

THIS WEEK IN POLICY

Weekly Policy Digest

16 VOLUME 16

25 September to 1
October 2026

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At the Centre

01

India's first port-based e-methanol plant targets green shipping fuel

Foundation has been laid at a major Gujarat port for the country's first port-based e-methanol facility, a joint initiative of the port authority and a state-owned Assam petrochemicals firm. The 150-tonne-per-day plant will combine renewable power, water and biogenic carbon dioxide to produce fuel for vessels on the Asia-Europe trade corridor. Built as scalable modules, Phase I adds 50 tonnes per day. Investment is Rs 2,300 crore with 3,500 jobs expected; projected cost is US\$750 a tonne against roughly US\$1,300 globally.

CPRG INSIGHT

Shipowners have been ordering methanol-ready vessels faster than green methanol is being produced, and what exists is expensive. At US\$750 a tonne this plant would sell at roughly half the going global rate, which it can do because Indian renewable power is cheap and the carbon dioxide comes from existing industry. Building inside a port also removes the cost of moving and storing fuel before it reaches a ship. How fast ships buy it depends on global carbon rules tightening on schedule.

02

UIDAI opens new Aadhaar authentication pathways for welfare and low-volume users

UIDAI has launched five initiatives, including face authentication for the electronic public-distribution system, a streamlined approval portal for permissible Aadhaar use cases and a LITE framework for low-volume authentication users. Eligible entities can use the infrastructure of an existing authentication agency instead of building their own, while food-distribution systems gain a consent-based alternative where fingerprints are difficult. A token-management system and revamped multilingual website were also introduced.

CPRG INSIGHT

Fingerprint readers often fail for manual labourers and older people whose prints have worn down, and this has been recorded as a reason for ration being denied. Face authentication removes that dependence, though it brings its own problems with cameras, lighting and network. The lite framework may matter more over time. Until now any organisation using Aadhaar authentication had to build its own setup; small users can now run on an existing licensed entity's infrastructure instead.

03

Cabinet clears ₹1.86-lakh-crore Green Energy Corridor Phase III

The Union Cabinet approved the third phase of the Green Energy Corridor scheme to strengthen intra-state transmission and enable evacuation of up to 135 GW of renewable energy across states and union territories. It also funds 50 GWh of battery energy storage at generator ends or other grid-critical locations to address intermittency, congestion, peak-hour curtailment and non-solar-hour demand. Total outlay is Rs 1,86,405 crore, comprising Rs 1,36,378 crore for transmission and Rs 50,000 crore for storage, with central financial support of Rs 54,082 crore and completion targeted by FY2032-33.

CPRG INSIGHT

The scheme recognises that India's renewable constraint is increasingly not generation alone but moving and balancing variable power. The first two phases of this scheme paid for transmission lines. Lines alone do not fix the problem that solar output peaks at midday while demand peaks after sunset, which is why states with high renewable capacity have been cutting back generation even where evacuation capacity exists. Adding 50 GWh of batteries to the same scheme allows power to be stored and released later. The central grant goes towards lowering intra-state transmission charges, so the benefit reaches consumer tariffs rather than developer margins.

04

Cabinet approves ₹1,790-crore Intelligent Traffic Management System for Delhi

The Cabinet Committee on Economic Affairs approved an Intelligent Traffic Management System for the capital at Rs 1,789.52 crore, to be implemented by the city police across 42 identified corridors in three phases over 24 months, followed by five years of operation and maintenance. The system replaces fixed-timing signals with adaptive control driven by real-time traffic data, adds technology-based enforcement and an integrated command-and-control setup, and provides for priority movement of ambulances and faster response to congestion and road incidents.

CPRG INSIGHT

Delhi has about 71 lakh registered vehicles and road space has not grown at the same pace. Signals still run on fixed timings changed by hand. Adaptive signals create no new road; they shift green time towards whichever arm of a junction has the longer queue. Systems of this kind report delay reductions of roughly 10 to 20 percent elsewhere, which is useful but limited. The automated enforcement component could do more, since cameras change driver behaviour in a way signal timing cannot. The phased rollout also allows the system to be tested on selected corridors before being expanded across the city.

