

Monthly Policy Review

March 2026

Highlights of this Issue

[Budget Session 2026 reconvenes after recess \(p. 2\)](#)

The second half of the Session resumed on March 9, 2026, and is scheduled to conclude on April 2, 2026. Five Bills have been introduced in the second half of the Session, and one Bill has been passed.

[Current account deficit at 1.3% of GDP in the third quarter of 2025-26 \(p. 2\)](#)

India recorded a current account deficit of USD 13.2 billion in the third quarter of 2025-26. Capital account registered a net outflow of USD 10 billion, and foreign exchange reserves decreased by USD 24.4 billion.

[The Transgender Persons \(Protection of Rights\) Amendment Bill, 2026 passed \(p. 2\)](#)

The Bill makes changes to the definition of a transgender person, creates an authority to aid the District Magistrate in issuing transgender identity certificates and adds new offences and penalties to the 2019 Act.

[Supreme Court rules maternity leave entitlement regardless of adopted child's age \(p. 3\)](#)

The Court held that the provision restricting maternity leave to 12 weeks for women adopting children below the age of three months violates Article 14, as it operates unequally for adoptive mothers.

[Supreme Court clarifies that Scheduled Caste status limited to certain religions \(p. 3\)](#)

The Court upheld that only persons professing Hinduism, Sikhism, or Buddhism are recognised as members of Scheduled Caste communities. Conversion to any other religion will lead to loss of such status.

[The Jan Vishwas Bill, 2026 introduced in Lok Sabha \(p. 4\)](#)

The Bill seeks to amend 80 central Acts to decriminalise or rationalise offences and penalties.

[Foreign Contribution \(Regulation\) Amendment Bill, 2026 introduced \(p. 4\)](#)

If the FCRA certificate of an organisation is cancelled or not renewed, the assets created out of foreign contribution will rest in a government designated authority.

[FDI restrictions amended for countries sharing a land border \(LBCs\) with India \(p. 5\)](#)

The revised guidelines define a beneficial owner of a company as a person holding more than 10% of its shares, capital or profits, as defined under the Prevention of Money-Laundering Rules, 2005.

[The Digital Trade Facilitation Bill, 2026 draft released \(p. 5\)](#)

The Draft seeks to provide legal recognition to electronic trade documents and identity management and trust service providers.

[The CAPFs \(General Administration\) Bill, 2026 introduced in Rajya Sabha \(p. 6\)](#)

The Bill specifies that a certain proportion of each senior level will be filled by deputation from the Indian Police Service. This includes all positions at the director general level.

[Corporate Laws \(Amendment\) Bill, 2026 introduced in Lok Sabha \(p. 6\)](#)

The Bill seeks to amend the Companies Act, 2013 and the Limited Liability Partnership Act, 2008. The Bill has been referred to a Joint Parliamentary Committee.

[Ministry of Civil Aviation issue new directions regarding passenger facilitation \(p. 8\)](#)

These include measures such as allocating 60% of seats on any flight free of charge and policy clarification around passenger details such as delays, cancellation, and carriage of sports or musical equipment, and pets.

[Standing Committees submitted reports on various subjects](#)

Subjects include cyber crime and safety of women, production of oilseeds and pulses, water efficient seeds, the functioning of AIIMS, New Delhi, and the impact of AI.

April 1, 2026

Parliament

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Budget Session 2026 resumes after recess

The Budget Session of Parliament commenced on February 1, 2026. After a recess from February 14 to March 8, Parliament resumed on March 9, 2026.

Five Bills have been introduced in the second half of the Budget Session so far. These are: (i) the Transgender Persons (Protection of Rights) Amendment Bill, 2026; (ii) the Corporate Laws (Amendment) Bill, 2026; (iii) the Central Armed Police Forces (Amendment) Bill, 2026; (iv) the Jan Vishwas Bill, 2026; and (v) the Foreign Contribution (Regulation) Bill, 2026. The Transgender Persons (Protection of Rights) Amendment Bill, 2026 was passed by Parliament. The Corporate Laws (Amendment) Bill, 2026 has been referred to a Joint Parliamentary Committee.

The Union Budget was discussed after the recess. The Demands for Grants of the Ministry of Railways and the Ministry of Agriculture and Farmers Welfare were discussed. The Finance Bill, 2026, and two Appropriation Bills were introduced and passed during this period.

Macroeconomic Development

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Current account deficit at 1.3% of GDP in the third quarter of 2025-26

India recorded a current account deficit of USD 13.2 billion (1.3% of GDP) in the third quarter (Oct-Dec) of 2025-26, higher than the corresponding quarter last year (USD 11.3 billion or 1.1% of GDP).¹ In the second quarter (July-Sep) of 2025-26, India recorded a current account deficit of USD 14.1 billion (1.5% of GDP). Capital account registered a net outflow of USD 10 billion, and foreign exchange reserves decreased by USD 24.4 billion in the third quarter of 2025-26.

Table 1: Balance of payments, Q3 2025-26 (USD billion)

Particular	Q3	Q2	Q3
	2024-25	2025-26	2025-26
a. Exports	109.8	109.0	111.7
b. Imports	189.1	198.1	205.3
c. Trade balance (a-b)	-79.3	-89.1	-93.6
d. Net services	51.2	50.9	57.5
e. Other transfers	16.8	24.1	22.9
f. Current account (c+d+e)	-11.3	-14.1	-13.2
g. Capital account	-26.6	2.1	-10.0
h. Errors and omissions	0.3	1.1	-1.2
i. Change in reserves (f+g+h)	-37.7	-10.9	-24.4

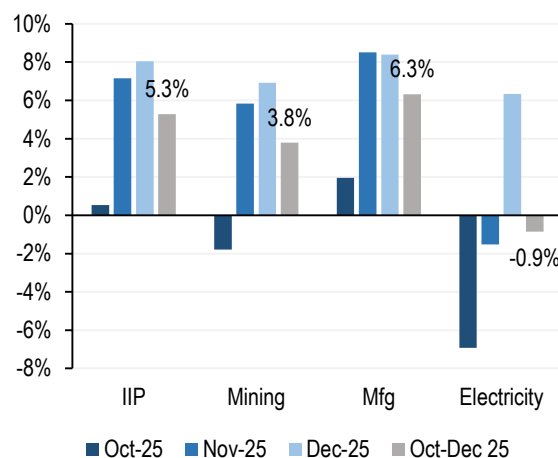
Sources: RBI; PRS

Industrial production grew by 5.3% in the third quarter of 2025-26

The Index of Industrial Production (IIP) grew by 5.3% in the third quarter (October-December) of 2025-26, higher than the same period in 2024-25 (an increase of 4.1%).^{2,3} Note that manufacturing (78%) has the highest weightage in the calculation of the IIP, followed by mining (14%) and electricity (8%).

Manufacturing increased by 6.3% in the third quarter of 2025-26. Mining registered an increase of 4.1%. However, Electricity registered a decrease of 0.9%. In the third quarter of 2024-25, electricity had increased by 4.1%.

Figure 2: Growth in IIP, Q3 2025-26 (% , year-on-year)



Sources: MoSPI; PRS.

