FREE UPI NO LONGER GUARANTEED

The Lok Sabha has passed the Taxation and Other Laws (Amendment) Bill, 2026, by voice vote amid Opposition protests that never became a real debate. Buried inside a broader tax bill was one consequential change: an amendment to Section 10A of the Payment and Settlement Systems Act, 2007 — the provision legally barring banks and payment firms from charging Indians to use UPI. That wall is gone. In its place sits the government's discretion to notify, whenever it chooses, which payment modes may attract a fee.

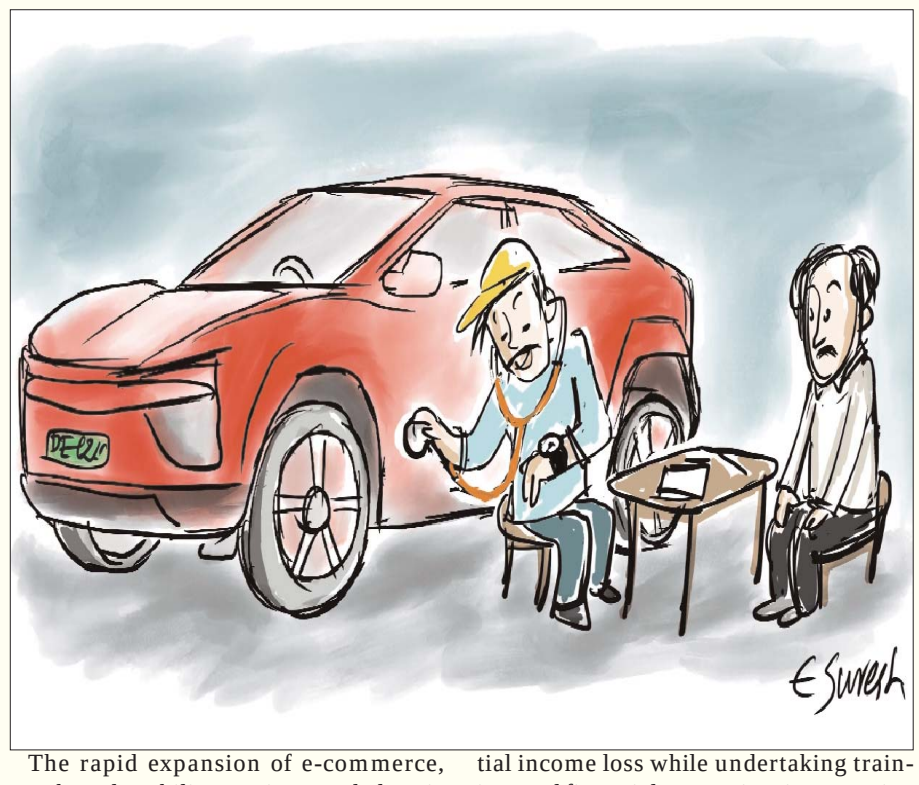
To be fair, nothing changes today. No Merchant Discount Rate has been announced, and UPI remains free at the counter. But the distinction that mattered — free by law — has quietly become free by permission. Permission, unlike law, can be withdrawn by notification, not by Parliament. UPI is the spine of India's digital economy: in July alone it carried 23.66 billion transactions worth nearly Rs 30 lakh crore, some 85 percent of the country's digital payments. That scale was built on one promise, kept since January 2020: UPI would cost nothing. The Finance Ministry itself called charge rumours baseless and misleading as recently as June 2025. Fourteen months later, it has legislated the very power it once denied wanting. Reports suggest the eventual target is a 0.25–0.4 percent levy on merchant payments above Rs 2,000 — just 4 percent of UPI's volume but 67 percent of its value — while small payments and person-to-person transfers stay free. That sounds reasonable, until RBI Governor Sanjay Malhotra's own admission: someone always pays. It may not be the same consumer at the till, he said, but the wider economy absorbs it regardless.

A merchant charged 0.4 percent rarely absorbs it quietly — prices creep up, and "free" starts to feel like a technicality. That is why this will not sit well with ordinary users, whatever the fine print says. Nirmala Sitharaman's insistence that MDR applies only to merchants, not customers, is technically accurate and practically beside the point — few consumers distinguish between a fee charged to them and one passed through to them. A bill pushed through without real debate only compounds the problem: a foundational digital-inclusion guarantee diluted in a voice vote.

