



Investing in a Sustainable Future

Edition – February 2025

“Budget Highlights on Sustainability”

A Green Leap Forward

The 2025-26 Union Budget demonstrates a commitment to sustainability by increasing the Environment Ministry's allocation by 9% raising it to ₹3,413 crore from ₹3,126 crore in the previous year. Sustainability focused proposals within the budget are listed down below:



Sustainable Agriculture: PM Dhan-Dhaanya Krishi Yojana & Aatmanirbharta in Pulses.

CNK Comments: This program supports sustainable farming. However, integrating agroforestry, regenerative agriculture, and watershed management is essential for long-term climate resilience.



Electric Vehicles (EVs): Boosts investments in solar, wind, hydro, and green hydrogen, along with incentives for EV adoption and battery storage.

CNK Comments: Accessibility remains a challenge, especially in rural and semi-urban regions where infrastructure gaps must be addressed.



Renewable Energy: Expansion of solar, wind, and hydro energy, along with incentives for green hydrogen, to reduce India's carbon footprint.

CNK Comments: This budget's aligns with India's climate commitments. While we welcome these steps, greater support for carbon markets is crucial to accelerate decarbonization.



Afforestation and Biodiversity: Enhanced support for the Compensatory Afforestation Fund Management Authority (CAMPA).

CNK Comments: Urban greening and nature-based solutions require more robust support in city planning to

address the increasing threats of urban heat islands and pollution.



Circular Economy: Incentives for waste-to-energy projects, stricter plastic waste management, and extended producer responsibility (EPR) regulations.

CNK Comments: These are encouraging signs, yet effective implementation is key. Stronger oversight and public engagement are essential to ensure industries adhere to waste management regulations and progress towards a zero-waste future.



Green Finance: Expansion of the Green Finance ecosystem with tax incentives for Green Bonds and carbon trading markets.

CNK Comments: Incentivizing green finance through bonds and carbon markets is a positive step. However, robust regulations and transparency are crucial to ensure these investments deliver genuine environmental impact.



Climate Resilience: Investments in disaster management and early warning systems, benefiting coastal and flood-prone regions.

CNK Comments: This is a positive move for climate resilience, and while it will aid vulnerable regions, a more comprehensive, long-term climate adaptation strategy is still necessary.

India's climate commitment is evident, but action is key. Sustainability needs a mindset shift, not just funds. A green future requires government, business, and individual collaboration, balancing economic growth and environmental well-being. This budget charts the course; now, we must act!



Budget Allocations for Achieving SDGs in 2025

Following are the key focus areas align with Sustainable Development Goals (SDGs) and business principles, including significant investments in healthcare, education, and clean energy, demonstrating the government's commitment to sustainable development –



P4: Be responsive to all stakeholders.

P8: Promote inclusive growth and equitable development.

Budget Highlights:

- **Enhanced Credit for MSMEs:** Guarantee cover increased from ₹5 crore to ₹10 crore.
- **PM SVANIDHI Scheme:** Loans up to ₹5 lakhs via Kisan Credit Card.
- **Rural Development:** Dhan-Dhaanya Krishi Yojana to aid 1.67 crore farmers in low-yield districts.



P3: Promote the well-being of all employees, including those in value chains.

P6: Protect and restore the environment.

P8: Promote inclusive growth and equitable development.

Budget Highlights:

- **Healthcare Infrastructure:** Increased budget of ₹90,658.63 crore for the Ministry of Health and Family Welfare.
- **Medical Education:** Adding 10,000 new medical seats this year, with a target of 75,000 seats over the next five years.
- **Cancer and Rare Diseases:** Exemption of customs duty on 36 life-saving drugs and establishment of 200 new cancer daycare centres.



P3: Promote the well-being of all employees, including those in value chains.

P8: Promote inclusive growth and equitable development.

P9: Engage with and provide value to consumers responsibly.

Budget Highlights:

- **Education Budget:** ₹1,28,650 crore allocated for the education sector.
- **Department of Higher Education:** ₹50,077.95 crore

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P2: Provide goods and services sustainably and safely.

P6: Protect and restore the environment.

Budget Highlights:

- **Rooftop Solar:** ₹20,000 crore for PM Surya Ghar: Muft Bijli Yojana, targeting over 10.5 GW of solar installations.
- **Green Energy Corridors:** ₹600 crore for seamless evacuation of solar and wind power.
- **Nuclear Energy:** ₹20,000 crore for the Nuclear Energy Mission, aiming for small modular reactors by 2033.



P3: Promote the well-being of all employees, including those in value chains.

P8: Promote inclusive growth and equitable development.

Budget Highlights:

- **Critical Minerals Mission:** Securing access to critical minerals like lithium and cobalt to build a resilient supply chain for green technologies.
- **Digital Infrastructure:** Investment in AI-driven growth and digital connectivity to enhance technological innovation and energy efficiency.



P2: Provide goods and services sustainably and safely.

P6: Protect and restore the environment.

Budget Highlights:

- **High Yielding Seeds Mission:** Improving seed research to develop drought and pest-resistant varieties, enhancing agricultural resilience.
- **Customs Duty Exemptions:** Removal of duties on key materials like cobalt powder and lithium-ion battery scrap to lower input costs and promote renewable energy and electric mobility.

Did You Know?

Green budgeting analyses the environmental impact of government spending, giving it a "green checkup" to ensure it helps, not hurts, the environment.