

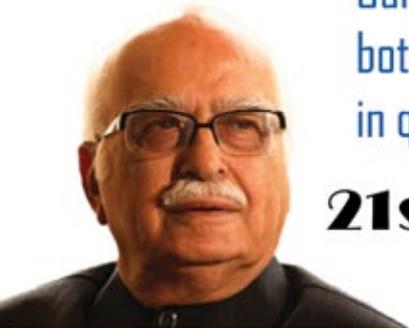


BHARATIYA JANATA PARTY

# INFRASTRUCTURE VISION

Our country deserves world-class infrastructure,  
both physical and social, which is commensurate  
in quality and quantity with our goal of making the

**21st Century India's Century!**



Good Governance, Development, Security

**Bharatiya Janata Party**

SECTOR	MAJOR PROMISES	IMPACT
 <p><b>IRRIGATION</b></p>	<p>River linking project</p> <p>Construct water conservation facility in every village</p> <p>Massive expansion of micro-irrigation systems</p>	<p>Every farm will be connected with water source</p> <p>More crop per drop</p>
 <p><b>POWER</b></p>	<p>Additional 120,000 MW in 5 years</p> <p>30kWh/month of electricity and 6kg/month of cooking gas for every household</p> <p>Make India leader in Green Technologies</p>	<p>24 hr power-supply to every village</p> <p>LPG access to every household</p> <p>Environment-friendly usage</p>
 <p><b>ROADS</b></p>	<p>Completion of Golden Quadrilateral, East-West-North-South corridor</p> <p>Completion of Pradhan Mantri Gram Sadak Yojna</p> <p>National Mission for Road Safety</p>	<p>Pucca roads linking every village by 2014</p> <p>Faster travel for everyone</p> <p>Save 45,000 lives every year by reducing road fatalities</p>
 <p><b>RAILWAYS</b></p>	<p>Dedicated freight corridors connecting four metros and industrial hubs</p> <p>Metro rail system in 25 largest cities</p> <p>Complete 100major rail projects</p>	<p>Cheaper distribution for industrial and agricultural products providing better margins to farmers</p> <p>Faster public transport</p>
 <p><b>PORTS</b></p>	<p>Massive expansion and modernization of India's port infrastructure</p> <p>Development of inland waterways</p>	<p>Easier access to ports</p> <p>Faster cargo turnaround time</p>
 <p><b>CIVIL AVIATION</b></p>	<p>Modernisation of airport infrastructure</p> <p>Better linkage to airports</p>	<p>Affordable and comfortable air-travel</p> <p>Easier and seamless access to airport</p>
 <p><b>TELECOM IT</b></p>	<p>Unlimited broadband to every village at cable TV prices</p> <p>Promotion of IT in Indian languages</p> <p>Multipurpose National Identity Card</p>	<p>1.2 crore IT enabled jobs in rural areas</p> <p>Bring IT to every Indian</p> <p>Prevent infiltration of foreign nationals</p>

# VISION FOR INFRASTRUCTURE DEVELOPMENT

Infrastructure is the foundation of the economy of any country. The wheels of the economy cannot move satisfactorily, and utilization of productive capacities cannot attain optimal levels, without adequate provision of power, energy, water for agriculture and industry, transportation of people and goods, telecom and IT, and basic civic amenities in urban and rural areas. Besides these physical infrastructure needs, a nation's sustainable economic growth and human development also depend on social infrastructure — education, healthcare, housing, drinking water and sanitation, recreation, and care of children, senior citizens and needy sections of the population. Protection of the environment forms the third leg of the infrastructure triad, whose criticality is evident as much in global concerns over climate change as in local concerns over air and water quality.

## **Congress misrule has created alarming infrastructure deficit**

The big gap between India's physical infrastructure needs, current as well as projected, and the actual reality is illustrated by the following comparative examples:

<b>Sector</b>	<b>India</b>	<b>Comparative example</b>
Roads	Out of India's 3.3 million km road network, only 2% of the total are national highways. Only 8,000 km (12%) of the national highways are dual carriageways, and not all of them are four-lane.	By the end of 2007, China had some 53,600 km of highways with four lanes or more.
<b>Railways</b>	By 2012, China's railroad will expand from 79,000 km today to 1,10,000 km. By the same date, India's railway network will inch 2,000 km ahead to reach 65,300 km.	This year alone, China will begin construction of 5,148 km of new lines — more than twice India's target for new lines over the next four years.

