Cabinet approves ₹23,731-crore GOBARdhan bioenergy scheme

GROWTH CATALYST. Scheme aims to boost rural bioeconomy by fixing key bottlenecks

Our Bureau
New Delhi

The Cabinet on Thursday approved GOBARdhan, or the National Circular Bioenergy Scheme, with a total outlay of ₹23,731 crore, or roughly $2.5 billion. The scheme aims to address long-standing bottlenecks such as assured offtake, stable pricing, evacuation infrastructure and efficient feedstock aggregation.

The scheme intends to increase domestic Compressed Biogas (CBG) production nearly ten-fold, mobilise large-scale private investment and create a vibrant circular bio-economy across the country.

"GOBARdhan marks a defining moment in India's clean energy journey. It will transform the country's abundant agricultural residue, cattle dung, press mud, municipal organic waste and other biomass resources into clean fuel, organic manure, rural income and national economic value," the government said.

ENERGY DRIVE. The scheme intends to increase domestic compressed biogas production nearly ten-fold and mobilise largescale private investment

FUTURE FUEL

The scheme, which will be implemented from FY27 to FY36, will establish CBG as a major pillar of India's future energy mix through assured demand, remunerative and stable pricing, capital assistance, pipeline infrastructure, credit support and technology development, it added.

The government is focusing on six growth engines under the GOBARdhan scheme — assured off-take, stable pricing, capital assistance, developing pipeline infrastructure, credit guarantee and ecosystem challenge fund.

CRITICAL GAPS

Welcoming the initiative, Sanjay Ganjoo, Director General, Indian Federation of Green Energy, told *businessline:* "India generates nearly 500 million tonnes of agricultural residue annually, much of which is still burned in the fields, contributing to severe air pollution. With only about 216 CBG plants commissioned against the ambitious CBG blending targets, project viability has been constrained by inadequate synchronisation between CBG production and city gas distribution networks."

By supporting both production and distribution infrastructure, the government has addressed the sector's most critical challenges. Assured offtake and pipeline connectivity will improve project bankability and provide lenders with the long-term revenue visibility required to finance projects, he noted.

"Beyond clean energy, every CBG plant will stimulate local economic activity through feedstock collection, transportation, plant operations and organic manure management, generating sustainable employment and additional income for rural communities," Ganjoo emphasised.

Indian Biogas Association President AR Shukla also welcomed the latest policy push, adding that the sector has long argued that biogas needed three things — a remunerative price, assured offtake and capital support, which this scheme delivers.

Moving from roughly 300 operating plants towards 5,000 will create lakhs of rural jobs, he added.

Varun Karad, CEO of Renergy Dynamics, pointed out that the proposed credit guarantee and capital support mechanisms under the scheme should significantly improve project bankability and attract greater participation from developers, lenders, infrastructure investors and climate-focused funds.

Centre approves ₹8,970 cr Guwahati-Tezpur corridor

Our Bureau
New Delhi

The Centre has approved the development of a 135.871-km four-lane access-controlled Guwahati-Tezpur corridor on National Highway-15 in Assam at an estimated cost of ₹8,970.20 crore.

The decision was taken by the Cabinet Committee on Economic Affairs (CCEA), chaired by Prime Minister Narendra Modi, on Thursday.

The project will be developed under the build-operate-transfer (BOT) toll mode under the National Highways (original) programme.

It includes the construction of a 4.9-km 'Emergency Landing Facility' (ELF) on the Tezpur bypass, which has been finalised in coordination with the Indian Air Force.

According to the CCEA, the corridor is expected to decongest the existing NH-27 East-West corridor on the southern side of the Brahmaputra river, while improving regional connectivity.

The project includes the construction of five major bypasses spanning 58.7 km to ease traffic congestion in densely-populated areas, including Baihata Chariali, Sipajhar, Kharupetia, Dekiajuli and Tezpur.

Further, the approved alignment provides for the construction of 15 major bridges, 30 minor bridges, 19 flyovers, one elephant underpass on the Tezpur bypass, 46 underpasses and around 210 km of service roads to facilitate local traffic movement along the access-controlled corridor.

TRAVEL SPEED

The project is expected to double average travel speeds and reduce travel time by nearly half, while improving road safety, enhancing fuel efficiency and lowering vehicle operating costs.

As per the approved proposal, the upgraded highway will provide connectivity to eight PM Gati Shakti economic nodes, comprising industrial parks; two social nodes covering the aspirational districts of Darrang and Udalguri; three tourist destinations including the Maa Kamakhya temple, the Kaziranga National Park and the Orang National Park; and seven logistics nodes comprising three major railway stations, two airports and two waterway terminals.

AP Cabinet okays Ease of Doing Business Act, PPP Policy for 2026

Our Bureau
Hyderabad

The Andhra Pradesh Cabinet has approved the proposed Andhra Pradesh Omnibus (Ease of Doing Business) Act, 2026, aimed at amending multiple laws to improve the business environment, along with the Andhra Pradesh Public-Private Partnership Policy, 2026.