Social Justice

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The Transgender Persons (Protection of Rights) Amendment Bill, 2026 passed

The Transgender Persons (Protection of Rights) Amendment Bill, 2026 was introduced in Lok Sabha on March 13, 2026 by the Minister of Social Justice and Empowerment, Dr Virendra Kumar.⁴ The Bill was passed in Lok Sabha on March 24, 2026 and in Rajya Sabha on March 25, 2026. The Bill amends the Transgender Persons (Protection of Rights) Act, 2019.⁵ The Act provides for rights of transgender persons and their welfare. Some key features are:

- **Definition of a transgender person:** The 2019 Act defines a transgender person as a person whose gender does not match with the gender assigned at birth, and specifies certain persons who are included. The Bill removes this definition. The Bill retains some categories of the Act: (i) a person with sociocultural identities such as kinner, hijra, aravani, or jogta, and (ii) a person with variations at birth in characteristics such as primary sexual characteristics, external genitalia, chromosomes, or

hormones from the normative standard of male or female body. The Bill also includes: (i) eunuch, and (ii) a person who is forced to assume a transgender identity by mutilation, emasculation, castration, surgical, chemical or hormonal procedures. The Bill removes the following categories included in the Act: (i) a trans-man or trans-woman, irrespective of whether such a person has undergone sex reassignment surgery, hormone therapy, laser therapy, or such other therapy, and (ii) genderqueer. The Bill also states that it will not include or will never have included persons with different sexual orientations and self-perceived sexual identities.

- **Recognition of transgender identity:** Under the Act, a transgender person may apply to the District Magistrate for issuing a certificate of identity as a transgender person. The Bill adds that the District Magistrate will issue the certificate after examining the recommendation of a designated medical board. The board will be headed by a Chief Medical Officer or a Deputy Chief Medical Officer. The District Magistrate may also take assistance of other medical experts.
- **Change in gender:** The Act provides that a revised certificate of identity may be obtained where a transgender person undergoes surgery to change gender. The Bill mandates obtaining a certificate, indicating change in gender. It adds that the concerned medical institution must furnish information regarding the gender change surgery to the District Magistrate. Such a person will not retain the rights and entitlements under the Act.
- **Offences and Penalties:** The Bill adds certain offences. Kidnapping and causing grievous hurt or severe injury to force a person to assume a transgender identity will carry: (i) imprisonment between 10 years and life and a minimum fine of two lakh rupees if the victim is an adult, and (ii) imprisonment for life and a fine of at least five lakh rupees if the victim is a child. Forcing a person to present as a transgender person and engage in begging, servitude or bonded labour will be punishable with: (i) imprisonment between five and 10 years and a fine of at least one lakh rupees, if the victim is an adult, and (ii) imprisonment between 10 and 14 years and a fine of at least three lakh rupees if the victim is a child.

For a PRS analysis of the Bill, see [here](#).

Supreme Court rules entitlement to maternity leave regardless of age of adopted child

The Supreme Court ruled that adoptive mothers are entitled to paid maternity leave of 12 weeks, irrespective of the age of the child.⁶ The Code of Social Security, 2020 restricts maternity leave of 12 weeks to women adopting children below the age of three months.⁷ The Court held that this provision violates Article 14 (right to equality) as it operates

unequally for adoptive mothers who are similarly situated, resulting in discrimination without reasonable justification. The Court also held that by stipulating an age limit, the provision fails to recognise the right of reproductive autonomy of those adoptive mothers who adopt a child aged three months or more. Hence, it violates Article 21 as it denies such adoptive mothers the ability to exercise their right to decisional autonomy, and bodily integrity under Article 21. The Court stated that the provision should be read as any woman legally adopting a child would be entitled to 12 week maternity leave from the date the child is handed over to her.

Supreme Court upheld Scheduled Caste status limited to specified religions under 1950 Order

The Supreme Court of India delivered its judgment on March 24, 2026, affirming the eligibility for Scheduled Caste (SC) status under the Constitution (Scheduled Caste) Order, 1950.^{8,9} The Court upheld High Court (2024) interpretation of Clause 3 of the Order stating that only persons professing Hinduism, Sikhism, or Buddhism are recognised as members of SC communities. The Court also held that conversion to any other religion results in the loss of SC status. It emphasised that the restriction under Clause 3 is absolute, and that no statutory benefit, protection, or reservation available to SC can be extended to a person who does not belong to the mentioned religion groups.

Standing Committee submits report on Cyber Crimes and Safety of Women

The Committee on the Empowerment of Women (Chairperson: Dr. D. Purandeswari) submitted its report on ‘Cyber Crimes and Cyber Safety of Women’ on March 23, 2026.¹⁰ The Committee examined the rise in cybercrimes targeting women and children, including cyberstalking, sextortion, deepfakes, and online harassment, alongside gaps in reporting, investigation capacity, and platform accountability. It noted that as per NCRB data, between 2017 and 2022, there has been a 239% increase in cybercrimes against women and a multi-fold rise in cases involving children.

It noted that despite multiple initiatives, challenges persist in terms of low awareness, under-reporting (especially in rural areas), delays in data access from intermediaries, shortage of skilled personnel, and lack of a comprehensive legal and institutional framework to address emerging threats such as AI-enabled crimes.

Key recommendations include: (i) strengthening awareness and campaigns by integrating frontline workers such as ASHAs, Anganwadi workers and teachers trained as ‘Cyber Safety Ambassadors’, (ii) enhancing investigative capabilities by expanding cyber forensic labs, strengthening inter-state data exchange, and empowering dedicated units for crimes involving women, (iii) holding digital platforms such as social media platforms to higher accountability standards with shorter compliance timelines and stricter AI driven detection tools, (iv) introducing age

appropriate regulations and usage limits on social media to safeguard children and adolescents from adverse psychological impact, and (v) creating a victim-centric response system by integrating helplines, psychological counselling, legal assistance and faster redressal mechanisms.

The Committee also recommended that mandatory KYC-based verification be introduced across all social media, dating and gaming platforms to curb the menace of fake profiles, impersonation and anonymous harassment. It also recommended creation of special cyber units within police forces, supported by digital forensic capability, to fast-track investigations in offences against women. It recommended that the government may initiate a time-bound examination formulating a comprehensive and gender-sensitive cybercrime legislation.

For a PRS Summary of the Report, see [here](#).

Commerce and Industry

The Jan Vishwas Bill, 2026 introduced in Lok Sabha

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The Jan Vishwas (Amendment of Provisions) Bill, 2026 was introduced in Lok Sabha.¹¹ It seeks to amend 80 central Acts to decriminalise or rationalise offences and penalties. The Bill has been brought in place of the Jan Vishwas (Amendment of Provisions) Bill, 2025 introduced on August 18, 2025. The 2025 Bill sought to amend 17 central Acts, and was referred to a Select Committee of Lok Sabha (Chair: Mr. Tejasvi Surya). The Committee submitted its report on March 13, 2026 and recommended further changes to the 17 Acts, and recommended amendments to 65 other Acts. The Government accepted the recommendations of the Select Committee. The 2025 Bill was withdrawn and replaced by a new Bill. Key changes include:

- **Decriminalising offences:** The Bill decriminalises several offences. For example, under the National Highways Act, 1956, making a highway impassable or less safe is punishable with imprisonment up to five years, a fine, or both. The Bill imposes a civil penalty between Rs 10 lakh and one crore rupees.
- **Removal of imprisonment term:** In some cases, the Bill removes the imprisonment for an offence. Under the Electricity Act, 2003, non-compliance with an order or a direction is punishable with imprisonment up to three months, a fine, or both. The Bill instead imposes only a fine, and increases the maximum amount of fine.
- **Omission of offences:** The Bill removes several offences. These include offences such as: (i) giving false alarm of fire under the Delhi Police Act, 1978, (ii) failure to give information of births and deaths under the Delhi Municipal Corporation Act, 1957.
- **Revision of fines and penalties:** The Bill also revises the monetary value of fines and penalties for several offences and specifies an increase by 10% of the respective minimum amount every three years.
- **Property tax and advertisement tax in New Delhi municipal area:** The Bill amends the New Delhi Municipal Council Act, 1994. The Act provides for the levy of property tax. The Bill specifies that property tax will consist of a building tax and a vacant land tax. It establishes a Municipal Valuation Committee to recommend base value for vacant lands and buildings, and manner of determining and revising property tax. It removes provisions for advertisement tax.
- **Improvement notices:** Under the Legal Metrology Act, 2009, offences such as using or selling non-standard weights will attract an improvement notice for the first instance (requiring rectification), with subsequent offences punishable with a fine.
- **Warnings on first and second offences:** The Bill provides that certain offences will attract an advisory for the first contravention and a warning for the second, instead of penalties. For example, under the Apprentices Act, 1961, offences such as refusing to furnish information or requiring an apprentice to work overtime will be dealt with through an advisory and warning for the first two instances.