<b>Ports</b>	It takes an average of 20 days to clear import cargo in India.	In Singapore it takes 3 days
<b>Power</b>	In 2007, India achieved capacity addition of only about 7,000MW.	China added nearly 100,000 MW in the same year.
<b>Telecom and IT Infrastructure</b>	India has 2.8 crore PCs, 0.54 crore broadband subscribers and 5.2 crore Internet users.	China has 16.2 crore PCs, 8.5 crore broadband subscribers and 29.8 crore Internet users.
<b>Urban Infrastructure</b>	The average driving speed in Delhi has fallen from 27kph in 1997 to 10kph in 2009. Other lesser-endowed cities have far worse transportation systems. Walkways for pedestrians and space for cyclists have disappeared.	In spite of having four times more vehicles than India, China's death toll in road accidents is 60% of India's. (Nearly 130,000 people die in road accidents in India.)
<b>Water Supply</b>	None of the 35 Indian cities with a population of more than 1 million distribute water for more than a few hours per day	Paris which supplies about 100 liters of water per day per citizen is able to manage 24x7 water supply, where as cities like Delhi, which supply 300 liters of water per day per citizen is unable to do so.
<b>Sewerage</b>	Only 13% of the sewage produced in Indian cities is treated.	By the end of 2007, China's sewage treatment capacity has reached 80 million tons per day, and urban sewage treatment rate has hit 58%.
<b>Housing</b>	India's urban population is expected to double over the next two decades, to 57.5 crores, yet its cities are already choking. Mumbai has 1.7 crore inhabitants, half of whom live in slums.	

<b>Health Infrastructure</b>	India has an abysmal 0.7 hospital beds per 1000 population, at 1/5 <sup>th</sup> the world average.	World average is 3.96 hospital beds per 1000 population.
<b>Vocational Training</b>	India has only 5,000 ITIs with just 5% of the existing workforce in India receiving skill training.	China has 5,00,000 institutes of vocational training, 100 times more than India. 96% of Korean, 75% of German, and 80% of Japanese workforce received skill training.

**In 1980, both India and China were comparable on infrastructure data. However, as the above examples show, India has badly lagged behind China in the past three decades. It is principally on account of this infrastructure gap that China's economy has grown bigger, faster and on a more sustainable basis than India's.**

**This sorry state of affairs is mainly due to the prolonged neglect and misrule by the Congress party, which has governed India (both at the Centre and in many states) for the longest period since Independence.**

## **UPA has proved to be a disaster for infrastructure development**

History will record the UPA's term in office as five wasted years. The Government of Smt. Sonia Gandhi and Dr. Manmohan Singh will be remembered for its many failures and betrayals — unprecedented price rise, job losses on a massive scale, suicides by thousands of debt-ridden farmers, lack of political will to fight cross-border terrorism, which claimed the highest number of innocent lives. Its failure in infrastructure development is no less glaring. This is not empty political rhetoric, it is backed by facts from the Government's own reports.

**Highways:** The UPA Government's dismal and corruption-ridden performance in infrastructure development is most visible in the National Highway Development Project (NHDP), the largest and most ambitious infrastructure project since Independence started by the Government of Atal Bihari Vajpayee. As per the 106<sup>th</sup> Report of the National highways Authority of India (NHAI) dated 3 November 2008, the performance has been abysmal. Of a total length of 12,109 kms in NHDP Phase 3, just 554 (less than 5%) have been completed. Of the 6,500 kms in NHDP Phase 5, only 33 kms (0.05%) have been completed! Taking the NHDP programme as a

whole, **of the total 31,755kms, only 9,165 kms (26%) have been completed.** Since most of the Golden Quadrilateral component of NHDP had already been completed during the NDA rule, this means that the rest of the highway construction programme has suffered criminal neglect under the UPA rule.

