

# Infrastructure gets a green push

The recent budget detailed several provisions to align India's growth with its sustainability goals, spelling a promising outlook for the renewable energy sector. Experts discuss the scope of these measures

2024-25 features a slew of noteworthy updates. To start with, the renewable energy sector received a much-needed boost of ₹11,530 crore across solar and wind energy alongside green hydrogen. The allocation for solar initiatives rose to ₹10,000 crore for 2024-25, a 110 per cent increase from the revised estimates (2023-24) of ₹4,757 crore. Likewise, the outlay for the National Green Hydrogen Mission touched a ₹600-crore mark, welcoming a five-fold increase. Let's review other key developments.

## EV PROPELS THE NET ZERO JOURNEY

The budget underscored the government's commitment to speed up the adoption of e-buses for public transport and strengthen the e-vehicle ecosystem by supporting manufacturing and charging. Pragma Goyal, CEO and



co-founder of an e-scooter company, believes, "The emphasis on bolstering the EV sector aligns seamlessly with the vision for an eco-friendly mobility landscape. The move towards net zero emissions by 2070 is a commendable environmental goal and a strategic boost for the EV segment. The planned expansion of manufacturing will be critical to increasing production capacities and fostering

innovation and competitiveness." Moreover, Goyal believes that the development of charging infrastructure will also play a pivotal role in allaying the concerns of potential EV adopters. If implemented well, these initiatives could make sustainable mobility more accessible and attractive to a broader consumer base.

## GOING CLEAN

The substantial infrastructure investments proposed in the budget also mark a significant stride in accelerating the growth of green energy. Bikesh Ogra, MD and CEO of a new energy transition platform, anticipates better allocations for crucial elements such as port infrastructure, renewable energy integration, and specialised infrastructure for green hydrogen. "Notably, PM Gati Shakti's railway corridors emerge as a game-changer

for green hydrogen and its derivatives, fostering dedicated transport links between production hubs, ports, and markets. This is poised to reduce costs, enhance accessibility, and expedite India's transition towards clean energy," says Ogra.

Additionally, he opines that the viability gap funding (VGF) announced for off-shore wind and bio-based projects holds immense promise, presenting opportunities to lower the levelised cost of green hydrogen. Ogra also commends the budget's stable tax and duty rates, remarking, "This neutral yet strategically significant move will encourage a steady flow of foreign investments, particularly in critical sectors like renewable energy. The continuity prioritises investor confidence, enabling long-term growth in key areas of sustainability."

## SOLAR POWER PLAY

Sameer Gupta, the chairman and MD of a leading renewable energy and infrastructure company, shares that private sector players are working in alignment with the government's strategy to 'reform, perform, and transform' to stimulate strategic growth. "The introduction of Pradhan Mantri Suryodaya Yojana is noteworthy. This programme aims to provide one crore households with 300 units of free electricity through rooftop solarisation. These dynamic measures are expected to enhance energy security and clean energy accessibility, driving technological innovation and economic empowerment," concludes Gupta.

While the prospects of green energy are exciting, its real success weighs on the execution of these budgetary reforms.