

NEWSLETTER

CONSTRUCTION INFRASTRUCTURE UPDATES

Tuesday, May 20, 2025

<u>^ Top</u>

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- Govt mulls key changes in highway monetisation norms
- <u>Road ministry to convert 30,000 km two lane highways into</u> <u>four lane; invest Rs 10 lakh crore: Nitin Gadkari</u>
- <u>Centre approved national highway projects worth Rs 13,000 cr</u> in Odisha in FY'26: Minister
- <u>Uttar Pradesh sets two world records in road construction</u> within 24 hours
- <u>Amit Shah Launches Development Projects Worth Rs 708</u>
 <u>Crore In Gujarat's Gandhinagar</u>
- <u>Delhi–Mussoorie Travel Time To Reduce With Rs 6,100 Crore</u> <u>Elevated Road; Dehradun Traffic Congestion Expected To Ease</u>
- <u>Central Government Allocates Rs 1,777 Crore For Mumbai</u>
 <u>Suburban Rail Projects</u>
- <u>Proposed Salepur To Rajgir Buddha Circuit To Be Widened</u> Into A Four-Lane Road: Bihar CM Nitish Kumar

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- <u>Centre Approves National Highways Worth Rs 13,000 Crore In</u>
 <u>Odisha In FY26; State Targets To Spend Rs 2,000 Crore By</u>
 <u>September</u>
- <u>Amaravati Capital City Development Project: Andhra Pradesh</u> <u>Government Sanctions Release Of Rs 2,100 Crore For Q1 FY26</u>

Govt mulls key changes in highway monetisation norms The Financial Express, May 20, 2025

The government plans key changes in highway monetisation by offering smaller Toll Operate Transfer (ToT) bundles to boost investor interest and competition. Amid a pause in ToT, a review is underway to balance monetisation via ToT and InVIT to meet the Rs 30,000 crore annual target.

The money raised through ToT is collected by NHAI and transferred to the government. (Reuters) The lull in the use of Toll Operate Transfer (ToT) mode of monetisation of highway assets could end soon, with a change in approach for future bids. The new bids will offer smaller bundles of highways of up to Rs 1,500 crore for bidding to private investors, which will increase competition and proceeds of the National Highways Authority of India (NHAI) and the government, a senior official said.

A virtual pause was put on ToT mode of monetisation by the ministry of road transport and highways, as it felt that the yield per km of highways monetised through ToT, was less than those given to investors through Infrastructure Investment Trust (InVIT). The ministry has sought a comparative review of both modes of monetisation.

As monetisation targets are high and the government cannot depend on just InVIT for results, ToT would continue, the official added. Since 2023-24 the NHAI has been offering two bundles at one for bidding through ToT – a smaller one and a larger one. The smaller bundle typically had assets valued at around Rs 1500 crore while the bigger bundle had roads which in some instances saw winning bids of over Rs 6,500 crore.

Because of the pause only one monetisation through ToT was made possible in the last financial year. Highway Infrastructure Trust (HIT) sponsored by a Singapore-based arm of global investment firm KKR was awarded two stretches of highways of 251 km length by NHAI after emerging as the highest bidder with an offer of Rs 6661 crore.

The money raised through ToT is collected by NHAI and transferred to the government. These funds then come back to NHAI for capital spending. The company who bids the highest gets the right to collect toll fees on those stretches for 20 years. During that period the concessionaire also has to maintain and operate the stretch.



Another round of monetization of 124 km of highways through ToT was put on hold even after the financial bids were opened. Then there is another bundle for which bids have come but no action has been taken pending the review.

The official did not say anything about the fate of the bundles for which bids are already in and two bundles for which bids are open even now.

Due to the pause in ToT the NHAI could raise only Rs 6,661 crore through ToT last year against the target of Rs 15,000 crore. Through National Highways Infrastructure Trust (NHIT) Rs 17738 crore was raised last year.

For this financial year the monetisation target has been set at Rs 30,000 crore by the ministry in the Union Budget, but the detailed review is on between NHAI and the government on whether it can be pegged higher.