For a PRS summary of the Bill, see [here](#). For a PRS summary of the Select Committee report, see [here](#). For a PRS analysis of the 2025 Bill, see [here](#).

Foreign Contribution (Regulation) Amendment Bill, 2026 introduced in Lok Sabha

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The Foreign Contribution (Regulation) Amendment Bill, 2026 was introduced in Lok Sabha on March 25, 2026.¹² It amends the Foreign Contribution (Regulation) Act, 2010. The Act regulates the acceptance and utilisation of foreign contribution. Under the Act, certain persons must register with the central government for accepting foreign contribution. The Bill replaces the existing framework on management of foreign contribution and assets created out of foreign contribution. The Bill adds that in cases of cancellation, surrender, or ceasing of registration certificate, foreign contribution and assets will vest provisionally in the Designated Authority notified by the central government. The foreign contribution and assets will vest permanently in the Designated Authority: (i) if the concerned person fails to obtain a fresh registration or get the registration renewed or restored within a prescribed period, or (ii) where a person who was previously permitted to accept foreign contribution, ceases to exist or is rendered inoperative or defunct.

For a PRS summary of the bill, see [here](#).

FDI restrictions amended for countries sharing a land border with India

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The FDI guidelines for investments from countries sharing a land border (LBCs) with India were revised.¹³ Under the Consolidated FDI Policy: (i) an entity of an LBC, or (ii) where a beneficial owner is situated in or is a citizen of an LBC, must get government approval for investing in India.¹⁴ A citizen of Pakistan or an entity incorporated in Pakistan can only invest after getting government approval, and cannot invest in certain sectors such as defence, atomic energy, etc.

The revised guidelines remove the requirement of a beneficial owner being situated in an LBC. It also defines beneficial ownership as defined under the Prevention of Money-laundering Act, 2002, and Prevention of Money-laundering (Maintenance of Records) Rules, 2005.^{15,16} Under the 2005 Rules, one of the definitions states that a beneficial owner of a company is a person with ownership of more than 10% of shares, capital or profits of the company. The revised guidelines also add that beneficial ownership will include instances where citizens or entities of such countries can directly or indirectly: (i) exercise control over the investor entity, or (ii) exercise ultimate effective control over the investee entity in any manner. The revised guidelines add that investments that do not require government approval will be subject to reporting requirements as specified by the Department for Promotion of Industry and Internal Trade. These requirements will be in addition to compliance with current sectoral caps, and entry routes.

Cap on remission rates removed for exporters

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The central government removed the 50% cap on remission rates on export products that was introduced in February 2026.¹⁷ The amendment restores the rates and value caps previously notified under the Remission of Duties and Taxes on Exported Products Scheme. The Scheme provides refunds on duties and taxes incurred during manufacturing and distribution that are not reimbursed under any other mechanism.¹⁸ The amendment seeks to support Indian exporters amid disruption in West Asia.

The Draft Digital Trade Facilitation Bill, 2026 released for public feedback

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The Department for Promotion of Industry and International Trade released the draft Digital Trade Facilitation Bill, 2026 for public feedback.¹⁹ The Bill seeks to facilitate the use of electronic documents in trade. Key provisions include:

- **Legal recognition of electronic documents:** Electronic trade documents refer to any trade document or instrument in electronic form. Such documents will have complete legal validity. They

cannot be rejected solely for being in electronic form. Electronic documents will be treated equivalent to paper documents provided: (i) they contain the required information in a corresponding paper trade document, and (ii) a reliable method is used to identify the document, retain its integrity, and provide a verifiable audit trail from document creation to its extinction.

- **Control and transfer:** The draft Bill proposes that control over an electronic document shall be equivalent to possession of a paper document. Further, transfer, endorsement or amendment of an electronic trade document shall have the same effect as in the case of paper document. It also allows for the conversion of trade documents between paper and electronic form, provided a reliable method is used and a statement about the form conversion is included in the document in its new form.
- **Identity management and trust services:** The draft Bill seeks to provide legal recognition to identity management and trust service providers. These entities facilitate digital identity verification, authentication, and provide services such as managing electronic signatures. Obligations of service providers include: (i) maintaining operational rules, (ii) ensuring service availability, and (iii) providing means for subscribers to report security breaches. The service provider shall be liable for any loss caused to the subscriber due to its failure to comply with its obligations.
- **Cross-border recognition:** An electronic trade document cannot be rejected solely for being issued outside India. Foreign identity management services will be accepted provided they have the same or a higher level of reliability.

India and Canada sign terms of reference

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India and Canada signed the terms of reference for India-Canada comprehensive economic partnership agreement (CEPA).²⁰ The terms of reference seek to serve as a guide for India-Canada CEPA negotiations. The negotiations would cover trade in goods, services, and other mutually agreed policy areas. India's trade with Canada stood at \$8.7 billion in 2024-25, of which exports were worth \$4.2 billion, and imports worth \$4.4 billion. Key Indian exports to Canada include drugs and pharmaceuticals, iron and steel, seafood, electronic goods, and chemicals. Key imports to India from Canada include pulses, fertilisers, coal, petroleum crude, and semi-precious metals. India also exports services to Canada including telecommunications, and computer and information services.

Home Affairs

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The CAPFs (General Administration) Bill, 2026 introduced in Rajya Sabha

The Central Armed Police Forces (CAPFs) (General Administration) Bill, 2026 was introduced in Rajya Sabha. The Bill seeks to regulate matters related to recruitment, deputation, promotion, and conditions of service of CAPFs. Key features of the Bill include:

- **Positions to be filled by deputation:** The Bill requires the following positions to be filled by deputation of Indian Police Services (IPS) officers: (i) 50% of posts in the rank of Inspector General, (ii) at least 67% of posts in the rank of Additional Director General, and (iii) all posts in the rank of Director General and Special Director General.
- **Powers to make Rules:** The Bill empowers the central government to make Rules related to officers of five CAPFs. These include: (i) Central Reserve Police Force, (ii) Border Security Force, (iii) Central Industrial Security Force, (iv) Indo-Tibetan Border Police, and (v) Sashastra Seema Bal. The officers include: (i) Group A (general duty or executive) officers of rank of Assistant Commandant and above, (ii) officers on deputation from IPS, and (iii) officers on deputation or re-employment from Indian Army.
- The central government may amend the Schedule by notification to add other CAPFs. It can also make Rules notwithstanding any other law, any judgement or order of any Court, or any government order.

For PRS summary of the Bill, see [here](#).

