Infrastructure Sector

**Current Scenario:** Indian railways in millions of tonnes have carried 89.56 million tonnes worth of goods in the month of April 2015 and have registered 1.16% improvement over the same month last year. In terms of freight earnings Indian railways has registered Rs. 9270.01 crore in the month of April that is equivalent to 14.55% of growth over the same month previous year. Number of passengers travelling through Indian railways; however, has declined by -3.8% in comparison with the same month previous year to register 658.29 million. Passenger earning has increased by 19.35% over the same month previous year to register Rs. 3908.43 crore. As a whole, gross receipt of Indian railways has accounted for Rs. 13773.05 crore, in the month of April 2015 and has registered a growth of 15.37% over April, 2014. Equipment failure however has declined in April 2015 over April 2014.

In the month of April-August 2015 apart from Cochin and New Mangalore all other major ports of India have registered an increase in traffic handling over April-August 2014; measured in thousand tonnes. Over all traffic handling in major Indian ports has also increased by 5.53% in April-August 2015 over April-August 2014. Figure 1 depicts the traffic comparison in major Indian ports. Kandla, Paradip and JNPT; have successfully managed to occupy the first three spots among major Indian ports in terms of traffic handling.
As on 31.05.2015 total installed capacity of electricity in Mega Watt in India was 272502.95 MW. Figure 2 depicts the mode of electricity in absolute terms. It is obvious from figure two that coal is still the prime source of electricity in India; followed by Hydroelectricity. The most promising fact is that electricity from renewable energy sources in India is growing fast and might easily be the future of electricity in the country. However, North-East India flaunts only 1.2% of the national capacity. The Eastern India does not portray any brighter picture as it has 12.23% of the national capacity. Among the East Indian states West Bengal has 9563.84 MW of installed capacity as on 31.05.2015.

**Future Trend:** The goods carriage by Indian railway is expected to grow by 1.15%-1.25% in month of July 2015. Freight earnings are also expected to grow by 14.5%-15.5%. However, passenger carriage is expected to decline by 3.5% - 4.5%. However the passenger earnings are expected to increase by 19.5% to 20.5%. Gross receipts of the Indian railway are expected to rise by more than 15% in month of May. The major ports in India are estimated to have witnessed a 5.4 per cent growth in cargo traffic in 2014-15 after subdued cargo movement in the preceding four years. Cargo traffic is expected to remain healthy in 2015-16 as well. Cargo volumes are expected to grow by 7.1% to 627.2 million tonnes during the year. In 2016-17, cargo traffic is likely to further increase by 7%. Installed electricity generation in India is expected to increase over 272510 MW by the end of July 2015. However, the electricity situation in North East India and in East India will remain more or less similar to the previous month.

Policy news: Canada's Brookfield Asset Management made its first significant investment in Indian infrastructure, buying six road and three power projects from India's Gammon Infrastructure Projects Limited. India and the United Arab Emirates will set up a multi-billion dollar fund to invest in Indian infrastructure projects (UAE-India Indian infrastructure fund is expected to be worth $75 billion) and cooperate in producing military equipment, space technology and nuclear energy according to the officials. Japan would be crucial for India’s infrastructure push. India’s largest infrastructure project would soon start between Delhi to Mumbai. The government is in the process of selecting certain railway stations to conduct skill development programmes at their facilities. India lacks infrastructure to recycle electronic waste. Government is planning India's longest 600 km expressway to connect Delhi and Katra. Infrastructure assets, many of which have been on the block for a while, are starting to lure buyers, as foreign funds bet on the government’s efforts to push infrastructure growth in the country and ease the operating environment for such projects. Uttar Pradesh seems to be on the Modi government's development radar with the railways allocating Rs 4,185 crore in 2015-16 for various projects. Easier exit options for operational highway projects will release Rs.4,000 crore in capital for their developers, which in turn can be used to fund other infrastructure projects or to retire debt, said India Ratings and Research, a Fitch group company in a recent report. International Finance Corp. (IFC), part of the World Bank group, plans to invest at least $700 million in existing transport and logistics
infrastructure projects in India. India is in need of green infrastructure. Developing infrastructure in North East India is top priority of the government.