

InvAsset's Voice



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Introduction to Gati Shakti

The Pradhan Mantri Gati Shakti National Master Plan is a central government project, aimed to revolutionize infrastructure in India. Prime Minister Narendra Modi announced the launch of the Gati Shakti Yojana, a Rs. 100 lakh-crore project for developing 'holistic infrastructure' in India on the 75th Independence Day.

Gati Shakti is a digital platform that will bring together 16 ministries, such as railways and roads, to plan and carry out infrastructure connectivity projects together. This will help get rid of problems that have been going on for a long time, like disjointed planning, a lack of standardization, problems with getting clearances, and problems with making and using infrastructure capacities on time.

Narendra Modi, approved the National Logistics Policy (NLP). The policy complements the PM GatiShakti National Master Plan. NLP lays down an overarching interdisciplinary, cross-sectoral, multi-jurisdictional, and comprehensive policy framework for the logistics sector. While PM GatiShakti National Master Plan is aimed at integrated infrastructure development, the National Logistics Policy is envisaged to bring efficiency in logistics services and human resources through streamlining processes, regulatory framework, skill development, mainstreaming of logistics in higher education, and adoption of suitable technologies.

PM GatiShakti & National Logistics Policy are a transformative approach for economic growth and sustainable development. The approach is driven by seven engines, namely:

- Road
- Railways
- Airports
- Ports
- Mass
- Transport Waterways
- Infrastructure



The Prime Minister noted that PM Gati Shakti will also ensure true public-private partnership in infrastructure creation from infrastructure planning to the development and utilisation stage.

This year's budget, he said, has set the pace of India's development in the 21st century and this direction of infrastructure-based development will lead to an extraordinary increase in the strength of the Indian economy and create many new possibilities for employment.



Gati Shakti: Launch date

On October 13, 2021, PM Modi launched the Pradhan Mantri Gati Shakti (PMGS) scheme, aimed at breaking inter ministerial silos and integrating the planning of infrastructure projects.



Vision

PM Gati Shakti will incorporate the infrastructure schemes for various Ministries and State Government like Bharatmala, Sagarmala, inland waterways, dry / land ports, UDAN, etc. Economic Zones like textile clusters, pharmaceutical clusters, defence corridors, electronic parks, industrial corridors, fishing clusters, agri zones will be covered to improve connectivity & make Indian businesses more competitive. It will also leverage technology extensively including spatial planning tools with ISRO (Indian Space Research Organisation) imagery developed by BiSAG-N (Bhaskaracharya National Institute for Space Applications and Geoinformatics).

Mission

"Infrastructure development and improvement has been one of the government's main goals. The Gati Shakti mission will help the government in its efforts to get rid of bottlenecks and finish projects faster. "We are building something that will last the next 25 years. After launching the plan, Prime Minister Modi said, "This national master plan will give gati shakti (the power of speed) to development plans of the 21st century and help these plans get done on time." "We want to build and deliver a world-class infrastructure that can be plugged in and used immediately," the PM said.

Gati Shakti: Key objective

The main goal of the Pradhan Mantri Gati Shakti scheme is to make products made in the country more competitive by lowering logistics costs and improving supply chains. This will help India get investment from all over the world to improve its infrastructure.

Logistics and supply chain costs are about 12% of India's GDP. 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-utilization of waterways, and air and rail networks. Overall, these factors hike the 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 lackluster 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 stating that the plan will be a 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).

Gati Shakti: Key Components

Roads

The roads component of Gati Shakti will focus on the development of national highways, state highways, and rural roads. The total length of roads to be developed under this component is 26,000 km (16,168 mi).

The roads component will focus on the following:

- Development of new national highways
- Doubling of existing national highways
- Strengthening of existing national highways
- Construction of new state highways
- Strengthening of existing state highways
- Construction of new rural roads
- Strengthening of existing rural roads



The roads component is expected to create jobs, reduce logistics costs, and improve the safety of roads.

Railways

The railways component of Gati Shakti will focus on the development of new railway lines, doubling of existing lines, and electrification of railways. The total length of railway lines to be developed under this component is 10,000 km (6,214 mi).

- The railways component will focus on the following:
- Development of new railway lines
- Doubling of existing railway lines
- Electrification of existing railway lines
- Upgradation of railway stations
- Improvement of railway safety



The railways component is expected to create jobs, reduce logistics costs, and improve the connectivity of the country.

