

Where has gone all the money?

The corruption at high places is eating away the vitals of our economy and placing unbearable burden upon the people of India. The goings on in the road sector demonstrate this one again.

The Road secretary of Union government, Vijay Chibber has blamed the banks for giving loans to high projects without showing diligence and creating a bubble. "Banks have killed the road sector", he said. It is like putting the horse behind the cart.

It is known for a long time that 14 national highway projects are in limbo because of the lack of finances. According to the Chibber, banks have happily lending to the developers far above the costs of projects than what was assessed by the National Highway authority of India, and the developers have taken the money out of projects.

The developers have inflated the cost of project and justified it by showing fake studies of going to be increased traffic to get the loans from the banks. As the project completed, it failed to generate incomes to repay the loans. The banks now refused to finance the new projects taken up by the same developers. Thus 14 projects, valued more than 3 lakh crore rupees have now remained unimplemented. It is well known fact that the money taken out from the projects by the developers has been shared by the men in power.

This was happened during the UPA's rule. The BJP which harped on the corruption of UPA government and promised to provide corruption-free rule, has now decided to recapitalise the banks with public money. Recapitalisation of banks is an euphemism for compensating the nonperforming assets of the banks. Now the government decided to use scientific 'methods' of measuring traffic.

Why blaming banks now? Many reports show that the developers are earning less than estimated revenues from toll because of lower traffic. What the government and its organs are doing when the traffic figures are being manipulated/ What the NHAI is doing when the developers are inflating the costs of the projects. It makes clear that the entire system thrives on corruption and it now decided to put the entire burden on the backs of the people.
