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# Budget 2025-26: How Does It Power India's Green Transition?





**This year's Union Budget builds on India's commitment to sustainable growth—reinforcing existing policies and introducing new initiatives across electricity, renewable energy, and electric mobility.**

**But how does it align with India's Net Zero 2070 vision? Let's break it down.**





# Strengthening the Electricity Sector

- **INR 48.4K crore** allocated to MoP & MNRE for FY26
- **70% of MoP's allocation** to support DISCOM reforms under the **Reform-Linked Distribution Scheme**
- States allowed **extra borrowing** to improve power distribution performance.
- PSUs to mobilise **INR 86K crore**—a **21% rise** from last year for infrastructure upgrades

Boosting energy efficiency and supporting renewable energy goals.



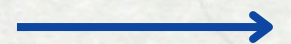




# Boosting Renewable Energy & Critical Minerals

- **INR 26.5K crore** for MNRE—**53% increase** from last year, with **INR 20K crore** for **PM Surya Ghar** to expand distributed solar energy
- **INR 20K crore** allocated for the **Nuclear Energy Mission** to boost Small Modular Reactors (SMRs), **targeting 100 GW capacity by 2047**
- **INR 400 crore** for the **National Critical Mineral Mission** to secure supply chains and support domestic battery manufacturing
- **BCD exemptions** for critical minerals and lithium-ion battery waste recycling to **accelerate the green transition**

These initiatives strengthen India's energy security and clean energy future.







# Sustained Support for Electric Vehicles

- **INR 4,000 crore** allocated under the **PM-EDRIVE** scheme to promote **EV adoption** across categories
- Disbursements under the **PLI scheme for auto and auto components** projected to rise to **INR 2,818 crore** in FY26—indicating a **growing industry participation**
- Continued focus on **EV demand incentives** and **domestic manufacturing** to accelerate India's **green mobility transition**

Strategic investments in EVs signal India's commitment to net-zero goals and a sustainable future.







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## What's Next?

The budget sets a solid foundation for India's energy transition—but effective implementation and continued investment will be key to unlocking its full potential.

Read the full blog on [csiglobal.co](https://csiglobal.co)

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