



# Centre to follow a 'calibrated' approach to divestments in FY25

**SOUMYARENDRA BARIK**  
NEW DELHI, FEBRUARY 1

THE CENTRE has revised its divestment target for 2023-24 (FY24) to Rs 30,000 crore from Rs 51,000 crore budgeted previously. Signalling the adoption of a more "calibrated" disinvestment approach, the government has estimated it will get Rs 50,000 crore in 2024-25 in the form of 'miscellaneous capital receipts' without mentioning the word disinvestment, unlike the Budget documents of previous years – signalling a change in its approach.

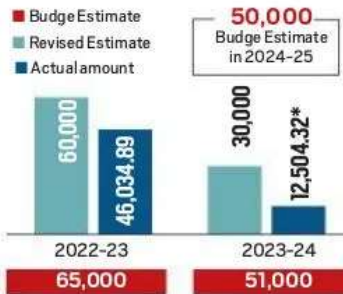
Tuhin Kanta Pandey, Secretary, Department of Investment and Public Asset Management (DIPAM), said that the government will adopt a more "gradual" and "calibrated" disinvestment approach, with its major focus being "wealth creation".

"With disinvestment receipts, you part with your wealth, which is shares and property, and convert it and monetise it. There is a wealth effect also there, and we have partners, the listed companies. Our point is that we are also taking care of the (governance, development and performance) with respect to CPSEs (Central Public Sector Enterprises). If you look at CPSEs' performance – whether it comes to capex of Rs 3.2 lakh crore, their growth story, their investments in green energy, their performance on return on capital employed and equity – they are big market players, continue to improve and reward shareholders including the government," Pandey said during a post-Budget press conference. "... we have to have a new paradigm not just keep parting with our wealth in one stroke, we can always do it in a gradual calibrated way," he added.

Further, as per the Interim Budget 2024-25 document tabled in the Lok Sabha, the government is not expected to receive any money from the monetisation of public assets in the current fiscal.

The government has so far achieved

## HOW THE GOVT HAS MISSED DIVESTMENT ESTIMATES (₹Cr)



about 40 per cent of the current year's revised disinvestment target, with just two months remaining to mop up Rs 17,496 crore to meet the revised target.

The revenue receipts from disinvestments are a part of the Centre's non-tax revenue, which help the government narrow its budget gap.

According to data available with DIPAM, the government has managed to raise Rs 12,504.32 crore so far in the current financial year, with a majority of the funds coming in from offers for sale (OFS) and initial public offerings (IPOs) of CPSEs.

After Air India and Neelachal Ispat Nigam Limited (NINL) privatisations, the Centre's divestment aims have not materialised, with the government missing its targets for the fifth consecutive year.

Privatisation plans for companies like Bharat Petroleum Corporation Ltd (BPCL), Shipping Corporation of India (SCI) and Container Corporation of India (CONCOR) were first announced around 2019 but got delayed due to the Covid-19 pandemic.



# Charging Infra Push to Electrify EV Adoption

**GREEN TRACK** FM promises to bring more e-buses on road to cut vehicular emissions, realise net-zero goals

**Sharmistha Mukherjee**

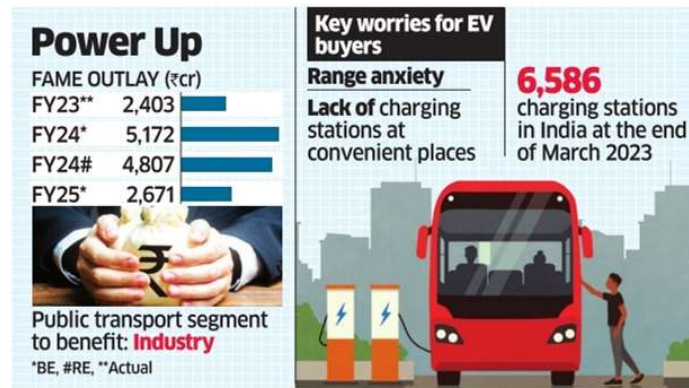
**New Delhi:** The finance minister's announcement on supporting the development of an ecosystem for electric mobility is expected to help boost manufacturing of electric vehicles as well as address one of the biggest obstacles to EV adoption: lack of convenient battery charging stations.

"... will expand and strengthen the e-vehicle ecosystem by supporting manufacturing and charging infrastructure," FM Nirmala Sitharaman said in her interim budget speech on Thursday.

Lack of charging stations has been a key concern for those wanting to buy electric vehicles, as that made them worried about the battery draining out, stalling the vehicle.

While carmakers are awaiting details like the number of charging stations the government is aiming to set up, industry executives said the overall budget intent to encourage adoption of EVs, especially in the public transport segment, will help consumers switch to cleaner forms of mobility.

"The announcement on strengthening the electric vehicle ecosys-



tem by supporting manufacturing and charging infrastructure will boost the development and adoption of EVs in the country," Society of Indian Automobile Manufacturers (SIAM) president Vinod Aggarwal said. "The payment security mechanism for adoption of e-buses for the public transport network is also a good step."

The government is already working towards expanding the EV charging infrastructure across the country. Last year, the ministry of heavy industries sanctioned ₹800 crore as a capital subsidy to three

state-run oil marketing companies to establish 7,432 public EV charging stations by March 2024. It also approved setting up of 148 charging stations by other entities under this scheme.

There were 6,586 charging stations in India at the end of March 2023.