The fallback case is not baseless, though. Zero-MDR costs the exchequer real money — Rs 2,000 crore is budgeted this year alone to subsidise banks for low-value UPI transactions — and payment companies have long argued they cannot keep funding fraud detection and infrastructure on zero revenue. Even the traders' body CAIT has said it would accept a nominal charge on high-value transactions, provided small merchants and ordinary users stay protected. That may be a fair trade-off eventually. But it deserved Parliament's scrutiny, not a voice vote amid din. Digital India's biggest success story was built on trust as much as technology. Spending that trust this quietly is the real risk — to UPI's next hundred crore users, and to the idea that "Digital India" was ever a guarantee rather than a policy revisable by notification.

The missing workforce in India's EV transition

Jayanta Mitra | Gati kochar



India's EV transition is gathering significant momentum, as is evident from impressive figures showing EV sales, expanding charging infrastructure, ambitious manufacturing targets, and a vision of clean and sustainable mobility solutions. However, beneath this narrative lies a less visible yet critical question: who will power this transition?History

While much of the discourse has focused on the environmental and economic benefits that this transition offers, its implications for the workforce that underpins India's mobility ecosystem call for equal attention. This is particularly noteworthy for a country where nearly 80 per cent of the non-agricultural workforce is concentrated in the informal sector. Among them are an estimated 4.29 million roadside mechanics and professional garage owners who provide repair services across the country. As EV technologies become more advanced and demand for EVs increases across the white- and blue-collar segments, particularly among the aspiring middle class, these informal workers risk being left behind unless they are equipped with the skills and empowered to participate in the emerging EV ecosystem. Therefore, it is imperative that the workforce be made future-ready to adapt to changing technologies, which will be critical in enabling a transition that is not only environmentally sustainable but also socially inclusive.

While certain occupations associated with ICE vehicles are expected to decline over time, the EV ecosystem is simultaneously creating demand for a diverse range of new skills and services. Beyond vehicle manufacturing, jobs are emerging across charging infrastructure deployment and maintenance, battery swapping, fleet management, diagnostics and repair, battery recycling, and digital mobility services. Recent estimates suggest that employment in the EV service and repair ecosystem alone could create between 3.7 million and 5.6 million jobs by 2047.

The rapid expansion of e-commerce, app-based mobility services, and electric two- and three-wheelers is creating new avenues for gig workers, delivery personnel, charging operators, local service providers, and small entrepreneurs. The transition therefore presents an opportunity not only to generate employment but also to diversify livelihoods within India's broader mobility ecosystem.

Despite this significant employment potential, the emerging opportunities cannot be accessed equitably without targeted interventions. Unlike conventional ICE vehicles, EVs rely heavily on advanced electronics, battery management systems, software diagnostics, and high-voltage components, necessitating specialised knowledge, software, and equipment.

Evidence suggests that nearly 93 per centof workers in the service and repair sector lack formal technical training, while a majority continue to rely on skills acquired through informal apprenticeships and on-the-job experience. Limited access to EV-specific training, inadequate infrastructure at vocational institutions, potential income loss while undertaking training, and financial constraints in procuring specialised tools further compound these challenges. As a result, the principal concern is not a shortage of employment opportunities, but the absence of accessible pathways that enable informal workers to participate in the evolving EV ecosystem. Without deliberate and targeted investments in skilling, certification, and workforce transition mechanisms, there is a risk that those who have long sustained India's mobility sector may be excluded from its future.Job Listings

The transition to electric mobility also presents an opportunity to address long-standing gaps in workforce participation within the automotive sector.

Historically, occupations across vehicle servicing, repair, and transport operations have remained overwhelmingly shaped by patriarchal values, and much more needs to be done in terms of critical thinking and promoting a conducive environment to reverse the exclusion of women. As a matter of fact, the evolving nature of EV technologies has the potential to diversify the workforce, and it is imperative to address structural and socio-economic barriers to facilitate women's participation across the value chain.

Realising this opportunity will require deliberate policy interventions rather than assuming that inclusion will occur organically. Targeted skilling programmes, financial support for women-led enterprises, mentorship networks, and gender-responsive workplace practices can enable greater participation in emerging roles. Several state policies have already begun recognising this need.

For instance, Tamil Nadu's EV policy provides enhanced training incentives for women and other underrepresented groups, signalling a significant shift towards embedding equity within workforce development and the deployment of human capital. Integrating women into the EV ecosystem from its formative stages will not only strengthen labour force participation but also contribute to a more resilient and inclusive mobility transition.

