



सत्यमेव जयते

Government of India

MINISTRY OF FINANCE

ANNUAL REPORT 2025-2026

MINISTRY OF FINANCE

ANNUAL REPORT 2025-2026

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Introduction

The Ministry comprises of six Departments namely:—

1. Department of Economic Affairs
2. Department of Expenditure
3. Department of Revenue
4. Department of Investment and Public Asset Management
5. Department of Financial Services
6. Department of Public Enterprises

1. Department of Economic Affairs

Economic Growth

The global economy has faced multiple shocks over the past year, the most significant being the United States' imposition of tariffs on merchandise imports from its trading partners. While these measures initially heightened uncertainty and prompted downward revisions to global growth forecasts, economic activity has remained resilient in the near term. This is reflected in the IMF's projections of global growth at 3.2 per cent in 2025 and 3.1 per cent in 2026, broadly in line with estimates made in January 2025. Inflation is also expected to remain contained. Nevertheless, underlying fragilities are

emerging both within and across economies, which could weigh on growth prospects over the medium to long term.

As per the first advance estimates released by the National Statistical Office, Ministry of Statistics & Programme Implementation, the real GDP growth for 2025-26 in India is estimated at 7.4 per cent. The real GVA growth is estimated to be 7.3 per cent. Nominal GDP is estimated to grow at 8.0 per cent in FY 2025-26.

Buoyant Growth in the Services Sector has been found to be a major driver for GVA growth, with around 7.5 per cent to 9.9 per cent growth in major sub-segments. Manufacturing and Construction in the Secondary Sector is estimated to grow at 7.0 per cent. Agriculture & Allied Sector (3.1 per cent) and Electricity, Gas, Water Supply & Other Utility Services Sector (2.1 per cent) have seen moderate growth. From the perspective of aggregate demand, private final consumption expenditure (PFCE) at constant prices is estimated to grow by 7.0 per cent, driven by steady rural demand and improving urban demand. PFCE as a share of GDP (at current prices) is estimated to increase from 61.4 per cent in 2024-25 to 61.5 per cent in 2025-26. This share is the highest since 2002-03. Gross fixed capital formation (GFCF) (at constant prices) is estimated to grow by 7.8 per cent in 2025-26.

Demand side drivers of growth and contribution to GDP

Expenditure Components	Real growth rates (%)		% Share of Nominal GDP	
	FY25 (PE)	FY26 (FAE)	FY25 (PE)	FY26 (FAE)
Private Final Consumption Expenditure	7.2	7.0	61.4	61.5
Government Final Consumption Expenditure	2.3	5.2	10.0	9.9
Gross Fixed Capital Formation	7.1	7.8	29.9	30.0
Exports	6.3	6.4	21.2	21.5
GDP	6.5	7.4		

Supply side drivers of growth and Contribution to GVA

Sectors	Real Growth rates (%)		% Share of Nominal GVA	
	FY25 (PE)	FY26 (FAE)	FY25 (PE)	FY26 (FAE)
Agriculture, Livestock, Forestry & Fishing	4.6	3.1	17.8	17.9
Industry	5.9	6.2	27.8	27.1
Mining & Quarrying	2.7	-0.7	1.9	1.8
Manufacturing	4.5	7.0	14.3	13.9
Electricity, Gas, Water Supply & Other Utility Services	5.9	2.1	2.8	2.7
Construction	9.4	7.0	8.8	8.8
Services	7.2	9.1	54.4	54.9
Trade, Hotels, Transport, Communication & Services related to Broadcasting	6.1	7.5	17.6	17.5
Financial, Real Estate & Professional Services	7.2	9.9	22.8	22.9
Public Administration, Defence & Other Services	8.9	9.9	14.0	14.5
GVA at Basic Prices	6.4	7.3		

Performance of the Agriculture sector

As per Final Estimates of production of Major Agricultural Crops for the year 2024-25, the total Foodgrain production in the country during 2024-25 is estimated at a record 3577.32 LMT, which is higher by 254.34 LMT than the production of food grains of 3322.98 LMT achieved during 2023-24. Food grain production witnessed a record increase due to good production of Rice, Wheat, Maize and Shree Anna (Millets).

Total Rice production during 2024-25 is estimated at a record 1501.84 LMT. It is higher by 123.59 LMT than the previous year's Rice production of 1378.25 LMT. The Wheat production during 2024-25 is estimated at a record 1179.45 LMT, which is 46.53 LMT higher than

the previous year's wheat production of 1132.92 LMT. Production of Maize and Shree Anna is estimated at 434.09 LMT and 185.92 LMT, respectively, compared with 376.65 LMT and 175.72 LMT in the previous year.

The total oilseeds production in the country during 2024-25 is estimated at a record 429.89 LMT, which is 33.20 LMT higher than the 396.69 LMT produced in 2023-24. Oilseeds production witnessed a record increase, driven by record production of Groundnut and Soybean, estimated at 119.42 LMT and 152.68 LMT, higher by 17.62 LMT and 22.06 LMT, respectively, compared to 101.80 LMT and 130.62 LMT during the previous year. The Rapeseed & Mustard production is estimated at 126.67 LMT.

Agricultural Production (Lakh Tonnes)					
Crops	2020-21	2021-22	2022-23	2023-24	2024-25
Rice	1243.68	1294.71	1357.55	1378.25	1501.84
Wheat	1095.86	1077.42	1105.54	1132.92	1179.45
Nutri/Coarse Cereals	513.24	511.01	573.19	569.26	639.21
Total Pulses	254.63	273.02	260.58	242.46	256.83
Total Nine Oilseeds	359.46	379.63	413.55	396.69	429.89
Cotton #	352.48	311.18	336.60	325.22	297.24
Source: D/o A&FW Note: Final Estimates (as on 20 November 2025) #In Lakh bales, 1 Bale = 170 kgs.					

The Sugarcane production is estimated at 4546.11 Lakh Tonnes. The production of Cotton is estimated at 297.24 lakh bales (each bale of 170 Kg.), and the production of Jute & Mesta is estimated at 88.02 lakh bales (each bale of 180 Kg.)

The Indian livestock sector has rapidly become a dominant pillar of the Indian economy, demonstrating sustained, robust growth over the past decade. Gross Value Added (GVA) of the livestock sector increased by nearly 195 per cent from 2014-15 to 2023-24, having a CAGR of 12.77 per cent at current prices.

At current prices, total GVA from livestock rose to ₹15.06 lakh crore in 2023-24 from ₹5.10 lakh crore in 2014-15. The milk group has remained the dominant contributor over these years, with the value of its output growing to ₹12.21 lakh crore in 2023-2024 from ₹4.96 lakh crore in 2014-15, driven by rising milk output amid improved value chains. Among other major livestock products, meat and eggs witnessed persistently increasing GVA in the last decade, with the value of meat output increasing to ₹4.72 lakh crore in 2023-24 from ₹1.54 lakh crore in 2014-15 and the value of egg output reaching ₹0.66 lakh crore from ₹0.24 lakh crore during the same period.

The livestock sector's share of total Agricultural & Allied GVA also showed an upward trend over the last 10 years, contributing 31 per cent to the sector's total GVA in 2023-24, up from 24 per cent in 2014-15. This shift is an important indication of the growing role of livestock in agricultural income.

In terms of physical production, milk production reached 247.87 million tonnes in 2024–25, from 146.31 million tonnes in 2014–15, an increase of nearly 70 per cent. This growth was mainly powered by cow milk production, which nearly doubled to 132.69 million tonnes in 2024–25 from 66.42 million tonnes in 2014–15. Buffalo milk production also grew steadily, reaching 106.95 million tonnes in 2024–25, a 43 per cent rise from 74.71 million tonnes in 2014–15.

Meat production in India has shown sustained and notable growth over the past decade. The total output rose to 10.50 million tonnes in 2024–25, up 57 per cent from 6.69 million tonnes recorded in 2014–15. Poultry meat has emerged as a major contributor, now comprising almost half of the overall meat production. Egg production in India almost doubled between 2014-15 and 2024-25, reaching 149.11 billion eggs—a 90 per cent increase driven largely by the growth of commercial

poultry farms and consistent improvements in backyard poultry productivity. Wool production in India has shown a fluctuating yet structurally revealing trend over the last decade, with total output of 34.57 million kg in 2024-25.

Climate Change Finance Unit

The Climate Change Finance Unit (CCFU) is the nodal division in the Ministry of Finance for all matters related to climate change finance. It represents the Ministry in domestic and international forums on climate finance issues and also represents the country in international negotiations on climate finance under the United Nations Framework Convention on Climate Change (UNFCCC). The Unit provides inputs on climate finance to BRICS and G20 working groups, including the Energy Transition Working Group (ETWG), the Sustainable Finance Working Group (SFWG), and the Framework Working Group (FWG). It prepares briefs and position papers outlining the Government of India's position on climate change finance and the use of international financial instruments for climate action.

The CCFU evaluates submissions on climate finance by national governments that are Parties to the UNFCCC and participates in negotiations under the UNFCCC, COP, CMA, and in discussions on the financial mechanism under the Global Plastics Treaty. The Unit undertakes policy advocacy and prepares internal briefs on key areas, including the Economic Survey, NITI Aayog's Transition Pathways, India's Carbon Market (CCTS), cooperative approaches under Articles 6.2 and 6.4 of the Paris Agreement, financial disclosures, and the Sovereign Green Bonds framework. It also provides inputs in formulating India's position for various national and international committees including the National Designated Authority for Implementation of the Paris Agreement (NDAIAPA), the Apex Committee for Implementation of the Paris Agreement (AIPA), the National Adaptation Plan, the Nationally Determined Contribution (NDC) 2035, the Inter-Ministerial Task Force on the Carbon Border Adjustment Mechanism (CBAM), the International Maritime Organization (IMO), and the National Steering Committee for the Indian Carbon Market (NSC-ICM).

The Unit is responsible for analytical work on climate change, sustainable development, renewable energy, carbon markets, and other emerging climate-related issues. It drafts the Climate and Environment chapter for the Economic Survey and examines proposals submitted to the Green Climate Fund (GCF), the Global Environment Facility (GEF), and multilateral development

banks (MDBs) for climate-related projects. It also reviews domestic proposals related to climate change finance and provides inputs on national policies such as the National Action Plan on Climate Change (NAPCC).

New Initiatives

Resource mobilisation for climate actions, being the overarching objective of the Unit, spearheads various initiatives of the Department of Economic Affairs. A draft of India's Climate Finance taxonomy was prepared and circulated for stakeholder comments. These are being examined. The Unit has been assigned the implementation of the Union Budget 2024-25, Para no. 104, regarding the development of the 'Taxonomy for Climate Finance'. The Unit is also the nodal for the ADB-assisted study of DEA regarding the estimation of financial resources required for climate actions in India.

The Unit has been using e-file platform for all the required official works since 2018. The old physical files of the Unit have been converted into electronic files and the irrelevant old files have been weeded out.

Sustainable Finance Division

Global Environment Facility (GEF)

India is a founder member of the Global Environment Facility (GEF). India is both a donor to and a recipient of GEF funds. Under the Eighth Replenishment of Resources (GEF-8), which runs from 2022 to 2026, India has pledged USD 18.75 million. Negotiations for the Ninth Replenishment cycle (GEF-9) are currently underway, which will determine the level of resources for the period 2026 to 2030.

International Platform on Sustainable Finance (IPSF)

International Platform on Sustainable Finance (IPSF) was launched by the European Commission on 18th October 2019 at the IMF Headquarters, Washington DC. India is one of the founding members along with Argentina, Chile, China, Canada, Kenya, Morocco and the European Union. Since its launch Australia, Hong Kong SAR, Indonesia, Japan, Malaysia, New Zealand, Norway, Senegal, Singapore, Sri Lanka, Switzerland and UK have joined the IPSF. The work of IPSF is informed by twelve observers which include IMF, World Bank Group, OECD, UNEP, UNDP, EBRD, EIB among others. IPSF offers a multilateral forum for dialogue between policymakers that are in charge of developing sustainable finance regulatory measures for exchange and dissemination of information, promoting best practices, compare different initiative and identify barriers and opportunities

for sustainable finance. The objective is to scale up the mobilization of private capital towards environmentally sustainable investments.

India UK Sustainable Finance Forum

At the 10th India-UK Economic and Financial Dialogue in 2020, India and UK agreed to establish a bilateral Sustainable Finance Forum to drive forward deeper cooperation between the UK and India on sustainable finance. Accordingly, the Forum was setup with members from finance ministries/treasury and other important stakeholders from both sides. Representatives from India include officers from MNRE, MOEFCC, M/o Power, RBI, SEBI and Co-Chair (from India) in the UK-India Sustainable Finance Working Group.

Climate Finance Leadership Initiative (CFLI) India

The Climate Finance Leadership Initiative (CFLI) India partnership was launched at the 11th India-UK Economic and Financial Dialogue held on 2nd September 2021. CFLI is a group of leading financial institutions led by UN Special Envoy for Climate Ambition and Solutions, Mr Michael Bloomberg. CFLI India aims to work with financial institutions, corporates, and existing sustainable finance initiatives to accelerate efforts to mobilise capital into India for sustainable infrastructure projects in specific low-carbon sectors. N. Chandrasekaran, Chairman, Tata Sons and Shemara Wikramanayake, Managing Director and Chief Executive Officer, Macquarie Group are co-chairs of CFLI India.

Significant developments/policy decisions taken during the year for the development of a particular sector, including initiatives for improving delivery of public services and for ensuring "inclusive growth"

DEA-UNDP SFF project: DEA has recently approved the Sustainable Finance Facility (SFF) which was developed in consultation with UNDP to implement the recommendations of G20 Sustainable Finance Working Group (SFWG) under India's G20 Presidency. The SFF specifically focuses on implementing recommendations on two priorities of SFWG viz. (a) Scaling up social impact instruments and (b) G20 Sustainable Finance Technical Assistance Action Plan (TAAP) by providing technical assistance for designing of innovative social impact instruments. The project aims to design a minimum of 8 financing instruments over 4 years (2024-28) primarily for States/UTs, thereby catalysing public and private investment.

Performance of industries

According to MoSPI, the overall IIP-based industrial growth during FY26 (April–November) stood at 3.3 per cent (provisional), compared to 4.1 per cent recorded during FY25 (April–November).¹

Among the three broad sectors, manufacturing remained the primary driver of industrial growth during FY26 (April–November). In terms of use-based classification, growth was mainly led by infrastructure/construction goods, capital goods, and intermediate goods during FY26 (April–November).

Growth of index of industrial production (IIP) (per cent) (Base 2011-12=100)				
Industry group	Weight	2024-25	2024-25 (April-Nov)	2025-26 (April-Nov)*
Mining	14.37	3.0	3.3	-0.9
Manufacturing	77.63	4.1	4.1	4.4
Electricity	7.99	5.2	5.3	-0.2
Primary Goods	34.05	3.9	4.0	0.3
Capital Goods	8.22	5.6	4.4	7.2
Intermediate Goods	17.22	4.3	4.3	5.3
Infrastructure/Construction Goods	12.34	6.7	6.1	9.0
Consumer Durable Goods	12.84	7.9	8.8	4.6
Consumer Non-Durable Goods	15.33	-1.5	-0.5	-1.0
General Index		4.0	4.1	3.3

*Provisional
Source: Ministry of Statistics and Programme Implementation (MoSPI).

The index for eight core industries comprising coal, crude oil, natural gas, refinery products, fertilizers, steel, cement and electricity with a combined weight of nearly 40 per cent in the IIP, registered growth of 2.4 per

cent (provisional) in FY26 (April-Nov) compared to 4.4 per cent in FY25 (April-Nov). The production of cement, steel, fertilisers and coal recorded positive growth in November 2025.

Growth in eight core industries (per cent)				
Industry group	Weight	2024-25	2024-25 (April-Nov)	2025-26*(April-Nov)
Coal	10.33	5.1	6.4	-1.4
Crude oil	8.98	-2.2	-2.3	-1.3
Natural gas	6.88	-1.2	1.1	-3.0
Petroleum refinery products	28.04	2.8	2.8	0.2
Fertilizers	2.63	2.9	1.6	1.3
Steel	17.92	6.8	6.7	9.7
Cement	5.37	6.3	3.1	8.2
Electricity	19.85	5.2	5.3	-0.3
Overall growth rate		4.5	4.4	2.4

*Provisional
Source: O/o Economic Adviser, Department for Promotion of Industry and Internal Trade Press Release available at https://eaindustry.nic.in/eight_core_infra/eight_infra.pdf.

Performance of the service sector

The services sector is estimated to have grown by 9.1 per cent during 2025-26, according to the first advance estimates. The two sub-sectors – ‘Financial, Real Estate & Professional Services’ and ‘Public Administration, Defence & Other Services’ grew by 9.9 per cent, while the heavily Covid-impacted ‘trade, hospitality, transport,

communication and related services’ grew by 7.5 per cent.

Services account for around 30 per cent of the total employment. PLFS data for the first two quarters of FY26 show that the share of services in urban employment rose to 61.9 per cent (on average), marginally higher than the FY21-FY22 average of 61.7 per cent, a period marked by relatively strong

¹ MoSPI Press Release on Quick Estimate of IIP and Use-based Index for the month of November 2025 available at <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2209434&reg=3&lang=1>.

services-sector hiring during the pandemic. Consistent with this, EPFO data for April-July FY26 indicate sustained formal job creation, with services accounting for 51.7 per cent of net employment additions, led by expert services, trading and commercial establishments, and cleaning services. Together, these trends underscore the central role of services in strengthening labour market resilience amid global uncertainty.

India's services exports have been consistently rising. Services exports stood at USD 199.0 billion in the first half of 2025-26, recording a 9.3 per cent growth over the corresponding period of 2024-25. Software and business services together constituted around 78 per cent of India's total services exports in H1 of 2025-26.

Trends in retail and wholesale price inflation

Retail inflation measured by Consumer Price Index-Combined declined from 4.6 per cent in FY25 to 1.7 per cent in FY26 (April-Dec). While core inflation (non-food, non-fuel) picked up in FY26 (April-Dec), food inflation decreased due to higher agricultural output, increased sowing, and lower prices of horticulture items. Inflation measured in terms of the Wholesale Price Index (WPI) was 0.04 per cent in FY26 (April-Dec). WPI food inflation averaged (-)0.79 per cent in FY26 (April-Dec)

Trend in retail and wholesale price inflation (per cent)		
Year	Inflation based on Consumer Price Index-General	Inflation based on Wholesale Price Index
2019-20	4.8	1.7
2020-21	6.2	1.3
2021-22	5.5	1.3
2022-23	6.7	9.4
2023-24	5.4	-0.7
2024-25	4.6	2.3
2025-26 (April-Dec)	1.7	0.04
Source: M/o SPI and D/o PIIT		

² RBI's press release dated 6 June 2025, 'Governor's Statement', <https://tinyurl.com/ymx7rsdy>.

³ Components of Broad Money=Currency with the Public + Aggregate Deposits (Demand Deposits with Banks + Time Deposits with banks + 'Other' deposits with Reserve Bank).

⁴ Sources of Broad Money=Net Bank Credit to Government + Bank Credit to Commercial Sector + Net Foreign Exchange Assets of Banking Sector + Government's Currency Liabilities to the Public- Banking Sector's Net Non-Monetary Liabilities).

⁵ The money multiplier measures the maximum amount of money that a banking system generates with each unit of central bank money.

Monetary developments

During FY25 (April-December 2024), the RBI's Monetary Policy Committee (MPC) cumulatively reduced the repo rate by 100 basis points during its meetings from April to December 2025. As of December 2025, the repo rate stands at 5.25 per cent. In consideration of the prevailing and expected inflation-growth dynamics, the MPC's stance was changed from 'accommodative' to 'neutral' in June 2025. This neutral stance has been consistently maintained since then. The RBI announced a 100-bps reduction in the cash reserve ratio to 3.0 per cent of net demand and time liabilities, implemented in a staggered manner during September-November 2025. This decision is expected to release approximately ₹2.5 lakh crore in primary liquidity into the banking system by December 2025².

Liquidity conditions and its management

Examining the trend in various measures of money supply in the economy, viz., different aggregates that reflect varying degrees of liquidity, it is seen that the monetary base, viz. the most liquid form of money, M_0 , recorded a year-on-year (YoY) growth of 2.9 per cent as of December 31, 2025, compared to 4.9 per cent as of December 27, 2024. The growth in M_3 , excluding the impact of the merger of a non-bank with a bank (with effect from 1 July 2023), was 12.1 per cent (YoY) as of December 31, 2025, compared to 9 per cent a year ago. Component-wise³, aggregate deposits were the most significant component and contributed the most to the expansion of M_3 . Amongst sources⁴, bank credit to the commercial sector was a major contributor to the increase in M_3 . As of December 31, 2025, the money multiplier (MM)⁵, i.e., the ratio of M_3 to M_0 , stood at 6.21 against 5.70 a year ago. Adjusted for the reverse repo/standing deposit facility, which is analytically akin to banks' deposits with the central bank, the adjusted MM was lower at 6.0 as of December 31, 2025.

Performance of the Banking sector

The GNPA (Gross non-performing assets) ratio of Scheduled Commercial Banks (SCBs) has declined

consistently from its peak in FY18 to a multidecadal low of 2.2 per cent at the end of September 2025. By September 2025, the write-offs-to-GNPA ratio for SCBs stood at 33.5 per cent. The half-yearly slippage ratio has remained stable at 0.7 per cent. Lower GNPA and higher provisions accumulated in recent years also contributed to a decline in net NPAs, which stands at 0.5 per cent at the end of September 2025. Improvements in asset quality parameters were observed across all broad economic sectors and all major bank groups.

The CRAR (capital-to-risk-weighted assets ratio) of SCBs has increased in the post-asset quality review period, which was conducted from August to November 2015. At the end of September 2025, the CRAR of SCBs stood at 17.2 per cent, and the Common Equity Tier-1 (CET-1) capital ratio stood at 14.8 per cent. The CRAR and CET-1 capital ratios remained strong across all bank groups.

The growth in profit of SCBs slowed in September 2025, with profit after tax of SCBs increasing by 3.8 per cent (YoY) by September 2025. The return on equity for SCBs was 12.5 per cent in September 2025 compared to 13.6 per cent in March 2025. The return on assets of SCBs was 1.3 per cent in September 2025 compared to 1.4 per cent in March 2025. The net interest margin recorded a 20-basis-point decline in September 2025 compared to March 2025, primarily due to a relatively higher decline in the yield on assets than in the cost of funds. The provisioning coverage ratio of SCBs stands at 76.0 per cent compared to 76.3 per cent in March 2025.

Credit Growth

As of December 2025, the growth in outstanding credit by SCBs increased to 14.5 per cent compared to 11.2 per cent in December 2024.

As of November 28, 2025, bank credit to the agriculture sector grew YoY by 8.7 per cent, moderating from 15.3 per cent a year ago. Industrial credit registered a YoY growth of 9.6 per cent, compared to 8.3 per cent growth a year ago. The growth in credit disbursal to large-scale industries and medium industries has moderated. For large industries, the growth in credit disbursal amounted to 4.6 per cent YoY from 6.4 per cent a year ago. At the same time, for medium industries, it amounted to 15.7 per cent, compared to 20.0 per cent a year ago. In contrast, it has increased for micro and small-scale industries. For micro and small industries, the growth in

credit disbursal amounted to 24.6 per cent YoY compared to 10.2 per cent a year ago. Across sectors, beverage, tobacco, and engineering witnessed growth in credit disbursal amounting to 22.6 per cent YoY. Other sectors, such as petroleum, coal products and nuclear fuels, gems and jewellery, and mining and quarrying, witnessed high growth in credit disbursal.

Credit growth in services and personal loans segments remained in double digits, although with some moderation to 11.7 per cent and 12.8 per cent, respectively, in November 2025 compared to 12.8 per cent and 13.4 per cent a year ago. The growth in credit to NBFCs increased to 9.5 per cent in November 2025 from 7.5 per cent a year ago. In the personal loans segment, vehicle loan growth increased to 12.4 per cent in November 2025 compared to 10.3 per cent a year ago. The growth in credit to housing moderated to 9.9 per cent in November 2025 from 12.2 per cent in November 2024.

Developments in capital markets

Capital markets are central to India's growth story, catalysing capital formation for the real economy, enhancing the financialisation of domestic savings, and enabling wealth creation. The imposition of US tariff sanctions, weaker-than-expected corporate earnings in Q1 FY26 and foreign capital outflows collectively weighed on market sentiment. However, a personal income tax cut, GST overhaul, easing of monetary policy, receding inflation and improved corporate performance in Q2 FY26 supported the market during the period.

During April-December 2025, Nifty 50 and BSE Sensex registered gains of approximately 11.1 per cent and 10.1 per cent, marking a period of correction and consolidation following the robust rally observed in the preceding fiscal year. The primary market in FY26 (up to December 2025) remained resilient and vibrant, leading the world in initial public offer issuances. This strong performance was due to sound macroeconomic fundamentals, robust investor participation and the continued fine-tuning of regulatory frameworks by SEBI, despite global headwinds. India's primary markets attracted both domestic and international investors, reinforcing the country's position as a key driver of global capital formation.

The total resource mobilisation from primary markets, encompassing both debt and equity, stands at ₹10.7 lakh crore during FY26 (till December 2025). Over the past five years, from FY22 to FY26 (till December 2025), India's primary markets have been instrumental in channelising savings into productive investments, mobilising a total of ₹53 lakh crore through equity and debt issuances. Of this, ₹14 lakh crore was raised through equity issuances.

IPO volumes in FY26 (up to December 2025) were 20 per cent higher than FY25, and the amount mobilised was 10 per cent higher than the corresponding period of FY25. Listings on the main board rose from 69 to 94, with the amount raised increasing from ₹1,46,534 crore to ₹1,60,273 crore. The offer-for-sale component was a notable feature of IPO activity in FY26 (up to December 2025), accounting for 58 per cent of total proceeds.

The activity in the SME segment also continued to exhibit a buoyant trend during FY26, reflecting sustained investor interest and growing confidence in emerging enterprises. The number of SME listings in FY 26 (up to December 2025) increased to 217 from 190 in FY25 (up to December 2024). The amount mobilised increased from ₹7,453 crore to ₹9,635 crore. Since its inception, more than 1,380 companies have been listed on the SME platforms of BSE and NSE, cumulatively raising over ₹35,000 crore, highlighting the expanding footprint of India's entrepreneurial base within the formal capital market framework. Of these, around 350 companies have migrated to the mainboard platform.

During FY26 (till December 2025), 235 lakh demat accounts were added, pushing the total count beyond 21.6 crore. A key milestone was the crossing of the 12-crore

mark for unique investors in September 2025, with nearly a fourth of them being women. The mutual fund industry also expanded, with 5.9 crore unique investors as at the end of December 2025, of which 3.5 crore (as on November 2025) were from non-tier-I and tier-II cities.

Global trade trends

According to the WTO, global merchandise trade expanded faster than expected in the first half of 2025. This positive trend can be attributed to several factors, including the strategic frontloading of purchases in anticipation of impending tariff increases, an uptick in investment in AI-related products, and a supportive macroeconomic environment characterised by disinflation, favourable fiscal policies, and robust growth in emerging markets. The volume of merchandise trade grew by 4.9 per cent (YoY) in the first half of calendar year (CY) 2025 compared to the same period in CY 2024. The volume of world merchandise trade is forecasted to grow at 2.4 per cent in CY 2025 and by 0.5 per cent in CY 2026. The services trade is not directly affected by tariffs; however, the repercussions are certainly felt indirectly due to their impact on merchandise trade and overall economic performance. Consequently, the volume of global commercial services trade is anticipated to decelerate to 6.8 per cent in CY 2025, down from 6.8 per cent in CY 2024. It is projected to experience growth of 4.4 per cent in CY 2026⁶.

India's merchandise trade developments for FY24, FY25, and FY26 (April-November) are presented in Table below. The country's trade performance reflects resilience amidst a dynamic global trade environment.

Trends in India's Merchandise Trade						
	FY24	FY25	Change in FY25 over FY24	FY25 (Apr-Nov)	FY26 (Apr-Nov) (P)	FY26 (Apr-Nov) over FY25 (Apr-Nov) P
Total Exports	437.1	437.7	0.1	284.6	291.8	2.5
Total Imports	678.2	721.2	6.3	487.9	515.1	5.6
POL Imports	178.7	185.8	3.9	127.8	121.0	-5.3
Non-POL Imports	499.5	535.4	7.2	360.1	394.1	9.4
Trade Balance	-241.1	-283.5	17.6	-203.3	-223.3	9.8
Source: FTPA, Department of Commerce, Ministry of Commerce and Industry: https://tinyurl.com/yu3b3txy . Note: P: Provisional						

⁶ WTO's Global Trade Outlook and Statistics, October 2025: <https://tinyurl.com/bdz3mr7p>.

The merchandise trade deficit increased from USD 241.1 billion in FY24 to USD 283.5 billion in FY25. During FY26 (Apr-Nov), the trade deficit widened to USD 223.3 billion from USD 203.3 billion in the corresponding period of the previous year. This was largely due to merchandise exports growing at 2.5 per cent (YoY) and merchandise imports growing at 5.6 per cent (YoY) in the first eight months of FY26.

Developments in Balance of Payments during FY26 (April-September)

According to the Reserve Bank of India's press release, the developments in India's Balance of Payments for FY25 (April-September) and FY26 (April-September) are presented in the Table below.

Major Items of India's Balance of Payments (USD billion)						
	FY25 (Apr-Sep) PR			FY26 (Apr-Sep) P		
	Credit	Debit	Net	Credit	Debit	Net
A. Current Account	491.8	517.1	-25.3	523.1	538.1	-15.0
1. Goods	215.8	364.1	-148.3	222.1	378.4	-156.3
<i>of which:</i>						
POL	36.6	93.1	-56.4	30.4	92.1	-61.7
2. Services	182.0	97.7	84.3	199.0	100.2	98.8
3. Primary Income	29.2	49.2	-20.0	28.9	53.8	-25.0
4. Secondary Income	64.8	6.0	58.8	73.1	5.6	67.5
B. Capital Account and Financial Account						
<i>of which:</i>						
1. Direct Investment	45.1	41.7	3.4	53.2	45.4	7.7
2. Portfolio Investment	342.0	321.2	20.8	281.9	286.1	-4.1
3. Other Investments	180.4	146.7	33.7	315.8	301.6	14.2
<i>of which:</i>						
NRI Deposits	52.3	42.2	10.2	47.1	41.0	6.1
ECBs to India	20.9	14.3	6.6	17.7	12.4	5.3
4. Reserve Assets [Increase (-)/ Decrease (+)]	0	23.8	-23.8	10.9	4.5	6.4
C. Errors & Omissions (-) (A+B)	0.3	0.0	0.3	0.1	0.0	0.1

Source: RBI, <https://tinyurl.com/368hue97>.
Note 1: PR stands for Partially Revised, and P for Provisional
Note 2: Total of sub-components may not tally with the aggregate due to rounding off.

India's current account deficit declined to USD 15.0 billion (0.8 per cent of GDP) in FY26 (April-September) from USD 25.3 billion (1.3 per cent of GDP) in FY25 (April-September). Net invisibles receipts at USD 141.3 billion were higher in FY26 (April-September) than those of USD 123.0 billion a year ago, primarily on account of net services receipts and net personal transfers.

In the Capital Account and Financial Account, net FDI inflows increased to USD 7.7 billion in FY26 (April-September) from USD 3.4 billion in FY25 (April-September). FPI recorded net outflows of USD 4.1 billion in FY26 (April-September), compared to net inflows of USD 20.8 billion in the same period a year ago. In FY26 (April-September), there was a depletion of USD

6.4 billion in the foreign exchange reserves (on a BoP basis), compared to an accretion of USD 23.8 billion in the corresponding period a year ago.

India's foreign exchange reserves experienced a moderate increase during FY26. The foreign exchange reserves stood at USD 686.8 billion as of January 2, 2026, compared to USD 668.3 billion at the end of March 2025. Further, between April 2025 and December 2025, the Indian rupee depreciated by approximately 5.7 per cent against the US dollar. Furthermore, the INR also depreciated against the Pound Sterling and the Euro by 6.3 per cent and 9.1 per cent, respectively. The Indian rupee appreciated against the Japanese Yen by 3.7 per cent during the same period⁷.

⁷ Table: Exchange Rate of the Indian Rupee vis-à-vis the SDR, US Dollar, Pound Sterling (Monthly Average and End-Month Rates), DBIE, RBI, <https://tinyurl.com/53eebmb8>.

Labour market indicators

As reported in the 2023-24 annual Periodic Labour Force Survey (PLFS)⁸ report by the NSO, the all-India annual unemployment rate (UR)⁹ for individuals aged 15 years and above (usual status)¹⁰ has declined from 5.8 per cent in 2018-19 to 3.2 per cent in 2023-24. This recovery in UR has been accompanied by a higher labour force participation rate (LFPR)¹¹ and the worker-population ratio (WPR)¹². The LFPR increased from 50.2 per cent in 2018-19 to 60.1 per cent in 2023-24. At the same time, the WPR rose from 47.3 per cent to 58.2 per cent during the same period. Notably, the LFPR for women has increased significantly from 24.5 per cent in 2018-19 to 41.7 per cent in 2023-24.

The quarterly and monthly PLFS data¹³ show a steady labour market with seasonal variations. It indicates that the period from April to September 2025 (H1 FY26) saw a declining unemployment rate with a stabilising labour force participation rate (LFPR), and substantial employment levels, signalling an improvement in employment conditions¹⁴. A total of 57.4 crore people (aged 15 years and above) were employed in Q3 FY26.

Quarterly Employment Indicators for age 15 years and above			
Quarters	LFPR	Worker Population Ratio	UR
Apr-Jun 2025	55.0	52.0	5.4
Jul-Sept 2025	55.1	52.2	5.2
Oct-Dec 2025	55.8	53.1	4.8
Source: Quarterly PLFS reports.			

Monthly Employment Indicators for age 15 years and above			
Quarters	LFPR	Worker Population Ratio	UR
April	55.6	52.8	5.1
May	54.8	51.7	5.6
June	54.2	51.2	5.6
July	54.9	52.0	5.2
August	55.0	52.2	5.1
September	55.3	52.4	5.2
October	55.4	52.5	5.2
November	55.8	53.2	4.7
December	56.1	53.4	4.8
Source: Monthly PLFS reports.			

Employees' Provident Fund Organisation (EPFO) data indicates the formalisation of the economy. Net additions to EPFO subscriptions have more than doubled, rising from 61 lakh in FY19 to 129.8 lakh in FY25. In FY 26, cumulative net additions to EPFO reached 69.0 lakh from April to July 2025, marking a 54 per cent YoY increase compared to the 44.7 lakh recorded during the same period in FY25.

overeign Credit Rating

India received three credit rating upgrades in FY26 from S&P, Morningstar, DBRS, and R&I Information Inc., improving its rating from "BBB-" to "BBB." These agencies based their common assessment on sustained strong domestic growth, a credible fiscal consolidation strategy supported by improved revenue buoyancy, subsidy rationalisation, continued deficit reduction and a clear shift in public spending toward growth-enhancing capital investment. Rating agencies further highlighted that external resilience provides additional comfort through manageable current account dynamics, low external leverage and adequate foreign exchange buffers.

⁸ PLFS survey year corresponds to July – June. For example, data for 2023-24 refers to the period July 2023 to June 2024.

⁹ UR is defined as the percentage of persons unemployed among the persons in the labour force.

¹⁰ For a person to be categorised as employed as per usual status (ps+ss), the individual must have pursued an economic activity for at least 30 days during the 365 days preceding the date of the survey.

¹¹ LFPR is defined as the percentage of persons in labour force (i.e working or seeking or available for work) in the population.

¹² WPR is defined as the percentage of employed persons in the population. <https://tinyurl.com/ap6twkw> lation.

¹³ The Ministry of Statistics and Programme Implementation (MoSPI) published the first monthly bulletin of the revised PLFS in April 2025. The bulletin presents key labour market indicators, for both rural and urban areas, based on the Current Weekly Status (CWS) of individuals. Along with the monthly PLFS, MoSPI has revamped the quarterly survey to include all-India and rural estimates, as well as urban estimates. <https://tinyurl.com/ap6twkw>

¹⁴ PLFS September 2025 bulletin: <https://tinyurl.com/3s77aa9s>

Finally, they note that India's well-regulated financial system, credible inflation-targeting regime, and flexible exchange rate also enhance the economy's resilience

to shocks, reinforcing overall macro-financial stability. The latest sovereign ratings issued by these agencies are as follows:

Rating Agency	Credit Rating	Outlook	Last Assessed on	Next assessment due date
Fitch	BBB-	Stable	August 2025	March 2026
Moody's	Baa3	Stable	September 2025	2026
S&P	BBB	Stable	August 2025	2026
Morning Star DBRS	BBB	Stable	May 2025	2026
Care Edge	BBB+	Stable	October 2025	2026
R&I Information Inc	BBB	Stable	September 2025	2026

2. Department of Expenditure

The Department of Expenditure is the nodal Department for overseeing the public financial management system in the Central Government and matters connected with state finances. It is responsible for the implementation of the recommendations of the Finance Commission and Central Pay Commission, monitoring of audit comments/observations, preparation of Central Government Accounts. It further assists Central Ministries/Departments in controlling the costs and prices of public services, reviewing system and procedure to optimize outputs and outcomes of public expenditure. The principal activities of the Department include overseeing the expenditure management in the Central Ministries/Departments through the interface with the Financial Advisors and the administration of the Financial Rules/Regulations/Orders, pre-sanction appraisal of major schemes/projects, handling bulk of the central budgetary resources transferred to State.

The business allocated to the Department of Expenditure is carried out through its Personnel & Establishment Division, Public Finance-State and Public Finance Central Divisions, Office of Chief Advisor Cost, Office of Controller General of Accounts and Central Pension Accounting Office. The Department has under its administrative control the Arun Jaitley National Institute of Financial Management (AJNIFM), Faridabad, which is an autonomous body.

3. Department of Revenue

The Department of Revenue exercises control in respect of revenue matters relating to Direct and Indirect Union taxes. The Department is also entrusted with the administration and enforcement of regulatory measures provided in the enactments concerning Goods and Services Tax (GST), Central Sales tax, Stamp duties and other relevant fiscal statutes. Control over production and disposal of opium and its products is vested in this Department. Apart from this, Directorate of Enforcement, FIU-IND, GSTN, CBN, CCF, CEIB, NIPFP are under the administrative control of Department of Revenue.

4. Department of Investment and Public Asset Management

The Department of Disinvestment was set up as a separate Department on 10th December, 1999 and was later renamed as Ministry of Disinvestment from 6th September, 2001. From 27th May 2004, the Department of Disinvestment is one of the Departments under the Ministry of Finance.

The Department of Disinvestment was re-named as Department of Investment and Public Asset Management (DIPAM) with effect from 14th April, 2016.

5. Department of Financial Services

As per Allocation of Business Rules (AOBR), the functions of the Department of Financial Services (DFS) include legislative and administrative matters pertaining

to financial services sectors of Banking, Insurance, and Pension reforms. These include the administration of various acts related to financial services sector and monitoring the performance of public sector banks, insurance companies and other development financial institutions like NABARD, SIDBI etc.

All matters pertaining to three financial sector regulators, viz., Reserve Bank of India (RBI), Insurance Regulatory and Development Authority of India (IRDAI) and Pension Fund Regulatory and Development Authority (PFRDA) are processed through this Department. It also functions as administrative department for Debt Recovery Tribunals (DRT) / Debt Recovery Appellate Tribunals (DRAT).

This Department is responsible for appointment of key functionaries of the financial services sector such as Governor / Deputy Governor of Reserve Bank of India, Chairman / Members of IRDAI and PFRDA, Chairman / Managing Director and Chief Executive Officers (MD & CEOs)/Executive Directors (EDs)/ Non-official Directors to the Board of Public Sector banks/ insurance companies/ other development financial institutions.

The Department of Financial Services (DFS) oversees several key programs / initiatives of the Government concerning the Banking Sector, the Insurance Sector and the Pension reforms Sector in India. The key flagship schemes being currently managed by the Department include the Financial Inclusion scheme of Pradhan Mantri Jan Dhan Yojana (PMJDY), the social security schemes viz. Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Vaya Vandana Yojana & Atal Pension Yojana (APY) and the credit schemes viz. Pradhan Mantri Mudra Yojana (PMMY) & Stand Up India (SUI).

6. Department of Public Enterprises

1. Introduction:

In their 52nd Report of the Estimates Committee of 3rd Lok Sabha (1962-67) highlighted the necessity of establishing a centralized coordinating unit to continually assess the performance of public enterprises. Consequently, the Indian government established the Bureau of Public Enterprises (BPE) in 1965, placing it under the Ministry of Finance. Following a reorganization of the Union Government's Ministries and Departments in September 1985, BPE became a part of the Ministry of Industry. Further reforms took place in May 1990, elevating BPE to a full-fledged Department known as the Department of Public Enterprises (DPE). Department of Public Enterprises was made part of the Ministry of Heavy Industries & Public Enterprises. DPE was brought under the Ministry of Finance vide Cabinet Secretariat Notification dated 6th July, 2021. The Department of Public Enterprises (DPE) remains under the Ministry of Finance continues to play a pivotal role in formulating policies and the functioning and performance of public sector enterprises in India.

2. Functions:

The following subjects are being dealt by DPE:

- 2.1 Coordination of matters of general policy affecting all Public Sector Enterprises.
- 2.2 Composition of Boards of CPSEs.
- 2.3 Categorization of Central Public Sector Enterprises including conferring 'Ratna' status.
- 2.4 Matters relating to Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD).
- 2.5 Wage policy & manpower rationalization of CPSEs.
- 2.6 Evaluation and monitoring the performance of Public Sector Enterprises, including the Memorandum of Understanding mechanism.

- 2.7 Review of capital projects and expenditure in Central Public Sector Enterprises.
- 2.8 Survey of Public Enterprises.
- 2.9 Counselling, Retraining and Rehabilitation of employees in Central Public Sector Undertakings under Voluntary Retirement Scheme.
- 2.10 Rendering advice relating to revival, restructuring or closure of Public Sector Enterprises including the mechanisms therefor.
- 2.11 Matters relating to Standing Conference of Public Enterprises.
- 2.12 Matters relating to International Center for Public Enterprises.
- 2.13 Identification of CPSEs under non-strategic sector for closure/ privatization and driving the closure process.
- 2.14 Monetization of non-core assets of CPSEs and other Government organizations.

3. Organizational Structure: -

Department of Public Enterprises is headed by Secretary to the Government of India who is assisted by an establishment with an overall sanctioned strength of 118 officers/personnel. The organizational structure of DPE is at Annexure-1. The Department has the following constituent Divisions:

3.1 Policy & MoU Division

Policy Division oversees matters related to the Ratna Scheme of CPSEs, including delegation of powers, classification, creation of board-level posts, creation of posts below board level and exemption from immediate absorption.

MoU: responsible for formulating guidelines and implementing the Memorandum of Understanding (MoU) framework for CPSE's performance evaluation for performance evaluation. The division compiles compliance status of Corporate Governance guidelines for the CPSEs. The division compiles data on capital expenditure (CAPEX) incurred by select CPSEs.

3.2 General Management and Capacity Building

General Management and Capacity Building Division deals with issues related to employment and reservations in CPSEs; formulation or modification of the Research, Development, Consultancy and Reorientation (RDCR) Scheme and the conduct and coordination of training under this scheme; maintenance of the databank of Non-Official Directors (Independent Directors) and processing of proposals for the selection and appointment of Independent Directors on the Boards of Directors of CPSEs; training and orientation of Boards of Directors; training of DPE employees, including matters related to the Capacity Building Commission and Karmayogi Bharat; engagement of interns; and engagement of programmers under the RDCR Scheme for OTNS-related work.

As far as Wage Policy and Manpower Rationalization is concerned DPE functions as the nodal department for policy relating to pay revision of CPSE executives at Board as well as below Board level and non-unionized supervisors. DPE also issues guidelines for wage settlement negotiations for workmen in CPSEs. The Department renders advice to the Administrative Ministries/Departments and CPSEs in matters relating to revisions of pay scales of executives and also to the wage policy negotiations of workmen.

The CPSEs largely follow the Industrial Dearness Allowance (IDA) pattern of scales of pay. However, in some CPSEs, the Central Dearness Allowance (CDA) pattern of scales of pay is also followed. DPE issues quarterly DA orders in respect of IDA employees, while the DA orders for CDA employees of CPSEs are issued for a six-monthly period.

Administrative Mechanism for Resolution of CPSEs Disputes deals with all Commercial Disputes between CPSEs inter se and also between CPSEs and Government Departments/Organizations (excluding disputes relating to Railways, Income Tax, Customs & Excise Departments), as per Revised AMRCD Guidelines Dated 14.12.2022.

3.3 Survey Division

Survey Division collates information on important physical and financial attributes of all CPSEs into a comprehensive annual report “Public Enterprises Survey” and places the same in both the Houses of Parliament every year.

The Survey Division also facilitates the laying of the Reports of the Comptroller and Auditor General (C&AG) of India (Commercial) in the Parliament. It also follows up with the administrative Ministries / Departments for submission of Action Taken Notes (ATN) on Audit Paras as and when requested by C&AG.

Additionally, the Division compiles data on capital expenditure (CAPEX) incurred by select CPSEs.

3.4 Disinvestment, Closure & Asset Monetization

Disinvestment Division is responsible for the implementation of new PSE Policy in Non-Strategic Sector for identification of CPSEs for closure or privatisation in Non-Strategic Sector driving the closure process.

3.5 Administration, Establishment, Parliament & Coordination Division

The Division handles all administrative and coordination matters of DPE relating to personnel management, maintenance of personnel records including leave, salary, service book and Parliamentary matters.

Information Technology cell looks after the portals of the department and online platforms. IT Cell deals with all matters related to Maintenance and Upgradation of Dashboard, Development and Maintenance online platforms, Supervision of IT Cell and Social Media Management.

4. National Land Monetization Corporation (NLMC)

NLMC has been incorporated to support other Government entities and CPSEs in monetizing their non-core assets in an efficient and professional manner, maximizing their value realization. It deals with all matters related to Secretarial assistance for meetings of IMG/AM, Coordination with CPSEs and Govt. agencies for monetization of assets.

Chapter - I

Department of Economic Affairs

1. Economic Division

1.1 The Economic Division provides expert advice to the Government on key economic policy issues. The Division examines domestic and international economic trends and undertakes research studies having a bearing on economic policies and management of the economy, and renders policy advice.

1.2 The work of the Division culminates each year in the annual publication of the Economic Survey, which is presented to Parliament as a curtain raiser to the Annual Union Budget, providing a comprehensive overview of the Indian economy's annual performance. Additionally, the division contributes key inputs to the Budget Division, including the macro-economic framework statement, macroeconomic overviews for the half-yearly review statement, GDP projections, and more. The division also coordinates the pre-budget consultations between the Hon'ble Finance Minister and various stakeholders.

1.3 The division also publishes the Monthly Economic Review (MER), which provides a review of recent macroeconomic trends and the latest high-frequency data on key sectors of the economy. It is also engaged in the publication of an Annual Status Report on India's External Debt, and Quarterly Report on India's External Debt for the two quarters ending September and December (the remaining two quarters' reports are published by RBI).

1.4 The division coordinates the country's participation in the IMF's Special Data Dissemination Standard (SDDS) and updates the National Summary Data Page on the Ministry of Finance website. The sovereign credit rating exercise is coordinated by the Economic Division. Furthermore, the Climate Change Finance Unit within the Economic Division serves as the nodal point for all climate change finance-related matters within the Finance Ministry.

1.5 The division prepares, from time to time, briefs on macroeconomic trends, price situation, performance of agriculture and industrial production, trends in tax collection, balance of payments, trade and monetary situation. In addition, the division undertakes short-term forecasting of key economic variables. As part of its advisory functions, the Economic Division prepares

analytical notes and background papers on important policy issues and provides briefs for meetings of the various committees and working groups set up by the Government, as well as for the visits of international dignitaries. The Division works in close cooperation with the RBI, NITI Aayog, MoSPI and various other Ministries.

1.6 The work of the Economic Division is organized under the following 11 units as per the various segments of the economy:

1. Agriculture and Food Management Unit
2. Climate Change and Sustainable Finance Unit
3. External Sector Unit
4. Industry & Infrastructure Unit
5. Macro unit
6. Financial Sector Unit
7. Prices Unit
8. Public Finance Unit
9. Services Unit
10. Social Sector Unit
11. Co-ordination Unit

2. BUDGET DIVISION

2.1 RESPONSIBILITIES

2.1.1 Budget Division is responsible for the preparation of and submission to the Parliament, the Annual Budget as well as Supplementary Demands for Grants, Excess Demands for Grants of the Central Government, and of States/UTs under President's Rule, etc.

2.1.2 Budget Division is also responsible for administration of "Fiscal Responsibility and Budget Management Act, 2003". Statements of Fiscal Policy, Half-yearly Reviews including Mid-term Review and disclosure statements are presented in the Parliament in accordance with the requirements of the FRBM Act.

2.1.3 The Division also deals with issues relating to Public Debt, Market Loans of the Central Government and guarantees given by the Government of India

and the administration of the Contingency Fund of India. Processing of proposals from other Ministries/ Departments for re-appropriation of savings in a Grant where prior approval of the Ministry of Finance is required is also handled by Budget Division. The Division also handles the issues pertaining to National Savings Institute (NSI), Small Savings Schemes and National Defence Fund. The work relating to Treasurer, Charitable Endowment is also assigned to the Budget Division.

2.1.4 Budget Division also coordinates the Pre-Budget Meetings for finalization of Revised Estimates for the ongoing financial year and Budget Estimates for the ensuing financial year.

2.2 MAJOR ACHIEVEMENTS DURING 2025-26

2.2.1 Union Budget 2025-26 was delivered on 01st Feb, 2025 in paperless form. During the Financial year 2025-26, the First Batch of Supplementary Demands for Grants 2025-26 was presented and passed in the Parliament in December 2025. The Second Batch of Supplementary Demands for Grants 2025-26 has been laid in Parliament in March 2026.

2.2.2 Release of States' share of Central Taxes and Duties to State Governments as per approved recommendations of the Finance Commission is also handled by Budget Division. In this respect, total of ₹12,86,885.44 crore was devolved to all State Governments during the financial year 2024-25, as against ₹12,47,211.28 crore projected in BE 2024-25.

Further, ₹12,66,369 crore has been devolved to all State Governments till 10th February, 2026 during the Financial Year 2025-26 as against ₹13,92,971 crore projected in RE 2025-26.

2.2.3 From 1st April, 2025 to 31st December, 2025, 32 Reports of the Comptroller & Auditor General of India (C&AG) were laid before the Parliament and 28 proposals of entrustments / re-entrustment of audit of various bodies to the C&AG of India were dealt by this Division during the said period.

2.2.4 NATIONAL SAVINGS SECTION:

2.2.4.1 Small Savings Schemes:

Following Small Savings Schemes are currently administered by Budget Division in Department of Economic Affairs:

- Post Office Savings Account
- National Savings Time Deposits (1,2,3 & 5 years)

- National Savings Recurring Deposits
- National Savings Monthly Income Scheme
- Senior Citizens Savings Scheme
- National Savings Certificate (VIII-Issue)
- Public Provident Fund
- Kisan Vikas Patra
- Sukanya Samriddhi Account

2.2.4.2 Small Savings Collections:

The provisional estimates for gross deposits under various small savings schemes during FY 2025-26 are ₹15,66,952.19 crore as against the deposit of ₹15,10,694.20 crore during FY2024-25. An amount of ₹10,060.62 crore (provisional estimate) shall be invested, as share of net small savings collections and amount received on redemption of securities to Kerala, Madhya Pradesh & Union Territory of Delhi during FY 2025-26, as against the sum of ₹13,325.96 crore invested to these States and Union Territories (with Legislature) during FY 2024-25.

2.2.4.3 National Small Savings Fund:

In order to account for all the monetary transactions under small savings schemes of the Central Government under one umbrella, the "National Small Savings Fund" (NSSF) was set up in the Public Account of India w.e.f. 1st April, 1999. The net accretions under the small savings schemes were being invested in the Special Securities of State Governments and Union Territories (with legislature). However, based on the recommendation of the Fourteenth Finance Commission, it has been decided to advance NSSF loans only to the willing States w.e.f. 01.04.2016. Accordingly, (Lately, MP itself has opted out of NSSF loan during this year) only two States, namely, Kerala and Madhya Pradesh and one Union Territory with legislature namely, Delhi have opted for the NSSF loan as of now.

2.2.4.4 Interest Rates on Small Savings Instruments

Interest rates on Small Savings Schemes are decided / notified by Government every quarter of the Financial Year. The rate of interest on Small Savings

Schemes is decided in view of the recommendations of Shyamala Gopinath Committee. The committee has recommended to align the rate of interest on Small Savings Schemes with the G-Sec rates of similar maturity. The rate of interest on various small savings schemes for the FY 2025-26 is given below:

Rate of Interest in FY 2025-26 (in %)				
Instrument	Quarter I	Quarter II	Quarter III	Quarter IV
Savings Deposit	4.0	4.0	4.0	4.0
1 Year Time Deposit	6.9	6.9	6.9	6.9
2 Year Time Deposit	7.0	7.0	7.0	7.0
3 Year Time Deposit	7.1	7.1	7.1	7.1
5 Year Time Deposit	7.5	7.5	7.5	7.5
5 Year Recurring Deposit	6.7	6.7	6.7	6.7
5 Year SCSS	8.2	8.2	8.2	8.2
5 Year MIS	7.4	7.4	7.4	7.4
5 Year NSC	7.7	7.7	7.7	7.7
PPF	7.1	7.1	7.1	7.1
Sukanya Samriddhi Account	8.2	8.2	8.2	8.2
Kisan Vikas Patra	7.5 (will mature in 115 months)	7.5 (will mature in 115 months)	7.5 (will mature in 115 months)	7.5 (will mature in 115 months)

2.2.5 Public Debt Management:

2.2.5.1 Budget Division is responsible for implementation of the Government Market borrowing (including T-Bills) programme in coordination / consultation with the Reserve Bank of India.

2.2.5.2 Public Debt Management Cell (PDMC), under Budget Division, plays an important role in public debt management through planning the borrowing of the Government of India (GoI), formulating debt management strategy, cash monitoring and management, increased interaction with market participants, etc.

2.2.5.3 Towards ensuring the enhanced transparency in public debt management operations, a Status Paper on Government Debt for the year 2023- 24 was released on August 29, 2025. This report covers various facets of public debt including overall debt position of the country, assessment on aspects of debt sustainability, debt management strategy covering various risks, etc. The

PDMC also publishes quarterly report on Public Debt and is also responsible for uploading the public debt related data on National Summary Data Page following Special Data Dissemination Standard (SDDS) of International Monetary Fund (IMF).

2.2.5.4 The Government of India, as part of its overall market borrowings, issued Sovereign Green Bonds (SGrBs) for an aggregate amount of ₹21,697 crore in the year 2024-25, for mobilising resources for green infrastructure. The proceeds are deployed in budget financed schemes / projects which help in reducing the carbon intensity of the economy. During the FY 2025-26, ₹15,000 crore has been raised through issuance of SGrBs.

2.2.5.5 Budget Division administers the two Appropriations namely, Interest Payments and Repayment of Debt. Gross borrowing of the Central Government during FY 2025-26 was budgeted at ₹14.61 lakh crore (RE).

2.2.5.6 The Government Debt is held pre-dominantly (approx. 95%) in Indian currency. Outstanding external debt is financed by multilateral and bilateral agencies at concessional rates. Internal debt consists largely of marketable and non-marketable securities. The maturity profile of outstanding dated securities indicates a relatively low roll-over risk in the debt portfolio. Active debt management operations in the form of switches / buyback also help to elongate the maturity profile and reduce the roll-over risk. Detailed analysis of existing debt and liabilities of the Government is brought out in the quarterly and annual Publications (available on <https://dea.gov.in/reports-public-debt-management>).

2.2.6 Fiscal Responsibility and Budget Management:

2.2.6.1 Administration of the Fiscal Responsibility and Budget Management Act (FRBM), 2003 and the Rules framed there under is the prime function of the FRBM Section. The FRBM Act, 2003 provide for the responsibility of the Central Government to ensure inter-generational equity in fiscal management and long-term macro-economic stability by removing fiscal impediments in the effective conduct of monetary policy and prudential debt management consistent with fiscal sustainability through limits on the Central Government borrowings, debt and deficits, greater transparency in fiscal operations of the Central Government and conducting fiscal policy in a medium-term framework and for matters connected therewith or incidental thereto.

2.2.6.2 During the period from April 1, 2025 to December 29, 2025 in compliance with the relevant provisions of the FRBM Act and Rules framed thereunder the following documents were prepared and laid before both Houses of Parliament:

- A) Statements of fiscal policy presented with Budget 2025-26
 - a) Medium-Term Fiscal Policy cum Fiscal Policy Strategy Statement
 - b) Macro-Economic Framework Statement
- B) Disclosure statements presented with Budget 2025-26
 - a) Tax Revenues raised but not realised (Principal Taxes)
 - b) Arrears of Non-Tax Revenue
 - c) Asset Register

d) Guarantees given by the Government

e) Liability on Annuity Projects

C) Half yearly Statements on Review of the trends in receipts and expenditure in relation to the budget at the end of-

a) Second Half of the Financial Year 2024-25

b) First Half of the Financial Year 2025-26

2.2.6.3 Fiscal indicators targets for RE 2024-25 and BE 2025-26 are as below:

(as % of GDP)

Fiscal Indicators/ Year	2024-25 (RE)	2025-26 (BE)
Fiscal Deficit	4.8	4.4
Central Government Debt*	57.1	56.1

Note:

i. GDP for the FY 2024-25 is ₹324.11 Lakh crore published by M/o Statistics & Programme Implementation on 07.01.2025.

ii. The GDP for BE 2025-26 has been projected at ₹356.98 lakh crore assuming 10.1% growth over the estimated GDP of ₹324.11 Lakh crore for 2024-25 (First Advance Estimates).

iii. GDP is the Gross Domestic Product at current market price.

*Central Govt. debt include external public debt valued at current exchange rates, total outstanding liabilities on Public Account including investment in Special Securities of States under NSSF and EBR liabilities etc.

2.2.7 Budget Press

2.2.7.1 Budget Press is responsible for printing of all Budget Documents relating to the Union Budget including Detailed Demands for Grants, Supplementary Demands for Grants and Annual Report (English/Hindi) of the Ministry of Finance.

2.2.7.2 Apart from the above, the Budget Press inter alia printed the Income Tax Bill, 2025, First and Second Batch of Supplementary Demands for Grants for the year 2025-26, the Action Taken Report, Cabinet Notes (Hindi & English) and several Discussion Papers.

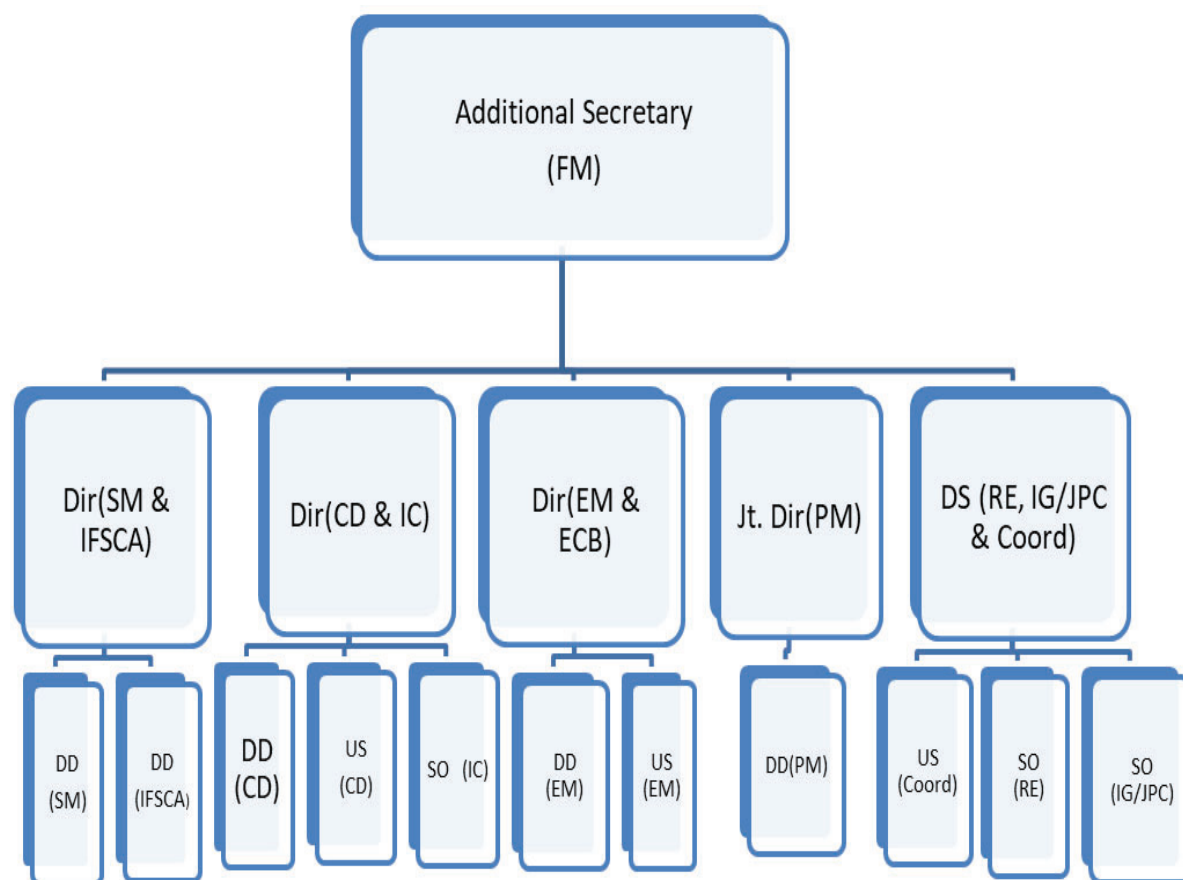
3. Financial Markets Division

3.1 Introduction

Financial Markets (FM) Division is primarily responsible for policy issues related to the development of the securities markets and matters incidental thereto. The Division is also responsible for policy matters relating to foreign exchange management. Since 2013, the Division is entrusted with the development of commodity derivative markets. The Division looks after the administrative matters of the Securities and Exchange Board of India (SEBI), International Financial Services Centres Authority

(IFSCA) and Securities Appellate Tribunal (SAT). The Division also participates in financial regulatory dialogues with USA, UK, Japan and EU.

FM Division is also responsible for the administration of SEBI Act 1992, Foreign Exchange Management Act (FEMA) 1999, International Financial Services Centres Authority Act, 2019, Securities Contracts Regulation (SCRA) Act 1956, Depositories Act, 1996 and Section 20 of the Indian Trust Act, 1882 and related rules, regulations and notifications thereunder. The organogram of FM Division is given below:



3.2 Sections of FM Division

The various Sections and their work allocations are given below (each of the section handles the parliament questions, grievances, RTIs, court cases miscellaneous references etc. belonging to their work areas):

I. Primary Markets (PM) Section

1. Policy formulation on issues relating to initial and further issue of capital and related intermediaries engaged in the same such as:

- Mutual funds,
- Collective investment schemes,
- Alternative investment funds,
- Domestic credit rating agencies,
- Merchant Banks etc.

2. Matters related to Corporate Governance and Minimum Public Shareholding.
3. Matters related to Listing Rules and Minimum Public Shareholding norms

4. Policy issues related to mergers, takeovers and acquisitions
5. Development of corporate bond market
6. Financial literacy
7. Corporate governance of companies
8. Policy articulation on agenda items of SEBI's Board meetings (primary responsibility)
9. SEBI Act, related rules and regulations
10. Investment Guidelines for Non Government Provident Funds, Superannuation Funds and Gratuity Funds
11. Coordinating DEA-AJNIFM Research Programme and other Research Programme

II. Secondary Market Section

1. Policy issues of Secondary Market and related Market Infrastructure Institutions (MIIs), Intermediaries and Participants (Stock Exchanges, Clearing Corporations, Depositories their participants, Trading Members, and Investment Advisors etc.), their ownership and governance issues etc.
2. Social Stock Exchange/SME Exchange/New Segments/ platforms for trading in securities / crowd funding platforms
3. Taxes and Stamp Duties in Securities Market
4. Skilling in securities market /capacity building initiatives
5. Delisting of companies and associated policy concerns
6. Creating a Single Demat Account for all financial assets
7. Database relating to Securities Markets
8. Monitoring of Stock Market Movements
9. Self-Regulatory Organizations
10. Cyber security related matters in context of Securities Market
11. Regulation of distributors /distribution of financial products in context of Sumit Bose Committee recommendation

12. Matters related to Investor Education and Protection
13. Policy on Frozen Demat Accounts
14. Ratification of UNIDROIT / Geneva Securities Convention
15. Securities Contracts (Regulations) Act, 1956 and related Rules and Regulations
16. Depositories Act, 1996 and related Rules and Regulations

III. Commodity Derivatives Markets Section

1. Policy matters related to development of commodity derivatives market and other derivative products on goods/commodities.
2. Issues related to Notifying commodities for trading in stock exchanges: Resumption/ suspension of futures trading in various notified commodities/ Options Contract etc.
3. Representing DEA in commodity derivatives market related matters in the inter-ministerial committees on Essential Commodities price rise etc
4. Commodity derivatives trading related matters: cases of manipulation /speculation etc
5. Handling Policy matters of commodities markets like delivery arrangements, matters related to WDRA accredited by stock exchanges and Ministry of Consumer Affairs.
6. Evaluation of relevant items in SEBI board Agenda.
7. Policy Matters related to Electronic Gold Receipt (EGR) and Gold Spot Exchange.
8. Commodity segment of exchanges of NSE, BSE and matters related to NCDEX and MCX.
9. Skilling, capacity building and awareness initiatives related to commodity derivatives market
10. Monitoring the action taken by investigating and enforcement agencies and regulatory authorities in the payment crisis at NSEL, sending reports on NSEL matter to PMO, giving inputs to Vigilance Division on NSEL related Vigilance matters.

IV. External Markets (EM) Section

1. Administration of Foreign Exchange Management Act, 1999
2. Processing all references, cases and proposals concerning Rules and Regulations framed under the Foreign Exchange Management Act, 1999
3. Matters relating to establishment of Liaison office / Branch office/ Project Office in India by foreign entities
4. Matters relating to opening Non-Resident Ordinary (NRO) and Non-Resident Rupee (NRE) Accounts by foreigners/ non residents
5. Matters relating to trade payments settlement mechanism with Iran
6. Matters relating to foreign travel of Chief Ministers/ Ministers/MLAs/Administrators/Officers of States and Union Territories
7. Approval for purchase of immovable property in India by foreigners/ Non-Resident Indians
8. Facilitating Annual Commonwealth Parliamentary Association Conference related visits of Speakers and Members of Legislative Assemblies

V. External Commercial Borrowings (ECB) Section

1. Policy issues related to External Commercial Borrowings, Foreign Currency Bonds and Trade Credits
2. Framework for issuance of Rupee denominated Bonds in off-shore market [masala bonds].
3. Policy Matters relating to Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
4. Framework for Investment by Foreign Portfolio Investors in Government Securities and corporate bonds
5. Matters relating to Depository Receipts Scheme (ADR/GDR)
6. Matters relating to Bharat Depository Receipts/ Indian Depository Receipts (BhDR/IDR)
7. Matters relating to International Settlement of Indian Debt Securities (through Euroclear and Clear stream)

8. References concerning Local Currency Settlement Mechanisms
9. Policy Issues concerning Currency Derivatives markets in India (OTC and Exchange Traded) and Interest Rate Futures.
10. Issues relating to Sukuk Bonds
11. Issues concerning Bilateral/Multilateral Currency Swap Agreements
12. Organizing road-shows and investor meets with foreign investors in India and abroad
13. BRICS and G-20 matters relating to Financial Markets

VI. International Financial Services Centres Authority (IFSCA)

1. Administration of the IFSCA Act, 2019 and framing of Subordinate Legislation under the Act
2. Policy formulation on issues related to IFSCA Act, 2019 and related rules and regulations
3. Policy articulation on agenda items of IFSC Authority meetings
4. Facilitating overall development of core and niche segment in the financial ecosystem of IFSC through inter departmental coordination on areas including –
5. Aircraft Leasing and Financing
6. Bullion Trading
7. Fin Tech
8. Insurance/Re-Insurance
9. Banking
10. Fund Management
11. Global-In-House Centres
12. Others
13. Preparation of Cabinet Notes for signing of bilateral and multilateral MoUs by IFSCA for strengthening mutual co-operation with overseas financial regulators/authorities
14. Facilitating international outreach by IFSCA and GIFT City

15. Enhancing inter regulatory coordination between SEBI, RBI, IRDAI, PFRDA to enable comprehensive regulations and new financial products/services in IFSC
16. Budgetary assistance for IFSCA and transfer of grants from central government for expenditure on salaries, allowances and other establishment expenses of the Authority
17. Supervising projects and schemes sanctioned to IFSCA including the IFSCA HQ Project, Sup-Tech Project and Fintech Incentive Scheme
18. Examination and furnishing of comments on all Draft Cabinet Notes
19. Firming up of agenda items related to development of IFSC under various economic and financial dialogues

VII. Regulatory Establishment (RE) Section

1. Carrying out Board level appointments of Securities and Exchange Board of India (SEBI), appointment of Presiding Officer, Members and Registrar of Securities Appellate Tribunal (SAT) and administration of related Rules and Regulations
2. Constitution of the Financial Sector Regulatory Appointments Search Committee (FSRASC)
3. Establishment matters of SEBI like audit, appointment of CVO etc.
4. Establishments matter of SAT like residential accommodation, grant of budget to SAT and related matters, Grant of vehicle to the officers in SAT etc.
5. Strengthening of SAT - Creation of additional benches / creation of posts / creation of additional office space for SAT / Implementation of e-Court in SAT etc.
6. Administration of the Securities Appellate Tribunal (Salaries, Allowances and Other Terms and Conditions of Presiding Officer and Other Members) Rules, 2003
7. Bilateral and multi-lateral MoUs between SEBI and securities market regulators of foreign countries.
8. Remittances from SEBI to the Consolidated Fund of India
9. Foreign visits of the Chairman of SEBI; Hosting of meetings of foreign delegations – obtaining the necessary clearances

VIII. International Cooperation (IC) Section

1. Indo-US Financial Regulatory Dialogue
2. India-UK Financial Market Dialogue
3. India-UK Financial Partnership
4. Regulatory aspects of India-Japan Financial Dialogue
5. Negotiations under Financial Services Track for Free Trade Agreements (FTAs) especially pertaining to capital markets and International Financial Services Centre.
6. Input facilitation for various bilateral Macroeconomic Dialogues and international agreements
7. Other international matters

IX. Joint Parliamentary Committee (JPC) and Investor Grievances (IG) Section

1. Matters related to Section 20 of Indian Trust Act 1882
2. Preparation of Progress Report on Action taken on recommendations of Joint Parliamentary Committee (JPC) on Stock Market Scams and matters related thereto.
3. Matters related to Nizam Trust
4. Handling of Investors' Grievances (Electronic & Physical) related to FM Division/ transferring of other representations to respective authority
5. Study/ Survey on reforms required in Investors' Grievance Redressal Mechanisms in context of Securities Markets
6. Internal Charge of 5 states (Bihar, U.P., Uttarakhand, Himachal Pradesh & Jharkhand)

X. Coordination Section

1. Internal Coordination within FM Division for providing periodical inputs /reports to various Departments /Ministries, submission of material for annual reports, economic survey etc.
2. Meeting on Senior Management Group (SMG) taken by Secretary (EA) to evaluate pending VIP reference, PMO reference and Parliamentary on Monday of every week. Management of e-Samiksha and portals in respect of FM Division related complaints, VIP/PMO references, cabinet

notes, court cases, Senior Management Group Meetings etc.

3. Matter related to Parliamentary Standing Committee on Finance – concerning their study visits on the topics pertaining to Financial Market Division
4. Monthly summary in respect of activities, major achievement and important policy decisions taken in DEA are sent to Cabinet Secretariat
5. Work management /allocation issues within FM Division
6. Website management in respect of FM Division matters
7. Engagement matter of Young Professional/ Consultants and Internship Management within FM Division

A. Primary Market

1.1. India's capital markets maintained strong momentum, supported by robust activity in primary market. Following a record year in 2024-25, the capital raised during FY26(Apr-Nov) has already exceeded previous highs, underscoring the pivotal role of India's capital markets in facilitating economic expansion.

1.2. During the period, a total of ₹1,63,390 crore was raised through 354 public-equity and rights issues. IPO

activity in FY26(Apr-Nov) was marked by the growing prominence of the Offer for Sale (OFS) component, which accounted for 59 per cent of the total funds raised through mainboard IPOs and 23 per cent in SME IPOs.

1.3. When compared to previous fiscal, funds mobilised through Qualified Institutions' Placement(s) (QIPs) witnessed a dip and stood at ₹52,406 crore during FY26(Apr-Nov), while preferential allotments increased marginally, with total amount mobilisation amounting to ₹95,892 crore.

1.4. In the corporate bond market, listed private placements overwhelmingly remained the preferred route for resource mobilisation, while public issuances constituted only a small fraction of total issuances. Overall, ₹6,09,183 crore raised during FY26(Apr-Nov).

1.5. The fund raised through Hybrid instruments, REITs and InvITs, during FY26(Apr-Nov) was ₹13,893 crore.

1.6. Several municipal corporations have started tapping into the promise of municipal bond and the momentum is continuing in the current year as well. In FY26 (till November 2025), 9 municipalities collectively raised ₹1,000 crore through many tranches of municipal bonds. This also includes green municipal bonds issued to finance sustainable transport, renewable energy, waste management projects etc.

