**Brief on Asset Monetization of Roads in India:**

Hon’ble Finance Minister of India announced “National Monetization Pipeline” in August 2021, laying down the plan and strategy to monetize assets worth USD 82 Billion over next four years, out of which the share of road sector is USD 21 Billion i.e., 27% from monetization of 26,700 kms of roads. National Highway Authority of India (NHAI), the national agency responsible for development of roads & highways in India is also entrusted with the monetization of road sector.

Domestic credit rating of NHAI is AAA by all domestic rating agencies and its international credit rating is Baa2 by Moody’s and BBB – by S&P which is at par with Sovereign Rating.

NHAI has a portfolio of over 6,500 km of roads identified for monetization, out of this 1,600 km of roads ready for bidding in FY 22 through Toll Operate Transfer (TOT) and Infrastructure Investment Trust (InvIT).

Roads are an important asset class in India since there is a high correlation between GDP and road transport and highways account for 60% of freight traffic movement in the country. Participation in early stage of the InvIt program is beneficial since it is an entirely diligent portfolio (Technical Reports, Traffic Reports, Credit Rating from reputed 3rd party consultants available). There are best terms available in the initial offer and it is being offered to only select Investors globally.

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**Brief on the Asset Monetization Program of POWERGRID (Power Grid Corporation of India Ltd):**

* As per National Monetization Pipeline, Vol-II issued by NITI Aayog, assets across various infrastructure sector amounting to **USD 81 Billion** are to be monetized. Out of which, **USD 6.12 Billion** pertains to Power Transmission (Assets of Power Grid Corporation of India Ltd.).
* POWERGRID created Infrastructure Investment Trust PG InvIT on 07Jan 2021.

**1st Round of Monetization : USD 1.05 Bn(FY 21-22) : Completed in May’21**

 Main foreign investors in the first round: CPPIB (Canada Pension Plan Investment Board), Capital Group, Fidelity, Schroders, Utilico, Matthews, CIM Investment

 Other major investors (in public offer): - Citigroup, BNP Paribas, Morgan Stanley

**2nd Round of Monetization : USD 1.01 Bn(FY 22-23) : Preparatory work started.**

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