<u>^ Top</u>

Road ministry to convert 30,000 km two lane highways into four lane; invest Rs 10 lakh crore: Nitin Gadkari ET Bureau, May 20, 2025

Synopsis

Union Minister Nitin Gadkari emphasized infrastructure development as crucial for India's economic strength. The highways ministry plans to convert 25,000-30,000 km of two-lane highways into four lanes with a Rs 10 lakh crore investment, utilizing the InvIT model.

Union minister Nitin Gadkari on Thursday said that infrastructure development is key to making India a strong economic power, and the highways ministry has taken a decision to convert 25,000-30,000 km two-lane highways into four lanes at an investment of Rs 10 lakh crore.

Speaking at the India Infrastructure Forum 2025, Gadkari said that the ministry of road transport and highways (MoRTH) will now encourage the Infrastructure Investment Trust (InvIT) model to raise money for highway projects from Indian investors.

"To make India a strong economic power, infrastructure is key. We have taken a decision to convert 25,000-30,000 km two-lane highways in the country into four lanes for Rs 8-10 lakh crore," he said.

The road transport and highways minister further said his dream is to complete road projects worth Rs 5-6 lakh crore every year.

Gadkari also said the government is working to revise the build-operate-transfer (BOT) model for the construction of roads, under which the highways ministry will collect tolls for 15 years, and share part of it with concessionaires.

"We will construct highways under the BOT model but for 15 years toll will be collected by the government and we will give money to them(concessionaires) on an annuity basis," he said, adding maintenance of highways for 15 years will be done by contractors.



Making agriculture viable

Indian agriculture needs to become economically viable as it is necessary to make the country 'Atmanirbhar', Gadkari said while speaking at the 4th International BBB Summit & Expo on Bioenergy Value Chain on Thursday.

According to Gadkari, there is a need to diversify India's agriculture towards the energy and power sector, as the country does not have enough capacity for the storage of foodgrains and to increase employment potential in rural and tribal India as these areas are facing crucial economic problems.

"Indian agriculture is not very economically viable. Now, this is the time we need to find out the solution to make our agriculture economically viable as without that, we cannot make Atmanirbhar Bharat," he said.

In the present situation, Gadkari said, the big problem is that India has a surplus of foodgrain, rice, wheat and sugar. "And these are the problems we are facing...we need to find out how the farmers will get remunerative prices," he said.

Gadkari also pointed out that by creating a good market for biofuels, India is going to reduce the demand for fossil fuels. "If we want to reduce pollution, then green fuel is very important for sustainable development," he said.

<u>^ Top</u>

Centre approved national highway projects worth Rs 13,000 cr in Odisha in FY'26: Minister ET Bureau, May 20, 2025

Synopsis

The central government has approved national highway projects worth Rs 13,000 crore in Odisha for the 2025-26 fiscal year. The state government aims to complete Rs 2,000 crore worth of road construction by September. The Sambalpur-Cuttack national highway project, delayed due to financial issues, is expected to be completed by the end of this year.

The Centre has approved national highway projects worth Rs 13,000 crore in Odisha during the ongoing 2025-26 fiscal, a state minister said on Thursday. Out of those projects, the Odisha government has set a target to complete road construction work to the tune of Rs 2,000 crore by September, Works Minister Prithviraj Harichandan said here.

"We have to expedite the pace of construction work. We have set a target to make an expenditure of Rs 2,000 crore by September. If we complete the projects on time, we can get (a total of) Rs 13,000 crore (worth highway projects) from the Union government and create a new record on construction of national highways in the state," he asserted.

Harichandan also expressed confidence that Odisha will be able to add to its national highways network more than what the state had achieved in the last five years.

Commenting on the national highway project connecting Sambalpur and Cuttack, he said it got delayed due to financial issues of the executing agency.



"Now, the issue has been resolved and the work is almost complete, barring some portions. I am confident that the remaining work... will be completed by the end of this year," the minister said.

Uttar Pradesh sets two world records in road construction within 24 hours The Economic Times, May 20, 2025

Synopsis

Uttar Pradesh achieved two world records in 24 hours by constructing a 10-kilometre crash barrier and laying 34.24 lane kilometres of bituminous concrete road. This accomplishment earned the state entries in the Golden Book of World Records, Asia Book of Records, and Indian Book of Records. Patel Infrastructure Ltd. set the record on the Ganga Motorway Project.