Finance

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Bill to amend Corporate Laws introduced in Lok Sabha

The Corporate Laws (Amendment) Bill, 2026 was introduced in Lok Sabha on March 23, 2026.²¹ The Bill seeks to amend the Companies Act, 2013 and the Limited Liability Partnership (LLP) Act, 2008. It has been referred to a Joint Committee which is required to submit its report by the last day of first week of the Monsoon Session, 2026.²² Key amendments proposed under the Bill include:

- **Decriminalisation of offences:** The Bill decriminalises several offences under the two Acts. It imposes civil penalty for such offences instead of imprisonment or fine such as: (i) wilful failure to furnish information related to the affairs of a producer company, (ii) contravention of Rules, or (iii) violation of requirements on books of account.

Amendments to the Companies Act, 2013

- **Corporate Social Responsibility (CSR):** The Bill updates the net profit threshold for mandatory CSR for companies to Rs 10 crore or such other sum that may be prescribed. It also states that companies fulfilling prescribed conditions will not be required to comply with CSR provisions.
- **Small companies:** Under the Act, a small company is a company with: (i) paid-up share capital not exceeding Rs 50 lakh or a higher prescribed amount not exceeding Rs 10 crore, and (ii) turnover not exceeding Rs 2 crore or a higher prescribed amount not exceeding Rs 100 crore. The Bill increases the upper limit of: (i) share capital to Rs 20 crore, and (ii) turnover to Rs 200 crore.
- **Buy-back of shares:** Under the Act, a company may purchase its own shares or other specified securities (referred to as buy-back). Buy-back must not exceed 25% of the aggregate of paid-up capital and free reserves of the company. It adds that for prescribed classes of companies, buyback may be up to a prescribed percentage.

Amendments to the LLP Act, 2008

- **Conversion of trusts into LLP:** It provides for conversion of specified trusts into LLPs. This applies to trusts that: (i) have been established under the Indian Trusts Act, 1882 or any other central or state Act, (ii) are registered with SEBI or IFSC Authority, and (iii) are engaged in prescribed activities.

RBI issues directions on declaration of dividend and remittance of profits

The Reserve Bank of India released directions on prudential norms on declaration of dividend and remittance of profits.²³ These will apply to commercial banks, small finance banks, payments banks, local area banks, and regional rural banks. Key directions include:

- **Eligibility criteria:** Currently, one of the requirements for a bank to be eligible to declare dividends is that it must have a positive adjusted profit after tax (PAT) for the year. Adjusted PAT is calculated by deducting the net non-performing assets of the bank. The directions add that the regulatory capital of the bank should not fall below the applicable regulatory capital requirements even after paying dividend.
- **Maximum dividend payable:** According to the directions, entities which fulfil certain prudential requirements will be allowed to declare and pay dividend in aggregate up to 75% of the PAT for a proposed period. Under the current framework, banks are allowed to pay dividend up to 40% of their net profits in a financial year.

- **Deduction from PAT:** The directions provide for the exclusion of some transactions from the calculation of PAT. These include extraordinary profits/ incomes, net unrealised gains from valuation of level 3 financial instruments, and overstated profits of small finance banks, payments bank, and commercial banks (if flagged by the statutory auditor).
- **Remittance of profits by foreign banks:** According to the directions, foreign banks operating in India through branches may remit their normal net profit/surplus from Indian operations to their Head Office. This will be allowed only if their accounts have been audited.

RBI releases draft framework to limit customer liability in digital transactions

The Reserve Bank of India issued draft amendment directions for review of framework of limiting customer liability in digital transactions.²⁴ These directions will apply to the following entities: (i) commercial banks, (ii) small finance banks, (iii) payments banks, (iv) local area banks, (v) regional rural banks, and (vi) urban and rural co-operative banks.

The directions provide a compensation mechanism for small-value fraudulent electronic banking transactions up to Rs 50,000. Under the framework, a fraudulent electronic banking transaction is defined as an authorised transaction where credentials are fraudulently obtained, approval is coerced, customers are tricked into sending money to a scammer, or unauthorised transactions.

The customer will be compensated with 85% of the net loss amount or Rs 25,000 (whichever is lower). A customer will be allowed to avail the compensation under this scheme only once during his/her lifetime.

The bank will be liable to compensate the customer within five calendar days from the receipt of their application. Further, the bank can seek reimbursement of this compensation amount from the RBI on a quarterly basis. However, the loss arising from any unauthorised transaction occurring after the reporting of the fraud by the customer to a bank will be borne by the bank.

The burden of proving customer liability shall lie on the bank. The customer will have no liability and will be entitled to reversal of the transaction where the fraudulent transaction occurs due to negligence on the part of the bank. This will also apply in cases of third-party breach where the customer reports the unauthorised fraudulent transaction within five calendar days from occurrence.

The proposed compensation mechanism proposed will be in force for one year from the date of directions.

Comments are invited by April 6, 2026.

SEBI releases recommendations of the High-Level Committee on conflict of interest for officials of SEBI

SEBI reviewed the recommendations of the High-Level Committee (HLC) on matters relating to conflict of interest and disclosures by officials of SEBI.²⁵ It approved the following recommendations of the HLC:

- **Investments at the time of joining:** Chairman and Whole-Time Members (WTMs) will be brought within the definition of “insiders”. Any investments by held by these officials in equity and equity-related instruments at the time of joining must be liquidated, frozen, or sold. In addition, any investments in commercial ventures (including unlisted shares) will have to be fully liquidated or kept frozen during their tenure.
- **Limit on individual investment:** New investments by employees/WTMs/Chairman in products managed by a single SEBI-registered intermediary should not exceed 25% of their financial portfolio. In case such officials exceed this limit, they must recuse from all the matters involving that individual intermediary. The Board also approved the proposal to set up a digital system and recusal framework to record disclosure of conflicted relationships and grant of approvals.
- **Disclosure:** Employees, WTMs, and the Chairman must make initial, annual, and event-based disclosures of assets, liabilities, trading activities, and relationships to SEBI. The details of immovable properties of Chairman, WTMs, Executive Directors, and Chief General Managers may be publicly disclosed. Part-time members will also be required to make disclosures to SEBI about shareholdings and past assignments (up to three years) at the time of assuming office and further on an annual basis. Part-time members will not be required to make any public disclosures.
- **Investment restrictions on family members:** Direct investment (in shares) restrictions applicable to Chairman/WTMs/ employees will also extend to their spouses and dependent family members. These restrictions will apply to future investments. Some investments will not be covered under these restrictions including investments in unlisted securities, Employee Stock Ownership Plans.

SEBI issues consultation papers on various subjects

SEBI released consultation papers on various subjects. These include the following:

- **Gift Card/gift prepaid payment instrument (PPI) for Mutual Funds:** Currently, banks and non-bank entities are allowed to issue PPIs after approval from RBI.²⁶ Under the proposed framework, the recipient will be able to utilise a gift PPI to subscribe to units of mutual funds. The

flow of money from the issuer, purchaser, and redeemer of the gift PPI will be regulated by RBI, while the subscription to mutual funds will be governed by SEBI. Investments made through Gift PPIs, e-wallets, and cash will be subject to an existing threshold of Rs 50,000 per mutual fund house per financial year. The maximum limit under each PPI will be Rs 10,000 and will be valid for a period of one year from the date of issuance. The redeemer of the gift card must utilise the full value of the instrument. Once exhausted, funds cannot be reloaded to the instrument. Comments are invited by April 14, 2026.

