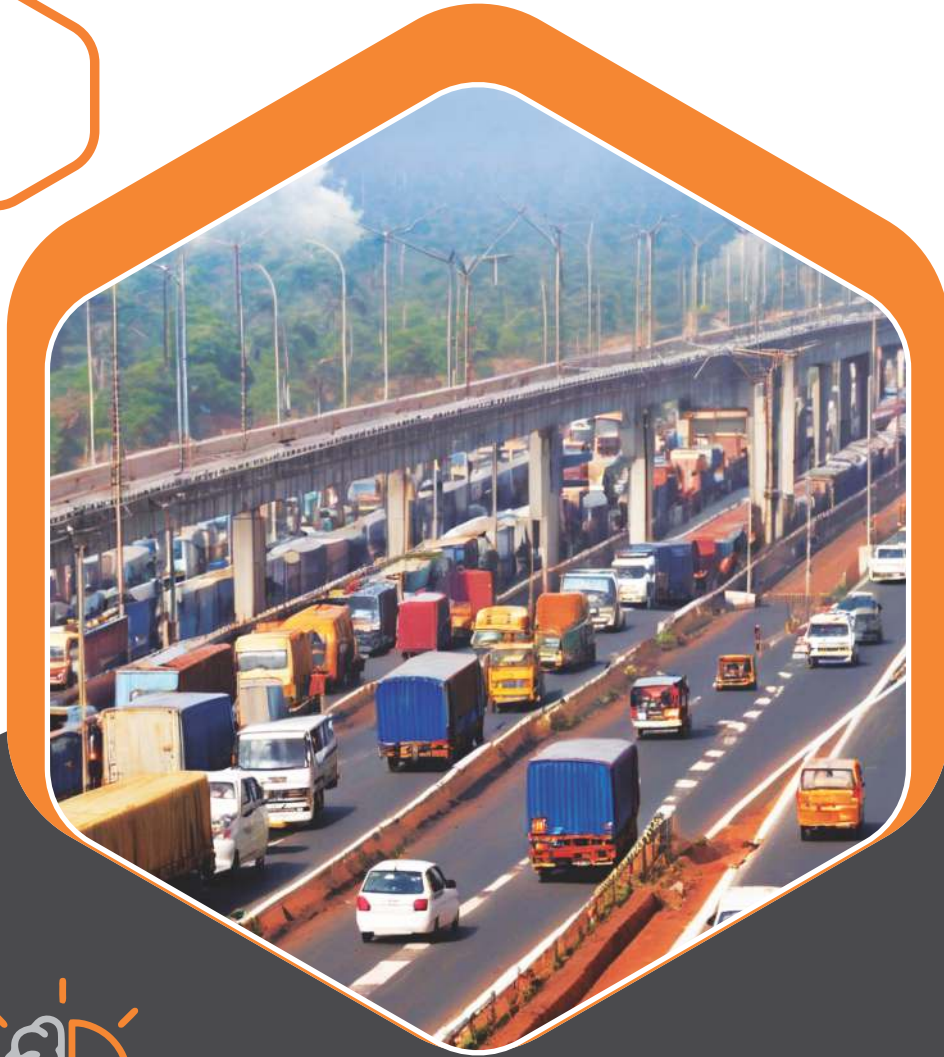




KRS Infra Ventures Pvt. Ltd.



KNOWLEDGE PAPER

Indian Transport Sector-Infrastructure Opportunities

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From *Director* Desk



The Indian government's priority for infrastructure development is to become the world's third largest economy by 2030. Transport is expected to attract over 60 per cent of infrastructure investment in India. The country's population growth and economic development require improved transport infrastructure, including investments in roads, railways, and aviation. The total investment of Rs 75,000 crore estimated in current year Budget, including Rs 15,000 crore from private sources.

More than 100 projects in 2024-25 offer global as well as local players to participate in Indian growth offer Infrastructure Players to Participate & invest in Indian Opportunities.



