

# NEWSLETTER

CONSTRUCTION INFRASTRUCTURE UPDATES

TUESDAY, NOVEMBER 10 - 11, 2025

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## India's Toll Base Rates Face First Comprehensive Revision Since 1997 As NITI Aayog Begins Study

Swarajya,  
November 10, 2025

India's national highway toll framework is undergoing its first comprehensive overhaul in 17 years, with the Ministry of Road Transport and Highways tasking NITI Aayog to conduct fresh research on the fundamental principles behind toll base rates.

The move comes amid rising complaints over excessive toll charges and concerns about perpetual tolling beyond concession periods.

The central policy think tank has been asked to reassess existing tolling principles and propose revisions that reflect today's economic and infrastructural realities.

The review will examine parameters such as vehicle operating costs, the vehicle damage factor and users' willingness to pay—the same core elements that guided the original framework established in 1995. NITI Aayog has engaged academic institutions including IITs and IIMs to assist in evaluating the current methodology.

Whilst toll rates have been adjusted annually since 2008 using the Wholesale Price Index, the fundamental formula for calculating base rates has remained unchanged for nearly three decades.

India currently operates around 855 toll plazas across its national highway network, with toll revenue reaching ₹73,000 crore in 2024-25 and projected to cross ₹80,000 crore this year.

The Parliament's Public Accounts Committee has recommended that the ministry pursue the proposed study and ensure it is time-bound and result-oriented.

The committee criticised the practice of collecting toll beyond the concession period, describing it as "perpetual tolling", and called for toll rates to be substantially reduced once capital and routine maintenance costs have been recovered. NITI Aayog is expected to present its recommendations by the end of this financial year.

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## Centre Launches Dumpsite Remediation Accelerator To Clear 8.8 Crore Tonnes Of Landfill Waste By 2026

Swarjya,  
November 11, 2025

With the Swachh Bharat Mission–Urban 2.0 entering its final year, Union Housing and Urban Affairs Minister Manohar Lal Khattar recently launched a nationwide initiative to clear 214 legacy landfills across 202 cities, containing nearly 8.8 crore metric tonnes of accumulated waste.

The Dumpsite Remediation Accelerator Programme, unveiled at the National Urban Conclave, seeks to fast-track the reclamation of long-standing garbage sites and restore valuable urban land before the September 2026 deadline.

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According to official data, nearly 49 per cent of landfill areas remain unreclaimed and 41 per cent of waste is yet to be remediated, despite the mission being in its fifth year.

The newly launched programme will prioritise the 214 dumpsites that account for around 80 per cent of the remaining waste spread across 1,428 legacy landfills nationwide.

To ensure timely progress, the Housing and Urban Affairs Ministry announced several measures, including additional financial assistance to cities for remediation and waste processing, the involvement of corporate and public sector undertakings, and the use of inert waste in road construction by Central and state agencies.

Political and administrative leaders will also be encouraged to “adopt” one landfill each to ensure accountability. The Centre has approved Rs 2,716 crore in financial support for the initiative.

In addition, the Minister launched the Urban Invest Window, a new mechanism under HUDCO to help local bodies attract private funding for infrastructure projects.

HUDCO’s regional offices will be repurposed to guide cities in project identification, capital mobilisation, and implementation.

While known to be a health and fire hazard, landfills have only been increasing in numbers and size over the last few decades, especially in large cities due to inadequate capacity. Delhi, for example, generates around 11,500 metric tonnes of waste daily, with existing plants handling only part of it.

However, there has been progress in some sites.

In Delhi, the Municipal Corporation aims to clear the infamous Ghazipur landfill by 2027, with biomining now in its second phase and plans underway for a new Waste-to-Energy plant to accelerate waste processing.

Meanwhile, Kerala’s Brahmapuram waste site, once infamous for a massive fire, has seen 75 per cent of biomining completed and 18 acres reclaimed.

Chief Minister Pinarayi Vijayan announced a Rs 706.55 crore master plan to fully redevelop the site into a clean, green urban space and model for sustainable waste transformation.

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### 3 multibagger contenders gearing up for India’s next infra wave

The Financial Express,  
November 11, 2025

Rising infrastructure spend and private capex are setting the stage for the next wave of growth in India’s equipment manufacturing space—where select players may quietly build the next multibagger story.



As government and private capital expenditures rise in tandem, these companies, often serving as a proxy play, begin to capture investor attention.