In her budget speech, Sitharaman said emphasis will be given to bring on road more electric buses to reduce vehicular emissions and realise the country's net-zero targets.

"Greater adoption of e-buses for public transport networks will be encouraged through a payment

security mechanism," the minister added.

The payment security mechanism usually comprises a fund that provides interest-free capital in case of default in payments.

The government has reduced the allocation under the Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME) scheme to ₹4,807 crore in the revised estimates for fiscal 2024, from the initial budget estimate of ₹5,172 crore. It had allocated ₹2,403 crore in FY23.

The FY25 outlay at ₹2,671 crore is part of the existing allocation of FAME-II and will be used to clear claims. The government has so far not said anything officially about extending the scheme.

Sitharaman said rooftop solarisation — which will enable 10 million households to obtain up to 300 units of free electricity every month — will, among other factors, help in charging of electric vehicles.

The FAME scheme has been successful in achieving goals over the adoption of electric two-wheelers and buses. But its implementation was marred by alleged instances of companies not adhering to localisation commitments while claiming subsidies.



## DIVESTMENT RETHINK

# Disinvestment, monetisation target set at ₹50,000 crore

SHREYA NANDI  
New Delhi, 1 February

Finance Minister Nirmala Sitharaman set a target for raising ₹50,000 crore through divestment receipts and monetisation of public assets in the financial year 2024-25.

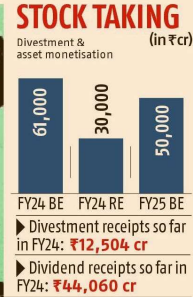
However, the government did not reveal the specific target for divestment for the next fiscal year. The receipts from asset monetisation, along with proceeds from equity stake sales, have been combined under the “miscellaneous capital receipts” head.

“We have not kept a fixed target for divestment... We need to have a new paradigm in terms of thinking and not just keep on parting with that wealth in one stroke. We can always do it in a gradual, calibrated way,” Tuhin Kanta Pandey, sec-

retary, Department of Investment and Public Asset Management (DIPAM), told reporters in a briefing post the Interim Budget.

Budget documents showed that the revised estimate (RE) for such receipts during the current fiscal has been lowered to ₹30,000 crore from the target set a year ago at ₹61,000 crore, including ₹51,000 crore for disinvestment. This is because some of the largest divestments, such as IDBI Bank, Shipping Corporation of India, NMDC Steel, BEML stake sale, planned for the current fiscal year have been delayed.

This is the fourth time in a row that the government has not been able to meet the disinvestment target set at the beginning of the year. The last it met the target was in FY19. In FY20, the actual collections were half the budget estimate (BE) for the



year. During the pandemic years – FY21 and FY22 — the receipts were significantly lower than BE, followed by a similar trend in FY23.

So far this fiscal year, DIPAM has raised ₹12,504 crore as disinvestment receipts. These mostly include small stock market transactions, such as Offer for Sale in the

case of Coal India, Rail Vikas Nigam Ltd, SJVN Ltd, Housing & Urban Development Corporation of India, IREDA and IRCON International Ltd.

As much as ₹44,059.84 crore has been garnered as dividend so far in FY24, DIPAM data showed. The Centre has already exceeded the dividends’ initial target from public sector enterprises in FY24 by ₹1,050 crore. The revised estimate stands at ₹50,000 crore, as compared to the BE of ₹43,000 crore. For FY25, the Interim Budget estimated such dividends to be lower than the RE for FY23 at ₹48,000 crore.

The government is to get a dividend/surplus of Reserve Bank of India (RBI), nationalised banks and financial

institutions worth ₹1.04 trillion in the current fiscal, which is more than double the BE of ₹48,000 crore. The FY25 BE is Rs 1.02 trillion.

**THE GOVERNMENT DID NOT REVEAL THE SPECIFIC TARGET FOR DIVESTMENT FOR THE NEXT FINANCIAL YEAR**

Ranen Banerjee, partner at PwC India, said the underachievement of disinvestment target in FY24 is understandable as there was no revenue pressure. “Given that the new government will present the full Budget in July and divestments take preparation time, the government has made conservative estimates,” he said. “It may not need more proceeds from this next year as well since the final dividend proceeds for FY25 from public sector enterprises are likely to be significantly higher next year because those will be accounted for in FY25.”



## Govt pegs FY25 disinvestment target at ₹50K cr, to receive ₹30K cr this fiscal

**NEW DELHI:** The government on Thursday pegged disinvestment target for 2024-25 fiscal at Rs 50,000 crore in the interim budget for 2024-25, up from Rs 30,000 crore in the revised estimate for the current financial year.

During the current fiscal (FY24), the revised estimates of disinvestment mop-up has been pegged at Rs 30,000 crore, lower than Rs 51,000 crore budgeted at the time of presentation of Budget last year.

As per the Interim Budget 2024-25 document tabled in

the Lok Sabha, the government is not expected to receive any money from monetisation of public assets in the current fiscal.

It had planned to receive Rs 10,000 crore in the budget estimates for 2023-24.

With regard to disinvestment, so far in the current fiscal, the government has collected Rs 12,504 crore through minority stake sale in 7 CPSEs, including Coal India, NHPC, RVNL and IREDA.

By March, the government expects to mop in a total of Rs 30,000 crore from disinvest-

ment. The government historically has been missing the disinvestment targets set in budgets with the exception of 2018-19 and 2017-18 financial years.