Keshav Gandhi
Executive Director
KRS Infra Ventures Private Limited

Investment in Transport Sector – Indian Prospective

India's real GDP growth is forecasted to average 6.5% from 2023-2028, making it one of the world's fastest growing economies. Infrastructure will be at the forefront of the economic development that India aims to achieve. The government is actively concentrating on the sector creating policies to build top-notch infrastructure in the country. In FY24, it has allocated 3.3% of GDP to the infrastructure sector.

The Government working on various ambitious targets to expand the transport sectors, includes the construction of a 2 lakh-km national highway network by 2025, increasing the total number of airports in the country from 140 to 220 airports by 2025, higher railway construction speed of 19 km of new tracks every day in 2024., operationalising 23 waterways by 2030 which offer various opportunities to related operators & Infra developers, and developing 35 Multi-Modal Logistics Parks (MMLPs), etc., offer huge opportunities to Infra Investment Companies as well Construction Companies to participate in implementation.

According to India Investment Grid (IIG) ongoing projects in transport infrastructure sector are valued at INR 69.0 lakh crore, across stages of development. Among these, top three sectors by value are Roads and Highways (48%), Railways (30%) and Metro Transport Development (12%).

The total budgets for all the infrastructure-related ministries increased from around INR 3.7 lakh crore in FY2023 to INR 5.00 lakh crore in FY2024.

Indian Infrastructure specially transportation and logistics sector expected approx. investment up to US\$146 billion by 2030. Indian Government has launched several flagship initiatives like GATI-Shakti, Maritime Vision, National Logistics Policy, National Rail Vision, UDAN Scheme and Bharat Mala Pari yojana. This open opportunities for private sector investments more aggressively. To become a multi-trillion-dollar economy, India will need to focus on increasing private participation to shaping up a sustainable transport ecosystem. The National Infrastructure Pipeline (NIP) targeted Investments of US\$1.4 trillion in this sector.



Private sector will have significant investment opportunities across various transportation sectors

Sea Ports Sector-The private sector participation has led to a doubling of the Indian ports' capacity over the last ten years. Indian Government further aims to increase the share of cargo handling capacity of PPP terminals to 85% in the long-term from current 50% share. The sector is going to present a host of opportunities to the private players in the ports construction and modernization, as well as in green hydrogen-related projects.



Roads & Highway Sector-India's roads and highways construction is already expanding at a fast pace in the country, increasing from 6,061 km to 10,457 km of roads constructed in 2022. The government has been engaging private sector by awarding Build-Operate-Transfer (BOT) and Hybrid Annuity Mode (HAM) through PPP and monetizing its existing assets in this sector. The sector accounts for



Airport Sector-India is amongst the fastest-growing aviation markets globally and is expected to witness a rise in the number of air passengers from 144 million to 400 million by 2025-26. Government plans to invest INR 98,000 crores on construction of new airports and upgrading existing infrastructure by 2025. Major investment will be made by the private sector on greenfield projects. This upgrading of existing airports to increase the capacity of each Airport will contribute to greater private sector participation in coming days. The government also offers various incentives to investments, such as tax exemptions and reduced custom duties on inputs.

around 27% share in the National Monetization Pipeline (NMP) and place to raise up to INR 45,000 crore through monetization in 2024. Regarding greenfield highway projects, 2024 onwards, nearly 75% projects will be bid out on PPP mode.

Metro Transport Sector-India's metro rail network has grown remarkably last decade. It started from a network spread across five cities has grown to 860 km across 20 cities in 2023. The sector has been engaging private players through PPP projects, such as the Pune Metro Line III and Hyderabad Metro's lines. Upcoming opportunities in the sector include the ongoing review of feasibility in Chandigarh and exploration of PPP modes, either for complete provisioning of the project or some unbundled services.



It has also been giving a strong push to develop complementary infrastructure such as Dedicated Freight Corridors for freight, Bharat mala for road connectivity.

