Development, Planning, Infrastructure, Finance, Corporations, Implications

Dunu Roy
Hazards Centre
Sector Contribution% to GDP

- Agriculture
- Industry
- Services
“The State shall ... direct its policy towards securing:

a) the citizens ... have the right to an adequate means of livelihood

b) ownership and control ... are so distributed as best to subserve the common good, and

c) (this) does not result in the concentration of wealth and means of production to the common detriment”

1950 – This is what the Government resolution said that set up the Planning Commission to sustain the ‘common good’
“Our challenge is to ensure that India’s middle class, an economically vibrant group unique in terms of its size and purchasing power, remains engaged and its potential is fully realised … … … Future national policies must incorporate the strength of the NRI community in order to broaden their participation in the new India…”

2015 – This is the Government notification that set up the National Institution for Transforming India to sustain growth.
Urban as *Engine* of Growth

- 1985 7th Plan
- 2007 Goldman Sachs
- 2008 Planning Commission
- 2010 McKinsey Institute

Productivity

- Agriculture
- Industry
- Services
- Wage ('U-Rr)
‘Growth’ & Labour

- **Productivity** goes up 4 times when labour moves from rural to urban area – Reserve Bank of India
- Urbanisation is an integral part of the process of economic **growth** – World Bank
- Make in India will attract Foreign Direct and Technological **investment** – Prime Minister
- **Labour** law reforms will encourage economic growth – Confederation of Indian Industry

When productivity goes up four-fold (and the target is nine-fold) to sustain **growth**, how much will wages of the producers go up by?
Development

- Central Places
- Central Classes
Visakhapatnam city has an industrial investment of Rs 20,000 crores. The Government’s new Industrial Policy boosts new investors in Andhra Pradesh. Industrial employment is 13% of total workforce.
Cycle of wealth
JnNURM Infrastructure Projects

Number of projects:
- Drainage/Storm Water Drainage
- Roads/Flyovers
- Water Supply
- Sewerage
- Urban renewal
- Public Transport System
- Other Urban Transport
- Solid Waste Management
- Development of Heritage Areas
- Preservation of Water Bodies

Cost of projects sanctioned:
Smart Cities

Number of projects:
- app-based projects 60 cities
- housing projects 60 cities
- open spaces riverfront
- other infrastructure

Cost of projects:
PPPs

- From bulk supply to operation / distribution
- From 100% private finance to management
- From multilateral to ULB / Govt. funding
- From international to domestic private sector
- Availability of public funding
- Improved mechanism to address tariff concerns
- Increased stakeholder / utility support
- Buy-back and profit guarantees
Transformation

Tenth Plan

NURM

MoU
CDP
DPR
PPP
SPV
ULBs
Markets
Rev Fund

VBAM
SMTDP
NSDP
VAMBAY
SJSRY

SMART
AMRUT
SPHFA

UEIIP
NEP
NTP
WB/IMF
WTO/NAMA

MP/DDP

Public Private Partnership
In Urban Infrastructure

Presentation by
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Mahindra & Mahindra Ltd.

Microsoft
McKinsey
Oracle
Cisco
KPMG
IBM
TCS
L&T

Infrastructure Development Sector

Infrastructure Development

MAHINDRA
IDS

Mahindra
ACRES

Mahindra
ACRES
Implications

• Collapse of democratic social contract
• Fusion of state with investor interests
• Transfer of benefits from poor to rich
• Increased stress on natural resources
• Proliferation of dissent and protest
• Authoritarian centralized suppression