The highest ever mop-up from disinvestment at Rs 1,00,056 crore was recorded in 2017-18, marginally exceeding the budget target of Rs 1 lakh crore.

In 2018-19, the government collected RS 84,972 crore from CPSE disinvestment, higher than Rs 80,000 crore pegged in the Budget for that year.

MPOST

# Govt Puts Off Equity Infusion in State Oilcos to Next Fiscal

Planned infusion halved to ₹15k cr; delay in rights issue of IOC, BPCL & pref allotment by HPCL

Sanjeev Choudhary

The government has pushed its plan to infuse equity into Indian Oil, Bharat Petroleum, and Hindustan Petroleum to the next fiscal year and slashed the proposed amount by half to ₹15,000 crore, according to the budget document.

This means the planned rights issue by Indian Oil and BPCL will be deferred to the next fiscal year. Similarly, the preferential allotment plan by HPCL, where the government doesn't have a direct equity stake, will also get delayed.

The government has also scrapped its plan to spend ₹5,000 crore on filling the strategic petroleum reserve (SPR). Crude oil has been very volatile this fiscal year and is currently trading around \$80 per barrel, making it harder for officials to make purchase decisions.

For the next fiscal year, the government has allocated ₹15,000 crore for equity infusion into state

oil companies and ₹400 crore to pay for the construction of new SPRs. No allocation has been made for filling SPR.

In the current year's budget, the government had allocated ₹30,000 crore for equity infusion into oil marketing companies and ₹5,000 crore for the purchase of crude oil to fill the SPR.

**Strong profits at oil cos this fiscal year made the government change its mind on equity infusion, said sources**

Strong profits at oil companies this fiscal year made the government change its mind on equity infusion, according to multiple people familiar with the matter.

Indian Oil, BPCL, and HPCL have reported a combined profit of ₹69,000 crore for the nine months ended December as against a loss of ₹18,600 crore in the year-earlier period. The public aim of the planned equity infusion has been to help state compa-

## HOLDING BACK

Equity infusion loses priority after companies report strong profits

Three firms posted a combined profit of ₹69,000 crore for April-Dec vs a loss of ₹18,600 crore a year ago

Equity infusion is meant for companies' green projects

Companies themselves not too keen to receive equity infusion as they can easily borrow from market for green projects

High oil prices, volatility make SPR filling decision harder



nies pursue energy transition projects.

However, it has been widely believed that it is no more than state support to companies that incurred losses in the previous fiscal year due to their inability to raise domestic pump prices in line with international rates.

But with oil companies flush with cash now, the argument for fund infusion has weakened.

Oil companies themselves have not been too eager to receive equity infusion from the government. Equity also needs to be serviced and oil companies can easily borrow from the market at competitive rates, many executives had previously told ET.

Shares in Indian Oil, BPCL, and HPCL closed 0.5-2% higher on Thursday when the BSE benchmark Sensex closed 0.15% lower.





## OIL

### **GOVT TO PROVIDE CAPITAL SUPPORT OF ₹15,000 CR TO OMCS**

The government will provide capital support of ₹15,000 crore to the oil marketing companies, which is almost half of the previous budget's allocation. No budget has been allocated for refill of Indian Strategic Petroleum Reserve Limited (ISPRL) or an emergency fuel store. Currently, India stores 5.33 MMT or 36.92 million barrels of strategic crude oil, enough to provide 9.5 days of consumption.

**NET-ZERO GOAL**

# India's Interim budget focuses on green economy

## 'Financial assistance would be provided for procurement of biomass aggregation machinery to support collection'

**OUR CORRESPONDENT**

**NEW DELHI:** In an effort to achieve net-zero carbon emissions, India will solarise rooftops of one crore households and provide viability gap funding for harnessing offshore wind energy potential with an initial capacity of one gigawatt, Finance Minister Nirmala Sitharaman said on Thursday.

Presenting the interim budget for 2024-25, she also said that the government will mandate the phased blending of compressed biogas (CBG) in compressed natural gas (CNG) for transport and natural gas (PNG) for domestic purposes.

The finance minister emphasised that the government would enable one crore households to obtain up to 300 units of free electricity every month through the rooftop solar programme.

This will result in savings of up to Rs 18,000 annually for households from free solar electricity and selling the surplus to distribution companies, Sitharaman said.

According to an analysis by the Council on Energy, Environment, and Water (CEEW),



20-25 gigawatts of rooftop solar capacity could be supported through the solarisation of one crore households.

With a coastline of about 7,600 km (mainland), India has a good potential for offshore wind energy generation. The initial assessment of offshore wind energy potential within identified zones has been estimated to be about 70 gigawatt off the coast of Gujarat and Tamil Nadu.

India stands fourth globally in renewable energy installed capacity, fourth in wind power capacity and fifth in solar power capacity, according to the International Renewable Energy Agency's Renewable Capacity Statistics 2023.

The fast-growing South

Asian nation will also set up coal gasification and liquefaction capacity of 100 MT by 2030, aiming to reduce imports of natural gas, methanol, and ammonia. The finance minister said that financial assistance would be provided for the procurement of biomass aggregation machinery to support collection.

The government will expand and strengthen the e-vehicle ecosystem by supporting manufacturing and charging infrastructure. Greater adoption of e-buses for public transport networks will be encouraged through the payment security mechanism.