Railway Sector-The National Monetization Pipeline (NMP) includes ambitious plans to privatise railway assets. It accounts for the second-largest share of 25% in the NMP with a value of INR 1.52 lakh crore. Asset monetization of INR 44,907 crore has been planned for 2024 and INR 32,557 crore by 2025. However, the sector's progress has been slow, and it has been plagued by enthusiasm from the private sector.



Warehousing & Logistic Infrastructure-The Warehousing & logistics sector in India is expected to grow to US\$ 380 billion by 2025, the Indian government worked hard to create 35 Multimodal Logistics Parks (MMLPs) in the country and reduce logistics costs from 13% to 9% of GDP by 2024. The MMLPs will be developed under PPP on Design, Finance, Build-Operate-Transfer mode. The government has given node with signing of agreements for various MMLPs in line with its plan to bid out a total of 7 MMLPs in 2024, with each involving private investments of approx. INR 1,000



FEW Proposed Transport Projects

Indian Railways upcoming projects

S. No.	Name of Section for doubling stretch	Length in (kms.)	Estimates cost (Rs. in crores)	State
1	Ajmer-Chanderiya	178.28	1813.28	Rajasthan
2	Jaipur-Sawai Madhopur	131.27	1268.57	Rajasthan
3	Luni-Samdari-Bhildi	271.97	3530.92	Gujarat & Rajasthan
4	Agthori-Kamakhya with new Rail cum Road Bridge	7.062	1650.37	Assam
5	Lumding-Furkating	140	2333.84	Assam & Nagaland
6	Motumari-Vishnupuram and Rail over Rail at Motumari	88.81 10.87	1746.20	Telangana & Andhra Pradesh
7	Mumbai – Ahmedabad (Maharashtra & Gujarat)	508.17 km	Rs. 1.1 lakh	Maharashtra & Gujarat
8	Delhi – Varanasi (Uttar Pradesh)	865 km	Rs. 1.21 lakh	Delhi & UP
9	Delhi – Ahmedabad (Haryana, Rajasthan, Gujarat)	886 km	N/A	Delhi & Ahmedabad
10	Mumbai – Nagpur (Maharashtra)	741 km	N/A	Maharashtra
11	Delhi – Amritsar (Haryana, Punjab)	465 km	N/A	Haryana Punjab
12	Mumbai – Hyderabad (Maharashtra, Telangana)	711 km	N/A	Maharashtra, Telangana
13	Chennai – Mysore (Tamil Nadu, Karnataka)	435 km	N/A	Tamil Nadu, Karnataka
14	Varanasi – Howrah (Kolkata) (Uttar Pradesh, Bihar, West Bengal)	760 kms	N/A	Uttar Pradesh, Bihar, West Bengal
15	Hyderabad – Bangalore (Telangana, Karnataka)	618 km	N/A	Telangana
16	Nagpur – Varanasi (Maharashtra, Madhya Pradesh, Uttar Pradesh)	855 km	N/A	N/A
17	Patna – Guwahati (Bihar, West Bengal, Assam)	850 km	N/A	Bihar, West Bengal, Assam
18	Amritsar – Pathankot – Jammu (Punjab, Jammu UT)	190 km	N/A	Punjab, Jammu

*N/A - Not available.

Proposed Metro / Metrolite Projects in India

Proposed New lines, most of which will never see the light of the day. The following table lists out cities / towns with serious proposals that could possibly materialize as light rail (Metrolite) and be built in the next 10 years:

CITIES in INDIA	Proposed Network Length	Estimated Cost (Rs. in crores)	Capacity
Bangalore Metrolite, Karnataka	60 km	N/A	300-425 passengers
Bhavnagar Metrolite / Metro Neo, Gujarat	TBD	N/A	N/A
Chennai Metrolite, Tamil Nadu	15.50 km	N/A	300-425 passengers
Coimbatore Metro, Tamil Nadu	147 km in Phase 1	Rs. 9,000	N/A
Delhi Metrolite, Delhi	40.88 km	Rs. 5,587	425 passengers
Guwahati Metro, Assam	61.40 km	N/A	N/A
Jamnagar Metrolite / Metro Neo, Gujarat	TBD	N/A	N/A
Jammu Metro, J&K UT	43.50 km	Rs. 4,825 (Phase 1)	N/A
Madurai Metro, Tamil Nadu	31 km	N/A	N/A
Mathura Metrolite, Uttar Pradesh	12 km	N/A	N/A
Prayagraj Metro, Uttar Pradesh	42 km	N/A	N/A
Srinagar Metro, J&K UT	25 km	N/A	N/A
Uttarakhand Metro, Uttarakhand	32 km (Phase 1) & 41 km (Phase 2)	N/A	N/A

Proposed Green Field Airport Projects

Sr. No.	Title	Project details	Estimated Cost (Rs. in crores)
1	Bhogampur Intl Airport Corp. LTD (BIACL), Andhra Pradesh	Proposed in 2300 acres land to serve 6 million passengers per year in Phase 1	₹ 4592 (Phase 1)
2	Vijayapura, Karnataka	Proposed in 727.01 acres land to serve 200 passengers during peak hours	₹ 347
3	Dagadharti (Nellore), Andhra Pradesh	Proposed in 1352 acre land to serve 200 peak hour passengers	₹ 457 (US\$57 million)
4	Dholera Gujarat	Proposed in 1426 hectares of area will serve 100 million passengers per year	₹ 1,378 (Phase 1)
5	Hassan, Karnataka	Proposed in 536 acres to serve 200 peak hour passengers	₹ 193.65
6	Kurnool, Andhra Pradesh	Proposed in 1,008 acres	₹ 153 (US\$22 million)
7	Kushinagar, Uttar Pradesh	Proposed in 589 acres of land to serve 300 passengers during peak hours	₹ 260
8	Navi Mumbai	Proposed in 1,160 hectares of land to serve 10 million passenger in first phase	₹ 18,000 (Phase 1)
9	Noida (Jewar), Uttar Pradesh	Proposed in Rs. 29650 Crores to serve 12 million passengers per year	₹ 16,000

*N/A - Not available.

KRS MARKETING Partnership Proposal

Marketing Requirements

Handling business opportunities in India require various steps and Marketing Partnership will help you to understand the practice and management to work in India. Considering the promotion before official participation in business, few steps like promotion, introducing own product range to manage the requirement development accept our standard products or services, advance preparation of participation in Indian Opportunities, management of local vendor team, if required for joint participation, handling tenders, offers, negotiations, contract management support etc., the list is ongoing and KRS Infra Ventures Pvt. Limited ensure that our experience being in this trade from last three decades offer you wider experience base in INDIA.

Marketing Proposal

The KRS Group herewith introduce KRS Infra Ventures Pvt. Limited herewith offers the marketing partnership to your organization to promote you and yours associates interest in Indian Infrastructure Sector with following ways:

- ▶ Informing Business Opportunities in India for business scope of your organization.
- ▶ Promoting your organization with introducing and presenting details to various clients in Government

and Private Sector and follow-up for acquisition formalities (tendering process, finalization of business, all assistance during implementation & after sales etc.)

- ▶ Informing the current scenario of market in view of Government Policies, Procurements plans etc.
- ▶ Advising the strategies required during promotion for successful business opportunities.

The partnership terms will require discussions to finalize, which will be second step after receiving your principal approval and suggest you to work on following options for understanding:

- ▶ Marketing Partnership Joint Venture-which means "KRS Infra Ventures" will be offering all Marketing support in India and your organization handle the technical & commercial need of the projects targeted and rest terms & conditions of arrangement will decided after in principal approval of partnership.
- ▶ Exclusive Agent in INDIA-KRS will be offered exclusive Agency Agreement for 3 years minimum to develop and managing business opportunities for your organization and terms & conditions of this agreement will be discuss after principal approval of working.



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