

THIS WEEK IN POLICY

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At the Centre

01

MINISTRY OF
PETROLEUM AND
NATURAL GAS

Cabinet approves 'Samudra Manthan', the National Offshore Exploration Scheme

A Central Sector Scheme with an outlay of Rs 84,084 crore running to FY 2030-31, it funds large-scale seismic data acquisition, deepwater and ultra-deepwater exploratory drilling, scientific drilling in frontier basins, shared offshore production and evacuation infrastructure, and an integrated Oil and Gas Manufacturing and Services Zone. The Centre expects reserve accretion of over 600 MMTOE.

CPRG INSIGHT

Deepwater blocks have found no takers for years, and the main reason is cost. A single dry well can run past a hundred million dollars, and the seismic data on offer is old and mostly held privately, so nobody wants to bid blind. The government is now paying for the surveys and the first risky wells itself and will share what it finds, which is how Brazil and Norway got their offshore industries going. All of it depends on whether that data is genuinely made open and usable

02

MINISTRY OF NEW
AND RENEWABLE
ENERGY

Cabinet approves the Pradhan Mantri Surya Sarovar Yojana for floating solar projects with energy storage

The scheme carries an outlay of Rs 5,070 crore and targets 5,000 MW of floating solar photovoltaic capacity with co-located storage of at least two hours, or 10,000 MWh. Central assistance is Rs 1 crore per MW on commissioning, plus up to Rs 50 lakh per project for bathymetry, hydrography and environmental feasibility work. Installed floating solar capacity is currently around 700 MW against an assessed potential of 102 GWp.

CPRG INSIGHT

Reservoirs allow solar to expand without competing for farmland, which has become the binding constraint in the states with the best sunshine. The more forward-looking feature is making two hours of storage compulsory rather than optional, a first for a central solar scheme, since it addresses the evening demand peak when solar alone falls short. Funding survey and feasibility work separately is practical, as those early costs have often stalled floating solar proposals before they began.

03

MINISTRY OF
FINANCE

Finance Ministry introduces a Bill enabling MDR on UPI and other digital payments

The Payment and Settlement Systems (Amendment) Bill replaces the provision requiring specified digital payment modes to stay free of Merchant Discount Rate, letting the government notify by rules which instruments remain at zero MDR and which may attract a charge. It prescribes no rate, and any levy would need a Gazette notification followed by RBI guidelines. Zero MDR on UPI and RuPay debit has been in force since January 2020. Reports suggest 25 to 30 basis points on merchant transactions above Rs 2,000, with person-to-person transfers exempt

CPRG INSIGHT

The zero MDR rule has been part of the law since 2020, which is why changing it required an amendment. This Bill moves that decision out of the law and into rules the government can notify on its own, which is a bigger shift than any rate it may eventually set. The Bill itself sets no charge. What will decide the outcome is where the threshold is finally drawn, because small shopkeepers gave up card machines once charges came in and a QR code is far easier to take down.

04

MINISTRY OF
AGRICULTURE AND
FARMERS WELFARE

Cabinet approves continuation of the PM-KISAN Scheme up to 2030-31

The scheme continues at Rs 6,000 a year in three instalments, with a financial outlay of Rs 3.15 lakh crore. Rs 4.47 lakh crore has moved through 23 instalments since 2019, with 9.49 crore farmers in the latest tranche. NITI Aayog's DMEO evaluation found 92 per cent of beneficiaries used the money on farm inputs and 85 per cent reported reduced reliance on informal credit.

CPRG INSIGHT

The amount has been Rs 6,000 since 2019 and prices have risen a lot since, so it buys much less today than it did then. Keeping the same figure till 2030-31 means that gap will keep growing. The scheme still works because the money arrives on time and farmers can count on it, which is what the drop in borrowing from moneylenders shows. Raising the amount, or linking it to prices could be the next good step.

05

MINISTRY OF
YOUTH AFFAIRS
AND SPORTS

Cabinet approves the revamped Khelo India Scheme and enhanced assistance to National Sports Federations

A combined outlay of Rs 36,441 crore for 2026-27 to 2030-31, nearly eight times the previous Khelo India allocation. It creates an Emerging Khelo India Athletes category expanding the supported athlete pool roughly ten-fold, adds Khelo India Feeder Schools and Utkrishta Vidyalayas, sets up a National Coach Accreditation Board, and builds a unified digital platform linking athletes, infrastructure and funding.

