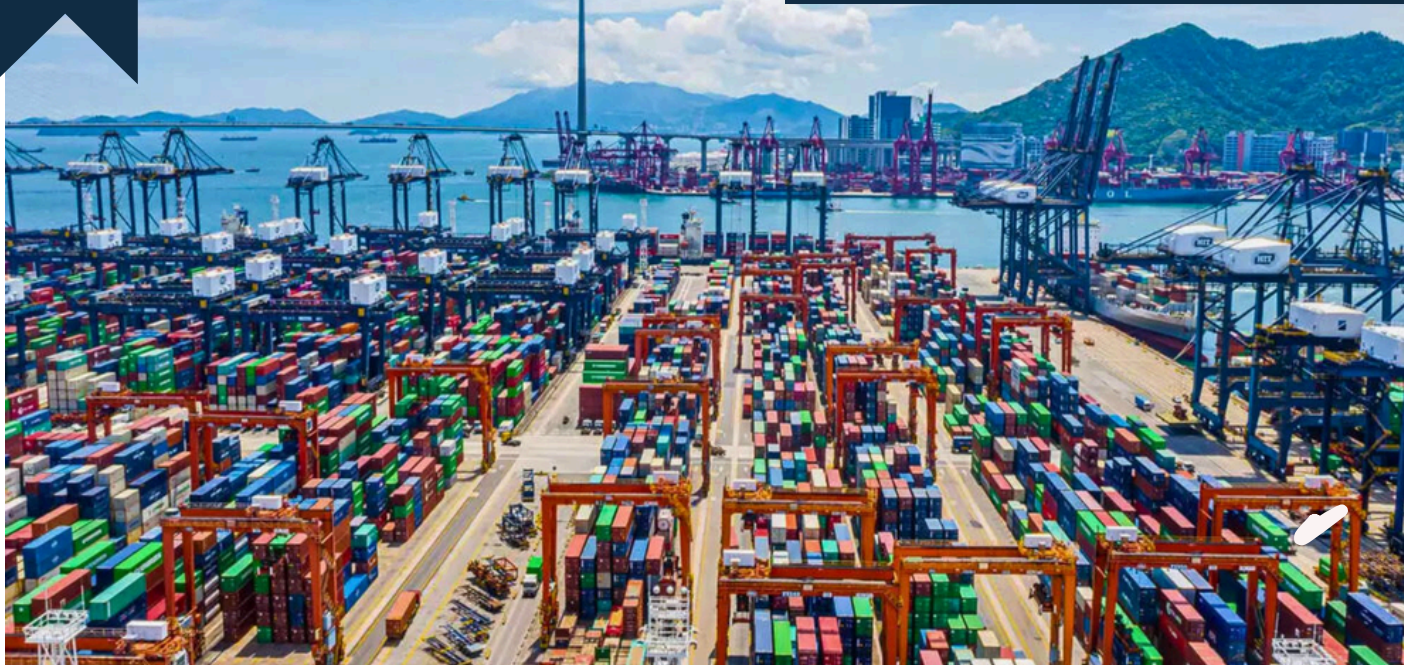


INFRAINSIGHTS

Insights Igniting Curiosity



InfraShorts

- The government seeks bids for AI services on cloud as part of the Rs 10,372-crore India AI mission, approved in March.
- Mumbai's Rs 29,000 crore infrastructure plan aims to enhance connectivity with India's longest urban tunnel and metro expansions.
- 117 smart city projects are complete, with 10 ongoing, including Tawi River Front, said Jammu's new Municipal Commissioner.

India's Mega VadHAVAN Port Project Gets Underway

On August 30, 2024, Prime Minister Narendra Modi laid the foundation stone for India's largest port project in VadHAVAN, near Dahanu in Maharashtra's Palghar district. This project, sanctioned by the Union Cabinet on June 20, marked a significant advancement in enhancing India's maritime capabilities and global trade.

The VadHAVAN port, now India's 13th major port, is the first to be developed in partnership with a state government. It represents a critical infrastructure investment aimed at boosting the maritime economy. The port is being constructed by VadHAVAN Port Project Ltd, a joint venture between the Jawaharlal Nehru Port Authority, which holds a 74 percent stake, and the Maharashtra Maritime Board, with a 26 percent equity share.

Built under the landlord model, VadHAVAN's strategic location on the west coast near international sea routes positions it as a hub port in the Arabian Sea, serving container traffic from Africa's east coast, India's west coast, and the Persian Gulf, potentially transforming regional trade dynamics.

L&T Infra Wins NAINA Contract

Larsen & Toubro (L&T) has secured an order for the Integrated Infrastructure Development project in Maharashtra's Mumbai Airport Influence Notified Area (NAINA), covering Town Planning Schemes 2 through 7. The project involves constructing four approach roads totaling 13.28 kilometers, nine major structures, including three steel bridges over the Kalundre River and the Mumbai-Pune Expressway, as well as twelve minor bridges, twenty-seven underpasses, and approaches. Additionally, the project includes utility and electrical work, enhancing connectivity and infrastructure in the rapidly developing NAINA region of Maharashtra.



