



# NEWSLETTER

## CONSTRUCTION INFRASTRUCTURE UPDATES

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We are pleased to share the key recent developments, policy initiatives, and ministerial updates pertaining to India's construction and infrastructure sector, which continues to witness robust growth driven by substantial public investment and ongoing institutional reforms.

For the current financial year, the Government of India has announced a record capital expenditure allocation of approximately ₹12.2 lakh crore, further, strengthening the country's infrastructure-led economic growth strategy and accelerating project implementation across multiple sectors.

Outlined below is a brief summary of the major developments and policy updates for your reference:

### 1. Ministry of Finance

- Public capital expenditure expanded to ₹12.2 lakh crore in the Union Budget.
- Establishment of a new Infrastructure Risk Guarantee Fund aimed at reducing project default risks and encouraging greater private investment participation.
- Increased emphasis on asset monetization, InvITs, and REIT-based recycling of operational infrastructure assets.

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## 2. Ministry of Road Transport & Highways (MoRTH)

- Continued progress on major expressway projects including the Delhi–Mumbai Expressway.
- Ongoing expansion of the national highway network and logistics corridors.
- Adoption of revised project appraisal and road design guidelines based on recommendations from NITI Aayog to improve efficiency and optimize land utilization.
- Focus on Value Capture Financing (VCF) mechanisms and improved land-value sharing frameworks.

## 3. Ministry of Railways

- Record capital allocation of ₹2,93,030 crore for railway infrastructure modernization.
- Development of seven proposed high-speed rail corridors connecting major economic centers.
- Nearly ₹1.20 lakh crore earmarked for safety upgrades, civil works, and track modernization.
- Progress on Dedicated Freight Corridors, including the proposed Surat–Dankuni East-West Freight Corridor to decongest passenger routes and improve freight movement efficiency.

## 4. Ministry of Heavy Industries

- Proposed Scheme for Enhancement of Construction and Infrastructure Equipment (SCIE) to strengthen domestic manufacturing capabilities for advanced construction machinery and equipment.

## 5. Ministry of Housing & Urban Affairs (MoHUA)

- Transition of the Smart Cities Mission toward integrated local area planning and sustainable urban development.
- Launch of City Economic Regions (CERs) aligned with local industrial and economic growth drivers.

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## 6. Ministry of Statistics & Programme Implementation (MoSPI)

- Monitoring of over 1,940 central sector infrastructure projects valued at approximately ₹41.5 lakh crore through the PAIMANA digital platform for improved tracking, review, and timely implementation.

## 7. PM Gati Shakti National Master Plan

- Continued integration of 44 Central Ministries and 36 States/UTs through a unified digital planning platform.
- The 109th Network Planning Group (NPG) meeting recently reviewed several multimodal connectivity projects aligned with PM Gati Shakti objectives.
- Key railway expansion proposals, including the Jalandhar Cantt–Jammu Tawi third rail line project, were evaluated to strengthen logistics connectivity in northern India.

## 8. Industrial Corridor Development

- The National Industrial Corridor Development Corporation (NICDC) is progressing with 11 industrial corridor projects across 32 nodes integrating industrial townships, smart cities, and rapid transit systems.

## 9. Green & Climate-Resilient Infrastructure Financing

- The Department of Economic Affairs has entered into strategic collaborations with institutions including AIIB and the Climate Bonds Initiative for green infrastructure financing and climate-resilient project development.

These initiatives collectively indicate a strong policy push toward integrated infrastructure planning, logistics efficiency, sustainable urbanization, domestic manufacturing enhancement, and accelerated project implementation.

Members are encouraged to closely monitor sectoral opportunities emerging from these policy initiatives, especially in transport infrastructure, industrial corridors, construction equipment manufacturing, urban development, logistics, and green infrastructure financing.

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