Analyzing Sustainability Initiatives in India's 2024 Interim Budget

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Under the visionary leadership of Prime Minister Shri Narendra Modi since 2014, India tackled formidable challenges with the ethos of 'Sabka Saath, Sabka Vikas'. Structural reforms, pro-people programs, and enhanced employment opportunities invigorated the economy, fostering a renewed sense of purpose and hope, earning the government a larger mandate.

"In today's budget speech, Finance Minister Nirmala Sitharaman underscored the pivotal role of technology and innovation in India's journey towards self-reliance. The allocation of 1 lakh crore corpus, coupled with interest-free loans for 50 years, marks a golden era for our tech-savvy youth. This initiative fosters entrepreneurship and fuels research and development in cutting-edge technologies, positioning India as a global leader in innovation. As an avid tech enthusiast, I think this is a significant step towards strengthening our defense capabilities through cyber-tech advancements, expediting our path to creating an Aatma Nirbhar Bharat. Moreover, India's vision of 'Viksit Bharat' by 2047, aligning with the principles of 'Sabka Saath, Sabka Vikas,' reflects a comprehensive approach to national development. This budget's emphasis on long-term finance with low or nil interest rates for the private sector further catalyzes investment in R&D, driving economic growth and creating high-quality job opportunities. This budget sets a clear trajectory for India's ascent in the digital age, laying the foundations for the Amrit Kaal. Under the visionary leadership of PM Narendra Modi, we can actively shape a future-ready India in this 'Kartavya Kaal' to achieve our dream of a prosperous and inclusive future." – **Mr. Amit Jaju, Senior Managing Director, Ankura Consulting Group, India**

Through the 'Sabka Prayas' ethos, India overcame the pandemic, progressed towards 'Atmanirbhar Bharat', prioritized 'Panch Pran', and laid strong foundations for the future. This collective effort instills high aspirations, current pride, and future hope. The government's commendable work is anticipated to garner resounding public support once more.

"Revolutionizing our energy landscape, we unveil a robust vision—prioritizing bioenergy, expanding ethanol and biofuel production, fostering green-energy access, and minimizing the pressure on depleting natural resources. With Energizing our future, we invest in energy storage and smart grids, subsidising this market, and champion the promising realms of green hydrogen, ushering in a sustainable era." – **Mr. Saarang G, COO – Embassy Services Pvt. Ltd.**

In an endeavor to propel India towards a more environmentally sustainable trajectory, Finance Minister Nirmala Sitharaman introduced a comprehensive strategy aimed at attaining the nation's ambitious Net Zero target by 2070 within Budget 2024.

"The reiteration to become a net-zero economy by 2070, showcases Government's commitment to mitigate the environmental issues across the country. The initiative to harness offshore wind energy potential is aimed at encouraging the dependency on green-energy access and minimize the pressure on depleting natural resources. With the country making great strides to achieve a sustainable future, the announcement for green energy will expedite faster adoption of clean energy across the sectors that will immensely contribute to reducing the carbon footprint of the country." – **Mr. Deepak Pahwa, Chairman, Pahwa Group & Managing Director, Bry-Air.**

This proclamation was made as part of the Union Budget 2024, which prominently emphasized "Green Growth."

The finance minister has earmarked substantial resources to fortify the green energy sector, specifically focusing on leveraging India's extensive offshore wind energy potential. A noteworthy initiative entails the provision of viability gap funding for the establishment of 1 gigawatt (GW) of offshore wind energy capacity. This initiative is anticipated to play a pivotal role in broadening India's renewable energy portfolio and diminishing dependence on fossil fuels.

Mr Apurve Goel, Director, Kundan Green Energy stated "We see the Union Budget 2024 highlights as progressive from the renewable energy and climate change mitigation perspective.

"My submission for the Government to consider, is the viability gap funding and overall availability of green finance for renewable energy, especially hydropower. Building a hydel plant typically costs two to three times more capital than solar or wind. Similarly, the gestation period is longer. This means that hydel plants are capital intensive and require a more robust and longer haul commitment. While cost inflations are a natural outcome, developers also need to mitigate these by factoring in anticipated increases into project costs and minimizing over-runs through optimal use of resources coupled with speed and tight timelines. A friendlier and more accessible fiscal ecosystem, including easier insurance, will help energize this critical renewable energy generation category."

Employment Opportunities for the Youth

The program aids young people in addition to businesspeople. Technically savvy workers can find an abundance of job possibilities in the manufacturing, installation, and maintenance of solar systems. This not only tackles the problem of unemployment but also helps create a workforce with the necessary skills to propel India's renewable energy industry forward.