India's infrastructure story is entering a new phase, one that's not just about mega highways or urban metro lines, but about the ecosystem that powers them. Behind every road construction and mining project lies a network of equipment manufacturers quietly fuelling this momentum. As government and private capital expenditures rise in tandem, these companies, often serving as a proxy play, begin to capture investor attention.

The [government allocated Rs 11.11 trillion in the Budget 2025](#) to support infrastructure development. However, the road construction sector in particular has seen relatively weak momentum, with construction activity slowing due to fewer contracts being awarded. Amid this slowdown, these three proxy plays can be added to the watchlist. Let's take a look...

## #1 BEML

[BEML](#) manufactures a wide range of heavy earthmoving equipment for the [mining](#) and [construction industry](#), vehicles for [defence](#) forces and coaches for the metro and [Indian Railways](#). Mining and construction is the largest sector (54% of sales), followed by defence and aerospace (27%) and rail and metro (19%).

### Diversifying beyond earthmovers

The Mining and Construction vertical specialises in manufacturing heavy-duty earth-moving equipment for surface and underground mining, as well as the construction and infrastructure sector. Key products include Dump Trucks, Dozers, Rope Shovels, and Motor Graders.

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The Mining and Construction sector contribution is expected to fall to about 40% in FY26. At the same time, the Defence, Rail and Metro sectors are projected to rise to 60%. It's because the Defence, Rail, and Metro sectors are poised for expansion due to the Government of India's strong emphasis on reducing import dependency.

BEML is also diversifying into the maritime sector, focusing on the indigenous development of systems such as aircraft carrier aggregates and Cutter Suction Dredgers. BEML is also benefiting from the increase in domestic coal production. Although [infrastructure projects have slowed down](#), momentum is expected to pick up from Q4FY26 onwards.

Additionally, evolving geopolitical conditions are creating new opportunities for collaboration among Indian manufacturers to meet the rising global demand for equipment. In the [defence sector](#), the company estimates turnover to more than double in FY26 if 100% of the order book is executed.

In the rail and metro sector, the company expects to manufacture 20 train sets for the Bangalore Metro. Additionally, BEML plans to begin supplying the remaining nine Vande Bharat trains starting in July.

The company also expects to manufacture approximately 15 Linke-Hofmann-Bosch coaches this year. To prepare for future order inflow, BEML is undertaking a massive capacity expansion. It is also investing ₹18 billion to achieve an annual manufacturing capacity of 800 metro coaches.

### **Strong order pipeline and improving outlook**

From a financial perspective, the company's revenue remained flat in Q1 FY26 at ₹6.3 billion, while it reported a net loss of ₹640 million, compared to a ₹700 million loss in the previous quarter of FY25. But BEML has set an aspirational growth target of at least 25% year-on-year growth in FY26. The management estimates the margin to improve by 150 bps, from 13.2% in FY24.

### **Order book expansion signals earnings recovery**

This improvement is expected due to a favourable product mix (including more commuter rail, high-end mining, and defence systems), an enhanced contribution from systems, and a reduction in material costs. BEML expects its order inflow in FY26 to be around twice that of FY24 (₹68 billion) and anticipates closing FY26 with an order book of about ₹230 billion.

### **#2 Action construction equipment: World's largest pick & carry crane manufacturer**

[Action Construction Equipment](#) (ACE) is a diversified construction Equipment Manufacturer. ACE operates across major economic sectors, including infrastructure, construction, [Manufacturing](#), Logistics, and Agri sectors, leveraging over 30 years of industry presence. It is the world's largest Pick & Carry Crane manufacturer and holds over 63% market share in Mobile and tower cranes. ACE has a broad product portfolio encompassing Cranes, material handling and construction equipment, and agricultural equipment. In FY25, its end-user sector exposure was classified as Manufacturing & Logistics (45%), Infrastructure (35%), [Real Estate](#) (13%), and [Agriculture](#) (7%). It serves both domestic and international markets, exporting to over 37 countries.