India and Sri Lanka sign MoU for LNG Infrastructure development

A Memorandum of Understanding was signed between India's Petronet LNG Limited and a Sri Lanka-based private company for LNG infrastructure development and supply in Colombo. Witnessed by Sri Lanka's Power and Energy Minister Kanchana Wijesekera and India's Deputy High Commissioner Dr. Satyanjal Pandey, the MoU includes developing over 1000 MW LNG-based power plants at Kerawalapitiya near Colombo and supplying LNG from Kochi Terminal. It also supports the use of LNG in households and domestic applications, boosting Sri Lanka's sustainable energy efforts.



Sweden to raise fossil fuel reduction target

Sweden will increase the proportion of biofuels blended with fossil fuels to meet the EU's 2030 climate targets, the government announced on Tuesday. The reduction obligation for fossil fuels will rise to 10%, up from 6% last year. This decision reverses a previous cut that had led to criticism for Sweden's regression in reducing greenhouse gas emissions. Climate and Environment Minister Romina Pourmokhtari noted that the change would not raise pump prices due to greater biofuel availability. The adjustment is expected to significantly reduce emissions in the short term, with an estimated reduction of just over 2.5 million tonnes by 2030.



Asian Infrastructure Investment Bank issues its first digital bond

The Asian Infrastructure Investment Bank (AIIB) issued its first digital bond, raising \$300 million, as announced by Euroclear. This marks the first dollar-denominated digital issuance by an Asia-based issuer on Euroclear's blockchain platform. The 'AAA'-rated note supports AIIB's sustainable bond programme and is listed on the Luxembourg Stock Exchange, with clearing options available via Hong Kong's Central Moneymarkets Unit and the SIX Swiss Exchange.



Adani incorporates new power company in UAE

Adani Power Limited has incorporated a wholly-owned subsidiary, Adani Power Middle East Ltd., in Abu Dhabi, United Arab Emirates, the company announced in a filing. The subsidiary aims to invest in power, infrastructure, and related sectors, with an authorized capital of USD 27,000 shares valued at USD 1 each. Adani Power holds 100% ownership in Adani Power Middle East Ltd. Adani Power Limited, which has a power generation capacity of 15,250 MW and is India's largest private thermal power producer, along with its subsidiary Mahan Energen Limited, recently signed an ₹11,000 crore contract with Bharat Heavy Electricals Limited (BHEL) to develop three supercritical thermal power projects for the company.

Africa can meet India's critical minerals requirements : Piyush Goyal

Union Commerce and Industry Minister Piyush Goyal set an ambitious target to double trade between India and Africa over the next seven years, emphasizing key areas of collaboration during the 19th CII India Africa Business Conclave. He highlighted Africa's richness in critical minerals essential for India's electric vehicle sector and called for sustainable mining practices. Goyal urged African nations to join India's duty-free tariff preference scheme and advocated for technology-driven partnerships, leveraging India's Digital Public Infrastructure to enhance financial inclusion, digitalisation, and job creation in Africa. He also underscored opportunities in agriculture, MSMEs, startups, entertainment, and cultural exchanges, aiming to strengthen mutual growth. Goyal reaffirmed India's commitment to deepening ties with Africa, aligning with Prime Minister Modi's vision of Global South cooperation.



Ghaziabad Plans Orbital Rail to Haryana and NCR

The Uttar Pradesh government has designated the Ghaziabad Development Authority (GDA) as the nodal agency for the 270 km orbital rail project under NCR's 2041 plan. The rail will connect Ghaziabad, Baghpat, Noida, and Greater Noida, with stations every five kilometers, enhancing logistics across NCR. GDA has paid Rs 10 lakh to Haryana Rail Infrastructure Development Corporation for a feasibility report, expected in six months. The project integrates with the rapid rail corridor near Duhai.

RBI Aims to Ease Impact of Stricter Infrastructure Funding Rules

The Reserve Bank of India (RBI) is considering a staggered implementation of increased provisioning for project financing to ease the impact on lenders' profitability. Facing criticism from both lenders and the finance ministry, the RBI aims to ensure the new norms do not lead to cost escalations that could render projects unviable. The draft guidelines, released in May, propose a phased increase in provisions to 5% by 2027, up from the current 0.4%. The central bank is contemplating delaying the onset of these provisions or extending the timeline for full implementation. Furthermore, projects nearing completion may receive waivers on a case-by-case basis. Lenders, particularly infrastructure finance companies like Power Finance Corp and Rural Electrification Corp, are concerned about the impact on profitability, especially with provisions applied retrospectively. The finance ministry has questioned the uniform application of these norms across different project models, arguing that this could negatively affect the government's infrastructure push and its 7% economic growth target.