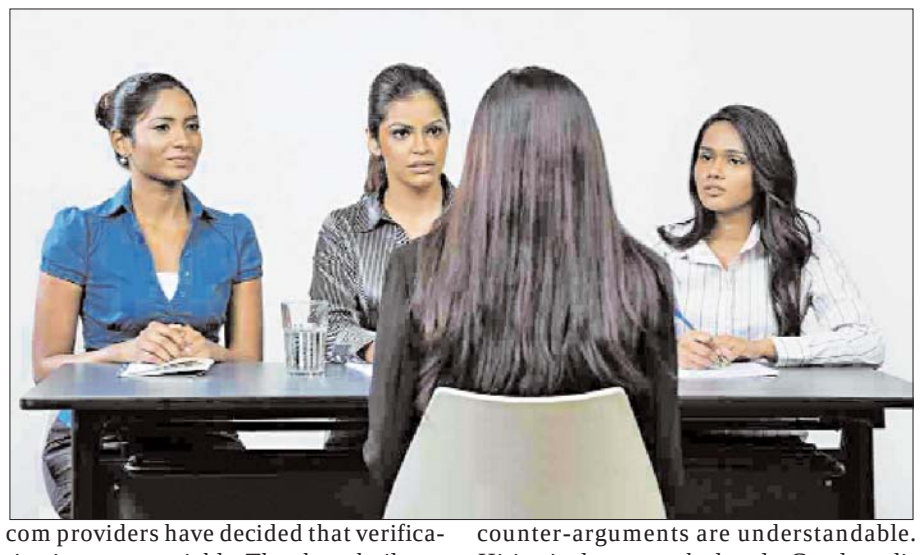
A sustainable transition is not only about reskilling and upskilling the existing workforce but also about creating a more inclusive and responsible EV ecosystem. Reflecting on emerging initiatives demonstrating an inclusive transition may open the way for deeper reflection and innovation.

Social enterprises such as eBik have enabled street vendors, waste pickers, and daily wage workers to adopt affordable electric mobility solutions, improving productivity and reducing physical strain. Internationally, Singapore's Progressive Wage Model illustrates how linking skills development with wage progression and career mobility can support workforce transitions.

Together, these examples highlight the value of replication. As India stands at the threshold of significant EV adoption and mainstreaming in the mobility sector, industry, O&M, academia, and think tanks need to deliberate on and demonstrate viable EV transition models that are both environmentally sustainable and socially inclusive

WE HIRED A STRANGER AND CALLED IT RECRUITMENT

Rachna Lakhpati



Let me tell you something we all know but rarely say out loud. Somewhere, right now, a hiring manager is sitting across from a candidate who looks great on paper. Confident. Well-spoken. Impressive CV. The interview goes well, the team likes them, and an offer letter goes out within the week. Nobody asks too many questions. Nobody digs too deep. There is a position to fill, and this person seems right. Three months later, something doesn't add up.

This is not a rare story. It happens more often than organisations care to admit, and the reason is almost always the same: background verification was skipped, rushed, or treated as a formality rather than a filter. We live in a country where getting a passport requires you to prove who you are, down to your grandmother's address. A bank will not open an account without seeing your PAN, your Aadhaar, a photograph, a signature, and sometimes requiring a physical visit. A SIM card also requires documentation. The government, financial institutions, and even telecom providers have decided that verification is non-negotiable. They have built entire systems around it. Clubs& Organizations

And yet a company will hand someone a laptop, access to client data, a salary, and the trust of an entire team based on a CV they wrote themselves and two referees they personally selected. That logic seems strange when you lay it out plainly. The counter-arguments are understandable. Hiring is slow enough already. Good candidates do not wait. Documentation is sometimes genuinely incomplete. And honestly, when someone is sitting in front of you and they seem perfectly decent, asking for deeper verification can feel almost insulting. But that discomfort is exactly the point. The candidate who is perfectly decent has nothing to hide. They will wait the extra week. They will provide what is needed. The ones who push back hardest against verification are rarely the ones you want to be worried about, and yet somehow they are often the ones who slip through.

Incomplete documentation is not a reason to skip the process. It is a conversation to have before the offer, not a problem to quietly overlook. The cost of getting this wrong is not just financial, though that cost is real enough. It is the team that loses faith in leadership's judgement. The client relationship that gets damaged. The culture that quietly shifts when someone with the wrong values sits inside it long enough. We do not let a stranger into our homes without knowing who they are. We should not let one into our organisations either.