<b>NHDP Status November 2008</b>	<b>GQ</b>	<b>NSEW</b>	<b>NHDP 3</b>	<b>NHDP 5</b>	<b>NHDP</b>
<b>Total length (km)</b>	5846	7300	12109	6500	31755
<b>Total till date</b>	5699	2879	554	33	9165 26%
<b>Under Implementation (kms)</b>	147	3442	1521	997	6107
<b>To be awarded</b>		821	10034	5470	16325
Financials (Rs. crores)					
<b>Cost of contracts</b>	3702	23880	2003	-975	28610
<b>Expenditure till date</b>	28377	23698	6207	871	59155

Here is another instance of the UPA Government's scandalous neglect of the highway project. Sixty packages of highway stretches were offered in 2008 for bids. For 43 of these, no bid at all was received. Of the 17 for which bids were received, in six there was only one bidder — as a result, none of these six contracts could be finalized without the approval of the Cabinet. In each of the remaining 11, bidders sought higher grants — up to 35 per cent higher than had been provided.

**The project completion rate fell from 81 per cent in 2004-05 to 56 per cent in 2007-08. The rate at which projects are being awarded under this flagship programme fell from 70 per cent in 2005-06 to an abysmal 17 per cent in 2007-08.** The miracle is that, on the other side, throughout this period the National Highways Authority has been successfully spending almost the entire amount given to it! The UPA's 'solution' to such delays has been typical: another committee was set up to monitor implementation of infrastructure projects. It was headed by the Prime Minister himself! The net result is evident from another review, this one done by the Planning Commission — the NHAI is now taking 20 months to award a contract as against the 5 months that have been specified. **The very same NHAI, under a more decisive and honest leadership of Gen. B.C. Khanduri, who was Minister of Surface Transport in the Vajpayee Government, had created the**

## **Golden Quadrilateral in record time and by and large, within budget!**

**Ports:** Between January 2004 and January 2008, there was an open confrontation between the Planning Commission and the Ministry of Shipping as to whose Model Concession Agreement (MCA) would prevail. The Planning Commission repeatedly tried to foist its own agreement on the line Ministry. Finally, when this was resolved in 2008, only one port, Ennore, was awarded. This too ended up in a court of law for it was not noticed at the time of scrutiny that two of the bidders had a conflict of interest.

**Power:** Of the 89,882MW under implementation by independent power producers (IPPs), which is a significant percentage of the total projects being done in the private sector:

- a. in 80% of them NO land has been acquired yet;
- b. in 57% of the cases there is NO fuel linkage provided;
- c. in 90% of the cases financial closure is yet to happen;
- d. in 86% of them EPC is yet to be awarded and
- e. In 91% of the cases construction is YET to commence!

Partha Mukhopadhyay, a senior research fellow at the Centre for Policy Research, New Delhi, made a vivid comment on the UPA Government's failure on the infrastructure front. **"In the final analysis, it may not be accurate to accuse this government of dropping the ball on infrastructure, for it never picked it up.** The next government...will have its work cut out for redressing these deficiencies." (*Live Mint*, 23 March 2009)

## **Freeing infrastructure development from poor governance**

The NDA, if elected to form the next Government at the Centre, is determined to work towards speedy removal of the infrastructure deficit in India.

Experience has amply proved that the main constraint in infrastructure development in India is not finance but poor governance. Speedy implementation is the critical missing link in the infrastructure sector. Sadly, over 250 central infrastructure projects in India have become victims of huge time and cost overruns. Faulty policy and legal framework, corruption, red tape, political interference, lack of intra-Governmental coordination, judicial delays, and lack of autonomy and accountability at the execution level have paralyzed project delivery. This substantially adds to manufacturing and business costs and reduces India's competitiveness.

**The most telling fact about the infrastructure scene in India is that 80 per cent of infrastructure is still being funded by public expenditure. This underscores the paramount role of Government in planning, financing and time-bound execution of projects, including projects under the Public-**

**Private Partnership (PPP) framework. Aware of this responsibility, a future BJP-led NDA Government will take bold steps to boost efficiency of project delivery in the public sphere and facilitate project implementation in the private sphere.**

Our specific assurances are as follows:

- 1. India's public sector is our national pride.** It has amassed tremendous experience in infrastructure project implementation over the decades. Unfortunately, its capabilities and resources have been weakened due to neglect, excessive Government control, political and bureaucratic interference, absence of level-playing field, and improper HRD policy. The NDA Government will remove these shortcomings, strengthen the public sector, and enable it to make its fullest contribution infrastructure expansion in India.
2. State utilities are even more in need of capacity building to implement and then run infrastructure projects. The NDA Government will create five National Institutes of Infrastructure Management to act as training institutes for the senior managers of central, state, and municipal utilities.
3. Infrastructure projects suffer from multiple approvals at different levels. Therefore, the NDA would establish a national empowered committee, with representation by state governments, to achieve fast-track clearances for nationally important power and other infrastructure projects.
4. Appropriate public sector delivery and implementation entities will be created on the lines of NHAI, NTPC and Delhi Metro. These entities will be given requisite autonomy, allowed to access capital markets, and operate professionally.
5. India's private sector has grown enormously both in size and project implementation capability. The Government will fully leverage the private sector's resources and capabilities by aggressively expanding the scope of Public-Private Partnerships.
6. Sufficient investment in coal and iron mining to sustain the infrastructure needs of India, through new, dedicated independent companies that will complement existing PSUs like Coal India and NMDC.
7. We shall vigorously promote clarity, transparency, and convergence of the policy and legal framework at the Centre and in States, especially for PPP projects that are bedeviled with problems at various levels. Dispute resolution mechanism will be both speeded up and made more effective.
8. One reason for the grudging cooperation by states is the low rates of royalty on mineral and other resources and fees for maintenance of central assets such as highways. These rates will be increased to realistic levels.

9. We shall simplify procedures by introducing hassle-free single-window clearances. Procedures for environmental clearance will be made purposive and streamlined. Recognizing that many projects require state-specific clearances, we shall work with the states to ensure that, while respecting unique state-specific sensibilities, the national interest in creating affordable infrastructure is kept paramount.
10. An attractive inventory of projects will be offered to prospective bidders through the competitive bidding route. It will include completed project dossiers, with all of the approvals granted by the Central and State authorities.
11. For projects that entail multiple clearances, acquisition of land, natural resource and transportation linkages, etc, the approach of setting up "shell companies" by the Government will be adopted, so that all preparatory actions are taken before the projects are put out to competitive bidding.
12. The regulatory framework for the infrastructure sector will be revamped by squarely addressing issues that have arisen due to multiplicity of authorities, lack of clarity over the relationship between regulatory agencies and line ministries, and the absence of overarching principles of regulation cutting across different sectors, including a robust legal framework that will give the regulators the capacity and the ability to promote consumer interests through fair competition.
13. The most glaring gap in the existing policy framework is neglect of the land and infrastructure needs of manufacturing and business entities in small and informal sectors. The NDA Government will set up an empowered mission to make good this deficiency, in cooperation with state governments.
14. Land acquisition for critical infrastructure projects has created considerable grievance among farmers. This is primarily because the UPA Government allowed land sharks and middlemen to profiteer at the expense of farmers. The NDA will address this problem in such a way that farmers will get, besides attractive price for their land, a permanent stake in development.
15. The interests of Project-Affected People will be fully safeguarded by ensuring that they get attractive compensation, besides guaranteed rehabilitation and resettlement. A law for effective and compassionate Rehabilitation and Resettlement (R&R) will be tabled in the first session of Parliament.
- 16. Since expeditious project implementation is the key to rapid progress, the NDA will institute a major scheme for rewarding states and firms that ensure time-bound implementation of key infrastructure projects.**

# 100 Projects of National Importance (PNIs)

The NDA will adopt 100 Projects of National Importance (PNIs) from different sectors and ensure their time-bound implementation. Here is an illustrative list of major sector-wise initiatives:

## Water

### Clean water to every home, adequate water to every farm

1. Speedy implementation of the river-linking project. Besides tackling the problem of recurring floods and drought, this project will bring multiple benefits to both rural and urban India.
2. Completion of major irrigation and drinking water projects.
3. Construction of at least one new water conservation facility (pond, check dam, etc.) in each of the six lakh villages in the country, and universalisation of rain water harvesting in urban India.
4. National Mission for de-polluting, desilting and capacity-expansion of existing water bodies.
5. Massive expansion of micro-irrigation systems (drip and sprinkler irrigation, etc.) to promote the goal of **'More Crop Per Drop'**.