- **Simplification of documentation for transmission of securities:** SEBI is proposing to simplify the documentation requirement for transmission of securities to legal heirs.²⁷ It proposes to revise the threshold for availing simplified documentation from five lakh rupees to 10 lakh rupees for physical securities and from 15 to 30 lakh rupees for demat securities. In addition, physical securities up to 10 thousand rupees and demat securities up to 30 thousand rupees can be processed with minimal documentation through a new and faster framework. The proposed framework also standardises procedures for receiving claims and documentation, removes the requirement of probated wills for certain cases, and streamlines timelines for claim settlement. Comments are invited by April 2, 2026.
- **IT Resilience Index for Market Infrastructure Institutions (MIIs):** SEBI has proposed an IT resilience Index for MIIs which would be computed on a half-yearly basis.²⁸ MIIs include stock exchanges, depositories, and clearing corporations. The index will be calculated on the basis of parameters such as availability, security, integrity, governance, reliability and monitoring, and business continuity. The Industry Standards Forum will be responsible to formulate baseline parameter, acceptable thresholds, and the Standard OP for calculating the index. Comments are invited by April 15, 2026.

SEBI relaxes reporting requirements for stock brokers

SEBI has issued amendments to the Master Circular for Stock Brokers to offer relaxations from some reporting obligations.²⁹ Under the current framework, all demat accounts maintained by a stock broker are required to be tagged. However, brokers that are also banks are exempted from this requirement for accounts used for banking activities. This exemption is now being extended to brokers which are also primary dealers for demat accounts used in non-broking activities.

Currently, every stock broker is required to report all bank accounts to the stock exchange within seven working days of opening. Stock brokers that are also banks are only required to report bank accounts used for

stock-broking activities. This exemption is also being extended to stock brokers which are primary dealers. SEBI also shifts the responsibility for reporting demat accounts from stock brokers to depositories.

These provisions will take effect from April 17, 2026.

Transport

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Ministry of Civil Aviation mandates 60% seats to be allocated free of charge

The Ministry of Civil Aviation has issued directions requiring at least 60% of seats on all flights to be allocated free of charge.³⁰ Directions also require: (i) passengers travelling on the same PNR to be seated together, (ii) transparent and passenger friendly carriage of sports and music equipment, (iii) strict adherence to passenger rights in case of delays, cancellations and denied boardings, and (iv) prominent display of passenger rights.

Cabinet approves modified UDAN scheme

The Union Cabinet approved the modified UDAN scheme to improve regional connectivity.³¹ The scheme will be implemented over 10 years from 2026–27 to 2035–36. It will have a total outlay of Rs 28,840 crore provided through budgetary support from the central government. The earlier UDAN scheme was implemented from 2016 to 2026, with a total outlay of Rs 4,500 crore. Under the scheme, over 500 routes and more than 75 airports, including heliports and water aerodromes.³² Key features of the modified UDAN scheme include:

- **Viability gap funding:** Provision of Viability Gap Funding (VGF) towards airlines will continue. Under the scheme, Rs 10,043 crore has been proposed towards VGF over a 10-year period.
- **Development of aerodromes:** 100 airports will be developed from existing unserved airstrips. An outlay of Rs 12,159 crore has been proposed for this purpose over the next eight years.
- **Development of helipads:** 200 modern helipads will be developed in hilly, remote, island and aspirational regions to help improve access in regions where conventional airport infrastructure may not always be feasible.
- **Support for operation and maintenance (O&M):** Under the modified scheme, O&M support will be provided for three years, capped at Rs 3.06 crore per annum per airport and Rs 90 lakh per annum per heliport or water aerodrome. This component is estimated to cost Rs 2,577 crore and would support around 441 aerodromes.

National Highways Fee (Determination of Rates and Collection) (Second Amendment) Rules notified

The National Highways Fee (Determination of Rates and Collection) Rules, 2008 (framed under the National Highways Act, 1956) were amended.^{33,34} The Rules provide for the levy, determination, and collection of user fees (toll) on national highways to recover the cost of construction, maintenance, and operation of highway infrastructure. The amendment provides for the manner of recovering unpaid user fee. These rules came into effect on March 17, 2026.

- **Definition of unpaid user fee:** The amendment adds that unpaid user fee will be defined as the fee payable by a motor vehicle for using section of a National Highway, where the Electronic Toll Collection Infrastructure has recorded the passage of the vehicle but the fee has not been received.
- **Penalty:** The unpaid user fee will be twice the applicable toll amount. However, if paid within 72 hours of issuance of the e-notice, only the original user fee has to be paid. The vehicle owner may submit an application through the designated portal for grievance redressal within 72 hours of issuance.
- Where the unpaid user fee remains unpaid beyond 15 days, the amount will be recorded in the VAHAN system (national vehicle registration database) and restrictions may be imposed until dues are cleared.
- **Manner of collecting unpaid user fee:** An electronic notice will be issued to registered vehicle owners specifying the vehicle details, date and location of passage, and the amount due. The e-notice would be sent through SMS, email, or mobile based applications while also being made available on an online portal and the VAHAN database. The central government may integrate the National Electronic Toll Collection system with the VAHAN registry for enforcement and realisation of unpaid user fee.

Agriculture

Standing committee report on production and availability of oilseeds and pulses

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The Standing Committee on Agriculture, Animal Husbandry, and Food Processing (Chair: Mr. Charanjit Singh Channi) presented its report on ‘Production and Availability of Oilseeds and Pulses in the Country’ on March 27, 2026. Key observations and recommendations of the Committee are as follows:

- **Reducing import dependence:** The Committee recommended expanding oilseeds and pulse procurement under PM-AASHA from current 25% of the total production to 100%. The Committee suggested imposing a 20% safeguard duty (or any other rate) on imports of palm oil if the global oil prices fall below USD 800 per tonne or any other rate fixed by the government.
- **Need for a new Seeds Bill:** The Committee observed that the Seeds Act, 1966 must be reviewed to reflect the needs of the modern oilseeds and pulses sector. The Committee recommended bringing a new Seeds Bill to ensure timely access to high-quality seeds, mandatory certification, and revised standards of production and quality control in the industry.
- **Price ceiling for seeds:** The Committee recommended setting up of a National Commission/Regulatory Body to fix an upper ceiling for prices of seeds in the country. It suggested adopting a consultative and transparent process to fix the price ceiling reflecting the true cost of seeds. This body will have representatives from state governments, industry associations, and farmers.
- **Curbing imports of genetically modified (GM) seeds/food:** The Committee noted the illegal imports and sales of GM foods in the country and its negative impact on human health. To address this, it recommended strict enforcement of laws, upgradation of lab infrastructure at ports, higher surveillance, and mandatory labelling of food to detect GM ingredients informing consumer choices.

For a PRS summary of the report, see [here](#).

Standing Committee submits report on research related to water efficient seeds

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The Standing Committee on Agriculture (Chair: Mr. Charanjit Singh Channi) presented its report on the ‘Research for Developing Water Efficient Variety of Seeds to Save Ground Water’ on March 27, 2026. The Committee examined ongoing programmes that seek to develop water efficient varieties of seeds. Key recommendations of the Committee include: (i) using modern biotechnological tools such as gene editing for genetic improvement of crops, (ii) strengthening research and development ecosystem of Indian Council of Agricultural Research, (iii) establishing a mechanism to guide farmers on suitable crop choices and farming practices in critical water zones, (iv) strengthening of the existing seed production and distribution network to meet the increasing demand of quality and affordable seeds, and (v) constituting an apex body or committee to coordinate between different ministries, departments, and agencies.

For a PRS summary of the report, see [here](#).