India will also launch a new scheme of bio-manufacturing and bio-foundry to pro-

vide environmentally friendly alternatives such as biodegradable polymers, bioplastics, biopharmaceuticals and bio-agri inputs, Sitharaman said. "This scheme will also help in transforming today's consumptive manufacturing paradigm to the one based on regenerative principles," she said.

Under Blue Economy 2.0, a scheme for restoration and adaptation measures, coastal aquaculture and mariculture with an integrated and multi-sectoral approach will be launched.

The government has provided 10 crore LPG connections under the Pradhan Mantri Ujjwala Yojana in the last 10 years.

In an effort to promote electrical efficiency, 36.9 crore LED bulbs, 72.2 lakh LED tube lights, and 23.6 lakh energy-efficient fans have been distributed under the UJALA scheme, and 1.3 crore LED streetlights have been installed under the Street Light National Programme.

India has committed to achieving net-zero emissions by 2070 and 50 per cent cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030.



# Infra, Energy Transition to Go Hand in Hand

**ALL CHARGED UP** Target of establishing 100 MT of coal gasification and liquefaction capacity by 2030 is commendable



Infrastructure and energy are two crucial enablers of economic progress, and the interim budget announced on February 1 shows that India is focusing strongly on them. This augurs well for industry because infrastructure and energy are not only closely linked, but also, to an extent, are dependent on each other.

Over the past few years, the central government has launched many important infrastructure development programmes. Furthermore, the outlay of ₹11.11 lakh crore for infrastructure in FY25, the availability of long-term, interest-free capital expenditure loans, and the implementation of three new railway economic corridor programmes — as announced in the budget — will hold the sector in good stead.

This massive infrastructure buildup will require huge amounts of energy, which, in turn, will necessitate an

increase in generation from both coal-based and renewable energy sources. Coal-based generation will, therefore, increasingly make way for renewables, but this transition will happen over time, not overnight. So, even as we increase our renewable generation capacity, we need to find ways of making thermal power cleaner and more efficient.

As far as industries are concerned, there are many possible solutions that can help in achieving carbon neutrality. Regarding clean energy generation, the budget has taken a positive step in integrating biofuels into the mix. In rural areas, there is a strong case for decentralised energy solu-

tions, in view of their potential to promote good health and well-being; enable access to education and health-care; and catalyse entrepreneurship and employment opportunities. There is also potential to implement waste-to-energy initiatives that transform waste materials into energy resources — a fact that the Indian government acknowledges. This is evinced in the interim budget, which promises financial assistance for procuring biomass aggregation machinery. Coal gasification is another important inclusion in this process as it leads to the creation of value-added fuels. The target of establishing 100 MT of coal gasification and liquefaction capacity

by 2030 is commendable, as is the push for wind energy and the phased blending of biogas into CNG and PNG.

Rooftop solar has the potential to make every consumer an active contributor to India's clean energy growth.

The long-term monetary and environmental benefits of rooftop solar installations far outweigh the cost of installation and maintenance. And if a stronger incentive was needed for adoption, the interim budget offers 10 million Indian households 300 units of free electricity every month if they go in for rooftop solar installation. This, coupled with the focus on socio-economic priorities like skilling, health, energy security, reduction in compliance burden for MSMEs, and gender balancing in the labour force, will ensure no one is left behind.

India is emerging as a powerhouse in renewable energy services, innovation, and manufacturing.

To fulfil India's demand, we will need reliable, affordable, and sustainable energy. To that end, and for rapid progress on the socioeconomic development agenda, infrastructure development and energy transition should go hand in hand. The indications are they will, and I am heartened to see that the interim budget has given these sectors the support they deserve.

## WE NEED TO FIND WAYS OF MAKING THERMAL POWER CLEANER AND MORE EFFICIENT



GETTY IMAGES



## Modest ₹50k cr divestment target for '24-25

TEAM TOI


The govt has set a modest target of Rs 50,000 crore from disinvestment of state-run public sector units in 2024-25 after trimming the target for the current fiscal year from Rs 51,000 crore to Rs 30,000 crore in the revised estimates.

In fact, the Interim Budget steers clear of mentioning disinvestment or privatisation in the budget documents. The budgetary receipts for 2024-25 puts the figure under miscellaneous capital receipts. This is perhaps the first time that disinvestment or privatisation has not been mentioned.


The Department of Investment and Public Asset Management (DIPAM) which oversees disinvestment of PSUs has struggled to meet the target for the current fiscal raising only Rs 12,504 crore from disinvestment. It has also raised Rs 44,060 crore as dividend from PSUs.

Several big ticket privatisation plans have not happened due to a raft of reasons, including bureaucratic sloth and the impending general elections.

DIPAM had termed 2023-24 as a year of consolidation and asserted that it would try and complete some of the big ticket sales such as IDBI Bank, logistics firm Concor, BEML and Shipping Corporation of India.






## 'NET ZERO' BY 2070



- As part of rooftop solarisation, one crore households will be enabled to obtain up to 300 units of free electricity per month

- Adoption of e-buses for public transport network
- Strengthening e-vehicle ecosystem by supporting manufacturing and charging.
- Viability gap funding for wind energy
- Setting up of coal gasification and liquefaction capacity
- Phased mandatory blending of CNG, PNG, and compressed biogas

- Financial assistance for procurement of biomass aggregation machinery
- New scheme of biomanufacturing and bio-foundry to be launched to support environment friendly alternatives
- Implementation of 3 major railway corridor programmes under PM Gati Shakti-to improve logistics efficiency and reduce cost



## ● LOWER RELIANCE ON ASSET SALES

# No separate target for disinvestment receipts

PRASANTA SAHU

**THE GOVERNMENT HAS DONE** away with a separate disinvestment revenue target in the Budget for 2024-25 by adopting a calibrated disinvestment strategy that aims to maximise gains for the exchequer without chasing a goal.

