding to launch an IDF on a company structure. The IDF would invest in public private projects in ports, railways, roads, highways and other such infrastructure projects, which have already commenced commercial production and been successfully operating for 1 year.

Under the IDF Company structure, the company can issue unlisted rupee or foreign denominated bonds to its investors. It is felt that that this structure would be more attractive to foreign investors given the USD bonds would eliminate foreign exchange risk, plus it is specifically designed to refinance projects after the higher-risk construction period.

It is felt that the company structure would be more attractive to foreign investors. Of course, that still waits to be seen.

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[1] Source: Ministry of New and Renewable Energy presentation on 6th June in London

[2]Source: India's Urban Awakening: Building inclusive cities, sustaining economic growth - McKinsey Global Institute, April 2010

[3] Halcrow website (www.halcrow.com)

INVESTMENT UPDATE

Australian ministers to meet over GVK coal mine project

Many Indian companies are looking overseas to acquire coal assets for example in Indonesia and Australia. GVK's plans to develop a $ 6.3 billion coal mine project in Queensland have been stalled with problems around environmental clearances Read more: Economic Times:(http://articles.economictimes.indiatimes.com/2012-06-07/news/32101188_1_queensland-s-deputy-galilee-basin-assessments) and now Greenpeace has added to GVK's woes by accusing them of non disclosure of information to SEBI (Read more: Economic Times: http://economictimes.indiatimes.com/news/news-by-industry/indl-goods/svs/construction/greenpeace-moves-sebi-against-gvk-on-oz-coal-project/articleshow/14067804.cms?curpg=2)

Lanco Infratech Ltd

Despite a growth in turnover, Lanco Infratech Ltd, India's largest independent power producer reported a 39% drop in quarterly net profit due largely to higher interest costs and lower capacity utilization in its power business. It is now mooted to be considering non core asset sales (Read more: Liveminthttp://www.livemint.com/2012/05/30145356/Lanco-net-profit-drops-39-on.html).

Hindustan Construction Company

Following a challenging year, with a reduction in revenues, increased losses exacerbated by problems with environmental clearances at Lavasa, Hindustan Construction Company is undergoing a major debt restructuring. This was set out in the annual report for the year ended March 2012. The more positive news is that the Corporate Debt Restructuring Empowered Group Programme has now been approved, meaning the company's debt restructuring programme is underway. (Read more: Economic Timeshttp://articles.economictimes.indiatimes.com/2012-05-01/news/31528214_1_hcc-order-book-interest-rate).

National Highways Authority of India to sell rupees 130 billion ($2.3 bn) of bonds

NHAI is to sell Rupees 130 billion (£ 1.5 bn) of bonds this fiscal year to finance its ambitious target to award 9,300 kms of roads (Read more Bloomberg News 6th June http://www.businessweek.com/news/2012-06-06/india-highway-agency-to-sell-130-billion-rupees-of-bonds)

India may give 26% stake in DMICDC project to Japan government

The Government of India is considering giving Japan a 26% equity stake to accelerate the project. It has already committed investment of $ 4.6 billion. The union Government of India holds a 49% stake and 25% will be held by government owned financial institutions. (read more: Livemint http://www.livemint.com/2012/04/30232720/India-may-give-26-stake-in-DM.html India)

Airline Hub Policy

An Airline Hub Policy is set to be finalized this year and hubs will become operational in Delhi and Chennai in 2013, according to a press release issued by the Prime Minister's office following the Infrastructure target setting meeting on 6th June. The government is committed to increasing both regional and international connectivity and the policy is aimed is to ensure that India becomes a major aviation hub so that it can compete with nearby hubs such as Dubai and Singapore.

India relaxes ECB norms for aviation sector – now allowed to raise up to $1 billion

Following on from his budget statement, the Indian Finance Minster, Mr Pranab Mukherjee, has cleared the policy to increase the external commercial borrowing (ECB) limit for the aviation sector to $1 billion (approximately £0.6 billion). This step has been taken bearing in mind the immediate financing concerns of the civil aviation sector. Earlier in his Budget speech, the minister had announced companies in the aviation sector would be allowed to avail of ECBs for one year for working capital and refinancing of working capital rupee loans.

ECBs under this new provision will have a ceiling of $1 billion for the entire civil aviation sector. The cap for individual airline companies has been fixed at $300 million (just over £190 million). This may be availed either in a lump sum or in tranches, depending upon the utilisation of the limit during a particular financial year.

The Reserve Bank of India will receive ECB proposals from individual companies and consider them under the approval route. Approvals will be based on parameters such as cash flows and the capacity of individual airline companies to repay these loans from their foreign exchange earnings.