CPRG INSIGHT

Khelo India has been running talent identification and school programmes for years, but the money only stretched to a small group, so plenty of athletes were spotted and then had nowhere to go. This revamp widens that pool almost ten-fold and adds coach accreditation and a single platform tying athletes, facilities and funding together. Results from this take a long time, which is roughly the runway the 2030 Commonwealth Games in Ahmedabad and the Olympic bid give it.

06

MINISTRY OF
PETROLEUM AND
NATURAL GAS

Cabinet approves GOBARdhan, the national unified scheme for compressed biogas

With an outlay of Rs 23,731 crore for FY 2026-27 to 2035-36, the scheme folds SATAT, market development assistance, pipeline support and central financial assistance into one framework. It sets a CBG blending obligation of 3 per cent in 2026-27, rising to 5 per cent from 2028-29; an administered price of Rs 2,110 per MMBTU for at least ten years; capital assistance of up to Rs 2 crore per tonne-per-day; and a credit guarantee for MSME projects.

CPRG INSIGHT

Around 200 compressed biogas plants were built under earlier schemes, but with no assured buyer and no fixed price, banks were reluctant to lend against them. This scheme settles both questions at once, since city gas companies must now purchase a set share of CBG and the price is guaranteed for ten years. That is exactly the certainty lenders look for, and it should turn a promising pilot sector into a financeable industry while giving farmers a paying use for crop residue and cattle dung.

07

NITI AAYOG

NITI Aayog releases a report on strengthening India's caregiving ecosystem

Titled “Reimagining Care: Strategies for Empowering Caregivers in Viksit Bharat@2047”, the report proposes a National Policy on Caregiving and a National Caregiver Council, with recommendations spanning professional recognition, workforce development, social security and family-based care. It treats caregiving as a skilled profession and identifies global demand as an opportunity for trained Indian caregivers.

CPRG INSIGHT

Care work in India is largely invisible, performed unpaid at home or by attendants with no formal training, certification or protection. Recognising it as a skilled profession opens the way to proper qualifications, social security cover and better pay, which benefits caregivers and the families depending on them alike. The proposed National Policy and Caregiver Council gives the idea an institutional home, and building language and licensing pathways would help Indian caregivers access the global demand the report identifies.

08

MINISTRY OF
RAILWAYS

Indian Railways introduces a single all-India licence for container train operators

Operators will now receive one nationwide licence against a uniform non-refundable registration fee of Rs 25 crore, replacing differentiated fees for different route categories. Concessions may be extended for a further 20 years on satisfactory performance without a renewal fee.

CPRG INSIGHT

The earlier system priced network access corridor by corridor, so operators bought permissions selectively and thinner routes often went unserved. A single licence at a flat fee makes nationwide operation the default and removes an entire layer of approvals. The twenty-year extension is equally useful, since rakes and terminals last far longer than the original concession and operators can now invest with confidence. Shifting more containers from road to rail should ease highway congestion and lower emissions.

09

MINISTRY OF LAW
AND JUSTICE

Parliament clears the Bill raising the sanctioned strength of the Supreme Court

The Supreme Court (Number of Judges) Amendment Bill, 2026 raises sanctioned strength from 34 to 38 including the Chief Justice, the first increase since 2019. The Lok Sabha passed it on 3 August and the Rajya Sabha returned it on 5 August, it being a Money Bill, replacing an Ordinance promulgated in May. Law Minister Arjun Ram Meghwal cited a letter from CJI Surya Kant estimating a gap of about 10,000 cases a year between institution and disposal. Pendency stands at 96,024 in the Supreme Court, 64.72 lakh in the High Courts and 4.98 crore in the district judiciary.