Accordingly, the Centre has set a target of ₹30,000 crore in miscellaneous capital receipts for FY24 revised estimate. These include receipts on account of disinvestment, asset monetisation and other capital receipts not classified elsewhere in the Budget. The target for the same is set at ₹50,000 crore for FY25.

As against the disinvestment target of ₹51,000 crore set in FY24BE, the achievement so far has been ₹12,500 crore. FE had reported earlier that in the current financial year, the disinvestment achievement could be around ₹20,000 crore or 40% of the aim due to delay in the execution of most of the strategic disinvestment plans, including IDBI Bank and Container Corporation of India (ConCor) due to a

### POLICY SHIFT

■ The Centre has set a target of **₹30,000 cr** in miscellaneous capital receipts for FY24 revised estimate

■ As against the disinvestment target of ₹51,000 crore set in FY24BE, the achievement so far has been **₹12,500 cr**

spate of state elections.

Officials said it was better to set a moderate target and over-achieve than to set a higher target due to uncertainties involved in market-based transactions. The government has not met its ambitious disinvestment targets since FY20 due to a host of factors, including volatility in the market, obstacles created by administrative ministries and electoral compulsions.

Speaking at a post-Budget



press conference, the Department of Investment and Public Asset Management (DIPAM) secretary Tuhin Kanta Pandey said: "If you look at the CPSE performance, whether it comes to capex of ₹3.2 trillion, whether their investment in green energy, whether their performance in return on capital employed whether you look at return on equity on all fronts, we are seeing that they are big market players that continue to improve and

therefore, they continue to reward shareholders, including the government.

Pandey said the government is a majority shareholder, but a large part of other shareholders are minority shareholders. "The shares also give dividends, and we have a consistent dividend policy too."

"So, we have to have a new paradigm in terms of thinking about and not just keep on putting with our wealth in one

stroke, we can always do it in a gradual calibrated way," he added.

The government has enhanced the dividend receipts from CPSEs to ₹50,000 crore for FY24 from ₹43,000 crore estimated earlier in Budget estimate.

For FY25, the disinvestment receipts target has been set at ₹48,000 crore.

Of the transactions that the government could conclude next fiscal is that of the IDBI Bank disinvestment wherein the Centre and LIC would together sell a 60.72% stake in the bank.

On January 7, the Centre received multiple expressions of interest (EOIs) from domestic and foreign investors for the 60.72% stake in IDBI Bank, which will go to the successful bidder along with management control.

The offer comprises 30.48% from the government and 30.24% from LIC, the current promoter.

Another transaction that could materialise at the earliest next fiscal is that of NMDC Steel (NSL) which would fetch at least ₹11,000 crore for the Centre's 50.79% stake.





# Petronet LNG reports PAT of ₹1,191 crore for December quarter of current fiscal

*The company reported PAT for the current nine months at Rs 2,799 crore*

**NEW DELHI:** Petronet LNG reported profit before tax (PBT) of Rs 1,597 crore in the Q3 of current fiscal, as against Rs 1,586 crore in the corresponding quarter and Rs 1,102 crore in the previous quarter.

The profit after tax (PAT) for Q3 of current fiscal was reported at Rs 1,191 crore as against the PAT for the corresponding and previous quarters of Rs 1,181 crore and Rs 118 crore respectively.

During the current nine months, the company has reported highest ever PBT of Rs 3,761 crore as against the



PBT for corresponding nine months of Rs 3,517 crore.

The PAT for the current nine months stood at Rs 2,799 crore as against Rs 2,626 crore in the corresponding nine months.

During the quarter ended December 31, 2023 (current quarter), Dahej terminal pro-

cessed 218 TBTU of LNG as against 154 TBTU during the corresponding quarter ended December 31, 2022 and 210 TBTU during the previous quarter ended September 30, 2023.

The overall LNG volume processed by the Company in the current quarter was 232 TBTU, as against the LNG volume processed in the corresponding and previous quarters, which stood at 167 TBTU and 223 TBTU respectively.

During the nine months ended December 31, 2023, Dahej terminal processed

646 TBTU of LNG as against 532 TBTU during the corresponding nine months ended December 31, 2022.

The overall LNG volume processed by the Company in the current nine months was 685 TBTU, as against the LNG volume processed in the corresponding nine months, which stood at 567 TBTU.

The robust financial performance of the current quarter and nine months was achieved due to efficiency in operations and higher capacity utilization of the Dahej Terminal.

MPOST





### **Petronet shares unaudited financial results**

During the quarter ended December 31, 2023 (current quarter), Dahej terminal processed 218 TBTU of LNG as against 154 TBTU during the corresponding quarter ended December 31, 2022 and 210 TBTU during the previous quarter ended September 30, 2023.

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# Solar, wind gain big in green economy push

VGF to harness offshore wind energy potential

ARUNIMA BHARADWAJ

**I**NLINE WITH the government's commitment of achieving net-zero carbon emissions by 2070, the interim Budget has rolled out a number of green initiatives providing incentives for solar and wind energy.

