NEWSLETTER

CONSTRUCTION INFRASTRUCTURE UPDATES

MONDAY, AUGUST 31, 2026

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Union Budget 2027-28 Exercise To Begin On 12 October As Centre Prepares Spending Plan Amid Global Uncertainty

The Hindu Business Line,
August 31, 2026

The Finance Ministry will kick off preparations for the Union Budget 2027-28 on 12 October, setting in motion a process that will determine the Centre's spending priorities for the next financial year amid global economic uncertainty and pressure from food and fuel prices.

The Department of Economic Affairs has directed ministries and departments to submit the required budget information ahead of the pre-Budget consultations.

Financial Advisers have been asked to enter the necessary details in the Union Budget Information System (UBIS) by 6 October.

The pre-Budget meetings, chaired by the Expenditure Secretary, will run from 12 October to mid-November. The exercise will cover both the Budget Estimates for 2027-28 and the Revised Estimates for the ongoing 2026-27 financial year.

The government is expected to use the consultations to assess spending requirements and set provisional expenditure limits for different ministries. Final ceilings will be determined after considering the government's revenue outlook and expenditure priorities.

Following the consultations, final expenditure figures are expected to be incorporated into UBIS by the end of December or early January.

The Budget Division has also asked the Central Board of Direct Taxes (CBDT) and the Central Board of Indirect Taxes and Customs (CBIC) to provide estimates of central taxes and duties, including surcharges and cesses.

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Construction giant Megha Engineering's PV Krishna Reddy taps $700 million private credit to buy out uncle's share

The Economic Times,
August 31, 2026

Synopsis
With lenders such as Davidson Kempner involved in structuring the deal, it marks a significant milestone in the expanding influence of private credit within Indian corporate transactions.

A key shareholder of India's Megha Engineering & Infrastructures Ltd. is seeking to raise about $700 million from global private credit investors to buy out his uncle's stake in the company, according to people familiar with the matter, in what would be one of the nation's biggest deals this year.

A consortium of lenders including Davidson Kempner Capital Management, Elham Credit Partners and Varde Partners has begun preliminary work on the structure of the financing, the people said, asking not to be identified because the information is private. Terms haven't been finalized and discussions could still change, they said.

Billionaire PV Krishna Reddy, the managing director of Megha Engineering who now owns 57% of the company is raising the money to help finance his acquisition of the remaining 43% stake held by his uncle Pamireddy Pitchi Reddy, the executive chairman, according to one of the people.

Representatives for Megha Engineering, Elham Credit Partners and Varde Partners didn't respond to Bloomberg's requests for comment. Davidson Kempner declined to comment.

If completed, it would be among India's largest private credit deals this year, and just under half of the equivalent $1.6 billion raised by conglomerate Shapoorji Pallonji Group last month. The planned deal highlights the growing role of private credit in financing large

shareholder and corporate transactions in India, where traditional lenders could be constrained in offering flexibility on funding certain types of acquisitions.

Investments in the country's private credit market reached $3.5 billion in the first half of 2026, less than half of the $9 billion in deals a year earlier which included the record $3.1 billion raised by Shapoorji Pallonji Group for refinancing, a report from consulting firm EY shows.

India's private credit sector has doubled in size over the past five years to about $25 billion in assets under management at the end of 2025, according to Moody's Ratings. Although that pales in comparison with the US market, which manages more than $1 trillion in assets.

Founded in 1989 as a small fabrication unit in Hyderabad, Megha Engineering has projects in more than 20 countries spanning tunnels, ports, highways, water systems and power assets, according to its website.

The company has been seeking to sell some of its road assets. KKR & Co.-backed Vertis Infrastructure Trust has emerged as the frontrunner to acquire eight roads from Megha, Bloomberg reported in July.

Megha was the top donor to Bharatiya Janata Party over the past five years, according to a 2024 election commission data, purchasing about Rs 670 crore ($70 million) of electoral bonds.

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Jitendra Singh Lays Foundation For 110 PMGSY Road Projects Worth Rs 1,503 Crore Across Jammu And Kashmir

Swarajya,
August 31, 2026

Union Minister of State Jitendra Singh has laid the foundation stone for 110 rural road projects worth Rs 1,503.53 crore across five districts of Jammu and Kashmir.

The projects have been sanctioned under PMGSY-IV, Batch-I for 2026-27 and together cover 598.455 km. The road works are expected to improve access for 46,972 people, particularly in villages that have faced difficulties due to poor connectivity.

Udhampur has received the largest allocation under the package, with 44 projects covering 235.040 km at an estimated cost of Rs 554.90 crore. Kathua follows with 24 projects spanning 128.925 km, for which Rs 307.12 crore has been sanctioned.

Doda has been allocated 13 projects covering 90.180 km at a cost of Rs 260.66 crore, while Kishtwar will see 16 projects covering 83.950 km with an investment of Rs 224.88 crore. Ramban has 13 projects covering 60.360 km, with Rs 154.97 crore earmarked for the works.

Singh said the road programme would make remote settlements easier to reach and improve residents' access to essential services and other opportunities.

He pointed out that senior citizens, women and schoolchildren had often faced the greatest difficulties in travelling, particularly during the rainy season when road conditions deteriorated.

Udhampur has remained among the country's top three districts in terms of PMGSY road projects, Singh said, adding that the constituency has received continued attention under the rural roads programme over the past 12 years.

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Ranchi To Get Jharkhand's First 10-Lane Smart Road With Rs 177 Crore Corridor Linking Assembly, High Court To Ring Road

Swarajya,
August 31, 2026

Ranchi is set to receive Jharkhand's first 10-lane smart road, with construction work now underway following the award of a Rs 177 crore contract to West Bengal-based firm Ram Chandra Pal.

