

INFRASTRUCTURE NEWSLETTER

Infrastructure Divisions, Department of Economic Affairs



In – Focus

June 2022

“India’s economic growth will continue to be supported by fiscal spending along with an investment push”

– Smt. Nirmala Sitharaman

The Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman participated via virtual mode in the second BRICS Finance Ministers and Central Bank Governors (FMCBG) meeting under the BRICS China chairmanship to deliberate on the outcomes of BRICS Financial Cooperation agenda for 2022. The meeting discussed on BRICS Joint Finance Ministers and Central Bank Governors Statement, Infrastructure Investments, New Development Bank and BRICS Think Tank Network for Finance.




Smt. Nirmala Sitharaman attending 2nd BRICS meeting of Finance Ministers and Central Bank Governors

Smt. Sitharaman observed that BRICS should continue to serve as a platform to engage in dialogues and facilitate exchange of experiences, concerns and ideas for rebuilding a sustainable and inclusive growth trajectory. Emphasizing on India’s growth outlook, she added that India’s economic growth will continue to be supported by fiscal spending along with an investment push, imparting momentum to the economy based on the idea of growth at macro level complemented by all inclusive welfare at micro level.

The BRICS Finance Ministers and Central Bank Governors also discussed other legacy BRICS Finance issues such as Infrastructure investment, New Development Bank (NDB), BRICS Contingent Reserve Arrangement (CRA) etc.

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KEY INFRASTRUCTURE INDICATORS




Capital Expenditure

Up to May 2022 – Rs. 107,074 Crore

70.1% higher than capex in corresponding period (up to May 2021)


Source: CGA



Deployment of Gross Bank Credit in Infrastructure

| Period | Y-o-Y Growth (%) |
|-----------|------------------|
| June 2021 | 3.4% |
| June 2022 | 10.2% |

Source: RBI



Infrastructure project progress update

| NIP Status | June 2021 | June 2022 |
|------------------|-----------|-----------|
| Overall Projects | 7,435 | 9,335 |
| Completed | 712 | 782 |

Source: IIG

INFRASTRUCTURE POLICY ENABLEMENT

Indian Railway Innovation Policy - "StartUps for Railways" launched by Hon'ble Minister of Railways

The Policy aims to leverage innovative technologies developed by Indian Startups/MSMEs/Innovators/Entrepreneurs to bring scale and operational efficiency in the field of operation, maintenance, and infrastructure creation through participation of very large and untapped startup ecosystem.

Salient features of the Policy include Grant of up to Rs. 1.5 Crore to innovator on equal sharing basis, online process of floating problem statement and tracking development of prototype within a defined timeline, enhanced funding to scale up deployment and de-centralization of complete product development process at divisional level to avoid delays.

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Major Reform to promote Renewable Energy through Green Energy Open Access

The Green Open Access Rules, 2022 have been notified for promoting generation, purchase and consumption of green energy including the energy from Waste-to-Energy plants. The rules enable simplified procedure for the open access to green power by facilitating faster approval of Green OA, Uniform Banking, Voluntary purchase of RE power by commercial & industrial consumers, Applicability of OA charges etc. As per the rules:

- Commercial and Industrial consumers are allowed to purchase green power on voluntarily basis
- Captive Consumers can take power under Green Open Access with no minimum limitation
- Discom Consumers can demand for supply of green power to them

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Cabinet approves Memorandum of Understanding between India and Australia for Technical Cooperation for Australia-India Water Security Initiative (AIWASI)

This MoU would reinforce bilateral cooperation between India and Australia in the area of urban water security. It would strengthen institutional capacities at all levels for urban water management; improve accessibility, affordability & quality of water and sanitation services; promote circular economy of water & water secure cities; encourage climate resilient water management practices; enhance community participation in water management and improve social inclusion through initiatives for accessible infrastructure.

MoU will enable learning about technological advancements gained in key areas of urban water security and will promote exchange of knowledge, best practices and capacity building of institutions. This will help towards realization of AatmaNirbhar Bharat.