Uttar Pradesh has set two world records in just 24 hours by constructing a 10-kilometre crash barrier and laying 34.24 lane kilometres of bituminous concrete road.

This achievement has earned the state entries in the Golden Book of World Records, Asia Book of Records, and Indian Book of Records.

In a post on social media platform X (formerly Twitter), Uttar Pradesh Chief Minister Yogi Adityanath said, " Uttar Pradesh is moving towards new heights! in just 24 hours, Uttar Pradesh created two world records by constructing a 10 km crash barrier and 34.24 lane km of bituminous concrete!"

"Name registered in the Golden Book, Asia Book and Indian Book of World Records! This achievement is a result of excellent planning, technical expertise and committed teamwork of @upeidaofficial. Under the guidance of Honourable Prime Minister @narendramodi ji, #NewUttarPradesh is now becoming an infrastructure state of global standards," the CM's X post added.

With this, Gujarat-based Patel Infrastructure Ltd (PATEL) has registered its name in setting up the world record for the fastest construction of a 6-lane Ganga Motorway project, which happens to be India's longest motorway owned by a state, the company said in a statement.

This world record consists of laying bituminous concrete on 34.24 kilometres, using 20,105 metric tonnes of bituminous concrete and covering 171,210 square meters, all within 24 hours of nonstop operations and 10km of metal beam crash barrier installation by PATEL ancillary company Road Shield Private Limited.

Arvind Patel, Managing Director, Patel Infrastructure, said, "We are proud to be contributing to nation-building through such monumental achievements. This is not just a record; it's a reflection of Indian engineering brilliance and our team's unwavering spirit."

The record-setting effort took place on the prestigious Ganga Motorway Project (Group-3) between Hardoi and Unnao districts.



Operations commenced at 5:00 am on May 17, 2025, and were accomplished by 5:00 am on May 18, 2025, beating target quantities and involving a highly coordinated effort of engineers, machinery, materials, and skilled labour working seamlessly for 24 hours straight.

Amit Shah Launches Development Projects Worth Rs 708 Crore In Gujarat's Gandhinagar PTI, May 20, 2025

Union Home Minister and Gandhinagar Lok Sabha MP Amit Shah on Saturday (17 May) inaugurated and laid foundation stone for various development projects worth over Rs 708 crore across Gandhinagar city and district.

The event was attended Gujarat Chief Minister Bhupendra Patel and Minister of State for Home Harsh Sanghavi, ANI reported.

As per an official statement, the Gandhinagar Municipal Corporation alone carried out inaugurations of civic and infrastructure projects worth Rs 200.94 crore, while foundation stones were laid for new works amounting to Rs 352.76 crore.

The Gandhinagar District Administration executed works valued at Rs 45.70 crore, and the Gandhinagar Urban Development Authority (GUDA) contributed with projects worth Rs 107.85 crore.

Among the inaugurated works were RCC and CC roads in Basan, Palaj and Por (Rs 8.91 crore); Primary Health Centres at Vavol and Pethapur (Rs 5.43 crore); and landscaping in the CH-o to GH-o municipal corridor (Rs 4.68 crore) etc.

Further projects included sewerage and drainage pipelines in several localities such as Borij and Kolavada; TP area development works worth Rs 75.08 crore; a sewage treatment plant at Bhat for Rs 30.97 crore; and a road underpass between Sectors 21 and 22 for Rs 16.45 crore.

Additional infrastructure included solar panels and streetlights (Rs 5.17 crore), and ambulance services and laboratory upgrades (Rs 11.19 crore).

Foundation stone ceremonies included roadworks in Khoraj, Koba, Randheja, and Sargasan (Rs 26.57 crore); PHCs in Sectors 7, 21, 22, and Dholakuva (Rs 10 crore); water and drainage lines in Nabhoi and Vavol (Rs 50.23 crore); and three new STPs in Kolavada, Raysan and Nabhoi (Rs 35.68 crore).

Also included were plans for two new zonal offices; renovations of anganwadis; public toilets across the city; community halls in Kudasan and Amiyapur; Gujarat Darshan Park in Indroda; recharge wells and tube wells; a new electric bus depot in TP-09; and cricket box setups and compound walls in multiple sectors.