The most important among them is the rooftop solarisation scheme, under which 10 million households will be enabled to receive up to 300 units of electricity free every month. This follows Prime Minister Narendra Modi's announcement of the 'Suryodaya Yojana' on January 22.

"Households will be able to save ₹15,000-18,000 annually from free solar electricity and selling the surplus to distribution companies," the finance minister said.

The scheme will also create employment opportunities for youth with technical skills in manufacturing, installation and maintenance, and entrepreneurship opportunities for supply and installation vendors.

"The initiatives aimed at promoting rooftop solarisation signal a strategic framework to leverage India's substantial residential market for renewable energy adoption," Sharad Pungalia, MD & CEO, Amplus Solar, said.

The government will also provide viability gap funding for harnessing offshore wind energy potential for an initial capacity of 1 GW.



Compared to onshore, offshore projects are costlier from a cost of energy perspective. "The VGF announced in this year's Budget will aid in lowering power generation costs to ensure power offtake from these projects, as well as instill confidence among wind players towards investing in offshore technologies," Devansh Jain, executive director, INOXGFL Group, said.

The government has increased outlay for solar power (grid) to ₹8,500 crore in FY25, against ₹4,757 crore allocated in FY24, revised estimates show. Allocation under the Green Hydrogen Mission has been budgeted at ₹600 crore in FY25, against ₹100 crore in FY24.

"Announcements on viability gap funding for offshore wind energy and allocations for solar

rooftop projects will support development of the whole industry," Sumant Sinha, founder, chairman and CEO at ReNew, said. "The announcement of the corpus of ₹1 trillion for R&D in sunrise sectors sets a positive tone for the future, encouraging us to accelerate our investments and innovations in renewable energy technologies."

However, industry players feel that supply chains for solar modules, too, could have been relaxed for better achievement of renewable energy goals.

"While the demand market has been incentivised, relaxations in import taxes would have parallelly helped generators achieve the targets associated with the rise in energy demand till local manufacturing stabilises," Pungalia said.

The government has also announced financial assistance for procurement of biomass aggregation machinery to support collection while mandating the phased blending of compressed biogas in compressed natural gas for transport and piped natural gas for domestic purposes.

The decision is expected to benefit the entities in the city gas distribution sector through lower dependency on imported LNG, Girishkumar Kadam, senior vice president and group head – corporate ratings, Icra, said.

The government has announced setting up of coal gasification and liquefaction capacity of 100 million tonne by 2030 to further reduce imports of natural gas, methanol and ammonia.





# Subsidy bills slashed to cut borrowing

Centre's food, fertilizer and petroleum subsidy is projected to decline by more than 7% in FY25 to ₹3.81 trillion

Gireesh Chandra Prasad & Puja Das  
NEW DELHI

**A** cut in the food and fertilizer subsidy bill in FY25, along with tax revenue buoyancy, is set to help the Centre rein in borrowing, creating room for the private sector to step in with investments.

The Centre's food, fertilizer and petroleum subsidy is projected to decline by over 7% in FY25 to ₹3.81 trillion, which officials attribute to a fall in global commodity prices.

The reduction in subsidy in the next fiscal is not as sharp as the massive 22% moderation seen in FY24, which came on the back of a high base in prices following the Ukraine war.

Experts said that given volatile geopolitical conditions, it remains to be seen exactly how prices behave in FY25.

The budget document showed that

the Centre has allocated ₹1.64 trillion as the fertilizer subsidy in FY25, a 13% reduction from the revised estimates for the current financial year.

The food subsidy has also been lowered by over 3% to ₹2 trillion, while the petroleum subsidy has been cut 2.6% for the next fiscal to ₹11,925 crore.

The fertilizer subsidy has been estimated on recent trends in the global prices of ammonia and fertilizers, which have been on a downward spiral for the last six months, finance secretary T.V. Somanathan explained at a post-budget news briefing. "Our current estimate is based on the information we have right now."

Increasing domestic production of fertilizers is also contributing to the expected lower fertilizer subsidy bill. Import of urea, the most commonly used fertilizer in India, is at 4-5 million tonnes this fiscal, lower than the 7.5mt imported in the previous year.

This is due to higher domestic pro-

duction and increased use of nano-liquid urea, chemicals and fertilizer minister Mansukh Mandaviya had said on 17 January.

The government has taken several steps since 2014 to boost domestic production of fertilizers and reduce imports, including reviving old fertil-

izer plants to make them viable. The government has also launched a scheme to incentivize states to curb the use of chemical fertilizers. India has also entered into long-term supply agreements with global suppliers for assured imports of fertilizers and its raw materials at pre-determined prices.

To be sure, the government remains committed to meeting the fertilizer subsidy bill even if consumption or global prices go up, in order to make sure plant nutrients are available to farmers at affordable prices and subsidy is available to producers and sellers.

Without that implicit commitment, producers may not be in a position to

operate in the market, a government official said on condition of anonymity. Fertilizer subsidy is directly transferred to the producer or importer based on the details of purchase by the farmer at the retail level captured through point of sale machines.

The Centre's overall subsidy bill has

over a period of time fallen in the last decade with the introduction of market linked pricing of petrol and diesel. However, cooking gas still attracts some subsidy under the Ujjwala scheme.

