

# **YOJANA MAGAZINE ANALYSIS**

(March 2025)

(Part 3/4)

# **TOPICS TO BE COVERED**

## **PART 1/4**

- FISCAL FEDERALISM IN INDIA
- ROADMAP FOR VIKSIT BHARAT @ 2047

# **PART 2/4**

- INVESTMENT AS AN ENGINE OF GROWTH
- AGRICULTURE: ENGINE FOR INDIA'S DEVELOPMENT

# **PART 3/4**

- GENDER BUDGETING: A ROADMAP TOWARDS INCLUSIVITY GREEN BUDGETING IN INDIA: A STEP TOWARDS
- SUSTAINABLE DEVELOPMENT

# **PART 4/4**

- BUDGET 2025-26: TOWARDS TAX REFORMS
- BUDGET 2025-26: CHARTING INDIA'S NEXT INFRASTRUCTURE FRONTIER

# GENDER BUDGETING: A ROADMAP TOWARDS INCLUSIVITY

#### Introduction

- Gender equality is a key factor in the economic development of any country, and it
  plays a vital role in national progress.
- In India, women make up 48.4% of the population, contributing significantly to the economy. However, they face discrimination, such as sex-selective abortions, assault, and economic vulnerability.
- The government has taken various legislative and policy measures to address these issues. Among these measures, **Gender Budgeting (GB)** is a significant tool aimed at reducing gender disparities.

## THE CONCEPT OF GENDER BUDGETING

- Gender Budgeting (GB) is a tool for allocating government resources with consideration of gender-specific needs.
- It integrates gender mainstreaming into the budgetary process, which involves restructuring income and expenditures with a focus on gender equality.

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 Goal: To incorporate gender-specific concerns in fiscal policies and overall financial management.

## **EVOLUTION OF GENDER BUDGETING**

- First adopted by Australia in 1984, followed by Canada (1993), Philippines and South Africa (1995).
- In 1995, the Fourth World Conference on Women in Beijing emphasized GB as a critical measure.
- India introduced GB in 2005-06 under Union Budget Statement 19 and later moved to Statement 20 (2006-07) and Statement 13 (2017-18 onwards).
- The Ministry of Women and Child Development (MoWCD) is the nodal agency for GB in India.

## **CATEGORISATION OF GENDER BUDGETING**

Since **2024-25**, GB allocations are categorized into three parts:

- 1. Part A: Women-Centric Schemes
  - o 100% allocation for women and girls.

- 2. Part B: Pro-Women Schemes
  - At least 30% allocation for women and girls.
- 3. Part C: Pro-Women Schemes
  - Less than 30% allocation for women and girls.

## TRENDS IN GENDER BUDGETING

- 2005-06: 9 ministries allocated Rs 14,378.68 crore (2.8% of Union Budget).
- 2011-12: Highest GB allocation at 6.37% of the Union Budget with 29 ministries.
- 2014-15: GB allocation refocused at 5.6% of the Union Budget with 36 ministries.
- 2024-25: Historical increase of 233.73% with Rs 3.27 lakh crore allocated across 43 ministries.
- 2025-26: Record allocation of Rs 4,49,028.68 crore (8.86% of Union Budget) with 56 ministries.

### **GENDER BUDGET 2025-26 HIGHLIGHTS**

- Part A: Women-Specific Schemes
  - o Rs 1,05,535.40 crore (23.50% of GB).



- Namo Drone Didi Scheme: Rs 950.85 crore for empowering women in agriculture.
- National Rural Livelihood Mission (NRLM): Rs 19,005 crore for skill development.
- Pradhan Mantri Awas Yojana (Urban & Rural): Rs 78,126 crore (74.02% of Part A allocation).
- Part B: Pro-Women Schemes
  - Rs 3,26,672 crore (72.75% of GB).
  - Pradhan Mantri Garib Kalyan Anna Yojana: Rs 1,07,638.78 crore for food security.
  - Samagra Shiksha Scheme: Rs 12,375 crore for girls' education.
  - MGNREGA: Rs 40,000 crore for rural employment.
  - Swachh Bharat Mission & Jal Jeevan Mission: Rs 23,380.36 crore.
  - Ministry of Women and Child Development: Rs 18,459.91 crore.



