NEWSLETTER

CONSTRUCTION INFRASTRUCTURE UPDATES

FRIDAY, JUNE 11 - 12, 2026

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Centre Approves Rs 3,022 Crore Highway Upgrades In Kerala And Rajasthan
Swarajya,
June 12, 2026

The Union government has cleared two major national highway expansion projects in Kerala and Rajasthan with a combined investment of more than Rs 3,000 crore, aimed at improving freight movement, road safety and economic connectivity in both states.

Union Road Transport and Highways Minister Nitin Gadkari announced the approval of Rs 1,663.15 crore for widening a 54.37 km section of National Highway-183 between Kollam Bypass Junction and Anjilimoodu in Kerala. The project will upgrade the existing corridor to four lanes.

Kollam, widely recognised as India's cashew processing hub, houses hundreds of manufacturing units and supports a large workforce.

The upgraded highway is expected to improve access for industries linked to cashew processing, coir, ceramics, fisheries and rare earth minerals.

Better connectivity to Kollam Port is also expected to streamline cargo transportation, reduce logistics expenses and shorten travel times for freight operators.

The corridor is expected to strengthen connectivity to major tourist destinations, including Thekkady and the Periyar Tiger Reserve, supporting tourism growth across the region.

Meanwhile, in Rajasthan, the Centre has approved Rs 1,359.33 crore for the four-laning of the 106.85 km Nagaur–Bikaner section of National Highway-62.

The route currently operates as a two-lane highway with paved shoulders and carries substantial traffic volumes through key towns including Gogelao, Nokha, Rasisar, Deshnok and Palana.

The upgrade will create a continuous four-lane corridor along the NH-62 route, strengthening connectivity between the major district headquarters of Nagaur and Bikaner.

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Centre grants administrative, technical approval for Rs 1,663 crore National Highway 183 development project in Kerala

The Financial Express,
June 12, 2026

The Centre has approved ₹1,663.15 crore for Phase 1 of the Kollam-Theni NH-183 development, upgrading a 54.37-km stretch into a modern four-lane highway.

The Centre has approved ₹1,663.15 crore for Phase 1 of the Kollam-Theni National Highway (NH-183) development project, which will upgrade the 54.37-km stretch into a four-lane corridor.

The Centre has granted administrative and technical approval worth Rs 1,663.15 crore for the first phase of the Kollam-Theni National Highway (NH-183) development project, clearing the way for the upgrade of a key highway corridor linking Kollam and Chengannur in southern side of Kerala.

The approval covers a 54.37-km stretch from Kadavoor Bypass Junction in Kollam to Anjilimoodu near Chengannur. Congress MP Kodikunnil Suresh said the project addresses a long-pending demand from residents of central Travancore, including Kunnathur, Charummoodu and Chengannur.

According to Suresh, the project will be implemented under the Engineering, Procurement and Construction (EPC) model and is scheduled for completion within 24 months.

Four-lane highway planned with bridges, culverts and rail overbridge

The approved stretch will be developed as a four-lane national highway with a width of 20 metres.

Of the total sanctioned cost, Rs 689.20 crore has been earmarked for civil works. Another Rs 331.64 crore will be spent on land acquisition and related procedures, while Rs 394.19 crore has been allocated for building demolition and compensation.

The project blueprint includes three major bridges, six minor bridges, 103 culverts, one railway overbridge and two vehicle underpasses.

It also provides for 48 bus bays and a modern drainage network covering 88.81 km.

Safety infrastructure planned along the corridor includes crash barriers, modern signboards, solar LED blinkers, median mast lights and high-mast lighting systems.

Major junction upgrades part of development plan

The project also includes the modernisation of 16 major junctions across the route.

These include Kollam Bypass, Mukkada, Perayam, Kundara-Chittumala, Bharanikkavu, Chakkuvalli, Charummoodu, Kottamukku, Nalamukku, Mankamkuzhi, Kollakadavu, Pennukkara and Anjilimoodu.

In addition, 18 smaller junctions will be upgraded as part of the highway expansion programme.

Suresh said the project is expected to improve freight movement and reduce travel time across Kollam, Kundara, Kunnathur, Bharanikkavu, Charummoodu and Chengannur.

