

AN ANALYSIS OF UNION BUDGET 2023-‘24 FOR THE PROMOTION OF GREEN ECONOMY IN INDIA

Dr. Nidhi Kulshrestha, Assistant Professor (Economics), REVA University Affiliation
Bengaluru, Karnataka, 7299911604

Nidhi.sinha3@gmail.com

<https://orcid.org/my-orcid?orcid=0000-0002-6679-2982>

<https://vidwan.inflibnet.ac.in/profile/267795>

https://scholar.google.com/citations?view_op=new_profile&hl=en

Abstract

India is now the most populous country in the world. The carbon emission needs to be curbed. The government took the initiative in this budget and developed a robust strategy for attaining the goal of green growth. This paper is the study of the initiatives taken by the government and its implication. It will analyze the impact of initiating those schemes and the additions that can be initiated in the Union budget 2024-‘25. The paper is structured as follows: Section 1 states the introduction of the study. Section 2 states the objectives of the study. Section 3 gives an introduction of the concept Green Economy. Section 4 deals with the reasons for adopting Green Growth in India. Section 5 includes major programs of the government for promoting green growth in India. Section 6 includes a review of the literature. Section 7 analyses and concludes the existing literature.

Keywords: green economy, Union budget, government initiatives, green growth.

Introduction of the Study

The concept of a sustainable economy is the topic of discussion in all economic or political integration. The publication of the report Limits to Growth by the Club of Rome in 1972 was a major breakthrough. Sustainability is a major part of the discussion now because extreme weather conditions and unpredictable climatic change has resulted in mankind thinking about the green economy. It was a central theme of the major United Nations conference on sustainable Development (Rio+20) held in Rio in June 2012‘.

In the past few decades India has witnessed a significant industrialisation and as a result if that rapid urbanisation also. It is responsible for all kind of pollution. Continuous carbon emission, spatial congestion and rapid decline in groundwater level are to name few negative impact of over urbanisation. Therefore, rise in population in not only a burden on the infrastructure but also leaves a hazardous impact on the atmosphere and climate.

India has shown a significant growth in employment and therefore improvement in living standard but the by products are environmental degradation and rapid depletion of natural resources. This has made it important to take the necessary steps for developing a decarbonized and green economy. The advent of COVID-19 has played a major role in prompting brands to resort to sustainability by default. Therefore, the public and private sector have together for promoting green economy and treading the path of sustainable development of the country.

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2. Objective of the Paper

The objective of the paper is to study the green growth of the Indian Economy.

1The study includes the following aspects.

2. Concept of Green Economy.
3. Understanding the concept and need for green growth.
4. Avenues of Green Growth.
5. Review of existing literature.
6. Case study on the initiative of the government programs in the budget 2023-'24

3. Concept of Green Economy

The use of resource efficient, socially inclusive and low carbon emission is combined together and known as green economy. The development in green economy by public and the private sector is an investment in economic activities, infrastructure and other assets with a reduced carbon emission and pollution. It also includes prevention of the loss of biodiversity and development of ecosystem. These green investments are supported through fiscal and monetary policy. The concept of sustainable development will remain intact rather green economy is the way of attaining sustainable development.

The focus of green economy is on investments, employment and skills. The three main area where the focus of green economy lies are:

1. The thrust area is the green finance, technological development and investments.
2. Advocacy of macro-economic approach to sustainable economic growth through regional, sub-regional and national fora.
3. Support to countries in terms of development and mainstreaming of macro-economic policies to support the transition to a Green Economy.

According to the 2020 Environmental Performance Index, countries around the world are ranked based on indicators such as waste management, air quality, biodiversity & habitat, fisheries, ecosystem services, and climate change.

Among the top six largest economies, India ranked 169 out of 180 countries, indicating it lags in green growth. Individually, for some of the indicators India's ranking are as follows: Air Quality (179), Sanitation & Drinking Water (139), Waste Management (103), Biodiversity & Habitat (149), Fisheries (36), and Climate Change (106). India's poor performance is a cause for worry, with nearly 1.3 billion people facing serious environmental health risks.

Green growth in India

Green growth is ensuring economic growth and development keeping in mind that the natural resources are sustainable as our well-being relies on that. Green growth is not a substitute for sustainable development as it gives practical solution for economic and environmental pillars while keeping intact the philosophy of green growth. It focusses on ensuring that the natural assets will be delivered with a full potential on sustainable basis. The naturally available critical life support services like clean air to breathe and clean drinking water. It checks the biodiversity which is needed for supporting food production and human health. It is a well-known fact that natural assets are not infinitely substitutable and green growth policies take account of that.

Green growth policies is an important part of any structural reforms which is need to foster inclusive and sustainable growth. The various aspects of growth are :

- Increasing productivity by creating incentives for greater efficiency in the use of natural resources, reducing waste and energy consumption, unlocking opportunities for innovation and value creation, and allocating resources to the highest value use.
- Boosting the confidence of the investor through for making more investment in environment friendly project.
- Developing robust marketing strategies for the promotion of green products and creating awareness.
- Providing tax holiday to the firms involved in the production of green products and eliminating subsidies harmful for the environment.
- These measures can also be utilised for generating that can be utilised for anti-poverty programs in such areas as water supply and sanitation.