CPRG INSIGHT

Four more judges will not clear 96,000 pending cases when nearly 10,000 more come in every year. The reason the CJI gave was narrower. When a nine-judge bench sits for months on a constitutional question, regular benches stop hearing ordinary appeals and these four judges fill that gap. The catch is that sanctioning posts is the easy part, since the court has often worked below its full strength anyway because appointments take so long

10

MINISTRY OF
RAILWAYS

Heatwaves and lightning added to the list of notified natural calamities

In the Lok Sabha, Minister of State said heatwaves and lightning have been added to the list of notified natural calamities under the SDRF and NDRF guidelines for 2026-31, taking the list from twelve categories to fourteen. The change follows a recommendation of the 16th Finance Commission, which the 15th had turned down. Heat wave mitigation projects now qualify for funding under the Disaster Mitigation Funds. The reply recorded 4,853 heatstroke cases and 20 confirmed deaths between 1 March and 26 July 2026.

CPRG INSIGHT

States could already treat heat as a disaster on their own, but they could spend only a tenth of their SDRF on it. That cap was the real problem, and it is now gone. Relief is still paid mostly against deaths, and twenty for the whole country is a number few would accept, so not much will move that way. The mitigation fund is the more useful part, since heat needs money spent before summer, not after.

STATE POLICY & GOVERNANCE

Across the States

11

GOVERNMENT OF
ASSAM

Assam approves the Compressed Biogas Policy 2026

The Cabinet cleared the policy, creating a six-pillar incentive framework administered through a single-window desk under the Commissioner of Industries and Commerce. It sits within the Assam Integrated Clean Energy Policy 2025, which offers capital support of 25 per cent along with SGST refunds to compressed biogas developers and targets bio-CNG output of 10,000 tonnes a day by 2030. Feedstock covers cattle dung, municipal solid waste, tea industry biomass and crop residue, with projects in the North East also eligible for a top-up over standard central assistance

CPRG INSIGHT

Compressed biogas has always failed at the offtake end, because plants could not secure buyers at a predictable price. That changed in the same week, with the Union Cabinet approving GOBARdhan, which fixes an administered price and raises the blending obligation in CNG and piped gas to five percent by 2028-29. Assam's subsidy now sits on top of a guaranteed market, which is what makes these plants bankable

12

GOVERNMENT OF
CHHATTISGARH

Chhattisgarh approves the State Artificial Intelligence Mission

The Cabinet cleared a five-year mission aligned with the Centre's IndiaAI Mission, covering 100 AI data labs, five Centres of Excellence, support for more than 300 startups, AI training for six lakh students and 1.5 lakh government employees, and over 50 AI-enabled government services.

CPRG INSIGHT

Most state AI policies so far have read as investment-attraction documents aimed at firms unlikely to relocate anyway. This one is weighted instead towards training government staff and building services inside the administration, which is the more realistic route for a state with a thin private technology base.

STATE POLICY & GOVERNANCE

13

GOVERNMENT OF
ANDHR PRADESH

Delhi clears a draft Ease of Doing Business Bill for businesses

The Cabinet chaired by Chief Minister Rekha Gupta cleared the draft Bill and sent it to the Union Home Ministry. It provides a single-window system for approvals, registrations, licences, no-objection certificates and utility connections, deemed approval with a downloadable certificate where an authority misses its deadline, self-certification for low-risk activities including fire safety and pollution clearances, and a three-year exemption from routine inspections for newly registered enterprises. Businesses already registered under GST, FSSAI, the MSMED Act or the Labour Codes will be spared separate licences, with DSIIDC as nodal agency.

CPRG INSIGHT

Deemed approval is the provision that matters, because it shifts the cost of delay from the applicant to the department. It works only if the backend can issue that certificate automatically, which is precisely where comparable reforms in other states have stalled. Being a Union Territory, Delhi cannot set its own timeline here, and the Bill now rests with the Home Ministry. Chhattisgarh and Puducherry have already enacted similar laws.

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GOVERNMENT OF
ANDHRA PRADESH

Andhra Pradesh approves an omnibus law on ease of doing business and a new PPP policy

The Cabinet approved the draft Andhra Pradesh Omnibus (Ease of Doing Business) Act, 2026, which consolidates industrial approvals and compliance into a single risk-based framework, alongside a Public-Private Partnership Policy 2026 supporting a project pipeline of about Rs 1.23 lakh crore with a state viability gap fund and an interest-free bridge fund for long-gestation projects.

