

# INFORM: Infrastructure Projects & Finance

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We bring you the latest updates on the dynamic intersection of infrastructure projects with banking and finance. Join us to navigate the evolving landscape of infrastructure curated to empower you with strategic intelligence.

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## »»» CASE LAWS



### Right to Collect Toll Contingent on Providing Motorable Roads

The Hon'ble High Court of Kerala, in the case of Shaji J Kodankadath v Union of India (2025 SCC OnLine Ker 4908), dated July 9, 2025, held that the persistent failure of the National Highways Authority of India (NHA) to maintain safe and motorable road conditions along NH-544 warranted judicial scrutiny of its entitlement to collect toll.

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### TNSTC Buses Restrained from Using Toll Plazas on the Madurai-Kanyakumari Stretch

In a significant ruling in the case of M/s. Madurai-Kanyakumari Tollway Private Limited and others v. Tamil Nadu State Transport Corporation (WP Nos. 31006...), dated July 8, 2025, the Madras High Court restrained the Tamil Nadu State Transport Corporation (TNSTC) from plying its buses through four toll plazas on the Madurai-Kanyakumari stretch.

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### SARFAESI Action Not Vitiating by Borrower's Demise: J&K High Court

In a recent judgment, the High Court of Jammu & Kashmir and Ladakh, in the case of Mst. Sundri and Ors vs J&K Bank & Anr, [WP (C) No. 780/2024], dated July 9, 2025, clarified that proceedings initiated by a secured creditor under Section 14 of the SARFAESI Act, 2002, remain valid even if commenced after the borrower's death, provided a statutory demand notice under Section 13(2) was duly served.

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## SC: Judicial Interference Must Not Undermine SARFAESI Framework

In a recent ruling the Hon'ble Supreme Court of India in the case of LIC Housing Finance Ltd. v. Nagson and Company & Ors., [SPECIAL LEAVE PETITION (CIVIL) Diary No(s). 7979/2025] dated July 15, 2025, held that High Courts must refrain from granting unreasoned interim reliefs in writ proceedings challenging measures under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002.

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## SC: Interest Automatically Applies After SEBI Order Deadline

The Hon'ble Supreme Court of India, in the case of Jaykishor Chaturvedi & Etc. versus Securities and Exchange Board of India (2025 SCC OnLine SC 1441), dated July 15, 2025, has held that interest on unpaid penalties imposed under the Securities and Exchange Board of India (SEBI) Act, 1992, is recoverable from the date on which the liability becomes enforceable under the adjudication order passed under the Act.

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## »» NOTIFICATIONS/CIRCULARS



### RBI Prohibits PrePayment Charges on Floating Rate Loans

In a move set to significantly ease credit terms for borrowers, the Reserve Bank of India (RBI) has issued a new set of comprehensive guidelines prohibiting prepayment charges on floating rate loans taken by individuals and Micro and Small Enterprises (MSEs). The RBI (Pre-payment Charges on Loans) Directions, 2025 (the "Directions") will be enforced on all loans and advances sanctioned or renewed on or after January 1, 2026.

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### IBBI Tightens CIRP Regulations Through Fifth Amendment

On July 4, 2025, the Insolvency and Bankruptcy Board of India (IBBI) notified the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Fifth Amendment) Regulations, 2025, to the Insolvency Resolution Process for Corporate Persons (CIRP) Regulations, 2016, vide Notification bearing Reference No. F. No. IBBI/2025-26/GN/REG128.

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### RBI Clarifies on Voluntary Pledge of Gold and Silver for MSME Loans

In a move poised to enhance access to formal credit for Micro and Small Enterprises (MSEs), the Reserve Bank of India (RBI) has issued a significant clarification permitting banks to accept voluntary pledges of gold and silver as collateral for Micro Small Medium Enterprises (MSME) loans even when the loan amount falls within the collateral-free lending thresholds.

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## NHAI Permits Insurance Surety Bonds as Performance Security

In a significant step toward modernizing India's infrastructure contracting landscape, the NHAI has issued a new Policy Circular dated July 9, 2025 (Ref: 18.105/2025), permitting the use of Insurance Surety Bonds (ISBs) as valid Performance Security in consultancy contracts, including those for Authority Engineers (AEs) and Independent Engineers (IEs).

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## Sulphur Dioxide Emission Norms Relaxed

The Ministry of Environment, Forest and Climate Change has notified the Environment (Protection) Fourth Amendment Rules, 2025, revising the sulphur dioxide emission standards that had been issued in December 2015 vide SO 3305(E) for coal- and lignite-based thermal power plants (TPPs) in the country. Plants not compliant with the timeline specified in the rules shall be liable for compensation at the rate of rupees 0.40 per unit of electricity generated in case their operation is continued beyond the specified date.

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## Draft Petroleum and Natural Gas Rules, 2025 Issued for Comments

The [Draft Petroleum and Natural Gas Rules, 2025](#), has been published for stakeholder comments by the Ministry of Petroleum and Natural Gas pursuant to the enabling provisions introduced through the [Oilfields \(Regulation and Development\) Amendment Act, 2024](#), passed in March this year. The rules intend to bring India's hydrocarbon regulatory framework in line with current technological, environmental, and commercial realities.

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## »» QUICK READS



### Strategic Collaboration Between Indian Oil Corporation and NIIF

In a significant development poised to reshape India's maritime and shipbuilding landscape, Indian Oil Corporation (IOCL) and the National Investment and Infrastructure Fund (NIIF) have entered into a strategic partnership for co-ownership of crude oil tankers. The initiative is part of the Government of India's broader vision to position India among the top five global shipbuilding nations by 2047.

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### State Ranking System on Ease of Land Acquisition for National Highway Projects Proposed

The Ministry of Road Transport and Highways (MoRTH) is initiating a structured evaluation framework to rank states based upon the ease and efficiency of land acquisition for national highway and expressway projects. This development is pursuant to the recognition that protracted land procurement processes remain a primary impediment to prompt national highway execution.

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### Revamped Model Concession Agreement for BOT (Toll) Projects on the Anvil

In a significant move aimed at revitalising private sector participation in highway infrastructure, the Ministry of Road Transport and Highways (MoRTH) is set to notify a revised Model Concession Agreement (MCA) for Build-Operate-Transfer (BOT) Toll projects within the upcoming month. A core feature of the revamped MCA is the alignment of key contractual parameters with actual traffic volumes.

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## MoRTH Proposes Rating Mechanism for DPR Consultancy

In a significant move towards strengthening the foundation of road infrastructure planning, the Ministry of Road Transport and Highways (MoRTH) has proposed the introduction of a structured performance rating system for consultancy firms engaged in the preparation of Detailed Project Reports (DPRs) for highway and road infrastructure projects.

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## SBI Seeks Senior Creditor Status in NHIT's InvIT Framework

In a development that could redefine investor rights in India's infrastructure monetization landscape, the State Bank of India (SBI), the country's largest lender, has written to the National Highways Authority of India (NHAI) requesting senior creditor status on its investments in the National Highways Infra Trust (NHIT), an Infrastructure Investment Trust (InvIT) sponsored by NHAI.

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