The corridor will stretch from Vivekananda School in Dhurva to the Ring Road via Nayasarai, connecting major landmarks including the Jharkhand High Court, Vidhan Sabha (state assembly), and the CRPF camp.

Survey work has commenced on the project, with the State Highway Authority of Jharkhand overseeing the initial phase. The tender was floated approximately two months prior to the contract award.

The road will feature a six-lane main carriageway designed for high-speed and VIP vehicles, complemented by two-lane service roads on both sides for smaller private vehicles, creating the 10-lane configuration.

Modern amenities planned for the corridor include dedicated cycle tracks equipped with solar panels to generate electricity for street lighting, alongside contemporary drainage systems and seating areas.

The stretch up to Nayasarai will maintain the full 10-lane width, though the road will narrow after crossing the railway line, merging into a two-lane route leading to the Ring Road.

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Haryana Signs MoUs For Four Waste-To-Energy Plants With 5,000 TPD Capacity, 50 MW Power Generation Target

PTI,
August 31, 2026

Haryana has signed agreements to develop four integrated waste-to-energy plants that will collectively process 5,000 tonnes of municipal waste every day and generate up to 50 MW of electricity.

The facilities are planned for Hisar, Ambala, Faridabad and Gurugram and are targeted for commissioning by October 2028. Oil Green Energy Ltd, a wholly owned subsidiary of Oil India Ltd, will develop the plants.

The largest facility will be in Gurugram, with a planned capacity to process 2,000 tonnes of waste a day and produce at least 20 MW. Faridabad will handle 1,600 tonnes daily with an estimated 16 MW output.

The Ambala cluster, covering urban local bodies across Ambala, Yamunanagar and Panchkula districts, will process 900 tonnes of waste each day and generate at least 9 MW.

The Hisar cluster, covering Hisar, Hansi, Fatehabad and Jind, will have a 500-tonne daily processing capacity and generate at least 5 MW. The projects will be supported through the Union housing ministry's Urban Challenge Fund.

Under the proposed funding structure, the Centre will contribute 25 per cent of the capital cost, while another 25 per cent will come from the Haryana government and urban local bodies. Oil Green Energy will fund the remaining 50 per cent.

Chief Minister Nayab Singh Saini said the projects would advance the government's waste-to-wealth approach and improve urban cleanliness. The plants will be developed in accordance with the Solid Waste Management Rules 2026.

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Pune-Mumbai Expressway 10-Laning Faces Delay As MSRDC Ordered To Conduct Fresh Surveys Before Expansion

Swarajya,
August 31, 2026

The proposed expansion of the Pune-Mumbai Expressway to 10 lanes is unlikely to start this year after Maharashtra's Cabinet Infrastructure Committee directed the MSRDC to undertake additional surveys before finalising the project.

The fresh survey exercise is expected to take at least a month, pushing back the approval and construction schedule. "It will delay the finalisation of the plan," an MSRDC official was quoted as saying in a TOI report.

The state government had already given in-principle approval to create a uniform 10-lane corridor, but the project is still awaiting formal clearance from the Cabinet Infrastructure Committee.

MSRDC had earlier planned to begin construction after the monsoon, with September identified as the likely start date.

"Now it is not expected to start in September, as per the earlier timeline," another MSRDC official was quoted in the report.

The proposed work involves more than simply adding lanes. MSRDC plans to strengthen the existing 24-year-old expressway while increasing its capacity to handle rising traffic.

The project is estimated to cost Rs 14,260 crore. Since the state budget does not include a dedicated allocation, MSRDC has proposed borrowing from financial institutions. It has also

suggested extending toll collection by 15 years, from 2045 to 2060, to help repay the financing.

Land acquisition is not expected to pose a major challenge as most of the required land is already with MSRDC.

The corporation had planned phased construction to keep traffic moving during the works. The earlier target was to complete the widening within three years, by 2029-30, if construction started this year.

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Talegaon-Chakan-Shikrapur Highway To Get Urgent Monsoon Repairs, 12 Km Widening And Permanent MSIDC Overhaul

Business Standard,
August 31, 2026

Maharashtra has stepped up repairs on the Talegaon-Chakan-Shikrapur section of National Highway 548-D after monsoon damage disrupted traffic on the key industrial and freight corridor.

The state government has set short deadlines for pothole repairs and other works, while longer-term widening and upgrading plans are also being pursued.

The 54 km route is being repaired by the Public Works Department (PWD) under instructions from Public Works Minister Shivendrasinh Raje Bhosale. Around 40 km of the relatively less damaged stretch is expected to be repaired within two days.

Another 14 km passing through the MIDC industrial belt requires more extensive attention, including pothole filling, shoulder repairs and additional earthwork. These works have been targeted for completion within four days.

The government also plans to widen around 12 km of the highway over the next two months to accommodate rising traffic volumes.

The PWD took over repair responsibilities for the route for one year instead of the National Highways Authority of India, following concerns over its condition during the previous monsoon.

A Rs 59 crore allocation was approved for repairs across the 54-km stretch and widening in selected locations.

Work orders were issued in January 2026, but progress was affected by utility lines along the highway and difficulties in sourcing asphalt amid the prevailing war-like situation.

The deterioration during the current monsoon has prompted authorities to accelerate the pending work.

For a permanent solution, the Maharashtra State Infrastructure Development Corporation (MSIDC) will undertake a broader upgrade of the route. The project is expected to begin within three months.

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