CPRG INSIGHT

Two states cleared ease of doing business legislation in the same week, which suggests regulatory simplification has become a point of competition rather than an isolated reform. The useful idea here is risk classification, since it lets the state concentrate inspection where hazard is real and leave low-risk units alone, though this holds only if the categories are published and not revised at discretion.

15

GOVERNMENT OF
TAMIL NADU

Tamil Nadu presents the first Budget of the new government

Finance Minister N Marie Wilson presented the revised Budget for 2026-27, the first of the TVK-led coalition under Chief Minister Vijay. It follows a White Paper putting the state's outstanding liabilities, including public sector undertaking debt, at Rs 13.18 lakh crore. Revenue measures include an additional privilege fee on liquor manufacturers, faceless GST assessment and registration, end-to-end computerised mining monitoring, and a Revenue Augmentation Committee.

CPRG INSIGHT

The Rs 13.18 lakh crore figure counts the debt of state-owned companies too, which is why it looks much larger than the debt numbers reported earlier. On revenue, the plan is to collect better rather than tax more, through faceless GST assessment and computerised mining checks. The only new tax is a fee on liquor makers, which is a small base to reply on. Collection gains take time and may not come, but the new schemes will need paying for every year

16

GOVERNMENT OF
UTTAR PRADESH

Uttar Pradesh tables a Rs 59,019 crore Supplementary Budget

Finance Minister Suresh Khanna presented the supplementary demands in the assembly, taking the state's total 2026-27 Budget past Rs 9.71 lakh crore against the Rs 9.12 lakh crore presented in February. Capital expenditure accounts for Rs 41,620 crore against revenue expenditure of Rs 17,388 crore. Industrial development takes the largest share at over Rs 22,000 crore, followed by agriculture at Rs 15,300 crore and energy at Rs 7,000 crore. Other provisions include Rs 1,500 crore for the Atal Industrial Infrastructure Mission and Rs 1,302 crore for the state's investment promotion policy.

CPRG INSIGHT

Most of this money is capital spending, which is unusual for a supplementary budget and industry has the largest share. That matches what the state has been trying to do for a while, which is to turn the investment promises made at its summits into factories on the ground. The Rs 1,302 crore for the investment promotion policy is the subsidy owed to projects that have actually come up.

India & the World

17

Favara-UPI cross-border payment corridor becomes operational between the Maldives and India

The Maldives Monetary Authority confirmed the integration of the Maldivian instant payment system Favara with India's Unified Payments Interface. Transfers are initiated in Maldivian Rufiyaa and credited in rupees to UPI-enabled accounts in India. The service has opened with Bank of Maldives and Maldives Islamic Bank, following an NIPL-MMA agreement signed in July 2025, with QR-based merchant payments planned in later phases.

CPRG INSIGHT

Most of India's UPI arrangements abroad have worked in one direction, allowing Indian travellers to pay while overseas. This corridor runs the other way and brings money home, which suits the sizable Indian workforce in the Maldives, and remittances now move in real time at a fraction of conventional transfer cost. UPI now operates in nine countries.

18

India and Uzbekistan set a target of doubling bilateral trade at the Business Forum in New Delhi

The Commerce Minister urged businesses from both countries to co-invest and co-manufacture, calling for bilateral trade of roughly USD 1.5 billion to double within three years. Mining and textiles were identified as the strongest openings, alongside pharmaceuticals, food processing, digital public infrastructure and auto components. The recently concluded Bilateral Investment Treaty was cited as the basis for improved investor confidence. The Forum coincided with Uzbek Foreign Minister Bakhtiyor Saidov's visit from 2 to 5 August to prepare for Prime Minister Modi's expected visit to Uzbekistan later this month.

CPRG INSIGHT

This Forum is groundwork for the Prime Minister's visit, so the targets set here will only firm up in Tashkent. With trade at a modest level and no direct land route between the two countries, the emphasis on joint investment and manufacturing rather than shipping goods is the sensible approach. The Bilateral Investment Treaty is the enabling piece, since legal protection is what Indian firms have wanted before committing capital in Central Asia. Cotton is the most natural fit, with Uzbekistan among the leading growers and India able to convert it into garments for global markets.

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