According to **Prof. Bharat Damani**, Faculty of Entrepreneurship, FLAME University "The budget's visionary focus on fostering a golden era for tech-savvy youth and the introduction of 50-year interest-free loans is commendable. The swift development of digital, social, and physical infrastructure aligns strategically with our evolving societal needs. Finance Minister Sitharaman's recognition of our nation's high aspirations is a positive nod to the future. The decade-long positive economic transformation underscores the effectiveness of past policies. This budget takes a bold step in empowering the youth, offering unique opportunities for entrepreneurs through the 50-year interest-free loans, reflecting a commitment to sustainable growth. Overall, these budgetary initiatives instill confidence in the future trajectory of our economy and the untapped potential of the youth."

Environmental Stewardship

Dr. Malini Saba, businesswoman, environmentalist, Founder & ex-chairman, Saba Group, and founder & chairman, Ananke Foundation, said, "As someone deeply invested in environmental sustainability, the government's commitment to harnessing offshore wind energy and promoting bio-manufacturing aligns with my vision for a greener future. The proposed measures for coal gasification and liquefaction, and blending of compressed biogas indicate a concerted effort towards cleaner energy sources. The emphasis on blue economy 2.0 and the launch of schemes for restoration and adaptation reflect a holistic approach to environmental conservation. As a woman advocating for a sustainable environment, I find inspiration in the government's initiatives that pave the way for a cleaner, greener, and more sustainable future."

By promoting clean and renewable energy sources, rooftop solarization plays a pivotal role in mitigating the environmental impact of traditional energy generation. Reduced reliance on fossil fuels translates to lower carbon emissions, fostering a cleaner and healthier environment for future generations.

Empowering Homes: Muft Bijli for One Crore Households

In a significant stride towards a sustainable and empowered future, the government has unveiled a transformative initiative – Rooftop Solarization, offering 'MUFT BIJLI' (free electricity) to one crore households across the nation. This visionary scheme aligns with the Prime Minister's commitment, announced on the historic day of the consecration of the Ram Mandir in Ayodhya, reflecting a dedication to a greener and more self-reliant India.

The main component of this project is the ability for one crore families to employ rooftop solarization to generate up to 300 units of free power each month. This not only empowers individual homes but also makes a major contribution to the more general objectives of energy independence and sustainability.

According to **Mr. Satyam Vyas is the CEO & Founder of Climate Asia** – "At Budget 2024 unfolds, it brings into focus the critical role of sustainable initiatives in shaping India's economic future. At Climate Asia, we acknowledge the government's strategic shift towards green energy, with an impressive surge in infrastructure spending from 1.13 percent of GDP in FY 2019-20 to a projected 3.3 percent in FY 2023-24. These investments are not just fiscal figures; they represent a tangible move towards sustainable housing and energy-efficient projects. In light of these developments, our mission is to drive private investment in green infrastructure, leveraging these policy shifts to foster an eco-friendly and economically robust India."

The significant financial assistance this system provides to homeowners is one of its main advantages. Families can benefit from free solar electricity for personal use as well as the opportunity to sell excess energy back to distribution firms, with anticipated annual savings ranging from fifteen to eighteen thousand rupees. This lessens the financial strain on households and promotes a prudent and energy-efficient consumption culture.

In response to Solar rooftops initiatives by the Gol, Mr. Mayvesh Raut, Co-founder & Managing Partner, Seafund stated, "The scheme for deeptech in defence will not only help the government start addressing the Make in Bharat initiative through indigenous technologies in defence but also unlock these technologies to other civilian uses. Deeptech focused funds like ours will definitely benefit from enabling initiatives like this.

"The solar rooftop schemes will be a big boost to not only meet our goals for clean energy, but will also set up India to start addressing the EV charging infrastructure that is currently holding back wider adoption of EVs. It will also create enormous jobs for installation, manufacturing and maintenance of solar infrastructure and a secondary effect will be opportunities available for startups to build on this.

"Extension of tax benefits for sovereign wealth funds expiring on 31st March 24 to 31st March 25 is a good signal from the government to indicate that there will be continuation of beneficial policies and friendly institutional investor policies"

Green Transportation: Recharging Electric Cars

Mr. Veer Singh, CEO of Lord's Automotive Pvt. Ltd. said, "The forward-looking approach adopted in the interim budget towards the automotive sector has been in alignment with the government's goals of promoting Atmanirbhar Bharat and moving firmly towards net-zero carbon emissions by 2070. Acknowledging electric vehicles (EVs) as the cornerstone of future mobility, the sustained emphasis to boost manufacturing capabilities and expanding charging infrastructure is poised to propel the adoption of electric vehicles in the country. Nevertheless, the industry is expecting further pivotal announcements that will boost various measures including subsidies, tax benefits and financing solutions to catalyse transformative change in the EV sector this year."