## Energy & Power

### Affordable bijlee, 24x7, to every home, every farm, every factory

1. Addition of 120,000 MW of power generation capacity in five years through, *inter alia*, ten more Ultra-Mega Power Projects (UMPP), each with a generation capacity of 4,000 MW and more. Within 100 days, NDA will revive the UMPPs that have remained pending under the UPA regime. Immediately liberalize captive power generation to tide over current shortages.
2. An ambitious target of 20% from non-conventional sources such as wind, solar and biomass-based decentralized projects. The best brains in this field will be invited from around the world to work on a National Mission for Energy Conservation and Adoption of Green Technologies to make India a global leader in Green Energy. Best practices from Japan, Germany and other countries will be introduced.
3. Modernization of transmission and distribution infrastructure to cut T&D losses. Within 100 days formulate a credible program that would make available at least Rs. 100,000 crore for investment every year in the power transmission and distribution sector. Lack of investment in the distribution sector is the main reason for high level of technical and commercial losses.
4. The NDA will work closely with all State Governments (a) to create

an efficient national power grid of transmission and distribution networks; (b) to cut the losses of State Electricity Boards; (c) to ensure regular tamper-proof power metering; (d) to eliminate theft of power; and (e) to encourage competition at the distribution level through the “open access” system.

5. Within 100 days launch a new programme to replace the failed Rajiv Gandhi Vidyutikaran Yojana (where the coverage for BPL families in the UPA regime has been an abysmal 6%). The new NDA program would award franchises that guarantee universal coverage within five years.
6. Some 60 crore Indians live without electricity and some 70 crore Indians depend on biomass for the most primitive human need of cooking. Therefore, NDA commits to make 30 kWh/month of electricity and 6 kg/month of cooking gas as basic entitlement for every household in the country.
7. Launch a new program of LPG franchises that guarantee access to all households in a time bound manner.
8. The entire energy sector is suffering because of a distorted energy pricing regime. We tax and subsidize energy at the same time. So NDA will present a package to reform pricing and taxation of all forms of energy.
9. NDA will reformulate the current policy of allocating coal blocks to private and public sectors in a transparent manner in a bid to raise coal production in the country to meet rising demand.
10. Coal is, and will continue to be in the near future, the mainstay of India's power generation strategy. However, coal also entails heavy ecological costs. Therefore, the NDA will massively promote investments in clean coal technologies, so that India becomes one of the leaders in power production through “clean coal green coal”.
11. NDA will launch a programme to enhance coal handling capacity in Indian ports from the present level of 40 million tons to at least 100 million tons.
12. NDA will launch vigorous international initiatives that ensure India's long term energy security.

## **Roads**

**World-class highways linking every Indian city,  
pucca roads linking every Indian village**

1. Completion of all components of the National Highway Development Project — Golden Quadrilateral, East-West-North-South Corridors, and District Highways. **In the first 50 years of Independence, India built highways at the rate of 11 km per year. The NDA Government (1998-2004) achieved a rate of 11 km per day! The rate dropped to 5**

**km per day during the UPA rule.** A future NDA Government will speed up the implementation of NHDP by building highways at a rate of 20 km per day.

2. Completion of the Pradhan Mantri Gram Sadak Yojana by building pucca, all-weather roads linking every Indian village before 2014.
3. National Mission for Road Safety to reduce by half fatalities in road accidents.

## **Railways**

### **Making railways more accessible and comfortable for every Indian**

1. Dedicated Freight Corridors connecting Delhi, Mumbai, Chennai and Kolkata, and these to other mineral and industrial hubs.
2. Completion of all pending rail network expansion projects in a time-bound manner.
3. Modernization of 100 important railway stations.
4. Urban mass transit (metro rail) systems in the 25 largest cities of India.
5. National Mission for Railway Safety to be vigorously implemented.

## **Ports and Shipping**

### **Envisioning Indian ports among the best in the world**

1. Sagar Mala project for a massive expansion and modernization of India's port and shipping infrastructure.
2. Development of inland waterways in at least five important stretches.
3. Improve efficiency of port operations to reduce the average number of days it takes to clear import cargo from 20 to 5.
4. Upgrade the depth at ports, wherever possible, so as to improve existing capacity.

## **Civil Aviation**

### **Making air-travel more affordable, more comfortable and more safe**

1. Modernization of airport infrastructure in every state capital and important commercial centre.
2. Improve linkages from city centres to airports with the help of expressways, MRT and buses.

