

India's Union Budget 2025 Addresses Key Attributes of United Nations Sustainable Development Goals (UN SDGs)

The Union Budget 2025 augments India's sustainable and inclusive growth, aligning with the vision of Viksit Bharat 2047 and the achievement of UN SDGs. It emphasises large-scale environmental impact and climate resilience through clean green energy and electric mobility initiatives. The budget also addresses socio-economic concerns through fund allocation for inclusive development, entrepreneurship and achieving water security. CareEdge-ESG presents its insights on the budget announcements that align with UN SDGs, addressing critical challenges to foster sustainable growth.

Key Budget Highlights and its Alignment with UN SDGs

Nuclear Energy Mission

7 AFFORDABLE AND CLEAN ENERGY



- The Budget outlines a forward-looking strategy for nuclear energy, with a Rs 20,000 crore investment in the research and development of Small Modular Reactors (SMRs).
- For the development of ~100 GW of nuclear energy by 2047 in partnership with the private sector, the budget has included amendments to the Atomic Energy Act and the Civil Liability for Nuclear Damage Act, aiming to make at least five indigenously developed SMRs operational by 2033.

Electric Mobility

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



13 CLIMATE ACTION



- Budget proposed removal of basic customs duty (BCD) on lithium-ion scrap and 35 additional items for EV battery manufacturing.
- This shall boost domestic battery production, attributing from lower input costs and enhance domestic resilience via reduced dependence on imports

Sustainable Fisheries

11 SUSTAINABLE CITIES AND COMMUNITIES



14 LIFE BELOW WATER



- A new framework will be introduced to ensure the sustainable harnessing of fisheries in India's Exclusive Economic Zone and High Seas, with a special focus on the Andaman & Nicobar and Lakshadweep Islands.

Agriculture and Cotton Productivity



- A five-year mission to improve cotton productivity and promote extra-long-staple cotton varieties has been launched to boost yield and sustainability in cotton farming.

Water Supply and Rural Development



- The Jal Jeevan Mission (JJM) is extended until 2028 with a Rs 67,000 crore allocation, aiming to provide functional tap water connections to all rural households.

Clean Tech Manufacturing



- The Budget emphasises advancing Clean Tech manufacturing in the National Manufacturing Mission, focusing on scaling up domestic production of sustainable technologies such as solar PV cells, EV batteries, wind turbines, and grid-scale batteries.
- The initiative aims to reduce dependency on imports, create green jobs, and enhance technological innovation in the renewable energy sector

Scheme for First-Time Entrepreneurs Directed at Women and Backward Tribes



- A new scheme is launched for 5 lakh women, Scheduled Castes and Scheduled Tribes first-time entrepreneurs under which term loans up to Rs 2 crore will be provided during the next 5 years

While these initiatives represent significant progress, challenges remain around securing green finance. Although India is advancing in green hydrogen, offshore wind energy, and sovereign green bonds, international climate finance flows are insufficient, highlighting the need for better funding mechanisms. CareEdge-ESG believes introducing a climate finance taxonomy will help screen the relevant projects and enhance capital availability for climate projects, offering a more transparent framework for investment in sustainable development.

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