Table 1: Capital Raised from the Primary Market through Public and Rights Issues

Financial Year	Total (Public + Rights)		Category-wise (Equity)				Issue-Type			
			Public#		Rights		Preferential Issue		QIP	
	No. of issues	Amount (INR crore)	No. of issues	Amount (INR crore)	No. of issues	Amount (INR crore)	No. of issues	Amount (INR crore)	No. of issues	Amount (INR crore)
2023-24	340	83,093	273	67,982	67	15,110	689	45,155	61	68,972
2024-25	464	2,10,190	322	1,90,478	142	19,712	988	84,084	91	1,35,597
2025-26 (Apr-Nov)	354	1,63,390	261	1,46,462	93	16,927	853	95,892	28	52,406

Notes:

i. Equity public issues also includes issues listed on SME platform.

ii. The data is based on the listing date

Source: Exchanges

Table 2: Funds Mobilized through Issuance of Corporate Bonds in India

Financial Year	No. of Public Issues	Amount Raised through Public Issue (INR Crore)	No. of Pvt. Placement	Amount Raised through Private Placement (INR Crore)	Total Amount Raised through Public Issue and Pvt. Placement (INR Crore)
2023-24	45	19,167	1,347	8,37,756	8,56,923
2024-25	43	8,149	1,659	9,86,735	5,38,416
2025-26 (Apr-Nov)	29	6,503	1,288	6,02,680	6,09,183

Notes:

i. Public debt issues on the basis of closing date of the issue

Source: Exchanges

Table 3: Resource Mobilisation through Municipal Bonds

Financial Year	No. of municipal bond Issues	Amount Raised (INR Crore)
2022-23	1	244
2023-24	3	500
2024-25	1	100
2025-26(Apr-Nov)	9	1,000

Table 4: Resource Mobilization through REITs and InvITs

Financial Year	REITs	InvITs#@	Total
	Amount (INR crore)	Amount (INR crore)	Amount (INR crore)
2023-24	5,905	33,119	39,024
2024-25	4,728	26,715	31,442
2025-26 (Apr-Nov)	5,800	8,093	13,893

Notes:

i. # InvITs includes both listed and unlisted InvITs

ii. @ includes funds raised through public issue, private placement, preferential issue, institutional placement, rights issue

Source: SEBI

1.7. In the current financial year so far, there were 92 Substantial Acquisition of Shares and Takeovers involving ₹22,100 crore compared to 71 such takeovers during FY25 involving ₹15,457 crore.

2. MUTUAL FUNDS

2.1 Mutual funds continued to play a pivotal role in mobilising household and institutional savings into capital markets during FY26, mobilising ₹7,91,533 crore upto November 2025. During the period under review,

highest inflows were observed in Income/ debt oriented schemes amounting to ₹3,29,777 crore (42 per cent of total net inflows), followed by inflows of ₹2,27,876 crore in growth/ equity oriented schemes, ₹1,31,261 crore in hybrid schemes and ₹1,02,619 crore in solution oriented and other schemes.

2.2 As of November 2025, the assets under management (AUM) of mutual fund industry stood at INR 80 lakh crore, representing a 22 per cent increase over March 31, 2025.

Table 5: Steady expansion in Mutual Fund AUM

Period	No. of Folios	Gross Resource Mobilization	Redemption	Net Resource Mobilization	AUM
	(Crore)	(₹lakh crore)			
FY 23	14.57	105.07	104.31	0.76	39.42
FY 24	17.79	114.48	110.94	3.55	53.4
FY 25	23.45	137.03	128.88	8.15	65.74
FY 26*	25.86	99.81	91.9	7.91	80.8

*upto November 30, 2025

Table 6: Scheme Category-wise Net Inflows/Outflows into/from Mutual Funds (₹crore)

Period	Income/Debt Oriented Schemes	Growth/Equity Oriented Schemes	Hybrid Schemes	Solution Oriented Schemes	Other Schemes	Total
2023-24	-34,588	1,81,362	1,44,954	2,284	60,689	3,54,701
2024-25	1,35,794	4,16,676	1,19,032	3,292	1,40,320	8,15,115
2025 - 26 (Apr-Nov)	3,29,777	2,27,876	1,31,261	2,060	1,00,559	7,91,533

3. PORTFOLIO MANAGERS

3.1 The Portfolio Management Services (PMS) industry continued to expand steadily during FY26 (Apr-Nov), supported by growing number of High Net worth individuals (HNIs) seeking customized investment strategies beyond traditional mutual fund offerings.

Propelled by asset appreciation and an increased client base, cumulative AUM of the portfolio management services as at the end of November 2025 stood at ₹41 lakh crore, up by 12 per cent over the previous year. The growth was driven primarily by discretionary portfolio mandates, which accounted for nearly 84 per cent of total assets.

Table 7: Growth in assets managed by PMS

Period	AUM (in ₹ Crore)				
	Discretionary	Non-Discretionary	Co-Investment	Advisory**	Total
Nov-25	34,43,597	3,15,240	6,000	3,43,273	41,08,110
Oct-25	34,19,490	3,15,020	5,533	3,44,255	40,84,298
Nov-24	30,65,854	2,97,892	3,649	2,97,385	36,64,780

Notes:

1. **Value of Assets for which Advisory Services are being given.
2. Of the above AUM, ₹29,04,662/ crore is contributed by funds from EPFO/PFs.
3. The above data is as per submissions made by 480 PMS

Source: SEBI

B. Secondary Market

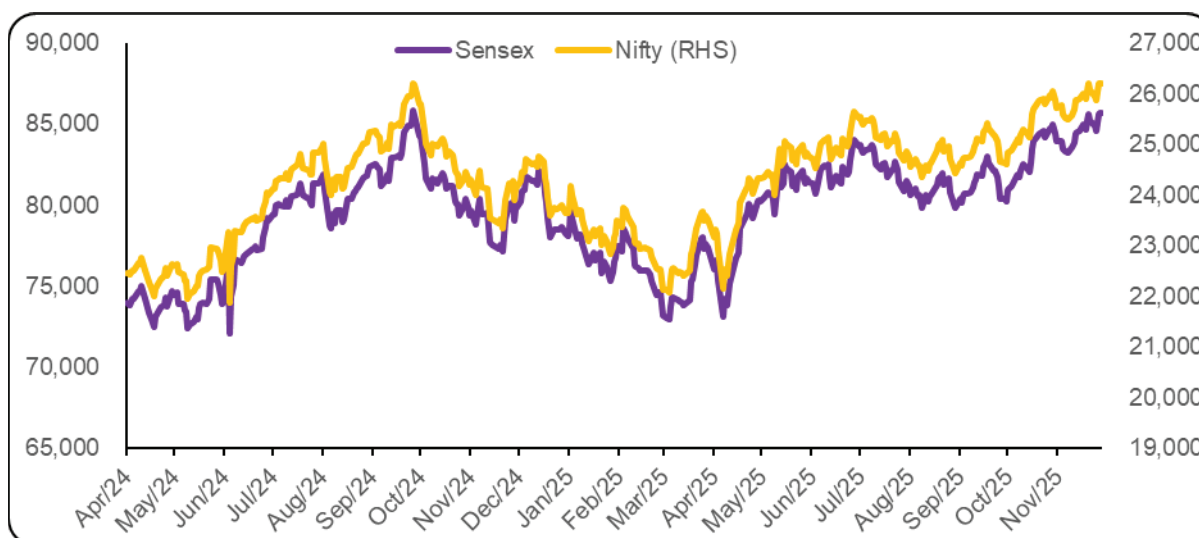
4.1 The year 2025-26, so far, has been eventful for the economies and markets across the globe, including India. In the midst of continuous shift in trade policies and exacerbated uncertainties, India's equity markets exhibited a phase of measured yet resilient performance, reflecting the interplay of supportive

policies, macroeconomic conditions and sustained domestic investor participation. For Indian equities, the financial year began on a softer footing, with the announcement of the US reciprocal-tariff framework in early April triggering risk aversion across export-oriented and globally linked sectors. The Nifty 50 index fell by 3.2 per cent on April 7, 2025, marking the second-largest drop

since April 2024. Nevertheless, from FY26 Q2 onwards, softer inflation readings and domestic factors played a more supportive role and contributed to improved risk appetite through the subsequent months.

4.2 The Indian equity benchmarks, Nifty 50 and Sensex, registered 11.4 per cent and 10.7 per cent increase during Apr-Nov 2025, in contrast to 8.1 per cent and 8.4 per cent rise respectively during the same period of the previous year.

Chart 1: Movement of Indian Benchmark Indices



4.3 However, compared to its global peers such as South Korea (KOSPI), Japan (Nikkei), U.S. (NASDAQ), Taiwan (TAIEX) etc., India's equity market performance was subdued. The outperformance of these global

indices was closely linked to concentrated gains in semiconductors, capital equipment and AI-related hardware/software supply chains - areas that benefited from strong AI investment and robust end-market demand.

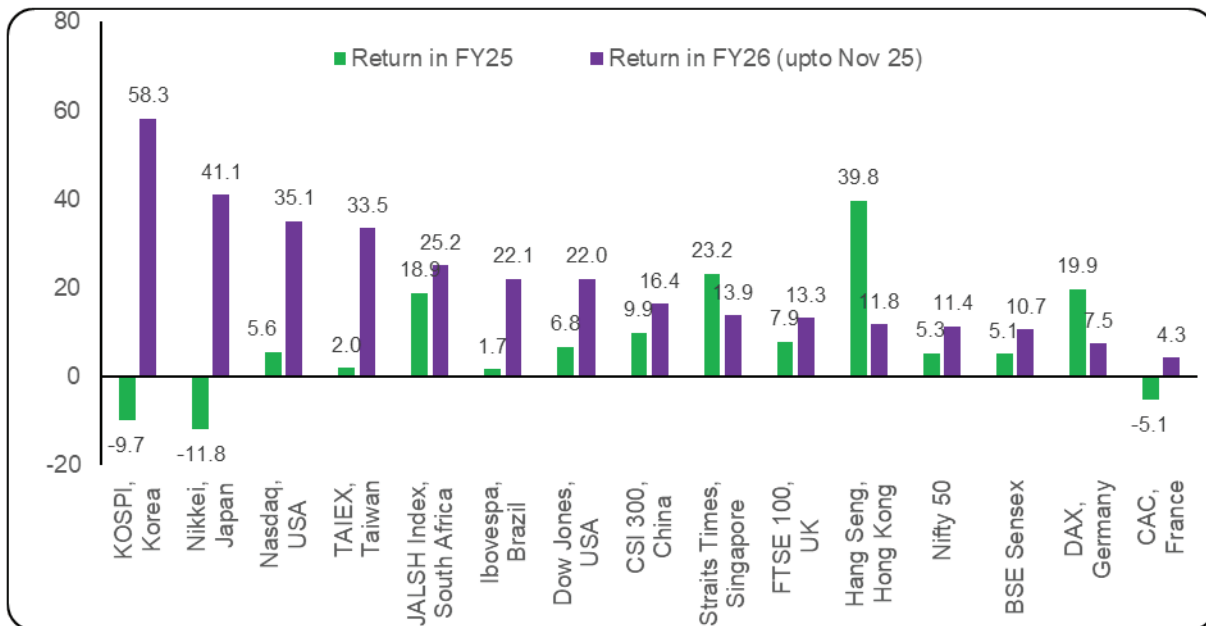
Table 8: Performance of World's Major Equity Indices

Index	FY 2023-24 (closing as on March 31, 2024)	FY 2024-25 Closing as on March 31, 2025)	FY 2025-26 (closing as on Nov 30, 2025)	Return in FY 2024-25	Return in FY 2025-26 (upto Nov 25)
Indian Markets					
BSE Sensex	73,651	77,415	85,707	5.1%	10.7%
Nifty 50	22,327	23,519	26,203	5.3%	11.4%
Emerging Markets					
JALSH Index, South Africa	74,536	88,637	1,10,959	18.9%	25.2%
TAIEX, Taiwan	20,294	20,696	27,626	2.0%	33.5%
Shanghai Composite, China	3,537	3,887	4,527	9.9%	16.4%
Ibovespa, Brazil	1,28,106	1,30,260	1,59,072	1.7%	22.1%
KOSPI, Korea	2,747	2,481	3,927	-9.7%	58.3%
Developed Markets					
Hang Seng, Hong Kong	16,541	23,120	25,859	39.8%	11.8%
Nasdaq, USA	16,379	17,299	23,366	5.6%	35.1%
Dow Jones, USA	5,254	5,612	6,849	6.8%	22.0%
Straits Times, Singapore	3,224	3,972	4,524	23.2%	13.9%
DAX, Germany	18,492	22,163	23,837	19.9%	7.5%
FTSE 100, UK	7,953	8,583	9,721	7.9%	13.3%
Nikkei, Japan	40,369	35,618	50,254	-11.8%	41.1%
CAC, France	8,206	7,791	8,123	-5.1%	4.3%

Source: Bloomberg

4.4 The highest returns were delivered by South Korea's Kospi, followed by Japan's Nikkei and USA's Nasdaq.

Chart 2: Return of Major World Indices

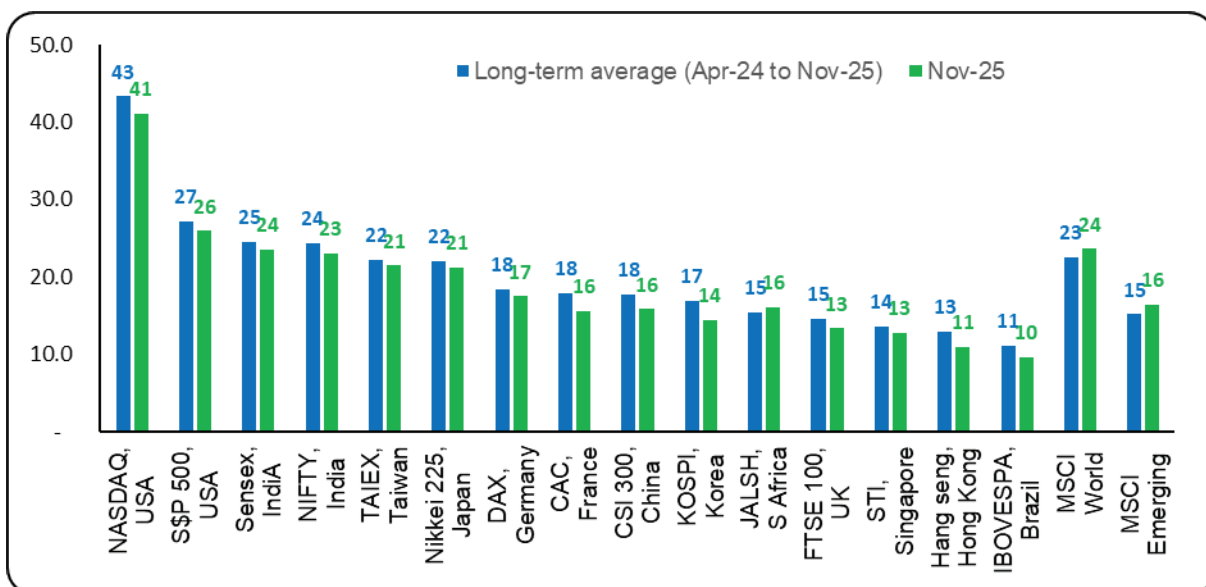


Source: Bloomberg

4.5 At the end of November 2025, the trailing twelve months P/E ratio of Nifty 50 at 24.3 remained moderately elevated across major global equity indices. Indian equities continued to trade at premium (trailing just behind

the US markets) making them look more expensive as seen by FPIs equity sell off of worth ₹27,101 crore in FY26 so far.

Chart 3: Comparison of P/E Ratios of Major Indices with the Long Term Average



Source: Bloomberg, NSE

4.6 Individual investor's share in the equity cash segment turnover stood at 34.2 per cent in FY25 (Apr-Nov), a marginal decrease from the corresponding period last year.

Table 9: Share of Individual Investors in Equity Cash Segment Turnover at NSE

Year	Share of Individual Investors (per cent)
2024-25	34.3
2024-25*	34.9
2025-26*	34.2

Notes:

- Individual investors include individual domestic investors, NRIs, sole proprietorship firms and HUFs
- Above percentage share excludes turnover with auction trades.
- *Represents during April to November for the respective financial year

Source: NSE

4.7 The incremental addition of demat accounts have been continuously on an increasing trend during FY26. The number of demat accounts rose by 10.6 per cent to 21.28 crore at the end of November 2025, as compared to 19.24 crore at the end of March 2025.

Table 10: Trends of Demat Accounts (crore)

Period	Total no of demat accounts	Total no of demat accounts added during the period
2023-24	15.12	3.67
2024-25	19.24	4.12
2025-26*	21.28	2.03

*represents as on November 30, 2025

Source: NSDL, CDSL

Turnover

4.8 The overall trading landscape in FY26 reflected a phase of transition, marked by moderation in equity market activity and renewed momentum in certain market

segments. As of end November 2025, turnover across most segments, except commodity derivatives, declined compared to FY25. The growth in commodity derivatives market was primarily driven by robust trading in bullion and increased market participation.

Table 11: Trends of Turnover (Monthly average in ₹lakh crore)

Segment	FY25	FY26*	Variation form FY25 to FY26* (per cent)
Equity Cash segment	25.1	22.6	▽ -10
Equity Derivatives-Notional	8,826.3	8,446.4	▽ -4
Equity Derivatives-Premium	14.8	14.1	▽ -5
Currency Derivatives	1.4	0.7	▽ -51
Commodity Derivatives	48.3	97.3	△ 101

*represents till November end

Source: Exchanges

4.9 Commodity derivatives total turnover rose by 34 per cent during FY26 (Apr-Nov) when compared to FY25, driven by increase in turnover in bullion segment.

Table 12: Commodity derivatives total turnover

	FY24	FY25	FY25*	FY26*	FY 26* variation over FY 25* (per cent)
MCX	2,76,55,480	5,65,18,177	3,53,19,615	7,67,74,264	△ 117
NCDEX	2,06,112	1,48,048	1,03,006	99,046	▽ -4
NSE	2,01,699	13,05,456	6,69,396	9,68,739	△ 45
BSE	36	281	281	0	▽ -100
Total	2,80,63,327	5,79,71,961	3,60,92,297	7,78,42,049	△ 116

*represents till November 2025

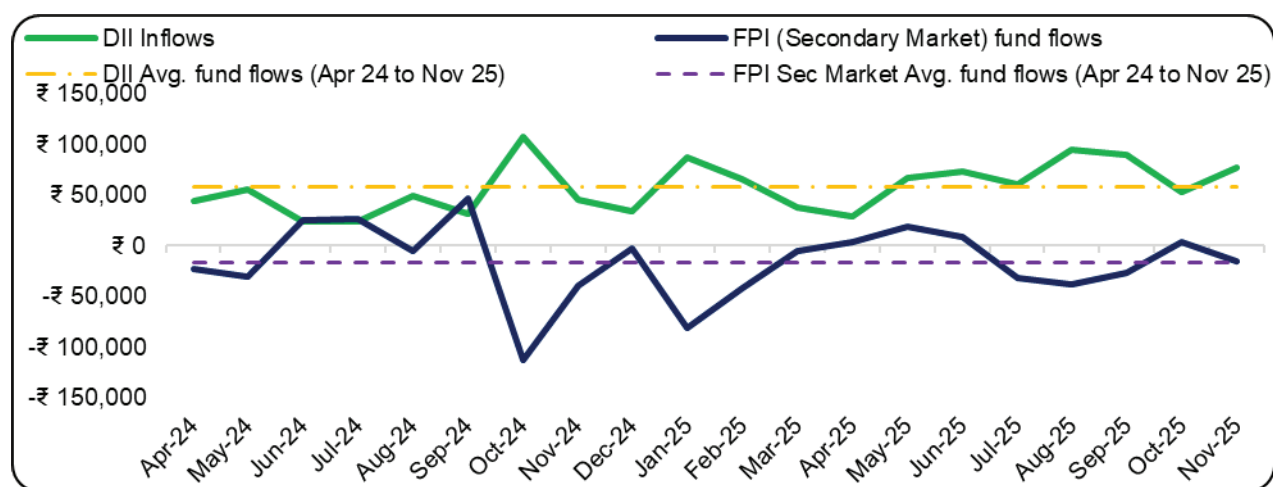
Source: Exchanges

Domestic Institutional Investors moving beyond their countervailing role

4.10 In the FY26(Apr-Nov), DIIs, comprising of Banks, DFIs, Insurance, Mutual Funds and NPS, have remained net buyers of equities, effectively offsetting FPI outflows. DIIs invested ₹6 lakh crore, a sharp increase from ₹3.6 lakh crore during the same period in FY25. The surge in

net investment by DIIs was led by mutual funds (a record high net investments of around ₹4.5 lakh crore vs. ₹3.4 lakh crore in Apr-Nov 24), with a share of around 75 per cent in total net investments by DIIs.

Chart 4: DIIs counterbalancing FPI outflows



Source: NSDL, BSE, NSE

Major Highlights:

4.11 Facilitating Ease of Doing Business/ Investment

- To enhance participation of institutional investors in the IPO process, Life Insurance Companies registered with IRDAI and Pension Funds registered with PFRDA have been included in the reserved category of anchor portion, alongside domestic Mutual Funds
- In a significant step towards promoting ease of doing business for institutional investors and market participants, **common contract note with a single volume weighted average price has been made mandatory**. The reform will simplify the post-trade reporting process by consolidating trades executed across multiple exchanges into a single, harmonized document, eliminating the need to process multiple contract notes.

- To ensure **ease of access and inclusiveness of digital KYC to persons with disabilities**, intermediaries were mandated to extend their services enabling digital accessibility to client including persons with disabilities. An FAQ on Account opening by person with disabilities has been published in SEBI website for guidance of intermediaries.
- With the objective of improving ease of doing business, enhancing risk reduction and providing operational clarity to Angel Funds, a **revised regulatory framework for Angel Funds** has been prescribed.
- The guidelines for registration of FPIs, KYC requirements and other relevant provisions to facilitate ease of regulatory compliances for **FPIs investing only in Government Securities were simplified**.
- As a step towards ease of doing investment and convenience to NRIs for trading in exchange traded derivatives contracts, the **mandatory requirement of NRIs to notify the names of the Clearing Member/s and subsequent assignment of Custodial Participant (CP) Code to the NRIs by the Exchange, has been done away with**.
- To boost investor confidence and improve the credibility of social enterprises listed on the Social Stock Exchange (SSE), the **SSE framework was revised** by expanding eligibility criteria for Not for Profit Organization (NPO) registration and strengthening annual disclosures by NPOs.
- Based on the ease of Doing Business recommendations of the Working Group for review of compliance requirements for REITs and InvITs, on, **disclosure of financial information in offer document / placement memorandum and continuous disclosures and compliances by REITs and InvITs was revised**.
- With a view to facilitate ease of doing business as well as to safeguard the interest of investors, in case of Margin obligations to be given by way of Pledge/Re-pledge in the Depository System, it was decided to **make the invocation and sale as a combined automated process**.
- To ensure ease of doing business and to have a comprehensive view of entity's operations across all MIs along with optimum utilization of resources, it was decided to have a **joint annual inspection** instead of separate inspections by MIs.
- Investment Advisers and Research Analysts were **allowed to use liquid mutual funds and overnight mutual funds**, as an option to the bank deposit, for compliance with deposit requirement.
- **Category I and Category II AIFs were permitted to launch a separate co-investment scheme (CIV scheme)** offering co-investment facility to accredited investors.
- AIF Regulations were amended to facilitate introduction of a **separate category of AIF schemes, exclusively for Accredited Investors only (AI-only schemes)**, with lesser investor protection compliance and operational flexibilities, which were also extended to Large Value Funds (LVFs) for accredited investors.
- To facilitate higher investor participation, the minimum investment threshold for Large Value Schemes under AIFs was reduced from ₹70 crore to ₹25 crore
- For the purpose of simplification and ease of doing business, **the transfer of PMS business from one portfolio manager to another has been allowed**.
- Investment Advisers have been **permitted to charge Assets Under Advice (AUA) based fee** and provide second opinion to clients on assets under pre-existing distribution arrangement.
- To enhance ease of doing business for stock brokers, the **penalty framework for levying penalties on stock brokers by stock exchanges has been rationalized and standardised**.
- In view of the active role of mutual fund distributors of expanding investor base and creating awareness among masses, the **incentive structure was revamped by introducing additional incentives to distributors for onboarding new individual investors from B-30 cities and women investors**.
- To facilitate enhanced participation by mutual funds and Specialized Investment Funds (SIFs), w.e.f January 1, 2026, **any investment made by mutual funds and SIFs in REITs shall be considered as investment in equity related instruments**. However, for the same purpose InvITs shall continue to be classified as hybrid instruments.
- **SEBI (Debenture Trustees) Regulations, 1993 were amended to bring clarity on the 'Permitted Activities' activities for a DT**. DTs are now permitted to provide financial services

that fall under the regulatory purview of other financial sector regulator (RBI, IRDAI, PFRDA, IFSCA etc.) as specified by the Board and also activities that are currently not regulated by any financial sector regulator. Both activities shall be carried out in an arms-length basis through separate business units (SBU) segregated by a Chinese wall and shall be ring fenced from the SEBI regulated activities.

4.12 Investor Protection and Empowerment

- To address this growing issue of impersonation and enhance investor confidence, SEBI has mandated **a new UPI address structure for all SEBI registered intermediaries** who collect funds from investors w.e.f October 01, 2025. This innovative mechanism is set to significantly improve the safety and accessibility of financial transactions within the securities market by providing a verified and secure payment channel.
- To further empower investors, SEBI has developed a new functionality called **“SEBI Check”** w.e.f October 01, 2025. This tool allows investors to verify the authenticity of SEBI registered intermediaries UPI IDs either by scanning a QR code or by entering the UPI ID manually and also confirm the bank details such as bank account number and IFSC of a registered intermediary.
- A joint media campaign titled **“SEBI vs SCAM”** was launched by SEBI in collaboration with MILs in July 2025. This unified initiative aims to bolster investor protection and combat financial fraud and scams within the securities market. The key areas of focus for the campaign include raising awareness about red flags, verification protocols, trusted redressal mechanism and good digital practices.
- SEBI, in collaboration with Ministry of Panchayati Raj (MoPR), launched a **nationwide training initiative for block level Panchayat representatives to promote financial literacy and investor education at grassroots level**, empowering representatives with knowledge to educate rural communities across India.
- To protect the rights and dignity of persons with disabilities and ensure their full and effective participation in securities market, it has been mandated that all **digital platforms of regulated entities or shall be compliant with the provisions of the RPwD Act, 2016** and corresponding rules.

- In order to facilitate ease of investing for investors and to secure the rights of investors in the securities which were purchased by them, **a special window has been opened for re-lodgement of transfer requests of physical shares.**
- In an effort to enhance investor protection and curb financial fraud, SEBI has advised its regulated/ registered entities to only use the **‘1600’ phone number series exclusively for service and transactional voice calls** to their existing customers. This will enhance investor security and minimise the risk of fraud by unscrupulous entities using regular 10 digit numbers.

4.13 Strengthening the Bond Market and Expanding Access

- **New framework was introduced for Environment, Social and Governance (ESG) Debt Securities** (other than green debt securities), setting out regulatory requirements for issuers of social, sustainability and sustainability-linked bonds (SLBs).
- To increase the efficacy and utility, **certain provisions related to Electronic Book Provider (EBP) framework for primary issuance of various securities on private placement basis were revised.** This included reduction of mandatory EBP threshold from ₹50 crore to ₹20 crore, permitting private placement of securitised debt instruments, REITs, SM REITs and InvITs, enhanced disclosures etc.
- As part of SEBI’s initiative to develop Bond markets, **outreach programmes on Municipal Bonds and Municipal Finance were organized to provide a common platform for stakeholders** to discuss the concerns of the issuers of Municipal Debt Securities, the requirements of investors, the extant regulatory framework and to recommend measures to increase awareness of and improve traction in the market for Municipal Debt Securities.
- Following a review of the request for quote (RFQ) platform, the operational process for **Cash Flow Disclosure in Corporate Bond Database was simplified.** It was specified that cash flow dates regarding payment of interest/ dividend/ redemption for the non-convertible securities traded on RFQ platform for the purpose for yield to price computation shall not be adjusted for day count convention and shall accordingly be based on the due date of payment as per the cash flow schedule and not as per the date of payment.

- To facilitate ease of doing business and also improve transparency, dissemination of data to investors and credit rating agencies for issuance of Securitised Debt Instruments (SDIs), **the guidelines for issue and listing of SDIs was aligned with RBI guidelines on Securitisation of Standard Assets.**
- Credit rating agencies were advised to extend the **EL-based rating scale for rating of municipal bonds** which are issued for financing infrastructure assets, in addition to the standardised rating scale.

4.14 Strengthening Regulatory Framework

- To facilitate SEBI registered stock brokers to undertake securities market related activities in Gujarat International Finance Tech-city - International Financial Services Centre (GIFT-IFSC) under a Separate Business Unit (SBU), **the requirement of obtaining specific approval from SEBI has been done away with.**
- Listed entities were mandated to follow the Industry Standards on “**Minimum information**” to be provided for review of the audit committee and shareholders for approval of a related party transaction.
- The requirements pertaining to **minimum contribution from the sponsor(s) and sponsor group(s) in the public issue of units for conversion of a private listed InvIT into a public InvIT were streamlined.**
- Registered Intermediaries were permitted to use ‘**e-KYC Setu System**’ of National Payments Corporation of India as an additional alternate mechanism to perform Aadhaar based e-KYC authentication.

4.15 Fostering market development

- In order to provide investors with independent verification of the risk and return metrics claims of IAs, RAs and algorithmic trading providers, a “**Past Risk and Return Verification Agency (PaRRVA)**” for risk-return performance verification was introduced. The operationalisation of the same is under process.
- **Electricity derivatives, starting with monthly futures trading at NSE were launched** on July 18, 2025. SEBI and Central Electricity Regulatory Commission (CERC) followed a robust, consultative and data-driven approach to design the contract specifications and risk management norms to ensure that electricity derivatives remain tools for hedging rather than undue speculation.

4.16 Measures taken to strengthen Equity Derivatives Markets

- **To curb expiry-day volatility and promote uniformity**, exchanges were directed to select either Tuesday or Thursday as the expiry day for equity derivatives.
- Measures were introduced **to improve trading convenience and bolster risk monitoring in the equity derivatives segment.** Key revisions include a new methodology for calculating open interest (OI) as future equivalent open interest (FutEq OI) at a portfolio level using delta adjustments and recalibrating the market wide position limit (MWPL) for single stocks. New eligibility criteria for derivatives on non-benchmark indices have been defined, and individual entity-level position limits have been recalibrated based on the new MWPL definition.
- In addition to the end of day monitoring mechanism, **stock exchanges were directed to monitor the position limits**, for equity index derivative contracts, on an intraday basis.
- **The eligibility criteria for derivatives on existing non-benchmark indices has been introduced** to ensure that such indices are broad-based and well diversified. The circular mandates that each index must comprise a minimum of 14 constituent stocks, with limits placed on individual and top-three stock weightages to prevent concentration risk.

C. Commodity Derivative Market

5.1 SEBI conducts investor awareness programs namely under the flagship of Securities Market Trainers (SMARTs) Program and Regional Investor Seminar for Awareness (RISA) on commodity derivative market in collaboration with commodity exchanges (i.e. MCX and NCDEX). During FY 2025–26 (up to November 2025), around 1,866 programs have been conducted, covering over 98,000 participants. Further, it is expected to conduct approx. 3,350 awareness programs up to March 2026.

5.2 Some measures undertaken by SEBI for development of commodity derivatives market during the period from Apr 2025 onwards are as follows:

- SEBI had conducted a meeting with various stakeholders and market participants for strengthening of Agricultural Commodity Derivatives Market. Based on the same, the following two working groups were constituted:
- Working Group on Review of current regulatory norms applicable to agri commodity derivatives segment.

- Working Group on Review of the current framework of settlement and delivery mechanism in agri commodity derivatives segment.
- b) SEBI has also constituted a Working Group on Review of current regulatory norms applicable to non-agri commodity derivatives segment. The working group is expected to deliberate on various measures to strengthen non-agri commodity derivatives segment.
- c) Further, during the said period, the agricultural commodity derivatives segment also benefitted from following policy initiatives:
 - With a view to encourage the participation by Farmers/Farmer Producer Organizations ("FPOs") in agricultural commodity derivatives markets, SEBI has reduced the regulatory fee on stock exchanges with respect to turnover in agricultural commodity derivatives. The objective was to reduce the cost burden on Farmers/FPOs from the amount saved by the stock exchanges due to reduction of regulatory fee. Accordingly, SEBI has also prescribed the framework for utilisation of regulatory fee foregone for exchanges. The fund may, inter alia, be utilized towards the cost of mark to market funding by the clearing corporations on the sell positions of the farmers/ FPOs who make early pay-in of the commodities in approved warehouses.
 - NCDEX with NABARD has launched a joint initiative in Apr 2024 for options premium subsidisation to help Farmer Producer Organisations (FPOs)

and farmers in commodities derivatives market. Currently, the benefit of premium subsidy has been made available on three commodities – viz. Jeera, Dhaniya and Turmeric. For FY2025-26, an outlay of approx. Rs. 15 crore was earmarked for this initiative.

D. External Market and External Commercial Borrowing

6.1 In FY26 (Apr-Dec) so far, FPIs have been net sellers in the equity market, with a total outflow of ₹49712 crore till end of December, 2025. Conversely, they were net buyers in the debt segment with a net inflow of ₹9471 crore till end of December, 2025.

6.2 Indian markets witnessed net FPI inflows into debt segments, primarily driven by the inclusion of Indian sovereign bonds in JP Morgan's GBI-EM index, effective June 28, 2024. Effective September 2025, Indian sovereign bonds were included in the FTSE Emerging Markets Government Bond Index (EMGBI), regional FTSE Asian Government Bond Index (AGBI) and FTSE Asian-Pacific Government Bond Index (APGBI), and indices that derive their membership from them, potentially attracting more foreign investment.

6.3 The Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2025 vide Notification No. S.O. 3732(E) 11th June, 2025. This was done to incorporate clarification issued vide Press Note 2 (2025 series) by DPIIT in the context of allowing Indian companies to issue bonus shares to existing PROI shareholders, even in sectors where FDI is otherwise prohibited.

Table 13: FPI Net Investments - Financial Year

Financial Year	₹ Crores					
	Equity	Debt	Debt - VRR	Debt-FAR	Hybrid	Total
2014-15	1,11,333	1,66,127	0	0	0	2,77,461
2015-16	-14,172	-4,004	0	0	0	-18,176
2016-17	55,703	-7,292	0	0	0	48,411
2017-18	25,635	1,19,036	0	0	11	1,44,682
2018-19	-88	-42,357	0	0	3,515	-38,930
2019-20	6,153	-48,710	7,331	0	7,698	-27,528
2020-21	2,74,032	-50,443	33,265	0	10,247	2,67,101
2021-22	-1,40,010	1,628	12,642	0	3,498	-1,22,242
2022-23	-37632	-8937	5814	0	-181	-40936
2023-24	208212	121059	-2972	0	12767	339066
2024-25	-127041	55734	6737	80691	4425	20018
2025-26*	-49712	8052	-3676	5095	1433	-37754

*Upto 31st December, 2025

Source: NSDL

Table 14: Monthly FPI Net Investments

Month (Calendar Year 2025)	Monthly FPI Net Investments (₹ Crores)					
	Equity	Debt	Debt-VRR	Debt- FAR	Hybrid	Total
January	-78027	-3424	-4197	8192	206	-77211
February	-34574	-5508	1531	14494	-318	-24301
March	-3973	9711	-966	29044	-15	32981
April	4223	-13314	-5649	-5421	-388	-20190
May	19860	19615	1899	-9359	-689	30950
June	14590	-6121	-6366	-10040	150	-7563
July	-17741	-234	4296	7750	-463	-5538
August	-34993	6766	-872	6768	151	-20505
September	-23885	1085	1213	9956	223	-12539
October	14610	3507	-427	15144	2869	35598
November	-3765	-3969	4485	4158	104	2836
December	-22611	717	-2255	-13861	-532	-38568
Total	-166286	8831	-7308	56825	1298	-104050

Source: NSDL

6.4 Assets under custody (custodial holdings of FPIs) by 11 per cent as on November 30, 2025, as compared reflecting the total market value of the holdings) increased to March 31, 2025.

Table 15: Assets under Custody for FPIs

Period	Equity	Debt	Debt-VRR	Debt-FAR	Hybrid	Total
	(in ₹ Lakh Crore)					
FY24	64.2	3.5	1.5	0.0	0.4	69.5
FY25	66.8	1.8	1.6	2.8	0.5	73.7
FY26*	74.5	1.8	1.7	2.9	0.6	81.8

*till November 30, 2025

Source: NSDL

Table 18: External Commercial Borrowing (net inflows) in India

Financial Year	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Amount (₹ crore)	29916	97412	5015	77204	215665	82543

*Upto October 2025

E. GIFT IFSC & International Financial Services Centres Authority (IFSCA)

7.1 The Union Budget announcement (2015-16) paved the way for operationalizing the maiden International Financial Services Centre (IFSC) in GIFT City Multi-Service SEZ, Gujarat. Government of India implemented a major financial sector reform by establishing and operationalizing India's maiden IFSC in GIFT City, Gujarat.

7.2 The vision of the Government is to develop GIFT IFSC as a leading internationally recognized financial centre with trusted business regulations, competitive tax structure and ease of doing business. The IFSC has been designated as a special international financial jurisdiction, which is treated as a non-resident zone under Foreign Exchange Management Regulations, thereby facilitating transactions in freely convertible foreign currencies.

7.3 The Hon'ble Prime Minister of India during his July 2022 visit to GIFT IFSC articulated his vision for GIFT City and stated that *"the vision of India's future is associated with GIFT City, which is an important gateway to connect India with global opportunities"*. He further stated that *"if one integrates with GIFT City, one will integrate with whole world"*.

7.4 To further promote ease of doing business and provide for dedicated regulatory intervention, Government of India through an Act of Parliament in 2019 set up the International Financial Services Centres Authority (IFSCA) as a unified regulator for development and regulation of financial markets in the IFSCs in India. From 1st October 2020, IFSCA assumed the powers of four domestic sectoral regulators namely Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Insurance Regulatory and Development Authority of India (IRDAI) & Pension Fund Regulatory and Development Authority (PFRDA), in so far as development and regulation of financial products, financial services and financial institutions within the IFSCs is concerned.

7.5 The maiden IFSC since its inception has witnessed substantial growth across the entire spectrum of financial services including Banking, Capital Markets, Insurance, Fund Management, Aircraft Leasing, etc. IFSCA has introduced internationally aligned regulatory regime, which has enabled large number of international and domestic financial services firms to set up presence in GIFT IFSC. With internationally aligned regulatory regime, competitive tax structure and ease of doing business, GIFT IFSC is fast emerging as a preferred jurisdiction for availing wide array of international financial services.

7.6 Over the last five years, IFSCA has endeavoured to develop a regulatory architecture for IFSCs, which is aligned to international best practices and has prioritised ease of understanding for enhanced compliance. IFSCA

has come up with 35+ Regulations to regulate Banking, Capital Markets, Insurance, Bullion, Fund Industry, Global In-House Centers (GICs), Foreign University/ foreign institutions etc. within GIFT IFSC. IFSCA being a unified Authority for IFSCs in India, has undertaken consolidation of domestic regulations to a large extent pertaining to Insurance, Fund Industry, Capital Markets etc., which is unique in the Indian regulatory architecture.

7.7 GIFT IFSC has more than 1000 entities registered as on September 2025 across various business segments. The financial services market is rapidly growing with healthy participation of International and domestic financial institutions.

7.8 Major traction in GIFT IFSC has taken place in the recent past. Notable achievements from the last one year are as follows:

a) Listing of the First Foreign Corporate Bond Issue at GIFT IFSC –

Sri Lanka's DFCC Bank PLC's LKR¹ 2.5 billion Green Bonds was listed on the NSE International Exchange (NSE IX) in GIFT IFSC on June 9, 2025. This marks the first listing by a foreign corporate to be listed on a stock exchange in GIFT IFSC.

b) Launch of Foreign Currency Settlement System (FCSS) and direct participation of IBUs in international payment systems -

Hon'ble Union Finance Minister, Smt. Nirmala Sitharaman on October 07, 2025, launched the Foreign Currency Settlement System (FCSS) at GIFT IFSC. The FCSS enables local settlement of foreign-currency transactions between IFSC Banking Units (IBUs), eliminating the need to route settlements through overseas correspondent banks. This marks a significant milestone in India's financial market infrastructure by making transactions faster, safer, and more cost-effective, while laying the foundation for future innovation in cross-border payments.

FCSS appoints local commercial bank as the settlement bank, with all other member banks of the system required to open accounts with it. Transactions between the member banks are settled directly through these settlement accounts. CCIL IFSC Limited (CCIL IFSC), a subsidiary of Clearing Corporation of India Limited, has been authorized by IFSCA under the Payment and Settlement Systems (PSS) Act, 2007, to be the operator of the FCSS system.

¹ Sri Lankan Rupee

This system will be able to settle transactions on a real-time or near real-time basis, thereby significantly reducing the settlement time compared to the correspondent banking route. CCIL IFSC has assigned the Indian Financial Technology & Allied Services (IFTAS), a wholly owned subsidiary of RBI, the development of the FCSS system software. Standard Chartered Bank, through its IBU, has been selected by CCIL IFSC Ltd. as the settlement bank, based on an open bidding process.

IFSCA also allowed IBUs to directly participate in international payment systems without prior regulatory approval. This policy enables seamless payments to and from global financial institutions, while establishing clear boundaries: domestic IFSC transactions through international systems require explicit PSS Act authorization. The measure significantly reduces settlement frictions, positioning IBUs as agile gateways between Indian and global financial ecosystems.

c) Enablement of Video-based Customer Identification Process (VCIP) and securing of regulator status by IFSCA on the CKYCR Registry

IFSCA has issued a circular dated October 31, 2025, titled "Modifications under the International Financial Services Centres Authority (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022", *inter alia*, enabling Video-based Customer Identification Process (V-CIP) for onboarding of low-risk Non-Resident Indians from specified jurisdictions. The circular significantly strengthens and expands the V-CIP framework by permitting secure, technology-driven and paperless onboarding and periodic KYC updation through authorized officials of the regulated entity, its regulated financial group entities or KRAs. It broadens the range of permissible identification mechanisms to include offline and biometric Aadhaar authentication (including face authentication), CKYCR data, Digi Locker-based OVDs supported by enhanced cybersecurity, liveness, anti-fraud and anti-deep fake controls. Overall, the framework facilitates onboarding of low-risk NRI customers under a pilot approach, while enhancing customer convenience and ease of doing business without diluting regulatory safeguards.

Additionally, in a major compliance infrastructure upgrade, IFSCA has been included as a Regulator

on Central KYC Records Registry (CKYCRR), a centralized database for KYC managed by CERSAI, a subsidiary of the Reserve Bank of India. This enables IFSC Regulated Entities to register on CKYCRR portal and comply with the obligations to upload/ update/ download the client/ customer KYC records on CKYCRR portal as mandated under Rule 9 (1A) of the Prevention of Money-laundering (Maintenance of Records) Rules, 2005. This development significantly reduces duplication, enhances due diligence efficiency, and fortifies GIFT IFSC's AML/CFT architecture to align with global standards.

d) Enabling Fund Management Ecosystem through co-investment and platform play frameworks

This Pioneering Co-Investment Framework for Alternative Assets (May 21, 2025) framework enables Venture Capital Schemes and Restricted Schemes to co-invest alongside other market participants while leveraging at the SPV level. By streamlining Sections 12 and 13 of the IFSCA Act, the Authority has dismantled structural barriers, unleashing a new wave of institutional capital into high-growth opportunities and cementing GIFT IFSC's role as Asia's premier alternative investment destination.

Further, to position GIFT IFSC as a global hub for fund management activities, IFSCA has introduced a framework for Third-Party Fund Management Services, also popularly known as 'platform play'. The framework is aimed at enhancing operational flexibility and promoting global connectivity within the fund management ecosystem. To operationalise this framework, IFSCA has issued a Circular dated Sep 8, 2025, prescribing the fee structure applicable to FMEs that intend to offer third-party fund management services in the IFSC.

e) Notable International MoUs

IFSCA has signed Memoranda of Understanding (MoUs) with the Australian Securities and Investments Commission (ASIC), Australia, and the Financial Supervisory Commission (FSC), Taiwan. These inter-regulatory MoUs provide a structured framework for mutual cooperation, information exchange, and collaboration in identified areas of shared interests, with the objective of strengthening cross-border regulatory engagement and enhancing the development of financial market.

Table 17: Business Development Numbers (GIFT IFSC)

As on September 2025

S. No.	Parameter	Till Sept. End 2024	Till March End 2025	Till Sept. End 2025
1	Number of IFSCA Registrations ¹	687	864	1034
Banking Sector				
2	Total Number of Banks ²	28	29	35
3	Foreign Banks	12	13	18
4	Indian Banks	16	16	17
5	Global Administrative Office (GAO)	2	2	2
6	Total Banking Asset Size	\$70.92 Bn	\$88.51 Bn	\$100.14 Bn
7	Cumulative Banking Transactions	\$975.80 Bn	\$1243 Bn	\$1508 Bn
8	Cumulative OTC Derivative Transactions including NDF ³	\$982.12 Bn	\$1194 Bn	\$1351 Bn
Capital Market Sector				
8	Average Monthly turnover on IFSC Exchanges ⁴	\$95.81 Bn	\$91.70 Bn	\$94.49 Bn
9	Total Debt Listing on Exchanges	\$64.31 Bn	\$65.10 Bn	\$66.6 Bn
10	ESG labelled Debt Listing	\$13.93 Bn	\$15.43 Bn	\$14.3 Bn
Funds Industry				
11	Fund Management Entities	128	162	194
12	Total Funds/ Schemes	168	229	310
13	Total Commitments Raised	\$12.13 Bn	\$15.74 Bn	\$26.30 Bn
Insurance Sector				
14	Number of Insurance Firms & Brokers	37	45	52
15	Premium Written by IFSC Insurance Offices (IIOs) in IFSC	\$466.40 Mn	\$568.37 Mn	\$821.97 Mn
16	Premium transacted by IFSC Insurance Intermediary Offices (IIIOs) in IFSC	\$1137.34 Mn	\$1363.21 Mn	\$1578.18 Mn
Aircraft Leasing				
17	Registered Aircraft Lessors	27	30	33
18	Total Aviation Assets Leased	159	242	303
Ship Leasing				
19	Registered Ship Lessors	12	17	26
20	Total Ships Leased	12	18	28
Finance Company (Core & Non-Core including ITFS)				
21	Finance Company (Core and Non-Core)	09	14	17
22	ITFS ⁵ Platforms	4	4	4
Bullion Ecosystem				
23	Qualified Suppliers	28	37	40
24	Qualified Jewellers	143	167	185
25	Quantity of Gold Traded on IIBX (during the relevant quarter)	25429.30 kg	31999 kg	72.60 kg
26	Quantity of Silver traded on IIBX (during the relevant quarter)	42270 kg	0	0
Foreign Universities				
27	Number of Foreign Universities ⁶	2	3	5

1 including in-principle and/or provisional registrations

2 Excluding New Development Bank (NDB)

3 NDF refers to Non-Deliverable Forwards

5 Average of the last six months

5 International Trade Finance Services (ITFS)

6 Includes in-principle approvals

F. Regulatory Establishment

8.1 Securities and Exchange Board of India (SEBI), a statutory body established under the provisions of the Securities and Exchange Board of India Act, 1992 (15 of 1992) functions under the administrative domain of Regulatory Establishments Section, Financial Markets Division, DEA.

8.2 Regulatory Establishments Section handles the board-level appointments i.e. the appointment of Chairman and Members. During the period, Shri Sandip Pradhan, IRS (IT:1990), Director General of Income Tax (Investigation), Pune and Shri N. Venkatram, Country Chair, CDPQ India, CDPQ Global have been appointed as Whole Time Member, SEBI and Part-Time Member, SEBI respectively.

8.3 Securities Appellate Tribunal (SAT) is established

under Section 15K of the Securities and Exchange Board of India Act, 1992, to exercise the jurisdiction, powers and authority conferred on the Tribunal by or under the SEBI Act 1992, PFRDA Act 2013, Insurance Act 1938 and any other law for the time being in force.

8.4 The Securities Appellate Tribunal consists of a Presiding Officer, two Technical Members and a Judicial Member. At present, filling up the vacant post of Judicial Member in SAT is at advanced stage.

8.5 SAT is also the designated Tribunal to hear appeal cases against the orders passed by International Financial Services Centres Authority (IFSCA) for matters related to securities, insurance, and pension under the Acts mentioned above.

8.6 As on 31.12.2025, 1319 appeals are pending before SAT and its duration wise breakup is as follows: -

Table 18: Appeals Pending Before SAT

Category	Opening Balance	Cases filed	Total Cases	Disposed Cases	Pending Cases
SEBI	1055	573	1628	348	1280
IRDA	17	03	20	09	11
PFRDA	00	00	00	00	00
REVIEW	04	30	34	06	28
TOTAL	1076	606	1682	363	1319

G. Investor Grievances (IG)

9.1 The investors' grievances related to share market, stocks, mutual funds etc. are handled promptly and effectively. During the period from 01.04.2025 to 30.11.2025, out of 1,527 grievances received on the CPGRAMS Portal, 1,354 grievances have been disposed of.

4. Financial Stability Division

4.1 Financial Stability and Development Council

4.1.1 The Financial Stability and Development Council (FSDC) was set up by the Government of India as the apex level forum in December 2010 with a view to strengthening and institutionalising the mechanism for, inter-alia, maintaining financial stability, enhancing inter-regulatory coordination and promoting financial sector development. The Chairperson of the FSDC is the Finance Minister of India and its Members include Minister of State for Finance, the heads of the financial sector regulators and Secretaries of the relevant Ministries/ Departments of the Government of India.

4.1.2 The FSDC monitors macro-prudential supervision of the economy and deliberates on contextual issues covering financial stability, financial sector development, inter-regulatory coordination, financial literacy, financial inclusion, coordinating India's international interfaces with financial sector bodies like the Financial Action Task Force (FATF), Financial Stability Board (FSB) and other Standard Setting bodies (SSBs). The Financial Stability Division (erstwhile Financial Stability & Cyber Security), in the Department of Economic Affairs provides secretarial assistance to the FSDC. The Division Head in charge of Financial Stability Division, Department of Economic Affairs, Ministry of Finance, is the Member Secretary of the FSDC.

4.1.3 In FY 2025-26, FSDC held its 29th meeting on 10th June 2025 at Mumbai. In the 29th meeting, the FSDC, inter alia, deliberated on issues related to macro financial stability and India's preparedness to deal with them. In light of the analysis of cybersecurity regulations, sectoral preparedness, and the recommendations of Financial Sector Assessment Programme (FSAP) 2024-25, the FSDC considered strengthening the cyber resilience framework of the Indian financial sector through

a financial sector-specific cybersecurity strategy. The FSDC discussed issues relating to formulating a strategy for implementing the past decisions and the budget announcements, including establishing appropriate framework by regulators for evaluating and enhancing responsiveness of regulations and subsidiary instructions; to take necessary steps to reduce the unclaimed assets in the financial sector (banks deposits, dividends, shares, post office accounts, insurance and pension funds etc.) and the expeditious and seamless refund of such assets to rightful owners; prescribing common KYC norms, simplification and digitalization of the KYC process including digital onboarding for Non-Resident Indians (NRIs) including PIOs and OCIs, in the Indian securities market; analyzing trends in financing flows as part of strategy to increase the investment ratio taking measures to improve the reach and scope of factoring services and effective use of account aggregator networks.

4.1.4 The FSDC deliberated on the emerging trends from domestic and global macro-financial situation and stressed upon the need to be vigilant. The Council recognized the need for proactive efforts to mitigate potential risks to financial stability while adopting adequate safeguards for financial system's resilience. The members decided to strengthen the inter-regulatory coordination for wider development of the financial sector.

4.2 FSDC Sub-Committee (FSDC-SC)

4.2.1 The FSDC is supported by a Sub-Committee (FSDC-SC), chaired by the Governor, RBI. Excluding the Finance Minister (the Chair of the FSDC) and the Minister of State for Finance, all members of the FSDC are also the members of the FSDC-SC. Additionally, all four Deputy Governors (DGs) of RBI, and Secretary (FSDC), are also the members of the FSDC-SC. Executive Director of RBI, who is in-charge-of Financial Stability, is the Member Secretary, and the Financial Stability Unit (FSU) of RBI is the Secretariat for the FSDC-SC. The FSDC-SC has met 32 times so far.

4.2.2 In FY 2025-26, FSDC-SC held its 32nd meeting on 4th September 2025. The Sub-Committee reviewed major global and domestic macroeconomic and financial developments, issues of inter-regulatory coordination relating to the Indian financial sector activities of various technical groups under its purview. The minutes of the meeting had not been finalized as of the date the inputs were furnished.

4.2.3 Early Warning Group (EWG) is one of the Working Groups under the FSDC-SC, which coordinates the response of Government/Regulators in the time of a crisis. Regular meetings of EWG are chaired by various regulators (RBI, SEBI, IRDAI and PFRDA) with yearly rotation. For 2025-26, RBI is chairing the EWG meetings. In 2025-26 (April-November), EWG held 3 meetings, numbering from 45th to 47th, which took place on 18th

June, 26th August and 28th October 2025 respectively. Under the regular EWG meetings discussion inter-alia included agendas on Review of Action Taken Report (ATR), discussion on Financial System Vulnerabilities Monitoring Template, major developments since the last meeting, having a bearing on the risk outlook and any other discussion point with permission of the Chair.

4.3 Financial Stability Board (FSB)

4.3.1 The FSB is an international body established in April, 2009 under the aegis of G20 by bringing together the national financial authorities, standard setting bodies and international financial institutions. The FSB is responsible for undertaking vulnerabilities assessment, policy development and coordination, implementation monitoring, and acting as a compendium of standards for financial sector regulation and reforms in members' jurisdictions.

4.3.2 India, as a member of the FSB, remains committed to adoption of the priority and other areas of financial sector reforms and international standards in a phased manner, calibrated to local conditions wherever necessary. The Department of Economic Affairs (DEA) is the nodal point for India to coordinate with the FSB and all India-specific information are regularly provided in consultation with the financial sector regulators (namely, RBI, SEBI, IRDAI and PFRDA) while responding to various FSB questionnaires, surveys and reports. India also participates in the peer reviews, meetings and conference calls of the FSB and presents its views and comments as a member.

4.3.3 The Plenary is the sole decision-making body of the FSB, the Steering Committee provides operational guidance between Plenary meetings to carry forward the directions of the FSB and prepare the Plenary meetings in order to allow the Plenary to efficiently fulfil its mandate. There are four Standing Committees (SCs) with specific but complementary responsibilities in attaining FSB's objectives. These Standing Committees are (a) on Assessment of Vulnerabilities (SCAV)- for identifying and assessing risks in the financial system, (b) on Supervisory and Regulatory Cooperation (SRC) – for supervisory policy analysis for regulatory response to vulnerability, (c) on Standards Implementation (SCSI) – for monitoring and implementing the agreed FSB policy initiatives and international standards and (d) on Budget and Resources (SCBR) – for oversight of the FSB's resources and budget.

4.3.4 The Regional Consultative Group on Asia (RCG Asia) is one of the 6 regional groups established by FSB in 2011 to expand upon and formalise the FSB's outreach activities beyond the membership of the G20 and to reflect the global nature of the financial system through interaction with the nonmembers. Secretary (DEA) represents India in the FSB Plenary and in the two out of the four FSB standing Committees, namely, the SCSI

and SCBR. Secretary (DEA) also represents India in the Regional Consultative Group on Asia (RCG Asia). Chairperson, SEBI, and the Deputy Governor (DG), RBI are the other two members from India in FSB's forums. The DG (RBI) represents as a Member from India in the other two Standing Committees of FSB, namely SCAV and SRC. DG, RBI also represents India in the Steering Committee that provides operational guidance between Plenary meetings to carry forward the directions of the FSB, promotes coordination across the Standing Committees and coordinates and conducts reviews of the policy development work of the international standards setting bodies.

4.3.5 During the year 2025-26, meetings of the FSB Plenary were held on 11th June, 22nd September, and 18-19 November, 2025. SCSi virtual meetings were held on 4th June, 4th September and 25th -26th September, 2025. Besides, two in person meetings of the RCG Asia were held on 22nd-23rd May and 7th-8th October, 2025 respectively. All these meetings were attended by representatives of DEA at appropriate levels.

4.3.6 Under G20, South African Presidency continued working on the financial sector issues priorities taken forward from the earlier G20 Presidencies. Noteworthy progress has taken place under priorities like Crypto Assets, Cross Border Payments, etc. continuing from Indian Presidency, however much work needs to be done on areas like NBFi and Cyber security and their impact on financial stability. To support the work under South African Presidency, continuous engagement was maintained through various virtual meetings / conference calls of Plenary, SCSi, RCG, etc. and inputs on surveys and reports circulated by FSB were provided in consultation with the regulators from time to time.

4.3.7 In New Delhi Leader's Declaration of G20, FSB's recommendations to achieve greater convergence in cyber incident reporting, updates to the Cyber Lexicon and Concept Note for a Format for Incident Reporting Exchange (FIRE) were welcomed. Subsequently, FSB under the South African Presidency, published its final version in April 2025. The report highlights that FIRE provides a set of standardized information items and is designed in a way to maximize flexibility and interoperability. For jurisdictions without a standardized reporting framework, FIRE offers a strong foundation to build upon. Recognizing the value in harmonizing incident reporting across the financial sector, Indian Financial Sector Regulators are working to standardize incident reporting (IR) and reduce the compliance burden on regulated entities. However, since operational incidents frequently intersect with fraud events, compliance breaches, and information-risk reporting—and because reporting frameworks have evolved unevenly across the sector—achieving full segregation and standardization continues to be a major challenge.

4.3.8 Carrying forward from Indian Presidency, FSB is also actively pursuing the G20's Roadmap for enhancing cross-border payments under the current presidency to achieve global targets for faster, cheaper, more transparent and inclusive cross-border payments by 2027. In this respect FSB delivered its consolidated progress report in October 2025 which highlights that over the past year, several milestones have been achieved, marking the end of the major policy development initiatives. However, these efforts have not yet been translated into tangible improvements for end-users at the global level. The Key Performing Indicators (KPIs) for 2025 show only a slight improvement at the global level since the KPIs were first calculated in 2023. It is unlikely that satisfactory improvements at the global level will be achieved in line with the 2027 Roadmap timetable.

4.3.9 Since the G20's endorsement of the FSB's global regulatory framework for crypto assets in July 2023, the FSB and IMF have worked closely to promote and support its effective implementation. The latest Thematic Review on FSB Global Regulatory Framework for Crypto-asset Activities by FSB highlights that significant gaps and inconsistencies around developments in Crypto Markets and regulations thereby could pose risks to financial stability and to the development of a resilient digital asset ecosystem. Uneven implementation creates opportunities for regulatory arbitrage and complicates oversight of the inherently global and evolving crypto-asset market.

4.4 Financial Sector Assessment Programme (FSAP)

4.4.1 The Financial Sector Assessment Program (FSAP) is a quinquennial exercise jointly conducted by the IMF and the World Bank that involves a comprehensive and in-depth analysis of a country's financial sector to assess financial stability and financial sector development. For India, the third and the latest FSAP exercise concluded in 2025 after a full year of rigorous consultations with Ministries/Departments, Regulators, Private sector organisations, Standard setting bodies (SSBs), and other financial sector institutions. As per the practice, as a concluding part of the FSAP, the IMF came out with its Financial System Stability Assessment (FSSA) report on 28th February, 2025 and the World Bank published its Financial Sector Assessment (FSA) report 30th October, 2025.

4.4.2 Both the reports highlighted that India's financial system has become increasingly resilient, diversified, and inclusive since the last FSAP assessment in 2017. FSAP notes that overall, India's financial development is on par with peers. This is testified by India's total financial sector assets which stand at nearly 187 percent of GDP, despite multiple stress episodes and the COVID-19 pandemic. The FSAP results found that Banks and NBFCs, in aggregate, possess adequate capital buffers enabling them to support moderate credit growth even

under severe macro-financial stress scenarios. The authorities' efforts in expanding the regulatory perimeter to cooperative banks, tightening key prudential norms, reorganizing supervisory departments, and implementing scale-based regulation for NBFCs have been specifically acknowledged. Nevertheless, the reports note that realising India's aspiration of becoming a USD 30 trillion economy by 2047 will require continued momentum in financial sector reforms to catalyse private capital mobilisation. The IMF has, therefore, recommended adoption of IFRS 9, enforcement of Pillar 2 capital add-ons, and strengthened credit risk management. It also advises continued alignment of regulations for state-owned NBFCs with those for private NBFCs, ensuring compliance with liquidity rules, and introducing additional liquidity requirements based on business models.

4.4.3 With regard to capital markets, the reports observe that the overall size of Indian capital markets (equity, G-Secs, and corporate bonds) has risen from 144 percent of GDP in 2017 to around 175 percent of GDP in 2024. This growth has been supported by measures such as improved collateral management systems, enhanced business continuity provisions for investors, introduction of sustainability-related investment frameworks, strengthened liquidity requirements for mutual funds, and establishment of the Corporate Debt Market Development Fund (CDMDF). The equity market continues to dominate, followed by the G-Sec market and a smaller corporate bond market (approximately 130 percent, 60 percent, and 16 percent of GDP respectively, including multiple counting effects). To further deepen the market, the reports recommend focusing on credit enhancement structures, risk-sharing mechanisms, and securitization platforms.

4.4.4 India's world class Digital Public Infrastructure known as India Stack, and government programs have significantly improved access to a wider range of financial services for both men and women through seamless digital identity verification, fast payments, and data exchange. The FSA report of WB notes that credit flow to the MSME sector has improved, aided by reforms such as implementation of the Insolvency and Bankruptcy Code (IBC), the RBI regulated factoring platform (TReDS), and the Priority Sector Lending (PSL) framework. However, MSME financing remains constrained due to high collateral requirements, higher interest costs, and complex application processes. Various assessments place the credit gap in the range of 11 to 16 percent of GDP. To address these gaps, the WB recommends establishing a dedicated MSME Data Observatory and publishing granular MSME credit data, including demand-side indicators, to strengthen evidence-based policymaking.

4.4.5 Under Insurance sector, FSAP's graded assessment found an overall sound level of observance of Insurance Core Principles (ICPs). The government

and IRDAI have taken major steps towards building a robust regulatory and supervisory framework for insurers. This has been backed by robust licensing and certification processes, suitability requirements for key people and beneficial owners, and strong intervention and enforcement powers. The IRDAI has also established several information-sharing mechanisms with other domestic and foreign supervisors.

4.4.6 IMF also analyzed cyber security framework in banking sector, Financial Market Infrastructure (FMI), Critical Information Systems, and other relevant players in securities market. It found that Indian authorities have advanced cybersecurity risk oversight, especially for banks. However, IMF stated that extensive cybersecurity crisis simulations and stress tests for banks could be expanded for cross-sectoral and market-wide events to further strengthen cybersecurity resilience.

4.4.7 Overall, the recommendations from the 2024 FSAP aim to support continued strengthening of the structure, efficiency, and stability of the financial system. Many of the recommendations are consistent with the ongoing developmental agenda of the Government and financial sector regulators. India remains committed to adopting global best practices in a calibrated and context-appropriate manner, aligned with the country's developmental priorities and macro-economic conditions.

Cyber Security Division

1. Computer Security Incident Response Team-Finance Sector (CSIRT-Fin)

1.1 The Computer Security Incident Response Team-Finance Sector (CSIRT-Fin) has been set up on 15th May 2020 as a unit of the Indian Computer Emergency Response Team (CERT-In) within the Ministry of Electronics and Information Technology (MeitY). CSIRT-Fin is responsible for coordinating and supporting the response to cybersecurity events or incidents within the financial sector. CSIRT-Fin is the incident response force which focuses on mitigation processes, providing on-site awareness, expertise, and recovery oversight. CERT-In provides the requisite leadership for the operations of CSIRT-Fin under its umbrella. The strategic direction is provided through a strategic advisory committee co-chaired by Secretary (DEA) and Secretary (MeitY) having representation from DEA, Department of Financial Services, National Security Council Secretariat, CERT-IN, National Critical Information Infrastructure Protection Centre and financial sector regulators.

1.2 The snapshot of activities performed by CSIRT-Fin this year, is as follows: a. Handling of security incidents in collaboration with CERT-In which included security incidents related to vulnerable services, botnets, open services and phishing incidents. Entities have also been onboarded to CERT-In's Cyber Swachhta Kendra (CSK) for providing automated feeds regarding malware

infections, botnets and vulnerable services. b. Issuing of vulnerability notes and virus alerts along with CERT-In. c. Tailored threat intelligence alerts for proactive measures were sent to financial sector constituency and Entities have been on boarded on CERT-In's threat intel platform. d. Capacity building focuses on enhancing the skills and knowledge of the users regarding cybersecurity. This includes regular training sessions, awareness programs, and the development of specialized teams equipped to handle cyber threats.

1.3 CSIRT-Fin, CERT-In, National Institute of Securities Markets (NISM), Information Security Education and Awareness (ISEA) and C-DAC, Hyderabad are conducting a certification program on "Cyber Security Foundation Course" through learning management system platform for all interested/working in the financial sector/ Securities Markets.

1.4 The Indian Computer Emergency Response Team (CERT-In), along with SISA and CSIRT-Fin, released the Digital Threat Report 2024 for the Banking, Financial Services, and Insurance (BFSI) sector. This collaborative report analyzes current and emerging cyber threats, providing insights to strengthen cybersecurity in India's financial sector, which is crucial for its growing digital economy.

1.5 CSIRT-FIN in collaboration with NABARD and RBI, conducted focused cybersecurity awareness and sensitization programmes across the year for the various co-operative and rural banks. These sessions addressed the current cyber threat landscape and specific types of cyber-incidents observed in these organizations. Participants were briefed on the recent attack trends, effective incident response mechanisms, and best practices for strengthening organizational cyber hygiene. The initiative is aimed at fostering sustained resilience and enhancing the overall security posture of these institutions. a. Technical Cybersecurity Audits involve systematic evaluations of an organization's cybersecurity policies, practices, and infrastructure to identify vulnerabilities and ensure compliance with regulatory standards. Regular audits help uncover weaknesses before they can be exploited by malicious actors. b. Mock drills were conducted by CERT-In and CSIRT-Fin to simulate cyberattack scenarios to test the preparedness and response capabilities of the organization. These drills are crucial for identifying gaps in the incident response plan, training officers, and refining procedures to ensure a swift and effective reaction to real threats. c. International collaboration in cybersecurity is vital due to the borderless nature of cyber threats, which can originate from any part of the world and impact multiple countries simultaneously. Coordinated efforts across nations enhance the ability to detect, respond to, and mitigate cyberattacks by sharing critical threat intelligence and best practices. CSIRT-Fin has been actively participating in BRICS Rapid Information Security Channel (BRISC) formed as part of BRICS

cooperation in the sphere of information security in the banking and finance sector.

2. Critical Information Infrastructure (CII) identification in Financial Sector

2.1 The CS Division of DEA collaborates regularly with the National Critical Information Infrastructure Protection Centre (NCIIPC), and financial sector regulators and Government Departments to identify critical information infrastructure (CII) in the financial sector, the incapacitation or destruction of which shall have a debilitating impact on national security, economy, public health or safety. The CS Division also coordinates the declaration of systemic important CIIs as "protected systems". In accordance with NCIIPC recommendations, the protected systems must apply a higher level of security measures, hence, must comply with Information Technology (Information Security Practices and Procedures for Protected System) Rules 2018 to ensure that the CIIs are effectively secured.

2.2 During the year 2024-25, CIIs and its dependent computer resources hosted by Bank of Maharashtra, IndusInd Bank, RBL Bank, Federal Bank, Indian Overseas Bank, Central Board of Direct Taxes (CBDT), UCO Bank, City Union Bank, Karur Vysya Bank, Karnataka Bank, and IDFC First Bank have been declared as "Protected Systems". During the year 2025-26, CIIs and its dependent computer resources hosted by South Indian Bank, Jammu & Kashmir Bank, Tamilnad Mercantile Bank, Punjab & Sind Bank, Bandhan Bank, and Public Financial Management System (PFMS). In addition, the identification procedure has been expedited, and a sizeable number of information technology (IT) systems in the BFSI sector have been notified as CIIs. The process of CIIs identification in the financial sector and further assessment for validation of "Protected Systems" after every two years is ongoing. Further, continuous coordination with relevant agencies and the financial sector regulators was done through virtual meetings and onsite visits to strengthen the cyber resilience of the financial sector.

3. Financial Sector Cyber Security Strategy

The Financial Stability and Development Council (FSDC), in its 29th meeting held on 10 June 2025, emphasised the requirement for a dedicated Cyber Security Strategy for the Indian financial sector. The objective is to address inter-regulatory gaps, strengthen supervisory oversight, and harmonise regulatory standards in alignment with the forthcoming National Cyber Security Strategy and relevant international benchmarks.

Accordingly, the Inter-Ministerial Group (IMG) on Financial Sector Cyber Security Strategy was constituted with the approval of the Hon'ble Finance Minister. The first meeting was held on 28 November 2025. The IMG will function as a coordinated platform

for policy deliberation and structured recommendation. It has decided to constitute five thematic Sub-Groups for focused examination and formulation of actionable recommendations.

4. Chief Information Security Officer (CISO)

The Division is strengthening the cyber security framework within the Department of Economic Affairs (DEA). Coordination is being undertaken with concerned Divisions and Departments to secure IT applications through implementation of the Cyber Crisis Management Plan and related measures, as prescribed by CERT-In, Ministry of Electronics and Information Technology, and Ministry of Home Affairs.

DEFT Division

1. The Digital Economy and FinTech – I (DEFT-I) Section has been actively engaged in the initiatives aimed at enhancing the digital economy, through the promotion of financial technology (FinTech) for inclusive and sustainable growth. This Section identifies the gaps and policy interventions required for the Digital Economy and FinTech sector for promoting digital payments, simplification of KYC (Know Your Customer) in financial sector, bringing efficiencies in cross-border payments, taking Account Aggregator to population scale, bridging the credit gap in MSME through digital lending, Digital Public Infrastructure (DPI) in Financial Sector and DPI internationalisation etc. Extensive international collaborations in Fintech sector are also undertaken to grow India's contribution in the Global Digital Economy.

2. The section is also involved in all government-to-government discussions for taking Unified Payment Interface (UPI) global. The discussions are either to share the UPI stack for building digital payment infrastructure for the countries without a fast payment system or to create interoperability of UPI with other countries fast payment system for mutual acceptance at merchant establishments or to create a cross-border remittance corridor. Currently, the UPI is accepted at merchant establishments Bhutan, France, Mauritius, Nepal, Singapore, Sri Lanka, Qatar and the UAE. UPI-PayNow interlinkage has also been established to facilitate cross-border remittance between India and Singapore. Furthermore, the section is also coordinating with the RBI for bringing efficiencies in the cross-border payments for collaboration in Central Bank Digital Currencies (CBDC).

3. This section is the secretariat for three Joint Working Groups (JWGs) with Philippines, Singapore, and the United Kingdom to enhance collaboration in the FinTech sector. These Fintech JWG's aim to engage relevant stakeholders and promote advancements in digital payment connectivity and financial technology.

- a. The India- Singapore Joint Working Group (JWG) has been convened sixth time in August 2024, focusing on various aspects of FinTech cooperation. Key topics of discussion, among

others, included the scaling up usage of UPI-Pay. Now interlinkage and UPI acceptance in Singaporean merchant establishment for boosting travel, tourism and commerce. The JWG's also discussed issues regarding various emerging fintech trends, regulatory cooperation and enhancing SME trade connectivity.

- b. The inaugural meeting of the Joint Working Group (JWG) between India and the Philippines was held in September 2024. The stakeholders engaged in discussions on several agenda items. These included sharing experiences on policies, regulations, and FinTech initiatives, which aims to enhance understanding and cooperation in financial technology. The meeting also explored collaboration on digital payments and financial inclusion, emphasizing the importance of making financial services accessible to all. Another critical area of discussion was promoting cooperation between FinTech firms, potentially leading to innovative partnerships and solutions. The meeting addressed cybersecurity and financial frauds, highlighting the need for measures to protect financial systems.
- c. The first roundtable meeting of the India-UK Payment Roundtable has taken place in October 2024. The meeting successfully brought together key stakeholders to discuss critical topics on the payments landscape in both the countries. Participants engaged in meaningful discussions on UK payments priorities, the evolving retail payments landscape in India, and the internationalization of UPI. The meeting also included valuable insights from Project Nexus, fostering an environment of collaboration and knowledge sharing.

4. Digital Economy and FinTech – II (DEFT-II) : In the Union Budget 2022-23, the Finance Minister announced the introduction of the Central Bank Digital Currency (CBDC), known as the Digital Rupee or e₹, with the objective of giving a boost to the digital economy and creating a more efficient and cost-effective currency management system. To enable this, the Reserve Bank of India (RBI) Act, 1934, was amended to expand the definition of 'bank note' to include currency in digital form. The Digital Rupee is a legal tender issued by the RBI in a digital format, fully exchangeable at par with physical currency. The RBI launched the e₹-Wholesale (e₹-W) and e₹-Retail (e₹-R) pilot on November 1, 2022 and December 1, 2022 respectively. The key motivations for exploring the issuance of CBDC in India among others included moving to a less cash economy, reduction in production and operational costs involved in physical cash management, fostering financial inclusion, bringing resilience to payments, adding efficiency to the settlement system, boosting innovation in cross-border payments.

5. Financial Sector Reforms and Legislation Division

5.1 Brief on FSRL Division:

5.1.1 FSRL Division deals with the task of examination of the Financial Sector Legislative Reforms Commission (FSLRC) Report and implementation of its recommendations. The Division initiates the policy and legislative proposals in tune with the recommendations of the FSLRC and other financial standard setting bodies, as accepted by the Government by engaging the concerned stakeholders, regulators, Ministries, and public in the consultative process.

5.2 Appointment of Monetary Policy Committee Members

5.2.1 As per the provision of section 45ZB of the RBI Act, 1934, out of the six Members of Monetary Policy Committee, three Members will be from the RBI and the other three Members of Monetary Policy Committee (MPC) will be appointed by the Central Government. Accordingly, the MPC was re-constituted and notified in the Gazette of India Extraordinary dated October 1, 2024, as follows:

- (a) Governor of the Reserve Bank of India — Chairperson, ex officio.
- (b) Deputy Governor of the Reserve Bank of India, in charge of Monetary Policy — Member, ex officio;
- (c) One officer of the Reserve Bank of India to be nominated by the Central Board — Member, ex officio.
- (d) Prof. Ram Singh, Director, Delhi School of Economics, University of Delhi — Member.
- (e) Shri Saugata Bhattacharya, Economist — Member; and
- (f) Dr. Nagesh Kumar, Director and Chief Executive, Institute for Studies in Industrial Development, New Delhi — Member.

The external members of the Monetary Policy Committee referred to in subparagraphs (d) to (f) shall serve for a period of four years from the date of their appointment or until further orders, whichever is earlier.

6. Infrastructure Finance Secretariat

Infrastructure Finance Secretariat (IFS) is headed by Dr. Alok Tiwari, Joint Secretary. The IFS comprises two divisions, namely:

- Infrastructure Policy & Planning (IPP) Division
- Infrastructure Support and Development (ISD) Division

6.1 Infrastructure Policy & Planning (IPP) Division

Infrastructure Policy & Planning (IPP) Division has the following Units:

Finance Unit (FU)

Policy & Planning Unit (PPU)

Capacity Building Unit (CBU)

Each Unit is headed by Director/Deputy Secretary/ Joint Director and assisted by Deputy Director/Assistant Director etc.