- Part C: Newly Introduced Category
  - o Rs 16,821.28 crore.
  - Department of Agriculture & Farmers Welfare: Rs 15,000 crore for PM-Kisan
     Samman Nidhi.
  - Department of Water Resources & Ganga Rejuvenation: Rs 455 crore.

## CHALLENGES IN GENDER BUDGETING ALLOCATION

- Lack of Gender-Disaggregated Data
  - It is difficult to measure the actual impact of GB without clear data.
- Limited Institutional Capacity
  - There is a need for trained personnel in gender-sensitive budgeting.
- Monitoring & Evaluation Gaps
  - A lack of structured frameworks makes it hard to assess the effectiveness of GB.
- Underutilization of Allocated Funds
  - Bureaucratic delays hinder the timely utilization of allocated funds.
- **Sectoral Imbalance** Allocation often disproportionately favors select ministries, creating sectoral imbalances.

## **WAY FORWARD**

- Strengthening Institutional Mechanisms
  - Establish dedicated Gender Budgeting Cells (GBCs) across ministries.
- Capacity Building & Training
  - Conduct workshops for government officials on gender budgeting.
- Improving Data Collection & Analysis
  - Develop a strong framework for gender-disaggregated data.
- Ensuring Transparent & Accountable Allocation
  - Regular audits and impact assessments for effective utilization.
- Expanding GB to Local Governance
  - o Implement GB in Panchayati Raj institutions and municipalities.



# **GREEN BUDGETING**

#### Introduction

- Green Budgeting is a fiscal strategy that integrates environmental sustainability into national budgetary planning.
- It ensures that **government expenditures and revenues** contribute to addressing climate change, environmental conservation, and green economic growth.
- As a rapidly growing economy, India is committed to global climate action and sustainability. The Union Budget 2025-26 emphasizes environmental goals by integrating green policies with economic development, focusing on clean energy, sustainable agriculture, circular economy, and urban development.

#### WHAT IS GREEN BUDGETING?

- Green Budgeting involves systematically incorporating environmental
   considerations into fiscal policies and budgetary decisions. It includes:
  - Allocating resources for climate adaptation and mitigation.
  - Implementing environmental taxes and green subsidies.
  - Enhancing accountability in public spending for sustainability.



• Global Adoption: Countries like France, the UK, and Canada have successfully adopted Green Budgeting, aligning fiscal policies with climate objectives. India's approach integrates climate concerns into core economic policies.

### **KEY FEATURES OF GREEN BUDGETING IN INDIA**

- Policy Implementation & Governance of Green Sectors
  - o Increased Budget for MoEFCC: Allocation for the Ministry of Environment,

    Forest, and Climate Change increased by 10%, to ₹3,412.82 crore,

    underscoring India's commitment to environmental governance.
  - MNRE Budget Increase: The Ministry of New and Renewable Energy
    (MNRE) budget rose by 39%, reaching ₹25,649 crore, reinforcing India's clean
    energy goals.
- Clean Energy & Solar Power Push
  - Distributed Solar Energy Boost:
    - Budget increased by 66% to ₹22,600 crore for distributed solar energy.
    - PM Surya Ghar Muft Bijli Yojana provided free solar electricity (up to 300 units per household), with 630,000 installations by December 2024.