Background verification is not about distrust. It is about responsibility to the people already inside the organisation who deserve to work alongside someone who is exactly who they claim to be. Every hire is an act of faith. But faith, in the context of building teams, works best when it is backed by facts. Verify. Always.

Green hydrogen needs a climate finance architecture

Ria Sinha

India's National Green Hydrogen Mission (NGHM) aims to catalyse more than Rs 8 lakh crore (over US$100 billion) of investment while developing an annual production capacity of 5 million metric tonnes of green hydrogen by 2030. The ambition is not merely to decarbonise hard-to-abate sectors but to position India as a global hub for green hydrogen manufacturing and exports.

Yet mobilising capital at this scale will require more than generous incentives or larger climate funds. It will require a financial system capable of financing technologies that are commercially promising but have yet to evolve into mature infrastructure assets. As the Reserve Bank of India advances its climate risk framework and financial institutions increasingly integrate climate considerations into lending decisions, the focus must now shift from managing climate-related financial risks to building the institutional architecture that enables climate investments themselves.

This explains an important paradox in India's energy transition. Commercial banks readily finance utility-scale renewable energy (RE) projects, yet green hydrogen, battery energy storage and industrial decarbonisation projects continue to struggle to achieve financial closure. The conventional explanation is that banks remain overly risk-averse. That diagnosis, however, mistakes the symptom for the problem.

Banks are not unwilling to finance climate technologies; they are unwilling to finance risks they cannot adequately assess or price. A 500 MW solar park today can comfortably secure long-tenor debt, whereas an equally ambitious green hydrogen project often struggles to attract financing. The difference lies less in the technology than in the predictability of future cash flows. Competitive auctions, standardised power purchase agreements, payment security mechanisms, declining technology costs and experienced developers created stable revenue streams that lenders could underwrite with confidence.

Green hydrogen presents a fundamentally different proposition.

Despite the NGHM and significant public support, lenders continue to confront four unanswered questions: Who will purchase green hydrogen? At what price? Under what contractual arrangements? And for how long?

Similar uncertainties confront battery energy storage, where revenues depend on evolving ancillary service markets and capacity payments, and industrial decarbonisation projects, where returns often arise from avoided costs rather than dedicated revenue streams. These sectors are commercially promising, but they have not yet developed the predictable revenue models that conventional project finance requires. These are not merely financing constraints. They are bankability constraints.

TThis distinction fundamentally changes the policy response. If capital scarcity were the principal challenge, mobilising larger climate funds or attracting additional international finance would be sufficient. But where projects lack revenue certainty, investable risk profiles and mature market structures, additional liquidity alone is unlikely to unlock commercial investment. International experience points in a different direction. Germany's Carbon Contracts for Difference (CfDs) and H2Global programme reduce market risk by providing long-term revenue certainty for green hydrogen and industrial decarbonisation. The UK's Green Investment Bank demonstrated how specialised public institutions can crowd in private capital into commercially nascent sectors. The common thread across these models is institutions designed to convert uncertainty into investable opportunities. India's next challenge is building the institutional architecture that makes emerging climate technologies bankable. Recent research by the Chintan Research Foundation proposes a Climate Finance Architecture Framework in which emerging sectors become investment-grade only when risks are systematically reduced as projects mature.

The first stage is pipeline creation. Institutions such as MNRE, SECI and state governments should move beyond production incentives towards project preparation facilities, standardised long-term hydrogen purchase agreements, industrial demand aggregation and common infrastructure within hydrogen hubs to create a pipeline of investment-ready projects with predictable contractual arrangements.

The second stage is early-stage risk absorption. Institutions such as the National Investment and Infrastructure Fund (NIIF), sovereign-backed climate funds and multilateral development banks should establish platform-level investment vehicles capable of absorbing technology, construction and market risks across diversified portfolios rather than financing individual projects.

Such platforms can anchor private investment by improving risk allocation.

The third stage is commercial debt mobilisation. Once project risks begin to decline, specialised lenders such as IREDA and REC, together with commercial banks, should provide long-tenor debt supported by blended finance structures, partial credit guarantees and risk-sharing facilities. Public finance should complement, and not replace, commercial capital by addressing risks that private lenders cannot efficiently bear.

The fourth stage is financial intermediation. India requires specialised intermediaries capable of aggregating projects, warehousing assets, standardising documentation and refinancing operational portfolios. Individual green hydrogen projects may remain too small or risky for institutional investors, but diversified portfolios can evolve into investment-grade assets capable of attracting pension funds, insurance companies and global climate investors.