The Centre's tax revenue is projected to grow at about 12% in FY25 to ₹26 trillion, and non-tax revenue by over 6% to

₹3.9 trillion, aiding fiscal consolidation. "The government's intention of achieving a fiscal deficit of 4.5% of GDP in FY26 will enhance its credibility in fiscal management and improve global investor confidence in the Indian economy," said Sunil Kumar Sinha, principal economist, India Ratings.

*Rhik Kamdu contributed to this story.*

## KEY HIGHLIGHTS

**FERTILIZER SUBSIDY** has been estimated along trends in global prices

**INCREASED DOMESTIC** production also aids lower fertilizer subsidy bill

**THE GOVT** has taken several steps since 2014 to boost fertilizer production

# The big target: ₹50,000 cr from disinvestment

Gulveen Aulakh & Rhik Kundu  
NEW DELHI

**T**he government has set an ambitious divestment target of ₹50,000 crore for FY25, about 67% higher than its revised target of collecting ₹30,000 crore selling its holdings in public sector enterprises in the current fiscal year ending 31 March.

In the budget for FY24, the government had originally targeted ₹51,000 crore from the sale of its stakes in various public sector companies.

As of 1 February, the government has raised only about ₹12,500 crore, and it is unlikely that the revised divestment target for FY24 will be met.

Experts said that the divestment target was lofty and has not been met five years running, but some said that the target could be met if the government liquidates its minor shareholdings in outperforming sectors.

“The current valuations of PSU stocks offer a unique opportunity to the government to marginally dilute their shareholding (without compromising control) in a number of blue-chip companies. A number of stocks in the power

sector, across the value chain, are trading at or near life-time highs and offer an attractive liquidity option to the government. This could easily help achieve divestment levels upwards of \$8-12 billion,” said Uday Bhansali, president, financial advisory, Deloitte India.

However, higher non-tax revenues, including dividends from the Reserve Bank of India (RBI) and state-run banks, are expected to offset the revenue shortfall from divestments, prompting the government to revise downwards the FY24 fiscal deficit target to 5.8% of gross domestic product (GDP), from 5.9% earlier.

In the interim budget for FY25, the government expects dividends from state-owned firms at ₹50,000 crore in FY24, up from the budget estimates of ₹43,000 crore. As of 1 February, the government has already got ₹44,060 crore as dividend from public sector enterprises. The government expects ₹1.02 trillion dividend from RBI and state-owned banks in FY25, it said in budget 2024-25 document. It also expects ₹48,000 crore dividend from state-owned companies next fiscal year.

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## अब ग्रीन एनर्जी रूट अपनाएगी सरकार

वित्त मंत्री ने कहा कि एक गीगा वाट की शुरुआती क्षमता के साथ अपतटीय पवन ऊर्जा क्षमता के दोहन के लिए अंतर निधि दी जाएगी। वही साल 2030 तक 100 मीट्रिक टन की कोयला गैसीकरण और द्रवीकरण क्षमता बनाई जाएगी, इससे नैचुरल गैस, मेथेनॉल और अमोनिया के इंपोर्ट में कमी आएगी। परिवहन के लिए सीएनजी और घरेलू मकसद के लिए पीएनजी में कम्प्रेसड बायोगैस को मिलाए जाने की भी योजना है। ई-वस्तु को प्रोत्साहित किया जाएगा। सीईईडब्ल्यू सेंटर फॉर एनर्जी फाइनेंस के डायरेक्टर गगन सिन्हा ने कहा कि भारत के नेट-जीरो लक्ष्य को पाने के उपाय के तौर पर ऑफशोर विंड एनर्जी के लिए बजट में की गई घोषणा स्वागत योग्य है।

## सीएनजी व पीएनजी में बायोगैस मिश्रण अनिवार्य करेगी सरकार

नई दिल्ली। कार्बन उत्सर्जन को और कम करने के लिए, सरकार परिवहन के लिए कंप्रेसड नेचुरल गैस (सीएनजी) और घरेलू उपयोग के लिए पाइपड नेचुरल गैस (पीएनजी) के साथ बायोगैस के मिश्रण को अनिवार्य करने की योजना बना रही है। इस नीति से न केवल वायु गुणवत्ता में सुधार होने की उम्मीद है, बल्कि चक्रीय अर्थव्यवस्था में योगदान करते हुए बायोगैस उद्योग को भी बढ़ावा मिलेगा। बायोमास एकीकरण मशीनरी की खरीद को बढ़ावा देने के लिए वित्तीय सहायता दी जाएगी, जो बायोएनर्जी के उत्पादन के लिए आवश्यक है। इस कदम से किसानों को बायोएनर्जी आपूर्ति श्रृंखला में भाग लेने के लिए प्रोत्साहित होने की संभावना है, जिससे कृषि कचरा प्रबंधन के लिए एक टिकाऊ और लाभदायक मॉडल तैयार होगा। यह कदम प्राकृतिक गैस, मेथनॉल और अमोनिया पर भारत की आयात निर्भरता को कम करने के साथ-साथ स्वच्छ ऊर्जा स्रोत को बढ़ावा देगा। ब्यूरो