Ports

The ports component of Gati Shakti will focus on the development of new ports, modernization of existing ports, and dredging of ports. The total number of ports to be developed under this component is 100.

The ports component will focus on the following:

- Development of new ports
- Modernization of existing ports
- Dredging of ports
- Upgradation of port infrastructure
- Improvement of port safety



The ports component is expected to create jobs, boost economic growth, and improve the connectivity of the country.

Airports

The airports component of Gati Shakti will focus on the development of new airports, modernization of existing airports, and upgradation of air traffic management systems. The total number of airports to be developed under this component is 200.

The airports component will focus on the following:

- Development of new airports
- Modernization of existing airports
- Upgradation of air traffic management systems
- Improvement of airport safety



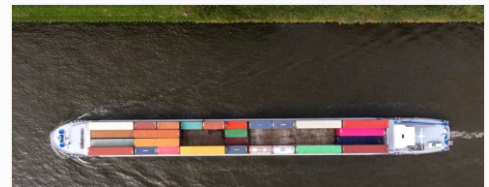
The airports component is expected to create jobs, boost economic growth, and improve the connectivity of the country.

Inland waterways

The inland waterways component of Gati Shakti will focus on the development of new waterways, modernization of existing waterways, and dredging of waterways. The total length of waterways to be developed under this component is 10,000 km (6,214 mi).

The inland waterways component will focus on the following:

- Development of new waterways
- Modernization of existing waterways
- Dredging of waterways
- Upgradation of waterway infrastructure
- Improvement of waterway safety



The inland waterways component is expected to create jobs, boost economic growth, and improve the connectivity of the country.

Pipelines

The pipelines component of Gati Shakti will focus on the development of new pipelines, modernization of existing pipelines, and upgradation of pipeline infrastructure. The total length of pipelines to be developed under this component is 10,000 km (6,214 mi).

The pipelines component will focus on the following:

- Development of new pipelines
- Modernization of existing pipelines
- Upgradation of pipeline infrastructure
- Improvement of pipeline safety



The pipelines component is expected to create jobs, boost economic growth, and improve the connectivity of the country.

Logistics

The logistics component of Gati Shakti will focus on the development of logistics parks, warehouses, and cold storage facilities. The total number of logistics parks to be developed under this component is 100.

The logistics component will focus on the following:

- Development of logistics parks
- Construction of warehouses
- Construction of cold storage facilities
- Improvement of logistics infrastructure
- Improvement of logistics efficiency



The logistics component is expected to create jobs, boost economic growth, and improve the connectivity of the country.

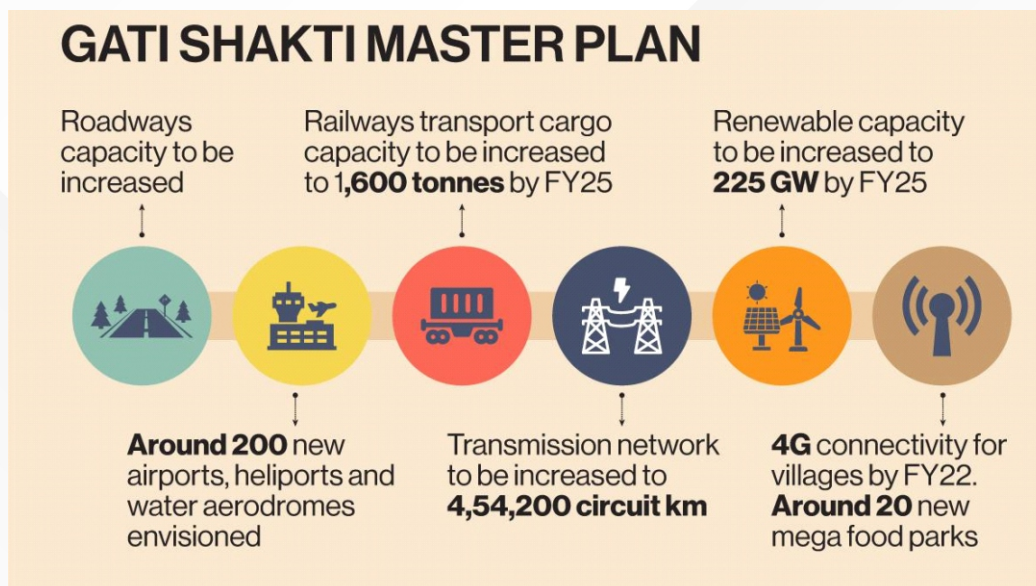
Gati Shakti: How does it work?