6.1.1 Finance Unit (FU)

Major Functions:

6.1.1(a) Finance Unit deals with financing requirements of infrastructure including conceiving new initiatives related to infrastructure financing and promotion of investment in infrastructure sectors. The Unit deals with:

1. Financial Sector Reforms for long-term availability of financing from Domestic sources & Foreign capital, Development Finance Institutions and Financial Markets.
2. Infrastructure Financing from Fiscal resources, PSE's IEBR and Private sector.
3. Matters related to infrastructure financing, including development of Infrastructure Instruments and promotion of investments in infrastructure sectors.
4. Matters relating to Infrastructure Debt Funds (IDFs), Real Estate Investment Trusts (REITs)/ Infrastructure Investment Trust (InvITs), Tax Free Bonds, Municipal Bonds, Sovereign Green Bonds and other instruments meant for infrastructure financing.
5. Matters relating to Credit Enhancement of Infrastructure Projects and New Credit Rating System for Infrastructure.
6. All International engagement on infrastructure financing (other than PPPs).

7. Matters relating to issues of Municipal Bonds by Urban Local Bodies (ULBs) for PPP and Non-PPP Projects.
8. Matters relating to Infrastructure Working Group (IWG) of G-20.
9. Matters relating to meetings of Board of Directors of IIFCL, AIAHL, HUDCO as JS (IPP) is Government nominee Director

6.1.1(b) Major Policy Initiatives/ Achievements:

6.1.1(b)(i) G20 Infrastructure Working Group (G20-IWG)

Infrastructure Working Group (IWG) is a working group under the G20 Finance Track that drives G20's infrastructure agenda. The IWG deliberates on various aspects of infrastructure related topics. The working group is co-chaired by Australia and Brazil.

The Finance Unit collaborated with the G20 South African Presidency in the Infrastructure Working Group (IWG) to advance the following flagship priorities:

1. Developing an Investable Infrastructure Pipeline.
2. Scaling up Sustainable Infrastructure through Blended Finance Approaches; and
3. Delivering Cross-Border Infrastructure for Regional Development.

The IWG arrived at consensus and endorsed the deliverables pertaining to these priorities.

6.1.1(b)(ii) Real Estate Investment Trusts (REITs) Infrastructure Investment Trust (InvITs)

REITs/ InvITs are trust-based structures that maximize returns through efficient tax pass-through and improved governance structures. Guidelines/Regulations for InvITs and REITs were notified by SEBI on 26 September 2014. SEBI regulations permit InvITs/REITs to have a single tier structure comprising the Trust and Special Purpose Vehicle (SPV) or a two-tier structure comprising the Trust, Holdco (Holding Company) and SPV. Presently, there are 29 registered InvIT's with SEBI. InvITs have raised cumulative funds of about Rs 1,46,101 crores¹ till date either through public issue, private placement, or rights issue. Similarly, total 7 REITs are registered with SEBI. REITs have raised cumulative funds of about Rs 29,368 crores¹ in the commercial real estate segment through public issue.

6.1.1(b)(iii) Infrastructure Debt Funds (IDFs)

IDFs were created essentially to act as vehicles for refinancing existing debt of infrastructure companies,

thereby creating fresh headroom for banks to lend to fresh infrastructure projects. IDFs were expected to channelize long term funds from insurance and pension funds, sovereign wealth funds etc to supplement lending for infrastructure projects by commercial banks which are increasingly being constrained by their asset-liability mismatch and exposure limits.

IDFs are set up by sponsoring entities either as NBFCs – which are regulated by the RBI and as Mutual Funds which are regulated by SEBI. As on date, three IDFs under NBFC route are in operation.

6.1.1(b)(iv) Sovereign Green Bond Framework

The Government of India has taken a number of measures to combat climate change, along with growth and development aspirations, to create a climate-resilient and inclusive society. The Union Budget 2022-23 announced that the Sovereign Green Bonds will be issued for mobilizing resources for green infrastructure. The proceeds from the issue were to be deployed in public sector projects that help reduce the intensity of the economy's emissions.

In FY 2022-23, FY 2023-24 and FY 2024-25, the Government of India raised ₹16,000 crores, ₹20,000 crores and ₹21,697.40 crores respectively, through the issuance of Sovereign Green Bonds (SGrBs). In FY 2025-26, resources mobilised through SGrBs are ₹15,000 crores. The proceeds from these bonds are allocated under the eligible green schemes/projects of the various Ministries/Departments, which help in reducing the economy's carbon intensity, as per the Framework of Sovereign Green Bonds.

6.1.2 Policy & Planning Unit (PPU)

6.1.2(a) Major Functions:

1. Infrastructure Investment Policy
2. Institutional Mechanism on the Harmonized Master List of Infrastructure Sub-sectors
3. Sectoral charge of Ministries/Departments:
 - M/o Ports, Shipping & Waterways,
 - M/o Civil Aviation,
 - M/o Railways,
 - M/o Housing and Urban Affairs,
 - Dept. Of Telecommunications,
 - Dept. Of Posts,
 - Ministry of Information and Broadcasting, and
 - M/o Road Transport & Highways,

1. SEBI Website

4. Analysing non-PPP investment proposals concerning
 - Ports, Shipping, Inland Water Transport,
 - Railways,
 - Telecommunications,
 - Civil Aviation,
 - Information and Broadcasting,
 - Posts,
 - Urban Development sectors,
 - Road Transport & Highways,
5. Institutions:
 - National Industrial Corridor Development and Implementation Trust (NICDIT)
 - National Highways Authority of India (NHAI),
 - Digital Communications Commission (erstwhile Telecom Commission),
 - National Industrial Corridor Development Corporation (NICDC) Limited (erstwhile Delhi Mumbai Industrial Corridor Development Corporation (DMICDC) Limited),

6.1.2(b) Major Policy Initiatives/ Achievement:

6.1.2(b)(i) Harmonized Master List of Infrastructure Sub-sectors

On 19th September 2025, under the Category of “Transport and Logistics” a new infrastructure sub sector was added as “Large Ships” with definition as under:

“Large Ships” means Commercial Vessels having a gross tonnage of ten thousand or more, which are under Indian ownership and flag, OR

Commercial vessels having a gross tonnage of one thousand five hundred or more, which are built in India and are under Indian ownership and flag.”

6.1.2(b)(ii) Accelerating capital expenditure by Infrastructure Ministries

As part of Viksit Bharat 2047, the Centre has stressed upon the importance of increasing capital expenditure to crowd-in private investments and enable extraordinary increase in the economic growth.

As per the Budget 2025–26, Capital Expenditure is estimated at ₹11,21,090 crore, of which ₹7,82,079 crore has been incurred up to December 2025; in addition, Grants-in-Aid for creation of capital assets are estimated at ₹4,27,192 crore, against which ₹1,77,631 crore has been released till December, 2025, taking

the Government's Effective Capital Expenditure to ₹9,59,710 crore, out of the total budgetary estimates of ₹15,48,282 crore, underscoring its strong commitment to infrastructure development.

This substantial investment in large-scale public infrastructure projects aims to stimulate economic growth, generate employment, and enhance long-term productivity through its significant multiplier effects. By addressing critical gaps in infrastructure and creating opportunities for private sector participation, the government's focused approach is set to drive comprehensive and sustainable economic progress.

6.1.2(b)(iii) Infrastructure Investment Proposals

A total of 46 CCEA/Cabinet/GoM Notes, 23 PIB/ EFC Memorandum, 82 SFC/DIB Memorandum and 11 MoUs/Twin agreements/Miscellaneous matters received from line Ministries/Departments i.e. MoRTH, MoHUA, M/o Shipping, M/o Railways, DoT, MoCA, MoI&B, DoNER and Dept. of Posts have been examined. All these Investment Proposals were related to a number of infrastructural projects, implementation of which would play an important role in improvement in the infrastructure and would automatically bring socio-economic growth in the region where the project would be implemented.

6.1.3 Capacity Building Unit (CBU)

6.1.3(a) Major Functions:

Capacity Building Unit (CBU) is entrusted with the work related to Capacity Building in Central Ministries/ State Governments and other Agencies through trainings/ workshops/seminars for project preparation, design and structuring, project appraisal, project financing, pre-project activities, procurement, implementation planning and management etc.

Considering the need for a larger programmatic approach to improve capacity it is desirable to provide training/workshop for officials executing projects and drafting concessions/contracts etc. in order to have rigorous understanding of the frameworks, principles, regulations guiding our Infrastructure ecosystem. Such a programmatic training design is required to not only enhance the appraisal of capacity of the officials working at the ground level but also support in better conceptualization and structuring of projects. This becomes much more important for Public Private Partnership (PPP) projects where expertise is required in areas such as PPP Structuring, Project Appraisal and Approval Process, Value for money, cost benefit analysis, Project Selection approaches, Data analysis and Legal bidding clauses etc.

The capacity building programmes are also instrumental in stirring necessary dialogue between Ministries and State Governments to learn from pitfalls and success of each other's project experiences.

6.1.3(b) Major Policy Initiatives/ Achievement:

This financial year (i.e. 2025-26) as till 31st December 2025, 8 offline training programs have been conducted by CBU, DEA in association with AJNIFM, Faridabad. A total of 300 officers from central ministries, CPSEs, state governments, and union territories from across the country have participated in these trainings.

E-course - Further for broader outreach and greater effectiveness of its capacity building initiatives, CBU has collaborated with the Capacity Building Commission (CBC) to develop twenty-one (21) sector-specific and sector-agnostic e-courses pertaining to the infrastructure sector. Till date Eight (8) e-course viz. Project Finance; Financial and Debt Markets in India; Municipal Bonds; Project feasibility and bankability; Structured Finance Instruments and Asset Monetisation; Infrastructure Financing in Roads and Highways; Financial Instruments and Models; and Infrastructure Financing are onboarded on i-Got Karmayogi Platform. Further an e-course on “Public Private Partnership (PPP) – Beginner” developed by DEA is also available on the i-GOT Karmayogi platform. Till date, in total 26677 officers from various Ministries/Departments/Organisations across the country have enrolled for the said 9 e-courses.

Conducted a knowledge sharing session on Public-Private Partnerships (PPP) with UAE, Ministry of Finance - On the request of UAE(MoF), Infrastructure Finance Secretariat, Department of Economic Affairs (DEA) conducted knowledge exchange session on Public-Private Partnerships (PPP) for two days i.e. from 29th to 30th, September 2025. We shared our PPP experience with them. As per inputs from the Ministry of External Affairs (MEA), the UAE has recently established a dedicated PPP Unit to strengthen collaboration with the private sector in infrastructure and key sectors. Therefore, the visit aimed to gain insights into the Government of India's PPP frameworks, including project screening, feasibility studies, governance, risk allocation, and capacity building.

6.2 Infrastructure Support and Development Division (ISD Division)

Infrastructure Support and Development Division, a part of the Infrastructure Finance Secretariat in DEA, deals with initiatives for promotion of investment in infrastructure development in the country, creation of an enabling environment for private sector investment in infrastructure through Public Private Partnerships (PPPs), etc. The Division has the following Units: Private Investment Unit, Energy Unit and NIP Facilitation Unit. Each Unit is headed by a Adviser/Director/Deputy Secretary/ Joint Director and assisted by an Under Secretary/ Deputy Director.

6.2.1 PPP Pipeline Facilitation Unit

Major functions of PPP Pipeline Facilitation Unit, inter alia, include the following:

1. Implementation of recommendations of Core Group of Secretaries on Asset Monetization (CGAM) and other meetings on NMP;
2. Monitoring of performance of Ministries/ Departments on National Monetisation Pipeline (NMP);
3. General reform Initiatives for creating an enabling eco system for increased private sector participation in infrastructure development;
4. Country Charge of West Asian Countries of Iran, Cyprus, Jordan, Lebanon, Syria and Yemen.;
5. State charge of Maharashtra and Gujarat
6. Co-ordination work within the Division, etc;

6.2.2 Private Investment Unit (PIU)

Major Functions of PIU, inter alia, include the following:

1. Matters relating to appraisal and approval of Central sector PPP projects.
2. Matters and proposals relating to clearance by Public Private Partnership Appraisal Committee (PPPAC).
3. Matters and proposals relating to the Scheme for Financial support to Public Private Partnerships in Infrastructure (Viability Gap Funding (VGF)) Scheme.
4. Matters and proposals relating to the scheme for India Infrastructure Project Development Fund (IIPDF).
5. Developing multi-pronged and innovative interventions and support mechanisms for facilitating PPPs in the country, including Technical Assistance and programmes from bilateral/multilateral agencies on mainstreaming PPPs and support to State and local governments.
6. Managing training programs, strategies, exposures for capacity building for PPPs and other matters relating to institution building for mainstreaming PPPs.
7. All International interfaces on PPPs & other matters concerning PPPs including BRICS Taskforce on PPP and Infrastructure.
8. Matters relating to management of PPP related information, including www.pppinindia.gov.in.

6.2.2(a) Major Policy Initiatives/ Achievements of PIU**1. Financial support to Public Private Partnerships in Infrastructure (VGF Scheme)**

- (i) Introduced by DEA in 2006, the Financial Support to Public Private Partnerships in Infrastructure (Viability Gap Funding) Scheme provides financial assistance to economically desirable but commercially unviable PPP projects. Economic sector projects may receive up to 40% of capital expenditure (Capex) as a VGF grant, while social sector projects are eligible for grant up to 80% of Capex and 50% of operational expenditure (Opex) for five years post-commercial operations.
- (ii) Social Sector projects get VGF under two schemes: Sub-scheme-1: Supports projects in sectors like wastewater treatment, water supply, and solid waste management with at least 100% operational cost recovery. Funding includes up to 30% of Capex by the Government of India (GoI) and an additional 30% by Project Sponsoring Authority. Sub-scheme-2: Focuses on pilot projects in health and education sectors requiring at least 50% operational cost recovery. GoI provides up to 40% of Capex and 25% of Opex for the first five years of operations and the same may also be matched by the Project Sponsoring Authority.
- (iii) Under the Viability Gap Funding (VGF) Scheme, a total of 72 projects has been approved, with a GoI VGF of ₹ 7,941.838 crore sanctioned (till 4 December, 2025). Of this, ₹ 6,314.86 crore has been disbursed.

2. Public Private Partnership Appraisal Committee (PPPAC)

The Public Private Partnership Appraisal Committee (PPPAC) serves as the apex body for appraising PPP projects in the central sector. Its streamlined appraisal mechanism is designed to ensure timely evaluation, eliminate delays, incorporate international best practices, and standardize processes. Chaired by the Secretary, Department of Economic Affairs (DEA), its members include Secretaries from the Department of Expenditure and Department of Legal Affairs, the sponsoring ministry/department, and the CEO of NITI Aayog. From 2014-15 to 2024-25 (till 4 December, 2025), the PPPAC has recommended 129 projects with a total project cost (TPC) of ₹ 5,60,965.71 crore.

3. PPP project pipeline:

In implementation of the Para 52 of the Union Budget 2025-26, a 3-year PPP project pipeline has been

created. The PPP project pipeline comprises 852 projects across Central Infrastructure Ministries and States/Union Territories with a combined total project cost over Rs. 17 lakh crore.

4. PPP Policy-related measures:

To strengthen the PPP ecosystem in the country, IFS and ISD in the Department of Economic Affairs (DEA) has undertaken several initiatives between June 2024 to December 2025. These efforts are designed to address the diverse needs of stakeholders involved in PPP transactions and aim to enhance the efficiency, transparency, and effectiveness of the PPP framework. The initiatives focus on building the in-house capacity of officials to manage PPP projects, introducing necessary standardization, and fostering a disciplined and structured approach to PPPs. Key initiatives include:

- Model Request for Proposal (RfP) for the single-stage bid process has been notified to streamline the procurement process and ensure standardisation.
- Reference Guide for Optimal Risk Allocation has been published to assist Project Sponsoring Authorities (PSAs) and other stakeholders by providing a detailed framework for risk allocation, balancing, and potential risk mitigation strategies in PPP projects.
- National Infrastructure Enablement Index (NIE-I) has been developed to assess the institutional preparedness of States/UTs and Central Ministries/Departments.
- **Reference Guide for Concession Principles in Public Private Partnership Projects** has been published, to assist Project Sponsoring Authorities (PSAs) and other stakeholders by providing standard concession structures, key risk-allocation principles, and suggested drafting approaches for common contractual provisions.

5. Knowledge dissemination and promoting Cooperative Federalism

- a. Till December 2025, for Handholding Central Ministries and State Governments, officers/officials dealing with PPP matters in structuring PPP projects, four PPP structuring Toolkit workshops were organised. These workshops covered sectors such as Roads and Highways, Solid Waste Management, Waste Management, Water and Sanitation and Ports. These workshops were conducted in person, imparting training to a total of hundred plus officers/officials. In addition, one regional workshop was organised in collaboration with the British High Commission in Vijayawada, respectively in which more than 100

officers/officials participated. These workshops disseminated knowledge on PPP, provided focused advisory inputs to build sector-specific PPP pipelines while increasing awareness among state government officials and deepening their understanding of best practices, financing strategies, and policy frameworks.

- b. Launched in 2023, the Public Private Partnership (PPP) Beginner's e-course is designed to cater to a diverse audience seeking to understand and engage with PPPs. It offers a comprehensive curriculum covering a wide range of PPP-related topics, with a strong emphasis on practical insights derived from 51 real-world case studies. The course has garnered significant interest, with over 2,500 participants from various sectors, and has been widely recognized for its in-depth content and practical applicability to real-world scenarios.
- c. A delegation of senior officers visited Sri Lanka to disseminate knowledge on developing a robust PPP framework. The engagement aimed to share India's experience in implementing PPPs and to deepen bilateral collaboration in a structured and strategic manner.

6. **Financial Support for Project Development Expenses of PPP Projects [India Infrastructure Project Development Fund (IIPDF) Scheme]:**

The India Infrastructure Project Development Fund (IIPDF) Scheme, notified on 3 November 2022, aims to support Central and State Government authorities in developing quality PPP projects by funding transaction advisers to create a pipeline of viable, bankable projects. With a total outlay of ₹150 crore for FY23-FY25, the scheme funds up to ₹5 crore per proposal (including taxes) for consultant and transaction advisor costs, with additional expenses borne by the sponsoring authority. Funding is non-recoverable. Under this scheme (till December, 25), a total of 31 proposals amounting to Rs. 64.13 Cr have been approved. The approved portfolio demonstrates the Scheme's versatility, encompassing projects as varied as a medical college in Namsai (Arunachal Pradesh); tourist complexes in Punjab; a dedicated PPP cell in Tripura and Andhra Pradesh; a passenger ropeway in Himachal Pradesh; a floating solar-photovoltaic plant in Andhra Pradesh; a fintech centre of excellence with integrated student-and-faculty facilities at IIM Mumbai; eco-tourism resorts in the Andaman & Nicobar Islands; a hydro-electric power project in Mizoram; and housing units for the Delhi Police and projects in Kashmir.

7. **Investment Division**

Investment Division comprises of following four sections:

- A. Foreign Direct Investment & Overseas Direct Investment Policy (FDI & ODI) Section
- B. Domestic Investment (DI) Section
- C. International Investment Treaties and Framework (IITF) Section and
- D. Foreign Trade & Services (FT) Section

The major functions of the Investment Division are as under:

- i. To provide policy support on Foreign/ Domestic Investment policies including new policy initiatives in Foreign Direct Investment/ Domestic Investment Policy besides FDI/DI policy clarifications & related matters.
- ii. To negotiate and conclude Bilateral Investment Treaties (BITs) and Investment Chapter of Free Trade Agreements (FTAs)/ Comprehensive Economic Cooperation Agreement (CECA)/ Comprehensive Economic Partnership Agreement (CEPA) with other countries on the basis of the revised Model Bilateral Investment Treaty (BIT) Text which was approved by the Cabinet on 16th December, 2015 and to also handle the Investor State Dispute Settlement (ISDS) notices/cases arising out from BITs/ FTAs signed with foreign countries as a nodal Department in GOI.
- iii. Matter related to equity investments from both domestic and international sources for infrastructure development in commercially viable projects, both greenfield and brownfield, including stalled projects through National Investment and Infrastructure Fund, works relating to SWAMIH Fund-I.
- iv. Foreign Exchange aspect related to Gold including Gold Monetisation Scheme, Indian Gold Coins etc.
- v. To coordinate with Ministry of Steel, Ministry of Textiles, Department of Chemical and Petro Chemicals, Department of Investment and Public Asset Management (DIPAM), Department for Promotion of Industry & Internal Trade (DPIIT), Department of Public Enterprises (DPE), Ministry of Micro, Small & Medium Enterprises (MSME), Department of Commerce and Ministry of Heavy Industry on economic issues and also offering them comments/suggestions on various matters as per need of the Indian economy. This Division has the external territorial charge of Central and South American Nations.

A. Foreign Direct Investment & Overseas Direct Investment Policy (FDI & ODI) Section

The function of this section is to provide policy support on foreign investment policies including new policy initiatives in Foreign Direct Investment and FDI policy clarifications & related matters along with processing of FDI proposal(s) received in D/o Economic Affairs. This section co-ordinates with DPIIT, D/o Revenue, RBI and SEBI on foreign investment issues and also offers them comments/suggestions on any amendment in FDI policy. It also suggests measures for improving investment environment in India with respect to FDI policy. This section also publishes Overseas Direct Investment outflows data across sectors and countries on DEA's website on monthly basis.

DEA is entrusted with the approval/examination of FDI proposals (as per the FDI Policy, 2020) for:

- i. "Financial services which are not regulated by any Financial Sector Regulator or where only part of the financial services activity is regulated or where there is doubt regarding the regulatory oversight"; and
- ii. Applications for foreign investment into a Core Investment Company or an Indian company engaged only in the activity of investing in the capital of other Indian company/companies.

To promote Foreign Direct Investment, the Government has put in place an investor-friendly policy which is transparent, predictable and easily comprehensible. Except for a small negative list, most sectors have been made open for 100% FDI under the automatic route. FDI under the automatic route does not require prior approval either by the Government of India or RBI. Investors are only required to notify and file documents with the concerned Regional Offices of RBI. Under the Government approval route, applications are filed in the Foreign Investment Facilitation Portal (FIFP), the new online single point interface of the Government of India for investors to facilitate Foreign Direct Investment and approved by the respective subject matter Ministries. Space sector has been liberalized for foreign direct investment in prescribed sub-sectors/activities in 2024.

Overseas Investment Rules and Regulations Notified: The Government of India, in consultation with the Reserve Bank, undertook a comprehensive exercise to simplify these Overseas Investment Rules & Overseas Investment Regulations. Final Foreign Exchange Management (Overseas Investment) Rules and Foreign Exchange Management (Overseas Investment) Regulations, 2022 had been notified. The copy of the notification was laid on table of Lok Sabha and Rajya Sabha in Winter Session of Parliament in December 2022. The revised

regulatory framework for overseas investment provides for simplification of the existing framework for overseas investment and has been aligned with the current business and economic dynamics. Clarity on Overseas Direct Investment and Overseas Portfolio Investment has been brought in and various overseas investment related transactions that were earlier under approval route are now under automatic route, significantly enhancing "Ease of Doing Business".

B. Domestic Investment (DI) Section

The Domestic Investment (DI) Section plays a crucial role in channeling investments towards sectors of national importance for India, especially infrastructure and middle-income housing. It manages two funds- National Investment and Infrastructure Fund (NIIF) and Special Window for Affordable and Mid-income Housing Investment Fund (SWAMIH). The Section processes requests from fund managers to release funds.

NIIF Funds

National Investment and Infrastructure Fund Limited ('NIIF Ltd.') presently manages 4 Funds registered as Category II Alternative Investment Funds under the Securities and Exchange Board of India (AIF) Regulations, 2012.

(a) National Investment and Infrastructure Fund (NIIF Master Fund)

This fund invests primarily in assets in core infrastructure sectors such as roads, ports, airports, power, etc. The investments are largely in businesses often operating in regulated environments or under concession or long-term agreements. Investors include the Government of India, Abu Dhabi Investment Authority, Ontario Teachers, Australian Super, Canada Pension Plan Investment Board, Temasek, PSP Investments, United States Development Finance Corporation, and domestic financial institutions among others.

The Portfolio is as follows:

(in ₹ Crores)

Particulars	Amount as on 31.12.2025
Total capital commitment	15,998
Capital drawn down	12,970

(b) NIIF Fund of Funds-I (NIIF FOF)

This fund invests in third-party managed funds with sectors of focus which among others includes green infrastructure, mid-income/affordable housing, infrastructure services, social infrastructure, urban infrastructure, industrials and telecommunications.

The fund follows a diversified strategy across sectors, products and investment styles. Anchored by the GoI, it has received commitments from multilateral institutions including Asian Infrastructure Investment Bank (AIIB), Asian Development Bank (ADB) and New Development Bank (NDB).

The Portfolio is as follows:

(in ₹ Crores)

Particulars	Amount as on 31.12.2025
Total capital commitment	4,281
Capital drawn down	3,986

(c) India Japan Fund (IJF)

NIIF launched India-Japan Fund (IJF) of Rs. 4,900 crore (~USD 600 millions) backed by GoI and the Japan Bank of International Cooperation (JBIC) in August, 2023. The Fund will focus on investments in India's environmental sector, including renewable energy, e-mobility businesses, and circular economy sectors such as waste management and waste-water management. The Fund will also invest in opportunities to foster collaboration between Indian and Japanese companies across sectors.

The Portfolio is as follows:

(in ₹ Crores)

Particulars	Amount as on 31.12.2025
Total capital commitment	4,908
Capital drawn down	1,659

(d) National Investment and Infrastructure Fund-II (Strategic Opportunities Fund, SOF):

This fund focuses on high growth opportunity and innovative companies. The fund invests in businesses either through a majority stake (incubation deals/ control-oriented deals) or an active minority stake.

NIIF Infrastructure Finance Limited (NIIF IFL): NIIF SOF invested in NIIF IFL, an NBFC registered as an Infrastructure Debt Fund with the Reserve Bank of India. NIIF IFL provides long-term refinancing solutions to operational infrastructure projects across the country that have completed at least one year of satisfactory operations.

Aseem Infrastructure Finance Limited (AIFL): NIIF SOF also invested in an NBFC-IFC, Aseem Infrastructure Finance Limited (AIFL), which invests in projects across the infrastructure spectrum with a mix of operating, brownfield and greenfield assets.

AIFL and NIIF IFL work complementarily to cover the full range of infrastructure debt financing in India. The total loan book size (across both NBFCs) is ~Rs.45,000 crore, and there is no NPA position across the portfolios of both companies.

Special Window for Affordable and Mid-income Housing (SWAMIH) Investment Fund-I

The Fund was incorporated in December 2019 after the announcement by the Hon'ble Finance Minister to set up a 'Special Window' in the form of Category-II Alternative Investment Fund to provide priority debt financing for the completion of stalled/stressed housing projects. The Fund is managed by SBI Ventures Limited (*formerly known as SBICAP Ventures Limited*), a subsidiary of State Bank of India. The investment objective of the Fund is to complete construction of stalled / stressed residential development across geographies - pan India.

The Fund invests in RERA-registered housing projects where 90% of Floor Space Index (FSI) is dedicated for Affordable/ Mid-Income Housing, RERA carpet area of the units is less than 200 sqm and houses are priced below Rs. 2.0 crore in Mumbai Metropolitan Region, below Rs.1.5 crore in National Capital Region, Chennai, Kolkata, Pune, Hyderabad, Bangalore and Ahmedabad and below Rs.1.0 crore in Rest of India. The projects also have to be net-worth positive and at least 30% of the project costs has to be completed.

Details of commitments made by each of the fourteen investors in SWAMIH:

Sl. No.	Investor	Amount (in ₹ Cr)
1	Government of India	10,000
2	State Bank of India	1,250
3	Life Insurance Corporation	1,250
4	Union Bank of India	500
5	Indian Bank	400
6	Punjab National Bank	400
7	Canara Bank	400
8	Bank of Baroda	400
9	Central Bank of India	400
10	HDFC Bank Limited (earlier HDFC limited)	250
11	Bank of India	100
12	Bank of Maharashtra	100
13	Punjab & Sind Bank	75
14	SBICAP Ventures Limited (Investment Manager)	6
	Total	15,531

The Portfolio of SWAMIH Fund- I is as follows:

(in ₹ Crore)

Particulars	Amount as on 31.01.2026
Total capital commitment	15,531.0
Capital drawn down	10,772.9

As on 31st January, 2026, the Fund has made 161 investments, across India. Upon completion of the project, the Fund has achieved profitable full exits from 55 investments. About 61,673 housing units have applied for/ achieved completion.

C. International Investment Treaties and Framework (IITF) Section

The main function of IITF Section is to negotiate and conclude Bilateral Investment Treaties (BITs) with other countries on the basis of the revised Model Bilateral Investment Treaty (BIT) Text which was approved by the Cabinet on 16th December, 2015. This Section also handles the Investor State Dispute Settlement (ISDS) notices/cases arising out from BIT/Investment Protection Chapter under FTAs/CECA/CEPA signed with foreign countries. Investment related issues in International Forums such as UNCITRAL, UNCTAD, G20, BRICS and WTO are also dealt in this section. Additionally, capacity building initiatives for Central and State governments on BIT issues are also organized.

Achievements

India has signed BIT with one country in FY 2025-26 and 3 BITs with other countries got enforced in FY 2025-26:

Sl. No.	Country and Name of Agreement	Date of Signing of Agreement	Date of Enforcement
1.	Brazil: Investment Cooperation & Facilitation Treaty	25 th January, 2020	21 st December, 2025
2.	Israel: Bilateral Investment Agreement (BIA)	08 th September, 2025	Pending
3.	Kyrgyz Republic: Bilateral Investment Treaty	14 th June, 2019	05 th June, 2025
4.	Uzbekistan: Bilateral Investment Treaty	27 th September, 2024	15 th May 2025

India is currently negotiating Bilateral Investment Treaties with number of other countries.

D. Foreign Trade & Services (FT) Section

The main function of Foreign Trade & Services (FT) section of Investment Division is dealing with the Policy matters related to foreign exchange aspects related to Gold/Silver, policy matters related to Gold viz. Gold Monetisation Scheme (GMS), Indian Gold Coin (IGC) and Gold Metal Loan (GML), drafting policy for promotion of Gold as a Financial Asset Class.

Gold Monetization Scheme

The Government of India launched the Gold Monetisation Scheme on November 5, 2015 with an objective to mobilize idle gold held by households and institutions, channel it into productive uses (such as supplying gold to the gems and jewellery sector) and gradually reduce India's reliance on gold imports. The scheme comprises of three main components:

- Short-Term Bank Deposits (1–3 years)
- Medium-Term Government Deposits (5–7 years)
- Long-Term Government Deposits (12–15 years)

Based on the examination of the performance of the Gold Monetisation Scheme (GMS) and evolving market conditions, it has been decided to discontinue the Medium Term and Long Term Government Deposit (MLTGD) components of the GSM w.e.f. March 26, 2025. The Short-Term Bank Deposits (STBD) offered by the banks under GSM shall continue at the discretion of the individual banks based on the commercial viability as assessed by them.

Till November 2025, approximately 39,044 kilograms of gold have been mobilised under GSM. The details are as under:

Details of Gold Mobilised under GSM (as on 30th November, 2025)

S. No.	Types of Deposits	Deposited Gold as on 30.11.2025 (in Kgs)
1.	Cumulative Quantity of Gold (in Kgs)	39,044.40
2.	Short term Gold Deposit	9311.72
3.	Medium Term Gold Deposit	10541.32
4.	Long Term Gold Deposit	19191.36
5.	Number of participating banks	10
6.	Number of depositors	6531

8. Fund Bank & ADB Division

8.1 Introduction

8.1.1 The Fund Bank Division is concerned with policy matters of Multilateral Institutions like World Bank Group, International Monetary Fund (IMF) and related Institutions. Fund Bank Division is also the nodal point for facilitating and monitoring Externally Aided Projects (Central & State Projects all over India) which are being implemented through Multilateral Development Banks and other related Trust Funds / Loans / Grants.

8.2 World Bank Group

8.2.1 The World Bank is among the world's leading development institutions with a mission to fight poverty and improve living standards for people in the developing world by promoting sustainable development through loans, guarantees, risk management products and (non-lending) analytic and advisory services. The World Bank is one of the United Nations' specialized agencies. The World Bank concentrates its efforts on reaching the Millennium Development Goals aimed at sustainable poverty reduction.

8.2.2 India is member of four institutions of the World Bank Group viz., International Bank for Reconstruction and Development (IBRD); International Development Association (IDA); International Finance Corporation (IFC) and Multilateral Investment Guarantee Agency (MIGA). India has been accessing funds from the World Bank (mainly through IBRD) for various developmental projects. Fund Bank Division, DEA is the focal point for India being represented in the WBG meetings for international level deliberations to discuss policy issues pertaining to the World Bank Group as also to undertake projects with assistance from the World Bank (IBRD).

8.3 World Bank India Portfolio

8.3.1 The World Bank's India portfolio (State projects) as on 10.12.2025 comprises 53 projects with a net commitment of USD 9,726.42 million. Three (03) World Bank-assisted projects: Manipur Infotech Development Project, Karnataka Water Security and Resilience Program and Tamil Nadu Women Employment and Safety (TN WESAFE) Operation, were signed during 1 April 2025 to 30 November 2025, amounting to USD 622 million.

8.3.2 The World Bank's India Portfolio (Central Sector), as on 30.11.2025, comprises of 18 projects with a net commitment of USD 6279.09 million (including CTF loan/ CTF Grant/ GPG Grant) and no project was signed during 1 April 2025 to 30 November 2025.

8.3.3 A Tripartite Meeting to discuss ongoing and pipeline projects was held from 18–20 November 2025 at New Delhi.

8.4 Major activities pertaining to the World Bank

8.4.1 Monitoring of the World Bank Portfolio: Portfolio performance has improved over the years as a result of review meetings such as Tripartite Review Meetings for ongoing projects and Pipeline Review Meetings for pipeline projects. These meetings are organized jointly by the Government of India and the World Bank and are attended by officials from the Department of Economic Affairs (DEA), the World Bank, and the implementing agencies of World Bank-assisted projects. Tripartite meeting to discuss the World Bank's ongoing and pipeline projects were held in New Delhi from November 18 to November 20, 2025.

8.4.2 India as donor to IDA; since its founding in 1960, IDA has had 20 regular replenishments. In 2014 (IDA 17), India transitioned to being a confident donor. However, it continued to receive transition support during IDA 17 (2014-17). India became a donor only nation during IDA18. As a commitment to India's shared objective of eliminating extreme poverty, reducing vulnerability and increasing resilience across countries, India decided to contribute USD 200 Million to IDA 17 replenishment. In furtherance of its commitment towards the IDA countries, India announced a pledge of INR 12.25 billion as its contribution towards IDA 18 replenishment. During the IDA 19, IDA 20 and IDA 21 replenishment, India committed INR 15 bn, INR 17.48 Bn and INR 23.21 Bn respectively.

8.5 International Finance Corporation (IFC)

8.5.1 The International Finance Corporation (IFC), a member of the World Bank Group, focuses exclusively on investing in the private sector in developing countries. Established in 1956, IFC has 186 members. India is the founding member of IFC. IFC is an important development partner for India with its operations concentrated on financing and advising private sector in the country. India is IFC's sixth largest shareholder with 4.18% of the total subscription and 3.98% of the total voting power. India's Executive Director represents a constituency equal to 4.79% voting power. There are three other countries in India's constituency at the IFC, viz. Bangladesh, Bhutan and Sri Lanka. IFC has committed over USD 37 billion (including mobilization) in India since its first investment in 1958. IFC continued to deliver over USD 5.366 billion through own account and mobilization in FY25 (July 2024-June 2025) in India. During July 2024-June 2025, DEA approved a total of 38 Article III Notifications. Further, DEA granted approval for 2 advisory engagements of IFC between July 2024 and June 2025. IFC's portfolio as of August 31, 2025 included 278 projects with 210 clients, with portfolio exposure of USD 10.354 billion, making India IFC's largest portfolio accounting for 11%

of its global exposure. India is also one of IFC's largest client, as well as the IFC regional hub for South Asia. IFC's investments in India are spread across priority sectors like infrastructure, manufacturing, financial markets, MSMEs, affordable housing, renewable energy, gender development and climate change. In line with the Country Partnership Framework (CPF) of the World Bank Group, IFC uses its private sector expertise to support economic growth that is inclusive, productive and sustainable.

8.6 International Monetary Fund (IMF)

8.6.1 India is a founder member of the International Monetary Fund, which was established to promote a cooperative and stable global monetary framework. At present, 191 nations are members of the IMF. Since the IMF was established, its purposes have remained unchanged but its operations— which involve surveillance, financial assistance and technical assistance— have developed to meet the changing needs of its member countries in an evolving world economy. The Board of Governors of the IMF consists of one Governor and one Alternate Governor from each member country. For India, the Finance Minister is the ex-officio Governor on the Board of Governors of the IMF. There are three other countries in India's constituency at the IMF, viz. Bangladesh, Bhutan and Sri Lanka. Governor, Reserve Bank of India (RBI) is India's Alternate Governor.

8.6.2 Meetings of Board of Governors

The Board of Governors usually meets twice a year viz. the Spring Meetings and the Annual Meetings of the IMF and World Bank to discuss the work of the respective institutions. At the heart of the gathering are meetings of the IMF's International Monetary and Financial Committee (IMFC). India is represented by the Hon'ble Finance Minister in IMFC and the joint World Bank-IMF Development Committee (DC), which discusses progress on the work of the IMF and World Bank.

8.6.3 The Spring Meetings of the IMF/ World Bank, WB-IMF Side events, meetings of G-20, Bilateral meetings and Investment meetings and other associated meetings were held in USA from April 21 to April 30, 2025. The Hon'ble Finance Minister, Secretary (EA), Chief Economic Adviser, Additional Secretary (FB, OMI & crypto), Joint Secretary (FB), Advisers (IER), Director (Investment) and Joint Director (IER) represented India in these meetings.

8.6.4 India voted in the favour of Dr. Urjit Patel, ED India at IMF in the 2025 By-election of Executive Directors at IMF.

8.6.5 India has contributed USD 50 million for Phase II of SARTTAC Operations (January 2024 – April 2029) in two instalments of 25 million each. The first instalment

of USD 25 million was completed in two tranches on May 29, 2024. The second instalment of USD 25 million was fully disbursed on July 10, 2025.

8.6.6 The IMF Article IV staff visit was held during September 4-18, 2025, with the Wrap Up meeting, chaired by Secretary (EA) and attended by all concerned Departments, on September 17, 2025. Discussions were held on the Macroeconomic issues, financial sector issues and Data Adequacy Assessment. The final report of staff findings has also been published on November 26, 2025.

8.6.7 The Annual Meetings of the IMF/ World Bank, meetings of G-20, Bilateral meetings and Investment meetings and other associated meetings at the side-lines were held in USA from October 13 to October 18, 2025. Secretary (EA), Chief Economic Adviser, Joint Secretary (FB), Adviser (CCFU), Director (FB) and Joint Director (IER) represented India in these meetings.

8.7 Global Alliance for Vaccines and Immunizations (GAVI Alliance)

8.7.1 The GAVI Alliance (formerly the Global Alliance for Vaccines and Immunization) was founded in 2000 to reduce the historical gap in access to life saving vaccines and reduce child mortalities. GAVI's mission is to save children's lives and protect people's health by increasing access to immunization in poor countries. India is not only a recipient, but also a contributor to GAVI Alliance. As per the 'Contribution Agreement' signed between Government of India and GAVI on 30th June 2021, Govt of India contributed USD 15 million (USD 3 mn annually) towards the GAVI Alliance during the five year replenishment cycle through 2021-25. The fifth and final instalment of USD 3 mn was made on 30th January, 2025.

8.7.2 A proposal of MoHFW was received in May 2025 for enhancement of India's contribution to the GAVI in the next replenishment cycle of five years i.e. 2026-30. It was decided with the approval of Hon'ble Finance Minister that the Govt. of India will contribute USD 20 mn towards GAVI through the period 2026-2030 i.e. a contribution of USD 4 mn each year.

8.8 Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM)

8.8.1 The Global Fund to Fight AIDS, Tuberculosis and Malaria (The Global Fund / GFATM) is an international financing organization that aims to attract and disburse additional resources to prevent and treat HIV and AIDS, Tuberculosis and Malaria. The organization is public-private partnership with Secretariat at Geneva, Switzerland. The organization began operations in January 2002. GFATM supported programs have estimated to have saved 65 million lives since 2002.

8.8.2 As per the 'Multi-Year Contribution Agreement' signed between the Government of India and GFATM on 6th February, 2023, India contributed USD 25 million to GFATM during the Seventh Voluntary Replenishment cycle (2023-25) as per following schedule (i) US\$ 8 million in 2023 and 2024 each and (ii) US\$ 9 million in 2025. India's third and final instalment of USD 9 mn to the GFATM for the year 2025-26 was paid on 18th July 2025.

8.8.3 A proposal was received from MoHFW in June 2025 regarding a decision on India's contribution towards the 8th replenishment cycle of GFATM. With the approval of Hon'ble FM, Govt. of India decided to pledge USD 30 Mn towards the eighth replenishment cycle of GFATM (2026-28).

8.9 Multilateral Investment Guarantee Agency (MIGA)

8.9.1 Multilateral Investment Guarantee Agency (MIGA) was founded in 1988 to promote foreign direct investment (FDI) into developing countries. MIGA currently has 182 members. It provides investment guarantees to private sector investors and lenders, particularly in conflict affected countries. At present, India has 3.03% capital subscription with a voting power of 2.53% in the MIGA Board. As a constituency India has 3.41% of total voting power. MIGA also provides technical assistance to developing countries as well as helps them in their efforts to attract foreign capital, technology, and know-how. MIGA's mission is to support economic growth, reduce poverty, and improve people's lives by mobilizing cross-border private investment into developing countries. MIGA guarantees help borrowers (sub-sovereign and state-owned enterprises) diversify their funding sources with improved financing terms and conditions without needing the Government of India's counter indemnity. MIGA set up its first office in India in November 2022 to further enhance its engagement in the country and the broader South Asia region.

8.9.2 In April 2024, India approved the Host Country Approval (HCA) of MIGA with SBI for refinancing of USD 200 million of an existing IBRD loan extended to SBI for the Grid Connected Solar Rooftop Program. The MIGA guarantee will support the refinancing of operating rooftop solar projects in India. Further, on 5th December 2025, Govt of India granted Host Country Approval (HCA) for a partnership between MIGA and SBI for refinancing of additional USD 163 million of the IBRD loan extended to SBI for the Grid Connected Solar Rooftop Program.

8.10 Asian Development Bank

8.10.1 India is a founding member of the Asian Development Bank, established in 1966. ADB began its sovereign operations in India in 1986, marking a

development partnership that completes 40 years in 2026. The Department of Economic Affairs, Ministry of Finance, acts as the nodal authority for coordinating all Government of India engagements with ADB, including loans, technical assistance, grants, and equity investments.

8.10.2 India holds 6.32% of the subscribed capital of ADB, corresponding to 672,030 shares, and exercises 5.34% voting power, making it the fourth-largest shareholder in the institution. India is also a contributing donor to the Asian Development Fund (ADF) through which ADB provides concessional financing to its developing member countries (DMC) based on agreed yardsticks. Contributions made by India include US\$30 million for ADF 11 replenishment, US\$41.74 million to ADF 12, US\$51.38 million to ADF 13, and a pledge of US\$58.17 million to ADF 14 (2025–2028). These contributions underscore India's increasing role as a responsible stakeholder in multilateral concessional financing.

8.10.3 India participates in ADB's governance structure through representation on the Board of Governors, where the Hon'ble Finance Minister of India serves as the Governor. On the Board of Directors of ADB, India is represented through an Executive Director (ED) appointed by the Government of India, and supported by officers from the Government of India, including two Advisors and one Executive Assistant. DEA, through the ED, coordinates India's position on policy documents, lending proposals, technical assistance, and institutional matters placed before ADB's Board.

8.10.4 The Annual Meetings of the Board of Governors (BoG) of the ADB, held annually in early May, provide a key platform for India's ministerial-level engagement with ADB on policy, financial, and operational matters. India hosted the 46th Annual Meeting in New Delhi (2–5 May 2013). The Hon'ble Finance Minister participated in the 58th Annual Meeting in Milan, Italy (4–7 May 2025) and highlighted India's development vision, economic progress, and engagement with key international partners. India will participate in the 59th Annual Meeting scheduled in Samarkand, Uzbekistan (3–6 May 2026).

8.10.5 ADB is a key multilateral partner supporting India's development priorities through sovereign lending and technical assistance. Cumulatively, ADB has committed US\$63.37 billion across 330 sovereign loans to India. The ongoing sovereign portfolio consists of 85 loans amounting to US\$18.52 billion. Recent annual commitments include US\$4.6 billion in 2021, including US\$1.5 billion under the Asia Pacific Vaccine Access Facility (APVAX), US\$4.25 billion in 2024, and US\$4.26 billion in 2025. ADB-supported projects are aligned with national priorities in sectors such as skills development, renewable energy, urban infrastructure, metro rail systems, healthcare, and tourism.

8.10.6 DEA undertakes continuous monitoring of the ADB portfolio in coordination with executing agencies and ADB through Tripartite Portfolio Review Meetings (TPRMs). As a result of sustained portfolio oversight, implementation performance has improved over the years. Sovereign loan disbursements reached a record US\$3.7 billion in 2022, followed by US\$2.69 billion in 2023 and US\$2.93 billion in 2024. As of mid-December 2025, sovereign loan disbursements stood at US\$2.42 billion.

8.10.7 ADB assistance to India is aligned with Government priorities and guided by the Country Partnership Strategy (CPS). The CPS 2023–2027, approved in May 2023, focuses on climate-resilient green growth, structural transformation and job creation, and social and economic inclusiveness, with emphasis on value addition through knowledge, capacity development, and innovation. The Department of Economic Affairs (DEA) oversees CPS formulation, implementation, and alignment with national objectives.

8.10.8 India plays an active role in the South Asia Subregional Economic Cooperation (SASEC) program coordinated by the ADB, with the DEA representing India in SASEC governance mechanisms, including Working Groups and Senior Officials' Meetings. In December 2025, India, through the Department of Economic Affairs, endorsed the SASEC Strategy 2035 across transport, trade facilitation, and energy, and supported updating the Action Plan of SASEC Initiatives (2025–2027), with a mandate to prepare the next rolling plan (2026–2028). India through SOM endorsed a strong push for digital transformation across transport, trade facilitation, energy, and economic corridors (including tourism and food ecosystems), while emphasizing renewable energy trade, regional power connectivity, manufacturing value chains, and green fuels.

8.10.9 ADB supports project preparation and institutional strengthening through Project Readiness Financing (PRF) loans and Knowledge Support Technical Assistance (KSTA), particularly in the North Eastern Region (NER). PRFs facilitate the preparation of bankable projects with high levels of implementation readiness. Several PRFs across Sikkim, Tripura, Mizoram, Manipur, and Nagaland are currently under implementation or processing.

8.10.10 The Capacity Development Resource Center (CDRC) at ADB's India Resident Mission, established in collaboration with DEA, supports executing agencies through structured capacity-building programs. In 2025, CDRC conducted 29 capacity development programs, benefitting 1,835 officials from 95 projects covering ADB's India portfolio, thereby contributing to improved implementation of externally aided projects.

9. International Economic Relations Division

The International Economic Relations (IER) Division of the Department of Economic Affairs handles matters related to the following forums, including content and coordination with stakeholder Departments/Ministries:

- G20 Finance Track;
- BRICS;
- G-24;
- OECD;
- G7;
- SAARC, SDF;
- BIMSTEC;
- ASEAN;
- WEF;
- Shanghai Cooperation Organisation (SCO);
- Voice of Global South Summits;

The IER Division also handles matters concerning the United Nations Development Programme (UNDP) and the United Nations Office for Project Services (UNOPS), including programmes or projects being implemented in India, as well as the International Conference on Financing for Development (FfD).

The Division has external territorial charge of the Commonwealth of Independent States (CIS) countries, South Asian countries, Southeast Asian countries, and Mexico, and sectoral charge of the Ministry of Defence and the Ministry of Tribal Affairs.

E- Governance:

IER division has fully operationalized E-file System.

I. G-20

The G20 was formed in 1999, after the Asian financial crisis, as a forum for Finance Ministers and Central Bank Governors to discuss global economic and financial issues. The G20 rose into prominence in 2008 when it was elevated to the level of G20 Heads of Nations in order to effectively respond to the global financial crisis of 2008.

The first G20 Summit was held in November 2008 in Washington DC. This was followed by sixteen summits held in London (April, 2009), Pittsburgh (September, 2009), Toronto (June, 2010), Seoul (November, 2010), Cannes (November, 2011), Los Cabos (June, 2012), St. Petersburg (September, 2013), Brisbane (November, 2014), Antalya (November, 2015), Hangzhou (September,

2016), Hamburg (2017), Buenos Aires (2018), Osaka (2019), Riyadh (2020), Rome (October, 2021) and Bali (2022). The 18th G20 Summit was held under the Indian G20 Presidency in New Delhi, India on 9-10 September, 2023. The 19th G20 Summit was held under the Brazilian G20 Presidency in Rio de Janeiro on November 18-19, 2024, and the 20th G20 Summit was held under the South African Presidency on 22-23 November 2025 in Johannesburg, South Africa.

G20 issues are discussed through two parallel tracks, viz., Finance Track and Sherpa Track. The Finance Track of the G20 discusses global economic and financial issues. The track is headed by G20 Finance Ministers and Central Bank Governors who are assisted by G20 Finance and Central Bank Deputies. Hon'ble Finance Minister and Governor, RBI jointly head the G20 Finance Track work in India. They are assisted respectively by Secretary, Economic Affairs (who is India's G20 Finance Deputy) and Deputy Governor, RBI (who is India's G20 Central Bank Deputy). The G20 Finance Ministers and Central Bank Governors usually meet three to four times a year. They finally report to the G20 Leaders who are the apex decision-makers in the G20. Meetings of Finance and Central Bank Deputies (FCBD) are held in the run-up to every Finance Ministers and Central Bank Governors (FMCBG) Meeting. Technical-level discussions are held through meetings of Working Groups, usually 3-4 times a year.

The Finance Track comprises 8 workstreams. There are Working Groups for 5 of these workstreams and a Joint Finance-Health Taskforce, listed as under:

1. Framework Working Group (FWG)
2. International Financial Architecture Working Group (IFA WG)
3. Infrastructure Working Group (IWG)
4. Sustainable Finance Working Group (SFWG)
5. Financial Sector Issues
6. Global Partnership for Financial Inclusion (GPII)
7. International Taxation
8. Joint Finance and Health Task Force (JFHTF)

The mandates of G20 Finance Track workstreams along with relevant details are as follows:

1. Framework Working Group (FWG) discusses the global economic outlook, monitoring of global risks and uncertainties and recommends possible areas of policy coordination aimed at promoting Strong, Sustainable, Balanced, and Inclusive Growth (SSBIG) across the G20.

Co-chairs: India has been co-chairing this group since its inception in 2009. From 2009 to 2019, India co-chaired the Group with Canada. UK has been the co-chair of the FWG since 2020.

2. International Financial Architecture (IFA) Working Group discusses reforms to enhance the stability and cohesion of the international financial architecture, including issues relating to debt sustainability and transparency; strengthening the Global Financial Safety Net (GFSN), reform of IMF quotas and governance reforms, Special Drawing Rights (SDRs); capital flow management measures, development finance and Central Bank Digital Currencies (CBDCs).

Co-chairs: The IFA-WG is co-chaired by France and South Korea. The group was set up in 2012.

3. Infrastructure Working Group (IWG) discusses mobilization of finance for infrastructure and developing infrastructure as an asset class. The Group has been deliberating on policies for improving the preparation, financing, and management of quality infrastructure investments.

Co-chairs: At present, the IWG is co-chaired by Australia and Brazil. The group was set up in 2014.

4. Sustainable Finance Working Group (SFWG) is mandated to work towards mobilizing sustainable finance as a way of ensuring global growth and stability and promoting the transition towards greener, more resilient, inclusive societies and economies. The Group is tasked to identify institutional and market barriers to sustainable finance and develop options to overcome such barriers, and to contribute to a better alignment of the international financial system to the objectives of the 2030 Agenda and the Paris Agreement.

Co-chairs: The G20 Sustainable Finance Study Group was reestablished as SFWG in 2021, with the United Nations Development Programme (UNDP) serving as the Secretariat. Previously, the SFWG was co-chaired by the United States and China. In mid-2025, Italy joined as a co-chair, replacing the United States.

5. Financial Sector agenda focuses on monitoring the implementation of financial market regulation and coming up with solutions as and when new challenges to financial stability arise. The work is anchored in the Financial Stability Board (FSB) which is mandated to assess vulnerabilities affecting the global financial system as well as to identify and review, on a timely and ongoing basis within a macroprudential perspective, the regulatory, supervisory and related actions needed to address these vulnerabilities and their outcomes. The work is reported by the FSB directly to the G20 Finance Ministers and Governors. There is no working group under the G20 Finance Track on this agenda.

6. Global Partnership for Financial Inclusion (GPII) is mandated to advancing financial inclusion globally by increasing access to, as well as usage of, sustainable formal financial services, thereby expanding opportunities for underserved and excluded households and enterprises. The GPII's scope of work and overall

objectives are defined by a G20 Financial Inclusion Action Plan (FIAP) drafted and agreed every three years.

Co-chairs: India and Italy are the Co-Chairs of the GPFI.

7. International Taxation: At the Antalya Summit in 2015, G20 Leaders stressed the need to prevent base erosion and profit shifting and tasked OECD with developing and implementing a new international taxation agenda known as the Inclusive Framework on Base Erosion and Profit Shifting (BEPS). The work is focused on addressing Base Erosion and Profit Shifting issues in international taxation; taxation of the digital economy; tax transparency; tax avoidance; tax certainty and reforms of the international tax system. Presently, this work is anchored in the G20 by OECD Inclusive Framework on BEPS comprising 141 members. The work is reported by the OECD directly to the G20 Finance Ministers and Governors. There is no working group under the G20 Finance Track on this agenda.

8. Joint Finance and Health Task Force was established during the G20 Rome Leaders' Summit, 2021. The Task Force is aimed at enhancing dialogue and global cooperation on issues relating to pandemic Prevention Preparedness and Response (PPR), promoting the exchange of experiences and best practices, developing coordination arrangements between Finance and Health Ministries, promoting collective action, assessing and addressing health emergencies with cross-border impact, and encouraging effective stewardship of resources for pandemic prevention, preparedness and response (PPR), while adopting a One Health approach.

Co-chairs: The Task Force is co-chaired by Italy and Indonesia and is assisted by a Secretariat housed at the World Health Organisation (WHO), with the support of the World Bank.

South Africa G20 Presidency 2025

South Africa assumed the Presidency of G20 from Brazil on December 1, 2024, for one year. The South African Presidency is centred on the theme "Solidarity, Equality, and Sustainability" and has four overarching priorities:

- a. Strengthening disaster resilience and response
- b. Advancing debt sustainability for low-income countries
- c. Mobilizing finance for a just energy transition
- d. Harnessing critical minerals for inclusive growth

The G20 South Africa Summit was held on 22–23 November 2025 in Johannesburg, South Africa. Secretary (Economic Affairs) attended the meeting as part of the official delegation of Hon'ble PM's visit to South Africa for the Summit.

The key outcome of the meeting is the "G20 South Africa Summit Leaders' Declaration" (<https://g20.org/wp-content/uploads/2025/11/2025-G20-Summit-Declaration.pdf>, The declaration.) The Declaration captures the main outcomes agreed during South Africa's G20 Presidency across both the Sherpa and Finance Tracks in 2025. The Finance Track elements draw primarily from the July 2025 Finance Ministers and Central Bank Governors (FMCBG) Communiqué (<https://g20.org/g20-media/3rd-finance-ministers-central-bank-governors-meeting/>), the October 2025 FMCBG Chair's Summary (<https://g20.org/g20-media/chairs-summary-4th-finance-ministers-central-bank-governors-meeting/>), and the October 2025 Ministerial Declaration on Debt Sustainability (<https://g20.org/g20-media/ministerial-declaration-on-debt-sustainability-4th-finance-ministers-central-bank-governors-meeting/>).

US G20 Presidency 2026

The United States of America assumed the G20 Presidency from December 1, 2025, for one year.

Priorities

1. The US G20 Presidency will refocus the Finance track on the core global economic and financial stability topics the G20 was initially created to address.
2. There will be three overarching themes across both the Sherpa and Finance Track:
 - Economic Growth: Focus on boosting productivity and innovation to drive robust and enduring economic growth and expand the frontier of global prosperity.
 - Deregulation: Streamline and modernize regulatory frameworks to reduce unnecessary burdens and foster economic activity and innovation.
 - Energy Abundance: Promote investments and policies that ensure affordable and reliable energy supply to power global growth.
3. Under the G20 Finance Track, there will be eight priorities for 2026 listed as under:
 - Promoting Global Growth
 - Global Imbalances
 - Addressing Challenges to International Sovereign Debt
 - Promoting a Vibrant Digital Assets Ecosystem
 - Modernizing Regulation to Promote Financial Stability and Growth
 - Enhancing Cross-Border Payments and Addressing Payments Fraud
 - Promoting Financial Literacy
 - Monetary Policy in the Current Environment

The first G20 Finance and Central Bank Deputies (FCBD) meeting under the US Presidency was held in person in Washington DC on December 15-16, 2025. The Indian Ministry of Finance delegation was represented by Additional Secretary, DEA.

II. BRICS

- BRICS is the acronym for an association of five major emerging economies: Brazil, Russia, India, China and South Africa. In 2023, this grouping expanded to include Egypt, Ethiopia, Iran and the United Arab Emirates. The key objective of the BRICS group is to build South-South cooperation and evolve a coordinated approach to address common concerns of the developing countries, such as international taxation, climate financing, reforms in the governance structure of international financial institutions (IFIs) etc.
- The Ministry of External Affairs is the nodal Ministry on BRICS. IER Division, DEA coordinates on the BRICS Financial Cooperation agenda in consultation with the Reserve Bank of India and other key stakeholders.
- The rotating Chairship of BRICS was held by Russia in 2024 and Brazil in 2025. India has assumed the BRICS Chairship from January 2026.

BRICS Financial Co-operation

Financial Cooperation is one of the prominent areas of cooperation in the BRICS forum. Issues and initiatives under the BRICS financial cooperation are dealt with by the Ministries of Finance and Central Banks of the BRICS nations and such issues are discussed during the meetings of BRICS Finance Ministers and Central Bank Governors (FMCBG) assisted by their Finance and Central Bank Deputies. Secretary (EA) is India's BRICS Finance Deputy and Deputy Governor (RBI) is India's BRICS Central Bank Deputy.

Brazil BRICS Chairship 2025

Brazil took over the Chairship of the BRICS from January 01, 2025 and hosted the seventeenth annual BRICS summit in Rio de Janeiro, Brazil on 6–7 July 2025. The summit was held under the theme "Strengthening Global South Cooperation and Promoting a More Inclusive and Sustainable Global Governance", focusing on six major agenda items. These included global health, trade, investment and development financing, climate change response, governance of artificial intelligence, reform of the global security architecture, and the institutional development of the BRICS mechanism.

Ministry of Finance Issues

- BRICS Economic Outlook
- Improvement of International Monetary and Financial System

- Cooperation on Customs and Tax
- Infrastructure and Investments
- BRICS Think Tank Network for Finance

Central Bank issues

- Contingent Reserve Arrangement (CRA)
- BRICS Rapid Information Security Channel (BRISC)
- Transition finance, Sustainable development and climate transition
- BRICS Payments Task Force (BPTF)
- Fintech research group (Innovation Hub)
- Platform for the BRICS central banks' training events & seminars

Joint Ministry of Finance and Central Bank issue

- Improvement of the International Monetary and Financial System

A. Global Economic Outlook and Multilateral Cooperation

The primary emphasis in this area has been on monitoring global and BRICS economic trends, identifying key risks to BRICS economies, and exploring opportunities for macroeconomic policy coordination. Under this theme, the BRICS has explored a wide range of policy issues over the years such as structural reforms, policy coordination to tackle global risks, stronger, greener and more balanced global development etc.

B. Co-operation on taxation matters

Annual meetings of BRICS Heads of Tax Authorities and of Tax Experts are hosted by the BRICS Chair. The outcome of the Experts' meeting is presented before the BRICS Head of Tax Authorities who then finalise the action points to be reflected in a joint communiqué that is signed by all member countries. India is represented by Revenue Secretary in the Heads of Tax Authorities meeting. There are several working groups of tax experts which have 3-4 rounds of meetings during the course of a year. During the year, surveys are also conducted under these Working Groups by the leaders and co-leaders of these Working Groups. The outcome document of these surveys and the year-round activities culminated into a report of the Working Group which is tabled during the Tax Heads Meeting. Reports of two such Working Groups were tabled at the BRICS Tax Heads and Tax Experts Meeting 2025 in Manaus, Brazil.

C. Customs Co-operation

Customs cooperation between the BRICS countries began to develop in 2012. In 2013, the First Meeting of the Heads of Customs Administrations of the BRICS countries was held in South Africa. An annual meeting of Heads of Customs Administrations is held each year along with 3-4 rounds of BRICS custom expert meetings. There are several working groups of customs

experts which have 1-2 rounds of meetings during the course of a year.

CBIC engages in BRICS forum on work related to BRICS Custom framework which includes representing India in the negotiation of draft text of plurilateral Agreement on Customs Mutual Administrative Assistance (CMAA). Other areas of customs cooperation include law enforcement cooperation, capacity building, digitalization & intellectualization, administrative assistance and strengthening of cooperation among BRICS customs training centers and encouraging establishment of BRICS Centers of Excellence.

D. Task Force on Public Private Partnerships (PPP) and Infrastructure

The Task Force on PPP and Infrastructure (TFPPPI), established in 2018 under the co-chairship of China and South Africa, was mandated to enhance knowledge sharing and capacity building on PPPs, foster cooperation in training and consultation, and promote effective PPP models. Since its inception, the Task Force has actively contributed in PPP matters by preparing technical reports on relevant themes and by providing valuable inputs to strengthen PPP ecosystem in BRICS countries. Each BRICS term generally includes a round of three Task Force meetings. India is being represented in these meetings by Joint Secretary (ISD), DEA.

E. Co-operation on IMF and World Bank governance and resource enhancement issues

General Review of Quotas (GRQ) is conducted at regular interval of five years normally at the IMF. GRQ addresses two issues, namely the size of overall increase in quotas of IMF, and the distribution of the increase amongst members. Any change in quota must be approved by an 85 per cent majority of the total voting power, and a member's quota cannot be changed without its consent. On December 15, 2023, the 16th GRQ was concluded which proposed a 50 percent increase in the quotas of all Fund members, conditional on a reduction ("rollback") in the credit arrangements under the New Arrangements to Borrow (NAB).

BRICS has been consistently raising a unanimous voice for conclusion of GRQs by the agreed timelines. In 2025, pressing quota and governance reforms featured as one of the agenda items for discussion at the BRICS Finance Ministers and Central Bank Governors meetings. Members reiterated that further quota realignment in the IMF should not come at the expense of developing countries, reflecting countries' relative positions in the global economy, and increasing the shares of EMDEs. They stand ready to engage constructively with other IMF members to guarantee that meaningful quota share realignment and governance reforms are included in the 17th GRQ.

Brazil adopted the BRICS Rio De Janeiro Vision for IMF Quota and Governance Reform during the 17th

BRICS leaders' summit, held in Rio de Janeiro, Brazil, from July 6–7, 2025. The BRICS Rio De Janeiro Vision for IMF Quota and Governance Reform may be seen at <https://brics.br/en/documents/economy-finance-trade-and-infrastructure>

F. New Development Bank

The proposal to establish a BRICS (Brazil, Russia, India, China and South Africa) Development Bank was first mooted by India during the 4th BRICS Summit held in New Delhi in March 2012 and was reflected during the Durban Summit in 2012, under the Leaders' declaration. The Inter-Governmental Agreement on the New Development Bank (NDB) and the Articles of Agreement (AoA) were signed by the authorized signatories of the Governments of Brazil, Russia, India, China and South Africa in the presence of Leaders during the 6th BRICS Summit in Fortaleza, Brazil on July 15, 2014.

The NDB was founded with the objective of mobilizing resources for infrastructure and sustainable development projects in the BRICS as well as other EMDCs of the world. The Bank was operationalized in 2015, with its Headquarters in Shanghai, China, and is currently led by Ms. Dilma Rousseff. India's Governor in NDB Board of Governors is Hon'ble FM and Secretary (Economic Affairs) is the Alternate Governor. India's Director in NDB Board of Directors is Additional Secretary (OMI).

Major outcome: Till March 31, 2025, a total of 109 projects globally have been approved by NDB, with financing of \$36.80 billion. India is the second largest borrower from NDB and accounts for 25% of the total portfolio amount, with 28 projects and an outlay of \$ 9.13 billion. As on March 2025, 20 Externally Aided Projects with loan amount of \$5.012 billion funded by NDB are ongoing in India. The sectors being covered by such projects include Transportation Infrastructure for Urban Centres, Integrated Water Conservation, Water Supply and Flood Area Management, Improvement of Connectivity in Rural Areas, among others, which align with India's development priorities.

G. BRICS Climate Finance

Under its 2025 BRICS Presidency, Brazil advanced a forward-looking and ambitious agenda on climate finance, anchored in the *Leaders' Framework Declaration on Climate Finance*. The agenda sought to strengthen collaboration among BRICS nations to mobilise resources and align financial systems with the goals of sustainable and inclusive growth. Key focus areas included the exchange of information on national transition programs to facilitate peer learning, mobilisation of finance for adaptation and resilience, and sharing of experiences on developing taxonomies and verification standards for sustainable finance. The discussions also emphasized enhancing

coordination among national development banks and the New Development Bank (NDB), promoting the use of blended finance mechanisms, exploring carbon market cooperation under Article 6 of the Paris Agreement, and addressing the economic implications of unilateral and protectionist measures imposed under environmental pretexts.

Brazil also led technical discussions on interoperability among sustainable and climate finance taxonomies across BRICS economies and the establishment of a Carbon Markets Integration Initiative, aiming to enhance transparency, comparability, and collaboration across national systems. Brazil adopted the Leaders' Framework Declaration on Climate Finance during 17th BRICS leaders' summit, held in Rio de Janeiro, Brazil, from July 6–7, 2025. The Leaders' Framework Declaration on Climate Finance may be seen at <https://brics.br/en/documents/economy-finance-trade-and-infrastructure>

Major outcomes under Brazil's BRICS Chairship

Brazil issued the joint statement during the 1st BRICS Finance Ministers and Central Bank Governors (FMCBG) Meeting held on July 05, 2025, in Rio de Janeiro and adopted the Leaders' Declaration during 17th BRICS leaders' summit, held in Rio de Janeiro, Brazil, from July 6–7, 2025 under the theme "Strengthening Global South Cooperation for a More Inclusive and Sustainable Governance". The joint statement and leaders' declaration may be seen at <https://brics.br/en/documents/presidency-documents>

The fourth and last BRICS FCBG Meeting under Brazilian Presidency was held virtually on 1st December 2025. The agenda of the meeting were to discuss updates on the BRICS Think Tank Network for Finance (BTTNF), Central Bank Issues including 2025 outcomes, and updates on Ministry of Finance Issues. This was followed by Finance track handover ceremony to India for its incoming 2026 BRICS Presidency, where broad priorities on for India's upcoming Presidency was unveiled.

India BRICS Chairship 2026

India has assumed the BRICS Chairship from January 1, 2026 under the theme 'Building for Resilience, Innovation, Cooperation and Sustainability (BRICS)'.

III. G-24

The Intergovernmental Group of Twenty-Four on International Monetary Affairs and Development, or The Group of 24 (G-24) was established in 1971 as a chapter of the Group of 77 in order to help coordinate the positions of developing countries on international monetary and development finance issues, and to ensure that their interests are adequately represented in negotiations on international monetary matters. In particular, the G-24 focuses on issues on the agendas of the International Monetary and Financial Committee

(IMFC) and the Development Committee (DC) as well as in other relevant International fora. Though originally named after the number of founding Member States, it now has 28 Members plus China, which has been a Special Invitee since 1981.

The governing body of the G-24 meets twice a year, preceding the Spring and Fall meetings of the International Monetary and Financial Committee and the Joint Development Committee of the World Bank and the International Monetary Fund (IMF). The plenary G-24 meetings are addressed by the heads of the IMF and the World Bank Group as well as by senior officials of the United Nations (UN) System. Issues are first discussed by the Deputies and culminate at the Ministerial level by the approval of a document that sets out the consensus view of member countries. The Ministerial document is released as a public Communiqué at a press conference held at the end of the meetings. Decision making within the G-24 is by consensus.

The 114th G-24 Ministers and Governors Meeting was held in Washington DC on 14 October, 2025 on the margins of the IMF and WBG Annual Meetings. The outcome of the meeting was a communiqué.

IV. OECD

The Organization for Economic Cooperation and Development (OECD), founded in 1961, is a global think tank that works on economic and development issues. Its members include several advanced economies and a few emerging market economies. All OECD members are signatories to the 1960 Convention on the OECD and are committed to democracy and market economy.

Cooperation between India and the OECD covers a diverse range of issues such as taxation and fiscal affairs, competition policy and financial education and literacy. The OECD has also brought out the OECD Economic Surveys of India. Till date, 5 Surveys have been published with the last one being released on December 2019. During the year, IER Division coordinated on matters related to the OECD Fiscal Network, Economic Policy Committees, and various other OECD references from MEA.

V. G7

The G7 Finance Ministers' Meeting on Economic Resilience was held virtually on December 08, 2025. The meeting was attended by G7 Finance Ministers; Heads of the IMF, World Bank, Financial Stability Board, and OECD; and Minister of Energy and Natural Resources Canada. The Indian Ministry of Finance was represented by Secretary (Economic Affairs).

VI. SAARC & SDF

Framework on Currency Swap Arrangement for SAARC Member Countries 2024-27

The Union Cabinet approved the new 'Framework on Currency Swap Arrangement for SAARC Countries

2024-27' on June 19, 2024. The new Framework replaced the 'Framework on Currency Swap Arrangement for SAARC Countries 2019-22.' The Framework on Currency Swap Arrangement for the SAARC countries has been in place since 2012 to provide SAARC countries with a line of funding for short-term foreign exchange requirements.

Under the new Framework, a separate INR SWAP Window of ₹25000 crore is introduced, in addition to the existing USD/Euro SWAP Window of USD 2 billion, to encourage draws in INR and to promote the internationalisation of the Indian Rupee. During FY 2025–26, Bhutan rolled over INR 15 billion from the previous year and availed another INR 15 billion in May 2025, which was subsequently rolled over in November 2025. The Maldives rolled over USD 400 million, initially availed in October 2024, in April 2025 and again in October 2025.

SAARC Development Fund

SAARC Development Fund (SDF), headquartered in Thimphu, Bhutan, was established and inaugurated in 2010 by the SAARC Member countries (Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka) to promote the welfare of people of the SAARC region, to improve their quality of life and to accelerate economic growth, social progress and poverty alleviation in the SAARC region. The Fund serves as the umbrella financial institution for SAARC projects and programmes. It is aimed to contribute to regional cooperation and integration through project collaboration. The projects that the SDF aims to fund fall under three broad categories/windows namely, Social, Economic and Infrastructure. In India, IER Division of Department of Economic Affairs, M/o Finance is the Counterpart Agency for all SDF related matters.

VII. BIMSTEC

Bay of Bengal Initiative for Multi-Sectoral Technical and Economic cooperation (BIMSTEC), a regional organization, came into being on 6th June 1997 through the Bangkok Declaration. It comprises of seven Member States lying in the littoral and adjacent areas of the Bay of Bengal- Bangladesh, Bhutan, India, Nepal, Sri Lanka, Myanmar and Thailand. IER Division of DEA, Ministry of Finance coordinates issues related to financial cooperation under the BIMSTEC Forum.

VIII. ASEAN

The Association of Southeast Asian Nations, or ASEAN, was established on 8 August 1967 in Bangkok, Thailand, with the signing of the ASEAN Declaration (Bangkok Declaration) by the Founding Fathers of ASEAN: Indonesia, Malaysia, Philippines, Singapore and Thailand.

ASEAN currently has eleven member states: Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand, Timor-Leste, and Vietnam. IER Division of DEA, Ministry

of Finance coordinates issues related to financial cooperation under ASEAN.

IX. United Nations Development Programme (UNDP)

India's annual contribution to the UNDP is US \$ 4.5 million for the year 2025, which is one of the highest among developing countries. The Country Programme Document (CPD) of the UNDP is guided by UNDP Strategic Plan & UN Sustainable Development Cooperation Framework (UNSDCF). Three programmatic priority areas under CPD (2023-27) are: (a) Strong, accountable, and evidence-led institutions for accelerated achievement of SDGs; (b) Enhanced economic opportunities and social protection to reduce inequality – with a focus on the marginalized; (c) Climate Smart Solutions, Sustainable Ecosystems and Resilient Development for reduced vulnerability. In the financial year 2025-26, 7 projects with UNDP as implementing agency, were approved by Local Project Appraisal Committee (LPAC) of DEA as of December 2025.

X. United Nations Office for Project Services (UNOPS)

UNOPS is a separate, self-financing entity within the UN development system, which was established in 1995. UNOPS is mandated to expand implementation capacity across peace and security, humanitarian, and development efforts. Through its project services — including infrastructure, procurement, project management, human resources, and financial management services — UNOPS supports the governments, the United Nations, and other partners in achieving member States' global development goals, and local objectives. UNOPS projects are approved by the Project Approval and Monitoring Committee (PAMC) housed in DEA.

XI. Financing for Development (FfD)

FfD is an important process in global efforts to pursue the 2030 Agenda through mobilizing development financing. The 3rd International Conference on Financing for Development (FfD3) was held in Addis Ababa in 2015. The Fourth International Conference on Financing for Development (FfD4) was held from June 30 to July 03, 2025 at Spain. India was represented by DEA in FfD4 meetings. The Hon'ble Finance Minister participated in FfD4 and delivered the Plenary statement. The outcome document viz 'Compromiso de Sevilla' was adopted by member countries at the 4th International Conference on FfD4 and later endorsed by the United Nations General Assembly. The Outcome document consists of 7 action areas namely – (a) Domestic Public Resources; (b) Domestic and international private Business & Finance (c) International Development Cooperation and Development effectiveness (d) International Trade as an engine for Development (e) Debt and Debt sustainability; (f) International Financial Architecture and Systemic Issues; and (g) Science, Technology, Innovation and Capacity building.