“It will open up new opportunities in trade, industry, agriculture and tourism, and provide a major impetus to the central Travancore region,” he said.

The MP also reiterated his demand for a 24-metre-wide highway, saying future traffic growth should be considered during project execution. He said he would raise the issue again with Union Road Transport and Highways Minister Nitin Gadkari and seek further intervention.

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Build first, regulate later: Inside the 358 bn litre water crisis threatening India’s data centre drive

The Financial Express,
June 12, 2026

India has 301 data centres, most in cities already running out of water. As capacity grows 5x by 2030, S&P Global warns that up to 80% face severe water stress. Financial Express interviewed top public policy experts to map the hidden levers behind this crisis. Click to explore data and potential solutions.

India's data centre expansion is accelerating, but many facilities are being built in water-stressed regions where cooling demand could intensify pressure on already scarce resources. (Representational image. Source: Canva AI)

India is currently witnessing a massive surge in its data centre buildout wave. Installed capacity has already tripled in five years. And if you thought that was incredible, there is an even bigger wave ahead.

Committed investment for Data Centres has already crossed US$156 billion. Three of the world's biggest tech companies Microsoft, Amazon and Google have together pledged $67.5 billion to build here. Most recently, Robin Khuda's Air Trunk announced an investment of $30 billion into building data centres in India.

There's a lot more to come. And the 20-year tax holiday announced by the government is only going to drive interest in this sector higher.

But today, we are not going to talk about the growth of data centres in India. Nor are we going to talk about how you could potentially profit from it.

Today, we focus on the fact that all this build out is happening without any binding national rule on protecting India's natural resources from the power and water hungry data centres.

Majority of data centres are built in water stressed zones

While data centres play an important role in supporting India's data protection, sovereignty and AI ambitions, they also put a large strain on the nation's environmental resources.

India is home to 301 data centres today, most of them built in cities that are already running short of water. The country's capacity is set to grow fivefold by 2030.

As per experts interviewed by Financial Express, the scale of the investments raises a question: can India's water, power and regulatory systems keep pace with its AI and digital ambitions?

Before examining the risks, it is worth understanding why the buildout is not really optional for India.

Not Just AI: Why India really needs data centres

India needs its own data centres to protect its data, achieve data sovereignty and to power its booming digital economy.

India generates 20 per cent of all the data produced in the world. It has the capacity to store only 1.2 per cent of it. That gap is what the current buildout is racing to close.

Every digital action you take creates work that a physical machine must do.

When you send a WhatsApp message, stream a Reels video, query ChatGPT, or process a UPI payment, a server (a powerful computer) does the computation, stores the result, and sends it back to you.

A data centre is simply the building that houses thousands of those servers.

Think of it like a power plant, but instead of generating electricity, it generates computation.

And just like a power plant, it needs (apart from the servers ofcourse):

- A massive, uninterrupted supply of electricity to run
- A cooling system (servers generate enormous heat)
- Backup power (Servers can never be turned off. A microsecond of downtime can cost millions.)

The presence of data centres in India is also necessitated by law. India's 2023 Digital (DPDP) act mandates for data of Indian citizens to be stored near the users and within the national borders.

As India's digital footprint expands, the volume of data continues to grow at an unprecedented pace. Data localisation frameworks implemented by RBI requires all payment-related data to be stored within the country.

Furthermore SEBI's Cloud Services Framework directs regulated entities to host their data and logs on servers located in India.

The water threat that's already there

Data centres run hot. The servers inside them power most of your internet applications and generate enormous heat in the process. If that heat is not removed, it can seriously damage the IT equipment running the servers.

To maintain a safe temperature inside the facility, these data centres pump water through cooling systems to continuously prevent the IT equipment from being damaged.

This data centre heating problem is more pronounced in warmer nations like India than Canada or the US because of exposure to higher temperatures and exposure to heatwaves worsened by the predicted El Nino.

As per data posted by the Council on Energy, Economic and Environment, data centres in India consumed an estimated 150 billion litres of water in 2024 alone. Furthermore their consumption of water is expected to increase to 358 billion litres by 2030.