To get the mission started, a central portal will be set up to bring together the infrastructure projects planned and started by 16 central ministries and departments, such as railways, roads and highways, petroleum and gas, power, telecom, shipping and aviation, etc.

The Gati Shakti portal, which also aims to create a centralised transportation and logistics grid, will make it easier for these ministries to work together and speed up the process of getting projects approved.

Large infrastructure projects will now be built based on the Gati Shakti master plan. These projects include the Bharatmala, Sagarmala, UDAAN, and Bharat Net flagship projects, as well as the expansion of the 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.



Six Pillars of PM Gati Shakti

Comprehensiveness: It will include all the existing and planned initiatives of various Ministries and Departments with one centralized portal. Every Department will now have visibility of each other's activities providing critical data while planning & comprehensively executing projects.

Prioritization: Through this, different Departments will be able to prioritize their projects through cross-sectoral interactions.

Optimization: The National Master Plan will assist different ministries in planning for projects after the identification of critical gaps. For the transportation of the goods from one place to another, the plan will help in selecting the most optimum route in terms of time and cost.

Synchronization: Individual Ministries and Departments often work in silos. There is a lack of coordination in the planning and implementation of the project resulting in delays. It will help in synchronizing the activities of each department, as well as of different layers of governance, holistically by ensuring coordination of work between them.

Analytical: The plan will provide the entire data at one place with GIS-based spatial planning and analytical tools having 200+ layers, enabling better visibility to the executing agency.

Dynamic: All Ministries and Departments will now be able to visualize, review and monitor the progress of cross-sectoral projects, through the GIS platform, as the satellite imagery will give on-ground progress periodically and the progress of the projects will be updated regularly on the portal. It will help in identifying the vital interventions for enhancing and updating the master plan.

PM Gati Shakti Plan Goals

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 tonnes by FY25
Ease in the electricity access with the transmission network to be increased to 454,200 circuit km.	4G connectivity for the villages by FY22	Around 17,000 kms of gas pipelines will be completed in the same year
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

Gati Shakti: Benefits

- **Reduced logistics costs:** Gati Shakti is expected to reduce logistics costs by improving the efficiency of the transport system. This will make it cheaper to transport goods, which will benefit businesses and consumers.
- **Increased employment:** Gati Shakti is expected to create jobs during the construction phase and after the project is completed. This will help to reduce unemployment and boost the economy.
- **Improved safety:** Gati Shakti is expected to improve the safety of roads, railways, waterways, airways, and pipelines. This will reduce the number of accidents and deaths.
- **Improved connectivity:** Gati Shakti is expected to improve the connectivity of the country by developing new multimodal transport networks. This will make it easier for people and goods to move around the country, which will boost economic growth.
- **Improved environmental sustainability:** Gati Shakti is expected to improve the environmental sustainability of the transport sector by promoting the use of sustainable modes of transport, such as railways and waterways.

In addition to these benefits, Gati Shakti is also expected to:

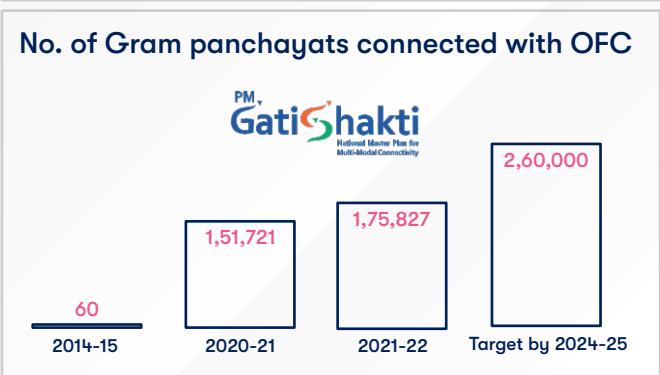
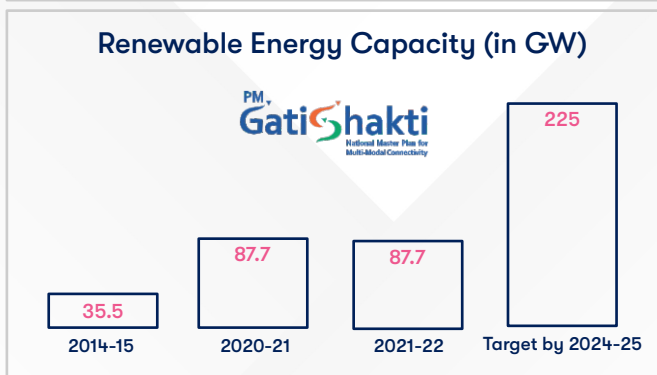
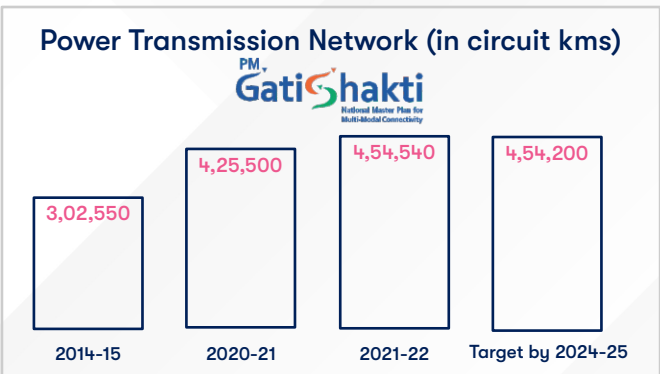
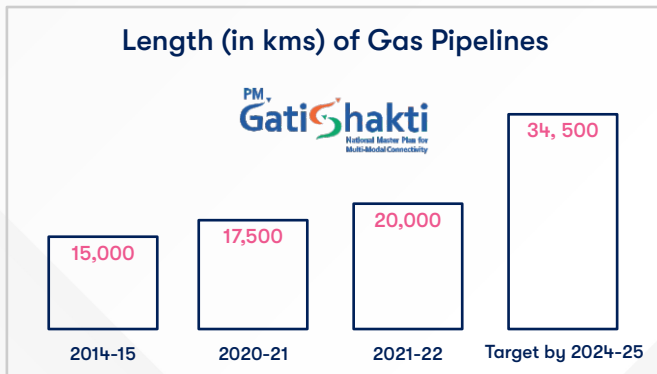
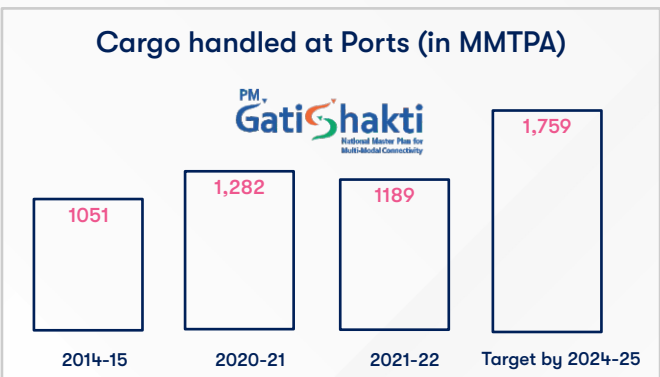
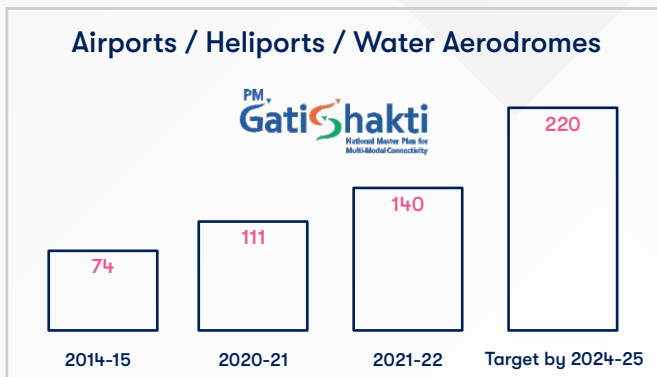
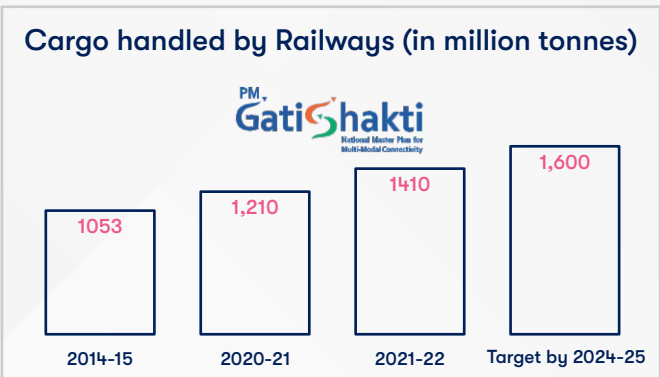
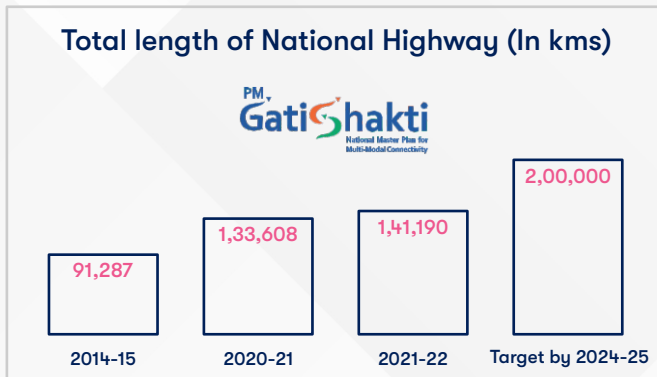
- Boost economic growth
- Improve the quality of life of the people
- Make India a more attractive destination for investment
- Enhance India's global competitiveness