Rooftop solarization is not limited to lighting residences; it also helps the transportation industry embrace the green revolution. By making it easier for electric car chargers to operate, the program encourages the use of environmentally friendly transportation options. This reduces carbon emissions and is in perfect harmony with the global movement towards sustainable mobility.

"Various initiatives announced by the FM today clearly demonstrate the government's intention to further accelerate EV adoption and also generate significant employment opportunities for the youth. It is encouraging to see the focus on research and innovation to further grow the EV ecosystem. We believe that as the govt rolls out details of the scheme in the coming days for growing the EV public charging infrastructure, the availability of public chargers across the country will significantly grow and EV companies like ours will find higher market acceptance from its consumers and also attract investor interest.

"This will also break the 'range anxiety', the biggest barrier for EV adoption in our country. The government's support in providing financial assistance and support to EV manufacturing will encourage entrepreneurs to do deeper innovation in the battery management segment and other technologies. Overall, the ongoing infra will also generate employment opportunities for the youth as companies will be on a look out for people with technical know-how of running and maintaining charging infra. EV companies will also enjoy a deeper vendor ecosystem providing battery and other components for building make in India EV vehicles," explained **Mr. Dinesh Arjun, Co-founder and CEO, Raptee Energy.**

Viability Gap Funding

Presenting the interim budget for FY25, Sitharaman said: "Viability gap funding will be provided for harnessing offshore wind energy potential for initial capacity of 1 gigawatt."

Budget 2024:Govt to provide viability gap funding for 1GW offshore wind capacity

The plan adheres to the government's offshore wind project strategy, employing three development models. Viability gap funding (VGF) is slated for Gujarat and Tamil Nadu sites.

"An interim budget aimed at driving India's green, innovative and inclusive agenda. It also recognises the pivotal role that corporates need to, and must, play in furthering India's green growth. Initiatives such as introducing viability gap funding, supporting the EV ecosystem and rooftop solar should encourage private sector investment and, thus, transition toward a low-carbon economy. The substantial corpus of ₹1 lakh crore to speed up research and innovation in sunrise sectors recognises the criticality of the corporate sector investment to push India up the innovation curve and also boost India's competitive advantage.

Extending the Aatmanirbhar Bharat scheme to all ASHA and Anganwadi workers, building 20 million affordable houses, and skilling with a view to generate livelihoods support India's inclusive growth agenda. The domino-effect of such initiatives, in the medium term, will also boost rural incomes/savings and thus, consumption", said **Ketaki Karnik, Partner, Xynteo**

A Greener future for us all

"As a leading player in the global environmental sector, we at EKI Energy Services commend the Indian government's forward-looking and comprehensive approach to climate action and sustainable development, as outlined in the Union Budget for FY 2024-25.

"The focus on leveraging green energy, including the initiative for rooftop solarisation to provide 300 units of free electricity monthly to 1 crore households, not only promises significant savings for the Indian populace but also aligns with the global mandate towards achieving net zero emissions. Integrating it with the gas markets mechanism, which are under development in the country, this will prove to be feasible for its own funding.

"The allocation of a Rs 1 lakh crore corpus for interest-free financing for R&D in sunrise domains – the emerging industries of innovation likely to grow rapidly will prove a milestone in climate action of India. The advancement of electric vehicles (EVs) policies related to infrastructures especially and the development of a green energy infrastructure underscore a pivotal shift towards sustainable economic growth.

"The emphasis on coal gasification and liquification, alongside the innovative measures for biomass and compressed biogas, marks a critical step in reducing dependency on imports and fostering energy security. It will reduce the upstream supply chain uncertainties for entrepreneurs working on biofuel manufacturing making this country energy and carbon secured. Viability gap funding for 1GW offshore wind energy exemplifies India's commitment to renewable growth and marrying economic development with environmental care.

"The government's investment in the blue economy and bio-manufacturing demonstrates a holistic approach to leveraging India's natural resources responsibly.

We are excited about the entrepreneurship and employment opportunities these initiatives will generate while aggressively working for the planet and are fully committed to supporting India's journey towards a sustainable and resilient future," said **Mr. Manish Dabkara, chairman and MD EKI Energy Services Ltd and President Carbon Markets Association of India.**

Budget 2024 underscores India's commitment to a sustainable future, epitomized by the ambitious Net Zero target and emphasis on "Green Growth." The focus on offshore wind energy, coal gasification, and biogas blending heralds a transformative shift towards renewable energy, driving economic growth and environmental stewardship.

Budget 2024: India's Green Hydrogen Revolution Takes Center Stage

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