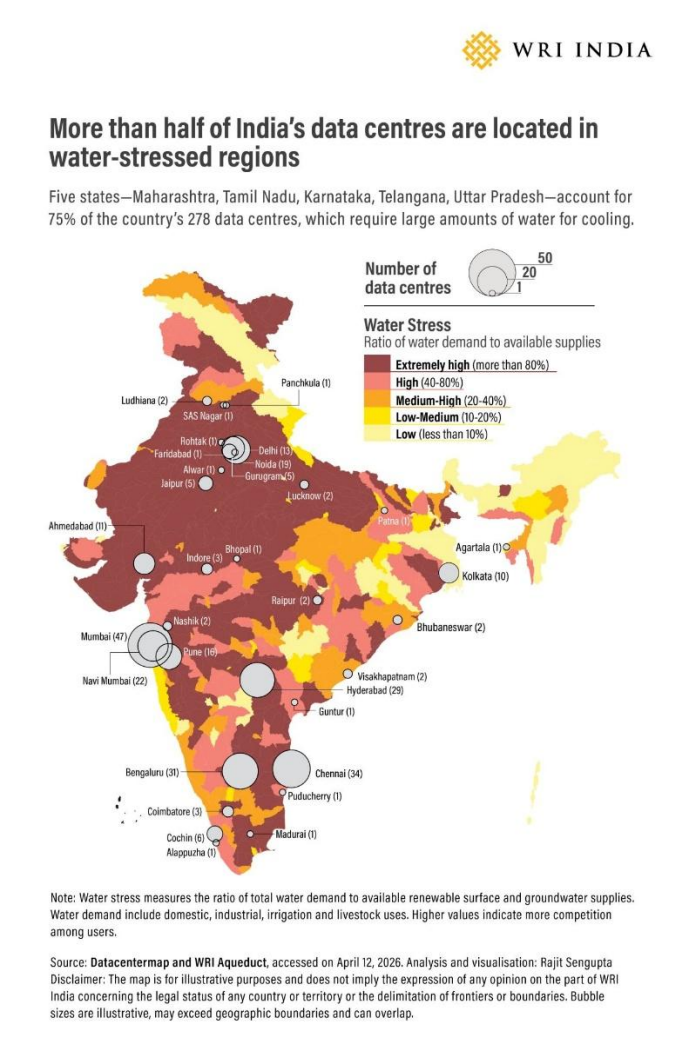
This problem becomes a little more sharp when one considers the fact that the majority of data centres in India have been constructed in water stressed zones that are already suffering from depleted water reserves, with humans and industries dependent on them.

S&P Global's modelling predicts that if India continues this digital infrastructure buildout at the same precedent without ensuring sustainable water consumption then an estimated 60-80 per cent of Indian data centres could face high water stress by the end of this decade.

Water stress refers to the ratio between the total water demanded by an operation in a particular region to the total renewable water supply available in that city across different water sources. A water stress score of 40% or more is considered to be a high level of water stress.

A ratio of 40% means that the data centre and other activities happening in that land requires 40% more water than the total amount that the area is able to generate in a year.

This is not an abstract threshold, but a lived reality. A visualisation of how this problem looks like for India has been attached below.



NOTE: The number of data centres mentioned above differ from the ones currently operational in India. The map presented above is based on data collected in April 2026. As of June 2026, 301 data centres are operational in India.

As can be seen in the map above; majority of data centres in India have been built in population dense urban hubs like Mumbai (20%), Hyderabad, Chennai, and Bengaluru where other industry and population led power and cooling demand is already high.

Bengaluru had a serious water crisis just two years ago. The city underwent a serious water crisis that forced the government to temporarily reduce industrial water supply at certain intervals.

Data centres in Bengaluru were drawing from the same depleted sources as homes. Public policy experts interviewed by Financial Express warn that if India continues to build data centres that need to run 24/7, the government could face an even harder water allocation problem between citizens and data centres in the coming years.

Why Operators view water a 'low to medium risk' for growth

Despite the data, most data centre operators are not alarmed. When CEEW conducted stakeholder consultations across the industry, operators rated water risk as 'low to medium.' Researchers at CEEW say this disconnect exists for two reasons.

First, India has **no mandatory water disclosure requirement** for data centres.

This means that facilities like Google's most recent 1GW data centre in Andhra Pradesh can operate in the city of Vizag without ever having to publicly disclose to Indian citizens how much water they are using.