It is well-known that working capital loans are short-term and attract higher interest rates. Interest rates in India are currently quite high themselves. According to experts, ECBs might help reduce borrowing costs of Indian companies by almost 200 basis points. This will be a great help for Indian airline businesses which have been struggling with their finances in the recent past. http://www.business-standard.com/india/news/aviation-sector-allowed-to-raiseto-1-bn-in-ecb/472021/

Reliance

The oil regulator, Petroleum and Natural Gas Regulatory Board, has asked the government to cancel a licence granted to Reliance Gas Transportation Infrastructure (RGTIL) to lay four gas pipelines, saying the company has been dragging its feet on implementation of the 2,175 km pipelines. Read more:http://www.livemint.com/2012/06/05135938/Regulator-seeks-cancellation-o.html

CASE STUDY - NICCO PARKS & RESORTS LIMITED

Tell us about your business – its origin, offering and coverage?

Nicco Parks and Resorts Limited, Eastern India's first Theme Amusement Park was incorporated as a joint sector company between the Nicco Group and the Government of West Bengal. The company is listed on the Stock Exchanges and has the distinction of being the first and the oldest company in the theme amusement park industry to be listed on the bourses. The company has been paying dividend in each consecutive years since 1994 when it floated public issues and got listed in Mumbai & Kolkata stock exchanges.

Nicco Parks was incorporated with the prime objective of providing educative entertainment and wholesome recreation for the entire family as also for promoting tourism. The company presents a complete leisure package in an eco-friendly atmosphere with thrilling rides, eateries, exclusive landscaping, and indoor sports. This amusement park offers all kinds of entertainment under one roof and handles its offerings with professional élan.

The 40 acre park in Kolkata, set up with technical advice from M/s. Blackpool Leisure and Amusement Consultancy Ltd., UK, was inaugurated on October 13, 1991. It is the first amusement park, set up in India, which achieved the rare distinction of obtaining ISO 9001 quality management certification from Det Norske Veritas a well-known European Certifying Authority. Nicco Parks is professionally managed amusement park and has also received international certifications for ISO-14001 for environment management first time in India,

OSHAS-18000 for safety management first time in Asia and SA-8000 social accountability certificate first time in the world, as an amusement park.

At present the park has large number of rides and major attractions along with an international standard indoor sports complex with bowling, pool and air hockey and an up – market restaurant cum bar. The multi - cuisine food court in the park houses the leading food chain & restaurants of Kolkata.

Crossing international frontiers, Nicco Park today is proactively involved in providing technical consultancy, manufacturing and supplying of rides for large amusement parks, both in India and abroad. Nicco Park has so far set up 8 amusement parks and 4 water parks within India and in neighbouring countries like Bangladesh and supplied its rides and attractions to other international locations like the UK, Europe, Dubai, Bangladesh, Japan and have gained immense popularity.

2. What are your main business activities?

The Company is recognised as a pioneer in offering family entertainment. It extends overall technical consultancy for setting up amusement parks and supplies rides. It has a technical collaboration with M/s. Blackpool Leisure & Amusement consultancy limited, UK.

Our main focus areas of business activities are as follows:

1. Operation of the premier Kolkata based parent amusement park.
2. Diverse project work for Turnkey solutions of Amusement Park & Water Park projects in India & abroad.
3. A one stop-shop from concept to completion.

3. Where does your business have locations in India?

We have an amusement park in Kolkata, West Bengal, India and another amusement park at Jamshedpur, Jharkhand, India which is jointly promoted by Tata Steel Limited.

In addition to this amusement park projects set up by us in various other States include Bhubaneswar, in Orissa, Agartala, in Tripura, Mandermoni in West Bengal and Siliguri in North Bengal.

4. Number of employees?

The total staff strength of the Company is 232. In addition around 300 people have indirect employment, which include security, franchises, cleaning staff and other such jobs.

5. Do you currently have business relationships and/or business activity in the UK? How about any other overseas partnerships?

Along-si de our association with M/s. Blackpool Leisure and Amusement Consultancy Ltd., UK we also have a close association with the leading engineering firm M/s. Jacob UK for the design and inspection of various rides that we install on a project to project basis. We also have an association with M/s. Elton Games, UK.

6. Can you describe your client base? What industries are they involved in?

Our client base mainly consists of outdoor amusement industry/family entertainment centre's and theme parks/water parks.

The interested clients for such projects are involved in diversed industries.

7. Would your business be open to the possibility of establishing a partnership with a UK company? If yes, what type of opportunities or industries would you consider?

Yes we are interested in partnering the amusement park & water park projects in UK. Our team has sound industry experience in setting up amusement facilities in India & abroad. Moreover due to our business association with M/s. M/s. Blackpool Leisure and Amusement Consultancy Ltd., UK & M/s. Jacobs, UK we already have a platform and we hope to associate with many more and explore business opportunities and strengthen our existing relationships.

8. What is your candid view on future opportunities in UK-India business?

UK-India business relationship dates back in time to the East India Company. We have since come a long way.

UK & India have many similarities and both the countries are at ease in doing business together. I have great confidence that both two way investment and trade shall scale new heights in the exciting years that lie ahead of us.