National Infrastructure Trust files draft papers with SEBI for Rs 1,600-crore IPO

National Infrastructure Trust, sponsored by Gawar Construction Ltd, has filed preliminary papers for a Rs 1,600 crore Initial Public Offering (IPO) with the capital markets regulator. The IPO includes a fresh issue of Rs 1,200 crore and an Offer For Sale (OFS) of Rs 400 crore by the sponsor. Proceeds will be used to provide loans to project SPVs for debt repayment. The issue will be made through the book building process, with 75% allocated to institutional investors and 25% to non-institutional investors. Gawar Construction, engaged in road and highway projects across 19 Indian states, will subscribe to 15% of the post-issue unit capital. National Infrastructure Trust, established in September 2023, plans to acquire and manage nine completed infrastructure assets. SBI Capital Markets and HDFC Bank are lead managers, with Axis Trustee Services as the sole trustee.

Cabinet approves Rs 6,456 crore railway projects across 4 states

The Union Cabinet has approved three railway projects worth Rs 6,456 crore, spanning 300 km across Odisha, Jharkhand, West Bengal, and Chhattisgarh. These projects will add 14 new stations and enhance connectivity to two districts, Nuapada and East Singhbhum, benefiting approximately 1,300 villages and over 30 lakh people. The projects, part of PM-Gati Shakti National Master Plan, aim to streamline supply chains, boost logistical efficiency, and support economic growth. The capacity expansion will accommodate an additional 45 MTPA freight traffic, reduce oil imports by 10 crore liters, and lower CO2 emissions by 240 crore kg, equating to planting 9.7 crore trees, aligning with climate goals and the vision of a self-reliant India.

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UltraTech Cement Secures \$500M in Green Financing

UltraTech Cement has raised \$500 million through a sustainability-linked loan from six banks, marking its second such financing after a \$400 million raise in 2021. The Aditya Birla Group-backed company aims to meet environmental, social, and governance (ESG) targets, including reducing emissions and increasing green energy usage. Sumitomo Mitsui Banking Corporation served as the sole sustainability coordinator, with lenders including SMBC, SBI, BNP Paribas, DBS, MUFG, and Mizuho.

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Sanraj Gandhi
MBA-IDM
SCMHRD'26

Vadhvan Port: A Pioneering Venture

The Cabinet approved a major port worth ₹76,220 crores, and the groundbreaking ceremony of this project is expected to be on August 30, in the presence of Prime Minister Narendra Modi. This will be one of the major ports constructed by the Union Government in partnership with the Government of Maharashtra at Vadhvan near Dahanu in Maharashtra's Palghar district.

It is a key project considered as an expansion plan for JNPT, as it will reduce the congestion of vessels at JNPT and address the issues related to its expansion. Vadhvan Port will be designed to handle 23 million twenty-foot equivalent units and will be an integral part of the India-Middle East-Europe Corridor. This port will enable India to be among the top 10 container ports in the world. It will also lead to the development of freight transport through the oceans and play a prominent role in the industrial and agricultural development of India.

It will not only reduce the traffic congestion at JNPT and in the MMR region but also lead to the development of the underdeveloped Palghar District of Maharashtra. It will create employment opportunities, development of key infrastructure like roads and railways, and socioeconomic development in the underdeveloped district of Maharashtra. A 32 km road will connect Vadhvan Port from NH48, linking it to major parts of Maharashtra and Gujarat. It will be a game-changer project to enhance the logistics network of India and play a key role in the government's mission of reducing the overall logistics cost being incurred in India. The EoI has been invited for the development and maintenance of land to be created offshore of Vadhvan Coast by dredging, reclamation, and construction of an offshore protection bund for the port on a public-private partnership (HAM).

Supreme Court wonders why PILs are filed when constructions happen in country

The Supreme Court emphasized that development and ecological balance must go hand in hand, reiterating the importance of sustainable growth. The apex court also expressed its concern, questioning the rationale behind the filing of public interest litigations (PILs) whenever critical infrastructure projects, such as highways, are initiated. This observation was made during the proceedings of a petition concerning the ongoing construction work aimed at doubling the railway tracks on the Vasco Da Gama-Kulem section of the Tinaighat-Vasco Da Gama route in Goa, highlighting the delicate balance between progress and environmental conservation.

India must spend in green hydrogen R&D, infrastructure: Ganapati Myneni

The Indian government must step up its efforts and extend policy support to boost research and development (R&D) activities. This includes the need to significantly intensify initiatives, invest in hydrogen production infrastructure, which is crucial for positioning India as a global leader in green energy, and support thorium-based molten salt reactors (MSR) development. By focusing on these areas, India can enhance its energy security, reduce carbon emissions, and drive sustainable economic growth, aligning with the vision of Viksit Bharat 2047, an industry veteran said.

India's steel demand to grow by 8% annually in 2024 and 2025: Steel Ministry

The centre expects India's steel demand to grow by 8% in 2024 and 2025. An official statement said this will be driven by continued growth in infrastructure development. According to official estimates, crude steel production reached 36.61 million tonnes (MT), finished steel production clocked 35.77 MT, and finished steel consumption hit 35.42 MT during the first quarter of financial year 2024-25. This robust growth is expected to further bolster the steel industry's expansion efforts. Total steel production during the first quarter of the current fiscal stood at 72.4 MT, up from 68.5 MT in the comparable months of the previous year.



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