"Operators are not required to measure or benchmark Water Usage Effectiveness, so the risk is invisible in their own data, not just in their perception," Prateek Aggarwal, senior researcher and programme lead at CEEW told Financial Express.

Second, the **cost of municipal water supply** used by most smaller data centres in Indian cities is extremely cheap for data centre operators.

As per Aggarwal who previously also worked as a senior consultant for the state power board of Uttar Pradesh, this is because the price of municipal water supply is not affected by the rate at which the city's reserves are depleting.

"When water costs very little, it registers as low risk regardless of physical scarcity. The price signal is structurally misleading," CEEW researchers told Financial Express.

The 150 billion litre estimate for 2024 was not calculated from operator reports. CEEW reverse-engineered it from capacity and cooling technology data as operator disclosures, simply do not exist in India.

S&P Global's research underscores the consequence: water stress is not just an environmental concern. It is a **long-term business cost** that investors in 15 to 20-year infrastructure assets need to account for today.

20 year tax holiday: India's data centre buildout shows no sign of stopping

As per Data Center Association of India (DCAI), cumulative investment in Indian data centres has crossed US$126 billion, with US$56.4 billion deployed in 2025 alone. Microsoft pledged US$17.5 billion. Amazon put in US$35 billion. Google committed US$15 billion.

Meta has partnered with Sify for a 500 MW facility. TCS has announced US$6.5 billion for a 1 GW network. AirTrunk's Robin Khuda announced US$30 billion in June 2026. As per Deloitte, India is projected to attract more than US$200 billion in data centre investment by 2030.

To attract this capital, the Union government classified data centres as infrastructure, giving them priority access to financing and land.

The Union Budget 2026-27 extended a 20-year tax holiday until 2047 to foreign cloud and data centre companies operating in India without attaching a single binding environmental or sustainability mandate.

As per CEEW, this 'attract capital first, regulate later' pattern has been observed in other sunrise sectors too — most recently in green hydrogen. The concern this time is whether the Indian government can plan things to solve India's visible water stress and fossil fuel dependent data centre problem in time.

Smart cooling exists. Adoption is Slow.

One of the ways data centres could reduce its water consumption problem is by adopting smarter and more energy efficient cooling systems that require less water and include recycling provisions.

Advanced cooling systems like closed loop water chiller systems, direct-to-chip cooling and immersion cooling can take down water requirements by a great margin when compared with conventional evaporation based cooling techniques popular in India.

Some Indian operators have begun making that shift. Sify, for instance, has said it has moved towards more efficient closed-loop chiller systems over the past decade. But across the wider industry, adoption remains uneven.

Operators consulted by CEEW said adoption remains slow because the economics do not yet favour the switch: advanced cooling systems cost more upfront, water efficiency is not incentivised by the government policy and India's domestic supply chains for advanced cooling remains underdeveloped

"India has minimal domestic manufacturing of liquid cooling components, creating import dependence with long lead times. That gap is a Make in India opportunity if advance regulatory signalling gives manufacturers a market signal to invest against," Aggarwal told Financial Express.

Need of the hour: You can't solve a problem that you can't see

So how do you solve this problem?
Sagari Gupta, a public policy researcher with experience at the National Council of Applied Economic Research and the Ministry of Consumer Affairs told Financial Express that the first step to solving this problem from the government's end should include the introduction of mandatory environmental disclosures.

Her logic is simple: India cannot manage a resource whose demand it has never measured.

As of now construction of all power and water hungry data centres does not warrant any environmental disclosure until the project area exceeds 20,000 sq. meters in size. Even then sometimes the approval process sometimes can get unusually fast tracked.

As per a report published in the Down to Earth magazine, the environmental clearance for Google's 1 GW facility in Visakhapatnam was approved ten days after the proposal was submitted. DTE further reported that the environment clearance document awarded to the facility did not mention operational water use at all.

Gupta argues that data centres need their own category under the Environment Impact Assessment framework. This would make data centre operators disclose how much water and energy they will extract from the state.

She has also called for mandatory water-stress assessment as a clearance condition. Not a ban on building. Just a requirement to publicly answer how much water a facility will need, where it will come from (groundwater, seawater) and whether it will still be available in 2040.