10. Aid Accounts & Audit Division (AAAD): -

10.1.1 Aid Accounts and Audit Division (AA&AD) of the Department of Economic Affairs, Ministry of Finance is responsible for disbursement of Loans/Grants received from Multilateral/Bilateral funding Agencies (MDBs/BAs), debt servicing of loans of MDBs/BAs and accounting of external assistance. Besides, AAAD is also responsible for preparation of the External Assistance Budget (both for receipts and payments) for Government loans/credit/grants.

10.1.2 Further, AAAD is also responsible for maintaining loan records, publishing External Assistance Brochure on an Annual basis and Web-publication of Sovereign external debt portfolio. Additionally, AAAD conducts audits of export promotion schemes authorizations run by the DGFT.

10.1.3 Aid Accounts & Audit Division is one of the few

ISO 9001-2000 certified account establishments in the Government of India.

10.2 Performance/Achievements during the Financial Year 2025-26 (As on 30th November, 2025)

10.2.1 Total of 1443 live/active loans/accounts are being handled by Aid Accounts & Audit Division. Out of these, 456 Loans/Grants accounts are in disbursement mode. Rest of the loans are live/active for debt servicing point of view.

10.2.2 External receipts of Loans on Government Account during financial year 2025-26 (upto 30th November, 2025) are ₹ 56,318 Crore. In addition to loan receipts, a sum of ₹ 730 Crore has been received as Cash Grant.

10.2.3 A comparative position of receipts and repayment/ payment in the current year as compared to previous financial year and upto **30th November, 2025** is as under: -

₹ In Crores

Sl. No	Description	2024-25 (as on 31 st March, 2025)	2025-26 (as on 30 th November, 2025)	Projections as per RE (For the period 12/2025 to 03/2026)
1	Receipts (Loans and Grants)	109,454	57,048	55936
2	Payments (Principal and Interest)	89,600	62,994	38479
3.	Net Transfer (1-2)	19,854	-5,946	17,457

10.3 Audit of Import Authorization & DGFT's Export Promotion Schemes

10.3.1 In line with the recommendations of the Shri V.K.R.V. Rao Committee, a Departmental Audit Branch was established in DEA in 1963 under the Chief Auditor of Foreign Exchange to conduct audits of various import authorization issued under Export Promotion Schemes on a sample basis. Over the time, this responsibility was transferred to Aid Accounts & Audit Division.

10.3.2 The primary focus of audits by AA&AD is to

assess the realisation of foreign exchange by advance authorization holders and ensure compliance with export obligations, in accordance with the terms and conditions of the respective schemes.

10.3.3 AA&AD carries out audit of Import authorization for promotion of Export of goods issued by Offices of the Director General of Foreign Trade located at **24** cities across the country.

10.3.4 As a result of settlements, a sum of **₹ 22,17,776/-** has been recovered from various firms till 30th November, 2025.

11. Administration Division

11.1 Functions

11.1.1 Administration Division is responsible for personnel and office administration, implementation of Official Language policy of the Government, implementation of the Right to information Act, 2005, redressal of public grievances, training of officials, Record Retention Schedule, Complaints Committee on Sexual Harassment of Women Employees etc. Administration Division is also responsible for framing of Recruitment Rules for ex-Cadre posts and recruitment in such posts in Department of Economic Affairs.

11.2 Staff Strength

The staff strength in Department of Economic Affairs and its attached/subordinate offices/ statutory bodies along with the representation of Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs) and persons with Disabilities therein is given in Annexure I & II respectively.

11.3 Complaints Committee on Sexual Harassment of Women Employees

A Complaints Committee in Department of Economic Affairs for considering complaints of sexual harassment of women employees has been re-constituted vide OM No. A-60011/1/2022-Admn.III dated 19.09.2024, which was partially modified consequent upon the transfer of one of the members vide OM No. A-60011/1/2022-Admn.III dated 18.09.2025.

11.4 Training of Staff Members

Department of Economic Affairs deputed its officials for training to ISTM and other institutes to increase their efficiency and bring out improvement in the quality of their work. During the period 01.01.2025 to 31.12.2025 a total of 115 officials were nominated for the trainings of different levels, which were conducted by ISTM, New Delhi and other government institutes.

11.5 Redressal of Public Grievances:

A Centralized Public Grievances Redressal and Monitoring System (CPGRAM) is operational within the Government which attends to all the Public Grievances related to various Ministries/ Departments. During the year 2025, 3024 fresh public grievance cases were received in the Department besides 403 brought forward from the previous year. Out of these 3427 cases, 3024 cases were disposed of during the year. Further, 160 Appeals

against the disposal of grievances were received and 135 Appeals were disposed of. Adviser (Admin.) is functioning as the Nodal Officer for Public Grievances in Department of Economic Affairs.

11.6 Right to Information Act, 2005

In order to facilitate dissemination of information under the provisions of Right to Information Act, 2005, Department of Economic Affairs has taken the following actions:

- (i) An RTI Section is in operation in DEA to facilitate the applicants with the reply/information to their RTI applications under the RTI Act, 2005 through Central Public Information Officers/ Appellate Authorities/ Public Authorities concerned and to submit the quarterly returns regarding receipt and disposal of the RTI applications/ appeals to the Central Information Commission.
- (ii) In 2025, as per the proactive disclosure of information guidelines under Section 4 of the RTI Act, 2005, information was uploaded on the Department's website (www.dea.gov.in). It also contains the details of the Department's functions along with its functionaries etc. as required under section 4(1)(b) of the RTI Act, 2005.
- (iii) Under Secretaries/ Deputy Directors/ Assistant Directors/ Sr. Accounts Officers/Section officers and Economic Officers level officers of the Department have been designated as Central Public Information Officers (CPIOs) under section 5(1) of the Act, 2005 in respect of subject(s) being handled by them.
- (iv) Deputy Secretaries/Joint Director/ Directors level officers have been designated as First Appellate Authorities in terms of Section 19(1) of the Act, 2005, to deal with the Appeals preferred by applicants who aggrieved/not satisfied by the information/reply furnished by the Central Public Information Officers (CPIOs).
- (v) The list of CPIOs and First Appellate Authorities is updated and uploaded from time to time on the website of DEA for the information of General Public. The RTI Cell is functioning at 5th Floor, A-Wing, Kartavya Bhavan-I to receive the RTI applications. The applications received are further forwarded to the CPIOs/ Public Authorities concerned.

(vi) The RTI application can be filed through online portal www.rtionline.gov.in. The RTI applicants can see the status of their application as well as the reply/information furnished by the CPIO through the website. These all processes have resulted in significant reduction in processing of RTI applications.

(vii) During the year 2025 from January 1, 2025 to December 10, 2025, total 3096 (No.s) RTI applications and 80 (No.s) first appeals, were received in the Department. An amount of Rs. 2130/- (Rupees Two Thousand One Hundred Thirty only) was received as RTI fees and Documents fee under the RTI Act.

11.7 Use of Hindi in Official work

During the year 2025-26 the progress of implementation of the Official Language Policy is being continuously reviewed.

All documents have been presented bilingually in the Parliament. Official Language Act, 1963; Official Language Rules, 1976 and all other instructions issued by the Department of Official Language have been duly followed. During the year under report, several steps have been taken in the Department to increase the use of Hindi in official work.

The activities related to Official Language undertaken in the Department during the year under review are as follows:

(i) Organization of Hindi Fortnight

Like other years, this year also "Hindi Fortnight" was organized in the Department of Economic Affairs during September, 2025. While issuing message on the occasion of "Hindi Diwas" on September 14, 2025, the Hon'ble Minister of State for Finance appealed to the officers and officials of the Ministry of Finance and officers of offices under its control to do official work in Hindi. In order to create a conducive environment for promoting the use of Hindi in the Department, various competitions were conducted in which officers/employees of various Divisions/ Sections of the Ministry participated with great enthusiasm.

(ii) Official Language Inspection

Inspection of subordinate offices: In order to achieve the target set in the annual program of the official language department, inspection of eight subordinate offices viz. Bank Note Press, Dewas; Security Paper

Mill, Narmadapuram; Government of India Mint, Kolkata; Securities and Exchange Board of India, Kolkata; Security Printing Press, Hyderabad; Government of India Mint, Hyderabad; Government of India Mint, Mumbai and Securities and Exchange Board of India, Mumbai have been done by Senior officers and staff of the Department of Economic Affairs during April 2025 to November 2025 and the status of use of Hindi as the Official Language was reviewed.

(iii) Dispatch of Quarterly Progress Report

Quarterly progress reports were received from all the Sections/Divisions of the Department. Hindi correspondence of the Department of Economic Affairs remained about 55.37%. The consolidated Quarterly Progress Reports and Annual Assessment Report were sent to the Department of Official Language, Ministry of Home Affairs in due time.

(iv) Meetings of the Official Language Implementation Committee

To review the status of Official Language implementation in the Department, meetings of the Official Language Implementation Committee were organized during the year 2025-26. Heads of various Sections and Divisions attended these meetings.

(v) Circulation of Annual Programme

The Annual Programme for the year 2025-26 released by the Department of Official Language, Ministry of Home Affairs was circulated to all the Divisions/ Sections of the Ministry including subordinate offices and its online link was placed on the dashboard in the e-Office for information of the officers/employees of the Ministry so that the targets fixed by the Department of Official Language could be achieved.

(vi) Hindi Workshop

A workshop on "Use of e-tools to promote working in Hindi for the official purpose with technology support" was organized in the Department on 26.06.2025 in which senior officers and employees of the Department participated and benefitted.

(vii) Translation Work

In addition to implementation of the Official Language Policy of the Union, extensive work related to translation was carried out in the Hindi Section of the Department of Economic Affairs. This extensive work included many important documents. Translation

of government documents, specified in the Official Language Act, 1963 and the rules made thereunder, were also successfully completed by the Hindi Section during the year 2025-26. These include all budget-related documents, annual reports, agreements with foreign governments and international agencies, Cabinet Notes, parliamentary questions-answers/assurances, notifications, Standing Committee related work, action taken reports, monthly summary for the Cabinet Secretariat, Government letters and foreign financing reports. All these tasks include translation, typing and vetting as well as proofreading.

(viii) Hindi Advisory Committee

A meeting of the joint Hindi Advisory Committee of the Department of Economic Affairs, the Department of Financial Services and the Department of Public Enterprises was held on 10.12.2025 under the Chairmanship of Shri Pankaj Chaudhari, Hon'ble Minister of State (Finance).

11.8 Finance Library & Publication Section

11.8.1 Finance Library & Publication Section was established in 1945. Finance Library functions as the Central Research and Reference Library in the Ministry and caters to the needs of Officials of all the Departments of the Ministry of Finance, Ad-hoc Committees and Commissions set from time to time and research scholars from the various Universities in India as well as abroad.

11.8.2 This Library also serves as the Publications Section of the Ministry, coordinating in the procurement and distribution of official documents with the various institutions/ individuals on demand in India and abroad.

11.8.3 A Publication Cell vide O.M. No.F.1 (1) — Ly/59 dated the 2nd April, 1959 was created and later integrated with the Library forming the Finance Library and Publication Section.

Finance Library has been categorized as Grade III Library on the basis of Department of Expenditure's O.M. No. 19(1)/IC/85 dated 24.07.1990. All the posts in the Library are ex cadre posts.

(i) Collection

Finance Library has specialized collection of around two lakh documents on Economic and Financial matters and subscribe to more than 800 periodicals/ newspapers annually and databases like Agriwatch, CMIE, Jus Mundi, Bloomberg, Grammarly and access

to e-journals and back-filed collection through JSTOR is also available.

(ii) Services

Finance Library provides different kinds of services viz. lending, interlibrary loan, consultation, reprographic, circulation of newspapers and magazines, reference service, current awareness service through "WEEKLY BULLETIN" as well as providing services through e-mail and also extended the services of e-governance.

The Finance Library also undertakes the work of distribution of publications of Ministry of Finance and Reserve Bank of India to State Governments, Foreign Governments and renowned institutions in India as well as abroad. A useful links is also provided on intranet by the Library which helps the readers in search and download full text of national and international reports and data.

(iii) Publications

Finance Library brings out two (print + online) publications i.e. "Weekly Bulletin" and "Current contents.

(iv) Digital Records

Indian Official Documents relating to Economic and Finance Subject (Center and State since independence) and Ministry of Finance Gazette Notifications published in the Pt. 2 Sec. 3 Sub-section (i) (ordinary) for the year 1955 to 1990 has been digitized. So far around 02 TB Data has been digitized and available in digital format.

(v) Computerisation

The Library uses LIBSYS & KOHA Library package for database management, retrieval, Library automation and other in-house jobs. The internet facility is also available in the Library through which information is provided to the Officers of Ministry of Finance.

(vi) OTHER WORKS

- i. Modernization and infrastructure improvement was undertaken by the Library.
- ii. The work of reimbursement of newspapers and magazines of DEA is also undertaken by the Finance Library.
- iii. This Library also serves specifically as the Publications Section of the Ministry; coordinating in the procurement and distribution of official documents with the various institutions/ individuals on demand in India and abroad.

12. Bilateral Cooperation Division

12.1 Bilateral Cooperation Division deals with the following functions:

- a. **Bilateral Official Development Assistance Policy:** Bilateral Development Assistance from all G-8 countries, namely, USA, UK, Japan, Germany, France, Italy, Canada and Russian Federation as well as the European Union and Republic of South Korea and the policy relating to it.
- b. **Concessional Credit extended by Government of India to partner countries under Indian Development and Economic Assistance Scheme (IDEAS) through Lines of Credit and Concessional Finance for strategic overseas infrastructure projects.**
- c. **Economic Policy Dialogues and Forums:** BC Division deals with following dialogues/meetings
 - India-UK Economic and Financial Dialogue
 - India-US Economic and Financial Partnership
 - Indo-French Bilateral Dialogue on Economic and Financial Issues
 - India-Korean Finance Minister's Meeting
 - India- Japan Strategic Dialogue on Economic Issues,
 - India-Japan Finance Dialogue
 - India- Switzerland Financial Dialogue
 - India-EU Macro-economic Dialogue
 - India-China Financial Dialogue
 - India- Australia Economic Policy Dialogue
 - India-New Zealand Economic Policy Dialogue
 - India-German Finance Ministry Senior Officers Meeting
 - India-Korea Working Group Meeting
- d. **Foreign Training Courses/Programmes:** The Division is the focal point for administering all short-term foreign training courses of the duration up to four weeks offered by various international agencies.

A. Bilateral Official Development Assistance Policy:

12.2 India has been accepting external financing from bilateral partners in the form of loans, grants and technical assistance for development of infrastructure, social sector and for enhancement of knowledge/skills of Indian nationals at both Centre and States level. As per the guidelines issued by this Department in 2005, bilateral development assistance can be accepted from the then G-8 countries, namely USA, UK, Japan, Germany, France, Italy, Canada and the Russian Federation as well as from the European Commission. European Union countries outside the G-8 can also provide bilateral development assistance to India, provided they commit a minimum annual development assistance of USD 25 million. A revised set of guidelines on Official Development Assistance for Development Cooperation with bilateral partners were issued in December, 2015. After issuance of revised guidelines, the Republic of South Korea has been recognized as bilateral partner country for accepting Official Development Assistance from them.

12.3 Bilateral Development Cooperation with Japan

12.3.1 Japan-Official Development Assistance:

12.3.1.1 Japan has been extending Official Development Assistance (ODA) to India since 1958. Japanese ODA in the form of loan assistance, grant aid and technical assistance to India is received through Japan International Cooperation Agency (JICA). Japan is the largest bilateral donor to India.

12.3.1.2 As on November 30, 2025, 66 ODA loan projects are under implementation with Japanese assistance. The loan amount committed for these projects is 3648.96 billion Yen (Rs. 2,21,347.73 crore approx.). The cumulative commitment of ODA loan to India has reached JPY 8.4 trillion on commitment basis till November 30, 2025.

12.3.1.3 The ODA loan disbursement to India from april 1, 2025 to November 30, 2025 was JPY 274.43 billion (Rs. 16175.10 crore approx.).

12.3.2 Grant in Aid

12.3.2.1 The Government of Japan provides Grant in Aid to India under the following sectors and criteria:

i) Criteria:

- a) Development impacts;
- b) Utilization of Japanese technology/know-how and likelihood of its dissemination to other areas.

ii) Sectors:

- a) Transport sector, including projects using information and communication technology (ICT) and road projects with slope protection measures (potential line ministries could include Ministry of Road Transport and Highways, Ministry of Housing & Urban Affairs, etc.)
- b) Power sector, including small-scale hydro power projects and solar power projects (potential line ministries could include Ministry of Power, Ministry of New and Renewable Energy, etc.)

12.3.2.2 There are four (4) ongoing Grant-in-Aid projects viz. (a) The Project for Implementation of Advanced Information and Management System in Core Bengaluru (b) The Economic and Social Development Programme (Provision of Medical Equipment) (c) Improvement of Power Supply in Andaman and Nicobar Islands and (d) Human Resource Development Scholarship (JDS).

12.3.3 Technical Cooperation Programme

12.3.3.1 Technical Cooperation aims at transfer of technology and knowledge in a bid to develop and improve human resources and thus contribute to the Socio-Economic Development of India. The Technical Cooperation covers a broad spectrum of fields ranging from basic human needs to Agriculture and Industrial Development.

12.3.3.2 The main components of Technical Cooperation are (i) Technical Cooperation Projects, (ii) Technical Cooperation by Experts, (iii) Technical Cooperation by Training, (iv) Technical Cooperation by Development Planning.

12.3.3.3 There are 19 ongoing projects under Technical Cooperation Programme.

12.3.4 JOCV Programme

12.3.4.1 JICA's volunteer programs, such as Japan Overseas Cooperation Volunteer (JOCV), support a wide range of local activities by Japanese citizens who intend to cooperate in the economic and social development as well as in the reconstruction of emerging countries. Through these cooperation activities, participating volunteers can, not only contribute to the development of partner countries but also gain valuable experience in terms of international goodwill, mutual understanding and an expansion in their international perspectives.

12.3.4.2 During 1st April 2025 to 30th November 2025, 12 proposals were posed to Embassy of Japan and No-objection to 03 Volunteers were issued.

12.3.5 JICA Partnership Programme

12.3.5.1 Recognizing the growing importance of NGOs in international cooperation, the JICA Partnership Programme (JPP) was introduced in 2002. JPP is a technical cooperation program implemented by JICA to contribute to the social and economic development of developing countries at the grass-roots level, in collaboration with partners in Japan, such as NGOs, universities, local governments and public interest corporations while applying for JPP, Indian NGOs are advised to seek a Japanese partner to take part in the scheme. This has two components:

- i. Japanese NGO / Institution / Local Government through JICA will support Indian organization with Japanese expert personnel, equipment provision and Financial support through FCRA route;
- ii. Japanese NGO / Institution / Local Government through JICA will provide training of Indian personnel in Japan.

12.3.6 Grassroots Funding

12.3.6.1 The Government of Japan also provides small assistance to Indian NGOs under its Grassroots Funding Programme through FCRA route on receipt of no objection from DEA.

12.3.7 Green Aid Plan

12.3.7.1 The Government of Japan (Ministry of Economy, Trade and Industry) provides technical assistance under Green Aid Plan through agencies like New Energy and Industrial Development Organization (NEDO), an organization of METI. The areas of cooperation are prevention of water pollution, air pollution, treatment of wastes and recycling and energy conservation and alternative energy source. Model projects are carried out by NEDO on the basis of the MoU signed by NEDO with Department of Economic Affairs, the concerned line ministry and the implementing agency.

12.4 Bilateral Development Cooperation with Germany

12.4.1 Germany, through their Ministry for Economic Cooperation & Development (BMZ), has been providing both financial and technical assistance to India since 1958. In 2008, the German Ministry for the Environment, Nature Conservation and Nuclear Safety (BMUB) also initiated

assistance under German Government's 'International Climate Protection Initiative (IKI)', which is an additional instrument for the assistance of the German Government over and above and without undermining the existing sources of Official Development Assistance. Priority areas of Cooperation includes: Energy, Sustainable Urban Development as well as Environment and Management of Natural Resources.

12.4.2 Germany implements its financial assistance programmes through KfW, the German Government's Development Bank. The technical assistance programmes are implemented through GIZ (earlier GTZ) - a fully-owned corporation of German Government. Financial Assistance is provided as Reduced Interest Loan (EURIBOR-based loan) as well as Financing grants. The technical assistance is provided in the form of grant and services by project experts.

12.4.3 In May, 2022, Hon'ble Prime Minister of India and German Chancellor Mr Olaf Scholz Pursuant signed the Joint Declaration of Intent on Green and Sustainable Development (GSDP). Under GSDP, Germany has committed to make Euro 10 billion of new and additional commitments till 2030 for supporting India's climate and sustainable development goals. Accordingly, till date Germany has committed Euro 4.889 billion, including 1.242 billion committed during Indo-German Annual Negotiation Meeting held in December, 2025.

12.4.4 Under bilateral development cooperation programme two annual meetings i.e. Indo-German Annual Consultations and Indo-German Annual Negotiations are held, generally during 2nd quarter and 4th quarter of the year respectively. In the Annual Consultations, apart from the policy issues, the discussion on ongoing projects and new projects and review of ongoing projects are made. In Annual Negotiations, the Government of Germany makes commitments of funds for new projects as well as for additional funding for ongoing projects. On an average Germany makes an annual commitment of Euro 1 billion. The Indo-German Annual Negotiation meeting 2025 was held in New Delhi on 5th December 2025. The volume of funds committed by the German side for Technical and Financial Cooperation projects and programmes in 2025 amounts to EUR 1,242.05 million.

12.4.5 At present, there are 47 ongoing projects receiving external financing/loans from KfW aggregating Euro 6.47 billion from Germany. The cumulative volume of commitment made by the Germany for bilateral Technical and Financial Cooperation till 2025 amounts to EUR 26.62 billion.

12.5 Bilateral Development Cooperation with AFD, France

12.5.1 The Government of France has been extending development assistance to India since 1968.

12.5.2 In 2006, Government of France proposed to provide untied development assistance to India through the French Agency for Development (AFD). In this regard, an inter-governmental Agreement was signed between the two Governments on 25.01.2008 during the State visit of French President Mr. Nicholas Sarkozy to India.

12.5.3 AFD has been entrusted with a strategic mandate tailored to the Indian Government's priorities. It is implemented through three main focuses for cooperation: Promote sustainable and integrated urban development; Encourage energy efficiency and renewable energy development; Conserve the country's biodiversity and natural resources.

12.5.4 Since 2008, total net cumulated financing by AFD amounts to EUR 3.3 billion. This financing was provided through ODA- compliant loans, on a sovereign and non-sovereign basis. On an average AFD makes annual commitment of Euro 250 million. Major areas of ongoing cooperation are in the field of:

- i. Cooperation in the field of public transport sector;
- ii. Smart City Mission;
- iii. Water, Environment and Biodiversity sector.

12.5.5 At present, there are 21 ongoing loans for Euro 1.6 billion with financial assistance from AFD.

12.5.6 French Government also provides technical assistance in the form of FASEP facility Scheme. FASEP facility is managed by the Treasury and Economic Policy General Directorate of the French Ministry of Economy, Finance and Industry. Under this facility, grants are provided to finance technical cooperation in the area of infrastructure projects (water, sanitation, solid waste, environment, transport, energy).

12.6 Development Cooperation between India and European Union

12.6.1 The European Union (EU) provides development assistance to India in the form of Grants. The priority areas include environment, public health and education. Since 2014, the financial component of development assistance from EU was discontinued, however technical cooperation and exchange of best practices remains active in three lines (i) in areas of mutual interest (ii) in areas relevant to the Sustainable Development Goals with civil society organizations and (iii) at a regional level to address global challenges.

12.6.2 External Financing in India by European Investment Bank (EIB)

12.6.2.1 The European Investment bank is the European Union's financing institution which was established in 1958 under the treaty of Rome (1957) to provide financing for capital investment. The members of the EIB are the member States of the European Union, who have all subscribed to the Bank's capital. Outside the European Union, EIB financing operations are conducted principally from the Bank's own resource but also, under mandate, from Union or Member States' budgetary resources. Under these arrangements, the EIB's funds are utilized to finance investments in countries signatory to Cooperation Agreement with the EU.

12.6.2.2 EIB's activities in India is anchored by the Joint Action Plan (JAP) of the Strategic Partnership between the EU and India. EIB aims to increase its lending activities focusing mainly on environmental sustainability and large infrastructure project through FDI, transfer of technology and know-how. EIB investments in India are governed by the Framework Agreement for Financial Cooperation. This agreement was signed between India and EIB on 25th November 1993 by the Charge d' Affairs of India at Brussels. The Framework Agreement was initially valid for a period of three years and later it was extended sine die vide amendment dated 24th November 1998.

12.6.2.3 During the year, three Finance Contracts were signed between DEA and EIB for the following projects:

- a. Uttarakhand Water and Sanitation (USD 191 million) signed in July 2025
- b. Pune Metro Rail Project E (EUR 49.5 million) signed in August 2025
- c. Pune Metro North and South Extension (EUR 235 million) signed in December 2025

12.7 Bilateral Development Cooperation with the USA and Canada:

12.7.2 United States Trade and Development Agency (USTDA)

12.7.2.1 USTDA promotes economic growth in emerging economies by facilitating the participation of U.S. businesses in the planning and execution of priority development projects in host countries. During the current FY, USTDA is supporting technical cooperation/ assistance worth USD 1.25 million (approx.) for a project for the further development in master planning of Integrated Aviation Hub in Hisar.

12.7.3 International Development Research Centre (IDRC)

12.7.3.1 The Canadian bilateral development assistance to India is received through IDRC - an entity created and funded by the Parliament of Canada. IDRC supports research activities in developing countries to promote growth, reduce poverty, and drive large-scale positive change. In India, IDRC extends grant assistance to various Govt. and Non-Govt. organizations for research projects in the field of agriculture, health and family welfare, etc

12.8 Bilateral Development Cooperation with the United Kingdom

12.8.1 The United Kingdom (UK) has been providing development assistance to India since 1958. Development assistance from UK was received mainly for achieving the Millennium Development Goal (MDG) in the areas of health, education, administrative reforms, slum development etc.

12.8.2 The assistance from the UK, through its Foreign, Commonwealth and Development Office (FCDO), erstwhile Department for International Development (DFID), flows to mutually agreed government projects and programmes in the form of investment and technical assistance. FCDO also provides assistance through multilateral agencies, namely World Bank, ADB and UNICEF as well as through civil society programmes. Initiative under the Bilateral Development Cooperation with the United Kingdom include launching of Green Growth Equity Fund (GGEF), a joint investment for promoting green investments in India, by National Investment and Infrastructure Fund (NIIF) in collaboration with FCDO, UK in 2018. FCDO, UK is also implementing joint investment programmes in collaboration with SBI to promote climate friendly investment in India.

12.9 Bilateral Development cooperation with Republic of Korea

12.9.1 In the Joint Statement for Special Partnership signed during the Prime Minister's visit to Republic of Korea (RoK) during May 18-19, 2015, it was agreed to upgrade the bilateral relationship between the two countries to a 'Special Strategic Partnership' and to expand it into a wide range of areas. Accordingly, RoK was accepted as bilateral partner for development cooperation during October, 2016. In the 5th India-Korea Finance Ministers' Meeting held on June 14, 2017 in Seoul, an Economic Development Cooperation Fund (EDCF) Agreement was signed between the two Governments for US\$ 1 billion Official Development Assistance (ODA) to India.

12.9.2 During 2024-25, the technical Cooperation for the project proposal titled “Strengthening Vocational Education and Training in Mechatronics in India” was signed between Government of India and Government of Republic of Korea on 20th Jan 2025.

B. Concessional Credit extended by Government of India under Indian Development and Economic Assistance Scheme (IDEAS).

12.10.1 Lines of Credit (LoCs) form an important component of India’s diplomatic strategy and have been very useful in generating goodwill and building long term partnerships. GoI extends Lines of Credit to Developing African and Non-African Countries through Indian Development and Economic Assistance Scheme (IDEAS). With the approval of the Cabinet, the Indian Development and Economic Assistance Scheme (IDEAS) have been revamped and continued till 31 March, 2026, or till further review, whichever is earlier.

12.10.2 LoCs are being operated through Export-Import Bank of India, which raises resources from the market and provides LoCs to recipient Government at concessional rates. GoI backs the LoCs through a Deed of Guarantee in favour of the lending bank to guard against any default by the borrowing Government in payment of interest and principal to the lending bank. GoI also extends interest Equalization Support (IES) to the lending bank for enabling it to lend on concessional terms.

12.10.3 As on December 31, 2025, 293 LoCs have been extended to 62 countries for an amount of USD 26,119.11 million and INR 4,850 crore. .

C. Economic Dialogues and Forums

12.11 During the year 2025-26, following dialogues/ meetings were held:

12.11.1 India-US Economic & Financial Partnership (EFP)

12.11.1.1 There is a mechanism of EFP ministerial meetings between India and U.S.A. in place since 2010 for strengthening economic and financial engagement between the two countries. So far, 9 ministerial-level EFP meetings have been held between both sides. As a follow-up to the deliberations under 9th EFP meeting, three sub-ministerial level meetings have been held to exchange updates and take forward the deliberations from the 9th India-USA EFP.

12.11.2 India-EU Macroeconomic Dialogue

12.11.2.1 The 12th India-EU Macroeconomic dialogue was held on 20.02.2024 virtually through video conferencing. Both sides discussed topics of mutual areas of interest which included macroeconomy, climate change, green and digital transitions and priorities for the G20 Presidency. The deliberations fostered rich exchange of insights on key fiscal and structured reforms and avenues for enhancing India-EU macroeconomic Cooperation.

12.11.3 India-Switzerland Financial Dialogue

12.11.3.1 The 5th India-Switzerland Financial Dialogue was held on 20th March 2024 through virtual platform. The Indian delegation was led by Shri Ajay Seth, Secretary, Department of Economic Affairs and the Switzerland delegation was led by Ms. Daniella Stoffel, State Secretary for International Finance. The dialogue facilitated discussions and exchange of views in areas of mutual interest such as investments, infrastructure financing, Digital Financial Services Collaboration & Innovation and exploring promising opportunities for the Indian and Swiss economies. The dialogue was also participated by representatives from regulators such as SEBI, RBI and IFSCA.

12.11.4 India-UK Dialogue

12.11.4.1 India-UK Economic Financial Dialogue

12.11.4.1.1 The 13th Ministerial meeting of the India-UK Economic and Financial Dialogue (13th EFD) was held in London on 9th April 2025. The Indian delegation was led by Smt. Nirmala Sitharaman, Union Minister for Finance and Corporate Affairs, and the UK delegation was led by the Chancellor of the Exchequer, The Rt. Hon. Rachel Reeves. The dialogue was also participated by financial regulators from both sides including RBI, SEBI and IFSCA from Indian side and Bank of England and FCA from the UK side.

Both sides reaffirmed their commitment to continue collaboration in financial services sector, FinTech and Digital economy and between the respective regulatory bodies; collaboration at bilateral and multilateral fora to address mutual and global economic issues including mobilising affordable finance and investment for low carbon economic growth, taxation matters and illicit financial flows. A Joint Statement was adopted for the dialogue by Union Finance Minister of India and Chancellor of Exchequer of United Kingdom.

12.11.4.2 India- U.K. Financial Markets Dialogue

12.11.4.2.1 The third meeting of India-UK Financial Markets Dialogue was hosted by Department of Economic Affairs, Ministry of Finance in GIFT City, Gujarat on 12 December 2024 in hybrid mode. Participants from both India and UK touched upon reforms in respective financial services sectors including capital markets, insurance & reinsurance, pensions, FinTech, sustainable finance and International Financial Services Centre. Opportunities for inter-regulatory cooperation and private sector collaboration to increase bilateral trade and investment in financial services was also discussed. The 4th FMD is proposed to be held in next spring, 2026.

12.11.5 India-Australia Economic Policy Dialogue

12.11.5.1 The **10th round of the India–Australia Economic Policy Dialogue** was held on **14 August 2025** in virtual mode under the co-chairmanship of Ms. Aparna Bhatia, Adviser (Bilateral Cooperation), Department of Economic Affairs, Ministry of Finance, Government of India, and Mr. Justin Baguley, Acting First Assistant Secretary, International Economics and Security Division, Australian Treasury. The participants exchanged their views on the global and domestic economic outlook, infrastructure, investment flows, energy transition, digital economy, and fintech cooperation. India highlighted growth momentum, reforms, and opportunities in infrastructure and digital payments, while Australia shared perspectives on resilience, productivity, and its Future Made in Australia policy.

d. Foreign Training Courses/Programmes

12.12 Department of Economic Affairs is the nodal point for administering short term foreign training courses offered by some bilateral partner countries under bilateral cooperation programme and some multilateral agencies. These courses are intended for capacity building of the officers in various spheres/fields of activities including sectors such as Education, Health, Water Resources, Disaster Management, Governance, Natural Resources and Energy, Agriculture, Nature Conservation, Environmental Management, etc. Nominations are invited from all Ministries /Departments, State Governments/ Union Territories. The nominations are screened by a Selection Committee in DEA and thereafter recommended to the sponsoring Government/Agency for acceptance. During the year 2025-26, DEA received offers for training for 67 Short Term Foreign Training Programmes (less than four weeks) from Singapore Cooperation Programme Training Award (SCPTA), Japan International Cooperation Agency (JICA) and Malaysian Technical Cooperation Programme (MTCP) and suitable applicants were recommended for the purpose.

13. Integrated Finance Division**13.1 The Division is responsible for the following functions:**

- i. Tendering financial advice & concurrence to proposals involving expenditure in respect of DEA and DFS as well as their attached and subordinate offices e.g. Security Appellate Tribunal (SAT)/ National Savings Institute/G-20 Secretariat /Office of Special Court, Mumbai/ Office of Custodian/ Debt Recovery Tribunals, Pension Fund Regulatory and Development Authority and Office of Court Liquidator, Kolkata
- ii. Exercising expenditure control and management, ensuring rationalization of expenditure and compliance of economy measures in accordance with the instructions of the Department of Expenditure including regular monitoring of expenditure through monthly/quarterly reviews and submission of reports to the concerned Secretaries.
- iii. The Division also administers two Detailed Demands for Grants i.e. Grant No.30-Department of Economic Affairs and Grant No.32-Department of Financial Services. This involves finalizing the Budget Estimates/ the Revised Estimates/ estimating final requirements/ surrender of savings, re-appropriations and vetting of Head wise Appropriation Accounts.
- iv. Coordination, Compilation, Printing and laying of the 'Detailed Demand for Grants (DDG)' and 'Output Outcome Monitoring Framework(OOMF)' of the Ministry of Finance in respect of CS/CSS Schemes with capital outlay of less than ₹500.00 crore in Parliament.
- v. Coordination of all matters relating to the examination of the Demands for Grants of Ministry of Finance by the Parliamentary Standing Committee on Finance.
- vi. Numerical Monitoring of pending PAC/C&AG Audit Paras/ENs on Demands for Grants of DEA.
- vii. Coordination, Compilation, Printing and Presentation of Statements to be made by Hon'ble Finance Minister as required in terms of Rule 73-A, in Lok Sabha/ Rule 266 in Rajya Sabha in respect of implementation of Reports of the Standing Committee on Finance on Demands for Grants.
- viii. Budgetary position regarding the Grants administered by the Division is given below:

13.2 Budgetary allocation of the Grants (on net basis)

(₹ in crore)

Grant		BE 2025-26	RE 2025-26	BE 2026-27
30- Department of Economic Affairs	Revenue	2400.24	59845.19	4249.65
	Capital	46613.63	70799.68	16309.46
	Total	49013.87	130644.87	20599.11
32- Department of Financial Services	Revenue	1620.01	3641.84	3686.99
	Capital	68.13	54.79	59.96
	Total	1688.14	3696.63	3746.95

The best practices followed for effective expenditure control includes:

- (a) Expenditure progress reviewed quarterly with Major Head/Scheme wise details with concerned Secretaries.
- (b) The Major Head wise and Scheme wise expenditure progress as compared to BE figures, posted on the web-site of the Ministry of Finance.
- (c) Strengthening of internal control mechanism by getting internal audits undertaken.
- (d) Monthly monitoring of Major Schemes/ Programmes of Department included in the Outcome Budget.
- (e) Regular and close monitoring resulted in finalization of substantial number of cases of Action Taken Notes (ATNs) in respect of C&AG Audit Para during the year.

PARAS OF AUDIT REPORTS OF C&AG - Details of ATNs Audit paras pending with different Ministries/Departments and their disposal status – From **01.12.2024** to **31.01.2026**

Name of the Ministry/Department : Ministry of Finance

(Department of Economic Affairs)

Sl. No.	No & Year of the Report	No. of paras/PAC reports on which ATNs have been submitted to PAC after vetting by Audit	Details of the Paras/PA reports on which ATNs are pending.		
	C&AG Report		No of ATN not sent by the Ministry even for the first time	No of ATNs Sent but returned with the observations & Audit is awaiting their re-submission by the Ministry.	No of ATNs which have been finally vetted by audit but have not been submitted by the Ministry to PAC
1.	7 of 2021	16	1	-	-
2.	31 of 2022	23	-	-	-
3.	21 of 2023	6	-	-	-
4.	01 of 2024	-	-	Entire Report	-
5.	03 of 2025	-	2	-	-
6.	04 of 2025	9	-	-	-
7.	16 of 2025	7	16	-	-
8.	19 of 2025	-	2	-	-

Summary of Important Audit Observations:-

Report No. 16 of 2025 (Financial Audit) - Union Government Accounts of the Union Government for the year 2023-24

Tabled in the Parliament on: 12th August, 2025

The Report includes matters arising from test audit of the Finance Accounts and the Appropriation Accounts of the Union Government for the year ended March 2024.

EXECUTIVE SUMMARY

Financial year (FY) 2023-24 was a year of sustainable growth. Economy has reflected positive growth in terms of GDP. GDP at constant price (Real GDP) increased by 9.19 per cent and at current price (Nominal GDP) grew by 12.02 per cent. Revenue receipts of Central Government increased by 13.82 per cent with respect to last year, led by robust growth of 23.81 per cent in non-tax revenue. Gross Tax Receipts has been on a rising trend since FY 2019-20 with continuous positive growth in both direct tax and indirect tax from FY 2020-21. The share of direct tax rose to 55.46 per cent during FY 2023-24 and contribution of direct tax in term of GDP rose to 6.38 per cent. This reflects a progressive tax system.

Among Direct Taxes, revenue from income tax grew by 25 per cent on a year on year (YoY) basis and its contribution to GTR and GDP rose to 29.17 per cent and 3.36 per cent respectively. However, Corporation Tax both as a percentage of GDP (from 3.07 per cent to 3.02 per cent) and contribution to GTR (from 27.04 per cent to 26.29 per cent) in FY 2023-24 has slightly decreased compared to FY 2022-23. GST collection has been on a rising trend from FY 2021-22 along with an increasing trend in contributions as a percentage of GDP.

Non-Tax Revenue saw a substantial growth of 23.81 per cent as compared with FY 2022-23 resulting in upward trend in terms of contributions to gross revenue receipt (16.59 per cent to 17.83 per cent). This growth in non-tax revenue led by a 71 per cent increase in dividend and profits over the last year.

Although the Government spending increased from ₹39,07,647 crore in FY 2020-21 to ₹48,52,572 crore in FY 2023-24, it has been on a decreasing trend as a percentage of GDP during the same period from 19.68 per cent to 16.11 per cent respectively. Capital expenditure as a proportion of GDP has been on an increasing trend (1.73 per cent in FY 2020-21 to 2.68 per cent in FY 2023-24), which is a positive sign. Repayment of debt

has been the biggest draw from Consolidated Fund of India, contributing 60.60 per cent of the total outgo during FY 2023-24.

It is observed that the fixed component of revenue expenditure on salary, pension and interest payments, as a share of total revenue expenditure has increased from 38.93 per cent in FY 2022-23 to 42.37 per cent in FY 2023-24. The YoY increase on fixed commitments of revenue expenditure was majorly contributed by payment of interest, which grew by 15 per cent.

Capital expenditure increased by 29 per cent as compared to last FY along with marginal increase as percentage of GDP. Compared to FY 2019-20, capital expenditure on transport sector has increased by 269.29 per cent. Overall liabilities of the Union Government increased led by increase in public debt. Internal debt increased by 12.43 per cent in FY 2023-24 w.r.t FY 2022-23. Fiscal parameters improved during FY 2023-24 led by higher rate of growth in revenue receipts as compared to revenue expenses. Revenue receipt increased by 13.82 per cent while revenue expenses increased by 1.86 per cent on YoY basis. Both revenue and fiscal deficits were lower than previous year indicating prudent fiscal management. Revenue deficits decreased by 28.45 per cent as compared with FY 2022-23 reflecting control over revenue expenditure and positive growth in revenue receipts.

The Union Government Finance Accounts (UGFA) contain 16 statements which present the financial results of the Union for the year. Chapter 3 of Union Government Financial Audit Report (UGFAR) focuses on quality of accounts and financial reporting practices for FY 2023-24.

Incorrect accounting for discharge of 1.44% Inflation Index G.S. 2023, resulted in the understatement of Internal Debt of Central Government by ₹372.64 crore (Para 3.1.1). User charges for compensatory afforestation was to be collected by the State CAMPA authority and deposited in 90:10 ratio between the State and Central authorities into their relevant Reserve Funds. However, we observed that the money was transferred to the Public Account of India for further distribution to the National/ State Compensatory Afforestation Funds. At the end of FY 2023-24, ₹15,103 crore was pending for disbursement to the funds of respective States/UTs. The balance reflected in the Public Account was lower than corresponding figures in the books of accounts of the National Authority, leading to a potential understatement of Public Account by ₹866.41 crore (Para 3.1.2).

Statement 13 of the UGFA shows only the net balances under Suspense Heads, thus understating the actual balances pending for clearance, the understatement being 68.01 per cent in Suspense Account (Civil) and 54.89 per cent in Reserve Bank Suspense Central Accounts Office (Para 3.2.1 c). Similarly, netting of cash balances resulted in understatement of cash balance pending reconciliation with RBI, the total cash balance to be reconciled being ₹3,793.74 crore (Para 3.4.3).

Under 'Departmental Cheques' an increase was observed from ₹441.02 crore (Debit) in FY 2022-23 to ₹3,796.87 crore (Credit) in FY 2023-24 (Para 3.2.1 b). There were 53 cases of adverse balances in various funds and deposits of which 43 remained unresolved for over five years (Para 3.2.2). Persistence of significant balances under Suspense and Miscellaneous Heads awaiting final classification and clearance; netting of balances and adverse balances under Debt, Deposit and Remittances Heads, together have an adverse impact on accuracy of the accounts (Para 3.2).

Reserve Funds form part of the Public Account of India. These funds are created for specific purposes and are generally financed through cess or levy which on collection, is credited into the Consolidated Fund of India and transferred to the specified Reserve Fund with Parliament's approval. In FY 2023-24, an amount of ₹3,79,598 crore was collected as cess/charges/levies, which was 10.95 per cent of the Gross Tax Revenue of the Union Government. Test check of records revealed aggregate impact of short transfer of ₹3,69,307 crore till 31 March 2024, to the designated reserve funds in the Public Accounts (Para 3.3.1). Also, continuance of dormant Reserve Funds and Deposits with an accumulated net credit balance of ₹834.37 crore implies that they have outlived their purpose and need to be reviewed (Para 3.3.2).

More than 50 per cent of the expenditure and receipts amounting to ₹6,024.15 crore and ₹2,231.42 crore was booked in FY 2023-24 under omnibus 'Minor Head 800-Other Expenditure' and 'Minor Head 800-Other Receipts' respectively under various Major Heads, compromising transparency in accounts (Para 3.3.3).

At the end of FY 2023-24, loans and advances of ₹9,41,560 crore were outstanding for recovery from State/UT Governments and other entities, out of which arrears in recovery (principal and interest) were of ₹86,174 crore (Para 3.2.3). We observed short recovery of guarantee fee of ₹178.81 crore (Para 3.4.2).

We also noted instances of misclassification in accounting amounting to ₹4,214.07 crore. Of these, ₹3,283.50 crore related to receipts and remaining misclassifications aggregating to ₹930.57 crore related to expenditure and largely related to misclassification of capital expenditure as revenue expenditure and vice versa (₹654.88 crore) (Para 3.5).

There was non-accounting of equity shares in the UGFA of ₹16,133 crore (M/s Vodafone India Limited), difference of ₹2.30 crore between two Statements (8 and 11) of the UGFA regarding 'Dividends and Profits' received by the Government in FY 2023-24 and mismatch of information between UGFA and PSUs accounts. (Para 3.4.1).

Surplus balance of ₹5,573 crore was retained outside Government Account under 'SEBI General Fund', at the end of March 2024 (Para 3.3.4). Income from investment of Postal Life Insurance Fund (PLIF) and Rural Postal Life Insurance Fund (RPLIF) in Dated Securities amounting to ₹941.91 crore (PLIF- ₹502.05 crore¹ and RPLIF- ₹439.86 crore²) was booked in excess in the UGFA (Para 3.3.5). DoT misclassified ₹3,443.08 crore of regular pension payments as "Incremental Pension Payment" (Para 3.5.2.1).

Union Government Appropriation Accounts consist of 102 Grants / Appropriations for FY 2023-24. The Parliament approved appropriations of ₹1,47,56,796.55 crore, against which Government spent ₹1,29,74,923.11 crore leading to overall savings of ₹17,81,873.44 crore (Para 4.1.1).

Total charged (not required to be voted by Parliament) provision from the Consolidated Fund of India in FY 2023-24 was ₹1,02,66,792.77 crore (69.57 per cent) against which the expenditure was ₹87,53,015.54 crore (67.46 per cent). The total voted provision was ₹44,90,003.78 crore (30.43 per cent) and actual expenditure was ₹42,21,907.57 crore (32.54 per cent) with savings of ₹2,68,096.21 crore (15.05 per cent). The charged expenditure after showing a slight decrease in FY 2020-21 was followed by increase in FY 2021-22, FY 2022-23 and FY 2023-24, while the voted expenditure shows an increase in FY 2020-21, FY 2021-22 and FY 2022-23 with a slight decrease in FY 2023-24 (Para 4.1.2).

In respect of Civil Ministries/Departments, the major charged disbursement consists of two

[1 PLIF (UGFA-₹1,391.42 crore, Revenue Account- ₹889.37 crore) 2 RPLIF (UGFA-₹768.15 crore, Revenue Account- ₹328.29 crore)]

Appropriations viz. Repayment of Debt and Interest Payments, and major voted demand being Transfers to States (Para 4.1.2). In respect of 'Transfers to States (Capital Charged)', there was excess expenditure of ₹31,308.41 crore during FY 2023-24. The excess over the Appropriation is required to be regularised under Article 115(1)(b) of the Constitution (Para 4.2.1.1).

We noted excess expenditure of ₹25 crore or more in respect of 14 minor/sub-heads under 9 Grants/ Appropriations due to inadequate provisioning of funds (Para 4.2.1.2). We also noted savings of ₹5,000 crore or more in 14 Grants/ Appropriations during FY 2023-24 against which six Grants/ Appropriations had persistent savings in FY 2021-22 and FY 2022-23 as well (Para 4.2.2.1). Further, savings of ₹100 crore or more occurred in 95 segments of 70 Grants/ Appropriations (Para 4.2.2.2).

Supplementary provisions obtained in respect of 28 minor/sub-heads under 16 Grants during FY 2023-24, in anticipation of higher expenditure, were found unnecessary as the final expenditure were less than the original provisions under the corresponding minor/sub-heads (Para 4.3.1). With respect to re-appropriation, we noticed that re-appropriations exceeding ₹10 crore each were injudiciously made to 20 minor/sub-heads across 14 Grants/Appropriations, as the sanctioned provision under the minor/sub-heads to which augmentation was made by way of re-appropriation were adequate and re-appropriations were not required. Similarly, re-appropriations were injudiciously made from 12 minor/sub-heads across four Grants, resulting in avoidable excess expenditure in these minor/sub-heads (Para 4.4.1).

We also noted that an amount of ₹66,507.20 crore was incurred under 34 minor/sub-heads, with expenditure of more than rupees one crore each, across 18 Grants/ Appropriations without any budget provision in violation of Constitutional provisions (Para 4.5.2).

From information furnished by 22 Departments/ Ministries, we noted that 37,986 UCs aggregating to ₹72,764.09 crore were outstanding as on 31st March 2024, out of which 16,596 UCs amounting to ₹62,199.11 crore pertains to the last three years (FY 2020-21 to FY 2022-23) and the earliest period of the grants sanctioned for which the UCs were outstanding pertains to the year 1977-78. This violated provisions of rule 238 (1) & (2) of GFR 2017 (Para 4.7).

14. Coin and Currency Division

14.1 Coin and Currency Division is responsible for policy related to all aspects of the currency and coinage of India. The works of the Division is carried out in close coordination with Reserve Bank of India (RBI), Security Printing and Minting Corporation of India Limited (SPMCIL), Bhartiya Reserve Bank Note Mudran Private Limited (BRBNMPL) and Bank Note Paper Mill India Private Limited (BNPMIPL). The Division has three Sections viz. Currency, Coin and SPMC Section. Responsibilities among these Sections are divided as follows:

14.1.1 Currency Section deals with all policy matters relating to design, form and material of currency notes/ banknotes including security features, and operational issues relating to production, planning of printing of bank notes, Currency related legislation, indigenization of bank note materials, expansion, up-gradation and modernization of Presses, Paper Mills, Ink factory, etc., and administration of SBN (Cessation of Liabilities) Act, 2017 and Rules made thereunder.

14.1.2 Coin Section deals with policy matters relating to design, shape and size of circulation coins, fixation of fair selling price of coins, coins related legislations and issuance of Commemorative Coins, security products viz. passport, postal stamps, Non-Judicial Stamp Paper, production planning of coins and determination of indent of coins, expansion, diversification and modernization of Mints and Security Presses.

14.1.3 SPMC Section deals with matters related to SPMCIL, which is under administrative control of the Department. The Section deals with issues of this company relating to appointment to Board Level posts, MoU, residual establishment matters of its nine Units, and coordination of meetings of SPMCIL Board, SPMCIL Pension Fund Trust etc.

14.2 Major Achievements of the Division

14.2.1 In order to stay ahead of the counterfeiting, Government of India, in consultation with RBI, has initiated the process for introduction of new security features in Indian banknotes. The Government has approved the recommendations of RBI's Central Board on revised matrix of security features in bank notes in terms of the provisions of section 25 of the RBI Act, 1934. RBI has initiated process for introduction of this revised matrix of security features. This revised matrix of new security

features is expected to protect against counterfeiting of the currency notes.

14.2.2 The production of banknotes by BRBNMPL and SPMCIL is monitored by this Division. The meetings of Strategic Planning Group and Production Planning

Committee are also held regularly to review the indent and production of banknotes and coins and their uninterrupted supply to public. The cumulative production of notes by currency presses during 2025-26 up to 18.12.2025 is given below.

Status of indent of notes by BRBNMPL and SPMCIL during 2025-26 up to 18.12.2025

Press	Total Indent allocated for 2025-26 (in mpcs)	Cumulative production from 01.04.2025 to 18.12.2025 (in mpcs)	Production left for 2025-26 (in mpcs)
BRBNMPL	16860	11512.82	5347.18
SPMCIL	11240	7138.40	4101.60
Face Value (Cr)			
BRBNMPL	401160	311115.57	90044.43
SPMCIL	267440	192752.40	74687.60

14.2.3 The trends in the Note In Circulation (NIC) are monitored. The Notes In Circulation (NIC) as on November 4, 2016 were ₹ 17,74,187 Cr. which have now increased to ₹ 38,73,810 Cr. as on 18.12.2025.

14.2.4 The trends in Coins In Circulation (CnIC) are also strictly monitored. As on 18.12.2025, the CnIC were ₹ 39,018.93 crore. CnIC has risen by ₹16,249.22 crore as compared to CnIC as on November 04, 2016 (when it was 22,769.71 crore).

14.2.5 As per the Coinage Act, 2011, commemorative coin means any coin stamped by the Government or any other authority empowered by the Government in this behalf to commemorate any specific occasion or event and expressed in Indian currency. Accordingly, the Government issues commemorative coins on eminent persons/ personalities/ institutions/ events/ programmes/ history, etc. that have a national or international nature and which have made a lasting contribution or impact. The contribution made by the individual/ organisation/ programme/ event should have transcended the barriers of partisan politics, region, community, language or religion. However, on an occasion to express sympathy/ grief/ exhibit respect for the sacrifice, Commiserative Coins would be issued. The Guidelines in this regard has been issued on 29.09.2020.

14.2.6 During 2025-26 (Upto 18.12.2025), the Government has issued Gazette Notifications for release

of 28 Commemorative Coins viz. Golden Jubilee of New Mangalore Port Authority, Birth Centenary of Bhagwan Sri Sathya Sai Baba, 50 Glorious Years of Statehood – Sikkim, Birth Centenary of Panth Rattan Late Shri Gurcharan Singh Tohra, Sri Ramanasramam Centenary, 300th Birth Anniversary of Ahilya Bai Holkar, Golden Year Celebration of Official Language Department, Birth Centenary of Acharya Shri Vidyanand Ji Maharaj, 75th Anniversary of the National Sample Survey, 125th Birth Anniversary of Dr. Syama Prasad Mookerjee, Birth Centenary of Prof. M.S. Swaminathan, 10th Anniversary of Make In India, 105th Birth Anniversary of Acharya Shri Mahapragya, 1000 years of Naval Expedition of Emperor Rajendra Chola-I, Platinum Jubilee Celebration of Indian Institute of Technology, Kharagpur, 108th Birth Anniversary of Shri Satyapramoda Teertha Swami Ji, Birth Centenary of Dr. Bhupen Hazarika, 150th Birth Anniversary of Acharya Jawahar Lal Ji Maharaj, 150th Birth Anniversary of Sardar Vallabhbhai Patel, One Hundred years of Rashtriya Swayamsevak Sangh, 200th Anniversary of Rani Channamma's victory at Kittur, Two Hundredth birth anniversary of Maharshi Dayanand Saraswati, One Hundred Fifty Year Celebration of Arya Samaj, Completion of fifty years of NHPC Limited, 150 years of 'Vande Mataram', Sri Guru Tegh Bahadur Ji's 350th Martyrdom Day, 550th Year Celebration of Shree Samsthan Gokarn Partagali Jeevottam Math, Centenary Year of India Security Press, Nashik.

14.3 Security Printing and Minting Corporation of India Limited (SPMCIL)

14.3.1 Security Printing and Minting Corporation of India Ltd. (SPMCIL), a Miniratna Category-I, Schedule-'A' Central Public Sector Enterprise (CPSE) was incorporated on 13th January 2006 to manage four India Government Mints, two Currency Presses, two Security Presses and one Security Paper Mill, which were earlier being managed by the Government of India (Ministry of Finance) directly. The Company is wholly owned by the Central Government with Authorized Share Capital of Rs.2500 crores and paid-up Share Capital of Rs.987.50 crores.

14.3.2. The Reserve Bank of India (RBI) is the customer for currency notes supplied by two Currency Presses of the Company, i.e. Bank Note Press (BNP), Dewas and Currency Note Press (CNP), Nashik. The Ministry of External Affairs (MEA) and Ministry of Home Affairs (MHA) are customers for passports and visa stickers, respectively and the State Governments are customers for Non-Judicial Stamp Papers and allied stamps and the Postal Department is the customer for postal stationery, stamps, etc. supplied by the two Security Presses of the Company, i.e. Security Printing Press (SPP), Hyderabad and India Security Press (ISP), Nashik. These Security Presses also produce various security items like cheques, railway warrants, income tax return order forms, saving instruments, commemorative stamps, excise adhesive labels, certificates etc. for various customers. The Department of Economic Affairs (DEA), Ministry of Finance is the customer for circulation coins supplied by the four India Government Mints (IGMs) of the Company at Mumbai, Kolkata, Hyderabad and Noida. The Company has one Security Paper Mill (SPM) at Narmadapuram which manufactures Security Paper for use by Currency / Security Presses. The Company also has an Ink Factory at Dewas which manufactures Offset Ink, UV Ink and Quickset Intaglio Ink for use by the presses of SPMCIL.

14.3.3. As a company which is manufacturer of instruments of faith, SPMCIL is inspired by its vision to serve national priorities of producing state-of-the-art security products leveraging core competency and building design capabilities. With the commitment to aid the nation by manufacturing world class and highly secured banknotes, coins and security documents, SPMCIL has almost 100 years of security printing experience and over two centuries of experience in the field of minting.

14.3.4. SPMCIL has produced 12,064.54 million pieces of banknotes and supplied 12,120 million pieces to the Reserve Bank of India (RBI). This represents a 24.28% increase in production over 9,707.34 million pieces in FY 2023-24 and a 24.69% increase in supply over 9,720 million pieces in the previous year. Banknote production per employee improved by 29.06%, from 4.99 million pieces in FY 2023-24 to 6.44 million pieces in FY 2024-25.

14.3.5. SPMCIL has produced 1,477.55 million circulation coins and supplied 1,500.00 million coins to RBI, reflecting a strong growth trajectory. Production rose by 23.03% over last year's 1,200.99 million coins, while supply surged by 24.42% compared to 1,205.64 million coins in 2023-24. Circulation coins production per employee improved by 38.71%, from 0.93 million pieces in FY 2023-24 to 1.29 million pieces in FY 2024-25.

14.3.6. During the year 2024-25, SPM, Narmadapuram (a unit of SPMCIL) has produced 7661.61 Metric Ton (MT) of Security Paper and supplied 7815.37 MT of Security Paper to the printing presses during the year 2024-25. This represents a 7.70% increase in production compared to the 7113.75 MT produced in the previous year, 2023-24, and 5.97% increase in supply compared to the 7375.40 MT supplied last year. Production of Security Paper per Employee has increased to 9.60 MT in the year 2024-25 as against 8.72 MT achieved during the previous year 2023-24.

14.3.7. SPMCIL has produced 601.31 Metric Ton (MT) of Security Inks at Ink Factory, Dewas and supplied 574.24 Metric Ton Inks to printing presses during the year 2024-25. This represents a 1.54% increase in production compared to the 592.18 MT produced in the previous year, 2023-24, and a 3.55 % decrease in supply compared to the 595.37 MT supplied last year. Furthermore, the production of security ink per employee has increased to 10.37 MT in 2024-25, compared to 10.21 MT achieved in the previous year, 2023-24.

14.3.8. SPMCIL has produced 15.63 mpcs of travel documents/passport booklets in the year 2024-25 and supplied 15.74 mpcs travel documents/passport booklets to Ministry of External Affairs (MEA) during the year 2024-25. This is 11.40% higher than the production of 14.03 million pieces of travel documents/ passport booklets during the year 2023-24. SPMCIL has also produced 193.13 million pieces of Non-Judicial Stamp Papers (NJSPs) and supplied 197.67 million pieces NJSPs to various State Governments during the year 2024-25.

14.3.9. The Revenue from Operations of SPMCIL stood at Rs. 5481.91 crores in the year 2024-25 as compared to Rs. 4712.86 crores in the previous year 2023-24. Total expenditure for the year 2024-25 is Rs. 4396.99 crores as compared to Rs. 3695.50 crores for the year 2023-24. Profit before Tax (PBT) from continuing operations for the year 2024-25 is Rs.1487.03 crores as compared to Rs. 1383.84 crores for the year 2023-24. The Company has achieved a Total Comprehensive Income (TCI) of Rs. 1005.09 crores in the year 2024-25 as compared to Rs. 1006.55 crores during the year 2023-24. The consolidated TCI after taking into account the 50% share of Joint Venture Company, Bank Note Paper Mill India Pvt. Ltd. (BNPMIPL) is Rs.1070.15 crores in the year 2024-25 as compared to the Consolidated TCI of Rs.1067.79 crores in the year 2023-24.

14.3.10. In accordance with the guidelines on Capital Restructuring of CPSEs issued by the Department of Investment and Public Asset Management (DIPAM), the Company has paid the dividend of Rs. 317.32 crores being 4% of Net worth of the company as on 31st March 2025, to the Government of India for the financial year 2024-25.

14.3.11. During the year 2024-25, SPMCIL commissioned several advanced machines across its production units to enhance operational efficiency, product quality, and technological capabilities. At Currency Note Press (CNP), Nashik, installations included three offset banknote printing machines, one intaglio banknote printing machine, two banknote numbering machines, and two banknote finishing machines. Bank Note Press (BNP), Dewas received one offset banknote printing machine and one banknote finishing machine. A smart card manufacturing machine was installed at Security Printing Press (SPP), Hyderabad, and a fully integrated passport manufacturing line was commissioned at India Security Press (ISP), Nashik. These upgrades reaffirm SPMCIL's commitment to adopting state-of-the-art infrastructure in secure printing.

14.3.12. All nine units of SPMCIL, including the Mints, Currency Presses, Security Presses, and the Paper Mill, have achieved important milestones in quality and operational excellence. Each unit is certified with ISO 9001:2015 for Quality Management and ISO 14001:2015 for Environmental Management. Units such as SPM Narmadapuram, BNP Dewas, IGM Noida, IGM Mumbai, SPP Hyderabad, ISP Nashik and CNP Nashik have

also obtained ISO 45001:2018 for Occupational Health and Safety. SPM Narmadapuram, CNP Nashik, BNP Dewas, ISP Nashik and SPP Hyderabad have received ISO 50001:2018 for Energy Management. Further, SPM Narmadapuram, SPP Hyderabad, IGM Mumbai, IGM Noida, IGM Kolkata and IGM Hyderabad have obtained ISO/IEC 17025:2017 for laboratory standards, while IGM Mumbai has achieved ISO 17034:2016 accreditation for Gold Certified Reference Materials. The Corporate Office, CNP Nashik and ISP Nashik have also received the Anti-Bribery Management System certification from BIS, reaffirming our commitment to integrity and global best practices.

14.3.13. The Manpower Strength of SPMCIL is 5395 as on 31.03.2025, which includes 399 Executives, 839 Supervisors and 4157 Office staff & Workers working in 9 Units and Corporate Office.

14.3.14. SPMCIL has taken-up many CSR projects in the areas of education, healthcare, rural development, etc. in the FY 2024-25. SPMCIL had adopted Barwani District of Madhya Pradesh as the Aspirational District. It has also undertaken CSR initiatives in the Aspirational Districts of Simdega and Gumla of Jharkhand State.

14.3.15. Indigenization: The Joint Venture Company, Bank Note Paper Mill India Private Limited (BNPMIPL) has produced 16651 MT of Security Paper during the year 2024-25.

14.4 Bharatiya Reserve Bank Note Mudran Private Limited Corporate Office, Bengaluru

14.4.1 Bharatiya Reserve Bank Note Mudran (P) Ltd. (BRBNMPL) is a wholly owned subsidiary of the Reserve Bank of India (RBI), responsible for the printing and distribution of Indian banknotes across the country. Established by the RBI in 1995, its mission is to ensure an adequate supply of currency through state-of-the-art, world-class production facilities.

14.4.2 The Company manages two printing Presses, one at Salboni in West Bengal and the other at Mysuru, Karnataka along with its Corporate Office at Bengaluru, Karnataka. Both the Presses have installed the latest technology in banknote printing and there is continuous upgradation of technology, systems and procedures keeping up with the latest trend in the international markets.

14.4.3 Both the Presses are also equipped with the latest Security Surveillance System. Currently, BRBNMPL is undergoing extensive automation and technology upgradation across its production lines at its Presses including implementation of new Enterprise Resource

Planning systems.

14.4.4 BRBNMPL has consistently achieved the country's banknote requirement since its inception. The performance for 2024-25, is detailed below:-

Status of indent of notes by BRBNMPL during FY 2025-26 up to 18.12.2025			
Press	Total Indent allocated for 2025-26 (in mpcs)	Cumulative production from 01.04.2025 to 18.12.2025 (in mpcs)	Production left for 2025-26 (in mpcs)
BRBNMPL	16860.00	11512.82	5347.18
Face Value (Cr)			
BRBNMPL	401160.00	311115.57	90044.43

14.4.5 BRBNMPL in a joint venture with SPMCIL has established "Banknote Paper Mill India Pvt., Ltd., in 2016 as a major raw material backward integration, thereby indigenizing the currency paper which ensured cost effectiveness in banknote manufacturing. It has also enabled India's vision to achieve self-reliance in this field at par with global giants in this industry.

14.4.6 The in-house establishment of the second major raw material, a security ink manufacturing unit (i.e., Varnika), has successfully reduced import dependency. It is worth noting that both raw materials account for approximately 70% to 80% of the total banknote cost.

14.4.7 VARNIKA has an approximate annual manufacturing capacity of 1200 metric tons (MT). It produces all necessary inks for various stages of banknote manufacturing, along with raw materials like varnish and medium. VARNIKA is currently working to expand its operations to cater to global requirements in this field.

14.4.8 As part of its global outreach strategy, BRBNMPL has made a formal proposition to various countries to supply world-class banknote manufacturing solutions.

14.4.9 BRBNMPL has voluntarily adopted green energy initiatives, demonstrating its commitment to sustainability by installing solar power plants at all its three locations viz., Bengaluru Corporate Office, the Mysuru Press and the Salboni Press.

14.4.10 Under its Corporate Social Responsibility (CSR) policy, the company promotes education, sustainable livelihoods, environmental protection, preventive healthcare, sanitation, gender equality, women's empowerment, and building resilient infrastructure.

14.5 Bank Note Paper Mill India Private Limited (BNPMIPL)

14.5.1 BNPMIPL was established as a 50:50 Joint Venture Company between SPMCIL and BRBNMPL in the year 2010 at Mysuru to manufacture bank note paper (CWBN Paper) indigenously. The Company has installed two line of paper mills having an installed capacity of 12000 MT per year. The Company went into commercial production during the year 2016 and catering the entire Indian Bank Note Paper requirement.

14.5.2 During the year 2024-25, BNPMIPL has produced 16651 MT of CWBN Paper (138% of the installed capacity) and supplied 18391 MT of CWBN Paper to all the four banknote printing presses to meet their entire requirement of paper to print Indian banknotes. The Company has been ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certified for quality management, environment management and health and Safety management systems respectively. The Company has also implemented an ERP system for all accounting, inventory management and control on the movement of people.

ANNEXURE-I

Representation of SCs, STs, and OBCs

Groups	Total Representation of SCs/STs/OBCs (As on 31.03.2025)					Number of Appointments made during the Financial Year 2024-25												
						By Direct Recruitment					By Promotion			By other methods				
	Total No. of Employees	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	Total	SCs	STs	OBCs	EWS
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Group "A"	399	51	19	97	3	22	2	0	4	0	23	2	0	0	0	0	0	0
Group "B"	839	124	81	192	8	8	0	4	1	11	64	12	2	0	0	0	0	0
Group "C"	4157	813	360	874	57	193	30	13	111	16	658	124	53	84	19	15	22	0
Total	5395	988	460	1163	68	223	32	17	116	27	745	138	55	84	19	15	22	0

ANNEXURE-II

Representation of the Persons with Disabilities

Group	Total Representation as on 31.03.2025						Direct Recruitment					Promotion					Deputation				
	Total Employees	P	Q	R	S	T	P	Q	R	S	T	P	Q	R	S	T	P	Q	R	S	T
Group "A"	399	1	0	5	0	0	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0
Group "B"	839	2	0	13	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Group "C"	4157	11	30	44	0	15	0	1	2	0	0	2	6	5	0	0	0	0	0	0	0
Total	5395	14	30	62	0	18	0	1	2	0	0	3	6	6	0	0	0	0	0	0	0

Note:

- P-Blindness and Low Vision
- Q- Deaf and hard of hearing
- R- Locomotor Disability including cerebral palsy, leprosy cured, dwarfism, acid attack victims and muscular dystrophy
- S- Autism, Intellectual disability, specific learning disability and mental illness.
- T- Multiple Disability from amongst P to S above.

15. Other Multilateral Institutions (OMI) Division

15.1 International Fund for Agricultural Development (IFAD)

15.1.1 The IFAD assisted 34 projects in India with a commitment of USD 1.375 billion (approx.) since 1979. Out of these, 30 projects have already been closed, while 4 projects with total assistance of USD 325.58 million are under implementation. Currently, 02 projects of India worth USD 132.03 million has been built as pipeline for the approval of IFAD Board in FY 2025-26.

15.2 European Bank for Reconstruction and Development (EBRD)

15.2.1 The EBRD, headquartered in London, was established in 1991 to help the erstwhile economies of Central and Eastern Europe reconstruct their economies in the post-Cold War era and evolve into open, market-oriented economies committed to the principles of multiparty democracy and pluralism. EBRD operates in more than 30 countries from Central Europe to Central Asia and the Southern and Eastern Mediterranean. The area of operation of the EBRD has now expanded to include North African countries as well. The EBRD is the only bank among MDBs that focuses mainly on non-sovereign operations. EBRD has an explicitly political mandate: firstly, to support democracy-building activities. Second, the EBRD does not have a concessional loan window. To date, the Bank has 77 member countries in five continents, as well as the European Union and the European Investment Bank. India joined the EBRD in July 2018 as its 69th shareholder and currently holds 0.033 percent shareholding in the Bank. India is a non-borrowing member and is part of the Portugal Constituency, which comprises Portugal, Greece, and San Marino. India paid Euro 1.79 million (₹14.74 Cr) towards its paid-up portion and has an initial subscription of 986 shares, comprising 179 paid-in shares and 807 callable shares. In 2024, as part of General paid-in Capital increase of EBRD, India has subscribed an additional 132 shares of EBRD. India is represented in the Board of Governors by the Finance Minister of India, and the Alternate Governor is the

Secretary of the Department of Economic Affairs, Ministry of Finance.

15.3 New Development Bank (NDB)

15.3.1 India is the second largest recipient of New Development Bank (NDB) financing across power, water, transport, public health, sustainable development, and social sector. Since 2016 (NDB's operational period), 29 projects (25 Sovereign and 4 Non-sovereign Projects) have been approved by NDB for the financing of USD 9.127 billion across various sectors, viz. transport, water, urban, public health, tourism, etc. - This includes USD 2 billion in recovery assistance to India towards COVID-19 Crisis Recovery support and economic resilience. Out of these 25 sovereign projects, 18 projects worth USD 5.7 billion are ongoing, 7 projects worth USD 2.8 billion have already been closed. Further, during the FY 2025-26, India signed 02 projects worth USD 731 million. In addition, since its inception, NDB has approved 4 non-sovereign/private sector projects worth USD 588 million.

15.4 Asian Infrastructure Investment Bank (AIIB)

15.4.1 India is the largest client of the Asian Infrastructure Investment Bank (AIIB) in terms of approved financing. Since 2016 (AIIB's operational period), 34 Sovereign Projects have been approved by AIIB for the financing of USD 10.76 billion across various sectors viz. energy, transport, water, urban, public health, and education. Out of these 34 projects, 25 projects worth USD 7.8 billion are ongoing, 8 projects worth USD 3 billion have already been closed, and two projects worth USD 522 million are approved by the AIIB Board and are being signed. In addition, since its inception, AIIB has approved 26 non-sovereign/private sector projects worth USD 2.18 billion.

15.5 The African Development Bank (AfDB)

15.5.1 The AfDB is a regional multilateral development finance institution established to contribute to the economic development and social progress of African countries that are the institution's Regional Member Countries (RMCs). The AfDB was founded following an agreement signed by member states on August 14, 1963, in Khartoum, Sudan, which became effective on

September 10, 1964. The AfDB comprises three entities, jointly referred to as the African Development Bank Group, namely the African Development Bank (AfDB), the African Development Fund (ADF), and the Nigeria Trust Fund (NTF). The AfDB is headquartered in Abidjan, Côte d'Ivoire.

15.5.2 The Bank comprises 54 African countries known as regional member countries (RMCs) and 27 non-African countries known as non-regional member countries (NRMCS). When the African Development Bank (AfDB) was established, only independent African countries were eligible to be shareholders of the Bank, and later in 1982, the memberships were opened to Non-African Countries.

15.5.3 India is a long-standing partner of the AfDB, and relations date back to 1982 when India joined the African Development Fund (ADF) and joined the African Development Bank (AfDB) in 1983 as its non-regional / non-borrowing member. All 81 AfDB members (54 RMCs & 27 NRMCS) are grouped into 20 constituencies (13 regional and 7 non-regional). India is part of the NIIC - Nordic India Ireland Constituency, comprising Norway, Sweden, Finland, Denmark, and Ireland.

15.5.4 India holds a total of 42,001 shares and 0.288 percent voting shares in the AfDB. In ADF, India holds a 0.182 percent voting share. India participates in the Board of Governors (BoG) meetings, which are held annually, and raises concerns during the Board of Directors (BoD) meetings via its constituency. India is represented in the Board of Governors by the Finance Minister of India, and the Secretary of the Department of Economic Affairs serves as the alternate governor.

15.5.5 Till ADF-15, India had pledged ₹601.9 crore. For ADF-16, India pledged ₹152.64 crore as a pure grant and ₹3.69 crore as grant compensation. For the next cycle, i.e., ADF-17 (2026-28), India has recently pledged ₹176.29 crore as a pure grant and ₹9.23 crore as grant compensation. Another ₹54.74 crore has been contributed towards the Multilateral Debt Relief Initiative (MDRI) till date.

15.5.6 Overall, these contributions have served to finance activities aligned with Africa's vision for development within the context of the Bank's Ten-Year Strategy (TYS) and High 5 priorities.

DEPARTMENT OF ECONOMIC AFFAIRS (MAIN)

Group-wise representation of Scheduled Caste, Scheduled Tribes, Other Backward Classes, Economically Weaker Section up to 30.11.2025																				
Group	Number of Employees (as on 31.12.2024)					No. of Appointments/promotions made during the Calendar year 2025 (i.e. 01.01.2025 to 31.11.2025)														
						Appointment by Direct Recruitment					Appointment by Promotion					Appointment by other Methods				
	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Group-A	339	94	40	114	10	13	03	02	05	02	12	-	02	03	-	20	02	01	03	-
Group-B	255	50	34	56	08	31	11	06	07	07	19	04	04	01	-	-	-	-	-	-
Group-C	182	65	05	32	03	02	-	-	-	01	06	03	-	03	-	-	-	-	-	-
Group-D (Excluding Safai Karamchari)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group-D (Safai Karmacharies)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	776	209	79	202	21	46	14	08	12	10	37	07	06	07	-	20	02	01	03	-

DEPARTMENT OF ECONOMIC AFFAIRS (MAIN)

Group wise representation of Persons with Disabilities																								
Group	Number of Employees (as on 31.12.2024)								No. of Appointments/promotions made during the Calendar year 2025 (i.e. 01.01.2025 to 31.11.2025)															
									Appointment by Direct Recruitment								Appointment by Promotion							
	No. of Vacancies Reserved				No. of Appointments made				No. of Vacancies Reserved				No. of Appointments made											
	Total	VH	HH	OH	ID	VH	HH	OH	ID	Total	VH	HH	OH	ID	VH	HH	OH	ID	Total	VH	HH	OH	ID	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	
Group-A	104	01	-	01	-	01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Group-B	102	-	-	05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Group-C	24	-	-	03	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Group-D (Excluding Safai Karamchari)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Group-D (Safai Karmacharies)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total	230	01	-	09	-	01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Note: -

- (i) VH stands for Visually Handicapped (Persons suffering from blindness or low visions).
- (ii) HH stands for Hearing Handicapped (Persons suffering from hearing Impairment).
- (iii) OH stands for Orthopedically Handicapped (Persons suffering from locomotors Disability) or
- (iv) ID stands for Intellectual Disability.

