Union Finance Minister Smt. Nirmala Sitharaman launches National Monetisation Pipeline 2.0 (NMP 2.0)

NMP 2.0 aligns with infrastructure development plans of Viksit Bharat initiative: Union Finance Minister

NMP 2.0 estimates monetisation potential of ₹16.72 lakh crore

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Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman today launched the second phase of asset monetisation pipeline of Central ministries and public sector entities - ‘National Monetisation Pipeline 2.0 (NMP 2.0)’. The second phase of the pipeline has been developed by NITI Aayog, in consultation with infrastructure line ministries, based on the mandate for ‘Asset Monetisation Plan 2025-30’ as announced in the Union Budget 2025-26.

The NMP 2.0 estimates aggregate monetisation potential of ₹16.72 lakh crore, including private sector investment of ₹5.8 lakh crore under asset monetisation pipeline of Central ministries and public sector entities, over the five-year period from FY 2026 to FY 2030.

NMP 2.0 was released today in presence of CEO, NITI Aayog and Secretaries of infrastructure line ministries included under the pipeline — Road Transport and Highways, Railways, Power, Petroleum and Natural Gas, Civil Aviation, Ports Shipping and Waterways, Telecommunications, Tourism, Food and

Public Distribution, Mining, Coal and Housing and Urban Affairs — along with the Secretaries of Ministry of Finance, Secretary Law, and the Chief Economic Adviser.

In her address at the launch, the Union Finance Minister complimented all the ministries/ departments of the Government and NITI Aayog for meeting nearly 90% of the target of Rs. 6 lakh crore set for 4 years in the implementation of NMP 1.0.

Smt. Sitharaman said that the NMP 2.0 is aligned with the mission of achieving Viksit Bharat through accelerated infrastructure development and that the NMP has the potential to fuel India's growth momentum.

The Union Minister of Finance observed that the NMP 1.0 was the first of its kind of pipeline at a large scale, and best practices learnt by the authorities concerned should be leveraged in NMP 2.0. Smt. Sitharaman underscored that the learnings and experiences of NMP 1.0 will serve as a guide to ensure that resources and opportunities are optimised to achieve results in a time-bound manner. The Union Finance Minister exhorted all the departments to focus on process simplification and standardisation so that monetisation becomes a seamless experience.

Smt. Sitharaman also noted that the five-year asset monetisation target has been set at an ambitious Rs. 16.7 lakh crore, over 2.6 times higher than that under NMP 1.0, and added that the Ministries/Departments must aim to surpass the indicated targets through proactive efforts.

Highlighting the significance of asset monetisation, the Union Finance Minister said NMP enables recycling of productive public assets, thereby unlocking resources for reinvestment in new projects and capital expenditure. She noted that this approach facilitates efficient mobilisation of funds for CAPEX in public assets while minimising budgetary outgo of the Government.

NMP 2.0 is a culmination of insights, feedback and experiences consolidated through multi-stakeholder consultations undertaken by NITI Aayog, Ministry of Finance and line ministries. Several rounds of discussion have been held by NITI Aayog with the stakeholders. This is a whole of a government initiative.

An empowered Core Group of Secretaries on Asset Monetisation (CGAM) under the chairmanship of Cabinet Secretary will continue to monitor the progress of the Asset Monetisation programme. The Government is committed to making the asset monetisation programme, a value accretive proposition both for public sector and private investors/developers, through improved infrastructure quality and operations & maintenance.

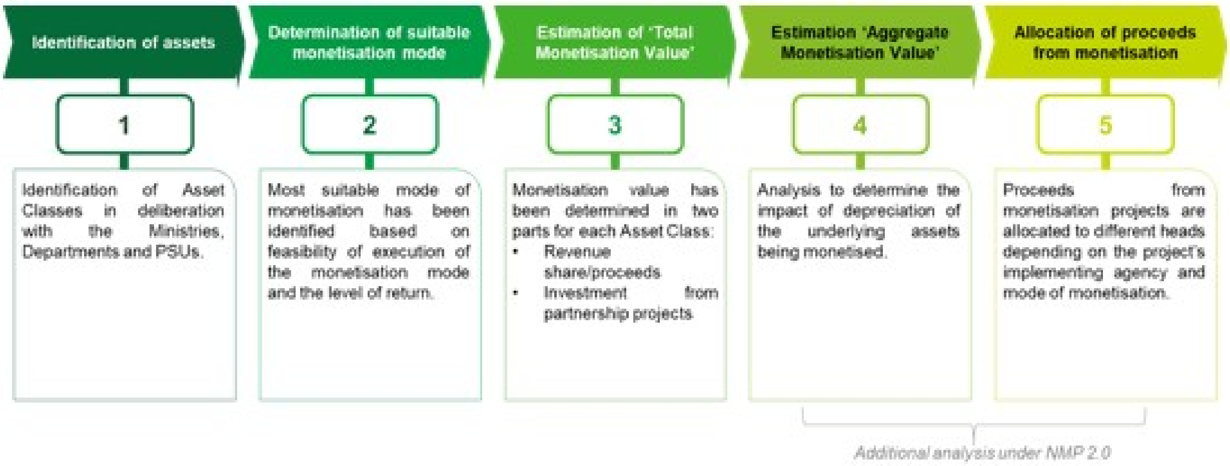
About National Monetisation Pipeline 2.0

The Union Budget 2025-26, building on the success of the first Asset Monetisation pipeline, identified monetisation of operating public infrastructure assets as a key means for sustainable infrastructure financing. Towards this, the Budget provided for preparation of a 'National Monetisation Pipeline 2.0 (NMP 2.0)'. NITI Aayog in consultation with infra line ministries has prepared the report on NMP 2.0.