### **ACE Financial Performance**

## Company Overview

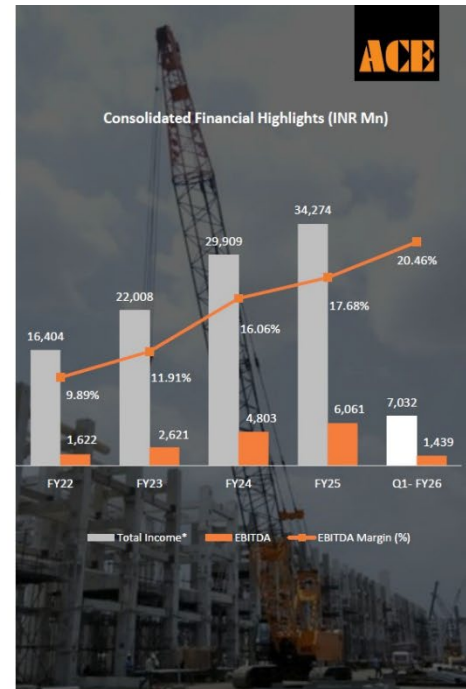
- ACTION CONSTRUCTION EQUIPMENT LIMITED was established in 1995 by Mr. Vijay Agarwal, a technocrat, who has over 50+ years of industry experience and is led by a team of experienced professionals.
- ACE is a reputed brand with a significant presence across diversified sectors like Construction, Infrastructure, Manufacturing, Logistics and Agriculture.

### Market Leader in Mobile and Tower Cranes



- We are world's largest Pick & Carry cranes manufacturer with over 63% market share in Mobile cranes segment in country and leading market share of 60% in Tower Cranes segment domestically.
- Additionally, ACE also offers Crawler Cranes, Truck Mounted Cranes, Lorry Loaders, Backhoe Loaders/Loaders, Vibratory Rollers, Motor Graders, Forklifts, Access Platforms, Telehandlers, Tractors & Harvesters and other Construction Equipment.
- The end-user Sector exposure of the company can be broadly classified as follows: Manufacturing & Logistics ~45%, Infrastructure ~35%, Agriculture ~7% and Real Estate ~13%.
- The company has one of the widest Sales and Service network, with over 125+ locations supported by 13 regional offices in India and also exports to over 37 countries across Middle East, Africa, Asia and Latin America.

Source: Ace Investor Presentation



### Defence foray adds a new growth stream

A notable strategic development for ACE is its expanding presence in the Defence sector. The company received its first order from the Ministry of Defence for 1,121 Rough Terrain Forklifts, valued at ₹4.2 billion, which will be partially executed in FY26. Going forward, the management estimates a continuous pipeline of about 3-4% of yearly revenue from the defence space.

The company is also a major beneficiary of the government's infrastructure spending. It is also hopeful that anti-dumping duties will be imposed on imports of construction equipment from China.

With these duties, ACE estimates an addition of ₹5-10 billion in revenue over the next 3-5 years.

The company is also investing ₹2.5-3 billion on capacity expansion in FY27 and FY28.

ACE estimates the manufacturing and Logistics sectors to grow at a 6.5% CAGR between 2025-2034, reaching \$803 billion. This will be driven by the Make in India initiative and the China+1 supply chain strategy.

The warehousing and logistics sector is specifically expected to attract investments of about \$10 billion over the next 4-5 years. The Indian real estate sector is projected to grow at a CAGR of 10.5% to reach \$1,184 billion by 2033, up from \$482 billion in 2024.

### Margins expand despite near-term slowdown

ACE's total income declined 7.7% year-over-year to ₹7.0 billion in Q1FY26. The industry-wide adoption of stricter CEV-5 emission norms, the early onset of monsoons, and lingering global uncertainties impacted its revenue growth. However, despite that, the company's profitability improved.

