

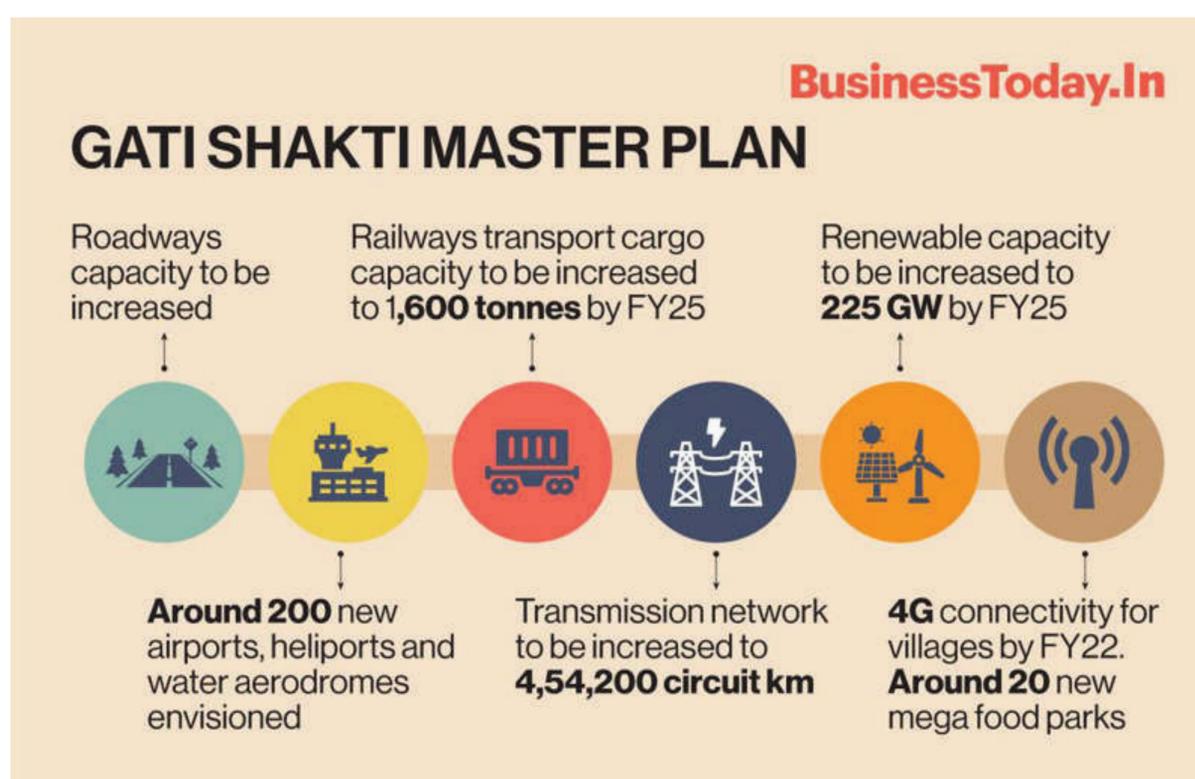
Gati Shakti Master Plan to be a game-changer for infra development: Brickwork Ratings

BusinessToday.In

The Gati Shakti Master Plan, launched by Prime Minister Narendra Modi on October 13, is a landmark initiative that will enable coordination among different ministries, states and departments, facilitate ease of planning and also bring down the overall costs of implementation, Brickwork Ratings has said.

"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," Vipula Sharma, Senior Director - Ratings, Brickwork Ratings (BWR), said.

She said with the information available to all the stakeholders at different levels – central, state, cities and even panchayats, taking up projects would get simplified. Besides, bundling of projects within ministries or departments, single approvals for multi-faceted projects and avoiding duplication of efforts and costs would become possible.



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The Gati Shakti Master Plan envisages a centralised portal 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, among others.

It also aims to put the projects under the National Infrastructure Pipeline under the same umbrella by sharing resources and developing synergies by various ministries.

"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. 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," the credit ratings agency said.

It believes the geographic information system (GIS)-enabled digital platform under Gati Shakti will help various ministries and stakeholders get access to the required information regarding the topography, satellite images, physical features and existing facilities. This will help the projects save time and funds on approvals, and the problem of delays in implementation can be solved.

Currently, logistics and supply chain costs account for around 12 per cent of the Gross Domestic Product (GDP) as compared to the global average of 8 per cent.

"This is due to excessive dependence on transportation by road and the under-utilisation of waterways, air and rail networks. Due to these inefficiencies, India's products become costly as compared to the other countries and are less competitive globally," said the credit ratings agency.