Annexure -I

INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY (IFSCA)

Group-wise representation of Scheduled Castes, Scheduled Tribes, Other Backward Classes, and Economically Weaker Section up to 30.11.2025																				
Group	Number of Employees (as on 31.12.2024)					No. of Appointments/Promotions made during the calendar year 2025 (i.e. 01.01.2025 to 30.11.2025)														
						Appointments by Direct Recruitment					Appointments by Promotion					Appointments by Other Methods				
	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Group-A	83	7	3	16	3	15	2	1	4	2	6	1		2		11	1	1	1	
Group-B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group-C	-	2	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group-D (Excluding safai Karamchari)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group-D (Safai Karamchari)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Annexure -II

INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY (IFSCA)

Group-wise representation of Persons with Disabilities up to 30.11.2025																										
Group	Number of Employees (as on 31.12.2024)						No. of Appointments/Promotions made during the calendar year 2025 (i.e. 01.01.2025 to 30.11.2025)																			
							Appointments by Direct Recruitment						Appointments by Promotion													
	No. of Vacancies reserved						No. of Appointments made						No. of Vacancies reserved							No. of Appointments made						
	Total	VH	HH	OH	ID	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	21	21	21	21		
Group-A	1	1	-	-	-	-	1	1	-	2	-	1	1	-	-	-	-	-	-	-	-	-	-	-		
Group-B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Group-C	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Group-D (Excluding Safai Karamchari)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Group-D (Safai Karamchari)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total	1	1					1	1		2		1	1													

NATIONAL SAVINGS INSTITUTE (NSI)

Group-wise representation of Scheduled Caste, Scheduled Tribes, Other Backward Classes, Economically Weaker Section Up to 30.11.2025																								
Group	Number of Employees (as on 31.12.2024)					No. of Appointments/Promotions made during the calendar year 2025 (i.e. 01.01.2025 to 30.11.2025)																		
						Appointment by Direct Recruitment					Appointment by Promotion					Appointment by other Methods								
	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21				
Group A	2	1	0	0	0																			
Group B	15	2	0	4	0																			
Group C	23	2	2	8	0																			
Group D (excluding safai karamachari	N.A.																							
Group D (Safai Karamacharies	N.A.																							
Total	40	5	2	12	0																			

NATIONAL SAVINGS INSTITUTE (NSI)

Group	Number of Employees (as on 31.12.2024)										Group-wise representation of Persons with Disabilities up to 30.11.2025																		
											No. of Appointments/Promotions made during the calendar year 2025 (i.e. 01.01.2025 to 30.11.2025)																		
	Appointment by Direct Recruitment										Appointment by Promotion																		
No. of Vacancies reserved					No. of appointment made					No. of Vacancies Reserved					No. of appointment made														
Total	VH	HH	OH	ID	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24						
Group A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
Group B	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
Group C	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
Group D (excluding safai karamachari	N.A.										N.A.					N.A				N.A.									
Group D (Safai Karamacharies	N.A.										N.A.					N.A				N.A.									
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						

Note:-

- (i). VH stands for visually Handicapped (Persons suffering from blindness or low vision).
(ii). HH stands for Hearing Handicapped (Persons suffering from hearing impairment).
(iii). OH stands for orthopedically Handicapped (Persons suffering from locomotors disability).
(iv). ID stands for intellectual disability.

SECURITY AND EXCHANGE BOARD OF INDIA (SEBI)

Annexure-I

Data on Representation of SC's, ST's, OBC's and EWS as on 30.11.2025																				
GRADE*	Total Representation (as on 30.11.2025)					Direct Recruitment during calendar year 2025 (01.04.2025 - 30.11.2025)					By Promotion during calendar year 2025 (01.04.2025 - 30.11.2025)			By Deputation during calendar year 2025 (01.04.2025 - 30.11.2025)						
	Total	SCs	STs	OBCs	EWS	Total	SC	ST	OBC	EWS	Total	SC	ST	Total	SC	ST	OBC	EWS		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19		
OFFICERS	1044**	147	62	299	30	18	2	0	7	0	196	36	13	6	0	1	0			
SECRETARIES	64	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
JUNIOR ASST.	1	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	NA	NA	NA		
MESSENGER	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	NA	NA	NA		
TOTAL	1109	147	62	301	30	18	2	0	7	0	196	36	13	6	0	1	0	0		

* SEBI does not classify its employees into Groups 'A', '13', 'C' & 'D'. The employees of the Board are classified as follows: -

(a) Officers (Grade 'A', 'B', 'C', 'D', 'E', 'F' and Executive Directors), (b) Secretaries (Secretarial staff, accounts assistants and Library Assistants (Grades 'A', 'B' & 'C'))
(c) Junior Assistants, (d) Messenger

**Includes employees who are on contract/deputation

SECURITY AND EXCHANGE BOARD OF INDIA (SEBI)

Annexure – II

Data on Representation of PwDs as on 30.11.2025																				
GRADE*	Total Representation (as on 30.11.2025)					Direct Recruitment (01.04.2025 - 30.11.2025)					By Promotion During 2025 (01.04.2025 - 30.11.2025)					By Deputation During 2025 (01.04.2025 - 30.11.2025)				
	P	Q	R	S	T	P	Q	R	S	T	P	Q	R	S	T	P	Q	R	S	T
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
OFFICERS	18	8	11	1	1	1	0	1	0	0	2	2	0	0	0	0	0	0	0	0
SECRETARIES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
JUNIOR ASST.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	NA	NA	NA
MESSENGER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	NA	NA	NA
TOTAL	18	8	11	1	1	1	0	1	0	0	2	2	0	0	0	0	0	0	0	0

* SEBI does not classify its employees into Groups 'A', 'B', 'C' & 'D'. The employees of the Board are classified as follows: -

(a) Officers (Grade 'A', '13', 'C', 'D', 'E', 'F' and Executive Directors), (b) Secretaries (Secretarial staff, accounts assistants and Library Assistants (Grades 'A', 'B' & 'C'))
(c) Junior Assistants, (d) Messenger

P - Blindness and Low Vision

Q - Deaf and hard of hearing

R - Locomotor disabilities including cerebral palsy, leprosy cured, dwarfism, acid attack victims and muscular dystrophy

S - Autism, intellectual disability, specific learning disability and mental illness

T - Multiple Disabilities from amongst A to D including deaf-blindness

SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED (SPMCIL)

Group-wise representation of Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs) and Economically Weaker Section (EWS)																	
Group	No. of Employees (as on 31-03-26)					No. of Appointments Promotion made during the FY-2025-2026 (i.e 01-04-2025 to 31-03-2026)											
						Appointment by Direct Recruitment					Appointment by Promotion					Appointment by Other Methods	
	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
Group-A (Executives)	397	51	19	97	5	15	2	1	2	2	39	5	1	5	3	0	
Group-B (Supervisors)	791	117	74	174	9	6	0	0	3	1	46	9	4	3	0	0	
Group-C (Staff & Industrial Workmen)	3838	766	314	1026	62	22	3	0	12	4	515	91	42	91	3	56	
Total	5026	934	407	1297	76	43	5	1	17	7	600	105	47	99	6	56	

SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED (SPMCIL)

Group-wise representation of Persons with Disabilities for FY 2025-26 (i.e. From 01.04.2025 to 31.03.2026)																						
Group	Number of Employees (as on 31.03.2026)	No. of Appointments/Promotions made during the FY - 2025-26 (01.04.2025 to 31.03.2026)																				
		Appointment by Direct Recruitment					Appointment by Promotion															
		No. of Vacancies reserved					No. of appointments made					No. of Vacancies Reserved					No. of appointments made					
		Total	VH	HH	OH	ID	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID		
1		2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
Group-A (Executives)	397	1	0	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Group-B (Supervisors)	791	1	0	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Group-C (Staff & Industrial Workmen)	3838	9	22	55	0	0	0	0	0	0	0	0	0	0	0	1	0	2	0	1	2	
Total	5026	11	22	73	0	0	0	0	0	0	0	0	0	0	0	1	0	2	0	1	2	
(i) VH stands for Visually Handicapped (Persons suffering from blindness or low vision). (ii) HH stands for Hearing Handicapped (Persons suffering from hearing impairment). (iii) OH stands for Orthopedically Handicapped (Persons suffering from locomotors disability) (iv) ID stands for Intellectual Disability.																						

- (i) VH stands for Visually Handicapped (Persons suffering from blindness or low vision).
(ii) HH stands for Hearing Handicapped (Persons suffering from hearing impairment).
(iii) OH stands for Orthopedically Handicapped (Persons suffering from locomotors disability)
(iv) ID stands for Intellectual Disability.

Annexure-I

SECURITIES APPELLATE TRIBUNAL, MUMBAI (SAT)

Group-wise representation of Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs) and Economically Weaker Section (EWS)																				
Group	Number of Employees					No. of Appointments/promotions made during the previous Calendar year														
	Appointment by Direct Recruitment					Appointment by Promotion					Appointment by other Methods									
	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Group-A	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group-B	5	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group-C	11	2	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group-D (Excluding Safai Karamchari)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group-D (Safai Karmacharies)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	22	3	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

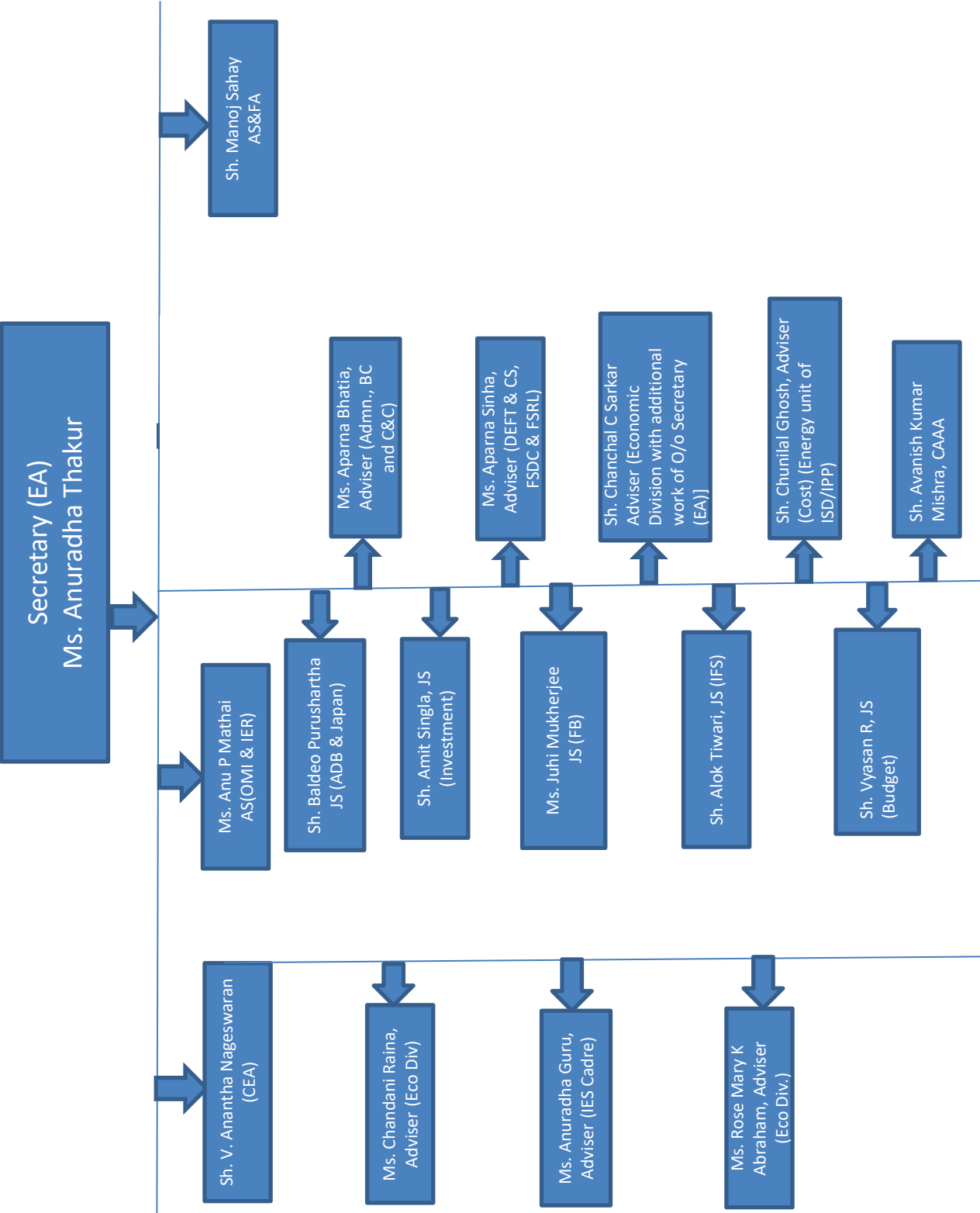
Annexure II

SECURITIES APPELLATE TRIBUNAL, MUMBAI (SAT)

Group-wise representation of Persons with Disabilities for FY 2025-26																														
Group	No. of Appointments/promotions made during the Calendar year 2025																													
	Appointment by Direct Recruitment										Appointment by Promotion																			
	No. of Vacancies Reserved										No. of Appointments made										No. of Vacancies Reserved					No. of Appointments made				
	Total	VH	HH	OH	ID	VH	HH	OH	ID	Total	VH	HH	OH	ID	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24							
Group-A	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Group-B	5	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Group-C	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Group-D (Excluding Safai Karamchari)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Group-D (Safai Karmacharies)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Total	22	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			

Note: -

- (i) VH stands for Visually Handicapped (Persons suffering from blindness or low visions).
(ii) HH stands for Hearing Handicapped (Persons suffering from hearing Impairment).
(iii) OH stands for Orthopedically Handicapped (Persons suffering from locomotors Disability)
(iv) ID stands for Intellectual Disability.



Chapter - II

Department of Expenditure

1. PERSONNEL DIVISION

The Personnel Division works under the Additional Secretary (Personnel) and is responsible for administration of various financial rules and regulations including those relating to personnel matters of Central Government Employees such as regulation of pay and allowances, policy matters on pension, and staffing of Government establishments by creation and upgradation of posts, as also cadre reviews.

1.2 The Division also deals with proposals seeking to alter service conditions and other benefits to Government employees with significant recurring financial implication. Broad instructions on Expenditure Management, including economy measures and measures for improving quality of expenditure such as through Utilisation Certificates (UC) are issued by the Personnel Division.

1.3 This Division administers the General Financial Rules and the Delegation of Financial Powers Rules including issue of clarifications/ amendments thereto, and coordinates with Financial Advisors of all Ministries/ Departments of the Central Government. All legislative proposals with general financial implications are scrutinized in the Personnel Division.

1.4 The Department of Expenditure (DoE), Ministry of Finance (MoF) receives Capital Acquisition/works proposals from Ministry of Defence pertaining to Army, Navy, Air Force, DRDO and Coast Guard. These proposals are received in MoF after tender evaluation and price negotiations are done by MoD. Ministry of Finance is not involved in the appraisal procedure of these proposals although the proposals have significant financial implications. The position of Ministry of Finance is also unique because a large number of proposals needing approval of CCS originating from Ministries like MEA and MHA are also examined in Ministry of Finance. It is the endeavor of Ministry of Finance to ensure that no duplication of assets are created for meeting similar security environment wherein MoD, MHA or any other Ministry is a stakeholder.

1.5 Service matters pertaining to the Indian Audit and Accounts Service (IA&AS), Indian Civil Accounts Service (ICAS) and Indian Cost Accounts Service (ICoAS) are dealt with by this Division. Administrative assistance to the Finance Ministers' Office is also provided by this Division.

1.6 The Division also handles the overall administration of the Department of Expenditure and also controls the cadre for all Central Secretariat Service (CSS)/ Central Secretariat Stenographer Service (CSSS)/ Central Secretariat Clerical Service (CSCS) upto

the level of Section Officers/ Private Secretaries in the Ministry of Finance, apart from coordinating Parliament work as well as Right to Information Act (RTI) matters for the Ministry of Finance as a whole.

1.7 Pay Research Unit (PRU)

1.7.1 The Pay Research Unit was established in 1968 and deals with collection, compilation and analysis of data on actual expenditure incurred on pay and various types of allowances as well as data pertaining to the strength of the Central Government Civilian Employees and employees of Union Territories Administration. This unit brings out an Annual Publication titled "Annual Report on Pay & Allowances of Central Government Civilian Employees". The report provides statistical information regarding expenditure incurred by the different Ministries/Departments of the Central Government on pay and various types of allowances such as Dearness Allowances, House Rent Allowance, Overtime Allowance and other Compensatory Allowances in respect of its regular civilian employees. It also provides information on Ministry/Department-wise and Group-wise number of sanctioned posts and number of persons in position.

1.8 RTI Cell

1.8.1 The Right to Information Act, 2005 is implemented in its true spirit and the information required to be disclosed under the Act has been uploaded on the website of the Department. The Central Public Information Officers (CPIOs) ensure timely supply of information to applicants and prompt action is taken on appeals by First Appellate Authorities. Third party audit is conducted by RTI Section as per RTI Act, 2005. RTI Section works in close coordination with Central Information Commission (CIC) and this Section upload the quarterly report of RTI of this Department on the CIC portal and also take necessary action on the CIC hearing notices as per RTI Act, 2005. During the year 2025-26, 6 CIC hearing notices were received and prompt action taken on it. In addition to that 5807 RTI applications & 309 RTI appeals received 'online' and 704 RTI applications & 20 RTI appeals received in 'physical form' were disposed-off in a time-bound manner.

1.9 Legal Cell

1.9.1 The Legal Section functions as the 'Nodal Section' of the Department of Expenditure in respect of all legal matters received from the Central Registry of the Hon'ble Supreme Court of India, various High Courts, Tribunals, and other Ministries/Departments. It also coordinates with the various Divisions/Sections of the Department of Expenditure and with the Ministry of Law & Justice regarding all court cases. During the year 2024-

2025, a total of 192 court cases, where the Department of Expenditure is one of the respondents, were disposed off. Apart from this, the Legal Cell of the Department of Expenditure processed 821 receipts (legal notices, orders, writ petitions, original applications, etc.) received from various Courts/Tribunals and forwarded them to the concerned Sections/Branches/Divisions of this Department, as well as to the concerned Departments/Ministries, as applicable, to facilitate them for proper handling of such matters in a time-bound manner. The Legal Section also compiles information regarding pending court cases on a monthly basis wherein the Department of Expenditure is one of the respondents. It monitors all such cases hosted on the LIMBS portal and ensures timely updating of their status. Additionally, Parliament Questions received from the Department of Legal Affairs on legal matters are examined and replied to by the Legal Section in consultation with the concerned Sections under the Department of Expenditure.

1.10 Staff Inspection unit (SIU)

1.10.1 The Staff Inspection Unit (SIU) was set up in 1964 with the objectives of securing economy in the staffing of Government organizations consistent with administrative efficiency and evolving performance standards and work norms in Government offices and institutions wholly or substantially dependent on Government Grants. The Scientific and Technical Organizations are not covered within the purview of the SIU but a Committee constituted by the Head of the respective Department, with a representative from SIU as a Core Member, conducts study of such organization.

1.10.2 The Financial Advisors (FAs) are main links between the SIU in the Department of Expenditure and the other Ministries / Departments / Offices / Organizations. All requests for staffing studies by the SIU are routed through the concerned FAs in the Departments. The study reports are issued after 'on the spot' work measurement study are conducted by the SIU Study team which includes discussion with the senior officials of the organization and finalization of the provision as assessment report of the SIU. The final report of the SIU is required to be implemented by the concerned organization within the stipulated period of three months as per the instructions in this regard.

1.11 Significant developments/policy decisions taken during the year

1.11.1 The General Financial Rules are a comprehensive set of rules and orders governing public finances in India. From time to time, various amendments are made by nodal Departments/Divisions in these Rules in order to adapt to changing circumstances or to improve efficiency and transparency. This Department has been entrusted with the responsibility to consolidate all such amendments bi-annually and the last such compilation (upto 31.07.2025) was issued on 19.09.2025.

1.11.2 Eighth Central Pay Commission

The Government of India vide Resolution dated 03rd November, 2025 have decided to appoint the Eighth Central Pay Commission comprising the following:-

- i. Chairperson -Smt. Justice Ranjana Prakash Desai
- ii. Member (Part-Time) - Prof. Pulak Ghosh
- iii. Member-Secretary - Shri Pankaj Jain

The Resolution also sets out the Terms of Reference of the Commission. The 8th CPC will submit recommendations within 18 months of the date of constitution. A copy of Resolution dated 03.11.2025 is also placed at Annexure-I.

2. PUBLIC FINANCE-STATES DIVISION

2.1 Special Assistance to States for Capital Expenditure/Investment:

2.1.1 Capital expenditure in the economy has a higher multiplication factor and crowds-in private investment and raises supply side capacity for enhancing economic growth. Accordingly, the Union Government, in October, 2020, launched a 'Scheme for Special Assistance to States for Capital Expenditure' under which 50-year interest free loan is provided to assist the States in boosting capital expenditure and enhance the productive capacity of the economy. In view of the extremely positive response of the State Governments to the Schemes and their request for continuing the Scheme, the Scheme was continued in 2021-22, 2022-23, 2023-24, 2024-25 and 2025-26 with enhanced allocation. The outlay under the scheme has increased from ₹ 12,000 crore in the FY 2020-21 to ₹ 1,50,000 crores in 2025-26.

2.1.2 In 2025-26, the scheme comprises of total ten parts, from Part-I to Part-X. Under the Scheme for 2025-26 three UTs with Legislature viz, Delhi, Jammu & Kashmir and Puducherry have also been included under the Scheme for the first time. An amount of ₹ 68,000 crore has been allocated under Part-I (Untied) of the Scheme, under which States/UTs can propose capital projects of their choice to be funded under the scheme. An outlay of ₹ 80,000 crore is for reform centric and sector specific areas. Remaining allocation of ₹ 2000 crore under the Scheme for 2025-26 will be the special allocation for the States which have faced loss in revenue collection due to any special reason/situation during the last two year.

The reforms envisaged under the scheme are:

- i. Mining Sector Reforms
- ii. Scrapping of Old Vehicles and Electronic Enforcement of Road Safety
- iii. Land-related Reforms by State Governments in Rural Areas

- iv. Digital Public Infrastructure for Agriculture
- v. Land-related Reforms by State Governments in Urban Areas
- vi. Efficiency in Financial Management
- vii. Urban Planning Reform

2.1.3 Till 17.11.2025, ₹54902.34 crore has been

disbursed to State Governments/UTs (with Legislature) under SASCI 2025-26. Further, a total amount of ₹ 421152.34 crore has been released to the state Governments/UTs (included under SASCI in 2025-26) under SASCI since its inception i.e. from 2020-21 to 2025-26 (till 17.11.2025). Year-wise releases under SASCI scheme are given below:

(₹ in crores)

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26 (till 17.11.2025)	Total
Total amount released to State Governments	11830	14186	81196	109554	149484	54902.34	421152.34

The State-wise details of the total amount released as 'Special Assistance' (as loan) to States/UTs from 2020-21 to 2025-26 (till 17.11.2025) under the 'Scheme of Special Assistance to States for Capital Investment 2025-26' are given in Annexure-II.

2.2 Special Assistance to States:

2.2.1 Post implementation of 14th Finance Commission, States were empowered through the budget line "Special Assistance to States" for meeting spillover committed liabilities for which Budget provision is not made and other need based Assistance. Accordingly, an amount of ₹ 10,890 crore in 2015-16, ₹ 10,900 crore in 2016-17, ₹ 6,950.50 crore in 2017-18, ₹ 4,680.81 crore in 2018-19, ₹ 1,623.70 crore in 2019-20, ₹ 1,948.66 crore in 2020-21 and ₹ 3,766.39 crore in 2021-22, ₹ 2271.233 crore in 2022-23, ₹ 11695.208 crore in 2023-24 and ₹ 3350 crore in 2024-25 were released as 'Special Assistance'.

2.3 Borrowings of the States

2.3.1 As per the recommendations of the Fifteenth Finance Commission (XV-FC), Net Borrowing Ceiling (NBC) of 3 percent of Gross State Domestic Product (GSDP) has been allowed to States for the year 2025-26. The NBC of the States for the year 2025-26 has been fixed at Rs. 10,29,659 crore at 3 percent of GSDP of the States. The same has been communicated to the State Governments vide Annual Borrowing Ceiling guidelines dated 04.04.2025. Accordingly, based on the information received from the States, Open Market Borrowing (OMB) consent amounting to Rs. 8,89,832 crore and Negotiated Loans (NL) of Rs. 98,699.16 crore has been issued to the States for the Financial Year 2025-26 as on 07.11.2025.

2.3.2 Further, States have been allowed extra borrowing ceiling equivalent to the employer's and employee's share of contribution of its employees pertaining to financial year 2025-26 actually deposited with the designated authority i.e. 'National Securities Depository limited (NSDL)/trustee bank as per the guidelines of National Pension System (NPS) or Unified Pension Scheme (UPS), over and above,

the normal net borrowing ceiling of 3% of GSDP for the year 2025-26. This additional borrowing has been allowed with an objective to address the divergence in pension accounting where States following a 'pay-as-you-go' system have a lower fiscal deficit by not reflecting future pension liabilities and also to ensure proper common and complete yardstick to all contributing states. For the year 2025-26, the States have been allowed extra borrowing ceiling equivalent to the employer's and employee's share of contribution of its employees amounting to Rs. 69,768.95 crore

2.3.3 The XV-FC has recommended performance based additional borrowing space of 0.50 percent of Gross State Domestic Product (GSDP) to States in the power sector. This additional borrowing of 0.50 percent of GSDP is over and above the NBC. The objectives of the additional borrowing space are to improve the operational and economic efficiency of the sector, and promote a sustained increase in paid electricity consumption. This special dispensation had been recommended for each year for a four-year period from 2021-22 to 2024-25. This special dispensation has also been extended for the year 2025-26. For the FY 2025-26, the States are eligible for additional borrowing of 0.5% of GSDP i.e. Rs. 1,71,612 crore linked to performance in power sector as per the guidelines issued by this department dated 02.09.2025.

2.3.4 This additional borrowing is allowed based on the recommendation of Ministry of Power after assessment of the performance of the State in power sector as per the guidelines issued by the Department of Expenditure, Ministry of Finance.

2.4 Additional Central Assistance for Externally Aided Projects

2.4.1 Additional Central Assistance (ACA) for Externally-Aided Projects (EAPs) is passed on to the General Category States on back to back basis on the same terms and conditions on which these loans are received by the Union Government from donor agencies. However, in case of North Eastern and Himalayan States,

special dispensation has been made whereby they received the assistance for EAPs in grant: loan ratio of 90:10. Based on the recommendations of the Office of Controller of Aid, Account and Audit Division, Department of Economic Affairs, an amount of Rs. 27,879.71 crore has been released against the total Budget Estimates of Rs. 52,730.00 crore under the 'ACA for EAPs' to States till 7th November, 2025 during the financial year 2025-26 under the Demand No. 42.

2.5 Cash Credit Limit

2.5.1 States have also been allowed to avail Cash Credit Limit of Rs. 99,421.11 crore as on 05.11.2025 during the financial year 2025-26 on the terms and conditions as stipulated by the Reserve Bank of India for the purpose of food grain procurement operations.

2.6 Finance Commission grants under the Demand-42 "Transfer to States"

2.6.1 Finance Commission Division (Department of Expenditure) undertakes processing of and follow up action on the recommendations of the Central Finance Commissions including release of grants recommended by the successive Finance Commissions.

2.6.2 Based on the accepted recommendations of the Fifteenth Finance Commission (XV-FC) for the award period 2021-22 to 2025-26, this Department has released Commission recommended grants namely Post Devolution Revenue Deficit Grant, Grants to Local Bodies grants (Rural and Urban) including Health Sector Grant to be channelized through Local Bodies and Disaster Management Grants. So far, during the financial year 2025-26 (upto 31.12.2025), a total amount of Rs. 77797.02 crore has been released to the State Governments out of the total budgeted provision of Rs. 145826.66 crore. Item-wise details of grants-in-aid released during the year 2025-26 are as under:

(Rs. in crore)

S/ No.	Components	Allocation for 2025-26	Grants released during 2025-26 (upto 31.12.2025)
1.	Post Devolution Revenue Deficit Grant	13705.00	10278.75
2.	Grant in aid for State Disaster Response Fund	21575.20	18276.4
3.	Grant in aid for State Disaster Mitigation Fund	5393.80	5288.8

4.	Grant in aid for Rural Local Bodies Grants	48573.00	16788.3
5.	Grant in aid for Urban Local Bodies Grants	26158.00	8870.9
6.	Grant in aid for Health Sector	15271.66	12968.36
7.	Assistance from National Disaster Response Fund	12048.00	4177.15
8.	Assistance from National Disaster Mitigation Fund	3012.00	923.37
9.	Grant for shared Municipal Services	90.00	224.99
	Grand Total	145826.66	77797.02

2.6.3 To strengthen the hands of the States in case of natural disaster, additional Central assistance is provided by the Central Government from National Disaster Response Fund (NDRF). Based on the recommendations from M/o Home Affairs, an amount of ₹ 4177.15 Crore has been released under NDRF during 2025-26.

2.7 Expenditure Management Commission (EMC)

2.7.1 Expenditure Management Commission (EMC) was constituted on 04.09.2014 with a mandate to recommend ways to increase efficiency of public expenditure, review major areas of Central Government expenditure and suggest ways of creating fiscal space required to meet development expenditure needs, without compromising fiscal discipline. The Commission submitted its Report in four parts by March 2016. Out of 181 actionable points in the EMC report found implementable, now 165 have already been implemented. The remaining recommendations have been taken up for implementation by the concerned Ministries/Departments and implementation is going on.

2.7.2. As recommended by EMC, a data base of Autonomous Bodies (ABs) has been compiled on the website of Department of Expenditure and 69 Ministries/Departments have uploaded data relating to ABs under their administrative control. The information uploaded on the portal is being used by various Ministries and NITI Aayog for review and decision making.

2.7.3. Department of Expenditure has also reviewed 231 ABs under 23 Ministries/Department for rationalisation. The review reports were sent to the respective Ministries/Departments for further action to implement the

recommendations and reduce the number of ABs through merger, closure and disengagement.

2.7.4. The EMC recommended that in order to minimize the cost of Government Borrowings and to enhance efficiency in fund flows to ABs, Government should gradually bring all ABs under the Treasury Single Account (TSA) System. The Government decided to implement this recommendation and accordingly, issued guidelines on 27th July, 2017 which were revised on 24th February, 2022 and further amended on 20.10.2022 to streamline the implementation of TSA system.

3. PUBLIC FINANCE CENTRAL DIVISION

3.1 Public Finance (Central) Division is entrusted with the appraisal and approval of all public funded Schemes and Projects of the Central Ministries/PSUs. This Division is divided into three units i.e. Public Finance (Central-I), Public Finance (Central-II) & Public Finance (Central-III).

3.2 In respect of development Schemes and Projects, the focus has been on improving the quality of public expenditure through better Scheme/Project formulation, emphasis on outputs, deliverables, impact assessment and convergence approach.

3.3 A continuous endeavor is made to rationalize the Centrally Sponsored Schemes (CSSs) and Central Sector Schemes (CSs) for optimal and focused use of public resources.

3.4 Public Finance (Central) Division is engaged in working out modalities for financial assistance to CPSEs on receipt of proposal from their parent Ministries/Departments in consultation with Budget Division, Department of Economic Affairs.

3.5 Various issues relating to subsidies on Food, Fertilizers and Petroleum, including their quantification and extension of assistance to the stakeholders are also dealt within the division. This division is actively involved along with the concerned Departments/Ministries, in shaping the subsidy policies to ensure effective targeting, coupled with the minimum burden on the Government.

3.6 The PFC division also deals with the various issues of Direct Benefit Transfer (DBT) in coordination with the DBT Mission, Aadhaar seeding beneficiary's data base and the use of the Public Financial Management System (PFMS) in order to have end-to-end digitized information on all central expenditures encompassing CSSs, CSs, subsidies and other expenditure

3.7 This division is responsible for the preparation of outcome budgets for all Central Ministries/Departments in

consultation with the NITI Aayog. This Output-Outcome Framework shall be for all CSSs and CSs dealing within the identified measurable Outcomes in the relevant medium-term framework. Physical and Financial outputs are targeted on a year-to-year basis.

3.8 During the period from 01.04.2025 to 30.11.2025, the Expenditure Finance Committee (EFC) chaired by Secretary (Expenditure) recommended 40 investment proposal/ scheme of various Ministries/Department costing Rs. 7,84,196.447 crore (with Central share of Rs. 7,75,452.147 crore).

3.9 Also, during the period, Public Investment Board (PIB) chaired by Secretary (Expenditure) considered and recommended 25 proposals involving an amount of Rs. 1,36,226.06 crore (with Central share of Rs. 56,840.18 crore).

3.10 In order to speed up the appraisal process, an online portal has been functional since August, 2017, for uploading EFC/PIB/SFC/DIB proposals to relevant Ministries, receiving comments, fixing dates for the meeting and dispatching minutes after approval.

3.11 For continuation of public funded schemes over the 16th FC Cycle (beginning on 1st April, 2026), several initiatives have been taken by the Department of Expenditure. During May, 2025, Sample ToRs for Evaluation of continuing Central Sector Schemes were issued. All proposals for continuation of schemes need to be preceded by an appropriate evaluation and necessary restructuring carried out in them so as to achieve the desired results. A workshop chaired by the Cabinet Secretary on Appraisal and Approval of Public Funded Schemes was held during May, 2025 to sensitize the Ministries and Departments on the process, timelines and overall expectations from the appraisal and approval exercise. This was followed by a Conference of Financial Advisors held under the Chairmanship of Secretary (Expenditure) during July, 2025. The guidelines for appraisal and approval of Schemes ending on 31st March, 2026 and to be continued during the 16th Finance Commission Cycle were issued during June, 2025. This was followed by guidelines issued during October 2025 regarding submission of additional information along with the EFC Memorandum aligning with the objectives to ensure quality spending by the Central Government. Additionally, guidelines were issued during October 2025 regarding inclusion of Output Outcome Monitoring Framework (OOMF) targets/ achievements in the Final EFC Memorandum for Schemes ending on 31st March, 2026 and to be continued during the 16th Finance Commission Cycle.

4. PROCUREMENT POLICY DIVISION

4.1 A Public Procurement Cell (PPC) was set up in this Department in June, 2011 to take follow up action on the Report of the Committee on Public Procurement (CoPP) and for related matters such as drafting of rules and setting up of a Central Public Procurement Portal. The Cell was gradually strengthened and a Division called Procurement Policy Division (PPD) was created.

4.2 The Division deals with the following items of work:-

- i. Public Procurement legislation and rules, notifications, orders there under;
- ii. Policies relating to Public Procurement including administration of General Financial Rules 2017 on procurement of goods and services and contract management; policies relating to mandatory or preferential procurement;
- iii. Matters relating to standardization of procurement related documents;
- iv. All matters related to Central Public Procurement Portal (CPPP) set up for publishing information relating to Public Procurement;
- v. Matters relating to electronic procurement;
- vi. Professional standards to be achieved by officials dealing with procurement and suitable training and certification requirements for the same;
- vii. Interface with International bodies on matters relating to Public Procurement.
- viii. Matters related to operational issues of Government e-Marketplace (GeM).
- ix. Handling of proposals relating to Global Tender Enquiry (GTE) received from all Central Ministries.

4.3 Revision of Manuals

4.3.1 Department of Expenditure has published three manuals viz. Manual for Procurement of Goods, 2017, Manual for Procurement of Consultancy and Other Services, 2017 and Manual for Procurement of Works, 2019. Subsequently, all three Procurement Manuals (namely Goods, Services & Works) have been updated (in June 2022) and all procurement related instructions issued by Central Vigilance Commission (CVC) have been subsumed into these Manuals.

4.3.2 This Department is in process of further throughout revision of these Manuals and in this process Manual for Procurement of Goods, Manual for Procurement of Consultancy Services and Manual for Procurement of Non-Consultancy Services (developed afresh) have already been issued.

4.3.3 Many developments in public procurement policy from the last revision of manuals such as policy initiatives, clarifications, stakeholders deliberations were subsumed in the revised manuals. The revised manuals primarily focus on enhancing ease of doing business for suppliers and providing greater clarity for procurement professionals.

4.3.4 A wide range of topics have been rewritten such as clarifying extent of applicability to various entities, categorization of procurements, conflict of interest, interest-free advance payments, new forms of performance securities, outsourcing procurement, auto-extension of bids, capping price variation and liquidated damages, mitigating cartel formations, reverse auction, rate contracts, withdrawal by L1 bidders etc.

4.3.4 In July 2024, revised Manual for Procurement of Goods, Second Edition, 2024 has been published. Manual for Procurement of Consultancy Services and Manual for Procurement of Non-Consultancy Services have been issued in August, 2025. These Manuals are available at the Website of Department of Expenditure, Ministry of Finance i.e. doe.gov.in.

4.4 Capacity Building

4.4.1 It is imperative that the executives/ officers engaged in public procurement process have thorough knowledge of all the relevant rules, regulations and procedures of public procurement. For the purpose, weekly Training Programmes on Public Procurement are conducted in Arun Jaitley National Institute of Financial Management (AJNIFM), Faridabad, Administrative Staff College of India, Hyderabad & Indian Institute of Management, Visakhapatnam with a view to educate and familiarize the concerned executives/ officers with all the relevant rules, regulations and procedures of public procurement. Three pilots basis training programs in FY 2025-26 on public procurement are also approved for Indian Institute of Corporate Affairs (IICA), Gurugram. Around 2000 officers per annum are being trained.

5. OFFICIAL LANGUAGE

5.1 Activities related to progressive use of official language

Department of Expenditure is responsible for the implementation of provisions of Section 3(3) of the Official Languages Act, 1963 and Official Languages Rules, 1976. Hindi section of the Department of Expenditure is also responsible for coordination and follow-up action on the suggestions and instructions given by the Central Hindi Committee, Parliamentary Committee on Official Language, Joint Hindi Advisory Committee, Central Official Language Implementation Committee and Departmental Official Language Implementation Committee from time to time regarding progressive use

of Hindi. Implementing various incentive schemes to promote the use of Hindi in official work, setting up check points, to get notified Subordinate Offices/Institutions under Official Language Rule 10(4), issuing individual orders under Official Language Rule 8(4) for doing their all the assigned official work in Hindi, nominations for Hindi language training and organizing Hindi Divas/Week/Fortnight are also its other functions. Besides, the Hindi Section makes efforts to work in collaboration with the Sections/Divisions/Offices of the Department in achieving the targets which has been set for the implementation of Official Language Hindi in the Annual Programme issued by the Department of Official Language every year.

5.2 Compliance with the Official Language Acts, Rules and Statutory provisions

5.2.1 In the Department of Expenditure, under Section 3(3) of the Official Language Act 1963, all documents like notifications, resolutions, general orders, rules etc. and all the papers which are to be tabled in both the Houses of Parliament are issued bilingually i.e. in Hindi and English. Compliance of Official Language Rules, 1976 is being ensured and in particular the Rule 5 of the Official Language Rules, 1976 is being complied by as per its true spirit.

5.3 Monitoring and inspection

5.3.1 To ensure compliance with the Official Language Policy of the Union, the Department issue letters/circulars from time to time to increase original correspondence in Hindi in the Sections and its subordinate offices.

5.3.2 During the year, the Hindi Section of the Department of Expenditure conducted official language related inspections of various sections/divisions of the department and its subordinate/attached and autonomous offices. Suggestions were given to overcome the shortcomings found during official language inspections and reviewing the inspection questionnaire. The policy of the Government regarding the promotion and propagation of the official language says that the use of Hindi should be increased in official work with motivation, encouragement and goodwill. With such an approach, the Department of Expenditure takes utmost care.

5.4 Translation work

5.4.1 Various Cabinet Notes, Notifications, Guidelines, General Orders, Tenders, Budget related documents, Demands for Grants, Annual Reports, starred and unstarred Parliamentary Questions and their answers, Parliamentary Assurances, Papers related to Parliamentary Committees, Press releases and letters received from the Office of the Finance Minister and Minister of State for Finance are translated by the Hindi Section of the Department of Expenditure. Translation of various urgent type of documents received in the section are also done in regular time bound manner. Letters

received from Members of Parliament and other important persons are promptly replied to and requisite follow-up action is ensured.

5.5 Hindi workshop

5.5.1 Hindi workshops are organized on regular basis in the department to help the officers and employees to overcome the practical difficulties faced by them working in Hindi. During the year, Hindi workshops were organized on different subjects, in which a total of 94 officers/employees of the department have been trained.

5.6 Hindi Fortnight and Award Distribution Ceremony

5.6.1 On the occasion of Hindi Divas, officials associated with the official language in the department and its subordinate offices participated in the Hindi Divas Celebrations and in the 5th All India Official Language Conference organized by the Department of Official Language in Gandhi Nagar, Gujrat on 14th and 15th September, 2025 to promote the use of official language Hindi in the official work and to motivate employees for progressive use of Hindi in their day-to-day work, "Hindi Fortnight" was also organized in the department from 14 to 28 September, 2025. On this occasion, a number of competitions i.e., Noting and Drafting in Hindi, Hindi Essay, Hindi Translation and Language Knowledge, typing in Hindi, General Language Knowledge (For MTS), Hindi Poem Recitation and Hindi Prashn Manch etc. were organized. Many officers and employees of the department participated in these competitions/campaign with great enthusiasm.

5.7 Incentive Scheme

5.7.1 In order to promote official work in Hindi in the department, the 'Incentive Scheme for doing official work (either in physical or electronic form) primarily in Hindi', initiated by the Department of Official Language this year, has also been implemented in the Department of Expenditure. This year, total 7 employees participated in the scheme and were rewarded with the prize.

5.8 Departmental Official Language Implementation Committee

5.8.1 Departmental Official Language Implementation Committee has been constituted in the Department of Expenditure. Meetings of this committee are being held regularly in every quarter under the chairmanship of Additional Secretary (Personnel) and In-charge Official Language. In the meeting, the quarterly progress reports received from the sections/offices of the department regarding the progressive use of Hindi are reviewed in detail against the targets set in the annual programme of department of Official Language. During the review, instructions have been issued to remove the shortcomings and to increase the use of Hindi in government work and achieve the given targets.

5.8.2 Apart from this, in the meeting, solutions to the problems faced by the officers/employees of the department in promoting the progressive use of official language Hindi in government work are discussed. Appropriate follow-up action is taken to comply with the directions given by the Chairperson to ensure implementation of Official Language Policy in the Department, 100% compliance of Section 3(3) of the Official Languages Act, 1963, compliance of various check points issued for this purpose, uploading of only bilingual material on the Department's website etc.

5.9 Joint Hindi advisory committee

5.9.1 The Finance Ministry has a Joint Hindi Advisory Committee of the Department of Revenue, Department of Expenditure, Department of Investment and Public Asset Management (DIPAM) and the Comptroller and Auditor General of India (CAG). The formation and meetings of the Joint Hindi Advisory Committee are organised by the Department of Revenue. The Department of Expenditure is also a member of this committee. The process of reconstitution of the committee is done by the Department of Revenue. The nominations received in this regard have

been sent to the Department of Revenue for necessary action.

6. INTEGRATED FINANCE UNIT (IFU)

6.1 The Integrated Finance Unit works under Additional Secretary & Financial Adviser (Finance) and deals with the expenditure and Budget related proposals under Grant No.31 - Department of Expenditure which includes (i) Secretariat General Services covering the establishment budget for the Department of Expenditure (Main Secretariat), O/o Controller General of Accounts, O/o Central Pension Accounting Office, O/o Cost Accounts Branch and O/o Chief Controller of Accounts; and (ii) Other Administrative Services covering the budget for Institute of Government Accounts and Finance, National Institute for Financial Management, 8th Central Pay Commission and Contribution to International Body (AGAOA).

6.2 This Unit also monitors the Monthly expenditure under Grant No.31 – Department of Expenditure. The allocations under Grant No.31-Department of Expenditure are as under:

(Rs. in crore)

Grant No.	Budget Estimates 2025-26	Revised Estimates 2025-26
31 – Department of Expenditure	603.83	510.87

6.3 The Integrated Finance Unit expeditiously examines and disposes the financial and expenditure proposals pertaining to the Department of Expenditure including the proposals for appointment of consultants, deputation of officers abroad, payments towards Course Fees to National Institute of Financial Management etc. duly observing austerity instructions issued by the Govt from time to time.

6.4 The expenditure trend of Grant No.31-DoE is monitored consistently and strict control has been exercised over the expenditure. A feedback report from Financial Advisers, which covers the entire range of the Department's activities, is regularly submitted to the Secretary (Expenditure) on monthly basis through DO letter.

7. CONTROLLER GENERAL OF ACCOUNTS

7.1 The Controller General of Accounts (CGA), in the Department of Expenditure, Ministry of Finance, is the Principal Accounting Adviser to Government of India and is responsible for establishing and maintaining a technically sound Management Accounting System.

7.2 The Office of CGA prepares monthly and annual analysis of expenditure, revenues, borrowings and various fiscal indicators for Union Government. Under

Article 150 of the Constitution, the Annual Appropriation Accounts (Civil) and Union Government Finance Accounts are compiled and prepared by CGA and submitted by Government to Parliament which is the basis of the audit report on the Union accounts, by the Comptroller and Auditor General of India(C&AG). Along with these documents, a macro level, annual overview of financial information with concise analysis, titled "Accounts at a Glance", is prepared and circulated in the Parliament.

7.3 CGA also formulates policies relating to general principles, form and procedure of accounting for the central and state governments, in consultation with the C&AG. It administers the process of payments, receipts and accounting in central civil Ministries/Departments; and prepares, consolidates and submits the monthly and annual accounts of the central government (e.g. a monthly MIS "Review of Union Government Accounts" and the "Annual Provisional Accounts"), through a robust financial reporting system aimed at effective implementation of the government fiscal policies.

7.4 The organization, through its Internal Audit Wings in respective Ministries, is responsible for assessing the adequacy and effectiveness of internal controls and soundness of financial systems in the Ministries and Departments. Internal Audit activity helps the organization

accomplish its objectives by bringing a systematic, disciplined approach to evaluate the effectiveness of risk management, control, and governance processes.

7.5 Financial Reporting - Monthly and Annual

- i. The office of the Controller General of Accounts responsible for Monthly Consolidation of the Union Government Accounts of India, a detailed analysis of the monthly trends of receipts, payments, deficit and its sources of financing are presented to the Union Finance Minister every month. The documents, in the form of 'Review of Union Government Accounts' has over a period of time evolved into an extremely useful tool for monitoring budgetary compliance and a handy MIS reference for decision making. In consonance with the Government's policy towards transparency in public functioning, an abstract of the Union Government accounts is also released every month on the Internet. The monthly and quarterly data can be accessed at the website <http://www.cga.nic.in>. This data is also compliant with the international data standards of the International Monetary Fund.
- ii. With the advancement of technology this office has started providing weekly and monthly flash figures of receipts, payments and deficit to Ministry of Finance for quick management decision. Daily flash figures are also provided in the month of March, in order to closely monitor various financial parameters and targets.
- iii. In tune with the development in best practices, Controller General of Account's Office also prepares Provisional Accounts of the Government of India within two months of completion of the financial year. The professionalism with which these accounts are prepared is evident from the high accuracy level of about 99% in the last few years as only marginal variations have been observed between the Provisional Accounts and final audited Annual accounts.
- iv. The Finance Accounts of the Union Government is submitted to Parliament under the provision of Article 151 of the Constitution of India.
- v. The Finance Accounts of the Union Government presents the accounts of Receipts and Disbursements for the Union Government together with the financial results disclosed by the Revenue and Capital accounts, the accounts of the Public debt and the liabilities and assets are worked out from the balances recorded in the accounts.

- vi. The Finance Accounts of the Central Government comprises of the accounts of the Central Government as a whole and includes transactions of Civil Ministries/Departments, Ministries of Defence and Railways and the Departments of Posts & Telecommunication. It presents the accounts of receipts and outflows of the Central Government for the year, together with the financial results disclosed by different accounts and other data coming under examination. These accounts include the Revenue and Capital Account, Public Debt account and other liabilities and assets worked out from the balances in the accounts. It is supplemented by Appropriation Accounts for Grants and charged Appropriation presented separately. The Finance Accounts are an Auditor's presentation of the general accounts of the Government to Parliament.
- vii. The Finance Accounts comprises of two Parts - Part I and Part II. Part I presents the summarized statements in respect of Revenue, Capital, Debt, Deposit, Suspense and Remittances transactions and Contingency Fund, while Part II has detailed statements in respect of these transactions, along with other related statements. Part II of the Finance Accounts is further sub-divided into two sections 'A' & 'B'. While section 'A' comprises of detailed accounts and statements relating to Receipts and Expenditure on Revenue and Capital accounts, section 'B' has detailed accounts and statements relating to Debt, Deposit, Suspense & Remittances transactions and Contingency Fund.
- viii. The basic inputs for compilation of Finance Accounts are as follows: -
 - (a) Statement of Central Transactions;
 - (b) Journal Entries;
 - (c) Prior Periods Adjustments;
 - (d) Proforma Adjustments; and
 - (e) Progressive figures up to the end of the previous year.
- ix. While the first four inputs mentioned above are received from the various accounting authorities, progressive figures up to the end of previous year are available in the records of Finance Accounts Section.
- x. The annual compilation "Accounts at a Glance" provides a macro level overview of the financial information, like estimates and actual of receipts and expenditure, assets and liabilities, savings and reserves, investments, disinvestments, debt and deficits of the Union Government, in reader-friendly format with concise analysis and graphical representation, at one place. It

is prepared on the basis of audited information contained in Finance Accounts and Appropriation Accounts.

7.6 Public Financial Management System (PFMS) :-

Public Financial Management System (PFMS), designed, developed, and implemented by the Controller General of Accounts (CGA) under the supervision of the Department of Expenditure, represents a landmark initiative in public finance management with strong emphasis on good governance and citizen-centric service delivery. As a state-of-the-art, web-based platform, PFMS has enabled full digitalization of payment systems across 76 Civil Ministries/Departments, covering all releases made by the Central Government to State Governments, Implementing Agencies, Beneficiaries, Vendors, and other stakeholders.

PFMS provides comprehensive modules for end-to-end digital payments, collection of receipts, accounting, reconciliation, and financial reporting. It also supports effective cash management through the Just-in-Time (JIT) release mechanism, ensuring complete traceability of funds from sanction to credit in the beneficiary's bank account.

As a transformative financial reform, PFMS has significantly strengthened financial administration in the Government of India and contributes directly to the objectives of the Digital India Initiative.

7.6.1 Just-in-Time (JIT) Fund Release

The JIT mechanism ensures fund releases only when required, preventing unnecessary accumulation of idle funds. The reform is implemented through two major systems:

- SNA-SPARSH for Centrally Sponsored Schemes (CSS)
- Treasury Single Account (TSA) and Hybrid TSA for Central Sector (CS) schemes

These mechanisms enable direct payments to vendors/beneficiaries, and support a transition from the traditional credit-push approach to a more efficient debit-pull model.

7.6.2 SNA-SPARSH

SNA-SPARSH integrates the Public Financial Management System (PFMS), State Financial Management Information Systems (State FMIS), and the Reserve Bank of India's e-Kuber platform to facilitate seamless Just-in-Time (JIT) fund flows for Centrally Sponsored Schemes (CSS). By linking the flow of funds directly to actual expenditure, the system enhances transparency, accountability, and efficiency in the Centre-State financial interface.

Under SNA-SPARSH, the Central share of funds is released only when States submit corresponding claims, ensuring that releases are strictly need-based. In earlier systems bulk releases were made to bank accounts of implementing agencies and there were delays in contribution of State Share by state governments. SNA SPARSH ensures that State Share is available before payments are made to beneficiaries, which allows for timely and uninterrupted disbursements to the beneficiaries. The system further strengthens payment processes by enabling Direct Beneficiary Transfer (DBT) transactions executed directly by the RBI, based on payment instructions transmitted electronically from State IT systems.

SNA-SPARSH supports both account-based DBT—where payments are credited to beneficiaries' bank accounts using account details—and Aadhaar-based DBT, in which funds are transferred to Aadhaar-seeded bank accounts. To further facilitate Aadhaar-based DBT payments, the RBI has introduced a Direct Access Model that leverages NPCI's Aadhaar Payment Bridge System (APBS). This ensures smoother integration, faster processing, and greater reliability in DBT transactions under SNA-SPARSH.

SNA SPARSH has been adopted in all 28 States and 3 UTs with Legislature. 15 States have started Aadhaar-based DBT payments through SPARSH DBT. All Central Sponsored Schemes have been notified for on boarding on SNA SPARSH w.e.f 1.11.2025

7.6.3 Treasury Single Account (TSA)

The TSA system, developed in 2017-18, was introduced to optimize cash management by eliminating bulk cash transfers to Autonomous Bodies (ABs). Instead, ABs draw funds through assignments via their RBI accounts on a Just-in-Time basis. The Pilot roll-out was done in 2019 with ICMR and IIT Delhi. In 2022 TSA was adopted for Central Sector schemes. TSA Hybrid was introduced in 2024 for agencies below second level and private entities, with payments to bank accounts in scheduled commercial banks. Around 3,500 TSA accounts have been opened in RBI, covering ABs, CNAs, and sub-agencies. 250 Central Sector/other expenditure schemes onboarded to TSA/TSA Hybrid.

7.6.4 e-Bill System – End-to-End Digitisation of Bills and Claims Processing

In alignment with the Digital India Initiative of the Hon'ble Prime Minister, the Government of India undertook a major reform to fully digitise the processing of bills and claims submitted by vendors, suppliers, contractors, and all other categories of payees. To achieve this objective, an end-to-end e-Bill system was developed for implementation across all Civil Ministries and Departments.

The e-Bill initiative was officially launched on 2 March 2022. A phased rollout strategy has been adopted to cover all offices of the Government of India. It is successfully implemented in 530 Pay & Accounts Offices (PAOs) across all Civil Ministries and Departments. Digital workflows are now operational for submission, verification, processing, and payment of all categories of bills/claims.

Under the e-Bill framework, vendors/suppliers/claimants can digitally upload their bills and supporting documents using Digital Signature Certificates (DSCs) or Aadhaar-based e-sign. The system enables seamless online processing by Drawing and Disbursing Officers (DDOs), Pay & Accounts Offices (PAOs), and other financial authorities. The e-Bill system provides greater convenience to vendors, suppliers, and contractors by allowing them to submit bills and claims online from any location, eliminating the need for physical visits to government offices. Digital submission also reduces the overall bill payment cycle, enabling faster processing and

quicker payments after the delivery of goods and services. The system enables real-time tracking of bill status, which enhances transparency and minimizes the need for follow-ups by claimants. Additionally, the fully digital workflow creates a comprehensive and tamper-proof audit trail, strengthening accountability in the government payment system.

A robust Document Management System (DMS) forms an integral component of the e-Bill platform. The DMS stores all electronic documents including bills and invoices, Sanction orders, vouchers, pass orders/return orders. These documents are accessible to authorized users for processing, review, and post-facto scrutiny, including audits. The digital repository enhances record-keeping efficiency and reduces dependency on physical archives.

7.7

Details of progress on DBT/Aadhaar linkage with DBT in respects of Schemes being implemented by the divisions: -

Financial Year	No. of Schemes (registered at PFMS for DBT)	Total transactions (in Cr.)	Amount Paid (in lakh Cr.)
2014-15	56	2.19	0.06
2015-16	90	6.75	0.22
2016-17	162	10.11	0.31
2017-18	296	15.90	0.85
2018-19	414	50.97	1.39
2019-20	507	102.37	2.46
2020-21	603	126.88	2.89
2021-22	891	195.08	3.12
2022-23	1,081	258.34	3.24
2023-24	1,146	266.42	3.48
2024-25	1,169	286.43	3.75
2025-26 (till 31-10-2025)	940	163.43	2.22

7.8 Major DBT Schemes FY 2025-26: -

Data period: 01-04-2025 to 31-10-2025			
Sl.No.	Name of Scheme	No. of Transactions (in Cr.)	Amount Paid (in Cr.)
1.	Mahatma Gandhi National Rural Employment Guarantee [MGNREGA]	23.60	40,000.53
2.	Pradhan Mantri Kisan Samman Nidhi Yojna [PMKISAN]	10.76	21,523.59
3.	Pratyaksh Hanstantrit Labh [PAHAL]	82.83	12,657.34
4.	National Social Assistance Program [NSAP]	13.64	17,593.54
5.	Pradhan Mantri AwasYojna Rural [PMAY-R]	0.86	33,243.95
6.	PM SURYA GHAR MUFT BIJLI YOJANA-[4271]	0.09	6,971.35

7.9 FY 2025-26 (till October, 2025) Aadhar Linkage with DBT Schemes: -

Number of Successful Transactions	
Aadhar Based	Account Based
1,32,09,46,653	31,33,63,554
Total Transaction: 1,63,43,10,207	

80.83% of total transaction is made through Aadhaar Payment Bridge channel.

7.10 Technical Advice on Accounting matters

7.10.1 Article 150 of the Constitution provides that “The accounts of the Union and of the States shall be kept in such form as the President may, on the advice of the Comptroller and Auditor-General of India, prescribe.” Note to Rule 3 of Government Accounting Rules, 1990 provides that “this function is exercised by the Controller General of Accounts, Ministry of Finance (Department of Expenditure) on behalf of the President of India.”

7.10.2 Expenditures are classified according to the function, programme, and their economic nature using a fifteen-digit numerical code. Receipts are classified according to their nature and source.

7.10.3 In terms of Rule 26 of GAR, 1990, the Controller General of Accounts office administers the ‘List of Major and Minor Heads of Account of Union and States (LMMHA)’, which contains the classification of account heads upto Minor Head level (and some Sub/Detailed Heads under some of them) in Government Accounts. Any amendment in LMMHA is carried out on advice of the Comptroller and Auditor General of India (C&AG). In cases involving policy on Accounting Procedure, the Budget Division, Department of Economic Affairs, Ministry of Finance is also consulted.

7.10.4 The Object Heads have been prescribed under Government of India’s Orders below Rule 8 of Delegation of Financial Power Rules, 2024. The power to amend or modify Standard Object heads and to open new Object Heads rests with the Department of Expenditure of Ministry of Finance on the advice of the Comptroller and Auditor General of India. Department of Expenditure in consultation with Controller General of Accounts Office, Comptroller and Auditor General of India (C&AG) Office and Budget Division of Department of Economic Affairs (DEA) have notified the revised Object Heads on 16-12-2022 and have been implemented with effect from the financial year 2023-24.

7.10.5 Controller General of Accounts administers Central Government Account (Receipts and Payments Rules) and framing or revision of rules and other manuals relating thereto. Central Government Account (Receipts and Payments) Rules, 2022 have been prescribed in two

parts (i) RPR, 2022 and (ii) Subsidiary Instructions to RPR, 2022 (detailed procedures and forms) RPR, 2022 contains rules regulating the custody of the Consolidated Fund of India, the payment of money into such funds, the withdrawal of money therefrom, the custody of public money other than those credited to such funds received by or on behalf of the Government of India, their payment into the Public Account of India and the withdrawal of money from such Account and all other matters connected therewith or ancillary thereto.

7.11 Monitoring Cell

7.11.1 Monitoring Cell, is entrusted with the work of co-ordination of timely submission of Action Taken Notes (ATNs) on C&AG paragraphs, Action Taken Replies (ATRs) on PAC paragraphs and Explanatory Notes (ENs) on saving of Rs. 100 crore and above and excess expenditure, as per direction of Public Accounts Committee. Submission of Action Taken Notes/Action Taken Replies and Explanatory Notes are being done through Audit Paras Monitoring System (APMS) Portal, which facilitates online submission of ATNs/ATRs/ENs to Lok Sabha Secretariat. Monitoring Cell is administrator of APMS Portal dealing with its development, maintenance and providing Quarterly training to users of APMS Portal.

7.11.2 The number of ATNs/ATRs on C&AG/PAC paragraphs and Explanatory Notes submitted/settled through APMS Portal to the Lok Sabha Secretariat (PAC Branch) during 2025-26, are as under: -

S.No.	Subject	Paragraphs/Explanatory Notes submitted to PAC during 01.04.2025 to 12.11.2025
1.	C&AG Paragraphs	689
2.	PAC Paragraphs	249
3.	Explanatory Notes	63

7.12 Institute of Government Accounts and Finance (INGAF)

7.12.1 The Institute of Government Accounts & Finance (INGAF) is the training arm of the Controller General of Accounts (CGA), Department of Expenditure, Ministry of Finance, Government of India. Initially known as the Staff Training Institute, it was set up in February, 1992 to train personnel in specific areas of accounting, administrative matters and financial management. In the years following its inception, the Institute has evolved to become a premier training center in the spheres of Government Accounting and Public Financial Management. In addition, the Institute has Regional Training Centers (RTCs) at Chennai, Kolkata, Aizawl and Mumbai. The institute has been recognized as “AtiUttam” Central Training Institute by National Accreditation Board for Education and Training (NABET).

7.12.2 INGAF is a premier institute in the field of imparting training to participants from countries under ITEC programme in collaboration with Ministry of External Affairs. In line with this, in Financial Year 2025-26, INGAF is organizing 4 ITEC Courses namely “Government Accounting and Financial Management”, “Budget Formulation and Execution with Special focus on Gender and Child Budgeting”, “Public Expenditure Management” and “Digital Payment System and Infrastructure in India” in which participants from various ITEC partner countries will be taking part.

7.13 Mission Karmyogi and Digital Learning:

INGAF continuously thrives to raise its training profile both in terms of magnitude and eminence. To facilitate and build the capacity of the officials, INGAF in collaboration with Capacity Building Commission has meticulously curated and digitized the following courses which are now live on i-GOT portal:- viz

- i. Concept of Budget and Constitutional framework
- ii. Fiscal Responsibility and Budget Management Act 2003
- iii. Budget formulation in Government of India
- iv. Compilation of Monthly, Appropriation and Finance Accounts
- v. Budget execution and Monitoring
- vi. Budget Documents, Presentation and Passing of Budget
- vii. Evolution and Overview of Public Financial Management System
- viii. Accounting Standards -Concept and International Best Practices - IPSAS
- ix. Principles, structure and Classification of Government Accounting
- x. Recording, reconciliation, Suspense balance and Banking arrangement
- xi. Accounting Procedure of Advanced Accounting Processes.

8. CHIEF ADVISER COST

8.1 The Office of Chief Adviser Cost (CAC) is one of the attached offices of Department of Expenditure, Ministry of Finance.

8.2 The Office of CAC is rendering advice to the Central Government Ministries/ Departments/ Organizations on Price/Cost related issues and financial matters, covering wide spectrum of sectors/areas. The O/o CAC is engaged in the following major thrust areas like:

- i. Providing inputs for rationalization of cost of projects / schemes of various Ministries

/Departments in various committees e.g. Expenditure Finance Committees (EFC), State Finance Committees (SFC), Public Investment Board (PIB), Delegated Investment Board (DIB), Advisory Committee for consideration of Techno-economic viability of Major / Medium, Flood Control and Multipurpose Projects;

- ii. Examining time & cost overruns or projects in Revised Cost Committees (RCC) for identification of reasons relating to time and cost overruns and providing inputs for cost rationalization;
- iii. Fixing advertisement rates for Print Media, FM Radio, Television, Internet and social media for Central Bureau of Communications (erstwhile DAVP);
- iv. Assisting Central Government Ministries/ Departments/ Organizations in price/cost related issues, in fixing fair prices for various services/products and rendering advice to various Ministries/ Departments in cost matters and for determination/fixation of fair prices of the products and services supplied/rendered to Government;
- v. Undertaking major studies like determination of cost / fair price of postal products/stamps and coins supplied by SPMCIL to postal department & RBI respectively, rails supplied by SAIL and traction supplied by BHEL to Ministry of Railways, Contraceptives supplied by HLL Lifecare Limited to Ministry of Health & Family Welfare and Continuously Operating Reference Stations (CORS) Services provided by Survey of India etc;
- vi. Examination/verification of claims between Government Departments/ Public Sector Undertakings and suppliers arising out of purchase contracts;
- vii. Review of User Charges
- viii. Examination of cost estimates, evaluation of the financial feasibility and other financial parameters of the High value Infrastructural Projects like Rail, Highways, Power, Education Sector etc. referred by DoE;
- ix. Valuation of immovable mine infrastructure assets relating to coal blocks;
- x. Fixing of price of destruction of EVMs and Fair Price of Production of EVMs (BV/CV/VVPAT)/ M2-M3 VVPAT
- xi. Fixation of rate of Nuclear Grade Ammonium-Di-Uranate (NGADU) supplied by IREL to NPCIL;
- xii. Reviewing the rates of milling charges of paddy based on value of various by-products;

- xiii. Fixing of fair price of Tear Smoke Units produced by BSF Tekanpur;
- xiv. Revision of Fixed Cost of Urea manufacturing units;
- xv. Exploratory drilling costs of coal and lignite under Central Sector Scheme.

8.3 Cadre Administration:- The Office of CAC is the cadre controlling office for the Indian Cost Accounts Service (ICoAS), which broadly encompasses Recruitment, transfer/posting and career progressions of ICoAS Officers. It also looks after training requirements of the officers for continuous upgradation of their knowledge and skills, in addition to rendering professional guidance to the ICoAS officers working in different participating organizations. ICoAS has the sanctioned strength of 230 officers which are recruited at Level-10 by UPSC from among the professionally qualified Cost Accountants/Chartered Accountants. Thirty Four officers recommended by UPSC during 2024-25 joined the service and these were deployed on induction training for two weeks at ISTM, Delhi.

8.4 Cadre Review:- The Office of Chief Adviser Cost has constituted Cadre Review Committee vide Office Order No. A-32013/1/2025-CAC dated 10.07.2025. Given the increasing financial and costing complexities, there is an urgent need for financial experts to assist MDOs in addressing emerging challenges. The expertise of ICoAS officers can play a vital role in strengthening the financial management and decision-making processes of these organizations. Four Meetings of Cadre Review Committee have been held till November'25.

8.5 Representation in Revised Cost Committees :- In pursuance of Ministry of Finance, Department of Expenditure's Office Memorandum No. 24(35)/PF-II/2012 dated 05th August, 2016, Office of Chief Adviser Cost has represented in 40 Committees for Revision of Cost Estimates in various Ministries/ Departments involving a total value of Rs.17,869/- crore during the period from April, 2025 to October, 2025. Proactive role of this Office in the Revised Cost Committee has facilitated rationalization of revised cost estimates.

8.6 Representation in EFC/SFC/PIB/DIB :- This Office has represented and offered comments in 23 EFC/SFC/PIB/DIB meetings of various Ministries/Departments during the period from April, 2025 to October, 2025.

8.7 Committees Represented :- O/o CAC owing to their expertise in costing/finance/commercial accounting have also served as Chairman/Members on the

following major multidisciplinary Inter-Ministerial/ Expert Committees:

- i. General Body of Arun Jaitley National Institute of Financial Management, Faridabad under the Chairmanship of Union Finance Minister;
- ii. Board of Governors of Arun Jaitley National Institute of Financial Management, Faridabad under the Chairmanship of Finance Secretary;
- iii. Special Committee for Inter-linking of Rivers under the Chairmanship of Union Minister for Jal Shakti;
- iv. Advisory Committee for consideration of Techno-economic Viability of Major/ Medium, Flood Control and Multipurpose Projects (coordinated by Central Water Commission) under the Chairmanship of Secretary (Water Resources);
- v. Expert Committee on Nutrient based Subsidy Policy of Fertilizers;
- vi. National Pharmaceutical Pricing Authority (NPPA) under the Chairmanship of Chairman, NPPA;
- vii. Governing Body of Tear Smoke Unit, Border Security Force (BSF), Tekanpur, (Gwalior) under the Chairmanship of Director General, BSF;
- viii. Committee for review of Policy issued by MHA on fixation / recovery of CAPFs Deployment Charges in the States for various duties;
- ix. Committee to determine the base price of Poppy Straw;
- x. Committee on Comprehensive Multi Hazard Risk Financing Strategy (CMHRFS) being developed under National Cyclone Risk Mitigation Project (NCRMP), NDMA;
- xi. As members of various Project Appraisal & Technical Scrutiny Committees (PATSC) constituted by NHAI for appraisal of Road Construction Projects falling under Bharatmala Project.
- xii. Committee constituted by MoPNG to consider the recommendations of O/o CAC made in the Report No. 8932 on the project of feed stock subsidy to BCPL/Assam Gas Cracker Project.
- xiii. Committee constituted for determining/verifying the LVA content and performance multiplier.
- xiv. Expert Group to recommend energy norms for Urea units
- xv. As member of Rate Structure Committee of CBoC (erstwhile DAVP).

9. ARUN JAITLEY NATIONAL INSTITUTE OF FINANCIAL MANAGEMENT (AJNIFM)

9.1 Introduction

AJNIFM was set up in 1993 as a Society. The Union Finance Minister is the President of the AJNIFM Society and Secretary (Expenditure) is the Chairman of the Board of Governors. It began with the core objective of imparting training to Officer Trainees (Probationers) of the six organized Accounts and Finance services. However, over the years, the Institute has expanded its activities with four long term programs and a dynamic repertoire of short-term programs. In the process, AJNIFM has been able to carve a unique identity for itself as a premier institute of Ministry of Finance in professionalizing Public Financial Management and Public Procurement.

9.2 Performance and Achievement

Till March, 2025, AJNIFM has conducted 122 Management Development Programs (MDPs) and 3654 officers have participated. While 04 programs were open for nomination of officers of various organizations, 118 programmes were Sponsored conducted for individual organization based on their peculiar needs.

9.3 Significant developments - Training Programmes

9.3.1 AJNIFM conducts five long term programs. These are as under:

- i. Professional Training Course - for Officer Trainees of various Accounts and Finance Services of twenty six weeks duration.
- ii. Master of Business Administration in Financial Management - for middle-level management officers of Central and State Governments, Autonomous Bodies, Defence Services., PSUs and Corporate Sector.
- iii. Master of Business Administration (Finance): This program aims to train professional who can assume responsible positions in regulatory, market intermediaries, banks, mutual funds, asset management companies, stock exchanges, commodity exchanges, and similar organizations in both the private and government sectors.
- iv. Post Graduate Diploma in Government Accounting and Audit (PGDG&A) – It is a one year programme to upgrade the technical skills of Group-B officers of the Accounts Department.
- v. The Directorate General Resettlement (DGR) Course: It is a six months course designed for

defence officers transitioning to corporate roles. This Executive Business Management program equips participants with essential business and management skills to support their reintegration into the corporate sector.

vi. Apart from its regular long term programs,

- AJNIFM conducts short term training programs on various aspects of Finance and Public Financial Management. Participants include officers from Central Government, State Government, UT Government, Autonomous Bodies, PSUs, and Banks etc. MDPs is one of the major training activity undertaken by AJNIFM for capacity building of the officers of different organizations.
- IGOT-Strengthening Capacity Building through Digital Learning: The Integrated Government Online Training (iGOT) platform, a cornerstone of the Government of India's Mission Karmayogi, is revolutionizing the capacity-building ecosystem for civil servants. By enabling institutions and department to deliver targeted, scalable, and high – impact training programs, iGOT is fostering a future-ready workforce equipped to tackle emerging governance challenges. Under the aegis of the Capacity Building Commission, the ArunJaitley National Institute of Financial Management (AJNIFM) has successfully launched 21 digital learning courses on the iGOT Karmayogi platform this year, advancing its mission of strengthening public finance, analytics and governance capabilities across the civil services. Most recently, four flagship courses were inaugurated by Shri V. Vaidyanathan, Secretary, Department of Expenditure reaffirming the government's focus on innovation-led capacity building.

9.3.2 These newly launched courses are:

- FinTech in India: Growth Story and Regulatory Framework
- Disposal of Scrap Goods
- Cash Flow Statement in Financial Analysis
- Investment Management using Fixed Income Securities

Together, the launch of these 21 courses underscores AJNIFM's commitment to expanding digital learning resources and fostering continuous professional development for government officials through the iGOT Karmayogi platform.

9.4 Major schemes/programmes implemented through the Departments/Division

- i. MoU between 'Madhusudan Das Regional Academy of Financial Management (MDRAFM) Bhubaneswar' and AJNIFM on 21.05.2024 for two years.
- ii. MoU with ISTM on 1st October 2024 for Capacity Building, Research projects, Faculty Exchange, Mission Karmayogi and Resource sharing.
- iii. MoU with CGDA on 07th December, 2024 for imparting MCTP Phase III, IV & V of IDAS Officers under CGDA
- iv. MoU with ISB on 07th December, 2024 for engaging them as a partner institute for imparting MCTP Phase III, IV & V of IDAS officer under CGDA
- v. MoU with National Statistical Systems Training Academy (NSSTA) on 31.01.2025 for mutual exchanges and collaboration for all Governance and Public Administration related activities which will include:
 - a) Capacity Building Research Programmes and Consultancy Projects Faculty Exchange for mutually agreed Programmes
 - b) Mission Karmayogi Resource Sharing
- vi. A Memorandum of Understanding (MoU) was signed with the Indian Institute of Public Affairs (IIPA) on 05.03.2025 to establish a health framework for cooperative institutional relations to emerge and promote cooperation in the areas of training and capacity building for Civil Servants/ Government officers etc.
- vii. A Memorandum of Undertaking (MOU) was signed with Government e-marketplace (GeM) on 24.09.2025 to modernise public procurement through a unified, paperless and transparent digital platform and AJNIFM's mandate to advance capacity building and policy advisor in public financial management

9.5 Initiatives relating to Gender Budgeting and Empowerment of Women

Arun Jaitley National Institute of Financial Management, Faridabad has been nominated as the Nodal Centre for Gender Responsive Budgeting at the central level by Ministry of Women and Child Development in 2016. The GRB Cell has been awarded a study by ISRO in January, 2025. It hosted a one day workshop on Financial Inclusion and Women Empowerment in December, 2024, featuring insights from academia, government, and financial sector. The GRB Cell organised a seminar on International Women's Day on

March 10, 2025 in collaboration with the Department of Expenditure in the campus.

