

Road, rail, coal may dominate NMP 2.0

Ministries drafting action plans; final assets to be submitted by month-end

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New Delhi, 12 February

Roads, railways, and coal together are likely to account for 70 per cent of the government's takings from the upcoming second edition of the National Monetisation Pipeline (NMP), set to run from FY26 to FY30.

In comparison, these three sectors are estimated to have contributed 66 per cent in the first edition of the NMP — FY22 to FY25.

The ₹10 trillion asset monetisation pipeline will rejig some of the priorities of the government in terms of generating revenue from brownfield assets, having learnt from the experiences of the first pipeline, but will continue to bank on sectors that have previously generated good returns, according to senior government officials in the know.

The core group of secretaries on asset monetisation (CGAM) met last week to conduct a final progress review on the first monetisation pipeline and discuss the second

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Sector	Revised target under NMP 1.0 (₹ trn)	Target achieved in % (from FY22-FY25)*	Proposed target in NMP 2.0 (₹ trn)**
Roads	1.6	80	3.5
Railways	1.0	30	1.7
Power	0.85	60	1.0
Coal	0.8	255	1.5

Note: Approximate values; ** for FY26-FY30

Source: Govt Officials

pipeline, which may be launched soon. "Certain targets have been proposed as of now, where roads are likely to account for around ₹3.5 trillion over the next five years and railways could generate ₹1.7 trillion. Coal, which saw a lot of success in the first pipeline, could see ₹1.5 trillion as a target till FY30 and power would contribute approximately ₹1 trillion of the pipeline," a senior official said.

The official said the ministries were preparing their action plans and final asset pipelines would be sent to the panel by the end of the month.

According to a second official, the government made more money through coal monetisation than even highways, with likely four-year proceeds of ₹2 trillion.

Union Finance Minister Nirmala Sitharaman said in her Budget speech on February 1: "Building on the success of the first Asset Monetization Plan announced in 2021, the second Plan for 2025-30 will be launched to plough back capital of ₹10 lakh crore in new projects. Regulatory and fiscal measures will be finetuned to support the Plan." Asset monetisation involves

engaging private operators for government-owned, revenue-generating assets. The purpose of the pipeline is to recycle capital to feed the National Infrastructure Pipeline of ₹111 trillion.

The first asset monetisation programme was meant to generate ₹6 trillion. According to the government, 90 per cent of the target between FY22 and FY25 has been met. The Centre had to account for underperformance by key sectors such as railways and telecom while gaining from overachievement by sectors such as coal, ports, and mines.

Queries sent to the NITI Aayog and Ministry of Finance remained unanswered till the time of going to press.

The Department of Telecommunications is likely to see a major trimming down of its monetisation targets under NMP 2.0, owing to its underperformance in the past.

According to officials, the department is likely to end the first monetisation cycle with a 4 per cent achievement of its ₹35,000 crore monetisation target.