05

Centre opens the 92-year-old Petroleum Act to amendment

The petroleum ministry has placed a draft Petroleum (Amendment) Bill in the public domain for pre-legislative consultation, alongside an explanatory note outlining the proposed changes. Comments from stakeholders and the public are invited over a month, after which inputs will be considered before the Bill is finalised. The parent statute governs the import, transport, storage, production, refining and blending of petroleum, classifies products by flashpoint into hazard categories, and carries criminal penalties for contraventions.

CPRG INSIGHT

The existing Petroleum Act uses an old penalty structure that does not clearly distinguish between routine regulatory breaches and more serious violations. The draft tries to separate the two. Some licence-related violations would move to monetary penalties and administrative adjudication, while operating without a licence would attract stronger punishment. The change is therefore not simply decriminalisation; it is an attempt to make penalties match the seriousness of the offence.

06

TRAI launches property-level Digital Connectivity Rating Platform

The Telecom Regulatory Authority of India (TRAI) has launched a single digital platform for rating the connectivity readiness of residential, commercial, government and other properties. Property managers can apply for assessment, registered rating agencies can conduct and record tests, and consumers can search ratings and verify certificates. Assessments cover fibre readiness, mobile network availability, in-building solutions and Wi-Fi infrastructure, including for properties still under construction.

CPRG INSIGHT

Buildings are not rated for mobile or broadband coverage, so buyers and tenants usually find out about poor indoor signal only after moving in. TRAI framed rules for such ratings in 2024, but there was no system to process applications, so very few properties were rated. This platform runs the whole process and publishes the results. Rating stays voluntary, so how far it goes depends on whether developers begin to see an unrated building as a disadvantage.

07

New CAFE norms tighten car fuel economy by 17% over five years

The power ministry has notified fresh Corporate Average Fuel Economy norms for passenger vehicles, effective April 2027 to March 2032, applying to new vehicles manufactured or imported for sale in India. The fuel-consumption benchmark tightens year on year from 3.996 to 3.3273 litres per 100 km, an improvement of about 16.7 percent. The target line has been flattened and made weight-sensitive, easing requirements for lighter vehicles and tightening them for heavier ones. Reference weight rises from 1,082 kg to 1,229 kg.

CPRG INSIGHT

Under the earlier formula a heavier car got a proportionally easier target simply for being heavy. Small-car makers argued this worked against them and encouraged manufacturers to build bigger vehicles. Flattening the line reduces that advantage, and it comes when SUVs make up around half of passenger vehicle sales. Raising the reference weight by 13.6 percent accepts that the average car on Indian roads is genuinely heavier than before. Together the two changes move more of the compliance burden onto the fastest-growing segment

08

Centre names 50 cities as sanitation benchmarks under PRAGATI-50

The housing ministry has identified 50 model cities across 24 states under the urban clean India mission. Selection spans large cities, centres of cultural importance, high-tourism destinations and economic hubs. Each will be held to define performance indicators on visible cleanliness, solid waste management, used-water management, sanitation and citizen participation, tracked through intensive technology-enabled monitoring rather than periodic surveys. Progress will be assessed on outcomes within a defined timeframe, with review meetings chaired at ministerial level every other month.

CPRG INSIGHT

Cities are currently judged through the annual cleanliness survey, which ranks thousands of them once a year using sample checks and self-reported data. It works as a ranking, less so as a way to run a city. Picking 50 cities and tracking them continuously, with a ministerial review every two months, covers fewer places but follows them more closely. The assumption is that others copy them. For most municipal bodies the shortage is of staff, vehicles and money rather than targets.

STATE POLICY & GOVERNANCE

Across the States

09

Bihar clears Green Hydrogen Policy with a 2031 production target

The state cabinet approved the draft Bihar Green Hydrogen Policy, aligned with the national mission launched in 2023. It targets one lakh tonnes of green hydrogen annually by 2031, around Rs 16,000 crore of investment and about 2.5 GW of hydrogen-linked capacity, aiming to cut dependence on imported natural gas and reduce emissions. The same meeting cleared Rs 2,761.55 crore to solarise 2,554 remaining agricultural feeders with 2,585 MW of capacity, and revised grid electrification costs for two districts.

