



National Infrastructure Pipeline (NIP)

NIP deployment concentrated in transport, renewable energy, affordable housing and irrigation

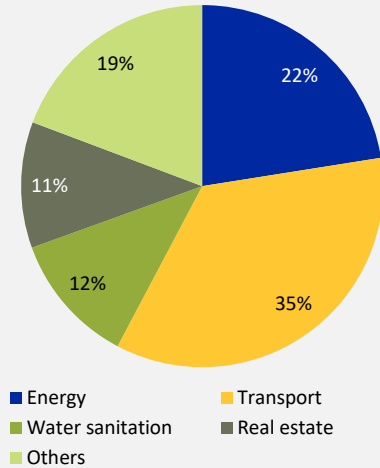
MARCH 2024





[Click to see full report](#)

Exhibit: NIP investment sector wise



The National Infrastructure Pipeline (NIP) was launched in 2019, with an intention to attract investment in projects with a project cost of more than Rs. 100 crore, with a target investment of Rs. 111 trillion. The latter has since increased by 40-45% to reach Rs. 160 trillion today, with a substantial increase in the number of projects. ~90% of the initial project count are either completed or under conceptualisation stage. Around 2,600 projects (added between FY2020-2025) at an investment of Rs. 49 trillion, are currently at their conceptualisation stage. Overall, NIP investments are concentrated in five major sectors - roads, railways, renewable energy, affordable housing and irrigation and 15 major states.

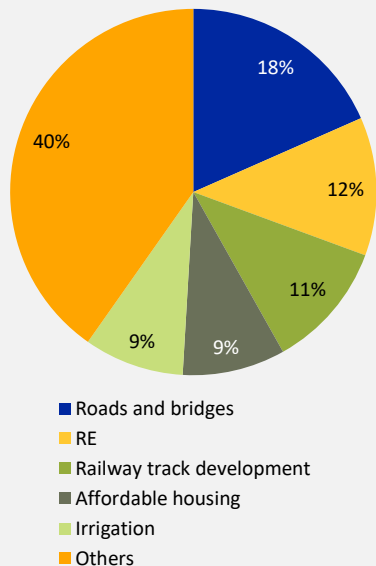
Transport:

- Traditional sources like railways and roads have a predominant share of 80% in the NIP investments for the sector.
- Other modes of transport like metro, multilevel parking, inland waterways, etc, have also witnessed significant investments.
- Government schemes like Bharatmala and Sagarmala in this sector do not form a major part and have a modest share of less than 10% of the total NIP investments in the sector.

Energy:

- With the Gol's commitment to climate goals, there is lot of focus and investments in the Renewable Energy (RE) sector. Nearly 50% of the energy sector investments in NIP are in RE.
- Traditional sources of energy form a significant share of ~27% and energy infrastructure takes up rest of the investment of ~25%, which includes distribution, transmission and storage.
- Government schemes in this sector include the National Solar Mission, although it has a marginal share of less than 1% in the total NIP investments in the sector.

Exhibit: NIP investment sub sector wise



Real estate:

- Affordable housing is critical for Gol’s Housing for All mission. It forms a major share of 70% in the NIP investments for the sector. Non-residential development like common infrastructure, industrial parks, manufacturing zones and convention centres, etc, attract ~28% of investments in the sector.
- Only 5% of the NIP investments in the sector are under the Pradhan Mantri Awas Yojana (PMAY).
- However, in Budget FY2025, the Gol has taken an additional target of 2 crore houses for the next five years, which may impact the investments positively under the scheme.

Water management:

- Owing to India’s agricultural dependency and seasonal rainfall, irrigation has seen significant investments of 70% in this sector.
- Waste-water treatment plants, a key element in tackling climate change and pollution, have attracted investments of ~25%.
- Pradhan Mantri Krishi Sinchayi Yojana (PMKSY) and Atal Mission for Rejuvenation and Urban Transformation (AMRUT) are two major national schemes in this sector. Both schemes contribute a marginal share of ~3% each to the total NIP investments in this sector. Further, the AMRUT scheme also includes investments in sectors other than water.

Five sub-sectors—roads and railways (from transport), RE (from energy), affordable housing (from real estate) and irrigation (from water management)—make up ~60% of the NIP investments.

Geographical concentration: ~70% of the NIP investments is into 15 states, which generate more than 80% of India’s GDP.



ICRA

Analytical Contact Details

Name	Designation	Email	Contact Number
Aditi Nayar	Chief Economist and Head – Research and Outreach	aditin@icraindia.com	0124 - 4545 385
Madhura Nejjur	Assistant Vice-President	madhura.nejjur@icraindia.com	022 - 6114 3417





ICRA

Business Development/Media Contact Details

Name	Designation	Email	Contact Number
L Shivakumar	Chief Business Officer	shivakumar@icraindia.com	022-61693304
Neha Agarwal	Head – Research Sales	neha.agarwal@icraindia.com	022-61693338
Rohit Gupta	Head Business Development - Infrastructure Sector	rohitg@icraindia.com	0124-4545340
Vivek Bhalla	Head Business Development - Financial Sector	vivek.bhalla@icraindia.com	022-61693372
Vipin Saboo	Head Business Development – Corporate Sector - West & East	vipin.saboo@icraindia.com	022-61693348
Shivam Bhatia	Head Business Development – Corporate Sector - North & South	shivam.bhatia@icraindia.com	0124-4545803
Naznin Prodhani	Head – Media & Communications	communications@icraindia.com	0124-4545860





© Copyright, 2024 ICRA Limited. All Rights Reserved.

All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies, while publishing or otherwise disseminating other reports may have presented data, analyses and/or opinions that may be inconsistent with the data, analyses and/or opinions in this publication. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.



ICRA

Thank You!