Gati Shakti: Challenges

- **Land acquisition:** The plan requires a large amount of land for the development of new infrastructure. Land acquisition can be a time-consuming and challenging process.
- **Environmental clearances:** The plan requires a number of environmental clearances for the development of new infrastructure. Environmental clearances can be a time-consuming and challenging process.
- **Financial resources:** The plan requires a large amount of financial resources. The government may need to raise taxes or borrow money to finance the plan.
- **Public acceptance:** The plan may not be accepted by the public. The government may need to undertake public awareness campaigns to explain the benefits of the plan.
- **Technical challenges:** The plan involves the development of new technologies, which can be challenging and time-consuming.
- **Implementation challenges:** The plan is ambitious and will require effective implementation. There is a risk that the plan may not be implemented effectively, which could lead to delays and cost overruns.

Overall, Gati Shakti is a ambitious plan that has the potential to transform the transport sector in India and improve the lives of the people. However, the plan faces a number of challenges, which will need to be addressed in order for the plan to be successful.

Ministry wise target/achievements under PM GatiShakti



GatiShakti: Latest Update

Commerce minister reviews PM Gati Shakti progress

January 2, 2023: Commerce & industry minister Piyush Goyal on January 2, 2023, reviewed the progress of PM Gati Shakti mission with senior officials from 8 infrastructure ministries. During the review meeting, it was revealed that as many as 61 infrastructure project proposals have been evaluated and recommended by the NPG for implementation in the coming years.

Since its launch in October 2021, infrastructure projects approved by the Cabinet have either been completed or are already under implementation, the ministry said in a statement. The Network Planning Group (NPG) under PM Gati Shakti has held 41 meetings in the last one year.

While lauding the efforts made by various central ministries and states on this front, Goyal told them to identify attributes for data layers which will further enhance the NMP platform. Ministries have developed necessary mechanisms for validation and standardisation of data on their respective portals. This is helping in optimum planning and sound decision making across all layers of governance, the statement further said.

Also, 12 ministries – housing, literacy, higher education, women & child development, tribal affairs, panchayati raj, health, sports, youth affairs, rural development, culture and posts – are in advanced stages of data integration in the NMP platform. “With India now holding the G20 presidency 2023, creating a resilient and efficient logistics ecosystem and promoting seamless multimodal international transportation and transit is being put on international priority. As part of the Trade and Investment Working Group (TIWG), “Logistics for Trade” has been identified as one of the priority issues,” it said.

The ministries that participated in the review were include the ministry of railways, the ministry of road transport and highways, the ministry of ports, shipping and waterways, the ministry of civil aviation, the ministry of power, the department of telecommunication, the ministry of petroleum and natural gas, the ministry of natural and renewable energy, textile and steel.

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