5. India's Infrastructure Boom- Economy

World bank ranks India among the top five countries in terms of private investment in infrastructure among low- and middle-income economies.

The Economic Survey 2025-26 positions infrastructure as the primary driver for India's transition into a high-middle-income economy. The strategy focuses on system-level development through integrated planning and diversified financing, moving beyond simple asset creation.

Infrastructure Financing and Planning

The shift from isolated projects to a coordinated "Whole-of-Government" approach is a defining feature of the current fiscal year.

Massive Public Outlay- Government capital expenditure has surged 4.2 times, rising from ₹2.63 lakh crore in FY18 to a budgeted ₹11.21 lakh crore in FY26.

The Multiplier Effect- Public investment is strategically used to catalyse the economy; studies estimate that for every rupee spent on infrastructure, GDP gains worth ₹2.5–₹3.5 accrue over the medium term.

PM GatiShakti- This National Master Plan uses a GIS-based digital platform (with 1,400+ data layers) to synchronize planning across 44 Ministries, reducing bureaucratic silos and lowering logistics costs.

Diversified Funding Sources- Financing is moving away from bank-heavy lending toward-

1. InvITs and REITs- Pooling long-term capital for highways and real estate.
2. NBFCs- Credit flows from NBFCs to the commercial sector grew at a CAGR of 43.3% (FY20–FY25).

Private Sector Role- India ranks among the top five nations globally for private investment in infrastructure (World Bank) and accounts for over 90% of South Asia's total private infrastructure investment.

Core Physical Infrastructure

India's physical connectivity has seen a decadal transformation, with a focus on speed and multimodal integration.

National Highways and Roads

1. Network Growth- Expanded by 60%, from 91,287 km (FY14) to 1,46,572 km (Dec FY26).
2. High-Speed Corridors (HSCs)- A nearly ten-fold increase from 550 km (FY14) to 5,364 km (Dec FY26).
3. Decongestion Strategy- New focus on Economic Corridors and urban bypasses/ring roads to separate local and long-distance traffic.

Railway Infrastructure

Electrification- Reached 99.1% of the broad-gauge network as of October 2025.

Capacity Upgrades- Over 78% of routes now support speeds of 110 kmph+.

Key Projects-

1. Amrit Bharat Scheme- Redevelopment of 1,337 stations.
2. Mumbai-Ahmedabad High Speed Rail- Progressing as a cornerstone of high-speed travel.
3. Kavach- Indigenous train protection system being rolled out nationwide for enhanced safety.

Aviation, Ports, and Waterways

Modernization and improved turnaround times have increased India's global maritime and air competitiveness.

Sector	**Metric/Highlight**	**2014 Status**	**2025/26 Status**
Aviation	Number of Operational Airports	74	164
Aviation	Global Market Rank	N/A	3rd Largest Domestic Market
Waterways	Inland Cargo Movement	18 MMT	146 MMT
Ports	Performance Index	Lower Rank	7 Ports in Global Top 100

Shipping Reforms- Introduction of the Shipbuilding Financial Assistance Policy (2025) with a ₹69,725 crore package to revitalize the maritime ecosystem.
UDAN Scheme- Driving regional connectivity, with passenger traffic projected to reach 665 million by FY31.

Energy Sector Transformation

The energy sector is undergoing a structural shift toward non-fossil fuels and financial stability.
Power Capacity- Total installed capacity reached 509.74 GW (Nov 2025).
DISCOM Turnaround- For the first time, distribution companies recorded a positive Profit After Tax (PAT) of ₹2,701 crore in FY25.
Efficiency- AT&C losses dropped from 22.62% to 15.04%; the supply-demand gap is now effectively nil.
Renewable Energy (RE) Milestone-

1. Growth- RE capacity more than tripled in a decade (76.3 GW in 2014 to 253.96 GW in 2025).
2. Global Rank- India ranks 3rd globally in overall RE and solar capacity, and 4th in wind capacity.
3. Mix- non-fossil fuels now constitute nearly 50% of India's total power generation capacity.

Digital Infrastructure as a Force Multiplier

Beyond physical assets, Digital Public Infrastructure (DPI) acts as the backbone of modern services.
5G Reach- Services are now available in 99.9% of districts.
Tele-density- National tele-density has reached 86.76%.
Integrated Platforms- Unified Logistics Interface Platform (ULIP) and FASTag have significantly reduced transit times and paperwork for logistics providers.
Source- https-//www.pib.gov.in/PressReleasePage.aspx?PRID=2219991&reg=6&lang=1