External Affairs

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Prime Minister speaks with President of Iran

Prime Minister Mr Narendra Modi had a telephone conversation with the President of Iran, Dr Masoud Pezeshkian on March 12, 2026.³⁵ India expressed concern regarding the ongoing conflict in West Asia, and reiterated that all issues must be resolved through dialogue and diplomacy. Here, he also highlighted that the safety and well-being of Indian nationals in the region, including Iran is India's priority, alongside unhindered transit of energy and goods.³⁵

Finland President's visit to India

The President of Finland, Dr Alexander Stubb, paid a State Visit to India from March 4 to March 7, 2026.³⁶ The visit saw the signing of various MoUs between the two countries on: (i) migration and mobility partnerships, (ii) environmental cooperation including bioenergy, green hydrogen, and wind, solar and small hydra power, and (iii) sharing best practices in the collection of official statistics. Announcements entailing the future roadmap between the two countries were also made. These include: (i) elevating bilateral relations to "Strategic Partnership in Digitisation and Sustainability", (ii) joint research calls between Department of Science and Technology of India and Finnish Innovation Funding Agency Business Finland, (iii) aims to capitalise on the India-European Union Free Trade Agreement, and double the present bilateral trade between India and Finland by 2030, (iv) establishing a cross sectoral joint working group on digitisation, (v) creating a joint task force on 6G, (vi) enabling greater connectivity of startup ecosystems through Indo-Finland Startup Corridor, and (vii) co-hosting of World Circular Economy Forum in India.

Health

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Standing Committee submitted report on working of AIIMS, New Delhi

The Standing Committee on Health (Chair: Prof. Ram Gopal Yadav) presented its report on 'Working of All India Institute of Medical Sciences (AIIMS), New Delhi and problems faced by patients in availing healthcare and treatment'.³⁷

Key recommendations of the Committee include: (i) establishment of another AIIMS in Delhi-NCR and in states including Karnataka, (ii) shifting of speciality centres to decongest OPDs, (iii) increasing number of beds in neonatal centres and cardiology, neurology, and trauma departments, (iv) filling of vacancies in faculty and non-faculty positions and speciality programs, (v) strengthening diagnostic services at district hospitals,

and (vi) integration of project staff with 15 years of experience into regular workforce.

For a PRS summary of the report, see [here](#).

Pharmaceuticals

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Comments invited on draft amendments to the Drugs Rules, 1945

The Ministry of Health and Family Welfare has released two draft amendments to the Drugs Rules, 1945 for public feedback.^{38,39} The Rules are issued under the Drugs and Cosmetics Act, 1940.^{40,41} The Act provides regulatory mechanism for import, manufacture, and sale of drugs and cosmetics in India. Key proposed amendments include:

- **Changes to testing requirements of blood products:** The 1945 Rules require manufactured blood products (such as Human Albumin, Human Normal Immunoglobulin) to conform to the standards specified in the Indian Pharmacopoeia and if such standards are not specified then to those specified in the United States or British Pharmacopoeia. The products must also be tested negative for HIV I and HIV II antibodies, Hepatitis B surface antigens, and Hepatitis C virus antibodies. The draft Rules remove the HIV and hepatitis testing requirements.³⁸
- **Changes in reporting requirements:** The draft Rules require a manufacturer to inform the Drugs Controller if there is a change in an imported or a manufactured drug product. This includes changes in the manufacturing process, packaging, shelf life, or testing of the drug. In case of any major or moderate quality change, they must obtain prior approval from the Drugs Controller. Major or moderate change imply a substantial or moderate potential to have an adverse impact on the identity, strength, quality, purity, or potency of a drug product, respectively.

Comments on both sets of draft Rules are invited until April 8, 2026.

Mining

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Draft Mineral Exchange Rules released for public consultation

The Ministry of Mines released Draft Mineral Exchange Rules, 2026 for public consultation.⁴² The draft Rules have been released under the Mines and Minerals (Development and Regulation) Act, 1957, which provides for establishment of Mineral

Exchanges.⁴³ A Mineral Exchange is a registered electronic trading platform or marketplace where buyers and sellers of minerals (or its processed forms like metals) can trade. The Rules seek to provide for trade of minerals other than coal, lignite and atomic minerals. Key features of the Draft Rules include:

- **Registration of Mineral Exchanges:** To be eligible for registration of mineral exchange, the applicant must be: (i) incorporated under the Companies Act, 2013, (ii) demutualised (ownership and management is separate from trading rights), and (iii) satisfy the specified ownership requirements. Only exchanges registered under these Rules will be allowed to operate. Any entity under operation before commencement of the rules will be required to register within six months of operationalisation of the first mineral exchange. Registration will be valid for 25 years.
- **Governance of Mineral Exchange:** Board of Directors of a mineral exchange will consist of: (i) shareholder directors, (ii) independent directors, and (iii) managing director. Independent directors must be at least equal in number to shareholder directors (the managing director will be counted as a shareholder director for this purpose).
- **Functions of the Authority:** The Indian Bureau of Mines will be the regulatory authority. It will have the power to register and regulate exchanges, approve contracts, conduct inspections, undertake market oversight, and revoke registration for certain violations. It may also intervene in the market in cases of abnormal price volatility or manipulation.
- **Risk Management:** Mineral exchanges will be required to constitute a risk assessment and management committee which will undertake periodic reviews. All mineral exchanges will be required to establish a settlement guarantee fund, clearing and settlement mechanisms, and procedures to handle defaults. Exchanges will also be required to establish grievance redressal mechanisms for members and clients and have a pre-approved exit plan.

Comments are invited until April 18, 2026.

Amendments to Mineral Auction Rules, 2015 notified

The Ministry of Mines notified amendments to the Mineral Auction Rules, 2015 which provide the procedure for grant of mineral concessions.^{44,45} The Rules have been prescribed under the Mines and Minerals (Development and Regulation) Act, 1957 which provides for development, exploration, extraction, and management of minerals.⁴⁶ Key amendments include:

- **Revision of auction premium requirements:** The 2015 Rules specify that if the area is being auctioned for more than one mineral, the bidder will be required to quote a single percentage of the value

of mineral despatched, which will apply to all minerals in the block. The successful bidder will pay this percentage of the value of minerals despatched to the state government periodically. The amendment adds that if any of the critical minerals (other than graphite, phosphate, and potash) constitute less than 10% of the total value of the block, no auction premium will be payable on such minerals.

- **Forest area exclusion:** State governments may allow a preferred bidder to exclude from the lease a portion of the block falling in forest land as mining in such portion is not feasible due to issues such as forest, wildlife corridor, river, nallah, habitation, or infrastructure etc. Such portion must contain less than 25% of the total estimated mineral resources.
- **Revised upfront payments:** The 2015 Rules specify that the second (20%) and third (60%) instalments of the upfront payment must be paid at specified stages by holder of a composite licence. The amendment removes these fixed percentages. It adds that for auctions after the 2026 amendment, the second instalment must be paid within one year from the date of issue of the letter of intent.

Amendments to Rules on mineral leasing and inclusion notified

The Ministry of Mines notified amendments to the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016.^{47,48} The Rules have been released under the Mines and Minerals (Development and Regulation) Act, 1957 which provides for development, exploration, extraction, and management of minerals.⁴⁹ The Rules prescribe the procedures for regulating the grant of mineral concessions. Key amendments include:

- **Application for inclusion of minerals:** The 2016 Rules provide mining lease for a specified mineral. As per the amendment, holder of a mining lease may apply for the inclusion of any additional mineral, including minor minerals, in the lease. The state government must decide on such application within 60 days.
- **Inclusion of contiguous area in mining lease:** The holder of a mining lease or composite license for deep seated minerals may apply to the state government for inclusion of a contiguous area. Deep seated minerals have been defined as minerals that occur at a depth of more than 200 meters from surface land. The state government may grant such extension, subject to prescribed conditions, including that the contiguous area does not exceed 10% of the leased area in the case of a mining lease and 30% in the case of a composite licence.
- **Inclusion of other minerals in a mining lease:** Mining lease for a minor mineral having an area of more than two hectares will not be granted unless a preliminary exploration has been completed. Where any other mineral is discovered in an area

covered by a minor mineral lease, the lease holder must report such discovery within six months of notification of the Rules or within 60 days of discovery, whichever is later. Holder of a mining lease may apply to the state government for inclusion of such minerals into lease.