- Solarisation of Agriculture (PM-KUSUM): Budget increased by 3% to ₹2,600
   crore to reduce diesel dependency and enhance farmers' income.
- Strengthening Renewable Energy Transmission & Storage
  - ⊙ Green Energy Corridors (GECs): ₹600 crore allocated for transmission infrastructure to ensure efficient renewable energy distribution.
  - o Green Hydrogen Development: Budget for green hydrogen doubled from ₹300 crore to ₹600 crore, crucial for industries like steel and cement.
- Nuclear Energy Expansion
  - National Nuclear Mission: Target to increase nuclear power capacity to 100
     GW by 2047 (currently at 8.2 GW).
  - Proposal to develop five small modular reactors (SMRs) for decentralized energy supply.
  - Private Sector Engagement: ₹20,000 crore allocated for R&D in nuclear technology, along with a proposal to amend the Atomic Energy Act to attract private investment.

## Green Mobility & Electric Vehicles (EVs)

- EV Manufacturing Costs Reduction: Customs Duty removed on key raw materials like lithium, cobalt, and zinc.
- PLI Scheme Expansion: Expanded for EV batteries.
- Duty Exemption: On 35 imported capital goods to boost domestic EV production.

## Circular Economy & Recycling

- Fiscal Benefits for Recycling: Critical minerals will be recovered from industrial waste, reducing dependence on virgin raw materials.
- Circular economy initiatives aim to reduce energy consumption by 11%.

## Climate-Resilient Agriculture

- National Mission on High Yielding Seeds: Development of climate-resilient seeds to withstand extreme weather, improving food security.
- Budget support for farmers impacted by climate-induced yield fluctuations.

## Conservation of Natural Resources & Biodiversity

Increased allocation for ecosystem conservation, including strengthening
 Project Tiger and Project Elephant to protect biodiversity.



- Conservation of aquatic ecosystems to enhance resilience against climate change.
- Urban Sustainability & Smart Cities
  - O Urban Challenge Fund (₹1 lakh crore) focuses on water and sanitation infrastructure and attracting private sector investment for sustainable urban development.

# IMPACT OF GREEN BUDGETING IN INDIA'S SDG

SDG Goal	Impact of Green Budgeting
SDG 7 (Affordable & Clean Energy)	Increased investment in renewable energy, solar power, and nuclear energy.
SDG 9 (Industry, Innovation & Infrastructure)	Strengthening of green energy corridors and clean energy manufacturing.
SDG 11 (Sustainable Cities & Communities)	<b>Urban Challenge Fund</b> for climate-resilient urban infrastructure.
SDG 12 (Responsible Consumption & Production)	Promotion of circular economy and recycling initiatives.
SDG 13 (Climate Action)	Increased funding for climate adaptation and mitigation projects.
SDG 15 (Life on Land)	Greater conservation efforts for <b>biodiversity</b> and natural resources.

## CHALLENGES IN IMPLEMENTING GREEN BUDGETING

#### Financial Constraints

- While budget allocations have increased, mobilizing private investment remains challenging.
- High costs of green infrastructure require innovative financing models.

## • Implementation Bottlenecks

- Slow project execution in renewable energy transmission and battery storage.
- Bureaucratic hurdles in nuclear energy expansion and private sector participation.

# Technological & Supply Chain Gaps

- Dependence on imported materials for EV batteries and solar panels increases vulnerability.
- o Green hydrogen and nuclear technology need faster R&D advancements.



#### Socioeconomic Barriers

- Need for awareness programs to encourage adoption of distributed solar and EVs.
- Ensuring energy access for rural and marginalized communities.

#### **WAY FORWARD**

- Increasing Private Sector Participation
  - o Green Bonds & Climate Financing: Mobilizing domestic and international climate funds.
  - Public-Private Partnerships (PPPs): Engaging private companies in renewable energy, nuclear power, and EV production.
- Strengthening Governance and Policy Implementation
  - o Faster policy execution for nuclear energy expansion.
  - Ease of approvals for renewable energy projects.



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## • Investing in R&D and Innovation

- o Strengthening India's green hydrogen and battery manufacturing ecosystem.
- o Accelerating indigenous nuclear technology development.
- Public Awareness & Capacity Building
  - Education and training programs to promote adoption of clean energy solutions.
  - Subsidies and incentives for individual households adopting solar energy and
     EVs.