CPRG INSIGHT

Bihar is trying to create supply, demand and equipment capacity at the same time rather than subsidising hydrogen production alone. Though the target has come down from an earlier draft that aimed at 0.25 millions tonnes a year by 2030 and the approved version sets 0.1 million tonnes by 2031. Uttar Pradesh has set 1 million tonnes by 2029 and Rajasthan 2 million tonnes by 2030. Bihar has no coast, little industry that currently uses hydrogen and limited renewable capacity, so the smaller number is the more realistic one. The feeder solarisation cleared at the same cabinet meeting matters here, since electrolyzers need cheap daytime power.

10

Goa creates unified policy and dedicated fund for Farmer Producer Organisations

The state cleared a dedicated Farmer Producer Organisation policy running until March 2031. It classifies FPOs as emerging, growth or mature by turnover, membership and profitability, and links scheme eligibility to that tier. A unified digital registration portal will link shareholders to farmer IDs and benefit-transfer systems. Support includes a Rs 1 crore annual corpus funding chief executive and accountant salaries up to Rs 1 lakh a month per organisation, interest subvention, a state credit guarantee corpus and reserved land in industrial zones.

CPRG INSIGHT

Goa’s policy addresses a problem beyond simply forming more FPOs which is keeping them operational after initial support ends. Under the central scheme, only eight FPOs had been registered in Goa by late 2023, and many such organisations struggle once they can no longer afford professional staff. The state will now support salaries for a chief executive and accountant, up to ₹1 lakh a month, for another five years, while bringing FPO support under one common framework. This targets the stage at which many FPOs typically become inactive.

11

Tamil Nadu launches one-gram gold-ring benefit for government-hospital births

Tamil Nadu has launched the Thaimaman Thanga Mothiram scheme, under which every eligible newborn delivered in a government health institution receives a one-gram, 22-carat gold ring. The state has budgeted ₹755.83 crore annually for the programme and planned procurement for about 4.42 lakh rings. Eligibility is tied to birth in the public health system and state registration requirements, making the benefit part of the government's maternal and child-health welfare package.

CPRG INSIGHT

This is a demand-side incentive for using government maternity facilities rather than a conventional income-targeted cash transfer. With an annual budget of ₹755.83 crore, its policy value should therefore be judged by whether it changes where families seek delivery care and strengthens continued engagement with public maternal-health services, not simply by the value of gold distributed. Because eligibility is tied to public-facility births, the scheme rewards use of the state health system but does not directly improve clinical capacity or quality.

12

Maharashtra adopts first Fodder Development Policy to tackle structural shortages

The state approved its first dedicated fodder development policy, with Rs 496 crore earmarked and about 12,000 beneficiaries expected annually. It promotes fodder cultivation on fallow and grazing land held by the revenue and forest departments, horticulture-silvi-pasture systems, silage production, feed blocks, hydroponic fodder and azolla cultivation. The state has roughly 2.78 crore livestock and faces a 22.79 percent deficit in green fodder and 21.43 percent in dry fodder.

CPRG INSIGHT

Maharashtra's fodder problem is not limited to drought years; the state faces shortages even under normal rainfall. The new policy treats fodder as a regular agricultural input rather than an emergency relief measure. District-level planning, cultivation on available land, silage and other storage methods are meant to build supply throughout the year. The main change is therefore preventive by creating a more stable fodder base before shortages become severe, instead of responding only after livestock feed becomes scarce.

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Karnataka launches ₹4,000-crore Textile & Apparel Policy

The state notified its Textile and Apparel Policy for 2026-31 with a Rs 4,000 crore outlay, targeting Rs 20,000 crore in investment and five lakh jobs over five years. Thirty-four focused taluks receive additional incentives above the general package, with special provisions for the Kalyana Karnataka region and the mega integrated textile park coming up there. For the first time, silk reeling and spinning fall within the policy framework. Priorities include technical textiles, handlooms, exports, skilling and sustainable manufacturing.

CPRG INSIGHT

The money is the main change here as the 2019-24 policy set aside Rs 1,582 crore for the same five lakh job target. The policy before that was examined by the CAG, which found it had brought in 63 percent of its investment target and created 8.9 percent of the jobs promised. Raising the outlay 2.5 times while keeping the job target unchanged accepts that the earlier incentives were too small. Including silk reeling and spinning for the first time links the state's sericulture base to the textile incentives.