- If an atomic mineral is discovered during exploration, and its grade meets or exceeds the prescribed threshold value, the mining lease will be terminated.
- **Financial obligations:** In cases where any other mineral is included in a minor mineral lease, the lease holder is required to pay the additional amount specified under the 1957 Act. Where the lease was auctioned and the auction premium was not linked to the value of mineral dispatched, the lease holder must pay an amount equivalent to the royalty of the included minerals.

Environment and Water

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Cabinet approves extension of Jal Jeevan Mission until December 2028

The Union Cabinet has approved the extension of the Jal Jeevan Mission (JJM) till December 2028, with an enhanced outlay of Rs 8.7 lakh crore.⁵⁰ The Cabinet also approved restructuring of the Mission. JJM aims to provide safe and adequate drinking water through tap connections to all rural households.

Under the restructured JJM, each village will be assigned a unique service area ID, and the entire drinking water supply system will be digitally mapped. Gram Panchayats will be required to certify completion of works and confirm operation and maintenance works being undertaken by the state government. It will also include an annual, community-led maintenance and review exercise.

Cabinet approves Nationally Determined Contribution targets for 2031-35

The Union Cabinet approved India's Nationally Determined Contribution (NDCs) for 2031-35.⁵¹ NDCs are climate action targets submitted by countries under the United Nations Framework Convention on Climate Change.

As per the updated targets, India aims to reduce the emissions intensity of its GDP by 47% by 2035 from 2005 levels. Emissions intensity of GDP refers to the amount of greenhouse gas (GHG) emissions produced per unit of economic output. Updated targets also aim to achieve a 60% share of non-fossil fuel-based energy resources in installed capacity by 2035. Further, India aims to create an additional carbon sink of 3.5 - 4 billion tonnes of CO₂ equivalent through increased forest and tree cover by 2035 from 2005 levels.

Draft amendments to the End-of-life Vehicles Rules released

The Ministry of Environment, Forest and Climate Change has released draft amendments to the Environment Protection (End-of-Life Vehicles) Rules, 2025 for public feedback.^{52,53} The draft Rules have been issued under the Environment (Protection) Act, 1986 and provide for environmentally sound dismantling, recycling, and disposal of end-of-life vehicles.⁵⁴ The draft amendments propose the following key changes:

- **Responsibilities of producers:** Under the 2025 Rules, producers are made responsible for the safe disposal and recycling of end-of-life vehicles under an Extended Producer Responsibility (EPR) framework, with annual targets and the option to meet obligations through EPR certificates from registered recyclers.

As per the amendment, producers will also be responsible for the safe disposal and management of waste generated from end-of-life vehicles, including recycling and reuse in future production. Producers may also meet their EPR obligations by purchasing EPR certificates issued by registered recyclers. Producers must ensure that from 2026-27 onwards, at least 10% of the total steel used in vehicles is recycled steel. Producers must declare detailed data such as quantity of steel, tyres, oil and plastic used in the vehicles that were introduced in the domestic market from 2005-06 to 2024-25, by June 30, 2026.

- **Revised steel recovery targets:** Under the 2025 Rules, producers are required to recover 18% of the steel used in all vehicles sold in 2019-20 by 2039-40. The draft amendments propose higher targets, increasing recovery to around 50-55% for vehicles sold in 2025-26, and to 70-75% for those sold in 2035-36.
- **Responsibilities of insurance companies:** Insurance companies will be required to register on a centralised online portal of the State Pollution Control Board. They must ensure that end-of-life vehicles are deposited at registered vehicle scrapping facilities or designated Collection Centres, and report such deposits to the relevant Board. Insurance Regulatory and Development Authority of India will prescribe and enforce responsibilities of insurance companies.

Comments are invited till May 26, 2026.

Power

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Comments invited on amendments to the Rights of Consumers Rules

The Ministry of Power has invited comments on the draft Electricity (Rights of Consumers) Amendment Rules, 2026.⁵⁵ The draft Rules seek to amend the Electricity (Rights of Consumers) Rules, 2020.⁵⁶ The 2020 Rules lay down the rights of electricity consumers, including provisions relating to metering, billing, and access to electricity services. Key features of the draft Rules include:

- **Applicability of Time-of-Day tariffs:** Under the 2020 Rules, Time-of-Day tariffs (ToD) apply to specified Commercial and Industrial Consumers (C&I) from April 1, 2024. For other consumers (excluding agriculture), it is applicable from April 1, 2025. The draft Rules amend these provisions to mandate ToD tariffs for C&I consumers from April 1, 2027. For other consumers (excluding agriculture), SERCs will determine the timeline. This timeline cannot be beyond April 1, 2028.
- **Net-metering charges:** The draft Rules introduce a net metering charge to be determined and levied by State Electricity Regulatory Commissions (SERCs). The net metering charge will be levied progressively based on the imputed cost of storage and network loss adjustments as determined by SERCs. No net metering charges will be levied for an installed solar PV of capacity up to five kilowatts (kW). Net metering is a facility whereby solar energy exported to the grid by a prosumer (producer who is also a consumer) is deducted from energy imported from the grid to arrive at the net imported energy. For billing purposes, only the net energy import is used.
- **Energy storage systems for rooftop solar:** The 2026 draft Rules empower SERCs to mandate installation of energy storage systems for installations with capacity above 500 kW.
- **Automatic review of bills:** The draft Rules mandate distribution licencees to actively review cases of inflated or abnormally low bills. If a consumer's consumption during any billing cycle exceeds five times (or as decided by SERC) the average of the preceding six billing cycles, the licensee must review and resolve the issue within 30 days. Similarly, if a consumer's consumption falls below one-fifth (or as decided by SERC) of the average consumption during the preceding six billing cycles, the licensee must review the case and take appropriate action within 30 days.

Comments are invited by April 11, 2026.

CERC notifies amendments to regulations on renewable energy certificates

The Central Electricity Regulatory Commission (CERC) notified the CERC (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) (First Amendment) Regulations, 2026.⁵⁷ This seeks to amend the CERC (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) (First Amendment) Regulations, 2022.⁵⁸ Renewable Energy Certificates (RECs) are tradable certificates representing one megawatt-hour (MWh) of electricity generated from renewable sources. RECs can be bought to meet Renewable Consumption Obligations instead of purchasing renewable energy. These obligations mandate that a certain percentage of electricity purchased by entities (such as discoms) must be sourced from renewables.

RECs are issued per unit of electricity generated, based on a certificate multiplier. Earlier, the certificate multipliers were based on tariffs of RE projects. The 2026 Regulations provide for the determination of multipliers based on tariff of RE projects, technology maturity of such projects, and the level of the capacity credit. Capacity credit refers to the reliable contribution of a power plant such as those based on solar or wind in meeting peak demand.

Electronics and IT

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Standing Committee submits report on Impact of AI

The Standing Committee on Communications and Information Technology (Chair: Dr. Nishikant Dubey) submitted its report on the 'Impact of emergence of Artificial Intelligence (AI) and related issues' on March 30, 2026.⁵⁹ The Committee noted that implementing AI at scale faces fundamental barriers such as limited computing facilities, shortage of skills, and a lack of adequate datasets. It also noted challenges in adoption of AI such as market concentration, a lack of interpretability of AI models, and concerns with privacy and quality. In case of agriculture, it highlighted concerns such as high initial investment and a lack of high-speed internet in rural areas.