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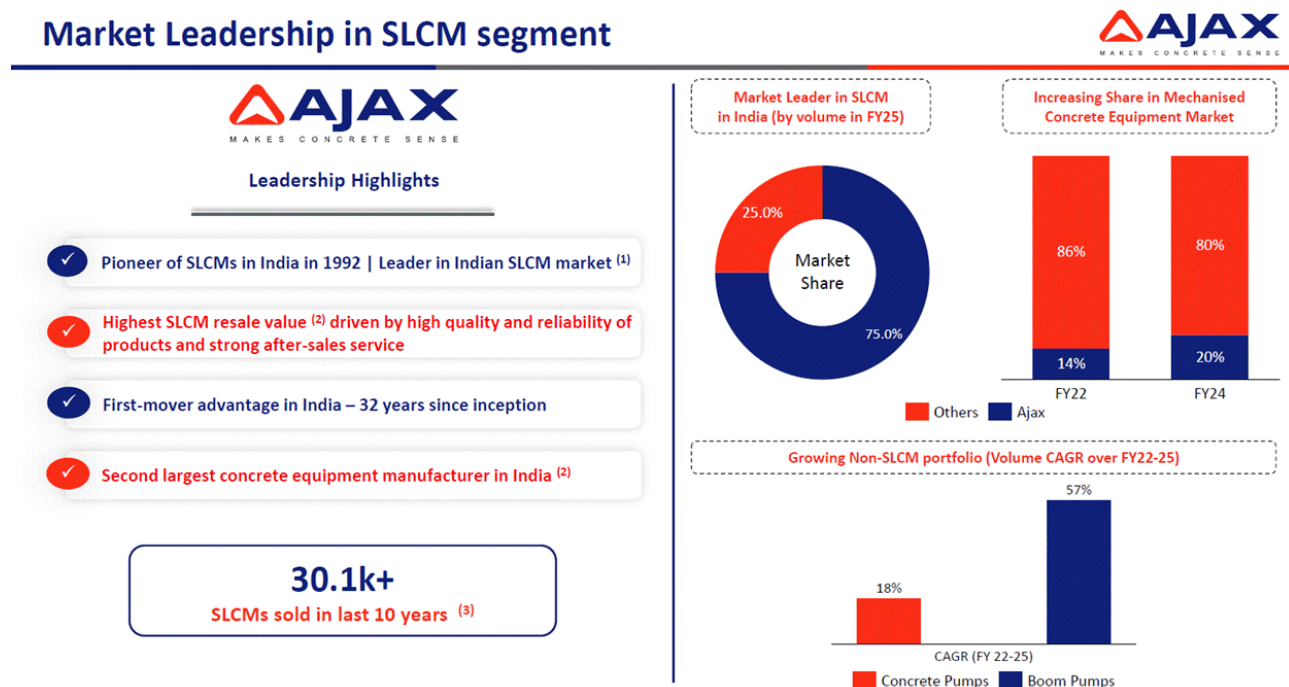
EBITDA increased 14% to ₹1.4 billion, with the margin expanding by 389 basis points (bps) to 20.46%. Margins expanded due to a mix of factors, primarily due to price hikes implemented by the company and accommodative commodity prices. As a result, PAT increased by 16% to ₹977 million.

### #3 Ajax Engineering: Market leader in self-loading concrete mixers

[Ajax Engineering](#) provides concrete equipment services across the entire concrete application value chain, including [engineering](#), production, transportation, placement, paving, and printing. It is the leader in self-loading concrete mixers (SLCM) in India, with a 75% market share by volume. It is also India's second-largest manufacturer of concrete equipment.

### Market Leadership in the SLCM Segment

#### Market Leadership in SLCM segment



Source: Ajax Investor Presentation

### Export push and capacity expansion on track

The company is pursuing several strategic growth drivers. A new facility is being developed at Adinarayanahosahalli (close to the Obadenahalli plant), which is expected to be commissioned in H2FY26. It is expanding its pan-India dealer network with a new B2B channel focused on the top eight metro cities to target larger buyers directly.

Exports contributed 5% of total revenue in Q1FY26. Ajax is focusing on regions including South Asia, Southeast Asia, Africa, the Middle East, Central America, and the Caribbean. Despite short-term challenges, the company remains confident of long-term growth. It estimates the Indian mechanised concrete equipment market to nearly triple from ₹61 billion in 2024 to ₹178 billion by 2029.

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### Short-term pain, long-term growth intact

Ajax also faced challenges in Q1FY26 due to early arrival of monsoon, changes in emission norms, and a slower pace of project execution. Revenue from operations stayed flat at ₹4.6 billion. However, EBITDA declined 23% to ₹614 million, while margin fell 390 bps to 13.2%. PAT declined by 21% to ₹529 million. Volume growth in FY26 is projected to be in the early double digits, with momentum expected to pick up in H2FY26.

### Where Do Valuations Stand Now?

From a valuation perspective, BEML is trading at a price-to-earnings (P/E) ratio of 60x, slightly above its 10-year median of 50x. ACE is trading at a P/E of 31x, which is in line with its 10-year median (34.6x), while Ajax is valued at 27.6x. Due to the lack of historical data, we have not considered Ajax's average multiples. However, only ACE and Ajax are trading at a discount to the industry median multiple of 34.3x.