## **Telecommunications & IT**

### **Bringing the ICT Revolution to Bharat**

1. National *Digital* Highway Development Project for the creation of a robust, fault-resilient, redundant-capacity national Internet backbone.
2. Pradhan Mantri Gram Digital Sadak Yojana for nationwide last

- mile connectivity.
3. Unlimited broadband Internet (2mbps upload and download) connectivity to every village at cable TV prices.
  4. Unrestricted Voice Over Internet Protocol (VoIP) telephony to be allowed.
  5. Increase mobile phone subscribers from the present 40 crore to 100 crore; and achieve parity between mobile and Internet users.
  6. E-Bhasha, a national mission for promotion of IT in Indian languages.
  7. As part of its commitment to "E-Governance for Good Governance", we will implement the 'E-Gram Vishwa Gram' scheme, launched by the Gujarat Government, on a nationwide basis. Every Indian citizen to have a bank account; welfare funds to be deposited directly into end beneficiary's bank account to eliminate corruption.
  8. Infrastructure to develop a globally competitive IT hardware industry in India to reduce dependence on imports.
  9. Multi-purpose National ID Card Project to be completed in three years.
  10. Prepare a plan for creating 1.2 crore IT-enabled jobs in rural areas.

## **Rural and Agri-infrastructure**

### **Bringing prosperity, employment opportunities and vibrancy to our villages**

Agriculture is the backbone of India. To boost India's economic growth in a sustainable way and to remove disparity between India and Bharat, the NDA will facilitate massive investment in developing rural infrastructure. The guiding concept for our efforts will be PURA (Provision of Urban Amenities in Rural Areas).

1. Providing kisans with 24x7 electricity supply (as has already been achieved in Gujarat through the Jyotigram Yojana).
2. Pucca, all-weather road connectivity to every village.
3. Provision of clean drinking water and total rural sanitation.
4. A national programme for modernization of agricultural markets (Mandis), including legislative reform of their functioning to reduce intermediaries, so that farmers get better price for their produce.
5. Broadband Internet at cable TV prices, which will, inter alia, help farmers to make right decisions such as selection of crops, market place and adapting modern production techniques.
6. Massive investment in agro-support infrastructure like grain banks, cold storage houses and agro-processing units within rural clusters.
7. Total financial inclusion for the rural population, so that the credit and saving needs of kisans and other sections of the rural society are met by the formal banking system.
8. Reforming the National Rural Employment Guarantee Scheme in such

a way that it can make better contribution to creation of durable rural infrastructure with zero corruption.

9. Development of cargo hubs to facilitate hassle-free export of perishable agricultural produce.
10. Training and support centers for farmers to enable farmers to become agro-entrepreneurs.
11. Training elected representatives in better management of rural infrastructure.

## **Setting up NIFMA and empowering 100 Sreedharans**

The NDA will set up a high-powered National Infrastructure Facilitation and Monitoring Agency (NIFMA), along the lines of FIPB in the '90s, with a clear mandate to accelerate the implementation of PNIs. NIFMA will also remove the bottlenecks in the implementation of other projects that are running behind schedule. The composition of NIFMA, featuring the best of talent from the public and private sectors, itself will reflect the spirit of innovative public-private partnership. It will provide quarterly updates to the nation on the progress of PNIs and other projects. The NIFMA will report to the Prime Minister.

State Governments will be encouraged to set up similar high-powered State Infrastructure Facilitation and Monitoring Agencies (SIFMA).

The NDA recognizes that infrastructure development needs decisive, results-oriented and inspirational leadership. India has huge managerial talent. Unfortunately, our managers rarely get the autonomy and requisite powers, coupled with clear accountability norms, to show their true mettle. Whenever a right manager for the right project has been given the right powers to execute, we have seen amazing results. Shri E. Sreedharan of the Delhi Metro is a notable example, but there are many more. **The NDA will create an environment of top-level managerial empowerment for the emergence of 100 Sreedharans who can “make things happen”.**

## **Extending the PPP model beyond big projects**

Although the Government will necessarily have to play a leading role in infrastructure development, many new and innovative ways of project design, funding and execution have evolved over the recent years. The Public-Private Partnership (PPP) model, in particular, has worked well in big infrastructure projects such as highways, ports, airports, etc. The NDA believes that the time has come to extend it to rural infrastructure (irrigation, rural roads, cold chains and modern mandis) projects as well to urban services

(power supply, waste management, sanitation, etc). Viability funding will need to be provided at realistic levels. This will also give a fillip to small and middle-level local entrepreneurs, who can easily upgrade their role from being traditional contractors to project developers with more modern and comprehensive managerial skills.