9.6 E-governance Activities

9.6.1 Dissemination of knowledge on new initiatives of the Government: Whenever there are new initiatives of the Central Government, AJNIFM has been mandated to launch special training drives to cover all Government entities. In fulfilment of this mandate, AJNIFM has run several training programs on Public Procurement including GeM.

9.6.2 Capacity Building Commission (CBC) identified 5 areas for Department of Expenditure on which e-Learning Course were to be prepared, primarily aimed to address the competency needs of IFD officers. AJNIFM prepared 5 e-Learning courses and placed on the i-GoT platform. In the 2nd Phase, AJNIFM is in the process of developing e-Learning courses in 5 more areas, viz, Understanding, Corporate Financial Statements, Role of Government Directors in PSUs, Audit Procedure, Data Analytics & Visualization and Understanding Life Cycle Management of IT Projects.

10. CHIEF CONTROLLER OF ACCOUNTS (FINANCE)

10.1 The Chief Controller of Accounts (CCA) is overall in-charge of the payment and accounting set up of the Ministry, supported by Controller of Accounts (CA), Deputy Controllers of Accounts (DCA), Assistant Controllers of Accounts (ACA), and field formations of Pay and Accounts Offices (PAOs) in each Department.

10.2 Function of the CCA Organization

- a) Making Payments of all types for the six Departments; viz, D/o Economic Affairs, Expenditure, Revenue, Investment and Public Asset Management, Financial Services and Public Enterprises.
- b) Compilation of the monthly accounts, Appropriation Accounts and Finance accounts pertaining to six departments of the Ministry of Finance and submission to the office of the Controller General of Accounts for consolidation into the Accounts of Government of India.
- c) Compilation of the Internal Debt accounts for the Government of India through PAO (Internal Debt and Accounting).
- d) Making releases of the funds to States and UTs with Legislature in respect to the Budgetary allocation in the Demand "Transfer to States" of Department of Expenditure.
- e) Financial reporting to the Chief Accounting Authority (i.e. the Secretaries of the respective

Departments) and to the Controller General of Accounts.

- f) Conducting Internal Audit for all attached/Sub-ordinate offices under the 6 departments of Ministry of Finance.
- g) Conducting Internal audit of the performance of the Banks in handling Government Schemes such as Public Provident Fund, Special Deposit Schemes and Senior Citizen Savings Scheme.
- h) Pension authorization under the Pension Rules to the officials retiring on superannuation, seeking voluntary retirement and to the families of deceased employees/pensioners.
- i) Accounting of total receipts and payments of the entire central Government for CGEGIS (Central Government Employees Group Insurance Scheme) and calculation & accounting of interest liability of GOI under both the savings fund and Insurance fund components of this scheme.
- j) Management and settlement of Audit paras of C & AG (PAC, Compliance audit, Financial audit and Explanatory notes)
- k) Settlement of the cases relating to combined pension, pro-rata pension, leave encashment, leave salary and pension contributions, revision of pension cases etc. of the absorbed employees of SPMCIL, after the corporatization of Mints and Presses, in coordination with the Corporate office of SPMCIL, field units and the Administrative Division in the Ministry.

10.3 Highlights of important functions

10.3.1 Internal Debt Accounting and Reporting

- a. Accounting of all transactions related to issue of New Loans/Govt. Securities raised by Central Government, repayments, buybacks, securities issued to International Financial Institutions, Special Government of India Securities issued against investment made by National Small Saving Fund (NSSF), and other special securities on the basis of detailed information provided by the Reserve Bank of India, and reconciliation of all Treasury Bills & Cash Management Bills with Monthly and Quarterly Statement received from Public Debt Office, Mumbai and IDMD, Central Office, Mumbai.
- b. Preparation of Statement (14 and 14A) related to Debt liabilities and submitting it to the Finance Account Section, CGA Office and Accounting of Government Securities raised by Government of India.
- c. Monitoring the timely payments of principal and payment of interest in respect of all such loans.

- d. Accounting of different Saving Schemes of Government of India.
- e. Calculation of Average Rate of Interest chargeable on the Capital Outlay of the Central Government.

10.3.2 Internal Audit

The Revised Charter of Financial Advisors released by the Ministry of Finance envisages the Roles and Responsibilities of the O/o Chief Controller of Accounts. Accordingly, Internal Audit functions under the control and supervision of the CCA and focuses on the Audit of all the DDOs and subordinate offices including Banks who are handling Government Schemes such as Public Provident Fund, Special Deposit Scheme and Senior Citizen Deposit Scheme. This involves appraisal, monitoring and evaluation of individual schemes and assessment of adequacy and effectiveness of internal controls in general, and soundness of financial systems and reliability of financial and accounting reports in particular. During the year 2025-26 (Upto 30 Nov. 2025) audits of 36 units have been conducted by the Internal Audit Wing, DEA, Ministry of Finance New Delhi.

10.3 Achievements during the year

- a) The Electronic Bill (E-bill) system of processing of Bills has been implemented in all of the 6 Departments of Ministry of Finance and is operational in all 25 Pay and Accounts Offices under the O/o CCA, Ministry of Finance.
- b) INDRAA (Internal Debt and Recovery Advanced Application) software has been developed for accounting of Internal Debt of Government of India. Phase I has been implemented successfully.
- c) The implementation of the 2nd factor biometric authentication using FIDO devices to access PFMS has been accomplished in all Pay and Account Offices under Ministry of Finance.
- d) Bill pendency in all the Pay Account Offices is monitored regularly and has been almost reduced to less than 1% of the total bills.
- e) Achieved strong operational efficiency in the timely processing and submission of employees' NPS contributions under the Ministry of Finance to CRA-Protean.
- f) Pay & Accounts Office, Secretariat, D/o Revenue has been conferred with ISO 9001:2015 for Quality Management System for the following scope: Cleanliness, Record Management, Internal Audit, Infrastructure Management, Human Resource Management and System Management (IT).
- g) E-office has been implemented in all offices (including outstation Pay & Accounts Offices) under O/o CCA, Ministry of Finance.

11. CENTRAL PENSION ACCOUNTING OFFICE

11.1 The Central Pension Accounting Office (CPAO) was established on 1st Jan, 1990 for Payment and Accounting of Central (Civil) Pensioners and Pension to Freedom Fighters, Judges of High Court/ Supreme Court, Ex MPs etc. CPAO is a subordinate office under the Office of the Controller General of Accounts, Ministry of Finance, Department of Expenditure. It has been entrusted with the responsibility of administering the Scheme of Payment of Pension to Central Government (Civil) Pensioners including UTs, Delhi Administration except Railways, P&T and Defense through authorized Banks. Its core functions are:

- Issue of Special Seal Authorities(SSAs) authorizing payment of pension in fresh as well as revision of pension cases to the CPPCs (Central Pension Processing Centers) of pension disbursing Banks;
- Preparation of Budget for the Pension Grant and accounting thereof;
- Audit of CPPCs of pension disbursing Banks;
- Maintenance of Data Bank of Central Civil Pensioners containing all details indicated in the PPOs and Revision Authorities;
- Handle the issues raised by Central Civil Pensioners.
- Further, this office has also been entrusted with the responsibility of direct disbursement of provisional pension to beneficiaries sanctioned under the NPS (AR). Since, these pensioners/family pensioners are now covered under Old Pension Scheme, The work of migration of these NPS(AR) pensioners/family pensioner from DBT System to Banking System is under process. This work is also being handled by the existing staff by putting extra efforts.

11.2 Achievements

The primary function of CPAO is to issue SSAs to the CPPCs of Banks in fresh and revision of pension cases. In the period 01.04.2025 to 31.10.2025, highlights are as follows: –

- 30,334 and 24,199 authorities were issued in fresh and revision of pension cases respectively.
- CPAO has a dedicated Pensioners Facilitation Cell which was established during the year

2011. Total 10,958 grievances were resolved effectively by this Cell w.e.f. 01.04.2025 to 31.10.2025.

11.3 To endeavor and improve the ease of living of pensioners and to bring about transparency in the pension authorization process, the recent initiatives taken by CPAO are as follows:

i. Empanelment of Banks

Sl. No.	Banks	Remarks
1	Kotak Mahindra Bank	Authorized to function as CPPC
2	Bandhan Bank	Authorized to function as CPPC
3	Karur Vysya Bank Ltd.	Authorized to function as CPPC
4	City Union Bank Ltd.	At integration stage
5	IDFC First Bank	Authorized to function as CPPC
6	Karnataka Bank Ltd.	At integration stage
7	RBL Bank	At integration stage

ii. Inception of the 'Banking Coordination' Section under which following actions have taken place during FY 2025-26:-

- Periodical meetings with CPPCs: 03 meetings covering 10 CPPCs were held during period 01.04.2025 to 31.10.2025 with the Head of CPPCs and Senior Management of Banks wherein various pension related issues were discussed in details.
- Performance evaluation of CPPCs: Performance of the CPPCs is evaluated semi-annually on the basis of 16 key performance indicators. Evaluation for the first half of the FY 2025-26 i.e. 01.04.2025 to 31.10.2025 has been done for the 44 CPPCs.

iii. Holding of Pension Adalats

- CPAO has actively participated in the Pension Adalat held by Department/Ministries especially in those held by Central Armed Police Forces.
- CPAO has also been holding 'Pension Adalat' annually since 2018. This year, this Pension Adalat was held on 20.11.2025 through video conferencing.

11.4 e-Governance Initiatives of CPAO

11.4.1 CPAO is a fully computerized office. A wide range of software/packages have been developed/implemented in this office for streamlining pension disbursement, accounting and grievance redressal which includes:-

a) Pension Authorization Retrieval & Accounting System (PARAS):-

All the pension processing activities from receipt to dispatch are managed through PARAS. The web interface of PARAS provides the related information to pensioners; PAOs/Ministries & Banks. Over 16 lakhs central civil pension cases have been processed by CPAO through this software thereby creating digital database of these pensioners. Various MIS reports are also generated by this software for the monitoring purposes. Further, SMS facility is also provided to the pensioners for checking their pension/family pension case status.

- i. e- SSA:-This system has been developed for sending online digitally signed fresh as well as revision authorities from CPAO to Centralized Pension Processing Centers of authorized bank (CPPCs) electronically through SFTP for arranging payment to the pensioners.
- ii. e-Scroll software:- This software has been developed and introduced for receiving payment and receipt scrolls from CPPCs and 'put through statement' from Reserve Bank of India for speedy accounting and reconciliation of pension payments made by banks at CPAO. The information received through e-Scrolls is also being used for preparation of various MIS. Further, SMS facility is also provided to pensioners for checking their grievance status.
- iii. e-PPO: e-PPO is an online application through Bhavishya to PFMS to CPAO to Centralized Pension Processing Centre of authorized bank (CPPC). This is an efficient and secured paperless-processing.
- iv. Bar-coding software:- Bar-coding module is incorporated in PARAS with the help of postal Department for speedy transmission of pension papers to CPPCs and tracking of dispatch status of pension cases.
- v. CPAO website:-www.cpao.nic.in has interfaces for PAOs, CCAs, Banks and pensioners and provides various MIS reports and database services to its stakeholders.
- vi. Web Responsive Pensioners Service

(WRPS):- This IT initiative of Central Pension Accounting Office (CPAO) provides various services including Pension & Payment Information, online Pension Process Tracking & online Grievance Redressal and Tracking for the pensioners. The WRPS is an important Digital India initiative for improving transparency, accountability and responsiveness.

- vii. DIRGHAYU Pensioners' Mobile App: DIRGHAYU Mobile App was launched by Hon'ble Dr. Jitendra Singh, MOS, PMO, and M/o PPG&P at Vigyan Bhawan on 27th Feb, 2023 in order to facilitate pensioners, the DIRGHAYU Pensioners' Mobile App has been developed for availing various services. The application is providing pensioners with the ability to download the special seal authorities issued by CPAO, as well as know the details of pension amount (last 24 transactions) received in their accounts at the click of a button. It also enables them to lodge & track the status of the help request lodged by them. The app has been equipped with Hindi language and M-Pin facility and available in android & iOS version.
- viii. Database Management Software:-Software for comparison of banks' database with CPAO's database of pensioners has been developed and exception reports are generated by it to clean up the database and establish a completely matching database.
- ix. SMS facility:- The facility of informing pensioner through SMS of receipt of fresh Pension Payment Order/Revision Order from PAO to CPAO and sending Special Seal Authority (SSA) to banks for arranging payment has been provided to those pensioners who's mobile numbers are available in the database of CPAO.

b)

Pensioners' Grievance Redressal Mechanism:

- i. Pensioners Facilitation Cell:- The Pensioners Facilitation Cell was established during the year 2011 in CPAO with the approval of Secretary (Expenditure), Ministry of Finance, so that the grievances of pensioners could be resolved promptly. Since its inception, more than 4.25 lakh pensioners have availed the services of 'Pensioners Facilitation Cell'. This has enabled the achievement of the Government stated objective of bringing 'Ease of living' for pensioners.

- ii. Considering the significant number of pensioners/family pensioners from the Central Armed Police Forces (CAPF) i.e. Assam Rifles, BSF, CRPF, ITBP, CISF & SSB of Ministry of Home Affairs, a dedicated sub- cell has been recently created in Pensioners Facilitation Cell (PFC) exclusively for CAPF pensioners for prompt resolution of their grievances.
- iii. Pension Adalat:- CPAO has also been holding 'Pension Adalat' annually since 2018. This year, this Pension Adalat was held on 20.11.2025 through video conferencing. Further, CPAO has actively participated

c)

in the Pension Adalat held by Department of Pension & Pensioner's Welfare & other Department/Ministries especially those held by the various Central Armed Police Forces.

Authorization of more Banks for payment of pension: To ensure ease of living of pensioners and family pensioners, and to provide them sufficient opportunity to choose a bank and branch as per their convenience, pension is being disbursed through 46 Centralized Pension Processing Centers (CPPCs) of 21 Authorised Public/Private Banks (12 Public Sector Banks and 9 Private Sector Banks) at their 90,119 branches spread across India.

Annexure - I

राजपत्र सं. डी.एल.- 33004/99

REGD. No. D. L.-33004/99

भारत का राजपत्र
The Gazette of India

सी.जी.-डी.एल.-अ.-03112025-267353
CG-DL-E-03112025-267353

असाधारण
EXTRAORDINARY
भाग I—खण्ड 1
PART I—Section 1
प्राधिकार से प्रकाशित
PUBLISHED BY AUTHORITY

सं. 322]	नई दिल्ली, सोमवार, नवम्बर 3, 2025/कार्तिक 12, 1947
No. 322]	NEW DELHI, MONDAY, NOVEMBER 3, 2025/KARTIKA 12, 1947

वित्त मंत्रालय

(व्यय विभाग)

संकल्प

नई दिल्ली, 3 नवम्बर, 2025

फा. सं. 01/01/2025- ई. III (ए).—भारत सरकार ने आठवें केंद्रीय वेतन आयोग का गठन करने का निर्णय लिया है, जो निम्नानुसार है:-

1. अध्यक्ष	- श्रीमती न्यायमूर्ति रंजना प्रकाश देसाई
2. सदस्य (अंशकालिक)	- प्रो. पुलक घोष
3. सदस्य-सचिव	- श्री पंकज जैन

2. आयोग के विचारार्थ विषय निम्नलिखित होंगे:

- (क) कर्मचारियों की निम्नलिखित श्रेणियों के संबंध में विभिन्न विभागों, एजेंसियों एवं सेवाओं की युक्तिसंगतता, समकालीन कार्यात्मक आवश्यकताओं और विशिष्ट आवश्यकताओं को ध्यान में रखते हुए वेतन, भत्ते एवं अन्य

MINISTRY OF FINANCE
(Department of Expenditure)
RESOLUTION

New Delhi, the 3rd November, 2025

F. No. 01-01/2025-E.III(A).—The Government of India have decided to appoint the Eighth Central Pay Commission comprising of the following:-

1.	Chairperson	- Smt. Justice Ranjana Prakash Desai
2.	Member (<i>Part-Time</i>)	- Prof. Pulak Ghosh
3.	Member-Secretary	- Shri Pankaj Jain

2. The terms of reference of the Commission will be as follows:-

- a) To examine and recommend changes that are desirable and feasible in the emoluments including pay, allowances, and other facilities/ benefits, in cash or kind, having regard to rationalization, contemporary functional requirements and the specialized needs of various Departments, agencies and services in respect of following categories of employees:
 - (i) Central Government employees — industrial and non-industrial;
 - (ii) Personnel belonging to the All India Services;
 - (iii) Personnel belonging to the Defence Forces;
 - (iv) Personnel of the Union Territories;
 - (v) Officers and employees of the Indian Audit and Accounts Department;
 - (vi) Members of the regulatory bodies (excluding the RBI) set up under the Acts of Parliament;
 - (vii) Officers and employees of the Supreme Court;
 - (viii) Officers and employees of the High Courts whose expenditure is borne by the Union Territories; and
 - (ix) Judicial officers of the subordinate courts in the Union Territories.

[Note: In respect of judicial officers, the Commission shall adhere to the principle enunciated by the Supreme Court in its Judgement dated 24th August, 1993 in All India Judges' Association and Others V/s Union of India and Others, viz. that there shall be no link between service conditions of judges and administrative executive and that the service conditions of judges have to meet the special needs of the judiciary].
- (b) To work out an emolument structure conducive to attracting talent to Government service, promoting efficiency, accountability and responsibility in the work culture.
- (c) To examine the existing schemes of bonus with a view to improving performance and productivity and make recommendations on the general principles, financial parameters, productivity and performance-linked parameters for an appropriate incentive Scheme to reward excellence in productivity and performance.
- (d) To review the existing allowances and conditions of their admissibility and recommend their rationalization keeping in view the multiplicity of allowances.
- (e)
 - (i) To review the Death-cum-Retirement Gratuity of employees borne on the National Pension System (including Unified Pension Scheme) and make recommendations thereon.
 - (ii) To review the Death-cum-Retirement Gratuity and pensions of employees not borne on the National Pension System (including Unified Pension Scheme) and make recommendations thereon keeping in view Para f(iii) below.
- (f) To make recommendations on the above, keeping in view:
 - (i) The economic conditions in the country and the need for fiscal prudence;
 - (ii) The need to ensure that adequate resources are available for developmental expenditure and welfare measures;

- (iii) The unfunded cost of non-contributory pension schemes;
- (iv) The likely impact of the recommendations on the finances of the State Governments which usually adopt the recommendations with some modifications; and
- (v) The prevailing emolument structure, benefits and working conditions available to employees of Central Public Sector Undertakings and private sector.

3. The Commission will devise its own procedure and may appoint such Advisors, Institutional Consultants and Experts, as it may consider necessary for any particular purpose. It may call for such information and take such evidence, as it may consider necessary. Ministries and Departments of Government of India shall furnish such information and documents and other assistance as may be required by the Commission. The Government of India trusts that State Governments, Service Associations and others concerned will extend to the Commission their fullest cooperation and assistance.

4. The Commission will have its headquarters in Delhi.

5. The Commission will make its recommendations within 18 months of the date of its constitution. It may consider, if necessary, sending interim reports on any of the matters as and when the recommendations are finalized.

V. VUALNAM, Secy.

ORDER

ORDERED that the Resolution be published in the Gazette of India.

ORDERED also that a copy of the Resolution be communicated to the Ministries/Departments of the Government of India, State Governments/ Administrations of Union Territories and all others concerned.

V. VUALNAM, Secy.

Details of amount released under the Scheme for Special Assistance to States for**Capital Expenditure/Investment 2020-21 to 2025-26 (till 17.11.2025)**

(₹ in Crore)

Sl. No.	States	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26 (till 17.11.2025)
1.	Andhra Pradesh	688.00	501.79	6105.56	4090.81	7901.56	3492.40
2.	Arunachal Pradesh	232.97	371.19	1564.10	2363.42	2470.96	651.78
3.	Assam	450.00	600.00	4300.14	5804.43	7427.50	4941.94
4.	Bihar	843.00	1246.50	8455.85	8814.80	14791.32	3952.39
5.	Chhattisgarh	286.00	423.00	2941.97	3365.25	6103.57	1837.91
6.	Goa	97.66	111.04	572.75	695.20	1266.54	591.56
7.	Gujarat	285.00	432.00	4045.82	4254.32	5958.26	1433.74
8.	Haryana	91.00	135.00	1267.00	1702.05	1458.56	542.83
9.	Himachal Pradesh	533.00	800.00	650.80	1515.97	2381.37	570.19
10.	Jharkhand	277.00	246.00	2964.32	4580.61	2718.32	780.79
11.	Karnataka	305.00	451.50	3399.35	3879.24	5296.12	1811.63
12.	Kerala	81.50	238.50	1902.74	0.00	2715.67	914.04
13.	Madhya Pradesh	1320.00	1512.36	7360.20	12636.21	12424.92	3809.91
14.	Maharashtra	514.00	771.73	6744.16	5376.31	8063.08	3077.18
15.	Manipur	317.16	212.85	467.22	542.70	1436.82	224.26
16.	Meghalaya	200.00	281.20	1049.02	1293.06	2369.63	405.83
17.	Mizoram	200.00	299.99	297.50	743.28	1361.09	216.48
18.	Nagaland	200.00	300.00	504.16	973.20	1599.73	0.00
19.	Odisha	471.50	517.12	75.00	3532.14	6943.55	1967.46
20.	Punjab	296.50	223.50	798.22	0.00	2269.31	681.36
21.	Rajasthan	1002.00	692.41	5595.64	8513.42	9139.21	4113.12
22.	Sikkim	200.00	300.00	551.36	797.85	1742.14	288.97
23.	Tamil Nadu	0.00	505.50	4011.27	5326.42	7345.86	2677.61
24.	Telangana	358.00	214.14	2500.98	1948.34	2727.24	1160.26
25.	Tripura	300.00	118.54	349.79	662.92	1586.68	348.87
26.	Uttar Pradesh	976.00	1483.00	7940.50	19215.08	17223.82	8465.03
27.	Uttarakhand	675.00	263.92	1124.01	1911.71	2455.84	597.94
28.	West Bengal	630.00	933.00	3655.92	5015.58	10305.06	3540.52
Total		11830.29	14185.78	81195.35	109554.30	149483.73	53096.01
1.	Delhi						542.03
2.	Jammu & Kashmir						1083.41
3.	Puducherry						180.89
Total of 3 UTs							1806.33
Grand Total							54902.34

Annexure-ADEPARTMENT OF EXPENDITURERepresentation of SCs, STs and OBCs

Groups	Representation of SCs/STs/OBCs										Number of Appointments made during the previous calendar year									
	Total					By Direct Recruitment					By Promotion					By Other Methods				
	SCs	STs	OBCs	Others	Total	SCs	STs	OBCs	Others	Total	SCs	STs	OBCs	Others	Total	SCs	STs	OBCs	Others	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Group A	323	61	15	53	194	39	9	2	16	12	15	1	2	1	11	-	-	-	-	-
Group B	607	96	26	151	334	27	8	6	3	10	32	8	-	6	18	-	-	-	-	-
Group C	376	44	21	85	226	150	26	5	51	68	7	1	-	-	6	1	-	-	-	1
Total	1306	201	62	289	754	216	43	13	70	90	54	10	2	7	35	1	-	-	-	1

Annexure-BDEPARTMENT OF EXPENDITURERepresentation of Persons With Disabilities

Group	Number of Employees										Direct Recruitment										Promotion									
	Total					No. of vacancies reserved					No. of appointments made					No. of vacancies reserved					No. of appointments made					No. of vacancies reserved				
	VH	HH	OH	Others	Total	VH	HH	OH	Others	Total	VH	HH	OH	Others	Total	VH	HH	OH	Others	Total	VH	HH	OH	Others	Total	VH	HH	OH	Others	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
A	323	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B	607	1	5	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	376	1	1	7	1	-	1	-	1	-	1	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1306	2	6	19	2	-	1	21	2	-	1	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

ANNEXURE-CSummary of important observations included in Audit Reports

Sl.No.	Year	No. of Paras/PA reports on which ATNs have been submitted to PAC after vetting by Audit	No. of ATNs not sent by the Ministry even for the first time	No. of ATNs sent but returned with observations and Audit is awaiting their resubmission by the Ministry	Details of the Paras/PA reports on which ATNs are pending
1.	2025	NIL	6	NIL	No. of ATNs which have been finally vetted by Audit but have not been submitted by the Ministry to PAC

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    UFM[Union Finance Minister  
Smt. Nirmala Sitharaman] --> MOS[Minister of State (Finance)  
Shri Pankaj Chaudhary]
    UFM --> SEC[Secretary (Expenditure)  
Shri Vumlunmang Vualnam]
    SEC --> AS1[Additional Secretary (PFC-I)  
Shri D. Anandan]
    SEC --> AS2[Additional Secretary (Personnel)  
Smt. Parama Sen]
    SEC --> AS3[Additional Secretary & Financial Adviser  
Shri Manoj Sahay]
    SEC --> AS4[Additional Secretary (PFS)  
Dr. Sajjan Singh Yadav]
    SEC --> CGA[Controller General of Accounts  
Smt. TCA Kalyani]
    SEC --> CA[Chief Advisor (Cost)  
Shri Pawan Kumar]
    SEC --> D[AJNIFM Director  
Shri Praveen Kumar]
    AS1 --> JS1[Joint Secretary  
Shri Pradeep Kumar Singh]
    AS1 --> JS2[Joint Secretary (Public Finance Central-I)  
Dr. Atya Nand]
    AS1 --> JS3[Deputy Director General (PFC-I)  
Shri Ajith Kumar N]
    AS2 --> PA[Principal Adviser (Cost)  
Shri Manoj Kumar Sahoo]
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CHAPTER III

DEPARTMENT OF REVENUE

1. ORGANISATION AND FUNCTIONS

1.1 The Department of Revenue functions under the overall direction and control of the Secretary (Revenue). It exercises control in respect of matters relating to all the Direct and Indirect Union Taxes through two Statutory Boards, namely, the Central Board of Direct Taxes (CBDT) and the Central Board of Indirect Taxes and Customs (CBIC). Each Board is headed by a Chairman who is also ex-officio Special Secretary to the Government of India. Matters relating to the levy and collection of all the Direct taxes are looked after by the CBDT whereas those relating to levy and collection of Goods and Service Taxes (GST), Customs and Central Excise duties, Service Tax and other Indirect taxes fall within the purview of the CBIC. The two Boards were constituted under the Central Board of Revenue Act, 1963. Each Board has a sanctioned strength of 6 (six) members.

1.2 The Department of Revenue administers the following Acts:

- i. Income Tax Act, 1961;
- ii. Black Money (Undisclosed Foreign Income & Assets) Imposition of Tax Act, 2015
- iii. Benami Transactions (Prohibition) Act, 1988;
- iv. Chapter-VII of Finance (No.2) Act, 2004 (Relating to Levy of Securities Transactions Tax)
- v. Central Excise Act, 1944 and related matters;
- vi. Customs Act, 1962 and related matters;
- vii. Central Sales Tax Act, 1956;
- viii. Custom Tariff Act, 1975
- ix. Central Excise Tariff Act 1985
- x. Narcotic Drugs and Psychotropic Substances Act, 1985;
- xi. Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, 1988;
- xii. Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976;

- xiii. Indian Stamp Act, 1899 (to the extent falling within jurisdiction of the Union);
- xiv. Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974;
- xv. Prevention of Money Laundering Act, 2002;
- xvi. Foreign Exchange Management Act, 1999.
- xvii. Union Territory Goods & Services Tax Act, 2017
- xviii. Goods & Services Tax (compensation to States) Act, 2017
- xix. Central Goods & Services Tax Act, 2017
- xx. State Goods & Services Tax Act, 2017; and
- xxi. Integrated Goods & Services Tax Act, 2017

1.3 The Department looks after the matters relating to the above-mentioned Acts through the following attached/ subordinate offices:

- i. Commissionerates/Directorates under Central Board of Indirect Taxes and Customs;
- ii. Commissionerates/Directorates under Central Board of Direct Taxes;
- iii. Central Economic Intelligence Bureau;
- iv. Directorate of Enforcement;
- v. Central Bureau of Narcotics;
- vi. Chief Controller of Factories;
- vii. Appellate Tribunal under SAFEMA;
- viii. Competent Authorities appointed under Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976 & Narcotic Drugs and Psychotropic Substances Act, 1985
- ix. Customs, Excise and Service Tax Appellate Tribunal;
- x. Authority for Advance Rulings;
- xi. Financial Intelligence Unit, India (FIU-IND);
- xii. Adjudicating Authority under Prevention of Money Laundering Act.
- xiii. Revision Application Unit.

1.4 The details of representation of SCs, STs and OBCs are at Annexure-I.

1.5 The details of representation of persons with disabilities are at Annexure-II.

1.6 The details of ATNs in respect of audit observations are at Annexure-III.

1.7 An Organisation Chart of Department of Revenue is given at Annexure-IV.

2. Central Board of Direct Taxes (CBDT)

2.1 ORGANIZATION AND FUNCTIONS

The Central Board of Direct Taxes (CBDT), created by the Central Boards of Revenue Act 1963, is the apex body entrusted with the responsibility of administering direct tax laws in India. CBDT is the cadre controlling authority for the officers of the Indian Revenue Service and controlling authority for the officials of the Income Tax Department (ITD). The CBDT consists of a Chairman and six members and is assisted by the following Directorates:

- 1) Directorate of Income Tax (Administration & Tax Payer Services)
- 2) Directorate of Income Tax (Systems)
- 3) Directorate of Income Tax (Training)
- 4) Directorate of Income Tax (Human Resource Development)
- 5) Directorate of Income Tax (Vigilance)
- 6) Directorate of Income Tax (Legal & Research)

Income Tax Department is the subordinate organization of the CBDT having jurisdiction across the country. It is divided into 18 regions headed by Principal Chief Commissioners of Income Tax (Pr. CCIT), who are entrusted with the supervision and collection of direct taxes and taxpayer services. The Directors General of Income Tax (Investigation) supervises the investigation

functions and deal with tax evasion and unearthing unaccounted income. The Director General of Income Tax (Intelligence and Criminal Investigation) supervises the intelligence gathering and investigation in tax related crimes. The Principal Chief Commissioner of Income Tax (Exemptions) supervises the work of exemption and non-profit organizations/ trusts across the country and the Principal Chief Commissioner of Income Tax (International Taxation) supervises the work in the field of International Tax and Transfer Pricing.

The Principal Chief Commissioners of Income Tax are assisted by Chief Commissioners, Principal Commissioners and Commissioners of Income Tax and Principal Directors General/ Directors General of Income Tax are assisted by Principal Directors/ Additional Directors General of Income Tax within their jurisdictions. Commissioners of Income Tax posted as Commissioners of Income Tax (Appeals) perform appellate functions.

2.2 DIRECT TAX COLLECTION

2.2.1 Direct Tax Collection for the FY 2025-26 up to 30th November, 2025:

The Direct Tax Collection as on 30th November, 2025 continue to register a steady growth. Net Direct Tax Collection stands at Rs. 13,30,797.12 crore which is 6.71% higher than the net collections for the corresponding period of last year. This collection is 52.80% of the Budget Estimates (BE) for Direct Taxes for the FY 2025-26.

So far as the growth rate of Corporate Income Tax (CIT) and Non-Corporate Tax (NCT) in terms of Net revenue collections is concerned the growth rate of CIT is 7.52% while that for PIT is 6.49%.

The above details of direct tax collection for FY 2025-26 upto the month of November, 2025, are tabulated as under:

(Amount in Rs. Crores)

Major Heads	Collection for FY 2024-25 (as on 30.11.2024)			Collection for FY 2025-26 (as on 30.11.2025)			Growth percentage on Net Collection
	Gross	Refund	Net	Gross	Refund	Net	
Corporation Tax	6,80,039.75	1,68,548.20	5,11,491.55	7,15,861.06	1,65,909.34	5,49,951.72	7.52%
Personal Tax	8,81,550.35	1,48,572.01	7,32,978.34	8,74,610.42	94,071.08	7,80,539.34	6.49%
Others	2,621.30	15.76	2,605.54	314.33	8.27	306.06	-88.25%
Total	15,64,211.40	3,17,135.97	12,47,075.43	15,90,785.81	25,99,88.69	13,30,797.12	6.71%

Source: Pr. CCA (CBDT)

* Provisional figures provided by Pr. CCA, CBDT

2.2.2 **TDS related matters:** In order to improve tax administration and reduce hardship of taxpayers, the following measures taken by this Division are worth highlighting:

2.2.2.1 Notifications in respect of TDS provisions:

(i) Vide notification dated 02.01.2025, Central Government notified that no deduction of income-tax under Chapter XVII of the said Act shall be made on the payments received by the National Credit Guarantee Trustee Company Limited, being a company established

and wholly financed by the Central Government for the purposes of operating credit guarantee funds established and wholly financed by the Central Government as referred to in sub-clause (i) of clause (46B) of section 10 of the said Act.

(ii) Vide notification dated 02.01.2025, Central Government notified that no deduction of income-tax under Chapter XVII of the said Act shall be made on the payments received by a credit guarantee fund established and wholly financed by the Central Government and managed by the National Credit Guarantee Trustee Company Limited as referred to in sub-clause (ii) of clause (46B) of section 10 of the said Act.

(iii) Vide notification dated 02.01.2025, Central Government specified that no deduction of tax shall be made under the provisions of section 194Q of the said Act by a person, being a buyer, in respect of purchase of goods from a Unit of International Financial Services Centre, being a seller.

(iv) Vide notification dated 06.01.2025, Central Government under clause (a) of the Explanation to sub-section (1H) of section 206C of the Income-tax Act, 1961, Central Government specified that a Unit of International Financial Services Centre shall not be considered as buyer for the purposes of the said sub-section in respect of purchase of goods from a seller.

(v) Vide notification dated 18.07.2025, Central Government notified that provisions of Chapter XVII of the IT Act, shall not apply to payments received by International Crops Research Institute for the Semi-Arid Tropics (ICRISAT).

2.2.2.2 Circular issued in respect of TDS provisions

(i) **Circular No 5 of 2025 dated 28.03.2025-** In order to facilitate the taxpayers who encountered technical glitches while making payments of TDS and TCS to the credit of Central Government and subsequently received notices for levy of interest under section 201 (1A)(ii)/206C(7) of the IT Act, powers were given to CCIT or DGIT to reduce or waive off such interest.

(ii) **Circular No 9 of 2025 dated 21.07.2025-** In order to facilitate the taxpayers who received notices regarding short deduction/collection of TDS/TCS while carrying out transactions where PANs of the deductees/collectees were inoperative, Board specified that there shall be no liability on the deductor/collector to deduct/collect the tax under section 206AA/206CC of the Act where the amount is paid or credited and the PAN is made operative (as a result of linkage with Aadhaar) before the period specified therein.

(iii) **Circular No 13 of 2025 dated 19.09.2025-** In order to mitigate the genuine hardship of taxpayers where the returns had already been processed and rebate

was allowed under section 87 A of the Act on incomes chargeable to tax at special rates, Board directed that interest payable under section 220(2) of the Act shall be waived in such cases where the payment of the demands raised, is made on or before 31.12.2025.

2.3 SOME RECENT LEGISLATIVE CHANGES IN DIRECT TAX LAWS

2.3.1 **Enactment of Income tax Act, 2025:** The Government announced a comprehensive review of the Income-tax Act, 1961 (the Act). As a consequence of the said review, the Income-tax Bill, 2025 (Bill No. 24 of 2025) has been introduced in the Lok Sabha on 13.02.2025 and referred to the Select Committee of Lok Sabha for examination. Post the submission of the Report of the Select Committee, the bill was finally passed by the Parliament and received the Presidential assent and got notified on 21.8.2025.

The purpose behind the introduction of the Income-tax Bill was to simplify the existing Income-tax Act, 1961 by making it concise, lucid, easy to read and understand. The simplification exercise was guided by three core principles: -

1. Textual and structural simplification for improved clarity and coherence.
2. No major tax policy changes to ensure continuity and certainty.
3. No modifications of tax rates, preserving predictability for taxpayers

For this purpose, a three-pronged approach was adopted: -

1. Eliminating intricate language to enhance readability.
2. Removing redundant and repetitive provisions for better navigation.
3. Reorganizing sections logically to facilitate ease of reference.

While undertaking the simplification exercise, conscious attempt has been made to minimize the scope of unintended ambiguity, leading to fresh interpretations and litigation. For this purpose, the following measures have been taken among others:

- a. Key words/phrases, especially where courts have given rulings, have been retained with minimal modifications, and language has been simplified by use of short sentences.
- b. Provisions have been made clear to minimize scope for multiple interpretations. The provisos and explanations have been removed and simplified content has been placed as sub-sections and clauses.

- c. Formulae and tables have been used to enhance clarity.
- d. Provisions involving same issues and definitions, which were present in different chapters in the existing Act have been consolidated.

The Income-tax Act, 2025, thus reflects the Government's commitment to enhance ease of doing business by providing a tax framework that is simple, clear and unambiguous.

2.3.2 Providing tax relief

2.3.2.1 Finance Act, 2025 has provided substantial relief under the new tax regime with new slabs and tax rates as under:-

Total income	Rate of tax
Upto Rs. 4,00,000	Nil
From Rs. 4,00,001 to Rs. 8,00,000	5 per cent
From Rs. 8,00,001 to Rs. 12,00,000	10 per cent
From Rs. 12,00,001 to Rs. 16,00,000	15 per cent
From Rs. 16,00,001 to Rs. 20,00,000	20 per cent
From Rs. 20,00,001 to Rs. 24,00,000	25 per cent
Above Rs. 24,00,000	30 per cent

2.3.2.2 Increase in rebate in new tax regime

Finance Act, 2025 has increased the rebate for the resident individual under the new regime so that they do not pay tax if their total income is up to Rs. 12,00,000. Marginal relief as provided earlier under the new tax regime is also applicable for income marginally higher than Rs. 12,00,000.

2.3.2.3 Exemption and Deductions allowed to Unified Pension Scheme Subscribers

Vide Taxation Laws (Amendment) Act, 2025 (notified on 21.08.2025), an amendment has been made to extend the tax deductions and exemptions available to the subscribers of NPS (New Pension Scheme) were extended at par with the subscribers of Unified Pension Scheme (UPS).

2.3.3 Measures to promote investment and employment

2.3.3.1 Scheme of presumptive taxation for non-resident providing services for electronics manufacturing facility

A presumptive taxation regime has been provided for non-residents, engaged in the business of providing services or technology to a resident company, relating to electronics manufacturing facility or a connected facility for manufacturing or production of electronic goods in India, under a scheme notified by the Ministry of Electronics and Information Technology.

2.3.3.2 Extension of benefits of tonnage tax scheme to inland vessels

The benefits of tonnage tax scheme have been extended to Inland Vessels for promoting inland water transportation in the country.

2.3.3.3 Exemption to Sovereign Wealth Funds, Pension Funds and others

In the case of person specified under section 10(23FE) of the Act, the period of investment has been extended from 31st day of March, 2025 to 31st day of March, 2030 for exemption of income in the nature of interest, dividend and capital gains. It is further proposed that in the case of such specified person exemption shall be available to long-term capital gains even if such capital gains are deemed as short-term capital gains under section 50AA.

2.3.3.4 Exemption to Public Investment Fund (PIF) of the Kingdom of Saudi Arabia and its wholly owned subsidiaries

Vide Taxation Laws (Amendment) Act, 2025 (notified on 21.08.2025), has been extended to the Public Investment Fund (PIF) of the Kingdom of Saudi Arabia and its wholly owned subsidiaries in respect of exemption of income in the nature of dividend, interest and certain other incomes, or long-term capital gains arising from investments made in India in the infrastructure sector.

2.3.3.5 Incentives to IFSC

Several incentives in the form of exemptions, deductions, etc. have been given to IFSC units to promote investment.

2.3.4 Rationalisation

2.3.4.1 Rationalisation of certain TDS rates

To reduce multiplicity of rates and compliance burden, certain TDS and TCS rates have been brought down while, certain thresholds for requirement to deduct tax at source or collect tax at source have been increased. Further, TCS on sale of goods vide section 206C(1H) of the Act has been removed w.e.f. 1.4.2025.

2.3.4.2 Charitable trusts/ Institutions

Amendments have been made to provide for the period of validity of registration of trust or institution from 5 years to 10 years for smaller trusts or institutions. The definition of specified violation for cancellation of registration of trust or institution has been rationalized so as to not to apply the same for minor default as incomplete applications. Further, the definition of persons making substantial contribution to a trust or institution for denial of exemption has also been rationalized.

2.3.4.3 Amendment of definition of 'capital asset'

The definition of Capital Asset has been amended to include any securities held by an investment fund recognized as a Category I or a Category II Alternative Investment Fund and regulated under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, or regulated under the International Financial Services Centres Authority (Fund Management) Regulations, 2022 which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 or under the IFSCA Act, 2019.

2.3.4.4 Extension of timeline for tax benefits to start-ups

The Act has been amended to extend the benefit provided under section 80-IAC to startups for an additional period of five years. Accordingly, the benefit will be available to eligible start-ups which have been incorporated up to the period of 01.04.2030.

2.3.4.5 Rationalisation of transfer pricing provisions for carrying out multi-year arm's length price determination

The Act has been amended to provide that transfer pricing provisions for arm's length price determination in relation to similar transactions shall now be applicable for a period of 3 years.

2.3.5 Tax administration reform through legislative changes

2.3.5.1 Obligation to furnish information in respect of crypto-asset

Under section 285BAA, the taxpayer is obliged to furnish information of crypto-asset as per the extent rules prescribed. Further, the definition of virtual digital asset in clause (47A) of section 2 of the Act, has been amended to state that virtual digital asset includes any crypto-asset as per definition given under CARF.

2.3.5.2 Extending the time-limit to file the updated return

The time-limit to file the updated return has been extended from the existing 24 months to 48 months from the end of the relevant assessment year.

2.4 FOREIGN TAX AND TAX RESEARCH DIVISION

2.4.1 India - Brazil Double Taxation Avoidance Convention:

The DTAC between India and Brazil was signed at New Delhi on 26.04.1988. In order to align the DTAC with India's recent treaties and in view of the changes in international taxation especially with regard to OECD Base Erosion and Profit Shifting (BEPS) Action Plan and subsequent Multilateral Instrument (MLI), negotiations were initiated on the Amending Protocol and were completed in 2022. The Amending Protocol was signed

by the two sides on August 24, 2022. Besides other changes in DTAC, the minimum standards under Action 6 and Action 14 of G-20 OECD Base Erosion and Profit Shifting (BEPS) Project were met through the Amending Protocol. The Instrument of Ratification for the Amending Protocol was signed by the Hon'ble President of India on June 13, 2023, completing the internal procedures of the Indian side necessary for entry into force of the Amending Protocol.

The Brazilian National Congress approved, on 11th September 2025, the text of the Protocol Amending the Convention between the Government of the Federative Republic of Brazil and the Government of the Republic of India for the Avoidance of Double Taxation and the Prevention of Tax Evasion with Respect to Income Taxes. Further, the Presidential Decree promulgating the Agreement, a necessary step for its full incorporation in the Brazilian legal system, was published on 13th October 2025 and the Agreement was deemed in force by the Brazilian side as of 18th October 2025. Now, India is in the process of issuing a publication in the Gazette of India.

2.4.2 OECD FTA MAP Forum Award:

The OECD Forum on Tax Administration (FTA), created in 2002, brings together tax commissioners and tax administration officials from over 50 OECD and non-OECD economies. The FTA is a forum through which tax administrators share knowledge, undertake research and develop new ideas to enhance tax administration around the world.

India and Japan were jointly recognised and awarded for the most number of transfer pricing cases fully resolved by a pair of jurisdictions, amongst all the participating jurisdictions. The FTA has over 50 members, from advanced and emerging economies across the globe.

2.4.3 MoU on Assistance in Collection of Taxes between India and Japan:

India and Japan signed a Memorandum of Understanding (MoU) for Assistance in Collection of Taxes, under Article 26A of the Double Taxation Avoidance Convention (DTAC). While the DTAC facilitates, tax cooperation between both the countries, ensures that residents of either country avoid double taxation on income earned from either country and also addresses arrangements designed for the purpose of tax evasion, the MoU mandates that both countries shall lend assistance to each other in the collection of revenue claims that are due in the requesting states. The negotiations for the draft MoU started in 2018 and have been finalized after several rounds of discussions. The MoU was signed on 8th of July, 2025 with the approval of Hon'ble Finance Minister. The MoU has now been shared with MEA for further necessary procedures.

It is noteworthy that India has Double Taxation Avoidance Agreement/Convention with 96 countries. Suitable amendments have been made to the DTAA's to include a specific article related to Assistance in Collection of Taxes with several countries, such as United Kingdom, New Zealand, Australia, Indonesia, and Finland etc. India is currently negotiating a similar MoU with United Kingdom and Australia for Assistance in Collection of Taxes, emanating from DTAA with both these countries. However, MoU with Japan is the first signed agreement operationalising the mutual assistance in collection of taxes, envisaged in DTAC.

2.4.4 India hosted 18th Global Forum Plenary on Tax Transparency:

India hosted the 18th Plenary Meeting of the Global Forum on Transparency and Exchange of Information for Tax Purposes in New Delhi from 1–5 December 2025. The Plenary was inaugurated by the Hon'ble Finance Minister of India and witnessed participation from 11 VVIPs, 76 VIPs including 63 Commissioner Generals/Director Generals, 3 Heads of Observer Organisations, 3 from OECD/CTPA, 1 from EU and 3 from Non-Member jurisdictions.

The event was organised under the theme "Tax Transparency: Delivering a Shared Vision Through International Cooperation" It reflected the growing recognition that the fight against tax evasion and other illicit financial flows required collective efforts and synergies. All arrangements and activities related to the Plenary were coordinated by the FT&TR-IV Division, the nodal division for matters concerning the Global Forum.

The Global Forum, comprising 172 member jurisdictions including all G20 countries, is the world's premier body overseeing the implementation of international standards on tax transparency. Its core standards include the Exchange of Information on Request (EOIR) and the Automatic Exchange of Financial Account Information (AEOI). By promoting effective information exchange and strengthening transparency frameworks, the Global Forum plays a pivotal role in the worldwide fight against tax evasion and illicit financial flows.

2.4.5 Tax Inspectors Without Borders (TIWB) programme:

Under the TIWB initiative, India provided expert support to Nigeria and Georgia to strengthen their tax audit and compliance systems. The TIWB aims to strengthen tax administrations of developing countries by transferring technical know-how and skills to their tax officers, and through the sharing of good audit practices and dissemination of knowledge with them.

The United Nations Development Programme (UNDP) and the Organization for Economic Co-operation

and Development (OECD) jointly launched a project by the name 'Tax Inspectors Without Borders' (TIWB) which is designed to support developing countries to strengthen their national tax administrations through building audit capacity and to share this knowledge with other countries. Under the TIWB Programme, tax audit experts of partner administrations work alongside local officials of developing countries' tax administrations (host administrations) on tax related issues. India has always been supportive of the TIWB Programme which also helps in promoting South-South cooperation.

2.4.6 Seychelles secondment

In respect of the proposed secondment to Seychelles, a shortlist of Indian officers has been finalised, and Seychelles authorities are now in the final stages of selecting the officer for deployment.

2.4.7 Exchange of Information (EOI):

In the context of the ongoing fight against black money and undisclosed offshore income and assets by resident Indians, a total of 12 references were sent during the period 01.04.2025 to 30.11.2025 by the EOI unit under this division.

2.4.8 India-Sri Lanka DTAA

The Protocol amending the India-Sri Lanka DTAA was signed in Dec 2024 to update the Preamble and also to insert Principal Purpose Test (PPT) provisions in the DTAA to meet the minimum standards. Sri Lanka is yet to ratify the protocol. A key measure towards preventing the erosion of India's tax base.

2.4.9 Protocol amending India-Oman DTAA

The amending protocol updating the India-Oman DTAA was signed in Jan 2025 and notified in June 2025. A key measure towards enhancing tax transparency and providing tax certainty through alternative dispute resolution mechanisms.

2.4.10 India – Qatar revised DTAA and protocol

The Revised DTAA implements minimum standards of the OECD/G20 Base Erosion Profit Shifting (BEPS) Project and the Protocol was signed in Feb 2025 and notified in Oct 2025. A key measure towards enhancing tax transparency through exchange of information.

2.5. INVESTIGATION DIVISION

During the Financial Year 2024-25 & 2025-26, the Government has taken several steps, by way of policy-level initiatives and more effective enforcement actions on the ground to tackle the issue of black money. These steps include creation of more advanced systems and processes with due focus on capacity building and greater use of information technology.

2.5.1 Search and seizure and survey actions:

During F.Y. 2024-25, search and seizure actions were carried out against 1437 groups leading to seizure of assets worth Rs. 2503.73 crores. Whereas, during F.Y. 2025-26* (upto October, 2025), search and seizure actions were carried out in 440 groups. The actions in these cases led to seizure of assets worth over Rs. 876.88 crores.

Further, during F.Y. 2024-25, 465 surveys were conducted leading to detection of Undisclosed Income of Rs. 30444.17 crores. Whereas, during F.Y. 2025-26* (upto October, 2025), over 285 surveys were conducted leading to detection of Undisclosed Income of Rs.795.36 crores.

(*Figures are provisional)

2.5.2 Prosecutions & compounding:

Various measures have been taken by the Income-tax Department (ITD) in the recent past to strengthen the prosecution mechanism with a view to identify the deserving prosecutable cases at the earliest and pursue the same with due seriousness.

During F.Y. 2024-25, 611 prosecution complaints were filed and in 71 cases, conviction orders have been passed by Court and in 1017 cases, compounding applications were accepted. Whereas, during F.Y. 2025-26* (upto October, 2025), 283 Cases, prosecution complaints have been filed and in 24 cases, conviction orders have been passed and in 579 cases, compounding applications have been accepted.

(*Figures are provisional)

2.5.3 Actions under The Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 ("the BM Act")

Recognizing the limitations of the Income-tax Act, 1961, etc. in dealing with black money stashed abroad, the Government enacted a comprehensive and a more stringent new law that has come into force w.e.f. 01.07.2015. As an outcome of the actions taken by the Income-tax Department under the BM Act, as on 30.09.2025, orders u/s 10(3)/10(4) of the Act have been passed in about 1147 cases raising tax and penalty demand of more than Rs. 40,695 crores (approx.) and 170 prosecutions have been launched.

2.5.4 Actions under the Prohibition of Benami Property Transactions Act, 1988 ("the Benami Act")

With a view to bridge the gaps and put in place appropriate effective legislation, the existing Act was amended through Benami Transactions (Prohibition) Amendment Act, 2016, and came into force w.e.f. 1st November 2016. The amended Act defines Benami

transactions and Benami property. It provides for consequences of entering into a prohibited Benami transactions, which includes attachment of the Benami property, confiscation and prosecution of both the benamidar and the beneficial owner. The Income-tax Department (ITD) has set up 24 Benami Prohibition Units across India for taking effective action under the Benami Act.

The Income-tax Department has taken effective actions against Benami transactions/properties since amended Act came into force.

Since amended Act came into force, 10124 properties, valued Rs.29900.97 crores have been provisionally attached till 30.09.2025 and 379 prosecutions have been launched

2.5.5 SAKSHAM - NUDGE (Non-intrusive Usage of Data to Guide and Enable) – An approach for e-governance

2.5.5.1 In recent years, the Income Tax system in India has demonstrated significant expansion, both in terms of the taxpayer base and revenue mobilisation. The number of income tax return (ITR) filers reached 8.09 crore in FY 2023–24, while direct tax collections rose to ₹22.26 lakh crore in FY 2024–25. This progress has been supported by a substantial enhancement in both the volume and quality of data received by the Department through various channels. The increased availability of high-quality data has enabled the Central Board of Direct Taxes (CBDT) to strategically leverage these information sources and transform them into meaningful revenue outcomes. A key initiative in this direction is the SAKSHAM NUDGE (Non-Intrusive Usage of Data to Guide and Enable) strategy—one of the central pillars of CBDT's direct tax reforms. The NUDGE framework is grounded in two guiding principles: (1) "Trust First, Scrutinize Later" and (2) "Turning Data into Revenue."

2.5.5.2 NUDGE is an innovative e-governance framework due to use of digital systems, data analytics, and technology-enabled communication to influence citizen behaviour in a non-intrusive, transparent, and efficient manner. Instead of relying solely on manual processes or coercive enforcement, NUDGE leverages e-platforms such as online portals, data warehouses, analytics engines, and automated communication tools (SMS, email, dashboards) to identify gaps, personalise interventions, and deliver timely guidance to citizens. By integrating behavioural insights with technology, NUDGE enables proactive governance—providing taxpayer an easy web-based compliance machinery. This ensures ease of compliance, reduced administrative burden, and improved service delivery. Continuous digital monitoring and feedback loops further allow NUDGE intervention to be refined in real time, making it a scalable, citizen-centric, and data-driven e-governance initiative that enhances

transparency, trust, and outcomes without undermining autonomy. NUDGE is an innovative approach because it shifts governance from a rule-centric, enforcement-driven model to a behaviour-centric, facilitative model that respects citizen choice while improving outcomes. Unlike traditional interventions that rely on inspections, penalties, or repetitive compliance actions, NUDGE uses behavioural insights, data analytics, and digital communication to identify non-compliance and then guiding such identified targets towards a desired actions

at the right time and in the right context. Its innovation lies in combining technology with psychology to create simplified choices to be delivered through digital platform to reduce friction and cognitive burden.

2.5.5.3 SAKSHAM: IMPLEMENTATION STRATEGY OF NUDGE - SAKSHAM NUDGE is comprehensive approach aimed at strengthening the Government's capabilities across the entire behavioural compliance value chain. SAKSHAM encapsulates the holistic progression of NUDGE through its seven interconnected pillars:

SANKALAN	Collection & Compilation	• Systematic compilation and collection of data/information from diverse sources
ANUSANDHAN	Research & Analytics	• Robust research, analysis and insight generation for risk identification
KRIYANVYAN	Action & Execution	• Converting insight into actionable interventions for targeted outcomes.
SAMPARK	Communication	• Proactive communication to create awareness and guide compliance behaviour
HASTAK	Handholding	• Handholding and facilitation to assist taxpayers in fulfilling obligations
ADHIKAAR	Empowerment	• Ensuring rights, transparency and enablement, fostering trust and fairness
MULYANKAN	Evaluation & Feedback	• Continuous monitoring and evaluation to measure impact and refine actions

The objective of the framework of SAKSHAM-NUDGE is to establish a structured, consistent and transparent framework for conceptualisation, execution and evaluation of NUDGE campaigns with the aim of improving voluntary compliance, enhancing citizen experience, minimising revenue leakage, and strengthening trust in the tax administration system. This framework applies to all NUDGE initiatives undertaken by CBDT and its field formations for targeted behavioural interventions based on data analytics, risk identification and taxpayer outreach. Its overarching objective is to institutionalise a systematic approach for behavioural interventions, thereby ensuring that nudges are not implemented in isolation, but are data-driven, outcome-oriented and aligned with policy goals of voluntary compliance.

2.5.5.4 NUDGE represents a technology-enabled, transparent, and taxpayer-centric approach to tax administration aimed at informing, educating, and facilitating taxpayers. It serves as an instrument to promote voluntary compliance by encouraging correct reporting in ITRs and payment of due taxes in a non-intrusive and collaborative manner. CBDT launched first NUDGE to encourage taxpayers for reporting of foreign assets

and income using the data received under Automatic Exchange of Information (AEOI) for CRS/FATCA. A total of 19,501 taxpayers were NUDGE-d to review and revise their returns and simultaneously outreach sessions were conducted across India. Out of these, 12406 taxpayers (61.77%) complied and revised their tax returns. As a ripple effect, 13,515 additional taxpayers have also reviewed their ITRs and reported their foreign assets and income. Besides, 5,483 taxpayers who had not filed their original returns initially, also – filed their returns and reported foreign assets and income. In total, 30,161 taxpayers reported their foreign assets of Rs. 29,208 Cr and foreign income of Rs. 1,089.88 during the campaign period and revised their ITRs.

2.5.5.5 Motivated by the success of the first NUDGE campaign, CBDT launched another NUDGE campaign to tackle false claims of deductions under Section 80GGC. The claim of aggregate deductions u/s 80GGC by the taxpayers was much higher than the actual receipts shown by the political parties in their returns. Accordingly, the NUDGE campaign was executed asking taxpayers to review their claims of deductions. The campaign was entirely data-driven, identifying taxpayers who had claimed disproportionately high deductions under

Section 80GGC. Targeted and personalised nudges were sent through SMS and email, clearly highlighting the mismatches and urging taxpayers to review their claims.

Under the campaign through SMS and Emails, taxpayers have been requested to file their updated returns. Out of 6.24 lakhs tax payers nudged under this campaign for different financial years, 50842 taxpayers have updated their returns, leading to withdrawal of excess deductions of ₹1,487.27 crore and additional taxes paid of ₹681.55 crore.

More than 57 lakhs counts of updated ITRs have been filed in FY 2024-25 and FY 2025-26 (till 15th December, 2025), leading to payment of additional taxes of Rs.6514.5 crores. It is further noted that about 1.13 lakh taxpayers filed updated ITRs with reduced deductions under Chapter VI-A amounting to Rs. 2508.16 crores and additional taxes paid of Rs. 1272.95 crores.

2.5.5.6 Similarly, 28,174 distinct tax payers were identified through data analytics who had very high HRA claim compared to the salary income shown in ITR for AY 2022-23, AY 2023-24 & AY 2024-25. Under the SAKSHAM NUDGE campaign, taxpayers have been requested to file their updated returns u/s 139(8A) through SMS and Emails. A total of 4,286 ITRs were updated for the AY 2022-23, AY 2023-24 and AY 2024-25 up to 31st March 2025, resulting into additional tax collection of Rs. 119.22 Crores and reduction of Rs. 216.88 crores of bogus claim under HRA.

2.5.5.7 SAKSHAM NUDGE was also undertaken for non-compliant taxpayer undertaking VDA transactions. Analytics of the data of TDS deducted u/s 194S and that of the ITRs filed for AY 2023-24 showed that the number of person whose TDS was deducted u/s 194S is 6,45,996 whereas the number of ITRs filed who have declared VDAs in Sch-VDA is 1,39,653. This provided insight that many tax payers dealing in VDAs have not declared their VDAs transactions in the Sch-VDA of their ITRs. Under the SAKSHAM NUDGE campaign, through SMS and Emails identified taxpayers were requested to file their updated returns u/s 139(8A) to declare their VDA transactions in the Sch-VDA of the ITRs for AY 2023-24 & AY 2024-25. This has resulted in improved filing of Schedule VDA in ITRs where amount of Tax u/s 115BBH for AY 2023-24 has increased from Rs. 269 Cr to Rs. 561.98 Cr which is more than 100% increase.

SAKSHAM NUDGE was also undertaken for deductors who have reported lesser deductees in the TDS statements for FY 2024-25 vis a vis those reported for FY 2023-24. Under the campaign, through SMS and Emails, identified deductors were requested to file their corrected statement updated for FY 2024-25, resulting into 8,565 deductors adding 1.08 crore of additional deductees and reporting of TDS of Rs. 4,825.02 crores for such deductees.

SAKSHAM NUDGE is more scientific, scalable and effective by combining data analytics, targeted communication, and a non-adversarial approach, which has been proven to be effective and replicable model for driving voluntary compliance and safeguarding revenue.

F.Y.	No. of surveys conducted	Undisclosed income detected (in Rs. Lakh)
2023-24	737	37,62,222.78
2024-25	465	30,44,417.01
2025-26 (Till Oct 2025)	285	79,535.99

2.6 AUDIT & JUDICIAL (A&J) DIVISION:

The following significant developments/policy decisions/initiatives have been taken during the FY 2025-26 for improving delivery of public services:

2.6.1 Vivad Se Vishwas Scheme, 2024 : The Vivad Se Vishwas Scheme, 2024 was launched as a one-time measure to reduce pending income-tax litigation and provide certainty to taxpayers. The scheme has been availed by 34,463 taxpayers who have settled their disputes by paying the determined amount, thereby reducing litigation to that extent.

2.6.2 Withdrawal of Departmental Appeals: The Government has enhanced monetary limits for filing departmental appeals vide CBDT Circular No. 9/2024 dated 17.09.2024, raising the thresholds to ₹60 lakh (ITAT), ₹2 crore (High Courts) and ₹5 crore (Supreme Court). Consequent to this, the Department has withdrawn 443, 4791 and 744 appeals from ITAT, High Courts and Supreme Court respectively.

2.7 E-GOVERNANCE

2.7.1 Project Name: PAN

During the F.Y 2025-26 (upto 31.10.2025), a total of 2,89,59,984 PANs have been allotted. The total Number of PANs allotted upto October 2025 is 82,96,92,487. As on 10.11.2025, 69,57,80,780 PANs of individuals have been seeded with the Aadhaar database which is 85.49% of the total number of PANs allotted to individuals (81,38,15,539).

2.7.1.1 PAN 2.0 Project

The PAN 2.0 Project has been approved by Cabinet Committee on Economic Affairs (CCEA) in F.Y. 2024-25. PAN 2.0 consolidates all PAN-related services on a single platform and also brings TAN services into the same system. It provides a one-stop solution for allotment, correction, updation, instant e-PAN, Aadhaar-PAN linking, grievance handling, and verification. PAN 2.0

leverages advanced technologies such as AI/ML, cloud integration, and API-based systems for faster processing, duplicate detection, anomaly identification, and improved risk profiling.

2.7.2 Project Name: Taxnet 2.0

The Taxnet 2.0 Project has been envisaged to provide primarily an upgraded, efficient, secure and encrypted end-to-end private network connectivity (Wide Area Network & Local Area Network) for all the Income-tax Department (ITD) locations, dual connectivity links for improved reliability & redundancy of accessing Income-tax Department (ITD) applications, increased facility management service manpower and Hardware-based VC devices at 125 locations along with an additional 1000 software-based VC license for connecting users through Taxnet connected PCs.

During the year 2025-26, a total of 723 Income-tax Department (ITD) locations have been migrated from Taxnet 1.0 network to Taxnet 2.0 network.

2.7.3 Project Name: e-Verification

The E-verification vertical administers the Annual Information Statement (AIS) portal on the e-filing website of the Income Tax Department. The amount of data being processed and analysed has been growing exponentially over the years. 59 categories of information are available on the AIS currently, with new information categories being constantly added. Two new categories have been added in the year 2025-26 (including transactions pertaining to Receipt of amount by Partners from Partnership Firm and Purchase of Luxury Goods).

2.7.4 Project Name: CPC-TDS

The Centralised Processing Cell–TDS (CPC-TDS), functioning under the Directorate of Income Tax (Systems), has been honoured with the Technology Sabha Excellence Award 2025. CPC-TDS has been recognized for its excellence in Customer Experience among Government institutions.

CPC(TDS) 2.0 commenced on 01.10.2024 and is the next-generation, enhanced version of the existing CPC(TDS) system, designed to offer improved functionality, user experience and efficiency in TDS/TCS compliance. The project aims to re-design, re-architecture and re-develop the platform to introduce new features and enhance existing ones. It also includes National Website of the Income Tax Department. The existing system, CPC (TDS) 1.0, will remain under Operations and Maintenance (O&M) phase until the anticipated Go-live of the 2.0 project, which is tentatively scheduled in year 2026. The CPC(TDS) module is undertaking the following forward-looking initiatives under the CPC (TDS) 2.0 framework:

7.4.1 CPC TDS 2.0 will enable online filing of both original and correction TDS/TCS statements. All TDS/TCS-related services will be made available through the TRACES portal, establishing it as a single-window platform for fulfilling all TDS/TCS requirements.

7.4.2 It will also facilitate e-Proceedings for section 201/206, defaults, prosecutions, rectifications, recoveries, Order Giving Effect, revisions, application disposals and scrutiny reports, etc.

7.4.3 Customizable User Dashboards: The upcoming TDS portal will feature customizable dashboards tailored to user roles (deductor, taxpayer, AO). These dashboards will provide real-time updates, pending actions, compliance alerts and insights—helping users stay informed and compliant with minimal effort.

7.4.4 Mobile-Responsive and Multi-Device Accessibility: The redesigned portal is being made fully mobile-responsive, enabling users to perform key tasks on smartphones, tablets, or desktops—anytime, anywhere.

7.4.5 Single Sign-On (SSO) and Unified Interfaces: The department is working toward unified login experiences across multiple Income Tax platforms, reducing the friction of accessing different services through separate credentials or portals.

7.4.6 The project emphasizes real-time integration with other modules of the Income Tax Department and external systems, enabling seamless data exchange and improved taxpayer services.

7.4.7 CPC (TDS) 2.0 envisages a comprehensive, multi-channel grievance redressal mechanism which shall consolidate complaints from various sources, auto-assign them based on type and priority and provide end-to-end monitoring through dashboards and reports. Expected positive effects are improved navigation, reduced grievance handling time and enhanced deductor/taxpayer satisfaction due to simplified compliance and quicker response mechanisms.

2.8 MEDIA CENTRE (MEDIA & TECHNICAL POLICY)

2.8.1 Dissemination of Information on Direct Taxes

The CIT (Media & Technical Policy) supervises the Media Centre, established in August 2006, which serves as the nodal point for disseminating public information on matters relating to direct taxes. Through sustained engagement with both print and electronic media, the Media Centre has played a pivotal role in highlighting significant decisions, developments and achievements of the CBDT and the Income Tax Department.

From 1st April, 2025 to 30th November, 2025, the Media Centre issued 15 press releases, covering key milestones and public-interest updates.

2.8.2 Strengthening Stakeholder Engagement through Social Media

Recognising the importance of digital outreach, CBDT has significantly expanded its communication footprint through social media, particularly on X (formerly Twitter). Managed by the Media Centre under the supervision of the CIT (M&TP), the official handle @IncomeTaxIndia facilitates two-way communication with taxpayers and other stakeholders. To enhance responsiveness, an Online Response and Reputation Management (ORM) system was introduced in July 2019, enabling systematic identification and redressal of actionable posts and queries. During the period under consideration, this office has parlayed the Income-tax Department (ITD)'s presence on social media to further enhance the outreach of CBDT's various information and awareness campaigns.

2.8.3 Performance Metrics: Outreach, Responsiveness, and Growth

The Department's official X handle (@IncomeTaxIndia) currently has more than 16.18 lakh followers. Between 1st April, 2025 and 26th November, 2025, the handle published 46,743 tweets and responses including taxpayer-education posts and replies to public queries. This reflects the growing scale and effectiveness of the Department's digital outreach efforts.

Campaign-wise performance is summarised below:

S. No.	Campaign	Tweets	Retweets	Impressions
1	Bank Validation	4	143	328.6K
2	E-filing	31	14,985	9.09M
3	Advance Tax	4	144	349.1K
4	Let's Learn Tax	7	665	666.8K
5	E-filing Made Easy	10	454	810.7K
6	11 Years Achievement	17	307	176.6K
7	Tax Assist	5	185	353.3K
8	Income Tax Day	19	520	368K
9	Income Tax Bill, 2025	42	1542	2.1M
10	Special Campaign 5.0 (From National Handle)	4	72	161.4K
	Special Campaign 5.0 (Posts from Regional Handles)	736	1472	3.7 M

2.8.4 Social Media as a Compliance-Support Mechanism

During the peak e-filing cycle in September 2025, the Department made extensive use of X for real-time compliance support. The handle received 68,039 actionable posts, which were promptly taken up for resolution. During the key compliance period from 1st April, 2025 to 16th September, 2025 (the extended due date for filing ITRs in non-audit cases), 40,023 tweets were responded to, out of which 28,109 users/taxpayers raised tickets through the ORM system/ dedicated email channel for backend support relating to CPC e-filing and ITR-related issues. Out of the said 28109 tickets, 27,725 tickets (98.63%) were successfully resolved

This high-resolution rate underscores the effectiveness of social-media-enabled grievance redressal during critical compliance windows.

2.8.5 Amplifying Awareness Through Targeted Campaigns

Targeted digital campaigns were undertaken to promote key departmental initiatives, such as Special Campaign 5.0, "E-filing Made Easy," "Let's Learn Tax," and others.

Including posts on other miscellaneous themes, a total of 157 creatives/posts were published from the national handle during this period, garnering a cumulative 19.67 million impressions (original posts + reposts).

2.8.6 Outreach regarding the Income Tax Act, 2025:

The O/o CIT (M&TP) carried out a comprehensive outreach exercise to disseminate key provisions and implications of the Income Tax Act, 2025 across both print and social media platforms. The objective was to ensure timely, accurate, and accessible communication to taxpayers, tax professionals, and the general public.

2.8.6.1 Print Media and Social Media Outreach on the Income Tax Act, 2025

In addition to a detailed Press Release, expert columns by senior officers of the Department were published in prominent newspapers and business publications to provide clarity and facilitate informed reporting on the simplification exercise and policy intent. The Department's official social media handle (Twitter/X) was actively used to circulate bite-sized, easy-to-understand and engaging posts on important provisions of the Act. A series of infographics, short explainer videos, and carousels were published to educate the taxpayers about the Act.

The key elements of the structural and textual simplification brought about through the Act were amplified through targeted campaigns using hashtags dedicated to the Income Tax Act, 2025. Samvaad sessions of the Directorate of Income Tax (PR, P&P) were hosted on X/Twitter to amplify their reach. Reposting and collaboration with the DIT (PR, P &P) helped enhance the reach and engagement of the campaigns.

The original posts published from the national X/ Twitter handle received a total of 1.26 million impressions. In addition, the content was reposted by 19 other regional handles for dissemination at the regional level. The combined visibility generated across all these handles led to an estimated total reach of around 2.1 million.

2.8.6.2 Monitoring of media/social media coverage and feedback

Media coverage across print and digital platforms was monitored closely to assess public understanding and promptly correct any misinformation. Questions and comments received on social media were acknowledged, and clarifications were issued wherever necessary.

Thus, through a coordinated dissemination across print and social media, the Income Tax Department ensured that information relating to the Income Tax Act, 2025 was communicated widely, accurately, and in an accessible manner. The multi-channel approach contributed significantly to enhancing taxpayer awareness and countering attempts at misinformation.

2.8.7 Launch of Income Tax India's Official WhatsApp Channel

The O/o CIT (M&TP) launched the Income Tax Department's official WhatsApp Channel on 19th August, 2025. This verified channel serves as a one-way broadcast platform to deliver tax-related updates directly to citizens' phones. This channel offers direct, simplified access to official information, reducing reliance on unverified sources. Taxpayers can easily see latest updates, important alerts, awareness-campaign messages, and key initiatives via the channel.

At the time of launch the channel was promoted through the department's other social media platforms like X, Facebook, and Instagram. This launch was also covered by news portals like Republic World.

Key achievements include:

- Crossed 100,000 followers within two months (by October 2025), making it one of the fastest-growing official government WhatsApp channels in India.
- Promoted across X, Facebook, and Instagram at launch, and covered by major news platforms.
- As on 31 October 2025, 106 posts had been published—averaging more than two posts per day.
- The channel continues to record average monthly follower growth exceeding 50,000, with steadily rising engagement levels.

Content salience of the channel is corroborated by an average monthly growth of followers by more than 50,000 every month. The engagement rates of the channel have also grown substantially since its launch. The rapid uptake demonstrates strong public trust in the Department's verified communication channels.

2.8.8 Process Innovation and Real-Time Grievance Support

The adoption of advanced tools such as Konnect Insight (KI) has significantly enhanced data collation and monitoring capabilities. The integration of Google Sheets has helped reduce the Turnaround Time (TAT) for issue resolution from 72 hours to 2–3 hours, with many cases resolved in real time.

During the peak e-filing season, a dedicated war room was set up in coordination with the Directorate of

Systems to facilitate time-bound resolution of taxpayer grievances.

2.8.9 Strengthening Regional Outreach Through Social Media

Nineteen regional Twitter handles, operated under the supervision of respective Principal Chief Commissioners (including NADT), have been actively contributing to hyper-local outreach and awareness programmes. All regional handles have obtained the grey verification tick, reinforcing credibility and improving stakeholder confidence in the Department's official communication.

2.9 ITA DIVISION

ITA Division of Central Board of Direct Taxes is entrusted with the administration and interpretation of specified sections of the Income-tax Act, 1961 ('the Act'). The prominent ones being those pertaining to definitions, exemption u/s 10 of the Act, salaries, house property deduction under chapter VIA, profits and gains of business or profession and capital gains under the Act. It is also entrusted with the responsibility of assigning jurisdiction to various Income-tax authorities & sharing of information with other Departments/agencies. In this context, following data during 2025-26 (01.04.2025 to 30.11.2025) is highlighted:

S. No.	Section	Subject	Notifications/Orders/ Approvals/ Disposals
1.	119(2)(b)/2(c)	Condonation of delay Petitions disposed of	308
2.	2(22AAA)	Approval /Rejection order in case of Electoral Trusts	5
3.	2(48)	Zero Coupon Bonds	4
4.	10(46)	Exemption given in r/o specified income arising to a body of Authority etc. established or constituted under a Central, State or Provisional Act or constituted by the Central Govt. or State Govt which are not engaged in commercial activity	28
5.	10(46A)	Exemption given in r/o any income arising to a body or Authority etc. established or constituted under a Central or State Act for the purpose of housing accommodation, planning, development or improvement of cities/ towns/ villages or regulating/developing any activity for the benefit of general public.	24
6.	11(1)(c)	Exemption of income applied outside India for charitable purpose to promote international welfare in which India is interested.	3
7.	118	Order dated 11.06.2025 for amendments in the order of Government of India, Ministry of Finance, CBDT F.No.187/45/2014-ITA-I dated 14.11.2014.	1
8.	120	Office Orders for the additional charge arrangement in the grade of Principal Commissioner of Income Tax (Pr.CIT)/ Principal Director of Income Tax (Pr. DIT)/ Commissioner of Income Tax (CIT)/ Director of Income Tax (DIT)	2
		Notification dated 27.10.2025 u/s 120(1)(2)-Jurisdiction of Commissioner of Income Tax (CPC), Bengaluru	1
9.	u/s 119 of the Income-tax Act, 1961	Circular No. 7/2025 dated 25.06.2025 issued on Relaxation of time limit for processing of valid returns of income filed electronically.	1
		Guidelines for compulsory selection of returns for Complete Scrutiny during the F.Y 2025-26 – procedure for compulsory selection of such cases	1
		Relaxation of time limit for processing of returns of income filed electronically which were incorrectly invalidated by CPC. 10/2025 dated 28.07.2025	1

S. No.	Section	Subject	Notifications/ Orders / Approvals/ Disposals
		Circular No. 12/2025 dated 15.09.2025 issued on Extension of due date for filing of ITRs for the AY 2025-26.	1
		Circular No. 14/2025 dated 25.09.2025 issued on Extension of timelines for filing of various reports of audit for FY 2024-25 (relevant to AY 2025-26) by auditable assesses.	1
		Circular No. 15/2025 dated 29.10.2025 issued on Extension of timelines for filing of various reports of audit and Income Tax Returns (ITRs) for the AY 2025-26.	1
10.	35(1)(ii)/(iii) Income-tax Act, 1961	Notifications/disposal orders regarding entities eligible to receive funds from others	4
11.	U / s 138 Income-tax Act, 1961	Matters regarding sharing of information with other Departments/agencies	2

2.10 PRINCIPAL DIRECTORATE GENERAL OF INCOME TAX (ADMINISTRATION & TAXPAYER SERVICES)

The Pr. Directorate General of Income Tax (Administration & Taxpayer Services) is an attached Directorate of Central Board of Direct Taxes (CBDT), Department of Revenue, Ministry of Finance. The key achievements of the Directorate are enumerated hereunder:

2.10.1 DIRECTORATE OF INCOME TAX (TPS-I, TDS & BIFR)

2.10.1.1. Online Grievance Redressal System e-Nivaran

- 'E-nivaran' is an electronic grievance redressal system integrated with the ITBA application, the Department's internal online working system. The paper grievances received through ASK centres are also digitized and integrated with e-Nivaran module. The CBDT also forwards the grievances to this Directorate for digitization, which are

received manually or through e-mail in the offices of PM/FM/MOS/Chairman/Members. These are also uploaded on e-Nivaran module according to PAN jurisdiction. The Directorate monitors the pendency and redressal of e-Nivaran grievances all over the country.