#### Valuation Comparison (X)

Company	P/E	10-Year Median P/E
BEML	60	50
ACE	31	34.6
Ajax	27.6	NA
<b>Industry P/E</b>	<b>34.3</b>	

Source: Screener

While near-term demand remains subdued, the medium-term outlook for equipment makers appears encouraging. Strong order books, government-led infrastructure spending, and improving private capex are likely to drive growth from FY26 onward. Among the three, ACE and Ajax trade closer to fair valuations, while BEML's premium pricing reflects higher expectations from its defence and metro segments.

### Disclaimer

Note: Throughout this article, we have relied on data from <http://www.Screener.in> and the company's investor presentation. Only in cases where the data was not available have we used an alternate but widely used and accepted source of information.

The purpose of this article is only to share interesting charts, data points, and thought-provoking opinions. It is NOT a recommendation. If you wish to consider an investment, you are strongly advised to consult your advisor. This article is strictly for educational purposes only.

**About the Author:** *Madhvendra has been deeply immersed in the equity markets for over seven years, combining his passion for investing with his expertise in financial writing. With a knack for simplifying complex concepts, he enjoys sharing his honest perspectives on startups, listed Indian companies, and macroeconomic trends.*

A dedicated reader and storyteller, Madhvendra thrives on uncovering insights that inspire his audience to deepen their understanding of the financial world.

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## Naidu Lays Foundation For Seven Major Industries Worth Rs 2,203 Crore In Kuppam, Pitches Vision For 100 Per Cent Solar-Powered Constituency

Swarajya,  
November 10, 2025

Andhra Pradesh Chief Minister N Chandrababu Naidu virtually laid the foundation stone for seven major industrial projects in Kuppam Assembly constituency from Amaravati, marking a significant milestone in the region's industrial growth.

With a cumulative investment of Rs 2,203 crore, the projects are set to generate 22,330 direct jobs.

The companies — Hindalco, Sreeja Dairy, Ace International, SVF Soya, Mother Dairy, e Rayas EV and ALEAP have been allocated 241 acres of land for their ventures, as reported by TNIE.

Hindalco will invest Rs 586 crore in a skill development and technical training centre, while Sreeja Dairy will establish a Rs 290 crore integrated dairy and cattle feed plant to support women and local dairy farmers.

Ace International will set up a Rs 525 crore dairy protein unit, and SVF Soya's Rs 373 crore plant will benefit two lakh farmers.

Mother Dairy will invest Rs 260 crore in a juice and pulp unit to aid fruit growers, e Rayas EV will build a RS 200 crore electric vehicle facility, and ALEAP's Rs 27 crore women-centric industrial park will train and employ around 4,000 women.

Naidu also revealed that eight more projects worth Rs 6,339 crore are in the pipeline, expected to create over 43,000 direct and indirect jobs.

He announced plans for developing Space City, Drone City and Aerospace City in Rayalaseema, alongside clusters in battery technology, logistics, and medical devices.

Reiterating his commitment to sustainable growth, the Chief Minister directed industries to install solar rooftops, declaring that Kuppam will become the state's first 100 per cent solar powered and net zero constituency.

He added, "Every woman and every youth must become an entrepreneur. Assets don't matter — only quality education and skills create lasting prosperity."

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## Andhra Pradesh To Invite Tenders Worth Rs 1,000 Crore For Road Development

PTI,  
November 10, 2025

In a major infrastructure push, Andhra Pradesh Roads and Buildings Minister BC Janardhan Reddy on Sunday (9 November) announced that tenders for road development projects worth over Rs 1,000 crore will be invited shortly, as per PTI.

The move is part of the state government's broader mission to make Andhra Pradesh "pothole-free" and ensure safer, smoother travel for commuters.

Reddy said the NDA coalition government has already initiated road repair works worth Rs 2,500 crore since assuming office earlier this year.

Tenders for road development works worth over Rs 1,000 crore will be called shortly as part of our mission to make Andhra Pradesh a pothole-free state, he said in a statement, highlighting the government's focus on restoring vital road infrastructure.

The minister noted that within five months of the TDP-led NDA government taking charge, major repair and maintenance projects have been sanctioned across the state to address years of neglect.

He alleged that road maintenance had been severely overlooked during the previous YSRCP government's tenure between 2019 and 2024, resulting in thousands of km of roads falling into disrepair.

Reddy emphasised that the government's top priority was to bring back road connectivity to optimal standards, especially in rural and semi-urban areas that have borne the brunt of poor maintenance.

He further stated that the administration is examining the Public-Private Partnership (PPP) model to accelerate road development without placing additional financial strain on the state or its citizens.

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