The Committee observed that risks associated with AI include deepfakes, cyber threats, AI-based surveillance, and AI-enabled financial fraud. It noted that draft amendments to IT Rules have been proposed to further strengthen regulatory framework with regard to AI.

Key recommendations of the Committee include: (i) exploring possibility of a comprehensive legislation to prevent the misuse of AI, (ii) encouraging courses in AI in schools and colleges and university research, (iii) expediting implementation of draft amendments to IT

Rules, and (iv) exploring age restrictions for certain platforms to save people from misuse of AI.

For a PRS summary of the report, see [here](#).

Comments invited on draft amendments to the IT Rules, 2021

The Ministry of Electronics and Information Technology has invited comments on the draft Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Second Amendment Rules, 2026.⁶⁰ These draft Rules seek to amend the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.⁶¹ Intermediaries are entities that store or transmit data on behalf of other persons, and include telecom and internet service providers, online marketplaces, search engines, and social media sites. The 2021 Rules specify the due diligence requirements for intermediaries to claim exemption from liability for any third-party information. Key changes proposed include:

- **Compliance with clarifications, advisories, and directions:** The 2026 draft Rules require intermediaries to comply with every clarification, advisory, order, direction, standard operating procedure, code of practice or guideline issued by

the Ministry of Electronics and Information Technology. The draft Rules state that such instruments will be issued in writing and will specify their legal basis.

- **Application of Rules in relation to digital media:** The 2021 Rules separately regulate publishers of online curated content and news and current affairs content (digital media). Under the 2021 Rules, following provisions related to digital media are also applicable to intermediaries: (i) powers of the Ministry of Information and Broadcasting to issue directions for deleting, modifying, or blocking content, and (ii) blocking of certain information in cases of emergencies where no delay is acceptable. The 2026 draft Rules specify that the 2021 Rules will also apply to news and current affairs content displayed, shared, and stored by users who are not publishers. In addition, the provisions regarding an inter-departmental committee to hear grievances will apply to intermediaries as well as content of users who are not publishers.

Comments are invited until April 14, 2026.

¹ “Developments in India’s Balance of Payments during the Third Quarter (October-December) of 2025-26”, Reserve Bank of India, March 2, 2026, <https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR22016B971CD8D1D8411CA7DEF94DF1EB4768.PDF>.

² “Quick Estimate of Index of Industrial Production and Use-Based Index for the Month of January 2026”, Ministry of Statistics and Programme Implementation, March 2, 2026, https://www.mospi.gov.in/uploads/latestReleases/latest_release_1772446993082_bafbeab1-d887-4088-ad79-34bca753b231_IIP_Press_release_January_2026.pdf.

³ “Quick Estimate of Index of Industrial Production and Use-Based Index for the Month of February 2025”, Ministry of Statistics and Programme Implementation, April 11, 2025, https://www.mospi.gov.in/sites/default/files/press_release/IIP_PR_11_Apr25.pdf.

⁴ The Transgender (Protection of Rights) Amendment Bill, March 13, 2026, https://prsindia.org/files/bills_acts/bills_parliament/2026/Transgender_Bill_2026_Text.pdf.

⁵ The Transgender (Protection of Rights) Act, November 26, 2019, [https://prsindia.org/files/bills_acts/bills_parliament/2019/The%20Transgender%20Persons%20\(Protection%20of%20Rights\)%20Bill.%202019%20Bill%20Text.pdf](https://prsindia.org/files/bills_acts/bills_parliament/2019/The%20Transgender%20Persons%20(Protection%20of%20Rights)%20Bill.%202019%20Bill%20Text.pdf).

⁶ Writ Petition (Civil) No 960 of 2021, Hamsaanandini Nanduri vs Union of India and ORS, March 17, 2026, https://api.sci.gov.in/supremecourt/2021/18032/18032_2021_7_1502_69584_Judgement_17-Mar-2026.pdf.

⁷ The Code on Social Security, as on November 21, 2025, https://upload.indiacode.nic.in/view-casepdf?type=act&id=AC_CEN_6_0_00036_202036_1623221080799.

⁸ Criminal Appeal No 1580 of 2026, Chinthada Anand versus State of Andhra Pradesh and Others, March 24, 2026, https://api.sci.gov.in/supremecourt/2025/26891/26891_2025_16_1501_69653_Judgement_24-Mar-2026.pdf.

⁹ “The Constitution (Scheduled Castes) Order, 1950”, Ministry of Social Justice and Empowerment, [https://socialjustice.gov.in/writereaddata/UploadFile/CONSTITUTION%20\(SC\)%20ORDER%201950%20dated%2010081950.pdf](https://socialjustice.gov.in/writereaddata/UploadFile/CONSTITUTION%20(SC)%20ORDER%201950%20dated%2010081950.pdf).

¹⁰ Report No 4, “Cyber Crimes and Cyber Safety of Women”, Committee on the Empowerment of Women, Ministry of Home Affairs and Ministry of Electronics and Information technology, Lok Sabha, March 23, 2026, <https://sansad.in/ls/committee/other-parliamentary-standing-committees/8-Empowerment%20of%20Women-nameH=%E0%A4%AE%E0%A4%B9%E0%A4%BF%E0%A4%B2%E0%A4%BE%20%E0%A4%B8%E0%A4%B6%E0%A4%95%E0%A5%8D%E0%A4%A4%E0%A4%BF%E0%A4%95%E0%A4%B0%E0%A4%A3%20%E0%A4%B8%E0%A4%82%E0%A4%AC%0%A4%82%E0%A4%A7%E0%A5%80%20%E0%A4%B8%E0%A4%AE%E0%A4%BF%E0%A4%A4%E0%A4%BF>.

¹¹ The Jan Vishwas (Amendment of Provisions) Bill, 2026, https://prsindia.org/files/bills_acts/bills_parliament/2026/Jan_Vishwas_Bill_2026_Text.pdf.

¹² The Foreign Contribution (Regulation) Amendment Bill, 2026, https://prsindia.org/files/bills_acts/bills_parliament/2026/Foreign_Contribution_Bill_2026_Text.pdf.

¹³ Press Note No. 2 of 2026, Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, March 15, 2026, <https://www.dpiit.gov.in/static/uploads/2026/03/b9da5830b052c2f2d788593e97d07c63.pdf>.

¹⁴ Consolidated FDI policy, Department for Promotion of Industry and Internal Trade, Ministry of Commerce, October 15, 2020, <https://www.mofpi.gov.in/sites/default/files/fdi-policycircular-2020-28october2020.pdf>.

¹⁵ The Prevention of Money-Laundering Act, 2002, https://enforcementdirectorates.gov.in/media/pmla/d7162b8f-d022-4583-b942-d5bb85d8e796_THE%20PREVENTION%20OF%20MONEY%20LAUNDERING%20ACT.%202002.pdf.

¹⁶ The Prevention of Money-Laundering (Maintenance of Records) Rules, 2005, https://fiuindia.gov.in/pdfs/AML_legislation/PMLA_2005.pdf.

¹⁷ “Government Restores RoDTEP Rates and Value Caps to Support Exporters Amid West Asia Trade Disruptions,” Press Information Bureau, Ministry of Commerce and Industry, March 23, 2026, <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2244147®=3&lang=1>.

¹⁸ “What is RODTEP,” Directorate General of Foreign Trade, Ministry of Commerce and Industry, as accessed on March 27, 2026, <https://www.dgft.gov.in/CP/?opt=RODTEPARR>.

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