- Since inception of e-Nivaran module total e-Nivaran grievances registered on ITBA was 995730 as on 20.11.2025. Out of which 98.82% i.e. 983942 grievances of taxpayers have been resolved.

2.10.1.2 Grievance Redressal Drive

- During FY 2025-26, "Special Campaign 5.0" for Swachhata in Government offices and disposal of pending matter from 02.10.2025 to 31.10.2025 was conducted. In this regard, a daily progress of disposal of the e-nivaran grievances was reported to the DOMS. The cumulative data shared for the period from 01.10.2025 to 31.10.2025 with the DOMS is as under:

e-Nivaran data of the Special Campaign for the period from 01.10.2025 to 31.10.2025				
Pendency as on 01.10.2025	Received during the period	Total grievances (A+B)	Disposed till 31.10.2025.	Pendency as on 31.10.2025
(A)	(B)	(C)	(D)	(E)
16316	12062	28378	16244	12134

- Since June 2025, Weekly Webex Meetings are being conducted by this Directorate, for effective monitoring of e-Nivaran grievances and to accelerate the disposal rate.

2.10.2 DIRECTORATE OF TAX PAYER SERVICES-II & RECOVERY

2.10.2.1 The Centralized Public Grievance Redress and Monitoring System (CPGRAMS) is an online platform available to the citizens 24x7 to lodge their grievances to the public authorities on any subject related to service delivery. The portal facilitates forwarding of public grievances received online from the citizens to both the Central Government Ministries/Departments/Organizations as well as the State Governments concerned. The portal also provides for Feedback and Appeal against resolution of grievances. The Department of Administrative Reforms and Public Grievances of GOI is the governing body which manages the CPGRAM Portal. There are approximately 90 Ministries/Departments attached with DARPG, CBDT being one of them.

2.10.2.2 In the Income Tax Department a dedicated Directorate of Tax Payer Services-II, headed by a Commissioner level officer at New Delhi, monitors the CPGRAM grievance of the Tax Payers and coordinates with DARPG.

2.10.2.3 During the current FY 2025-26, (from 01.04.2025 to 09.11.2025) 37,690 CPGRAMS have been received and 41,985 (111%) have been disposed. The average disposal time is 57 days. As per the DARPG report, CBDT comes in top ten ministries and departments in terms of grievances resolved and feedback status as 'satisfied'.

2.10.2.4 Regular Webex meetings are held with the verticals to solve the CPGRAM grievances in the shortest possible time. Complainants are constantly kept in the loop as the action history of the grievances is visible to them on the portal and any reminders/emails sent by them are promptly attended to. The grievances forwarded by the Directorate of Public Grievances and Department of Pension and Pensioners' Welfare are attended to on priority.

2.10.3 DIRECTORATE OF PUBLIC RELATIONS, PUBLICATION AND PUBLICITY

2.10.3.1 To ensure the smooth implementation of the changes introduced in the new **Income-tax Act, 2025**, the Department has undertaken a series of pre-emptive

measures focusing on widespread taxpayer education and outreach aimed to ensure that the provisions of the new Income-tax Act, 2025, are clearly understood by a wide cross-section of taxpayers.

2.10.3.2 As part of its awareness efforts, the Directorate organized **Taxpayers' Hubs** in Tier-II and Tier-III cities and set up Taxpayers' Lounges in India International Trade Fare and Eastern Himalayan Trade Fare to enhance engagement with the taxpayers and provide a platform for direct interaction with citizens.

2.10.3.3 Specific outreach sessions focused on the new Act were conducted in cities such as **Siliguri, Ranchi, Chandigarh, Vadodara, Varanasi, Prayagraj, and Jabalpur** where the key features of the new legislation were explained and queries of taxpayers were addressed.

2.10.3.4 Additionally, during the **Taxpayers' Hub** held in Vadodara, the Directorate launched a brochure titled "Salient Features of New Income-tax Act, 2025", providing a concise overview of the key changes and benefits under the new law.

2.10.3.5 To further broaden the reach, **11 'Samvaad Sessions'** were recorded and aired on the Department's official YouTube channel. These sessions featured departmental officers discussing the new provisions in a conversational format, thereby making the content more accessible and easier to comprehend for the general public.

2.10.3.6 Strategy For Physical outreach activities from 01.12.2025 to 31.03.2026.

2.10.3.7 Government of India, has undertaken a comprehensive simplification of the existing Income Tax Act which will be replaced by the Income-tax Act, 2025 with effect from 1st April, 2026. The existing rules and forms are also undergoing significant changes to align with the changes in the Act for better readability and ease of compliance. Accordingly, Media and Outreach Campaigns on the New Income-tax Act are proposed from 01.01.2026 to 31.03.2026.

2.10.3.8 The planned physical outreach activities for different categories of taxpayers such as individuals, businesses, MSMEs, Corporate etc. will be organised in all the 18 Pr.CCIT regions as under –

Responsible Vertical	Number of Units in the Vertical	Number of outreach activities per unit
Pr.CIT (JAO)	84	12 (Preferably 4 each month)
ADG (PR,P&P)	18	02 with each 18 Pr.CCsIT (CCA) (Mega event)
CIT (TDS)	26	18 (Preferably 6 Each Month)
DIT (I&CI)	18	12 (Preferably 4 Each Month)
CIT (Exemption)	14	12 (Preferably 4 Each Month)

Total number of activities – 1,896

2.11 Directorate of Income Tax (Human resource Development)

The Directorate of Income Tax (Human resource Development) is responsible for the overall administration, personnel management, and policy framework for both IRS (IT) and non-IRS (IT) cadres within the Income Tax Department. Its functions include service confirmations, promotions, empanelment's, deputations, career progression of officers, as well as managing eOffice, SPARROW & APARs, performance management systems, and reward policies. It oversees recruitment of Group-B & C employees. HRD is also responsible for cadre restructuring of the Income Tax Department. The brief activities carried out by the Directorate are hereunder:

2.11.1 During the year, dossiers for promotion of officers of various grades, from ACIT to PrCCIT, were prepared and presented before the DPC/Screening Committees.

2.11.2 The Directorate of Income Tax (HRD), CBDT is the nodal authority for SPARROW implementation in the Income Tax Department. During FY 2019-20, all Group-A officers and ITOs were mandated to file their APARs and IPRs on SPARROW. Approximately 11,000 users accounts were created. However, remaining Group-B and Group-C employees of the Department were still filing APARs in paper mode. During FY 2024-25, Group-B and Group-C employees were also onboarded on SAPRROW. As result of this expansion, there are more than 44,000 SPARROW users in the Income Tax Department. Digitization of APARs will result into efficient and effective cadre management and timely promotions, leading to high morale and motivation of the employees. Some data related to expansion of SPARROW has been tabulated as below:

Statistics on SPARROW extension		
	2023-24	2024-25
SPARROW Users	11,000	44,000
APARs generated	26,185	91,000

2.11.3 During the year, an online portal namely "Vishleshan" was developed and launched by hon'ble FM on the occasion of Income Tax Day on 24.07.2025. This portal helps in monitoring of work done by JAO and Appeal units.

2.11.4 Updated Civil List of IRS officers was released in May 2025.

2.11.5 During the year, total 4655 dossiers for appointment in various grades like Inspector, Tax Assistant, Steno etc were forwarded to different Regions. Departmental exams were conducted for IRS Probationers and for promotion to ITO & Inspector.

3. Central Board of Indirect Taxes and Customs (CBIC)

3.1 Introduction

The Central Board of Indirect Taxes and Customs or CBIC (erstwhile Central Board of Excise & Customs) is a part of the Department of Revenue under the Ministry of Finance, Government of India. It is the apex body for indirect tax administration. It is involved in policy formulation concerning levy and collection of Customs, Central Excise duties, Central Goods & Services Tax (CGST) and Inter-state Goods & Services Tax (IGST), prevention of smuggling and administration of matters relating to Customs, Central Excise, CGST, IGST and Narcotics to the extent which is under CBIC's purview. The CBIC also plays an active role in GST Council meetings and the associated activities of Law Committee which deliberates on all matters brought before the GST Council. The CBIC constituted under the Central Board of Revenue Act, 1963 consists of a chairman and six Members who are Special Secretaries to the Government of India. The CBIC personnel supervise the functioning of the subordinate formations which includes Directorates and field formations of Customs, GST Commissionerates and Narcotics formations such as Opium factories and the Central Revenues Control Laboratory.

The field formations are mainly engaged in collection of revenue and are spread across the country. The taxpayers' grievances are attended to by these field units of the CBIC on a day-to-day basis.

The Board is assisted by 19 Directorates who act as adjunct offices and assist the Board in policy formulation. Each Directorate has been assigned with a specific responsibility. The Directorate General of Revenue Intelligence (DRI) is the premier intelligence and investigation agency which collects and collates intelligence relating to Customs duty frauds and smuggling. Similarly, the Directorate General of GST Intelligence is tasked with investigation of GST and Central Excise/ Service Tax matters. Another important directorate is the Directorate of Human Resource Development (DGHRD) which handles all HR matters of CBIC.

After the introduction of GST in 2017, the Directorate of Analytics and Risk Management (DGARM) was created. The DGARM is engaged in data analytics and data mining. The results of the data analytics have helped in detecting large number of fake invoice cases and has helped in augmenting GST collection.

The motto of CBIC is "**Desh Sevarth Kar Sanchay**".

The activities and the performance of the different Sections/wings and the Directorates working under the CBIC has been summarized.

Revenue

Tax head	BE 2025-26	April-December [P]			% of BE 2025-26 achieved
		2024-25	2025-26[P]	% Growth (y-o-y)	
Customs Duty (Cash+Scrip)	2,40,000	1,72,294	2,00,533	16.4%	83.6%
Central Excise Duty	3,17,000	2,25,412	2,47,715	9.9%	78.1%
Service Tax	100	36	-1,186	-3418.1%	
Sub-Total (Non-GST)	5,57,100	3,97,742	4,47,061	12.4%	80.2%
CGST	10,10,890	6,73,256	7,10,615	5.5%	70.3%
IGST	-	-31,590	15,641	149.5%	
GST Compensation Cess	1,67,110	1,11,556	89,777	-19.5%	53.7%
Sub-Total (GST)	11,78,000	7,53,222	8,16,034	8.3%	69.3%
Total Net Central Indirect Taxes [GST+Non-GST]	17,35,100	11,50,964	12,63,095	9.7%	72.8%
<i>Source: PrCCA (CBIC), EMC HRD; [P] = Provisional; Totals may vary on account of rounding off.</i>					

3.3 GST

3.3.1 Procedural Reforms

- **Simplified GST Registration Scheme for Small and Low-Risk Businesses:** The GST Council in its 56th meeting has recommended a simplified GST Registration Scheme for Small and Low-Risk Businesses wherein registration shall be granted on an automated basis within three working days from the date of submission of application in case of low-risk applicants and applicants who based on their own assessment, determine that their output tax liability on supplies to registered persons will not exceed Rs. 2.5 lakh per month (inclusive of CGST, SGST/UTGST and IGST). This has been operationalized from 1 November, 2025 and is reported to be working smoothly. Further, it is submitted that easing the process of amending FORM REG-01 (Registration document) is under examination and will be placed before the GST Council in due course.
- **Introduction of Simplified Registration Scheme for small suppliers supplying through electronic commerce operators:** The Council has also approved in-principle,

the concept of a simplified GST registration mechanism for small suppliers making supplies through e-commerce operators (ECOs) across multiple States facing challenges in maintaining principal place of business in each State as currently required under the GST framework. The detailed modalities for operationalizing the said scheme will be placed before GST Council. It will ease compliance for such suppliers and facilitate their participation in e-commerce across States.

- **Sanction of risk-based provisional refund to facilitate refund claims on account of zero-rated supply of goods or services or both (i.e. export of goods or services or both or supply to a Special Economic Zone developer/unit for authorised operations.):** Amendment has been made in rule 91(2) of CGST Rules, 2017 to provide for sanction of 90% of refund claimed as provisional refund by the proper officer on the basis of identification and evaluation of risk by the system.
- **Proposal for Risk-Based Provisional Sanction of refunds arising out of inverted duty structure (IDS):** The Council has also recommended amending section 54(6) of the CGST Act, 2017,

structure, on similar lines as is presently available for refund in respect of zero-rated supply.

- Amendment in CGST Act to provide for GST Refunds in respect of low value export consignments: The Council has further recommended amendment to section 54(14) of the CGST Act, 2017 so as to remove the threshold limit, or refunds arising out of exports made with payment of tax'. This will particularly help small exporters making exports through courier, postal mode etc.
- Amendment in place of supply provisions for intermediary services under section 13(8) of the IGST Act: The Council recommended omission of clause (b) of section 13(8) of IGST Act 2017. Accordingly, after the said law amendment, the place of supply for "intermediary services" will be determined as per the default provision under section 13(2) of the IGST Act, 2017 i.e. the location of the recipient of such services. This will help Indian exporters of such services to claim export benefits.

3.3.2 Rate Rationalization (56th GST Council)

GOODS:

The GST Council in its 56th meeting held on 3rd September, 2025, has recommended a comprehensive rate rationalisation and structural simplification of the 4-tiered tax rate structure into a citizen-friendly 'Simple Tax' – a 2-rate structure with a Standard Rate of 18% and a Merit Rate of 5%; a special de-merit rate of 40% for a select few goods and services. GST rate rationalisation focused inter-alia on common-man, labour-intensive industries, agriculture and health sectors. The new distribution of items across GST slabs is as under:

- o NIL rate: Significantly expanded to cover all individual life and health insurance, essential food items (UHT milk, paneer, all Indian breads like chapati/roti/paratha), exercise books/notebooks, erasers, pencil sharpeners, maps, and 36 lifesaving drugs.
- o 5% rate (Merit Rate): Vastly expanded to include common man items (hair oil, soap, toothpaste, bicycles), most food items (packaged namkeens, pasta, noodles, chocolates, coffee, butter, ghee), agricultural goods (tractors, farming machinery), renewable energy devices, all drugs and medicines (reduced from 12%), textiles, handicrafts, footwear up to ₹2,500, and beauty/wellness services

- o 18% (Standard Rate): Now includes small cars and motorcycles ≤350cc, TVs, ACs, dishwashers, cement, buses, trucks, ambulances, auto parts, bidis, and most other goods and services
- o 40% (Demerit Rate): Limited to select items including luxury cars, motorcycles >350cc, yachts, aircraft for personal use, tobacco products (except bidis), pan masala, aerated beverages, caffeinated beverages, casino/gambling services, and similar demerit goods
- o This represents a major simplification with most goods now falling under either 5% or 18%, with the 12% slab being largely phased out and the 28% slab restructured to 40% for only the most demerit items.

SERVICES:

- (i) Insurance Services
 - Full Exemption from GST on all individual life insurance policies whether term life, ULIP or endowment policies and reinsurance thereof
 - Full Exemption from GST on all individual health insurance policies (including family floater and senior citizen policies) and reinsurance thereof
 - o This has been done to make insurance services more affordable for the common man and increase the insurance coverage in the country.
- (ii) Common Man/ Daily Use Services
 - Hotel accommodation services up to ₹7,500 per day have been rationalised from 12% with ITC to 5% without ITC to promote budget travel for the middle class.
 - Reduction of GST from 12% with ITC to 5% without ITC on beauty and physical well-being services used by common man including services of health clubs, salons, barber, fitness centers, yoga, etc.
 - Reduction of GST from 12% to 5% on cinema tickets priced at Rs. 100 or below.
- (iii) Labour Intensive Services
 - Streamlining of GST on job work services by reducing GST for most job work services such as job work services relating to pharmaceuticals, leather and bricks, etc and align them with the rate applicable on associated goods.
- (iv) Environmental services
 - Reduction of GST from 12% to 5% with ITC on services of common effluent treatment plants and biomedical waste treatment facilities to promote

sustainable development and provide support to MSMEs which cannot have their own treatment plants.

- (v) **Transportation Sector**
 - All passenger transport services, except air transport, are given the option to pay GST at merit rate of 5% with restricted ITC or standard rate of 18% with full ITC.
 - Similarly, entire goods transportation sector is also given the option of 2 rates:
 - A merit rate of 5% without ITC: useful for small operators, such as GTA.
 - Standard rate of 18% with full ITC: useful for big operators, container transport operators and multi modal transporters.
 - Reduction in GST rate from 12% with ITC to 5% with ITC for third party insurance of goods carriage.
- (vi) **Demerit / Luxury Services – Special Rate of 40%**
 - Increasing the GST rate on certain luxury services from 28% to 40%, including:
 - Services by way of admission to casinos, race clubs, any place having casinos or race clubs, or sporting events like the IPL (excluding recognized sporting events).
 - Services provided by a race club for licensing of bookmakers in such club
 - Specified Actionable Claims (betting, casinos, gambling, horse racing, lottery, online gaming)
- (vii) **OTHER CHANGES RELATING TO SERVICES**
 - **Restaurant Services – ‘Specified Premises’ Clarification** The Council has recommended insertion of Explanations in the definition of “specified premises” (in the context of taxability of restaurant services), clarifying that a stand-alone restaurant cannot declare itself as a “specified premises” and therefore cannot avail the option of paying GST at 18% with ITC.
 - **Local Delivery Services** For local delivery services (SAC 9968): through ECO (Section 9(5))
 - **Supply of local delivery services through an Electronic Commerce Operator (ECO)** is being brought under Section 9(5) of the CGST Act, with the applicable GST rate of 18%, and such local delivery services provided by and through ECO are to be excluded from the scope of GTA services.

3.4 GST- Investigation

(a) Government has taken several effective measures to curb GST evasion including menace of fraudulent Input Tax Credit (ITC) availment based on invoices without actual supply of goods and/or services. Besides denting GST revenue, it has a bearing on Income Tax collection, bank finance and money laundering. Government from time to time has taken several measures to prevent GST related offences, which include using robust data analytics and artificial intelligence to identify and track risky taxpayers and detect tax evasion and sharing of data with partner law enforcement agencies for more targeted interventions.

Further, a total no. of 20,236 ITC fraud cases detected involving amount of Rs. 37,732.08 Cr. have been booked for GST evasion during 2025-26 (up to November, 2025) respectively. Amount recovered during the corresponding period was Rs. 1202.37 Cr., respectively. Further, 146 number of persons have also been arrested during this period respectively.

(b) Continuous monitoring of all enforcement related activities to ensure transparency and streamlining enforcement action.

(c) The Additional/Joint Director (Intelligence) of DGGI-Hq was notified as the Nodal Officer for issuing takedown orders under the Information Technology Act to intermediaries for blocking overseas online Gambling/ Casino service providers, which are not complying with provisions of CGST Act, 2017. Now with new Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Amendment Rules, 2025 coming into effect, issue for updating the level of officer to issue such takedown orders has been taken up with DOR.

(d) Amendments were made in GSTAM-2019, to deal with taxpayers who are non-responsive to audit requests. Further, SOP for on-site inspection of “Real Estate Agents” (REA) and “Dealers in Precious metals and Precious stones” (DPMS) were issued to perform the functions and responsibilities under the Prevention of Money Laundering Act, 2002 and for co-ordinated audit by tax authorities, a detailed framework was issued for coordinated audit of multi-locational units under CGST in co-ordination with DG Audit.

(e) For facilitating understanding and streamlining operations of the tax authorities in enforcement action undertaken by different indirect tax authorities, a National Conference of Enforcement chiefs of the state and central GST formations was organized by Department of Revenue. The conference apart from strengthening collaboration between central and state tax authorities, emphasized on leveraging technology to plug loopholes, importance of strong data analytics and balancing enforcement with taxpayer rights.

(f) In line with Government policies relating to bring transparency, the Reference (RFN) generated on communications issued from GST Portal and issue number generated on communications issued for CBIC's e-Office have been made verifiable electronically.

3.5 Central Excise and Service Tax (CX-1)

The Budgetary Support Scheme under GST was notified by the Department of Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry and is being implemented by CX Wing in CBIC. It covers the Himalayan States (J&K, Himanchal Pradesh, Uttarakhand) and North Eastern States (Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura) including Sikkim. It provides budgetary support to the eligible units under erstwhile Area-based Exemption Scheme and were availing benefits under the respective central excise exemption

notification in the erstwhile regime of Central Excise taxation.

During the Special campaign-3 drive for cleanliness during the period 2nd October to 31st October, 2025, 5731 appr. files of CX & ST Wing have been scanned & weeding out process would be initiated soon under the guidelines of CSMOP Furthermore electronics scrap & other waste material has been already weeded out during the cleanliness drive.

The Central Excise & Service tax wing, CBIC has been consistently reviewing the pendency of legacy adjudication cases of Central Excise and Service Tax matters. Performance of all zones has been closely monitored by this wing and as a result of which, in the last current financial year (till 31.12.2025), more than 11,000 cases of legacy adjudication have been disposed off.

During the current financial year, the Notifications/ Circulars/Instructions issued by the Wings are as follows:

S. No.	Notification No. & Date	Subject
1.	02/2025 - Central Excise (N.T) Dated -8 April 2025	Constitution of Interim Board for Settlement under Sec 31A of Central Excise Act, 1944
S. No.	Order No.	Subject
1.	Order No. 02/2025 Dated: 07th April, 2025	Re-assignment of appeals pending in kolkata Zone.
2.	Order No. 03/2025 Dated: 08 April, 2025	Setting up of office for operationalizing Interim Boards for Settlement
3.	Order No. 04/2025 Dated:28 April, 2025	Re-assignment of appeals pending in Kolkata Zone
4.	Order No. 05/2025 Dated:09 September, 2025	Re-assignment of appeals pending in Nagpur Zone
5.	Order No. 06/2025 Dated:28 November, 2025	Re-assignment of appeals pending in Bengaluru Zone

3.6 Customs

- Provisional Assessments Regulations 2025 (Notfn 55/2025-Customs (NT) 12.09.2025: The Customs (Finalization of Provisional Assessment) Regulations, 2025 were introduced and came into effect on September 12, 2025. These regulations superseded the earlier Customs (Finalization of Provisional Assessment) Regulations, 2018. These regulations aim to bring transparency, predictability, and efficiency to the finalization of provisional assessments, which historically faced long delays.
- Revision of Entries Post Clearance: - The CBIC vide Circular No. 26/2025 Customs dated October 31, 2025 has issued guidelines regarding Revision of Entries Post Clearance under section 18A of the Customs Act, 1962. The provisions under Section 18A, inserted vide

the Section 93 Finance Act, 2025 providing a facility of revision of entry(ies) already made in relation to the goods, after customs clearance has been given. The Customs (Voluntary Revision of Entries Post Clearance) Regulations, 2025 have also been issued vide Notfn 70/2025-Customs (NT) dated 30.10.2025 in this regard.

- System based auto approval for IFSC code registration (Circular no. 24/2025) - CBIC has introduced system-based auto-approval for IFSC code registration to enhance Ease of Doing Business. As per the new initiative, the system will automatically approve requests for registration of the same incentive bank account and IFSC code for a particular Importer Exporter Code (IEC) at multiple Customs locations, provided the same combination has already been approved at any one location. Thus, manual intervention by the Port officer will be eliminated, and the system will directly approve such requests.

- Implementation of Use of ICETABs: - With the successful use of ICETAB for imports examination across the country, CBIC has extended the use of ICETABs in export examination and clearance from 19.06.2025 onwards. In this regard, CBIC has issued Circular no. 17/25 Customs dated 19.06.2025.
- To strengthen trade facilitation through institutionalized consultation mechanisms, the Board **issued Circular No. 21/2025-Customs dated September 12, 2025**. The key objectives of the circular are - to enhance trade facilitation; ensure enhanced participation of all stakeholders handling Customs clearance work through Customs Clearance Facilitation Committee (CCFC) and Permanent Trade Facilitation Committee (PTFC); and address trade grievances in a time bound and efficient manner. The circular also provides contact details of Turant Suvidha Kendras (TSKs) and National Assessment Centres (NACs), as a step further towards EoDB.
- CBIC on 26-11-2025 re-constituted a Team on **"Trade Facilitation and Gender Equality"**. The team comprises officers from CBIC, possessing expertise in the key area and is tasked to ensure implementation of gender mainstreaming initiatives at the operational level.
- To ensure enhanced participation of women in international trade, CBIC on 26-11-2025 sensitized all its field formations to ensure flexible work hours and safe transportation options for women working late hours or in remote locations.
- To streamline the process and ensure uniform treatment of different Bills of Entry importing the same commodity/ item under the same CTH, the National Customs Targeting Centre (NCTC) has been tasked to review the Risk Treatment Procedure and revise the same, as necessary.
- Gate Automation at Jawaharlal Nehru Port Authority- At Jawaharlal Nehru Port Authority (JNPA), gate automation for self-sealed export containers has been partially implemented at the Centralized Parking Plaza (CPP). The key achievement is the successful deployment of Universal E-Seal Readers at CPP entry gates, integrated with ICEGATE through APIs. This system reads RFID tags on containers and validates data in real time, eliminating manual scanning and customs officer intervention at the entry gate.
- Facilitation by Participating Government Agencies- Facilitation by Participating Government Agencies has seen notable progress. The Food Safety and Standards Authority of India (FSSAI) has formally recognized Authorized Economic Operators (AEOs), and work is underway to identify trusted, compliant food importers for enhanced facilitation. Similarly, the Central Drugs Standard Control Organization (CDSCO) has developed new selectivity criteria in the RMS. It has demonstrated a significant improvement in facilitation levels. Improvement of facilitation levels have been observed in case of CDSCO and FSSAI. This upward trend reflects a strong commitment by PGAs to streamline processes and prioritize trusted stakeholders, thereby reducing delays and improving overall trade efficiency.
- SWIFT 2.0 Integration- As part of the implementation of the National Trade Facilitation Action Plan (NTFAP 3.0) for 2024–2027, the integration of Participating Government Agencies (PGAs) with the upgraded Single Window Interface for Facilitating Trade (SWIFT 2.0) has been identified as a key priority. SWIFT 2.0 is designed to enable end-to-end digital processing of licenses, permits, certificates, and other authorizations required for clearance of consignments, thereby reducing manual intervention and improving efficiency. The platform has already achieved significant progress, with several PGAs onboarded for pilot implementation and core functionalities such as Single Sign-On, Unified Dashboard, and Unified Application for NOC issuance now operational for select agencies. These advancements represent a major step toward creating a seamless, technology-driven ecosystem for trade facilitation, enhancing transparency, reducing delays, and improving ease of doing business. Full Scale implementation SWIFT 2.0 is expected to complete by end of year 2026.
- Ease of compliance by EXIM Trade- Central Board of Indirect Taxes and Customs (CBIC) has compiled Non-Tariff Measures (NTMs) and shared them with PGAs for verification, paving the way for issuance of notifications under

Section 11(3) of the Customs Act, 1962. These steps collectively aim to simplify compliance, reduce delays, and strengthen trade facilitation.

- The Central Board of Indirect Taxes and Customs (CBIC), vide Notification No. 21/2025–Customs (N.T.) dated 03rd April, 2025, has notified the Export Entry (Post Export Conversion in relation to Instrument Based Scheme) Regulations, 2025, by rescinding the earlier Post Export (Shipping Bill (Post export conversion in relation to instrument based scheme) Regulations, 2022 vide Notification no. 11/2022–Customs (N.T.). These Regulations provide a framework for post-export or post-clearance amendment of shipping bills/export entries, thereby enabling conversion of shipping bills into other eligible instrument-based schemes for availing export-related benefits. The said measure has been introduced in furtherance of the Government of India's initiative towards trade facilitation and ease of doing business, with a view to extending due benefits to exporters.
- The Central Board of Indirect Taxes and Customs (CBIC), vide Circular No. 11/2025–Customs dated 03rd April, 2025, has circulated guidelines for the implementation of Notification No. 21/2025–Customs (N.T.) dated 03rd April, 2025, notifying the Export Entry (Post Export Conversion in relation to Instrument Based Scheme) Regulations, 2025. The said Circular seeks to clarify the scope and intent of the aforesaid Regulations and provides necessary guidance to Customs field formations and the trade, thereby facilitating uniform understanding and effective implementation, in furtherance of the Government's trade facilitation objectives.
- Postal Imports Regulations 2025 have been framed/issued in respect of Postal vide Notification No. 18/2025 - Customs (N.T.) dated 28.03.2025 thereby creating common regulations for all postal imports.
- Vide Circular No. 28/2025–Customs dated 15.11.2025, CBIC has operationalised a dedicated online module on ICEGATE 2.0 to streamline/simplify submission of applications for permissions under Section 65 (MOOWR, 2019 and MOOSWR, 2020) for warehouses licensed under Sections 58/58A of the Customs Act, 1962
- CBIC vide Notification No. 14/2025–Customs (NT) dated 18.03.2025 amended Customs (Administration of Rules of Origin under Trade Agreements) Rules, 2020 and the term "Certificate of Origin" was substituted with "Proof of Origin". Circular No. 14/2025–Customs dated 21.04.2025 explaining the said amendments has also been issued.
- Memorandum of Understanding (MoU) on the implementation of the Bilateral Agreement on Customs Cooperation between the Central Board of Indirect Taxes and Customs (CBIC), India and the Islamic Republic of Iran Customs Administration (IRICA) was signed on 08.05.2025 by Shri Sanjay Kumar Agarwal, Chairman, CBIC on behalf of the Government of the Republic of India and H.E. Mr. Foroud Asgari, Deputy Minister and Head of the Islamic Republic of Iran Customs Administration.
- Notification No. 59/2025–Customs (N.T.) dated 29.09.2025 was issued to give effect to the Rules of Origin (Annex 2.A) and its appendices of the India-EFTA Trade and Economic Partnership Agreement (TEPA). In exercise of the powers conferred by sub-section (i) of Section 5 of the Customs Tariff Act, 1975, the Customs Tariff (determination of Origin of Goods under the Trade and Economic Partnership Agreement between India and the EFTA States) Rules, 2025 has been made.
- Protocol between Central Board of Indirect Taxes and Customs (CBIC), Republic of India and The Federal Customs Service (Russian Federation) for cooperation in exchange of pre-arrival information in respect of goods and vehicles moved between the Republic of India and the Russian Federation was signed on 04.12.2025 by Sh. Vivek Chaturvedi, Chairman, CBIC on behalf of the Government of the Republic of India and Ms Tatiana Merkushova, Deputy Head FCS Russia.
- Agreement between the Republic of India and the Federal Democratic Republic of Ethiopia on Co-operation and Mutual Administrative Assistance in Customs Matters was signed on 16.12.2025 by Mr. Sudhakar Dalela, Secretary (Economic Relations), Ministry of External Affairs (MEA) on behalf of the Republic of India and Mr. Hadera Abera, State Minister of Foreign Affairs, Ethiopia.

- CBIC's proposal on behalf of India for amending the election procedure in the TIR Executive Board (TIRExB) to require 'disclosure of votes', was accepted unanimously by all the 64 countries present and voting, during the 85th Session of the TIR Administrative Committee, scheduled on 5th and 6th February 2025, in Geneva, under the framework of UNECE. The disclosure of votes is aimed at increasing transparency and strengthening trust among member states of Customs Convention on the International Transport of Goods under Cover of TIR Carnets (TIR Convention), 1972. The unanimous acceptance of India's proposal marks a diplomatic victory and highlights India's influence in international regulatory bodies and its commitment to transparency in multilateral agreements. This move aligns with CBIC's broader push for good governance, transparency, and efficiency in international institutions, reinforcing India's leadership role in global trade and transport facilitation.
- The 21st Director-General Level Talks on Customs Cooperation was held between India and Nepal in Kathmandu, Nepal on 10th – 11th April, 2025. Both the sides discussed a host of bilateral issues for enhancing Customs Cooperation between the two countries. Both sides looked forward towards cooperation in preventing smuggling across the borders with active engagement and exchange of intelligence and agreed to take necessary measures to control the unauthorised trade and work in tandem. The agenda items of the meeting covered measures to check smuggling; review progress on MoU on Pre-arrival Exchange of Customs Data and Electronic Origin Data Exchange System (EODES); finalization of Customs Mutual Assistance Agreement (CMAA); facilitation of movement of transit cargo under Electronic Cargo Tracking System (ECTS); automation and digitization of transit processes; upgradation of border infrastructure; knowledge sharing program and support for capacity development, among others. Issues related to trans-border criminal activities and smuggling of gold; narcotics; Fake Currency Notes (FCN), prohibited/restricted category of goods, such as e-Cigarettes, e-lighters, certain varieties of garlic and other cases of commercial frauds, including sensitive goods were also deliberated. Nepal expressed gratitude to India/CBIC for knowledge sharing and capacity enhancement programmes.
- The 6th Joint Group of Customs (JGC) Meeting between India and Bhutan was held on 24th-25th April 2025 in Thimphu, Bhutan. The meeting discussed a host of bilateral issues for enhancing trade and transit between the two countries. The automation and digitisation of transit processes, Coordinated Border Management (CBM), pre-arrival exchange of Customs data, Customs Mutual Assistance Agreement (CMAA) and movement of transit cargo under Electronic Cargo Tracking System (ECTS) were discussed, among others. Bhutanese side extended their sincere thanks to CBIC for their continued support, especially recognizing the capacity-building workshop titled 'Advancing India Bhutan Trade and Economic Partnership', held from 29th July to 1st August, 2024, which played a vital role in easing export processes and addressing trade-related concerns.
- ECTS allows electronic sealing of containers and monitoring of cargo movement with live GPS tracking. It also enables real-time monitoring of seal integrity and immediate intervention in case of any breach. It has the functionality of providing real-time information at pre-determined intervals on the position, speed and seal integrity with a provision to generate alerts based on pre-set risk parameters such as attempted tampering; diversion from specific routes etc. This not only ensures secure movement but also provides valuable data on logistics efficiency.
- Jaigaon Land Customs Station sets a national benchmark in NTRS (National Time Release Study), 2025 among land border points. Jaigaon LCS achieved an exceptionally low Average Release Time (ART) for both import and export cargo. This stands in stark contrast to the higher dwell time for both import and export of cargo, observed at the Integrated Check Posts. This is attributed to high facilitation rates, automation and adoption of modern procedures by the Indian Customs at the land customs station.
- Notification No. 73/2025-Customs (N.T.) dated 04.11.2025 has been issued for notifying the transshipment of cargo for the ports of Kolkata, Haldia and Vishakhapatnam in India to "Indian

Customs Yard, Jogbani in India by rail and from Indian Customs Yard, Jogbani to Biratnagar in Nepal by road" by amendment in principal Notification No. 68/2019-Customs (N.T) dated 30.09.2019.

3.7 Commissioner Investigation (Customs), CBIC

The office of Commissioner Investigation (Customs), CBIC deals policy matters relating to Search Seizure, Arrest, Prosecution and compounding offences under Customs Act, 1962 (All legislative matters relating to Chapter XIII, XIV and XVI of the Customs Act, 1962). This office also deals with matters related to Disposal of various seized and confiscated goods including Gold and Narcotics, MLAT requests, Prosecution of officers under Customs Act, Presidential Award, Reward to officers as well as informers, NCORD, Election matters and matters pertaining to FATF Cell in CBIC.

The following instructions/circulars were issued:

Instruction No. 10/2025-Customs: This office issued Instruction no. 10/2025 Customs dated 13.05.2025 to prescribe DIGIT entry details (Customs Offence database) in the revised formats for Arrest Reports and Incident Reports (in cases where no arrest is made). This

along with monthly reconciliation report from the Customs Zones has ensured an effective Digital Offense database for further usage to examine trend analysis.

Instruction No. 12/2025-Customs: This office issued Instruction no. 12/2025-Customs dated 22.05.2025 concerning the procedure for disposal of Red Sanders by the Directorate of Revenue Intelligence (DRI) and Customs field formations so as to get expedited the disposal of red sanders.

Circular No. 13/2025-Customs: This office issued Circular No. 23/2025-Customs dated 23.09.2025 to deem unique number of the communication dispatched electronically via e-office as the Document Identification Number (DIN) so as to smoothen the functioning of the department.

Instruction No. 30/2025: This office issued Instruction no. 30/2025 dated 13.10.2025 regarding outlining guidelines for issuance of Look Out Circulars (LOC) on the electronic portal by DRI, DGGI, and Customs and GST field formations by respective nodal officers.

3.8 CX-8A/Legal Cell, CBIC

Important items of work accomplished during the 2025-26

Proposal received	SLP Filed	No SLP	Withdrawn	Transferred
238	128	41	4	0

Special Leave Petition

Appointment of Sr./Jr. Standing Counsels/SPPs/Special Counsels/Special Fee Counsels

Category of Counsels	Total Proposals (No. of Counsels)	Proposals processed (No. of Counsels)	Appointed
Sr./Jr. Standing Counsels	2 (39)	2 (39)	487
Special Public Prosecutors	9 (94)	9 (93)	77
Special Counsel	-	-	-
Special Fee Counsels	3 (3)	3 (3)	3

Authorization

No. of requests received for authorization	No. of authorization processed	No. of authorization issued
3210	3210	3204

3.9 Directorate General of Human Resources Development (DGHRD)

3.9.1 DGHRD – Infrastructure Division

1. Infrastructure development forms an integral

part of Human Resource Development in CBIC. During the F.Y. 2025-26, out of the total allocation of BE of Rs. 773.25 crore under Capital Heads (4059 & 4216) an amount of Rs. 308.83 Cr. has been released till 25.11.2025.

S. No.	Zone / Directorate	Proposal in brief	Total cost (Rs. in Cr.)
1	Mumbai Zone-I Customs	Construction of Office complex and residential quarters at Customs Enclave Plot, Wadala, Mumbai	975.72
2	NACIN	Construction of new NACIN complex at Hindupur, Palasamundram (A.P) *Inaugurated by the Hon'ble PM on 16.01.2024. Tentative date of completion of project is Dec, 2025.	840.86
3	Hyderabad CGST	Construction of Office building (GF+28 Storeyed) & residential quarters at Khajaguda village, Serilingampally Mandal, Hyderabad	644.63
4	Guwahati CGST	Construction of office building & residential quarters for CGST Shillong, Customs (NER) Shillong, CGST Audit Comm'te and NACIN Shillong	256.63
5	Meerut CGST	Construction of office building for CGST Ghaziabad and Audit-II, at Ghaziabad Project inaugurated on 24.10.2025 by Hon'ble FM.	116.42
6	DRI	Construction of DRI (HQ.) Office building at Vasant Kunj Delhi Project inaugurated on 03.06.2025 by Finance Minister.	99.39
7	Chennai Customs	Construction of office accommodation building for Chennai Customs Audit and Import Comm'te and Partner Govt. Agencies at Jaffer Syarang Street, Chennai.	91.64
8	Mumbai-II Customs	Construction of additional office building (G+7) at JNCH, Nhava Sheva, Dist. Raigad, Mumbai	80.60
9	Chennai Customs	Construction of 36 residential quarters at Nungambakkam, Chennai	65.42
10	DRI	Construction of DRI office building at Kolkata Project inaugurated on 12.02.2025 by Member (CBIC).	64.50
11	NACIN Hyderabad	Construction of RTI, NACIN at Attapur, Hyderabad (NBCC project)	46.71
12	Pune CGST	Construction of office building for CGST Commissionerate Kolhapur, at Tarabai Park, Kolhapur	42.44
13	Hyderabad CGST	Construction of office building for Hyderabad Custom Commissionerate at Mamidipally, Hyderabad.	44.62
14	DRI Ahmedabad	Construction of office premises for Directorate of Revenue Intelligence, Zonal Unit, Ahmedabad	39.86

S. No.	Zone / Directorate	Proposal in brief	Total cost (Rs. in Cr.)
15	DRI	Construction of DRI Lucknow Zonal Unit office at Plot No. 07/13-B-2, Gomti Nagar Extension, Lucknow	36.68
16	Visakhapatnam CGST	Construction of office building at Tirupati	36.11
17	DRI	Construction of office building of DRI Zonal Unit at Trustpura Kodambakkam, Chennai	31.38
18	Guwahati CGST	Const. of office building and boundary wall at Lamphel at Imphal	30.08
19	DRI	Construction of office building for DRI Hyderabad Zonal Unit at Jubilee Hills at Hyderabad	24.14
20	Customs Ahmedabad	Construction of Staff quarters at Jamnagar Proposal inaugurated on 28.03.2025.	19.42
21	CGST Lucknow	Const. of new office building for CGST Division at Aligarh.	13.08
22	Customs (Prev.), Delhi	Construction of Office cum Residential building for Custom Staff, Leh, U.T. of Ladakh	12.83

2. Major infrastructure proposals sanctioned/ongoing/completed as on 25.11.2025.

CUSTOMS & CENTRAL EXCISE WELFARE FUND

The performance and achievements under the key/flagship programmes being implemented by the Welfare Division during the year:

A number of welfare schemes are being implemented for staff welfare under the aegis of Customs & Central Excise Welfare Fund. A thorough revision of most of the welfare schemes has been completed, where-after not only the schemes have been updated and rationalized with changing times but amounts granted under the schemes have also substantially enhanced both in cases of the schemes targeted for benefits of individuals and as well for procuring energy efficient and latest technology gadgets/items for setting up of common facilities. The major schemes are detailed here-under:

❖ **Medical Assistance:**

Financial assistance is granted for the portion of medical expenses incurred by departmental officials on self and dependent family, which could not be reimbursed under CGHS/ CS (MA) Rules.

Under the scheme, 179 departmental officials have been granted a total amount of Rs. 1,39,15,900/-, as on 25.11.2025.

❖ **Ex-gratia assistance to the families of deceased officers:**

Ex-gratia financial assistance is granted to the bereaved families of officials in cases of deaths of departmental officials while in service.

The maximum financial assistance granted after revision of guidelines has been enhanced from Rs. 7.5 lakhs to Rs. 25.0 Lakhs, including a special provision of Rs. 7 Lakhs in cases of deaths of departmental officials due to COVID-19 contacted while on duty.

42 bereaved families of departmental officials have been granted Rs. 2,07,00,000/- under the Scheme, as on 25.11.2025.

❖ **Setting up/ refurbishing of Departmental Canteens/ Kitchenettes:**

Assistance is granted from the Welfare Fund for setting up/ refurbishing of Departmental Canteens/ Kitchenettes by formations under CBIC.

❖ **Setting up/ refurbishing of Departmental Guest Houses:**

Assistance is granted from the Welfare Fund for setting up/ refurbishing of Departmental Guest Houses by formations under CBIC.

4 proposals have been approved granting total financial assistance of Rs. 54,77,223/- as on 25.11.2025.

❖ **Promotion of Adventure Sports:**

Assistance is granted for participation in various outdoor adventure sports/ activities like trekking, rock climbing, adventure camps/activity/course, water skiing, paragliding, parasailing, hot air ballooning, white water rafting etc.

- ❖ Cash Awards for winning Medals/Civilian awards in sports and assistance for participation in sports events:

Cash Awards are granted for winning Medals/ Civilian awards in sports alongwith financial assistance for participation in sports events from the Welfare Fund.

After revision of guidelines amounts granted have been enhanced many folds for winning medals in the international sports events/ competitions and are now at par with the amounts granted by the Ministry of Sports and Youth Affairs.

- ❖ Setting up/ refurbishing of Departmental Gyms/ Recreation/ Sports centres:

Assistance is granted from the Welfare Fund for setting up/ refurbishing of Departmental Gyms/ Recreation/ Sports centres by formations under CBIC.

6 proposals have been approved granting total financial assistance of Rs. 48,16,812/- as on 25.11.2025.

- ❖ Setting up/ refurbishing of creche facilities:

Assistance is granted from the Welfare Fund for setting up/ refurbishing of creche facilities by formations under CBIC.

4 proposals have been approved granting total financial assistance of Rs. 19,76,619/- as on 25.11.2025.

- ❖ Preventive and Welfare measures for fighting against COVID-19:

A Scheme for granting financial assistance to the formations under CBIC for taking Preventive and Welfare measures for fighting against COVID-19

- ❖ Annual Medical Examination for Group 'B' and Group 'C' officials:

A scheme for funding of Annual Medical Examination for Group 'B' and Group 'C' officials of age 40 years and above from Welfare Fund has been launched.

234 Proposals has been approved granting total financial assistance of Rs. 4,70,008/- as on 25.11.2025.

- ❖ Financial assistance for the Subsidized transport facility for the Staff posted at JNCH, Nhava Sheva, Raigarh

Under the scheme, partial funding of the subsidized transport facility for the officers/staff posted at JNCH, Nhava Sheva, Raigarh total amount of Rs. 6,17,836/- as on 25.11.2025 has been sanctioned by the Governing Body of the Customs & Central Excise Welfare Fund.

- ❖ Assistance to the needy Persons with Disability (PwD)

A Welfare scheme for grant of financial assistance to the needy Persons with Disability (PwD) of departmental officials or their dependent family members has been launched by the CBIC from the Customs & Central Excise Welfare Fund.

Performance of EMC during the FY 2025-26:

- Budget of Rs. 12054.08 crore were allocated to CBIC in B.E. 2025-26, (excluding scrip-based schemes) and expenditure as on 25.11.2025 is Rs 7758.77 crore which is showing 64.37 % utilization of funds.

(Rs in crore) Descriptions	Total Budget (BE)	Expenditure as on 25.11.2025	% Utilization	Projected expenditure in remaining F.Y.
	1	2	3	4
Total Budget and Expenditure (Including scrips-based schemes)	42889.33	22969.72	53.56 %	18526.39
Total Available Budget and expenditure of 68 Budgetary Authority (Excluding scrips-based schemes)	12054.08	7758.77	64.37 %	5034.84

- Additional funds of Rs. 774.11 crore was released as on 25.11.2025 as per the request of the field formations and various sanction orders of the Ministry to enable Field formations to utilize these funds for their urgent requirement.
- Proposal for RBE 2025-26 & BE 2026-27 was finalized based on the requirements of field

formations and the same was submitted to IFU/ Ministry.

- Budget of Rs. 30835.25 crore were allocated in B.E. 2025-26 for scrips-based schemes and expenditure as on 25.11.2025 is Rs 15210.95 crore which is showing 49.33 % utilization of funds.

- 29 sanction orders of Rs. 15210.95 Crore regarding scrips-based schemes have been issued.

Projection and estimate for the remaining period till March, 2026

- Detailed Demand for Grants (DDG) 2026-27 is to be prepared, compiled and sent to Ministry/IFU.
- R B E 2025-26 is to be allocated to the field formations as per the ceilings provided by Budget Division.
- Re-appropriation order, if required, is to be prepared in respect of RBE 2025-26.
- Letters to be issued to all Field formations for their Final Requirement 2025-26.
- Allocation of funds as per Final Requirement 2025-26.

CRB (Cost Recovery basis) / Vehicle

Goals and Achievements: 01st April 2025 to 30th November 2025 CRB

The following approvals have been obtained from the Ministry/DoE: -

- Creation of 253 Temporary Posts in respect of 08 Customs facilities.
- Continuation of 78 Temporary posts in respect of 19 Customs facilities.
- Exemption of Cost Recovery Charges in respect of 07 Customs facilities

VEHICLES

The sanction / approval of Additional Operational Vehicles under CBIC has been obtained from the Ministry/IFU.

S No.	Ministries/Directorates/wings/Field Formations of CBIC	Vehicles Sanctioned
1	Audit Circle, Chief Commissioner of CGST & Central Excise Tamilnadu & Puducherry Zone	3
2	DG Systems, New Delhi	5

3.9.2 Directorate General of Performance Management (DGPM)

(i) DGPM and its regional units are tasked with inspection of field & to ensure that the field offices are working as per CBIC's policy guidelines. As per the current guidelines, the DGPM allocates the inspections to The Principal Chief Commissioner/Chief Commissioner of Customs/GST and ADGs of Regional Units of DGPM to carry out the inspection of various Commissionerates/Directorate and submit the inspection report for issuance of consolidated annual inspection report by DGPM. This is ensured through a periodic review of Commissionerate records, making an assessment of how the formation is performing and issuing inspection note, highlighting the specific shortcomings with observed trends.

DGPM Inspection (Hqrs.) including all Regional Units has been allocated 43 inspection in the current F.Y. 2025-26 out of which 28 inspections have been completed as on 30.11.2025 and remaining 15 inspections shall be completed by the end of January, 2026.

(ii) In addition to above task, the DGPM was also entrusted to carry out the theme-based performance review of Operational systems of the Commissionerates/Directorates under "Operational Systems Performance Review" (OSPR). The manual of OSPR has been duly finalized by board. The themes for OSPR for the FY 2023-24, 2024-25 and 2025-26 (till date) have been finalized by Board and the same have been allocated to

Regional Units of DGPM to carry out performance review and submit the report to take up the same with board to formulize the revised policy, if any, for the respective Operational System.

(iii) DGPM is also working as a nodal agency of CBIC to implement official language policy of Government of India and coordinating between the Ministry/Board and all attached/subordinate offices of CBIC. Quarterly Hindi progress report of DGPM is being prepared and forwarded to Ministry. Further, the following major work for Implementations/promotion of the Official Language were undertaken from 01/04/2025 to 30/11/2025:

- Hon'ble Committee of Parliament on Official Language conducted official language inspections of 18 offices under the Central Board of Indirect Taxes and Customs, in which the Directorate General of Performance Management played an important role as the nodal office. From preparing the questionnaire for its subordinate offices and presenting it to the committee, Headquarters extended full help in preparing the questionnaire and harmonizing with the Ministry. Representation of the Headquarters was ensured during the inspection meeting, and after the inspection meeting, a periodic review of the performance of Official Language implementation of the referred offices was carried out.

- The Directorate General of Performance Management, on behalf of the Central Board of Indirect Taxes and Customs is inspecting 100 offices under it which is scheduled to be completed by March 2026. Out of these, inspection work of more than 50 offices has been completed.
 - The quarterly Hindi progress report of the headquarters from April to June 2025, July to September 2025 were compiled and reviewed, and sent to the ministry for necessary action.
 - 03 Hindi workshops (dated 11.07.2025, 21.11.2025 and 24.11.2025) were organized in the Directorate General to make the officers/employees aware of the Official Language Policies about the Official Language Hindi, and were encouraged to do 100 percent work in Hindi.
 - The meetings of the Official Language Implementation Committee (dated 25.06.2025, 26.08.2025 and 11.11.2025) were organized in the Directorate General in which the progress of Official Language Hindi of the Headquarters and 04 other regional units under the Headquarters as the Chairman was reviewed and various work were discussed for the progress of the Official Language Hindi and necessary guidelines have been issued.
 - The meetings of the Official Language
 - Hindi Pakhwada was organized in the Directorate of Engineers with great enthusiasm from 15.09.2025 to 30.09.2025 in which the talent of the officers/staff was highlighted through 06 different competitions and they were motivated to do 100% of their work in Hindi.
 - On 14.10.2025, "All India Official Language Conference" was organized at Sushma Swaraj Bhavan, Chanakyapuri in which various activities were organized. During this period, the departmental magazines published in the subordinate offices were evaluated and the concerned Principal Chief Commissioner/Chief Commissioner were honored at the All-India level. The Chief Commissioner was awarded the Official Language Shield and Certificate. The Hon'ble Chairman, Central Board of Indirect Taxes and Customs was the Chief Guest and senior officers and personnel from the Board and Headquarters as well as other offices participated with great enthusiasm. A cultural programme was also organized on the occasion.
 - The publication of the departmental Hindi magazine "Indraprastha" was ensured and it was released by the Hon'ble Chairman on 14.10.2025 during the "All India Official Language Conference".
 - The guidelines and letters related to the official language received from the Ministry of Home Affairs/ Finance were resolved from time to time through circulation and correspondence.
 - Being the nodal office for the official language, every quarter, the quarterly Hindi progress report of the subordinate offices and the status of official language implementation were reviewed and necessary guidelines were issued to them to achieve the goal in the implementation of the official language.
 - Being the nod
 - The Hindi Noting and Drafting Incentive Scheme of the Department of Official Language, Ministry of Home Affairs was implemented and 10 officers/officials were rewarded during the Hindi fortnight for performing their maximum work in Hindi.
- (iv) DGPM seeks the quarterly reports on "SAADHIT" from all Commissionerates/Directorates and furnishes a consolidated quarterly report to Board office. In addition, development of Aakalan dashboard and compilation of monthly Aakalan Report is done by DGPM.
- (v) The CPIO & Appellate Authority have been appointed and the replies to RTI Applications are being given in stipulated time frame. 143 RTI Applications were received from 01.04.2024 to 30.11.2025, which are timely disposed off. Similarly, all the appeals are being attended and disposed off within the time limit. The required monthly/quarterly reports are being sent in time.
- ### 3.9.3 Directorate General of Taxpayer Services (DGTS)
- #### PUBLICITY
- Paras below highlights the performance under 'Advertisement and Publicity' implemented by DGTS till 31st December 2025 (F.Y. 2025-26).
- #### Publicity Activities undertaken in F.Y. 2025-26
- #### Publicity & Outreach Campaign w.r.t. Next-Gen GST Reforms
- A nationwide multimedia publicity campaign was planned and executed through Central Bureau of Communications (CBC), nodal agency of GoI, to disseminate information on the **Next-Gen GST Reforms**, as announced by the Hon'ble Prime

Minister in his Independence Day Speech 2025. The campaign was undertaken in accordance with the directions received from the Ministry and the Board. The Central Bureau of Communications, the nodal agency of Government of India made an extensive 360-degree publicity campaign through Print, Electronic (TV & Radio), Outdoor, Digital & Misc. Media across the country.

- Following the approval of the reforms by the **GST Council on 03.09.2025**, the Directorate ensured extensive public outreach ahead of their implementation on **22.09.2025**. The campaign was further carried forward to enhance awareness among the general public as well as the business community regarding the key features and benefits of the reforms.

Management of CBIC Social Media Handles

- Oversee and manage CBIC's official social media presence across Facebook, YouTube, X (Twitter), WhatsApp and Instagram, ensuring consistent messaging, accuracy and adherence to departmental communication protocols.
- Plan, curate and publish digital content to promote GST and Customs initiatives, public-friendly reforms and awareness campaigns, enhancing citizen outreach and engagement.
- Monitor platform analytics, public feedback and trends, coordinating with stakeholders (Board and Field-formations) to ensure timely dissemination of information and effective grievance-sensitive communication.

Event & Pavilion Management

- Participated in the India International Trade Fair, 2025 at Pragati Maidan, New Delhi and successfully organised and managed the '**GST & Customs Pavilion**' with the theme "Next-Gen GST: सरल कर, खुशहाल राष्ट्र", effectively showcasing the latest indirect tax reforms, CBIC's initiatives, and citizen-centric services.
- Led end-to-end planning, including content development, display design, visitor engagement strategies, and coordination with multiple departments and partner agencies to ensure seamless execution of the Pavilion.
- The pavilion received **overwhelming footfall and enthusiastic participation** from visitors across age groups, professions, and sectors, indicating strong public interest and confidence in the recent GST reforms.

- The department's efforts were recognised with the pavilion being awarded **First Rank in the 'Public Outreach & Communication' category** at IITF 2025.

Media Monitoring & Reporting

- Prepared and delivered **Daily Media Monitoring Reports** covering CBIC-related coverage from print, digital and social media.
- Presented concise, actionable insights to senior officials to support informed decision-making and timely communication responses.

Miscellaneous Work

Oversaw the production of key communication materials, including:

- Television Commercial (TVC) on:**
 - Nil-filing of GST Returns through SMS.
 - GST is an additional tax over and above MRP- Misconception
 - GST goes directly into the pockets of businesses and if businesses want it can change the GST charged - Misconception
 - Bill of Supply by Composition Dealers
 - GST on House Purchase
 - 07 TVCs on Atithi App
- Short educational video on:**
 - 'Green Channel and Red Channel' processes for passengers.
 - Updated version of DGGI 'DIGIT Application'
 - 'ICETAB' for examination in exports
 - 02 audio-visuals highlighting the journey of GST and various outreach events organised by CBIC field formations on the occasion of GST Day, 2025.
 - 08 short videos on various topics of GST & Customs highlighting achievements of CBIC.
- Multi-lingual tutorial series on following GST & Customs topics:**
 - Various Returns under GST
 - How to opt out of GST
 - Casual Taxable Persons under GST
 - Atithi App
- Print Advertisements in English, Hindi and Regional Language Newspapers across the Country through CBC on following topics:**

- o Quarterly Return Monthly Payment Scheme -02 Ads
- o Rozgar Mela, 2025 (April, 2025) - 01 Ad
- o GST Pakhwada - 01 Ad
- o Next-Gen GST Reforms -39 Ads
- o GST Annual Return - 02 Ads
- o Machine based levy on tobacco and Gutka in Pouches - 01 Ad
- o Health Security se National Security (HSNS) Cess Act, 2025 - 01 Ad
- o Composition Scheme -02 Ads

Tariff & Coordination

Tariff and Coordination entrusted with the task of following-

- 1) Coordination with the all Zonal units
- 2) Board Coordination Report
- 3) E-Helpline Taxpayer Reports (Monthly)
- 4) Quarterly Saadhit report Compilation
- 5) Webinar Report Compilation
- 6) Monthly Inspection Report Compilation (Including changes of Digital Archives, Citizen Corner, Ease of doing business)
- 7) Organized 55 webinars/Seminars in a span of last 8 months.
- 8) CCFC/PTFC/RAC/Open House Meetings.

CPGRAMS

All public grievances received through CPGRAMS by this Directorate were processed and forwarded to the concerned field formations for necessary action. During the period under review, a total of 11,467 public grievances were received, of which 99% were disposed of. Further, 1,364 appeals were received, out of which 96% were disposed of. Additionally, three Taxpayer Services and Public Grievances Review Meetings were held under the chairmanship of the Hon'ble Revenue Secretary. In addition, Monthly Review Meetings on Public Grievances were regularly conducted through video conferencing under the chairmanship of the Hon'ble Chairman, CBIC.

RTI

This Directorate is the nodal agency under CBIC to monitor the progress of filing of quarterly returns by public authorities under CBIC on the website of Central Information Commission (CIC) as required under Section 25(2) of the RTI Act, 2005. It was ensured that all the field formations under CBIC uploaded their RTI

Quarterly Returns on the CIC website. During the period, applications received under the RTI Act, 2005 were efficiently handled. Public Grievances received by the Directorate were processed/forwarded to the appropriate formations for further action.

Total No. of RTI received -732

Total No. of RTI disposed -721

Total Appeals Received -10

Total Appeals disposed -10.

TAXPAYER SERVICE CENTRES

One of the mandates of DGTS has been to set up Taxpayer Service Centers in all Commissionerate's. Vigorous follow-up has ensured setting up of Taxpayer Services Centers in the Commissionerate's of Central Tax, Customs & Central Excise.

PUBLICATIONS

Till 31.12.2025

The Directorate brought out following publications at the behest of CBIC and other formations:

- 1) National Trade Facilitation Action Plan Booklet.
- 2) DGGI Quarterly Bulletin (04 No.)
- 3) Mahakumbh Brochure on 32 topics (Bilingual)
- 4) Customs Manual- 2025
- 5) Civil List 2025
- 6) Brochures for IITF- 2025 on 53 topics (Bilingual)
- 7) LCS Booklet
- 8) Hindi Manual on 12 topics
- 9) DGTS Hindi Magazine

Projection till 31.03.2025

Sampark 2026; E-Sampark, Duty Drawback Schedule; Customs Day Publications etc.

3.10 NACIN, Palasamudram

NACIN CAPACITY BUILDING INITIATIVES

3.10.1 OFFICER TRAINEE TRAINING AND SPECIAL FOUNDATION COURSE

- During 2025-26, NACIN conducted induction training for IRS (Customs & Indirect Taxes) Officer Trainees of 75th (35 officers), 76th (74 officers) and 77th batches (83 officers) including ten Officer Trainees from the Royal Government of Bhutan in each batch. The 75th Batch passed out in April 2025 after completing the 16 months training and their furbisher is being conducted in Jan 2026 now. The 76th batch has completed

almost 13 months of training and likely to pass out by April 2026. Recently, the 77th batch has started their training Dec 2025 onwards.

- The IRS Officer Trainees received extensive training on indirect tax frame work and allied Acts apart from specialized training on SC/ST and gender sensitization, Vishaka Guidelines, Right to Information Act, e-governance platforms, digital forensics, etc. Immersive Field Training imparted through attachments with Customs Commissionerates and GST Commissionerates and Directorates providing hands-on exposure to operational challenges.
- For the first time, NACIN conducted Special Foundation Course (SFC) as an associate institute of LBSNAA for 14-week from September 8, 2025, to December 5, 2025. Officer trainees from 11 different All India and Central Civil Services participated in the programme. The training imbibed a foundation in discipline, integrity, citizen-centric governance, and service to the nation, featuring interactive sessions with experts, field visits, and social service initiatives. This initiative is part of NACIN's role as a premier training academy under the CBIC.
- The 2025-26 training year witnessed engagement with India's finest thought leaders, policymakers, scientists, and innovators who shared their vision and experiences with Officer Trainees.

3.10.2 INTERNATIONAL COOPERATION AND SPECIALISED TRAINING CENTRE (ICSTC) INITIATIVES

- The ICSTC Wing has emerged as India's premier centre for international capacity building in customs and enforcement. During April 2025 to March 2026, the ICSTC conducted 14 major national and international training programmes, reinforcing India's leadership in South-South cooperation.
- Key Programmes: Training of Trainers on HCFCs (21 CBIC officers at Jaipur); Revenue Administration Gap Analysis with IMF-SARTTAC (45 officers); ITEC Leadership in Public Service (34 participants from 20 countries); ITEC Countering Illegal Drug Trafficking (42 international participants with cultural exchanges and study tours to Tipu Sultan's Palace and Vidhana Soudha); Strengthening ODS/HFC Controls at four locations (160 officers: Mumbai 47, NCTC Mumbai 21, Visakhapatnam 12, Bengaluru 80); SASEC Capacity Building on AEO-MRA (19 CBIC officers and SASEC representatives).

- The ICSTC attracted international participants from 20 partner countries across Africa, Asia, and Oceania, with over 450 officers trained during April-December 2025.
- Strategic partnerships include WCO, ADB-SASEC, UNODA, U.S. State Department, IMF-SARTTAC, Ozone Cell, and Narcotics Control Bureau.

3.10.3 IN-SERVICE TRAINING WING ACTIVITIES

- The Mid-Career Training Programme (MCTP) for Joint Commissioner-level officers provided 107 officers comprehensive training on operational competencies, leadership, strategic thinking, cyber and digital forensics, and behavioural skills through one week at NACIN Palasamudram and three weeks at ISB Hyderabad.
- Specialized training for GST Appellate Tribunal Members (49 Judicial Members and 40 Technical Members) conducted in Nov-Dec 2025; covered GST law, adjudication, GSTN e-Tribunal systems, natural justice, and artificial intelligence in judicial governance.
- The 4 weeks Orientation training conducted for 160 officers who were promoted Grade-A officers.
- Master Trainers Programme on GSTN Enforcement (30 DGGI and 36 CGST officers in August 2025).
- NACIN launched "Friday Insights by NACIN" (FIN), a weekly webinar series featuring distinguished speakers.

3.10.4 ZONAL TRAINING INSTITUTES (ZTIs)

The ZTI network across 18 strategic locations nationwide delivered diverse training programmes: (a) Induction Training for newly recruited cadres across all ZTI locations; (b) Mandatory Pre-Promotion Training for officers seeking career progression; (c) Domain Competency Training on GST enforcement, adjudication, audit procedures, Customs regulations, investigation techniques, and digital forensics; (d) Functional and Behavioural Competencies including Indian Knowledge System (IKS) for leadership development, health and wellness, and yoga/meditation programmes; (e) Training to Stakeholders for Indian Railways, CAG officers, Indian Coast Guard, and State Police; (f) Community Service including school toilet renovations in tribal areas, drug abuse awareness, and wildlife protection initiatives.

Total No. of Trainings conducted across NACIN HQ and all ZTIs (April to December, 2025) is 1488 and Total No. of Participants (April to December, 2025) is 1,09,111.

4. REVENUE HEADQUARTERS ADMINISTRATION

4.1 Administration

The Revenue Headquarters looks after matters relating to all administrative work pertaining to the Department, coordination between the two Boards (CBIC and CBDT), the administration of the Indian Stamp Act 1899 (to the extent falling within the jurisdiction of the Union), the Central Sales Tax Act 1956, Goods and Services Tax (GST) Act, 2017, the Narcotic Drugs and Psychotropic Substances Act 1985 (NDPS), the Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act 1976 (SAFEMA), the Foreign Exchange Management Act 1999 (FEMA), the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (COFEPOSA), the Prevention of Money Laundering Act, 2002 (PMLA) and matters relating to the following **attached/ subordinate offices** of the Department:

- a. Enforcement Directorate
- b. Central Economic Intelligence Bureau (CEIB)
- c. Competent Authorities appointed under SAFEMA and NDPS
- d. Chief Controller of Factories
- e. Central Bureau of Narcotics
- f. Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
- g. Goods and Services Tax Appellate Tribunal (GSTAT)
- h. Appellate Tribunal under SAFEMA
- i. Financial Intelligence Unit, India (FIU-IND)
- j. Adjudicating Authority under Prevention of Money Laundering Act
- k. National Institute of Public Finance and Policy (NIPFP)

The following items of works are also undertaken by the Headquarters:

Appointment of –

- ✓ Chairman and Members of CBIC and CBDT
- ✓ Chairman, Vice Presidents and Members of CESTAT
- ✓ President and Members of Goods and Services Tax Appellate Tribunal (GSTAT)
- ✓ Director General of CEIB
- ✓ Director of Enforcement

- ✓ Competent Authorities (SAFEMA and NDPS)
- ✓ Director (FIU-IND)
- ✓ Chairperson and Member of Adjudicating Authority set up under PMLA
- ✓ Chairman and Members of “Appellate Tribunal” established under SAFEMA, 1976.
- ✓ CVO, CBDT/ CBIC/ ED

4.2 Directorate of Enforcement

4.2.1 Introduction

4.2.1.1 The Directorate of Enforcement (ED) is the premier law enforcement agency of the Government of India which has been entrusted with the administration and enforcement of the Prevention of Money-Laundering Act, 2002 (PMLA), the Foreign Exchange Management Act, 1999 (FEMA) and the Fugitive Economic Offenders Act, 2018 (FEOA). ED is the nodal agency for collection of intelligence, carrying out research and analysis and conducting financial investigation for cases involving money-laundering, bank frauds, financial scams, foreign exchange violations etc. Under the provisions of PMLA, the officers of ED investigate and prosecute the persons involved in money-laundering, attach the proceeds of crime and carry out international cooperation with competent authorities in foreign jurisdictions including recovery of assets stashed abroad and extradition of fugitives. ED is also entrusted with the responsibility to investigate, adjudicate and impose penalty if any person violates the provisions of FEMA and launch prosecution in appropriate cases.

4.2.1.2 In the recent past, the work of Directorate of Enforcement has increased considerably both qualitatively and quantitatively. Investigations have commenced in several high-profile cases and cases with International ramifications with positive results in terms of attachment and confiscation of proceeds of crime related to bank fraud, corruption, drugs & human trafficking and terror financing etc.

4.2.2 Functioning of the Directorate

4.2.2.1 The primary function of the Directorate of Enforcement is administration and enforcement of the Prevention of Money-Laundering Act, 2002 including investigation into the offence of money-laundering, filing of prosecution complaint before the Special Court against the accused, attachment and confiscation of property involved in money-laundering, carrying out international cooperation with competent authorities in foreign jurisdictions ensuring that the accused persons do not enjoy the *proceeds of crime*. For collecting information and investigating money-laundering (ML) offences, Regional Offices/Zonal office/Sub-zonal of ED has been setup across various cities throughout the country. ED collect information regarding commission of predicate offence related to offence of ML from the following sources:

- a) **ML-I and ML-II Reports:** These are reports provided by Law Enforcement Agencies (LEAs) that provide critical insights into predicate offences related to ML activities and related offenses.
- b) **Crime and Criminal Tracking Network & Systems (CCTNS):** This national database enables law enforcement agencies to share and access information about crimes and criminals, facilitating better tracking and investigation.
- c) **Interoperable Criminal Justice System (ICJS):** Similar to CCTNS, this system allows for the seamless exchange of information among various criminal justice stakeholders, enhancing the investigative process.
- d) **CBI portal:** CBI regularly uploads branch-wise copy of FIRs registered by the agency on its public website.
- e) **Other Information from LEAs:** This may include any additional intelligence or data that can aid in investigations provided by law enforcement agencies either suo-moto or on request of the Directorate.
- f) **Suspicious Transaction Reports (STRs) and Operational Analysis (OA) Reports:** STRs are reports submitted by financial institutions to FIU to notify authorities of suspicious transactions that may indicate ML, while operational analysis reports are multiple STRs having similar modus operandi clubbed into a single STR after analysis by FIU and thus, OA provides deeper analysis.
- g) **Egmont Secure Web (ESW):** Information gathered from ESW can provide critical leads either to initiate an ML investigation or in ongoing ML investigations.
- h) **Intelligence Inputs or Complaints from Private Individuals:** Tips or complaints received from the public can be valuable in identifying potential ML activities.
- i) **Open-Source Information:** This includes data available from media reports, online articles, and other publicly accessible sources that may provide insights into potential ML activities.
- j) **Information from Any Other Source:** This encompasses any additional data that may be relevant, regardless of its origin.

On receipt of the reference or information from any of the above sources and after making certain preliminary verification, ED records a case and initiates investigation (Enforcement Case Information Report or

the ECIR) following a risk based approach taking into consideration factors such as materiality of the offence, transnational nature of the crime, complexity of the case, the larger public interest and the availability of resources. Identification and quantification of *proceeds of crime* and involvement of person/entities in any process or activity connected with *proceeds of crime* are main requirements for proving offence of money-laundering as well as for punishment for money laundering offence.

4.2.2.2 The Directorate of Enforcement is also entrusted with the implementation of the Foreign Exchange Management Act, 1999 whose object is to consolidate and amend the law relating to foreign exchange for facilitating external trade and payments and for promoting the orderly development and maintenance of foreign exchange resources. Information about possible FEMA violations is received from human intelligence resources and various departments viz. (i) the Reserve Bank of India regarding export outstanding statements (XOS statement), non-repatriation of foreign exchange, pending Bills of entries, contraventions pertaining to FDI, list of Authorized Dealer-I & II (AD-I & AD-II) who contravene the provisions of FEMA; (ii) Banks regarding contravention of FEMA including through mis-utilization of foreign exchange/advance payments for imports, non-realization of export proceeds and violation of norms of NRE/NRO/FCNR accounts; (iii) Custom authorities and Income Tax Authorities pertaining to over/under voicing of exports/imports, smuggling of foreign currency, illegal gold imports, violation of baggage rules etc.; (iv) SEBI regarding violation of FDI norms pertaining to FEMA by foreign investors etc.; (v) State authorities regarding purchase of agricultural land by foreigners etc. & (vi) Income Tax Authorities regarding acquisition of undisclosed foreign assets under Black Money Act or otherwise which invites action under section 37A of FEMA. Further, the some of the categories of cases being investigated by this Directorate under FEMA are as under:

- a) Misuse of Foreign Portfolio Investment (FPI)/ Foreign Direct Investment (FDI) Route,
- b) Issue of fraudulent Global Depository Receipts (GDR),
- c) Trade based Money Laundering (TBML),
- d) Use of Crypto currency for receiving and sending remittances,
- e) Transfer of money to foreign based wallets for online betting/gaming/crypto,
- f) Misuse of LRS route,
- g) Remittance of money abroad by forging CA certificate(Form 15CB),

- h) Issue of Employee Stock Options (ESOPs) by foreign entity to India based employees,
- i) Violation of provisions of External Commercial Borrowings (ECB),
- j) Agriculture land purchase in India by NRIs,
- k) Misuse of Money Transfer Service Scheme (MTSS),
- l) Holding undisclosed foreign properties,
- m) Write-off of Overseas Direct Investment (ODI),
- n) Possession of Foreign currency in excess to prescribed limit and
- o) Misuse of NRE/NRO/EEFC accounts.

Accordingly, ED investigates and issues Show Cause Notices (SCN) in cases where the allegations of contravention of provisions under FEMA are observed. These SCNs upon adjudication results in imposition of penalty as well as confiscation of currency/property involved.

4.2.2.3 The Directorate of Enforcement has also been entrusted with the implementation of the Fugitive Economic Offenders Act, 2018. The FEOA provides for the measures to deter the fugitive economic offenders from evading the process of law in India by staying outside the jurisdiction of Indian Courts and to preserve the sanctity of the rule of law in India. Action under the

said Act can be initiated against economic offenders who have left India so as to avoid criminal prosecution or who, being abroad, refuse to return to India to face criminal prosecution and where the total amount involved in the economic offence is more than Rs. 100 crore.

4.2.3 Organizational Structure

4.2.3.1 The Directorate of Enforcement is headed by the Director, who is not below the rank of Additional Secretary to the Government of India. He is assisted in his work at the Headquarters by officers of all ranks. Sanctioned strength of 03 Special Directors, 11 Additional/Joint Directors and a number of other officers/staff is available in HQ to assist the Director, ED. The Headquarters office (HQ) of ED is situated in New Delhi. The functional establishment of ED is divided into 05 Regions located at Chandigarh (Northern Region), Chennai (Southern Region), Delhi (Central Region), Kolkata (Eastern Region) and Mumbai (Western Region). Each region is headed by a Special Director. Apart from the above Regions, special units named as Headquarters Investigation Units (HIUs) and Special Task Force (STF) headed by the Special Director are also functioning at the Headquarters office. Regions are constituted by Zone(s) headed by Additional Directors/Joint Directors and Sub-Zone(s) headed by Deputy Directors. Sub-Zones are controlled by respective Zones.