Additionally, GUDA carried out inaugurations and ground-breaking ceremonies for drainage and sewage treatment facilities in Sardhav, Piplaj, Uvarsad, Shertha, Pundarasan, Shahpur, Lekawada,



and Alampur at a cost of Rs 8.02 crore. Combined, GUDA's contributions amounted to Rs 107.85 crore.

<u>^ Top</u>

Delhi–Mussoorie Travel Time To Reduce With Rs 6,100 Crore Elevated Road; Dehradun Traffic Congestion Expected To Ease Swarajya, May 20, 2025

Mussoorie is set to become far more accessible from Delhi and across India, with the construction of a 26 km elevated road on the Delhi-Dehradun Expressway.

The ambitious Rs 6,100 crore project aims to significantly cut travel time and ease urban congestion in Dehradun city, The New Indian Express reported.

Vice-Chairman of the Mussoorie Dehradun Development Authority (MDDA), Banshidhar Tiwari, confirmed, "Land acquisition will be carried out in 26 localities to build the 26 km long elevated road in Dehradun. Land will be acquired by demolishing 2,614 houses built along the banks of the Rispana and Bindal rivers."

Officials involved in the project estimate that once operational, the road will allow tourists to reach Mussoorie from Delhi in just four hours by car. Besides boosting tourism, it is also expected to offer significant relief to residents affected by the heavy flow of traffic through Dehradun.

While the state government is yet to finalise a formal land acquisition policy, sources indicate that affected individuals would have two potential options – monetary compensation or land in exchange for land.

However, the district administration believes only monetary compensation is likely, given that land proposed by the MDDA and Nagar Nigam as a land bank has not yet been inspected, and there is no indication of a new land bank being considered.

Preparations for the acquisition have begun, with houses marked for demolition now identified with red signs. A social impact assessment survey is expected to conclude within 15 days. The administration is proceeding accordingly, in anticipation of monetary settlements.

Central Government Allocates Rs 1,777 Crore For Mumbai Suburban Rail Projects Swarajya, May 20, 2025

Over two months after the Union Budget announcement, Indian Railways has allocated Rs 1,777 crore for the improvement of Mumbai's suburban railway network in the 2025–26 fiscal, marking a 125 per cent rise from the previous year's outlay of Rs 789 crore.



The funds, announced on Saturday (17 May), will support ongoing and proposed projects under the Mumbai Urban Transport Project (MUTP), including MUTP-II, MUTP-III, and MUTP-IIIA, Hindustan Times reported.

The allocation includes Rs 100 crore for MUTP-II, Rs 800 crore for MUTP-III, and Rs 877 crore for MUTP-IIIA.

In line with MUTP's cost-sharing model, the Maharashtra government is expected to match the funding, bolstering efforts to ease congestion, improve commuter convenience, and expand the capacity of Mumbai's suburban railway.

"With this robust financial backing, key MUTP projects, including new corridors, station upgrades, and improved rail infrastructure, are progressing well, bringing Mumbai's commuters closer to a faster, safer, and more efficient suburban railway network," Vilas Wadekar, chairman and managing Director, Mumbai Rail Vikas Corporation (MRVC) was quoted as saying by HT.

The Central Railway has already begun upgrading stations under the Amrit Bharat Station Scheme (ABSS), which aims to modernise stations and improve passenger amenities.

Renovation works are underway at stations such as Parel, Chinchpokli, Matunga, and Wadala, with 16 suburban stations identified across the state for major enhancements.

The ABSS will deliver upgraded station buildings, modular sewage plants, resurfaced platforms, improved lighting and ventilation, drinking water facilities, modern signage, and passenger seating.

<u>^ Top</u>

Proposed Salepur To Rajgir Buddha Circuit To Be Widened Into A Four-Lane Road: Bihar CM Nitish Kumar PTI, May 20, 2025

Bihar Chief Minister Nitish Kumar on Saturday (17 May) announced that the existing two-lane Salepur-Narsanda-Telmar-Karauta road will be expanded into a four-lane highway, providing a smoother and faster alternative route from Patna to Rajgir, Times of India reported.