Review of Literature

Martin Khor in his research paper 'Risks and uses of the green economy concept in the context of sustainable development poverty and equity' has discussed about the risks of misuse of Green Economy concept as one dimensional manner where stress has more been given to environmental aspects rather than the developmental and equity dimensions,

Bholane K. P. in the research paper 'Policy shift from economic growth to green growth with special reference to India' mentioned necessity and benefits of green growth also the policy initiatives taken by the government.

Himanshu Gupta in his research paper 'Low Carbon Pathways' observed that global emissions of CO₂ if allowed unabatedly leading towards to rise in temperatures. He suggested for the low carbon emitting technology.

Shoibal Chakravarty in his article 'Cheap Oil, Climate Change Mitigation and India' finds link between oil price crash and China's economic slowdown. In the long run, growth in alternative fuel sources and rapid decrease in the price level of these alternative energy sources can reduce heavy dependence on oil in public transport.

BUDGET 2023-'24 AND GREEN GROWTH

The Union Budget 2023-24 has initiated various projects like Green Hydrogen Mission, Energy Transition, Energy Storage Projects, Renewable Energy Evacuation, Green Credit Program, PM-PRANAM, GOBARDhan Scheme, Bhartiya Prakritik Kheti Bio-Input Resource Centres, MISHTI, Amrit Dharohar, Coastal Shipping, and Vehicle Replacement.

PM KUSUM

PM-KUSUM (Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan) ensured renewable energy resources for the farmers in India.

It is for achieving the target of increasing the share of installed capacity of electric power from non-fossil-fuel sources to 40% by 2030.

The scheme was launched in 2019 with 3 components:

1. Component-A: Setting up 10,000 MW of Decentralized Grid Connected Renewable Energy Power Plants on barren land.
2. Component-B: Installation of 17.50 Lakh stand-alone solar agriculture pumps.
3. Component-C: Solarisation of 10 Lakh Grid Connected Agriculture Pumps.

Gobardhan Yojana

India has the potential of producing 10 thousand million cubic meters of biogas from Gobar (cow dung) and 1.5 lakhs cubic meters of gas which can contribute up to 8% to the city gas distribution in the country.

Gobardhan Yojana which was launched in 2018, as an important component of India's biofuel strategy. In this budget, the government has announced plans to set up 500 new waste-to-wealth plants under the Gobardhan Yojana.

The Galvanizing Organic Bio-Agro Resources Dhan (GOBAR-DHAN) scheme is implemented under the Swachh Bharat Mission Gramin-Phase 2, by the Department of Drinking Water and Sanitation under the Jal Shakti ministry.

Green Credit program

This is the time to introduce behaviour

real changes in the sustainable use of loans for the environmentally sustainable activities by individual, companies and the local bodies.

MISHTI and Amrit Darohar

'Mangrove Initiative for Shoreline Habitats & Tangible Incomes' or MISHTI involves planting mangroves along the coastline and on salt pan lands through MGNREGA.

Amrit Darohar is another new scheme, that will be implemented over the next three years to "encourage optimal use of wetlands, and enhance biodiversity, carbon stock, eco-tourism opportunities, and income generation for local communities"

India's vehicle scrapping policy

This policy was launched in the year 2021 for replacing old vehicles with new and modern vehicles on the Indian roads. In this policy if the vehicle does not pass the fitness and emission test (commercial vehicles aged >15 years and passenger vehicles aged >20 years) , it will be scrapped.

It is expected to reduce pollution, create job opportunities and boost demand for new vehicles. Following the principle of Reuse, Recycle, and Recovery gives new strength to our circular economy.

PM PRANAM

The government will promote and facilitate one crore farmers to adopt natural farming through Prime Minister Program for Restoration, Awareness, Nourishment, and Amelioration of Mother earth (PRANAM).

The main objective of this scheme is to reduce the use of chemical fertilizers and promote the balanced use of chemicals, promote green growth, and reduce the negative impact on the environment.

Conclusion and Suggestions

India has the huge potential among the developing countries to green jobs and promote green energy. In G20 also sustainable development is the priority. The budget 2023-24 also identifies 100 projects to improve last-mile connectivity for industries like coal and ports, as well as activities that would not be considered green growth, such as building 50 extra airports.

Unfortunately, India there are no funding resources for important initiatives like the National Mission on Himalayan Studies and that occurred at a time when Joshi math and several other Himalayan cities are undergoing land subsidence.

India should more investment funds on low carbon technology for identifying the hotspots for environmental degradation and initiate remedial actions. Every country is different from each in all the aspects .The strategies should be tailored according to the requirement of the country.

There is a need to rely upon various ranges of measures of progress and impact on the welfare of the people. It is the right time to take India on the path of green development for sustainable and inclusive development. The country should invest on green economy and reduce social risk related to health hazard.

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