As per Aggarwal, the government's call to not subject data centres being built in India to mandatory WUE (Water Usage Efficiency) and PUE (Power Usage Efficiency) disclosures has also de-incentivised data center operators from investing in high-end and water saving cooling technologies.

"Operators making cooling technology investment decisions today need a known compliance trajectory; without it, the incentive to invest in water efficiency is weak even where the technology is available," Prateek told Financial Express.

CEEW's stakeholder consultations also point to an integrated land-energy-water approval system as a priority. Most data centre investment goes towards securing power and land.

Water planning rarely enters that conversation at the project design stage.

Governments' solution for the water problem

Given the rising popularity of water and energy linked problems to building data centres in India, policymakers are rushing to create a scalable solution for the water stress test being faced by upcoming AI and digital economy infrastructure.

As of right now, policymakers in the state of Karnataka are looking at encouraging the use of treated sewage water for data centre cooling operations. This would reduce direct competition with residential and agricultural demand. Singapore has already done this.

As per researchers at CEEW, India's own sewage treatment infrastructure can be scaled to supply this demand. But building the pipelines and logistics to get treated water to data centres including existing ones is a long-term infrastructure project, not a quick fix.

What does government policy say?

India does not have a binding national policy framework for data centres.

While the Ministry of Information Technology produced a draft framework for a national policy in 2020, it was never implemented. Meanwhile, 15 states have written their own rules. Only five of those 15 embed any sustainability requirements.

Out of these 5, only the states of Andhra Pradesh and Rajasthan ask data centres to leverage state of the art cooling systems and develop rainwater harvesting, water regeneration plans. Karnataka has also publicly signalled it will not clear new hyperscale projects in Bengaluru city.

Sagari Gupta, who has studied this from both a policy research and a ministry vantage point, argues this is a failure by omission; not design.

“The capital is flying in much faster than the regulatory or governance structure necessary to protect India’s environment,” she told Financial Express.

“The debate is not about whether data centres should be built. It is about where they can be built in a manner that supports the nation’s ecological and commercial interest,” she added.

India’s latest regulatory signalling comes months after energy efficiency and water management regulations were implemented in countries like China, Singapore, Malaysia and The European Union.

Conclusion: What the next decade will decide for India

While investments into building data centres in India continue to soar at an unprecedented rate. Research efforts undertaken by S&P, WRI India and CEEW pose water stress as a material long term business consideration.

Taken together their research efforts paint a cautionary note: If India does not timely execute national level sustainability guidelines for data centres, it risks drying out more than US$150 billion dollar investment at the same time as its water reserves.

“F*acilities designed and financed today will operate for 15–20 years. The cooling technology choices, siting decisions, and grid connection structures locked in now will determine whether India’s data centre stock is a system asset or a system liability through the 2040s, “* **Prateek Aggarwal told Financial Express.**

India’s data centre buildout is not going to slow down. The investment is committed, the hyperscalers are arriving, and the sovereignty argument is genuine.

The question is not whether to build. It is whether the AI infrastructure facilities being approved today that will run until 2045 are being sited, cooled and governed in a way that makes them a national asset through the 2040s, not a liability.

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Navi Mumbai set to get major connectivity boost with new 28-km integrated metro corridor

The Economic Times,
June 12, 2026

Navi Mumbai is set to get a 28-km integrated metro corridor connecting Sagar Sangam, CBD Belapur, Pendhar, and the Airport. The project is expected to benefit around 12 lakh commuters and improve connectivity.

A new 28-km integrated metro corridor in Navi Mumbai is set to connect Sagar Sangam to the upcoming Navi Mumbai International Airport

A major improvement in daily commuting is on the cards for Navi Mumbai residents as the city gears up for a major expansion of its metro network.

A new 28-km integrated metro corridor, connecting Sagar Sangam to the upcoming Navi Mumbai International Airport, is set to enhance connectivity across key parts of the city and make daily commuting easier for lakhs of residents.

The project, estimated to cost around ₹5,575 crore, recently received approval from Maharashtra Chief Minister Devendra Fadnavis, marking an important step towards its implementation.

