

GOVERNMENT OF INDIA
MINISTRY OF PLANNING

RAJYA SABHA
UNSTARRED QUESTION NO. 2550
TO BE ANSWERED ON 20.12.2021

NMP TARGET AND ACHIEVEMENT

2550 Shri Jawhar Sircar:

Will the Minister of Planning be pleased to state:

- (a) whether the infrastructure offered under the new National Monetisation Pipeline (NMP) is really to strengthen existing monopolies and oligopolies with massive own and bank funds to bid for airports, ports, coal mines, gas pipelines and power generation;
- (b) if not, what steps are being taken to ensure that this does not happen and whether Government will guarantee it;
- (c) the sectoral targets for this financial year and how much has been achieved so far; and
- (d) what guarantee is there to ensure that public assets are not squeezed dry or damaged during lease periods?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS

(RAO INDERJIT SINGH)

- (a) No, Sir. National Monetisation Pipeline is aimed at enabling accelerated infrastructure creation and bringing efficiencies in infrastructure operation and maintenance for a multiplier impact on the economy.
- (b) Monetisation through structures such as InvITs are akin to mutual funds and have a broad based participation from various investor classes that include Domestic Institutional Investors, retail investors, Foreign institutional investors etc. In case of monetisation based on contractual approaches, modalities with respect to bidding are normally finalised by the respective Ministries and asset owning entities at the time of formulation of bidding documents. Further, Modalities of the monetisation including bidding are appraised prior to approval by the competent authorities, as applicable.
- (c) Sectoral targets for this financial year (i.e. FY 2021-22) under NMP are envisaged for tracking of progress. Sectoral targets include Roads : 5,000 kms, Railways : 40 stations, 2 nos. hill railways, 3 nos. railway stadiums, Power : 4873 ckm transmission assets, 373 MW generation assets, Ports : 13 projects of berths, terminals etc., Aviation : 6 airports and Oil & Gas: 2,229 km natural gas pipelines, 755 km petroleum product pipeline, 1 Hydrogen generation plant.

During the current financial year, POWERGRID completed the first asset monetisation by a CPSE through the Infrastructure Investment Trust (InvIT) route. National Highways Authority of India (NHAI) has also monetized 390 kms of highways under Infrastructure Investment Trust (InvIT) Mode and has bid out 3 highway bundles aggregating to 450 km through Toll Operate Transfer (TOT) mode. In Ports sector, bid process for 11 projects is underway at various stages. Transaction studies, structuring and approval process for other assets identified under the NMP is underway that includes pipelines, railway stations, airports, ports, hill railways, stadiums, railway housing colonies etc.

- (d) Extant guidelines for appraisal, approval, documentation as well as bidding process duly approved by the competent authority, need to be followed for monetisation transactions. Further, operations and maintenance of underlying assets therein is governed by applicable laws as well as performance standards and other key performance indicators as per the underlying agreements between the public authority and the operator or the concessionaire, as the case may be.