# सूर्योदय योजना से 18 हजार करोड़ की होगी बचत

जागरण ब्यूरो, नई दिल्ली : अयोध्या में प्राण प्रतिष्ठा समारोह से लौटने के बाद 22 जनवरी, 2024 को प्रधानमंत्री नरेन्द्र मोदी ने छत पर सोलर पैनल लगाने के लिए सूर्योदय योजना का एलान किया था। वित्त मंत्री निर्मला सीतारमण ने इस योजना को आगे बढ़ाने की बात कही है। सरकार ने इस मद में 10 हजार करोड़ रुपये का आवंटन किया है। वित्त मंत्री ने बताया कि छत पर सौर प्रणाली लगाने से एक परिवार हर महीने 300 यूनिट तक की बिजली निःशुल्क प्राप्त कर सकेगा। इससे देश के एक करोड़ परिवार वर्ष में 18 हजार करोड़ रुपये की बचत कर सकेंगे और साथ ही अतिरिक्त बिजली की आपूर्ति बिजली वितरण कंपनियों को कर सकेंगे। इससे उन्हें अतिरिक्त आय भी हो सकती है। वित्त मंत्री ने देश के ऊर्जा सेक्टर को लेकर सरकार की यह सोच सामने रखी है कि पर्यावरण के अनुकूल ऊर्जा स्रोतों को आगे भी तेजी से प्रोत्साहित किया जाएगा।

अंतरिम बजट में यह भी बताया गया है कि वर्ष 2070 तक नेट जीरो लक्ष्य को हासिल करने के लिए आगे क्या कदम उठाए जाने वाले हैं। सौर ऊर्जा को कई तरह से पहले ही प्रोत्साहित करने का काम चल रहा है, अब पवन ऊर्जा लगाने वाली कंपनियों को भी अतिरिक्त फंड देने



**2030** तक देश में कोल गैसीफिकेशन से 10 करोड़ टन गैस निकालने का लक्ष्य

**35** लाख नई नौकरियां निकलेंगी 2030 तक भारत के नवीकरणीय ऊर्जा क्षेत्र में

**26** गुना बढ़ी है 10 वर्षों में सौर ऊर्जा की क्षमता

की व्यवस्था की गई है। अपतटीय पवन ऊर्जा में 1,000 मेगावाट बिजली बनाने के लिए कंपनियों को फंड दिया जाएगा। वर्ष 2030 तक देश में कोल गैसीफिकेशन से 100 मीट्रिक टन क्षमता गैस निकालने का इरादा जताया है। जबकि देशभर में बायोगैस मिश्रित पीएनजी व सीएनजी उपलब्ध कराने का काम भी सरकार करने वाली है। पीएनजी से रसोई गैस की आपूर्ति होती है, जबकि सीएनजी का इस्तेमाल मुख्य तौर पर ट्रांसपोर्ट सेक्टर में होता है।

## ई-बसों को मिलेगी प्राथमिकता, चार्जिंग की भी होगी सुविधा

हरित ईंधन को बढ़ावा देने के संदर्भ में सरकार ने इलेक्ट्रिक वाहनों के लिए जरूरी ढांचागत सुविधाओं पर जोर देने की अपनी प्रतिबद्धता जताई है। वित्त मंत्री ने कहा कि हमारी सरकार ई-वाहनों के निर्माण व चार्जिंग सुविधाओं में सहायता देगी और इनके इकोसिस्टम को सुदृढ़ करेगी। सामाजिक परिवहन में ज्यादा इलेक्ट्रिक बसों के इस्तेमाल को प्रोत्साहित किया जाएगा। एक दिन पहले राष्ट्रपति द्रौपदी मुर्मु ने भी अपने अभिभाषण में नवीकरणीय ऊर्जा सेक्टर में सरकार की उपलब्धियों का पूरा ब्योरा दिया था कि कैसे पिछले 10 वर्षों में सौर ऊर्जा की स्थापित क्षमता 26 गुना बढ़ी है। सौर व दूसरे



नवीकरणीय ऊर्जा क्षेत्र में रोजगार के काफी अवसर पैदा होने की संभावना है। इसका जिक्र वित्त मंत्री ने भी किया कि कैसे छत पर सौर ऊर्जा प्रणाली लगाने व उनकी देखरेख के लिए बड़ी संख्या में वेंडरों की जरूरत होगी। रोजगार के अवसर बनेंगे। सनद रहे कि मार्च, 2023 में जारी एक अध्ययन के मुताबिक, वर्ष 2030 तक भारत के नवीकरणीय ऊर्जा क्षेत्र में 35 लाख नई नौकरियां निकलेंगी।

इनमें बायोगैस मिलाने से न सिर्फ प्रदूषण कम करने में मदद मिलेगी बल्कि बड़े पैमाने पर बायोगैस बनाने वाली कंपनियों का उद्भव भी संभव है। सीतारमण ने यह भी बताया कि बायोगैस बनाने को जरूरी उपकरण खरीदने को सरकार मदद देगी।

जहां तक हर परिवार को हर महीने 300 यूनिट निःशुल्क बिजली मिलने की बात है तो इस बारे में वित्त मंत्री ने स्पष्टता से कुछ नहीं बताया। बिजली मंत्रालय के अधिकारियों का कहना है कि यह मोटे तौर पर

एक सौर पैनल लगाने से एक महीने में उत्पादित होने वाली बिजली के आधार पर है। हर परिवार रोजाना 10 यूनिट बिजली पैदा करता है तो यह महीने में 300 यूनिट होता है। सौर पैनल से एक परिवार औसतन रोजाना 17-18 यूनिट बिजली पैदा कर सकता है। सौर बिजली की औसत कीमत 2.7 रुपये प्रति यूनिट लगाई है। इसके आधार पर सालाना एक परिवार को 18 हजार तक की बचत का दावा वित्त मंत्री ने बजट भाषण में किया है।