## **Financing infrastructure development**

The estimated investment needed to make a big dent in infrastructure deficit in the country over the next five years is Rs. 25,00,000 crore or \$500bn. Although mobilization of this amount looks a formidable task, the NDA assures the nation that it will meet the challenge successfully.

1. The NDA is committed to bringing back the enormous black money stashed away in tax havens abroad. This will be used towards the development of infrastructure in our country.
2. Gross Capital Formation in Infrastructure will be raised to 10 % of GDP in the next 5 years.
3. India's forex reserves (now standing at \$247.3 billion) will be tapped for funding infrastructure development.
4. Refinancing-cum-interest cushioning will be provided through the India Infrastructure Finance Company Ltd. (IIFCL) for ongoing as well as fresh projects worth Rs. 2,00, 000 crore. IIFCL's lending limit for capital costs of a project will be increased from 20% to 40%.
5. India is in dire need of equity, especially big-ticket equity, for large infrastructure projects. The NDA would explore the establishment of an appropriate fund which will be seeded by government funds, and will seek funds from private sources. Its management will be broadbased, with government representation at the Board level. It will try to tap global pension and insurance funds to be co-investors in the fund.
6. Lower interest rates for Projects of National Importance.
7. External Commercial Borrowing (ECB) access for Non-Banking Finance Companies (NBFCs) lending to the infrastructure and core sectors, and also to integrated township development projects.
8. PSU Banks will be recapitalized by Rs. 50,000 crore.
9. A Special Purpose Vehicle (SPV) will be created to provide around Rs. 100,000 crore in liquidity support to financially healthy NBFCs financing infrastructure projects in the states and cities.
10. Relaxation of provisioning and lending norms for banks for infrastructure lending.

11. Allowing separate treatment to NBFCs lending to infrastructure sector
12. The NDA will take the necessary legislative and administrative steps required for the development of a corporate bond market in India.

## **National Integrated Urban Renewal Mission**

India is urbanizing rapidly. Over 35% of the country's population now lives in urban areas. This is expected to rise to 50 percent of the population within the next decade. The dividing line between urban and rural areas is getting thin in many places with the emergence of 'urban areas'. Unfortunately, holistic development of both urban and rural areas has suffered badly because of the prolonged neglect and misrule by successive Congress Governments.

The NDA will recast and vastly expand the coverage of the Jawaharlal Nehru National Renewal Mission into four urban renewal missions:

- **Jawaharlal Nehru Metro Renewal Mission** (for about 40 cities with a population of more than 10 lakh);
- **Sardar Vallabhbhai Patel District Centre Renewal Mission** (for all the 600 plus district towns, other than those covered in JNMRM);
- **Netaji Bose Tehsil Town Renewal Mission** (for all the 4,000 plus taluka towns); and
- **Pavitra Bharat Teerthasthan Renewal Mission** (for the pilgrimage centres of all faiths).

The common objectives under the above-mentioned schemes will be:

- (a) 100% of roads in 600 towns will be pucca;
- (b) 90 lpcd (litre per capita daily), water supply, preferably 24 hours;
- (c) 24 hour power supply;
- (d) 100% underground drainage and environment-friendly solid waste management;
- (e) 100% coverage of modern solid waste management systems;
- (f) 100% broadband internet connection;
- (g) Redevelopment of urban water bodies and green zones;
- (h) Modernization of railway and bus terminals in every district and tehsil centre, and development of excellent transportation facilities with modern technologies in PPP mode;

- (i) Modernization of market centres, warehouses and godowns in every district and tehsil in PPP mode;
- (j) Improvement of the quality of environment for all citizens.

The NDA's vision of comprehensive urban renewal has the following rationale and benefits: (1) Promotion of national pride with local pride; (2) District and Tehsil Headquarters are at the intersection of 'Bharat' and 'India', making them attractive intervention points for integral national development; (3) District and Tehsil Headquarters are natural centres for trade and economic activity, which serve as common markets to the nearby villages. Hence, their urban renewal has direct developmental spin-offs for rural areas. (4) The problem of geographical disparity in socio-economic development will be addressed. (5) There is an ever-growing migration of rural population to bigger cities especially state capitals causing huge strains to urban infrastructure. Modernization of district headquarters will protect societies in rural areas by reducing migrations and ease the stress on state capitals. (6) The plan works with the aim of attaining district level self-sufficiency and can be a launching pad for making further inroads into developing rural hinterlands.