The Cabinet, which met under the chairmanship of Chief Minister N Chandrababu Naidu in Amaravati on Thursday, also ratified the decision of the Andhra Pradesh Capital Region Development Authority to raise a ₹300-crore loan from APPFCL for payment of annual annuity to Amaravati farmers during 2026-27.

It approved the lowest bid for constructing twin office towers on either side of the Quantum Computing Centre at the Amaravati Quantum Valley Tech Park. The value of the work is about ₹1,002 crore. Revised administrative sanction of ₹206 crore was also accorded for consultancy services relating to the Assembly and High Court buildings.

CABINET NOD

In another infrastructure decision, the Cabinet approved the redevelopment of the Velampeta slum in Visakhapatnam under the Visakhapatnam Economic Region programme through the design-build-finance-and-transfer model. The proposal includes the transfer of development rights in 1:4 ratio, exemption from certain municipal and development authority charges and specified relaxations under the Andhra Pradesh Building Rules, 2017.

The Cabinet also approved the Andhra Pradesh Pedestrian Safety and Universal Accessibility Policy, 2026, along with operational guidelines. It also approved the reorganisation of urban development authorities in line with the newly-reorganised districts and renewal of leases of municipal immovable properties that have been under lease for more than 25 years.

On industrial infrastructure, the Cabinet approved APIIC's proposal to take over a ₹680-crore term loan sanctioned by HUDCO for the Andhra Pradesh Bulk Drug Infrastructure Corporation.

It also approved amendments to the Andhra Pradesh Textiles, Apparel and Garments Policy, 2024-29, introducing an additional wage-subsidy option for eligible textile units under employment-linked incentives.

For industrial power connections, the Cabinet agreed to reduce supervision charges levied by APTransco and power distribution companies to 2.5 per cent and exempt eligible projects from development charges, as requested by APIIC.

The Cabinet decided to extend the subsidised electricity tariff of ₹1.50 per unit to aquaculture ponds, including shrimp and fish farms, from June 1, 2026.

DECISIONS APPROVED

On land allotments for renewable energy, it approved leasing 49.67 acres at Cherlopalli in YSR Kadapa district to NREDCAP for a solar power project under the PM-KUSUM scheme.

The lease will be for 30 years at ₹31,000 an acre annually, with a 5 per cent increase every two years. Another 51.37 acres in Vemula mandal of YSR Kadapa district will also be leased to NREDCAP for a solar project at an annual lease rent of ₹31,000 per acre.

The Cabinet approved allotment of 19.56 acres in Sri Sathya Sai district to APIIC for ₹5.87 crore and 13.47 acres in Chittoor district to the Chittoor Urban Development Authority for layout development at a cost of about ₹8.45 crore.

Land was also transferred to APIIC for compensatory afforestation connected with the diversion of forest land for laying a water-supply pipeline from the Kandaleru reservoir to Sri City industries. Separate parcels of 8.70 acres and 6.42 acres in the SPSR Nellore district will be transferred for the purpose.

The Cabinet decided to withdraw the Andhra Pradesh Disha Bill — Criminal Law (Andhra Pradesh Amendment) Bill, 2019.

Vizag data centre boom to create over 51k jobs, boost housing demand

G Naga Sridhar
Hyderabad

Visakhapatnam is set to become one of India's biggest digital infrastructure hubs, with its growing data centre ecosystem expected to create over 51,800 jobs and fuel demand for 2.33 crore sq ft of residential real estate, according to a new research report by Square Yards titled "How India's Data Centre Revolution Is Rewriting Real Estate."

The proposed data centre projects in Visakhapatnam will generate 3,240 direct jobs and 48,600 jobs across allied sectors such as construction, electrical works, logistics, warehousing, transport, hospitality, retail, maintenance and other support services, the report released on Thursday said.

According to the report, the biggest impact of data centres will not be limited to the campuses themselves.

Instead, they will create an entire ecosystem of businesses and services around them, attracting investments in power, fibre connectivity, utilities, logistics and commercial infrastructure. This, in turn, is expected to create new employment opportunities and accelerate economic activity across the region.

DRIVING DEMAND

The report also projects that the growth would drive demand for 2.33 crore sq ft of residential real estate in and around Visakhapatnam, as more people move to the city for jobs and businesses expand to support the growing digital economy.

Commercial spaces, warehouses, retail centres and civic infrastructure are also expected to see significant growth.

With marquee global investments already announced for Visakhapatnam, the report says the city is well placed to lead Andhra Pradesh's next phase of infrastructure-led growth and job creation.

URBAN DEVELOPMENT

The data centres are emerging as the next big driver of urban growth in India by attracting large-scale investments and creating a strong ecosystem of ancillary industries with potential to reshape local economies and transform surrounding regions, said the release.