NMP 2.0 aims to provide a medium-term roadmap of the programme for public asset owners; along with visibility on potential assets to private sector. Report on NMP 2.0 is structured as a guidance book, detailing the methodology, and roadmap for monetisation.

Framework: NMP 2.0 shall broadly follow the concept of asset monetisation as laid out in NMP 1.0. Asset monetisation shall comprise elements such as transfer of assets for a limited period, divestment of portions of listed entities to unlock additional capital, securitisation of cash flows or strategic commercial auctions.

The approach to estimation of monetisation potential under NMP 2.0 is divided into five stages:



The proceeds from asset monetisation projects are allocated to four different heads depending on the implementing agency of the project, as well as the project's mode of monetisation.

- **Consolidated Fund of India**: Any type of Government revenue from a monetisation project that is implemented by a Central Ministry (for example, revenue share, premium, lease rental, royalty) shall flow to Consolidated Fund of India.
- **PSU/Port Authorities allocation**: Proceeds from monetisation activities undertaken by PSUs shall accrue to the concerned PSU (similar norm shall be followed for Major Port Authorities).
- **State Consolidated Fund**: Certain projects under NMP 2.0 are expected to generate revenues to the State Governments, especially those belonging to the mines and coal sectors (royalty payments). These proceeds shall accrue to State Consolidated Fund.

- **Direct investment (private)**: This head shall record the investment by the private sector in monetisation projects that involve construction and/or major maintenance components.

NMP 2.0 award targets: The aggregate asset pipeline under NMP 2.0 over the five-year period, FY 2026-2030, is indicatively valued at INR 16.72 Lakh Crore including private sector investment of INR 5.8 Lakh Crore. The sectors included are highways (including MMLPs, ropeways), railways, power, petroleum and natural gas, civil aviation, ports, warehousing and storage, urban infrastructure, coal, mines, telecom and tourism.

The following tables- Table-1 and Table-2 provide the details of sectoral targets under NMP 2.0 for the entire five-year period and annual phasing of NMP 2.0 targets sector wise respectively.

Table -1: Sector-wise NMP 2.0 Award Targets over FY 2026-30 (in INR Crore)

Sl.	Sector	Total Monetisation Value (TMV)	Percentage of total
1.	**Highways, MMLPs, Ropeways**	4,42,000	26%
2.	**Railways**	2,62,300	16%
3.	**Power**	2,76,500	17%
4.	**Petroleum and natural gas**	16,300	1%
5.	**Civil aviation**	27,500	2%
6.	**Ports**	2,63,700	16%
7.	**Warehousing and storage**	10,000	1%
8.	**Urban infrastructure**	52,000	3%
9.	**Coal**	2,16,000	13%
10.	**Mines**	1,00,000	6%
11.	**Telecom**	4,800	0.3%
12.	**Tourism**	1,200	0.1%
	Total	**16,72,300**	**100%**

Table 2: NMP 2.0 award phasing of Total Monetisation Value, FY 26 – FY 30

(in INR Crore)

Sl.	Sector	FY26	FY27	FY28	FY29	FY30	Total
1.	**Highways, MMLPs, Ropeways**	59,140	68,770	91,800	1,04,430	1,17,860	**4,42,000**
2.	**Railways**	40,580	58,451	50,464	59,214	53,591	**2,62,300**
3.	**Power**	49,900	54,450	62,700	54,725	54,725	**2,76,500**
4.	**Petroleum and natural gas**	4,240	4,288	4,658	1,557	1,557	**16,300**
5.	**Civil aviation**	-	9,083	5,537	4,034	8,846	**27,500**
6.	**Ports**	40,854	55,729	55,729	55,729	55,659	**2,63,700**
7.	**Warehousing and storage**	4,318	1,813	1,941	958	970	**10,000**
8.	**Urban real estate**	-	5,000	5,000	21,000	21,000	**52,000**
9.	**Coal**	31,540	48,170	47,580	45,230	43,480	**2,16,000**
10.	**Mines**	18,101	18,986	19,963	20,940	22,010	**1,00,000**
11.	**Telecom**	820	875	940	1,035	1,130	**4,800**
12.	**Tourism**	-	820	-	-	380	**1,200**
	Total	**2,49,493**	**3,26,435**	**3,46,312**	**3,68,852**	**3,81,208**	**16,72,300**

It is estimated that largest portion of the proceeds under NMP 2.0 shall accrue to Consolidated Fund of India, followed by direct investment (private), PSU or Port Authority allocation and State Consolidated Fund.

The assets and transactions identified under the NMP 2.0 are expected to be rolled out through a range of instruments including direct contractual instruments such as public private partnership concessions, capital market instruments such as Infrastructure Investment Trusts (InvIT) among others. The choice of instrument will be determined by the sector, nature of asset, timing of transactions (including market considerations), target investor profile and the level of operational/investment control envisaged to be retained by the asset owner etc.

The monetisation potential values assessed under NMP 2.0 are indicative and are subject to variation at the time of the actual transaction.

Access the full report here: https://niti.gov.in/sites/default/files/2026-02/National-Monetisation-Pipeline.pdf

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