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Cabinet approves Development of New Greenfield Airport Dholera, Ahmedabad

Development of Phase I of the New Greenfield Airport at Dholera, Gujarat has been proposed at an estimated cost of Rs. 1305 crore with target completion within 48 months. The airport is expected to become a major cargo hub to serve Dholera the industrial region besides catering to the nearby region and serving as a second airport to Ahmedabad.

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New Guidelines for Promotion of MSMEs in North-Eastern Region and Sikkim

The Scheme, envisaged to provide financial support for enhancing the productivity and competitiveness and capacity building of MSMEs, entails Setting up of new and modernization of existing Mini Technology Centres, Development of new and existing Industrial Estates and Development of Tourism Sector

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Shri Hardeep S. Puri launches National Initiative for Promotion of Upskilling of Nirman workers (NIPUN)

The project aims to train over 1 lakh construction workers, through fresh skilling and upskilling programmes and even provides them with work opportunities in foreign countries.

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Minister of Civil Aviation Jyotiraditya M. Scindia launches National Air Sports Policy (NASP)

NASP 2022, launched by the Minister of Civil Aviation Shri Jyotiraditya M. Scindia, lays out the vision of making India as one of the top sports nations by 2030, by providing a safe, affordable, accessible, enjoyable & sustainable air sports ecosystem in India.

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INFRASTRUCTURE MARKET NEWS

Ministry of Coal Undertakes Thirteen Railway Projects Under PM-Gati Shakti

In view of cleaner environment, the ministry is shifting from road movement of coal to rail evacuation by enhancing rail capacity through planned construction of new broad gauge rail lines in Greenfield coal bearing areas and extending the rail links to newer loading points. The projects aim to develop multimodal connectivity and facilitate movement of coal with rapid logistics and wider connectivity for all the commercial miners.

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NHAI InvIT announces its maiden distribution

NHAI InvIT has the largest share under the National Monetization Pipeline (NMP). In its first offering, it managed to attract two international pension funds, namely Canada Pension Plan Investment Board and Ontario Teachers' Pension Plan Board, as anchor investors.

Within a period of 4 months from its listing in November 2021, NHAI InvIT announced a distribution of Rs.0.79 paisa per unit. It had initially issued 59.52 crore units and accordingly Rs. 47.02 crore has been distributed to its investors. Since its listing, the number of distinct investors has increased from 27 to around 80, whereas the number of domestic PF Trusts have increased from 5 to 27, with an aggregate holding of 5.1% of the units.

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Policy & Portal of e-auction launched by Indian Railways for Commercial earning, Non-Fare Revenue contracts

The policy aims to enhance ease of living, promote transparency, and add to Digital India initiatives of the Railways. The portal would provide much required thrust to the Government's initiative of ease of doing business besides increasing railway earnings.

It will facilitate bidders to register only once for participating in auctions of any field unit of Indian Railways. Assets mapped location-wise in the portal will help improve real-time monitoring of assets and minimize asset-idling.

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Cabinet approves Auction of IMT/5G Spectrum

Through this auction, spectrum will be assigned to the successful bidders for providing 5G services to public and enterprises. It is expected that the Mid and High band spectrum will be utilized by Telecom Service Providers to roll-out of 5G technology-based services capable of providing speed and capacities which would be about 10 times higher than what is possible through the current 4G services.

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Shri Nitin Gadkari inaugurates 15 National Highway projects in Bihar with a total cost of Rs.13,585 crore

Shri Gadkari emphasized that the Mahatma Gandhi Setu, connecting North and South ends, is the lifeline of Bihar. With the proposed super structure replacement project, the time taken to cross Mahatma Gandhi Setu would be reduced from 2 to 3 hours to 5 to 10 minutes. Proposed bypasses would help reduce traffic jams in the city.