Metro Routes to Create a Continuous Corridor

The proposed corridor will integrate Navi Mumbai Metro Route 1A and Metro Route 2 to create a continuous metro network stretching from Sagar Sangam to Navi Mumbai International Airport Terminal.

Under the plan:

- Metro Route 1A will connect Sagar Sangam to CBD Belapur.
- Metro Route 2 will run from Pendhar to Navi Mumbai International Airport (T-4).

The integrated network is expected to provide faster and more convenient travel for residents across several key nodes of Navi Mumbai.

Existing Metro Line Already Serving Commuters

The new expansion will build upon the existing Navi Mumbai Metro Line 1, which has already enhanced connectivity in the city.

Developed by CIDCO, Navi Mumbai Metro Rail Corridor-I, Line No. 1 spans 11.10 km and consists of 11 stations. The existing line has improved travel convenience for thousands of daily commuters and laid the foundation for future metro expansion.

Around 12 Lakh Commuters Expected to Benefit

The upcoming metro corridor is expected to benefit around 12 lakh commuters by strengthening connectivity across Navi Mumbai.

The project will link several important residential and commercial hubs with the upcoming Navi Mumbai International Airport, making travel smoother and more efficient.

Improved public transport access is also expected to reduce dependence on private vehicles and ease pressure on the city's road network.

Traffic Congestion Likely to Reduce

Apart from enhancing connectivity, the project is expected to ease traffic congestion across Navi Mumbai. With more people opting for metro services instead of private vehicles, buses, and cars, the overall traffic load on roads is likely to decrease.

The shift towards public transportation will also contribute to a more sustainable and environmentally friendly urban transport system.

A Step Towards Better Urban Mobility

The upcoming integrated metro corridor marks another major milestone in Navi Mumbai's infrastructure development journey. Once completed, the project will strengthen the city's public transport network, improve last-mile connectivity, and support the region's growing population and economic activity.

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Bengaluru: 11.6-km flyover planned in Indiranagar to ease traffic between east and south city

The Financial Express,
June 12, 2026

Bengaluru is set to get an 11.6-km elevated corridor linking Old Madras Road and Silk Board Junction via Indiranagar.

Indiranagar, a posh neighbourhood in Bengaluru, is soon getting a new 11.6-kilometre elevated corridor connecting SV Road Metro Station on Old Madras Road to Silk Board Junction. The flyover project, which is estimated to cost around Rs 1,300 crore, is aimed at reducing traffic congestion between the city's eastern and southern regions.

According to the Detailed Project Report (DPR) prepared by Bengaluru Smart Infrastructure Limited (B-SMILE), the flyover will pass through key areas including Indiranagar's 80 Feet Road, CMH Road and 100 Feet Road before extending towards Madiwala and Silk Board.

Part of traffic decongestion drive

The proposed corridor is one of the 11 elevated road projects approved by the Karnataka government earlier this year as part of a broader plan to tackle Bengaluru's growing traffic problems. The approved projects together cover more than 75 km across the city.

B-SMILE officials say the new flyover has been designed to complement the long-delayed Ejipura flyover, which is nearing completion. Once operational, the Ejipura corridor is expected to bring additional traffic into Indiranagar, prompting the need for another infrastructure solution.

Flyover to include multiple interchanges

The proposal includes rotary flyovers at Old Madras Road and Madiwala Junction, along with curved sections near Indira Gate and the old KFC signal in Indiranagar. At Silk Board, the

elevated corridor is expected to connect with existing infrastructure through a double-decker flyover integrated with the Metro line.

Project officials claim the flyover will help separate local traffic from long-distance commuters, allowing smoother movement across some of Bengaluru's busiest roads. The DPR has set a target of completing the project within 24 months.

Residents raise concerns

However, the proposal has sparked concern among local residents and citizen groups. Many of them have called for public consultations before construction begins, arguing that the flyover could affect tree-lined roads and residential neighbourhoods in Indiranagar.

Satish Rao, a resident of Indiranagar, is worried that the work would cause inconvenience to locals. "The congestion is real but Indiranagar 80 Feet Road and CMH Road are already narrow. During construction, residents will suffer due to dust and pollution. There is also no guarantee that the work will be completed within the deadline," he said, referring to the tardy progress on the Ejipura flyover.

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