

Pradhan Mantri Gati Shakti programme: All you need to know

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The PM Gati Shakti Yojana is one of the four big priorities for the Prime Minister Narendra Modi government, finance minister Nirmala Sitharaman said while delivering the Budget Speech for 2022 on February 1, 2022.

“The touchstone of the Gati Shakti master plan will be world-class, modern infrastructure and logistics synergy among different modes of movement of both people and goods, and location of projects,” the FM said in her Budget Speech.

“The Gati Shakti national master plan, spruced by seven engines of infrastructure, will go a long way in developing multi-modal network to create world-class infrastructure with full support on planning, financing, innovation and technology,” said Piyush Gupta, MD, capital markets & investment services, India, Colliers.

On October 13, 2021, Prime Minister Narendra Modi launched India’s first National Infrastructure Masterplan, the Pradhan Mantri Gati Shakti (PMGS) scheme, aimed at breaking inter-ministerial silos and integrate the planning of infrastructure projects.

Improvement and development of infrastructure have been a key area of focus for the Modi-led government at the centre which first took charge in 2014, and is currently serving its second five year term. The Gati Shakti mission will further the government’s effort to cut the various bottlenecks and cut down on delays in completion of such projects.

“We are laying a foundation for the next 25 years. This national master plan will give gatishakti (the power of speed) to development plans of the 21st century and will help in the timely completion of these plans,” the Prime Minister said after launching the plan.

“We want to build & deliver an integrated approach that has a plug and play approach when it comes to world-class infrastructure,” the PM added.

Here is all you need to know about India’s recently launched plan which is likely to cut delays in infrastructure projects and make India a more competitive market, product wise.

What is Gati Shakti Mission?

To get the mission going, a centralised portal will be set up to unite the infrastructural initiatives planned and initiated by 16 central ministries and departments, including railways, roads and highways, petroleum and gas, power, telecom, shipping and aviation, etc.

By putting in place better coordination among these ministries, the Gati Shakti portal, which also aims at a centralised transportation and logistics grid, will enable smoother information flow and expedite project clearance process.

Large-scale infrastructure projects that will now implemented according to the prescriptions laid in the Gati Shakti master plan include flagship projects like Bharatmala, Sagarmala, UDAAN, expansion of railway network, inland waterways and Bharat Net.

Also expected to result in employment generations for millions, the Gati Shakti masterplan will work to meet the three basic targets— seamless multimodal connectivity to facilitate easy movement of goods and people; improved prioritisation, optimal usage of resources, timely creation of capacities; and resolution of issues such as disjointed planning, standardisation and clearances.

Gati Shakti mission: Key objective

With the broad objective of making products manufactured in the country more competitive by cutting down the logistics costs and improving supply chains, the Pradhan Mantri Gati Shakti scheme will help India attract investment from all over the world for improving the infrastructure of the country.

It begs mention here that logistics and supply chain costs account for around 12% of the gross domestic product (GDP) in India at present. This is much higher when compared to the global average of 8%. Factors that lead to this higher expense are excessive dependence on transportation by road, and under-utilisation of waterways, air and rail networks. Overall, these factors hike rates of Indian produces when compared to other countries, making them less competitive globally.

“India’s infrastructure growth was hampered by interministerial delays, approval delays and communication gaps between various stakeholders. This often led to slow decision-making, time and cost overruns, and thus, a lacklustre pace for infrastructure-led growth. The Gati Shakti Plan consolidates infrastructure projects in specific corridors, and will help various ministries plan projects together without getting hampered by the specific/time-consuming approval processes,” Brickwork Ratings said in a note while statting that the pan will be game-changer in the space of infrastructure development.

“The PM Gati Shakti scheme is a landmark initiative that will enable coordination among different ministries, states and departments, facilitate ease of planning and bring down the overall costs of implementation as well. There could be initial bottlenecks with the platform however, once these are taken care of, this system can turn out to be a game-changer in the space of infrastructure development,” says Vipula Sharma, senior director – ratings, Brickwork Ratings (BWR).

PM Gati Sghakti plan goals

Mentioned below are the various targets that will be achieved under the Gati Shakti scheme:

*Roadways capacity to be increased with the national highway network to touch the 2 lakh-km mark.

*Aviation will receive a massive boost, with around 200 new airports, heliports and water aerodromes envisioned in the plan.

*Capacity of railways transport cargo to be increased to around 1,600 tonne by FY25

*Ease in the electricity access with the transmission network to be increased to 454,200 circuit km

*Renewable capacity to be increased to 225 GW by FY25.

*Also around 17,000 kms of gas pipelines will be completed in the same year.

*4G connectivity for the villages by FY22

*20 new mega food parks

*11 industrial corridors and two new defence corridors in Tamil Nadu and Uttar Pradesh

*202 fishing clusters/harbours/landing centres