1. At least 15 Indian cities will be developed as Global Cities in 5 years, with world-class airports, efficient mass transportation system, high quality social infrastructure, vibrant cultural life and a dynamic environment for economic growth with strong global linkages. At least 10 new cities will be developed on a futuristic standard of planning and infrastructure.
2. The infrastructure and other urban renewal needs of India's Metropolitan Centers will be addressed. Metro rail transport projects will be undertaken in all cities with a population of more than 20 lakh.
3. The NDA is committed to its goal of 'Housing for All'. The NDA proposes to facilitate construction of 10 lakh dwelling units for the poor every year. The Eleventh Five Year Plan estimates the deficit in low-income housing in India at 24 million units and expects it to get worse. To remove this deficit, the NDA will come up with effective financing mechanisms through government guarantees and mobilizing daily saving schemes to ensure repayment.
4. Mapping of all settlements will be undertaken and ownership documents issued so that poor and middle class people can draw bank finance and invest in habitat upgradation.
5. The NDA also proposes to launch a major national program for slum improvement and rehabilitation and to upgrade 'kutcha to pucca' houses.
6. Urban sanitation will be taken up on a mission mode.

## **Good Municipal Governance**

The NDA believes that Good Municipal Governance and Good Panchayat Governance are a critical component of Good Governance at the national level. Urban degeneration cannot be stemmed without strengthening municipal governance with the active involvement of citizenry. Unfortunately, provisions of the 74th Amendment of the Constitution, which seek to empower urban local bodies, have not yet been implemented in letter and spirit. The NDA will remove this shortcoming by devolving real powers from state capitals to urban municipal bodies.

To start with, we shall promulgate another constitutional amendment to truly empower the third-tier of governance by compulsorily creating an effective and elected mayor-in-council system for all cities and an effective and elected Zilla Panchayat president—both of whom will have direct control and supervision of all Government officials and agencies responsible for their cities and districts.

## **Good Panchayat Governance**

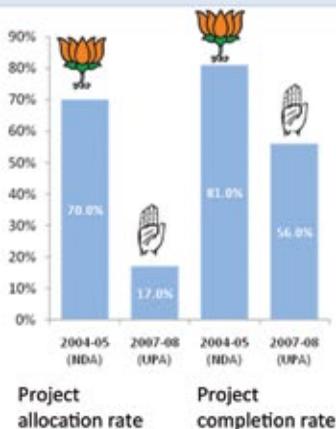
To empower self-governance at the grassroots level, the NDA will strengthen Panchayati Raj institutions. Towards this end, it will:

1. Work for the effective financial and administrative empowerment of Panchayati Raj institutions and Urban Local Bodies in respect of funds, functions and functionaries. There will be further devolution of powers by amending the Constitution.
2. The institution of the Gram Sabha will be strengthened to enable a full discussion on development projects, scrutinize the allocation and spending of funds, and evaluating the performance of elected and Government functionaries.

# The path-breaking infrastructure projects started by the Vajpayee Government were stalled due to UPA's dismal and corruption-ridden rule



## NDHP implementation suffered badly during UPA rule



## UPA Government's poor governance badly hurt infrastructure

- Prolonged neglect and misrule by Congress party
- Delay has led to costs increasing by 20-40%
- Projects worth more than Rs 90,000 crore held up due to inefficiency
- UPA tactics discouraged private investment in infrastructure
- Faulty policy and legal framework reduce India's competitiveness
- Corruption and political interference have paralyzed project delivery
- 406 contracts awarded over a period of time are under litigation

In the first 50 years of Independence, India built 556 km of 4/6 lane highways at the rate of 11 km per year. The NDA Government (1998-2004) built 25,000 km of 4/6 lane highways at a rate of 11 km per day!

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Rapid infrastructure development is critical for accelerated economic growth, removal of unemployment, bridging the rural-urban divide, broadbasing prosperity both geographically and socially, and ensuring a better life for every citizen. Expanding and modernizing India's infrastructure on a war-footing is our solemn commitment. That the BJP can Think Big and also Implement Big, has been demonstrated by Vajpayee Government's two dream projects: the National Highway Development Project and the Pradhan Mantri Gram Sadak Yojana. We will be more ambitious and result-oriented than any previous Government in New Delhi.

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**- L.K. Advani**