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Union Aviation Minister awards the first Type Certificate under Drone Rules, 2021 to Gurugram-based IoTechWorld

In order to achieve the target of making India a drone hub by 2030, Ministry of Civil Aviation has kickstarted issuance of Type Certificate (TC) by the first TC in a record period of 34 days as against the allowable 75 days as per the Drone Rules 2021.

This certification scheme aims to create an eco-system for world class drones to be manufactured in India and sold across the world. Currently, 14 drone prototypes are undergoing certification tests and may exceed 100 over next 3 years

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MoHUA launches "Clean and Green" campaign on World Environment Day

MoHUA has issued a detailed advisory to States and UTs to take up a range of activities to fulfil the "Clean and Green" mandate.

It will include large scale cleaning and plogging drives, with special emphasis on plastic waste collection, as well as large scale tree plantation drives, with participation of all citizens – students, voluntary organizations, self-help groups, local NGOs/CSOs, NSS and NCC cadets, RWAs, market associations, corporate entities, etc.

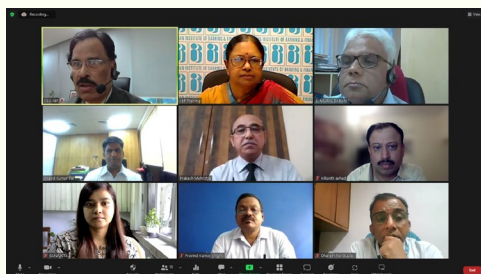
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INITIATIVES BY DEPARTMENT OF ECONOMIC AFFAIRS (DEA)

Capacity Building Initiatives by DEA: Training on Public Private Partnership (PPPs)

Under the Capacity Building initiative of Department of Economic Affairs (DEA), a 5-day training programme on “**Public Private Partnerships (PPPs)**” was conducted by DEA in partnership with Arun Jaitley National Institute of Financial Management (AJNIFM), at its Faridabad campus. [Read More](#)

Similar, 5-day training programs on “**Project Finance for Infrastructure Projects**” was conducted through online mode in partnership with Indian Institute of Banking and Finance (IIBF), and a 5-day residential training program on “**Public-Private Partnership (PPP) & Infrastructure Development**” in partnership with Indian Institute of Management (IIM) Kozhikode, in their Kozhikode campus. [Read More](#)



Participants of the online training programme organized by IIBF



Participants of the in-campus training programme organized by IIM Kozhikode



Participants of in-campus training programme organized by AJNIFM

Discussion on e-Learning Portal Development

DEA, taking forward its Capacity Enhancement Plan (CEP), conducted a brainstorming session with the private e-Learning service providers with the aim of charting out means for development of a Learning Management System (LMS) platform by including possible partnerships and innovative means for developing and publishing e-courses on infrastructure related subject areas.



JS (IPP) addressing representatives of private eLearning platforms

Key Infrastructure Projects approved by DEA

1. In principle and final approval granted in the 109th PPPAC meeting for two seaport development projects proposed to be executed on BOT basis in the State of Gujarat:

- Container Terminal at Tuna-Tekra, Deendayal Port, with proposed capacity of 2.19 Mn TEU's and estimated total project cost of INR 4,540 Crores
- Multipurpose Cargo (other than Container/ Liquid) berth off Tuna-Tekra at Gulf of Kutch at Kandla, with proposed capacity of 18.33 MMTPA and estimated total project cost of INR 2,251 Crores

Both the projects would have concession period of 30 years (including 3 years of construction period) and would have Royalty payment as the bidding parameter

2. Project for development of silos of 50,000 MT capacity for wheat storage at Harduaganj, Aligarh, Uttar Pradesh on DBFOT Basis:

In-principle approval granted by Food Corporation of India (FCI) in the 83rd meeting of EI. The total estimated Project Cost was INR 40.14 Crore out of which 20% was approved for grant under the VGF scheme.

However, the project has now been bid out on premium and would not require VGF support. LoA has also been issued to the selected bidder in June 2022 and signing of Concession Agreement is underway. Preparations while obtaining in-principle approval for VGF have helped in generating bidder interest and in accomplishing more projects without grants.