

2024 Budget Must Boost Sustainable Investments for MSMEs

New Delhi, July 15, 2024: As the 2024 Union Budget approaches, the [World of Circular Economy \(WOCE\)](#), a global leader in sustainable solutions, urges the government to prioritize sustainable investments for micro, small, and medium-sized enterprises (MSMEs). MSMEs contribute 30% to India's GDP and significantly impact the nation's carbon footprint, crucial for achieving India's net-zero goals.

Anup Garg, Founder and Director of WOCE, states, "Government intervention is vital to integrate sustainable practices and ensure global competitiveness. MSMEs face financial and resource challenges, making it essential for the government to support sustainable investments."

MSMEs account for nearly 90% of businesses worldwide, contributing over 60% of CO2 emissions annually, including 110 million tonnes in India alone. "WOCE aims to help MSMEs reduce Scope 3 emissions—the indirect emissions from supply chains. With proper advisory and solutions, a global reduction of 10-15% in Scope 3 emissions is achievable," says Garg.

He adds, "MSMEs are the economy's backbone but often lack sustainability guidance. Our solutions help large corporates and MSMEs comply with ESG requirements, improve sustainability ratings, and drive global decarbonization." Last year, WOCE Solutions measured 127,511,197 kg of CO2e, including 23,923,100 kg from Scope 3 emissions.

WOCE urges the government to consider the following budget demands:

1. Introduce a five-year tax break for MSMEs embracing green technologies
2. Incentivise companies with a five-year year tax break, reinvesting profits up to Rs 1.5 crore in the sustainability domain
3. Establish a green curation fund to support companies switching to renewable energy
4. Provide relocation compensation to companies moving to hinterlands
5. Compensate MSMEs up to INR 15,000 for each job (up to INR 30,000/month remuneration) created in sustainable manufacturing
6. Provide direct tax concessions to carbon-intensive manufacturers complying with ESG and sustainability standards
7. Offer incentives for MSMEs to adopt digital solutions for efficient ESG reporting

A beginning has already been made by WOCE in the ESG space. It has introduced an AI-powered platform called [esgpro.ai](#) to enable India Inc to actively engage in sustainability, especially as ESG reporting requirements become more stringent. The right support can accelerate India's transition to a sustainable economy.