The CM also added that the proposed Salepur-Rajgir Buddha Circuit will be be developed as a fourlane highway.

"The proposed Salepur to Rajgir Buddha Circuit will be widened into a four-lane road, which will greatly facilitate travel for people going from Patna to Rajgir. It will also save time," the Bihar Chief Minister said during a spot inspection of the project alignment in Biharsharif district.

The upgraded corridor is set to offer direct connectivity from Karauta, located on National Highway-31 (NH-31), to Rajgir, significantly easing vehicular movement along the route.

Officials informed the CM that an elevated road would also be constructed over the railway line that intersects the proposed alignment, ensuring uninterrupted travel.



Earlier in the day, the Chief Minister reviewed the existing Salepur-Narsanda-Telmar-Karauta Road, which originates from State Highway-78 (Bihta-Sarmera) and connects with NH-31 at Jagdamba Sthan Mor on the Patna-Mokama highway.

He also visited key points including the Chauhan intersection, Beldaripar, and Noorsarai to assess the feasibility and land availability for the expansion.

Accompanying the Chief Minister were Water Resources Minister Vijay Kumar Choudhary, Principal Secretary to the CM Deepak Kumar, Additional Chief Secretary of the Road Construction Department Mihir Kumar Singh, and senior officials including Anupam Kumar, Kumar Ravi, Patna District Magistrate Chandrashekhar Singh, and Nalanda DM Shashank Shubhankar.

Centre Approves National Highways Worth Rs 13,000 Crore In Odisha In FY26; State Targets To Spend Rs 2,000 Crore By September Business Standard, May 20, 2025

The Centre has sanctioned national highway projects worth Rs 13,000 crore in Odisha for the current 2025–26 fiscal year, state Works Minister Prithviraj Harichandan announced on Thursday (15 May).

The Odisha government has set an ambitious target of completing highway construction work amounting to Rs 2,000 crore by September, PTI reported.

"We have to expedite the pace of construction work. We have set a target to make an expenditure of Rs 2,000 crore by September. If we complete the projects on time, we can get (a total of) Rs 13,000 crore (worth highway projects) from the Union government and create a new record on construction of national highways in the state," said Harichandan.

He also expressed optimism that Odisha could surpass its previous five-year record in terms of national highway expansion.

The minister specifically addressed the long-delayed national highway project between Sambalpur and Cuttack.

Initiated in 2017, the project was originally slated for completion by 2020 but faced significant delays owing to financial constraints faced by the executing agency.

"Now, the issue has been resolved and the work is almost complete, barring some portions. I am confident that the remaining work... will be completed by the end of this year," he said. <u>^ Top</u>

Amaravati Capital City Development Project: Andhra Pradesh Government Sanctions Release Of Rs 2,100 Crore For Q1 FY26 The Hindu Business Line, May 20, 2025

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The Andhra Pradesh government has accorded administrative sanction for the release of Rs 2,100 crore towards the Amaravati capital city development project for the first quarter of the financial year 2025–26.

CRDA Commissioner K Kanna Babu confirmed the move, stating, the Finance (Budget) Department had issued Comprehensive Budget Release Order (CBRO) for the FY26 and allocated a budget of Rs 6,000 crore under various heads for the greenfield capital city's construction, PTI reported.

Out of Rs 6,000 crore, the administrative sanction for the release of Rs 2,100 crore for the first quarter of 2025–26 has been issued.

The funds are earmarked under several key categories, including capital outlay for urban development, state capital development, construction activities, externally aided projects, and major civil works.

These are intended to accelerate the long-stalled development of Amaravati, the 'dream project' of Andhra Pradesh Chief Minister N Chandrababu Naidu.

Earlier this month, on 2 May, Prime Minister Narendra Modi relaunched construction works in Amaravati by laying the foundation for 74 projects worth Rs 49,000 crore.

These projects include vital state infrastructure such as the new Assembly building, Secretariat, High Court complex, judicial residential quarters, and housing blocks for approximately 5,200 families.

The revival of Amaravati signals a renewed political and financial commitment to the greenfield capital, following years of administrative uncertainty and halted construction activity.