DIPLOMACY & EXTERNAL AFFAIRS

India & the World

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India and Liberia launch UN Group of Friends on seafarer safety

India and Liberia have co-founded a Group of Friends on Safety and Security of Shipping and Seafarers, inaugurated on the margins of the General Assembly. It is framed as an inclusive platform covering maritime trade, safety and security, responding to repeated attacks on civilian shipping across the Gulf, the Red Sea and the Black Sea in which Indian crew members have been killed or gone missing. It builds on an earlier Security Council Arria-formula meeting and a proposed seafarers emergency support network.

CPRG INSIGHT

The pairing is significant because it brings together two different parts of the shipping system: India is a major supplier of seafarers, while Liberia operates the world's largest ship registry by tonnage. Existing maritime-security debates often centre on freedom of navigation and naval threats; this group puts crew protection alongside them. It remains an informal, non-binding forum, so its value will depend on whether coordination produces practical mechanisms for distress response, evacuation and seafarer support.

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India and France widen space cooperation to startups and human spaceflight

India and France have agreed to deepen space cooperation across human spaceflight, joint satellite missions, microgravity research and the emerging private-space ecosystem. Ongoing work includes the TRISHNA earth-observation mission and French support for Gaganyaan, while both sides are exploring cooperation in astronaut health, parabolic flights and research. The partnership is also being widened beyond government agencies to connect research institutions, industries and start-ups from both countries.

CPRG INSIGHT

The older India-France space relationship was largely agency-to-agency, built around ISRO-CNES missions and launch technologies. India now has more than 400 space start-ups, making that model too narrow for the sector that has emerged after domestic space reforms. Bringing firms and start-ups into the bilateral framework adds a commercial layer to a partnership that already has technical depth. Human-spaceflight cooperation also moves the relationship into areas where India is still building operational experience.

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India, Brazil, South Africa pushes for a UN Charter review conference on Security Council reform

Foreign ministers of India, Brazil and South Africa met on the margins of the General Assembly for the forum's fourteenth trilateral ministerial commission. They called for comprehensive reform of the United Nations, including the possible convening of a Charter review conference under Article 109, and backed a more democratic and representative Security Council. The statement rejected unilateral coercive measures and the use or threat of force against territorial integrity, and encouraged climate-resilient agriculture projects under the grouping's poverty and hunger fund.

CPRG INSIGHT

Security Council reform has been discussed for three decades through intergovernmental negotiations that have no agreed text to work from and need a consensus that never comes. Article 109 is a different route. It allows a review conference to be called by a vote in the General Assembly plus a procedural vote in the Council, where the veto does not apply at that stage. It has never been used. Any change to the Charter would still need all five permanent members to ratify it.

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India-GCC trade crosses US\$178 billion as Troika reviews action plan

India and the Gulf Cooperation Council held a Troika ministerial meeting on the margins of the General Assembly, with the Council represented by its secretary general and ministers from its presidency states. The two sides reviewed implementation of the joint action plan adopted at their first strategic dialogue, covering political dialogue, security, trade and investment, agriculture and food security among other areas. Total bilateral trade stood at US\$178.66 billion in the last financial year.

CPRG INSIGHT

At US\$178.66 billion the six Gulf countries together trade more with India than most single partners that receive far more attention. The trade is uneven in shape: India buys energy and receives remittances from a large diaspora, and sells food and manufactured goods. India has a trade agreement with the UAE and has been negotiating one with Oman, but a deal covering the whole bloc has been under discussion since 2004 without any conclusion so far.

CPRG This Week

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EVolve: Conclave on Electric Mobility

CPRG convened the inaugural EVolve: Conclave on Electric Mobility in New Delhi on 30th September, bringing together policymakers, industry leaders and experts to discuss the next phase of India's electric mobility transition. Delhi Lieutenant Governor Sardar Taranjit Singh Sandhu attended as Chief Guest, alongside NITI Aayog Member Prof. Abhay Karandikar and other sector leaders. Discussions went beyond EV adoption to the systems needed to sustain the transition, including charging infrastructure, green finance, domestic manufacturing, grid readiness, electric freight, battery swapping and the circular battery economy. The conclave also built on CPRG's continued engagement with Delhi's mobility transition. CPRG played a substantive role in providing policy inputs during the drafting

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