4.2.3.2 Details of functions performed in HQ are as follows:

Sr. No.	Section	Work Assigned
01.	Establishment Section	- This Section deals with recruitment, transfer, posting etc. - All Human Resource related work including maintaining incumbency position of officers/staff; filling up vacant posts by issuing vacancy circulars/making correspondence with UPSC, SSC etc. - Extension of deputation tenure of officers, holding of DPC, departmental examination, Selection of Legal Consultants etc. - Framing and amendment of Recruitment Rules. - CAT Cases / High Court / Supreme Court matters of Establishment.
02.	Admin and Accounts Section	- All administration and accounts related work including office budget and allocation of funds to field formations. - Management of office expenses viz. Salary, GPF, pension, gratuity, leave records & encashment, SSF, etc. - Liaisoning with DoR for pending proposals. - Procurement/Lease/Contract of vehicles, office equipment etc. - Processing of professional & legal bills and granting financial approvals. - Arranging physical infrastructure (office & residence). - CCTV Camera installation and security of HQ premises etc. - Other miscellaneous work

Sr. No.	Section	Work Assigned
03.	Vigilance Section	- All vigilance related work including disciplinary proceedings of officers and officials. - Immovable Property Returns (IPRs) and APARs of all the officials of the Directorate. - Vigilance Clearance, Vigilance Complaints, preparation of Agreed List and ODI List, etc. are being handled by this section. - Handling intimations under rule 18 of CCS Conduct Rules. - Processing applications for foreign visits & higher studies.
04.	Coordination Section	- Coordination Section has 03 functioning- Coordination, PMLA Section and RTI. - Coordinating with various sections of HQ and field formations for collection and compilation of various reports. - Coordination with Department of Revenue (Monthly report on Non-Tax Revenue & Significant Event, Monthly Progress Report (MPR), sending comments on Draft Cabinet Notes, Draft Bills & FDI proposals etc.) and other Ministries (e.g. antecedent verification) / Departments for sending various reports. - Analysis of Monthly DO report received from Regional SDEs/SDE(HIU). - Processing of GEP applications, verification of entities referred by RBI for Small Finance Bank and Payment Gateway Bank license etc. - Monitoring of recording of ECIR in coordination with regions/zones and predicate agencies; Compilation and dissemination of ML-I and ML-II reports; holding of RAMC meetings etc. - Parliament Questions and Assurances. - Processing of RTI applications and appeals. - Compilation and preparation of Annual Report of Directorate for submission to the Ministry of Finance. - Assigning Action Plan Targets at the beginning of financial year. - Organizing Quarterly Conference of Zonal Officers (QCZO) and other Review Meetings. - Issuance of Technical Circulars/Guidelines.
05.	Intelligence Section	- Processing of all the intelligence inputs received or gathered from various organizations such as FIU, CBI, RAW, DRI, IB, CEIB, CVC, NTRO, MAC, etc. as well as from informal sources such as complaints from private individuals, open sources etc. - Processing of all complaints received from various LEAs and private persons related to PMLA/FEMA etc. and dealing with COFEPOSA matters, - Dealing with FIU; Processing of the STRs via FINEX 2.0 portal and collecting intelligence through ESW (EGMONT Secure Web) and disseminate it to the concerned jurisdictions (Regions/Zones) and obtaining feedback on the same. - Processing of EGMONT requests and PAN based enquiries received from field formations and forwarding it to the FIU-IND. - Obtaining Customer Application Form (CAF) and Call Data Record (CDR), Legal Interception as per MHA guidelines. - Maintaining database and follow up on action taken by the field formations in all ICIJ leaks cases- Panama, Paradise, Pandora, Mauritius, HSBC, etc. along with cases of GDR, ECB, Terror Funding, LWE and other such issues; NATGRID. - all matters relating to information technology, electronics, internet/ intranet, coordination with NIC, installation and management of IT related software/ hardware, running and managing Cyber Lab, etc.

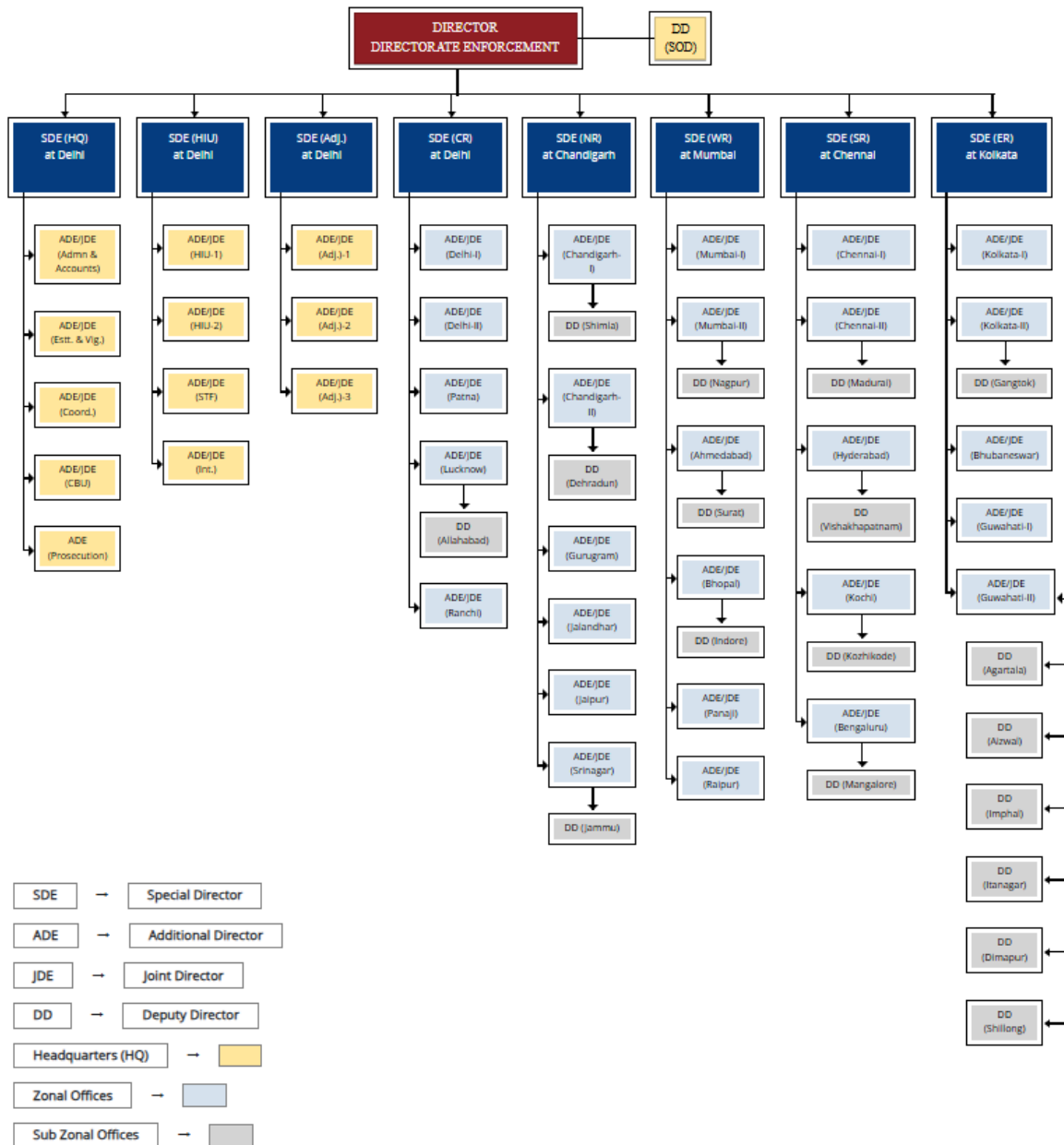
Sr. No.	Section	Work Assigned
06.	Investigation Section	- Deals with matters relating to ongoing investigations under the provisions of PMLA, 2002 and FEMA, 1999. - Investigation Section calls for Action Taken Report (ATR), Status Report and Action Plan for examination and analysis. - Ensuring compliance of Technical Circular No. 07/2024 dated 19.12.2024 which requires the field formations to submit time bound reports at various stages of investigations. - Receipt and compilation of Monthly and Quarterly Search and Arrest reports. - Exchange of information with various LEAs such as Income Tax Department, CBI, SFIO etc. - Attending to the work related to SIT on Black Money.
07.	Adjudication Section	- This Section has been entrusted with the Adjudication of all pending SCNs under FERA for adjudication - Adjudication of SCNs up to the level of ADE/JD under FEMA has also been assigned to this Section - Monitoring of the pendency of adjudication under FEMA, 1999 at the level of various Adjudicating Authorities. - Monitoring of the recovery of penalty imposed under FERA and FEMA.
08.	Legal Section	- The Legal Section, HQ handles all the legal work related to the Directorate. - Review of judgments/orders of Hon'ble Supreme Court, High Courts and Subordinate Courts/Tribunal. - Special Leave Petition / Appeal /Writ Petition matters of Supreme Court; filing of appeals before Appellate Tribunal for Foreign Exchange (ATFE). - Nomination of Counsel before Adjudicating Authority (PMLA), ATFE and AT(PMLA). - Legal opinion in certain cases including vetting of PAOs, PCs, affidavits, appeals, LRs, extradition requests etc. - Dealing with references from Ministries on legal issues/proposed Law relating to or having impact on FEMA, PMLA and FEOA. - Tracking of work of Prosecutors/Advocates in Courts, empanelment of Advocates, appearance before the Adjudicating Authority, Appellate Tribunal and Courts on behalf of the Directorate. - Monitoring of Court cases and legal issues at all India level etc.

Sr. No.	Section	Work Assigned
09	Overseas Investigation Unit (OIU) Section	- OIU's work profile includes handling all forms of International meetings/trainings/workshops and submission of comments in the matters related to G20-ACWG, UNODC, ARIN-AP, World Bank, StAR Initiative, FATF, Asset Recovery etc. - Drafting of Technical Circulars on issues like PMLA/FEMA LR and MLA Request, LoC etc. - Drafting of MoU with foreign agencies for informal cooperation. - Providing statistics / comments for FATF and other International Organizations related to money laundering and drug trafficking. - Attending meetings organized by MEA on important cases involving foreign disputes / Arbitration like Devas Multimedia and sharing necessary inputs to other agencies like DEA, MEA, DOS, CBDT, CBIC, DOT, etc.
10.	Capacity Building Unit	- The Training section of the Directorate which was earlier part of the Systems & Training Vertical was re-designated as the Capacity Building Unit in the month of June 2025. - The primary function of this Unit is to hone the professional skills of the officers/officials of this Directorate by imparting training to them, thereby enhancing their output. - This unit conducts trainings of officers of the Directorate at various levels. - Nomination of the officers of the Directorate for training in India.
11.	Rajbhasha (Hindi) Section	- Coordinates with all field formations for the quarterly progress report of Rajbhasha and compile the same for onward submission to MHA. - Monitors and sensitizes the field formations to comply with the existing instructions on all the parameters to promote use of Rajbhasha in official work. - Carrying out inspection of field formations on annual basis. - Organizes regular training for improving the skills of officers. - Organizes competition at various levels for rewarding and encouraging the staff of ED to work in Rajbhasha.
12.	Headquarters Investigation Units (HIU)	The HIUs were created at Headquarters of the Directorate in the year 2012 for investigating sensitive and important cases. There are 03 Functional units in each HIU.
13.	Special Task Force (STF)	The Special Task Force (STF) was constituted in March, 2019 at HQ specifically to carry out investigation in cases related to Drug Trafficking, Terrorist Financing and the Unlawful Activities (Prevention) Act (UAPA), 1967, etc. There are 3 Functional units in STF.

4.2.3.3 Organizational Structure at Regional, Zonal and Sub-zonal Offices:

The present organizational structure of all the Regional, Zonal and sub-zonal offices of the Directorate is depicted hereunder:

Organizational Structure



To meet the organization's administrative needs for collecting information and investigating money-laundering offences and offences related to the provisions of FEMA, five Regional offices have been setup. However, it's important to note that ED officers have jurisdiction across the entire country for gathering information and conducting investigations related to offence of ML/FEMA. Additionally, the Headquarters Investigation Units (HIUs) and Special Task Force (STF) can investigate any cases assigned to them by the Director, Directorate

of Enforcement. The offices functioning under the 05 Regional Offices are given as below:

- Western Region:** The Region is having its office at Mumbai. The Region comprises of 06 Zones, namely, Mumbai-I, Mumbai-II, Ahmedabad, Bhopal, Panaji (Goa) & Raipur and 03 Sub-Zones, namely, Nagpur under Mumbai-II, Surat under Ahmedabad and Indore under Bhopal.
- Northern Region:** The Region is having its office situated at Chandigarh. The Region comprises of 06 Zones, namely Chandigarh-I, Chandigarh-II, Gurgaon

(Gurugram), Jalandhar, Jaipur and Srinagar and 03 Sub-Zones, namely, Shimla under Chandigarh-I, Dehradun under Chandigarh-II and Jammu under Srinagar.

- (c) **Southern Region:** The Region is having its office at Chennai. It comprises of 05 Zones, namely Chennai-I, Chennai-II, Bengaluru, Kochi and Hyderabad and 04 Sub-Zones, namely, Madurai under Chennai Zone-II, Mangalore under Bengaluru, Kozhikode under Kochi and Vishakhapatnam under Hyderabad.
- (d) **Central Region:** The office of the Central Region is located at Delhi. It comprises of 05 Zones namely Delhi-I, Delhi-II, Lucknow, Patna and Ranchi and 01 Sub-Zone viz. Allahabad (Prayagraj) Sub-Zone falling under Lucknow Zone.
- (e) **Eastern Region:** The Region is having its Office at Kolkata. It comprises of 05 Zones, namely, Kolkata-I, Kolkata-II, Bhubaneswar, Guwahati-I & Guwahati-II and 07 Sub Zones namely Gangtok under Kolkata-II and other six sub-zones i.e. Agartala, Aizawl, Imphal, Itanagar, Dimapur and Shillong, all under Guwahati-II.

4.2.3.4 The Regional Special Directors are assigned with the role of supervising and monitoring the overall working and functioning of the Zonal offices of the Directorate located at various cities within the Region and other administrative/vigilance matters. Similarly, the Zonal Additional/Joint Directors are responsible for the overall supervision and functioning of the FUs under their jurisdiction including the Sub-zones. The Sub-zonal offices are headed by Deputy Directors and they report to the Zonal Additional/Joint Directors.

4.2.3.5 In 2021, the concept of functional unit was introduced to ensure rational distribution of work. Each such unit is self-contained unit headed by an officer of the rank of Deputy Director with clearly demarcated resources and responsibilities including investigation, administration, intelligence etc. The functional units are headed by a Deputy Director assisted on an average by 02 Assistant Directors, 02 Enforcement officers, 03 Assistant Enforcement Officers and 2 sepoys. The constitution of functional unit is represented as under:

S. No.	Designation	No. of Officers
1.	Deputy Director (DD)	1
2.	Assistant Director (AD)	2
3.	Enforcement Officer (EO)	2
4.	Assistant Enforcement Officer (AEO)	3
5.	Sepoy	2
TOTAL		10

4.2.3.6 The offices of the Directorate of Enforcement located all over India ensures that the money-laundering offences are investigated in an effective manner and it also acts as deterrence for the potential offenders.

4.2.3.7 Considering the strategic importance of North-East Region, Directorate of Enforcement has strengthened its presence and intensified anti money-laundering activities including cross border financial crimes, international hawala, terror financing and drugs trafficking. The Directorate has set up offices in all the seven states under North-Eastern Region.

4.2.4 Offence of Money Laundering

4.2.4.1 Section 3 of the PMLA criminalizes the offence of money-laundering related to a wide range of criminal offences listed in the schedule to the PMLA. These offences include participation in an organized criminal group and racketeering, terrorism and terrorist financing, illicit trafficking in narcotics drugs and psychotropic substances, illegal human trafficking, illicit arms trafficking, illicit trafficking in stolen goods, corruption and bribery, fraud, counterfeiting and piracy of products, environmental crimes, kidnapping, robbery, smuggling, extortion, forgery, piracy and insider trading and market manipulation. These offences listed in the schedule are called “predicate offences” and section 3 of the PMLA states that whoever is directly or indirectly involved or associated with any process or activity connected with “*proceeds of crime*” related to these criminal activity will be guilty of the offence of money-laundering and is liable for punishment with rigorous imprisonment of three to ten years under section 4 of the PMLA.

4.2.4.2 It is not necessary that for committing an offence of money-laundering, the person concerned should project or claim the proceeds of crime as untainted property, it is enough if he is directly or indirectly involved in any process of activity connected with the proceeds of crime including its concealment, possession, acquisition or use. Thus, the definition of the offence of money-laundering is in full compliance with Article 3(1)(b) and 3(1)(c) of the Vienna Convention and Article 6(1) of the Palermo Convention.

4.2.5 Attachment and Confiscation

4.2.5.1 Section 5 of the PMLA provides that where the Director, Directorate of Enforcement, or any other officer not below the rank of Deputy Director authorized by him, has reason to believe (the reason for such belief to be recorded in writing), on the basis of material in his possession, that (a) any person is in possession of any proceeds of crime and (b) such proceeds of crime are likely to be concealed, transferred or dealt with in any manner which may result in frustrating any proceedings relating to confiscation of such *proceeds of crime*, he may, by order in writing, provisionally attach such property for a period not exceeding 180 days from the date of the order.

4.2.5.2 Section 17 of the PMLA gives power to Director, Directorate of Enforcement, or any other officer authorized by him not below the rank of Deputy Director, to carry out search and seizure operation and seize any record or property found during the search. If it is not practicable to seize such record or property, the officer concerned may make an order to freeze the property prohibiting its transfer. Section 18 of the PMLA gives powers to the officers of Directorate of Enforcement to search a person and seize any property. In the case of seizure/freezing under sections 17 and 18 of the PMLA, the authorities concerned are required to make an application to the Adjudicating Authority for retention of such record or property or for continuing the order of freezing.

4.2.5.3 The Adjudicating Authority is a quasi-judicial body comprising of a Chairperson and two other members. On receipt of a complaint under sections 5 or 17 or 18 of the PMLA, the Adjudicating Authority decides after hearing all parties that the property is involved in money-laundering or not. The attachment/freezing order continues during the investigation for a period not exceeding 365 days or during the pendency of the proceeding related to any offence under the PMLA before a Court, including foreign Courts, when confirmed by the Adjudicating Authority. Thus, after the order of the adjudicating authority, the attachment/freezing continues during the investigation and will also continue after filing of a prosecution complaint till the matter is finally decided by the Court.

4.2.5.4 The order of confiscation is passed by the Special Court under section 8(5) of the PMLA after conclusion of the trial for the offence of money-laundering and all rights and title in the property vest absolutely in the Central Government free from all encumbrances. However, after the confirmation of the attachment/freezing by the Adjudicating Authority, a quasi-judicial body, it is provided in section 8(4) of the PMLA that the officers of the Directorate of Enforcement will take possession of the property attached and thus it is ensured that the offenders do not enjoy the "proceeds of crime". Thus, after confirmation of attachment/freezing by the Adjudicating Authority, it no longer remains only a "provisional measure" as the property is not available to the criminals.

4.2.5.5 Any person aggrieved with the order of Adjudicating Authority, including the officers of the Directorate of Enforcement, can file an appeal within 45 days before the Appellate Tribunal, another quasi-judicial authority under section 26 of the PMLA and the Appellate Tribunal after giving the parties to the appeal an opportunity of being heard may pass such orders thereon as it thinks fit, confirming, modifying or setting aside the order appealed against. Any person aggrieved with the order of Appellate Tribunal may file an appeal to the High Court within 60 days on any question of law or fact arising out of such order.

4.2.6 Investigation, Prosecution and Conviction

4.2.6.1 Under the PMLA, the officers of the Directorate of Enforcement have wide range of powers to investigate the offence of money-laundering and for attachment/freezing and confiscating the proceeds of crime. These include powers of summons, survey, search and seizure, search of persons, arrest etc. The officers of various other departments such as officers of CBIC, CBDT, police, RBI, SEBI, IRDAI etc. are empowered and required to assist the officers of the Directorate of Enforcement in the enforcement of PMLA.

4.2.6.2 After registering the complaint, at the first instance, the officers of Directorate of Enforcement identify, quantify and trace the "proceeds of crime". They also collect the evidence relating to the commencement of the offence, which may comprise of information received from predicate agency on parallel financial investigation, examination of accused, other persons associated with the offence and third parties, reduction of their statement in writing, carrying out survey and search etc. They provisionally attach the properties identified as "proceeds of crime" and file a complaint before the Adjudicating Authority. In appropriate cases, joint investigation in collaboration with the predicate agency is also conducted.

4.2.6.3 After carrying out the necessary investigation, the Directorate of Enforcement also file a Prosecution Complaint before the Special Courts constituted under section 43 of the PMLA, who takes cognizance of the offence of money-laundering committed under section 3 of the PMLA. After trial in the Special Court, the accused is convicted and is punished in accordance with section 4 of the PMLA.

4.2.7 International Cooperation

4.2.7.1 When proceeds of crime related to offence committed in India, is transferred in foreign jurisdictions, or when accused person(s) has escaped from India, after committing the offence of money-laundering or part of it or the offence itself has been committed outside the country or the witnesses and other material evidence are available in another country, it may be necessary to gather information or conduct formal investigation abroad.

4.2.7.2 Generally, the basis for seeking Mutual Legal Assistance from a Contracting State is the Mutual Legal Assistance Treaty in Criminal Matters (MLAT). As of now, India has signed MLAT with 45 countries. Mutual Legal Assistance can also be sought on the basis Multilateral Treaties, such as, United Nation Convention against Corruption (UNCAC) or United Nation Convention on Transnational Organized Crime (UNTOC). Where there is no such treaty the request can be made on the basis of mutual assurance of reciprocity. These requests are normally made through the Special Courts under section 57 of the PMLA although under the MLAT or the multilateral treaties, the requests need not be routed through the Courts.

4.2.7.3 If an order of attachment/freezing/confiscation has been issued by the officers of the Directorate of Enforcement and the said property is suspected to be in a foreign jurisdiction, the Special Court may issue a letter of request to a court or an authority in the foreign jurisdiction for execution of such order.

4.2.7.4 The Directorate of Enforcement also provides assistance to foreign jurisdictions and investigates the

offence of money-laundering by carrying out necessary inquiries if a request is received from a Court or authority in the said foreign jurisdiction. It may also attach, seize, freeze, or confiscate the property in India derived or obtained, directly or indirectly, by any person from the commission of an offence under the corresponding law committed in the foreign jurisdiction if a request is received from a Court or authority in the said foreign jurisdiction.

Case study

ED received a Mutual Legal Assistance request from the Detective Inspector, Manager Assets Recovery/ money Laundering, Financial Crime Group, New Zealand Police National Head Quarters. The communication has information that the High Court at New Zealand has issued a global restraining order against Mrs. A (nee B), Mr. C and others. On the basis of this the New Zealand Authorities have requested for appropriate order for seizure of funds which were transferred by the Accused namely Mrs. A and Mr. C to seven Bank accounts in India.

The offences committed in New Zealand were under Crime Act, 1961 of New Zealand, Secret commissions Act, 1910 of New Zealand, and CPRA of New Zealand. The offences committed in New Zealand and the sections imposed in the case are equivalent to section 120B and 420 of the IPC and section 13 of the Prevention of Corruption Act, 1988 which are Scheduled Offences under Part A of the scheduled appended to the Prevention of Money Laundering Act (PMLA), 2002, and proceeds were generated from the crime committed. Since prima facie there appeared to be an offence of money laundering under section 3 and punishable under section 4 of PMLA act, 2002.

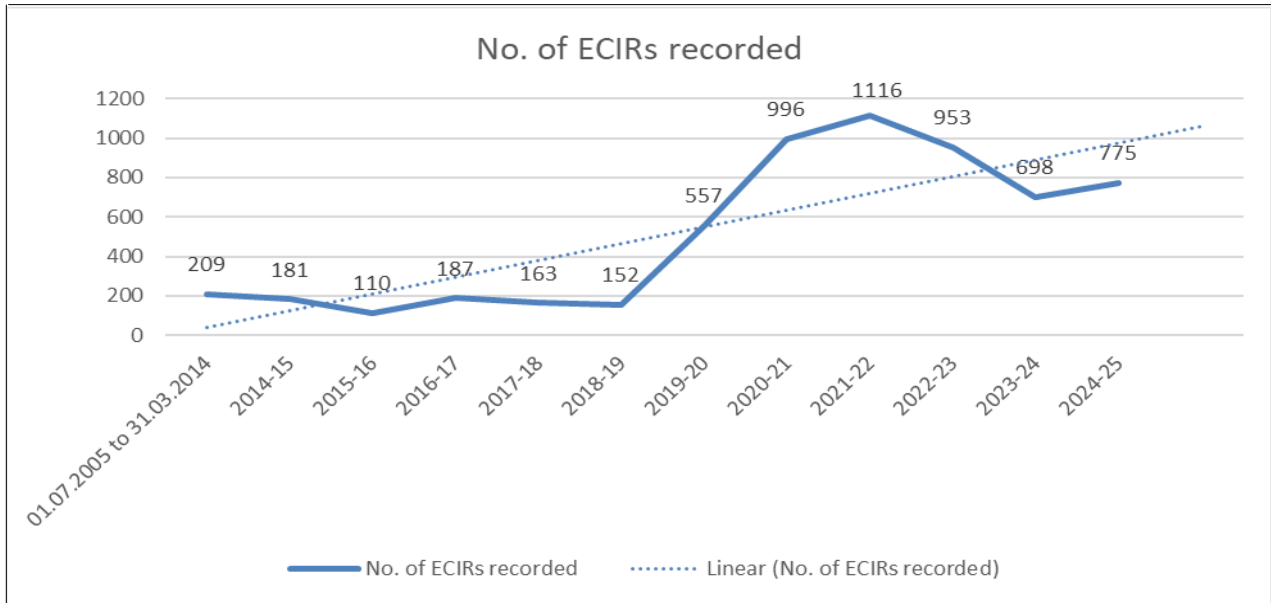
Acting on the request, search operations under section 17 of PMLA, 2002 were carried out on bank accounts at three different banks which eventually led to issuance of freezing orders u/s 17(1)(A) in respect of the accounts. Ld. Adjudicating Authority vide its order dated 23.10.2023 has confirmed the freezing order of the said accounts. In the meantime, New Zealand authorities found some more proceeds of crime in their country which they attached and requested for release of equivalent amount in India. Accordingly, the banks were directed for releasing of the requested bank accounts for normal banking operations. The investigations in the case are underway in New Zealand and necessary action as per provisions of PMLA i.e. repatriation or release of proceeds of crime frozen to New Zealand or to persons concerned shall be taken accordingly.

4.2.8 Performance of Directorate of Enforcement in the area of PMLA

4.2.8.1 During the period from 01.04.2025 to 30.11.2025, the Directorate has taken up investigation under the provisions of PMLA in 556 cases. As on 30.11.2025, 8327 total number of ECIR has been recorded. The Year-wise break-up of the same is as under:

Year	No. of ECIRs recorded
01.07.2005 to 31.03.2014	1883 (209 avg. per year)
2014-15	181
2015-16	110
2016-17	187

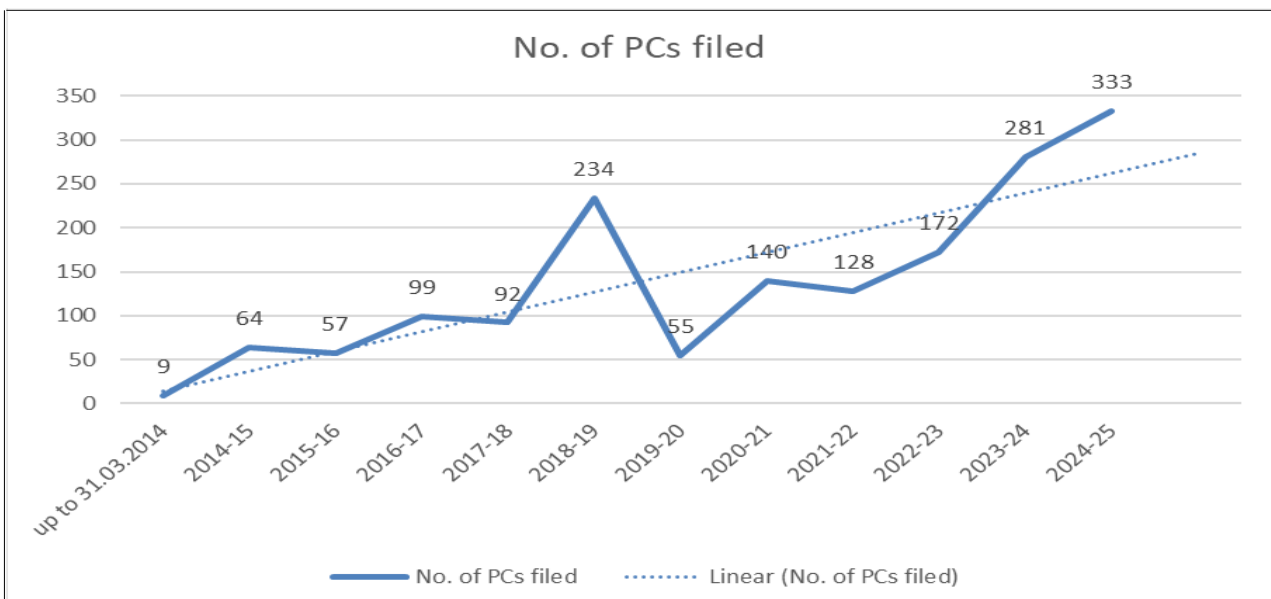
Year	No. of ECIRs recorded
2017-18	163
2018-19	152
2019-20	557
2020-21	996
2021-22	1116
2022-23	953
2023-24	698
2024-25	775
2025-26 (up to 30.11.2025)	556
Total	8327



4.2.8.2 During the period from 01.04.2025 to 30.11.2025, the Directorate has attached proceeds of crime with the aggregate value of ₹ 31,275.88 crore (approx.) by issuance of 261 Provisional Attachment Orders taking total attachment of the Proceeds of Crime to ₹1,85,869.86 crore (approx.) in 3050 Provisional Attachment Orders as on 30.11.2025. The Adjudicating Authority has confirmed attachment of properties worth ₹16,531.75 crore (approx.) during the period from 01.04.2025 to 30.11.2025. Thus, as on 30.11.2025, total amount of confirmed attached properties is ₹1,23,261.38 crore (approx.).

4.2.8.3 During the period from 01.04.2025 to 30.11.2025, 188 Prosecution Complaints have been filed under the provisions of the PMLA. Total number of Prosecution Complaints filed under PMLA has aggregated to 1927 as on 30.11.2025. The Year-wise break-up of the same is as under:

Year	No. of PCs filed
01.07.2005 to 31.03.2014	84 (09 avg. per year)
2014-15	64
2015-16	57
2016-17	99
2017-18	92
2018-19	234
2019-20	55
2020-21	140
2021-22	128
2022-23	172
2023-24	281
2024-25	333
2025-26 (up to 30.09.2025)	188
Total	1927



4.2.8.4 During the period from 01.04.2025 to 30.11.2025, the Special Court, PMLA has ordered for confiscation of properties amounting to ₹ 4.26 crore (approx.) and imposed a cumulative fine of ₹1.43 crore (approx.) on the accused. As on date, the total confiscation amount under PMLA is ₹ 15,735.74 crore (approx.).

4.2.8.5 During the period from 01.04.2025 to 30.11.2025, the Directorate has secured 06 conviction orders in which 16 accused have been convicted by the Special Court PMLA. Further, on 06.12.2025 the Directorate has secured one more conviction order. Thus, as on date, this Directorate has secured 54 conviction orders wherein 122 accused have been convicted.

4.2.9 Special Focus on Terror Financing

4.2.9.1 The Directorate of Enforcement gives special focus on investigation of terror financing cases. The terrorism cases under UAPA are investigated and prosecuted by the National Investigation Agency (NIA) under the NIA Act, 2008. However, the State Police Authorities also investigate the terrorism cases under UAPA and also under various provisions of the IPC.

4.2.9.2 The focus of investigation by the Police Authorities are normally on criminal investigation such as from where the arms have been received, how the conspiracy has been hatched, who was the mastermind, what was the plot, what was the motive, who were involved etc.

4.2.9.3 The Directorate of Enforcement, after a reference is made to it by the police authorities, carries out the financial investigation, including from where the funds have been received, how the funds were layered into the banking channels, and if not through banking channels, whether it was from Hawala or Barter Trade or Trade Based Money Laundering. It also investigates, how and to whom the funds were distributed and if the funds have been invested in some property, whether the property still exist or is liquidated. Once the property is identified, the Directorate of Enforcement provisionally attaches the property and then takes possession after confirmation by the Adjudicating Authority. If the property is liquidated, equivalent amount of property, whether in India or abroad, is attached.

4.2.9.4 During investigation of cases related to terror financing by ED, it has been found that the terrorists use a number of methods for funding including the following:

- Banking channels by receipt of foreign remittances
- Authorized money transfer services such as Western Union
- Hawala Payments
- Donations to NPOs/Social Welfare Organizations
- Barter Trade
- Fake Indian Currency Notes

4.2.9.5 In terror financing cases, ED has a very important role both in tracing the proceeds of crime and its laundering by the terrorists. ED not only attaches the Proceeds of Crime and takes possession of the same but also files Prosecution Complaints against the terror accused under the PMLA.

4.2.9.6 ED has taken strict action against terrorist activities by way of registering several cases related to terror funding against anti-national elements and intensified money laundering investigation to trace and deter the terror funding leading to unearthing of Proceeds of Crime (PoC) to the tune of more than ₹ 1506.42 Crore (approx.). Out of the identified PoC, assets amounting to ₹ 1239.07 crore (approx.) have been attached by this Directorate. The attached properties include both movable and immovable properties of ₹ 1036.07 crore (approx.) in India and ₹ 203 crore (approx.) in abroad (as on 30.11.2025) In one of the case, the accused has been declared as Fugitive Economic Offenders and the properties worth ₹97.99 Crore have been confiscated under the provisions of Fugitive Economic Offenders Act, 2018 (FEOA). A total of 59 prosecution complaints (Charge-sheets) including 21 Supplementary PCs have been filed under the Prevention of Money Laundering Act, 2002 and 09 accused have been convicted in 04 cases by PMLA Special Court. Further, 14 accused have been declared Proclaimed Offender and 03 accused have been declared Fugitive Economic Offender by the Special Courts.

4.2.9.7 Action against insurgent groups in the North-East Region: In order to put a curb on the funding of insurgency activities in the North-East Region, the Directorate has taken up several investigations under the provisions of PMLA against some of the prominent extremist groups such as NSCN (IM), NSCN (K), Dima Haram Daogah (Jewel Garolsa Faction).

4.2.9.8 Action against Naxal funding in Bihar, Jharkhand and Chhattisgarh: Strict actions under PMLA have been taken against LWEs active in Bihar, Jharkhand & Chhattisgarh leading to attachment of properties and filing of Prosecution Complaints in several cases. In these cases, PoC amounting to ₹24.88 crore (approx.) has been identified in Naxal/LWE related cases out of which, PoC amounting to ₹ 10.71 crore stands attached in 16 different PAOs. Further, 16 Prosecution Complaints including 01 Supp. PC have been filed in Naxal/LWE related cases as on 30.11.2025.

4.2.10 Proactive Steps taken by ED in other key areas of money laundering are as follows:

(i) Cyber Fraud: The advent of technology and growing access of internet has led to innovations and economic growth but at the same time its vulnerability has also been explored by criminals to perpetrate crime.

Thus, in whole world including India there has been sharp increase in cyber frauds. The virtual currency has been widely used by criminals to transfer *proceeds of crime* to foreign jurisdictions without coming under the radar of government agencies. The cyber fraudsters have not only targeted the resourceful people but also the common

and poor people. The Directorate has taken vigilant steps in tackling the threat of money-laundering through Cyber Crime and Crypto assets related cases by tracing and attaching/seizing/freezing proceeds of crime. Case study on one such important case taken for investigation by the ED is provided in the box below.

Case Study

M/s. ABC India Pvt. Ltd. orchestrated a complex money laundering scheme through its trading platform, which was aggressively promoted on social media using referral incentives. The company collected funds from Indian users via UPI and bank transfers, channeling them through shell companies falsely registered as e-commerce entities. These entities accessed payment gateways and displayed multiple Indian bank accounts on the ABC app to simulate legitimate forex trading. The funds were layered through mule accounts, routed via payment gateways, and partially invested in SEBI-registered AIFs to lend legitimacy. The entire operation was controlled by Mr. A, who employed Indian nationals abroad to facilitate investments and used fabricated invoices to remit over \$4.2 million overseas. A portion of the laundered funds was reinvested into M/s. ABC India via Foreign Direct Investment (FDI), further masked by high-profile brand promotions during IPL and celebrity endorsements.

Search operations were conducted in the matter resulting in seizure of digital evidence and freezing of assets worth ₹ 84 Crore. Provisional Attachment Orders (PAOs) were issued for attachment of assets in India to the tune of ₹35.07 Crore in and 19 immovable properties valued at ₹ 41.73 Crore located in Spain and owned by Mr. A and his entities.

Further in 2025, properties to the tune of ₹ 131.45 Crore belonging to Mr. A and his entities were identified abroad and attached. Vide another PAO dated 19.09.2025, movable properties in the form of various cryptocurrencies worth approximately ₹2,385 Crore lying outside India have also been attached.

A prosecution complaint has been filed against M/s. ABC and others on 01.10.2024 and a supplementary PC was filed on 20.12.2024. The Hon'ble Special Court (PMLA) has taken the cognizance of the case and issued proceedings against accused persons

(ii) **Human Trafficking:** Human trafficking and migrant smuggling is one of the most significant human right issue in India. The victims are usually persons who are misinformed and misled by illegally operating smuggling agents or girls put in forced sex rackets or humans trafficked to foreign countries in lure of greener pastures, etc. ED has been proactive in taking action against such organized criminal networks operating in India and abroad.

(iii) **Corruption:** Corruption is one of the most chronic problems faced by India which endangers India's socio-economic, political and development aspirations. ED has been taking several money-laundering cases with predicate offences of corruption and intends to mitigate the same with effective money-laundering investigation by preventing the money-launderers from enjoying proceeds of crime. Case study on one such important case taken for investigation by the ED is provided in the box below.

Case Study

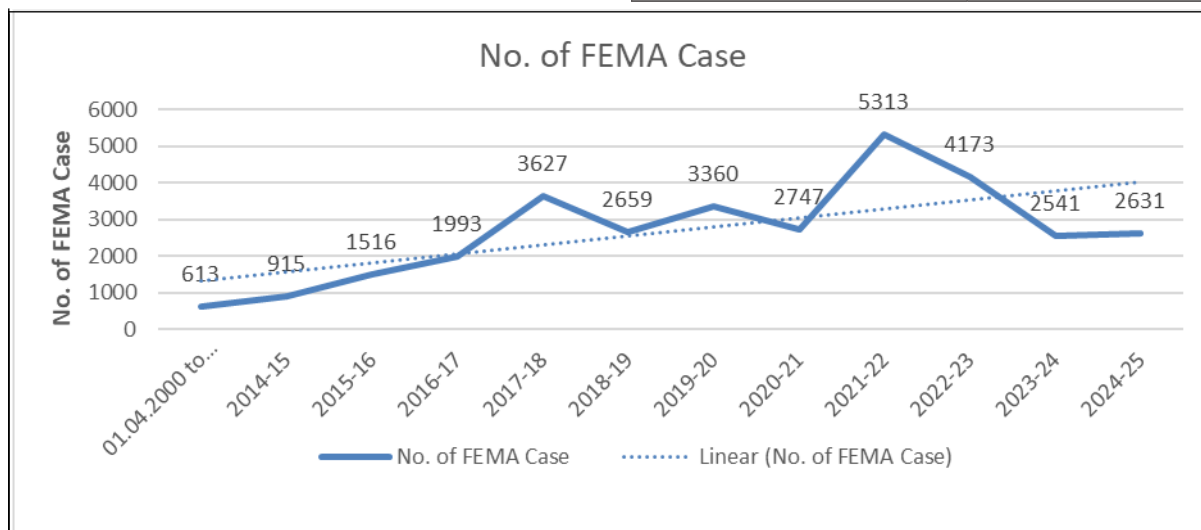
This Directorate initiated investigation in a corruption case wherein it is alleged that Mr. A, the Chief Minister of a State along with other persons were involved in land grabbing activities. As per the FIR, it is alleged that CM used his political influence to get compensation for 14 sites in the name of his wife Smt. B in lieu of 3 acres 16 guntas of land acquired by a XYZ Urban Development Authority (XYZ) and thus caused loss to XYZ and State Government. During the course of investigation, searches were conducted at various premises of Mr. A and associates. During the course of search, it was revealed that a large number of sites, other than the 14 allotted to Smt. B, have been "illegally" allotted by the XYZ as compensation to real estate businessmen, who in turn have sold these sites at "huge" profit and generated huge amount of "unaccounted" cash. During the PMLA investigation, assets to the tune of ₹ 140.53 Crore (having market value of ₹ 450 Crore) were attached by ED. Information on large scale scam in illegal allotment of sites was shared u/s 66 (2) of PMLA, 2002 with Lokayuktha police on 30.11.2024 and 24.01.2025. Investigation revealed that huge proceeds of crime derived & obtained in the form of illegally allotted XYZ. Investigation has also revealed that undue gratification/bribe was obtained by the then officers/officials of XYZ. Mr. C, the then Commissioner of XYZ had acquired proceeds of crime in the form of immovable properties & cash/money and bank transfers in lieu of illegal allotment of XYZ sites in the name of his relatives/associates. Mr. C was arrested on 16.09.2025.

4.2.11 Performance of Directorate of Enforcement in the area of FEMA

During the period from 01.04.2025 to 30.11.2025, the Directorate has initiated investigation in total number of 2242 cases under the provisions of Foreign Exchange Management Act, 1999. A total number of 119 Show Cause Notice have been issued and 49 cases have been adjudicated during the period. Further, penalty of ₹ 66.84 crore (approx.) has also been imposed and penalty amounting to ₹ 70 lakhs (approx.) has been realized during the period. Further, a dedicated Adjudication Section has been created at headquarters office to address the backlog of Show Cause Notices pending for Adjudication under FEMA especially at senior level along with residual work of FERA. Adjudication of SCNs up to the level of ADE/JD under FEMA has also been assigned to this Section. Further, monitoring of the pendency of adjudication under FEMA, 1999 at the level of various Adjudicating Authorities. Monitoring of the recovery of penalty imposed under FERA and FEMA and of The

Year-wise break-up of the FEMA investigation initiated are as under:

Year	No. of FEMA Case
01.04.2000 to 31.03.2014	8586 (613 avg. per year)
2014-15	915
2015-16	1516
2016-17	1993
2017-18	3627
2018-19	2659
2019-20	3360
2020-21	2747
2021-22	5313
2022-23	4173
2023-24	2541
2024-25	2631
2025-26 (up to 30.11.2025)	2242
Total	42303



4.2.12 Performance of Directorate of Enforcement in the area of FEOA

During the period from 01.04.2025 to 30.11.2025, this Directorate has filed applications under FEOA against 05 persons in the Competent Court. Also, one person namely Mr. Rashid Naseem has been declared as FEO by the Competent Court during the said period. As on 30.11.2025, ED has filed applications under FEOA against 31 persons, out of which 15 persons have been declared as Fugitive Economic Offenders by the Competent Courts. Hon'ble Special Court has ordered for confiscation of properties to the tune of Rs. 930.758 crore belonging to FEOs as on 30.11.2025. Further, on 03.12.2025 in one case, Hon'ble Special Court has ordered for confiscation of properties worth Rs. 127.98 Crore. Thus, as on date, properties amounting to Rs. 1058.738 Crore have been confiscate to the Government of India. Hearing for confiscation of properties in respect

of other declared FEOs is underway in the Competent Courts.

Moreover, extradition proceedings in case of high profile fugitive economic offenders are also being followed by the Directorate regularly.

4.2.13 Performance of Directorate of Enforcement in the area of Extradition and Red Notice

During the period from 01.04.2025 to 30.11.2025, the Directorate of Enforcement has made requests for publishing of Red Notice in respect of 12 persons and Blue Notice in respect of 10 persons. Also, 03 Red Notices, 03 Blue Notice, 04 Silver Notice & 01 Purple Notice have been published during this period. Till date, the Directorate of Enforcement has made requests for publishing of Red Notice in respect of 61 persons, out of which Red Notice has been published in respect of 41 persons. Further, one Extradition request has been sent during this period. A

total of 45 Extradition requests have been sent to various countries in respect of 37 individuals.

ED is working tirelessly to extradite the fugitive economic offenders and other accused who have evaded the process of law in India by staying outside the jurisdiction of Indian Courts. The efforts of the Directorate have resulted in successful representation before Competent Court abroad in extradition of various fugitive economic offenders and other accused. In this regard, it is pertinent to mention that UK Court has approved extradition of few high profile accused persons to India following effective representation of the Directorate in coordination with other LEAs and Indian mission abroad.

4.2.14. Restitution of properties to Victims of Money-laundering/Legitimate Claimants

ED is not only actively pursuing the economic offenders to unravel the money laundering but at the same time is also making efforts for the restitution of assets to the banks and others who have been defrauded by the offenders. The ED has successfully restored properties valued at approximately **₹46,061.15 Crore** to victims or legitimate claimants. The year-wise details of restitution/restoration done by ED are given as below:

FY	Value of assets restituted (₹ in Crore)
01.07.2005 to 31.03.2019	0
2019-20	1,613.30
2020-21	0
2021-22	13,517.18
2022-23	0
2023-24	71.16
2024-25	15,263.03
2025-26 (up to 30.11.2025)	15,596.48
Total	46,061.15

4.2.15. Initiatives for E-Governance

The key initiatives undertaken by ED in the domain of e-Governance and digital transformation during FY 2025-26 are summarised below:

(i) Development of the New Revamped Official Website of ED

The Directorate has undertaken a major initiative to revamp its official website to strengthen ED's digital presence and service delivery. The earlier site, built on outdated technology, had limitations in security, scalability, accessibility, and user experience. To address these gaps and meet evolving e-governance standards, the platform has been completely redesigned using a modern architecture with segregated application and database layers.

The new website complies with **GIGW 3.0, WCAG 2.1**, and **STQC** requirements and includes enhanced security features such as a Web Application Firewall, CERT-IN-aligned safeguards, automated backups, and improved logging. User-oriented upgrades include intuitive navigation, streamlined and updated content (Important Judgments, ED in News, What's New), bilingual support, dynamic national-event themes, and a fully responsive design. The website is live on ED's intranet, with public rollout planned upon allocation of the required NIC cloud infrastructure.

(ii) Hiring of Skilled Technical Manpower

To augment its capabilities and support ED's digital initiatives, ED has advertised for **07 System Analysts** and **36 Scientific Technical Assistants** positions for all zonal and regional offices on contractual basis. These roles require specialized qualifications in IT, Computer Science, and Electronics, with experience in software development and database management. The engagement of this technical workforce is critical for strengthening cybersecurity, maintaining network and server infrastructure, supporting in-house applications, managing databases, and ensuring uninterrupted functioning of email, NIC-VC and other digital services. Presently, **2 SAs** and **14 STAs** are posted and the selection of remaining personnel is under process.

(iii) Other Notable Digital Initiatives

(a) **E-Office Implementation** - E-Office is fully operational in ED for administrative work, eliminating physical files and improving document accessibility, workflow efficiency, and processing timelines. This digital shift has also enhanced transparency in file movement and strengthened the Directorate's move towards a paperless and streamlined administrative environment.

(b) **e-HRMS 2.0 On-boarding** - All ED employees have been onboarded onto DoPT's e-HRMS 2.0 platform, ensuring centralized and streamlined digital management of service records. This has enabled employees to conveniently access their service-related information while supporting the Directorate in maintaining accurate, paperless, and easily retrievable HR data.

(c) **Enforcement Directorate Employee Management System (EDEMS) for AGT Transfers** - The in-house developed EDEMS application enables transparent, automated, and rule-based processing of Annual General Transfers across the Directorate. It has helped the Establishment Division receive transfer requests digitally rather than through manual submissions, ensuring better accuracy, improved record-keeping, and smoother coordination with field formations.

(d) **Intelligence Information Management System (IIMS)** - IIMS provides a centralized digital platform for storing, processing, and analysing intelligence inputs, with advanced search features for faster retrieval and assessment of complaints. It enables systematic organisation of information and supports officers in making timely and informed decisions during intelligence evaluation.

(e) **Enforcement Directorate Offender Tracking System (EDOTS)** - EDOTS was initially developed as a centralized digital repository of persons and entities under investigation under PMLA/FEMA. (Annual Report). EDOTS has been implemented to centralize data of all cases under investigations within the Directorate of Enforcement. This centralized system will streamline case tracking, enhance coordination, and ensure that all relevant data is available in real time for efficient decision making and ensuring time bound completion of the investigation process. **Monthly Progress Reports (MPRs) are now generated directly from EDOTS**, and further work is underway to enable automated generation of additional monthly and quarterly reports required from field formations.

(f) **Summons Module (EDOTS Sub-Module)** - The digital Summons Module issues QR-enabled summons, allowing recipients to verify authenticity via the ED website, thereby preventing misuse and enhancing transparency. This initiative has been introduced to curb the circulation of fake or fraudulent summons and to ensure that individuals can easily distinguish genuine summons issued by the Directorate, thereby significantly enhancing transparency and public awareness. ED has recently issued a Press Release conveying guidelines for individuals to verify the authenticity of the summons received by them. The same has also been uploaded on the official website of this Directorate under the Press Release Section on 08.10.2025. The web link of the same is below: -

The web link for the said press release-

https://enforcementdirectorate.gov.in/sites/default/files/latestnews/Press_release_fake%20summons-08.10.2025%201.pdf

(g) **Swagatam Portal** - The Swagatam Portal manages all visitor entries at ED Headquarters through digital verification, strengthening access control and security. The portal has improved the transparency of visitor management and reduced

manual intervention, ensuring a more efficient and accountable entry system.

(h) **SPARROW for APAR Processing** - SPARROW is fully functional for online APAR generation and processing, enabling ED cadre employees to access their past APAR records easily and securely. For the Directorate, it has facilitated a paperless, transparent, and digitally streamlined system for maintaining and managing performance reports, strengthening record-keeping and institutional efficiency.

(i) **Collaboration with NFSU for Cyber Forensics** - Through its MoA with NFSU, ED operates its 7 cyber Labs (1 at ED Hqrs, 5 labs at Regional offices and 1 in NFSU-Gandhinagar) and receives trained technical support for digital evidence handling and forensic operations. This Directorate is in the process of procuring new state-of-the-art advanced forensic tools for its Headquarters and Regional Cyber Labs as part of its ongoing digital upgradation initiatives. Also the field Kits (32 in quantity) provided to field offices across ED are being updated. These enhanced tools will further strengthen ED's technical capability in cyber forensics, evidence extraction, and analysis during investigations.

(j) **Implementation of iGoT platform in Directorate of Enforcement** - The Directorate of Enforcement has successfully on-boarded 1311 staff/ officers/ officials of this Directorate on iGoT platform. Further, 908 staff/ officers/ officials were encouraged to complete more than 6 courses each out of the 10 courses identified by this Directorate on iGoT platform as part of Vigilance Awareness Week making.

4.3 Financial Intelligence Unit – India (FIU-IND)

4.3.1 Financial Intelligence Unit, India (FIU-IND) is the central, national agency responsible for receiving, processing, analysing and disseminating information relating to suspicious financial transactions to enforcement agencies and foreign FIUs. FIU- IND is also responsible for coordinating and strengthening efforts of national and international intelligence, investigation and enforcement agencies in pursuing the global efforts against money laundering and financing of terrorism & proliferation.

FIU-IND plays a pivotal role in receiving and processing intelligence from various Reporting Entities i.e. the threshold-based reports and suspicious transaction reports. Beyond these sources, FIU-IND proactively gathers intelligence related to predicate offences and money laundering from open-source intelligence. This includes adverse media reports and social media

platforms, which are often misused to target vulnerable individuals, drawing them into cybercrime, drug trafficking, human trafficking and other illicit activities.

4.3.2 Co-operation in Egmont group and enhanced global recognition and Engagement

4.3.2.1 Best Egmont Case Award (BECA) 2025

FIU-India was honoured with the prestigious Best Egmont Case Award (BECA) 2025 for an outstanding case that made a significant contribution to the global efforts against money laundering and terrorist financing. The case was presented by FIU-India during the BECA Workshop held during the Egmont Group Plenary in Luxembourg and received wide appreciation from FIUs across the globe.

4.3.2.2 Leadership Role in Egmont Governance

Ms. M Shanmuga Priya, Joint Director, FIU-India was selected as Regional Representative of the Asia-Pacific Regional Group (APRG) which is a key leadership position having significant role in decisions related to the Regional Group members. This appointment secured India's position in the Egmont Committee, the core governing body of the Egmont Group, significantly enhancing India's role in global AML/CFT policy-making. Sh Manish Kumar Hairat, Director FIU-India (I/C), serving as Vice-Chair of the Information Exchange Working Group (IEWG), successfully chaired multiple sessions during the Plenary. The officer also delivered presentations on IT Business Strategies – FIU-India Perspectives and Latest Technological Enhancements, showcasing FIU-India's innovations in intelligence gathering.

FIU-India's active participation in working groups such as IEWG, PPWG, TATWG, MSCWG, and APRG was highly appreciated. The unit's contribution further strengthened its position as a thought leader in the international financial intelligence community.

4.3.2.3 Thematic Workshop Presentations FIU-India contributed actively to two key thematic workshops:

Risk Prioritisation – Demonstrated FIU-India's tech-driven approach to enhancing AML/CFT risk identification. Operational Public-Private Partnerships (PPPs) – Presented the FPAC (FIU-IND Partnership for AML/CFT Collaboration) initiative as a model for strategic cooperation between FIU and Reporting Entities.

4.3.2.4 Signing of Bilateral Memorandum of Understanding (MoUs)

FIU-India signed Memorandum of Understanding with FIU-Kuwait and FIU-Timor Leste, aimed at strengthening cooperation in the exchange of intelligence related to money laundering, associated predicate offences, and terrorist financing. These agreements mark an important step in enhancing FIU-India's bilateral engagement and operational coordination with key international partners.

4.3.3 FINnet 2.0

Finnet 2.0 has successfully been implemented in FIU-India. This is one of the pioneer IT system of its kind that provides end-to-end solution to all the information technology needs of FIU-India, including receiving, analyzing and disseminating information, and provides a two-way electronic communication system between the FIU-India and the Reporting Entities (Fingate 2.0) on one hand, and the FIU-India and the Law Enforcement Agencies on the other, through a secure network.

FINnet 2.0 being a state-of-the-art IT system, leverages Artificial Intelligence (AI) and Machine Learning (ML) technologies. FINnet 2.0 performs the validation and enrichment of data submitted by reporting entities, using external data sources to improve accuracy. The system generates risk scores for individuals, businesses, reports, networks, and cases, aiding in the identification and prioritization of high-risk entities or reports for prompt dissemination to LEAs. Additionally, FINnet 2.0 applies risk analytics to distinguish priority Suspicious Transaction Reports (STRs) from other low risk STRs.

4.3.4 Strategic Analysis Lab: - With increasingly complex, ever evolving financial crimes and integration of financial crimes with other organized crimes, it is essential to be nimble-footed in comprehending new money laundering/ terror financing typologies so as to be able to counter them effectively. It is with this vision that Strategic Analysis Lab (SAL) was established as part of the FINnet2.0 project to continuously research and analyse data for improvement of intelligence generation.

The setup of Strategic Analysis Lab (SAL) was completed in the year 2021, and since then, more than 100 studies have been completed. The SAL has its own specialized human resources having access to latest analytical tools and technologies. It acts as a "Centre of Excellence" and mines data to strengthen intelligence generation capabilities of FIU-India. Some of the studies conducted by SAL under key functional areas are as follows:

- Strategic Analysis of Geographically sensitive country related STRs, CBWTRs and other reports, linked to such PANs found in STRs, was conducted. The report has been shared with the FIU-India officers and is utilized for developing Operational Analysis Reports.
- Strategic Analysis of STRs related to Sensitive region and having Terror financing suspicion. The set of STRs were shared with various LEAs.
- Analysis of CBWTR data for identification of cases and entities wherein NPOs have received foreign remittance without FCRA license or prior permission. The above study was shared with the relevant LEA.
- Analysis of STRs related to drug trafficking as part of National Risk Assessment exercise. STR trend analysis of drug trafficking related

STRs was done on Source of Alert, State, Red Flag Indicators, Year wise and Reporting Entity wise trend and identification of drug trafficking subtypes based on related keyword findings.

- Study of gaming/ gambling STRs for payment risk analysis related to suspicious transaction volume share for different payment modes, reporting entity variation, major Source of alert identification, linked predicate offence and economic profile of people involved in gaming/ gambling activity. The study also focused on regional share and variation, gender and age group patterns.
- Analysis of Banking sector risk assessment across 4 different themes - payment systems, MTSS, Mule Accounts and Cooperative Banks. The study covered transaction volume and type variation, RE category wise transaction modes used, geographical and demographic spread and predicate offence linkages.
- Risk prioritization of Individuals from STR database – The study aims for risk prioritization of individuals based on the number of distinct STRs it is linked to, number of distinct REs which have filed those STRs, source of alerts, nature of predicate offences reported in linked STRs, and linked CTR, CBWTR, NTR count and volume.

4.3.5 Compliance Action by FIU-India

During the current year, FIU-India took compliance action on many reporting entities including imposition of

monetary penalties on an RE i.e. Union Bank of India, for non-compliance with its obligation as reporting entities, amounting to Rs.37 Lakhs.

4.3.6 Impact Assessment: LEA's Action on the basis of intelligence shared by the FIU-India

LEAs have taken a number of actions and booked various cases on the basis of actionable intelligence shared by the FIU-India in the form of Operational Analysis, Tactical Analysis, Strategic Analysis and STRs. Three individuals were arrested by Cyber-crime wing of Andhra Pradesh Police for allegedly producing and transmitting adult content through banned pornographic websites. Search done by an LEA in Kerala on One Trust & its NRI Chairman in a case involving receipt of Rs. 220 Crore foreign contribution without FCRA registration and investing in agricultural properties in violation of provisions of FEMA, 1999.

Action by an LEA in respect of a set of Indian persons and individuals involved in crypto currency/ Virtual Digital Asset (VDA) transactions pertaining to an ongoing investigation with respect to seizure of 108 kg FO gold bars smuggled through Indo-China Border.

4.3.7 Implementation of the Right to Information Act, 2005. Implementation of the Right to Information Act, 2005, Number of RTI applications received, disposed of and denied during the period from 01/04/2025 to 30/11/2025

Received	Disposed Off		Remarks
	Transferred	Denied	
131	04	0	Information provided for 119 RTI request received & 08 applications respectively are pending for disposal.

Note: FIU-IND has been included in the Second Schedule of Right to Information Act, 2005 vide Department of Personnel & Training notification dated 28.09.2005 and therefore under Section 24(1) of the Right to Information Act, 2005, is exempt from the operation of this Act, except for the information pertaining to the allegation of corruption and human right violation.

4.4 Economic Security (ES)

4.4.1 Economic Security Cell deals in coordination work relating to investigation and enforcement agencies, it deals in implementation of recommendations made by the Group of Ministers/various Committees etc. relating to economic security matters, matters relating to foreign organizations such as Asia/Pacific Group on Money Laundering, EGMONT Group etc. It also deals in administration/amendments of Prevention of Money

Laundering Act. In addition, the organizations shown below are administratively controlled by E.S. Cell:

- Adjudicating Authority under the Prevention of Money-laundering Act.
- Financial Intelligence Unit-India.

4.4.2 Prevention of Money Laundering Act (PMLA) was enacted on 17th January, 2003 and brought into force on 1st July 2005. The object of this Act is to prevent money laundering and to provide for confiscation of property derived from, or involved in, money - laundering and for matters connected therewith or incidental thereto. Two main objectives of the Act are:

- Criminalize money laundering and provide for attachment, seizure and confiscation of property

involved in money laundering [Implemented by Enforcement Directorate]; and

- Prescribe obligations on banks, financial Institutions and intermediaries relating to KYC, record keeping and furnishing reports [Implemented by Financial Intelligence Unit-India (FIU-IND)].

4.5 Financial Action Task Force

- Financial Action Task Force (FATF) is an independent inter-governmental body having 39 members (37 jurisdictions and 2 organizations) established by its member jurisdictions for effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing, combating financing or proliferation of weapons of mass destruction in countries across the world. India became a member of FATF in 2010. India is also a member of two FATF Style Regional Bodies (FSRBs) -Asia Pacific Group (APG) and Eurasian Group the combating Money laundering and Financing of Terrorism (EAG).
- The core work of FATF is to conduct Mutual Evaluation of its Members and to guide and assist FSRBs to conduct Mutual evaluation of their respective member jurisdictions. The last round of Mutual Evaluation of India begun in May 2023 based on the revised standards of FATF (40 recommendations and 11 Immediate outcomes) and the same has been completed in June, 2024. In its last Mutual Evaluation, India has achieved a high-level of technical compliance across the FATF Recommendations and has taken significant steps to implement measures to tackle illicit finance. The Mutual Evaluation Report of India, which was adopted in the FATF plenary held in Singapore between June 26th and June 28th, 2024, places India in the 'regular follow-up' category, a distinction shared by only four other G20 countries. This marks a significant milestone in the nation's efforts to combat money laundering (ML) and terrorist financing (TF).
- The Mutual Evaluation is very comprehensive and intense exercise and evaluates the anti-money laundering and combating terror financing (AML/ CFT) abilities of a country's financial sector.
- FATF Cell was constituted in DoR in 2017 vide GOI Gazette Notification dated 9th Nov, 2017.
- Coordination or work related to FATF Secretariat is the main function of FATF Cell. As part of this, FATF coordinates with other key agencies such

as ED, FIU-IND, RBI, SEBI, IRDAI, MHA, NIA, MEA, MCA etc.

- The Cell receives, circulates and discusses various documents/ proposals related to FATF, APG, EAG with all the concerned stakeholders within the country and comments of India are sent on these issues, keeping national interests in view.
- The FATF cell also handles nominations of Indian delegation to the Plenaries and other important meetings of FATF, APG and EAG. Officers from the key agencies along with officers from FATF Cell participate in these meetings and the delegation takes part in the multilateral discussions on various issues.
- Currently, FATF Cell is providing technical assistance to several countries to support their preparations for Mutual Evaluations under the FATF framework. In this context, technical assistance was extended to Sri Lanka in relation to its forthcoming FATF Mutual Evaluation.
- An important part of FATF mutual evaluation is to conduct National Risk Assessment where risk of various sectors of the economy like Banking, Insurance, Capital Markets, Designated Non-Financial Business and Profession sectors etc., are assessed periodically. FATF Cell, DoR functions as the coordinator for conducting India's/TF NRA. Currently, the FATF Cell is coordinating the work related to National Risk Assessment 2025.
- An Inter- Ministerial Coordination Committee has been constituted under the Chairpersonship of Revenue Secretary under Sec.72A of PMLA with the mandate of macro-level policy decision making on AML/CFT matters, operational co-operation between the Government, law enforcement agencies, the Financial Intelligence Unit-India and the regulators or supervisors, and supervision of National Risk Assessment (NRA). FATF Cell works as the Secretariat to the IMCC.
- An AML/ CFT Joint Working Group under the Chairmanship of Additional Secretary (Revenue) has been created for enhancing operational co-ordination among all stakeholders.
- FATF Cell is also part of the core group constituted by Department of Personnel and Training to work on G20 Anti-Corruption Working Group (ACWG) and is working closely with all stakeholders on the Action plan for 2022-24 which covers the year of 2023, India's presidency of G 20. FATF

Cell provides regular inputs for the Finance Track of G 20 coordinated by DEA, BRICS AML/CFT meetings, RIC meetings, CT Dialogues, to UN on Terrorist Financing related Targeted Financial Sanction and meetings of other multilateral economic bodies.

- xiii. During the year 2025, FATF Cell, Department of Revenue worked closely with financial sector supervisors and regulators in order to improve the existing AML/CFT infrastructure, and meetings were held to improve our compliance with FATF standards. FATF cell worked was instrumental in bringing Virtual Asset Service Providers (VASPs), Company Secretaries, Chartered Accountants, and Trust & Company Service Providers under the ambit of AML/CFT supervision, and for their notification as reporting entities for FIU-IND. FATF Cell coordinated with all relevant organisations to develop and release the National AML/CFT Policy. Officers from FATF Cell attend FCORD meetings for coordination on Counter Financing of Terrorism (CFT), as well as CT dialogue.
- xiv. The Plenary and Working Group meetings of FATF, EAG, APG are now being conducted in physical format and Indian delegation has been attending the same. The February 2025 FATF Plenary was held in Paris, France and was attended by an eleven (11) member delegation from India whereas the June, 2025 Plenary was held in Strasbourg and was attended by 10-member delegation comprising officer from different ministries/agencies. The October 2025 FATF plenary was held in Paris and was attended by 8 (eight) member delegation from India.
- xv. The FATF Cell, Department of Revenue hosted Joint Assessor Training, 2025 (7-11 April) in New Delhi and the same was attended by delegates from FATF/EAG/APG member countries.

The FATF Cell also hosted 2-day capacity building programme for central asian countries (21-22 April) in New Delhi.

4.6 Narcotics Control (NC)

4.6.1 The Narcotics Control Division administers the Narcotic Drugs and Psychotropic Substances Act, 1985 (61 of 1985), which prohibits, except for medical and scientific purposes, the manufacture, production, possession, sale, purchase, transport, warehouse, use, consumption, import inter-State, export inter-State, import into India, export from India or transshipment of narcotic drugs and psychotropic substances. The policy of the Governments has thus been to promote use of narcotic Drugs and psychotropic substances for medical and

scientific purposes while preventing their diversion from licit sources, and prohibiting illicit traffic and abuse. The Narcotic Drugs and Psychotropic Substances Act divide the powers and responsibility of regulation of licit activities. Section 9 of the Act has listed various activities which the Central Government can, by rules, regulate while Section 10 lists various activities which the State Governments can, by rules, regulate. Accordingly, Narcotic Drugs and Psychotropic Substances Rules, 1985 have been framed by the Central Government, which regulates cultivation of opium, manufacture, import/export of narcotic drugs and psychotropic substances. Further to prevent diversion of precursor chemicals, of wide industrial use, for illicit manufacturing of, narcotic drugs and psychotropic substances, administrative supervision & coordination for the Narcotic Drugs and Psychotropic Substances (Regulations of Controlled Substances) Order, 2013 has been framed under Section 9A of the NDPS Act. The aforesaid provisions of NDPS Act, 1985, inter-alia are implemented through to subordinate offices namely (i) Central Bureau of Narcotics (CBN) and (ii) Chief Controller of Factories, Government Opium and Alkaloids Factories (GOAF).

4.6.2 FUNCTIONS/ WORKING OF THE CENTRAL BUREAU OF NARCOTICS

The Narcotics Commissioner is administrative head of the Central Bureau of Narcotics (CBN) with its headquarters situated at Gwalior. The CBN excises control and supervision over poppy cultivation, which is presently undertaken in selected notified areas of the three states of Madhya Pradesh, Uttar Pradesh & Rajasthan. Additionally, licenses are issued to research institutes for carrying out research only in notified areas of State of Uttarakhand. In addition to the work relating to licensing of opium poppy cultivation, measurement and test measurement of fields and procurement of opium and poppy straw from which no juice is extracted, the CBN also undertakes preventive checks and exercises vigil to prevent diversion of opium into illicit channels as well as enforcement of Narcotic Drugs & Psychotropic Substances Act, 1985.

- i. Survey, detection and eradication of illicit cultivation of opium poppy throughout the country.
- ii. Enforcement of provisions of the NDPS Act 1985 to suppress illicit trafficking of Narcotic Drugs, Psychotropic Substances and Controlled Substances including search, seizure, arrest, detentions, disposal, investigation and prosecution of drug offenders, tracking and freezing of illegally acquired properties of drug traffickers derived from illicit drug trafficking for forfeiture and confiscation.

- iii. Issuance of licenses to domestic manufacturers for manufacture of synthetic Narcotics Drugs notified under the NDPS Act 1985.
- iv. Performing the functions of Competent National Authority (CNA) for international Trade for issuance of Export Authorizations and Import Certificate for Export/Import of Narcotic Drugs & Psychotropic Substances and issuance of 'No Objection Certificate' for import/export of precursor chemicals under the 1961, 1971 and 1988 UN Conventions, dealing with Narcotic Drugs, Psychotropic substances and chemicals/substances used for manufacture of these drugs.
- v. 1988 Convention requires CNA of the countries to take all possible measures to prevent diversion from international trade of precursor chemicals used in illicit manufacture of Narcotics Drugs and Psychotropic Substances in close cooperation with INCB and competent authorities of concerned countries.
- vi. Liaison with the International Narcotics Control Board (INCB), United Nations office on Drugs and Crime (UNODC) as well as with the Competent National Authorities of other countries on issues related to international trade in narcotic drugs, Psychotropic substances and precursor chemicals.
- vii. Co-ordination with other Drug Law Enforcement Agencies such as Directorate of Revenue Intelligence, Customs, Narcotics Control Bureau, State Police, State Excise, State FDAs and various other drug law enforcement agencies.

4.6.2.1 Performance and Achievements: - The performance / achievement with respect to issuance of NOCs issued by the Central Bureau of Narcotics during the year 2025-26 for export/import of precursor Chemicals is as under:-

No. of NOC issued	From 01.04.2025 to 30.11.2025	From 01.12.2025 to 31.03.2026 (projected)
For export of controlled substance	1551	750
For Import of controlled substance	1041	390
Total	2592	1140
No of Pre-export Notification (PEN) sent to CAN	1363	1140
Number of Stop Shipment/suspended (Export)	40	NA

International Narcotics Control Board (INCB) provides online Pre-Export Notification (PEN) system for exchange of information between the Competent National Authorities which is utilised by CBN. CBN has issued 1363 PEN (during the period from 01.04.2025 to 31.11.2025) to the competent authority of various importing countries, for verifying the legitimacy of the transactions. On the initiative taken by Central Bureau of Narcotics, through online PEN system, CBN has identified and stopped

suspicious transactions of Precursor Chemicals suspected to be diverted from the licit channels during the year under report.

The performance/ achievement with respect to issuance of Export authorization and Import Certificate issued by Central Bureau of Narcotics during the year 01.04.2025 to 31.10.2025 for export/import of Narcotic drugs / Psychotropic substance is as under: -

	Psychotropic Substances		Narcotics Drugs	
	From 01.04.2025 to 30.11.2025	From 01.12.2025 to 31.03.2026 (projected)	From 01.04.2025 to 30.11.2025	From 01.12.2025 to 31.03.2026 (projected)
No. of Export authorization issued	4521	2179	325	115
No. of Import Certificate issued	662	331	124	30
Total	5183	2510	449	145

The performance/achievement with respect to Quota allocation of narcotics drugs to various pharmaceuticals

companies by Central Bureau of Narcotics during the year 01.04.2025 to 30.11.2025 of Natural Narcotics

Drugs (ND)/ Synthetic Narcotics Drugs (SD) is as under:-

Quota Allocation Details	2025 (from 01.04.2025 to 30.11.2025)	Projections from (01.12.2025 to 31.03.2026)
Quota Allocation of Natural Narcotics Drugs (ND) certificates issued	266	201
Quota Allocation of Synthetics Narcotics Drugs (ND) certificates issued	59	37
Total	325	238

4.6.2.2 Enforcement of NDPS Act, 1985-

The Central Bureau of Narcotics undertakes action to prevent the illicit trafficking of Narcotic Drugs and Psychotropic Substances. It also undertakes investigations and prosecution of drug related offences,

tracing and freezing of illegally acquired property of drug traffickers, derived from illicit drug trafficking, for forfeiture and confiscation.

Details of Destruction of illicit Opium Poppy Cultivation and Cannabis during April 2025 to November 2025 are as under:-

Year	State	Area Destroyed (In Hectare)
2025-26	Himachal Pradesh	1763 (cannabis)
2025-26	Uttarakhand	1383 (Opium Poppy)
Total		3146

Seizure effected by CBN during April 2025 to 30 November 2025.

Sr. No.	Narcotics Drugs and Psychotropic Substances/Precursor	No. of Cases	Quantity
1.	Poppy Straw	93	176865.97 kg
2.	Heroin	05	0.922 kg
3.	Cannabis	12	577.311 kg
4.	Charas	01	2.574 kg
5.	Tramadol Tab/Cap/Inj.	07	1291558 Cap
6.	Opium	44	2304.023 kg
7.	Alprazolam tab/Powder	10	2722169 Tab
8.	Chlordiazepoxide Tab	*	290 Tab
9.	Clonazepam Tab	01	1835 Tab
10.	Lorazepam	*	136800 Tab
11.	Nitrazepam Tab	01	268 Tab
12.	Ketamine	01	81800 Ampules
13.	Buprenorphine	01	16675 Ampules
14.	Codeine Phosphate syp/Tab	01	103336 Bottles
15.	Pentazocine Inj.	*	74398 Inj.
16.	MDMA Pills/Crystal	04	2.800 kg
17.	Suspected Psychotropic Powder	01	10.078 kg
18.	M.D. Powder	04	0.949 kg

Sr. No.	Narcotics Drugs and Psychotropic Substances/Precursor	No. of Cases	Quantity
19.	Psychotropic medicines	*	230720 Tab
20.	Zolpidem Tab	*	120 Tab
21.	Methamphetamine	01	0.200 kg
22.	Mephedrone	11	5.098 kg
23.	Tapentadol Tab	*	12000 Tab

Disposal of Seized drug by CBN during the year 2025 (Upto 30.11.2025):-

Opium	169.974 kg
Heroin	0.712 kg
Poppy husk	44624.86 kg
Mephedrone	3.32kg
Acetic Anhydride	0.800 kgs
Nitrazepam	89 Tab
Poppy Plant	2045
Tramadol	46912 Tab + 400 Inj.
Alprazolam	9.9 kg
Morphine Tablet	0.690 kg
Methamphetamine	1.064 kg
Ganja/Cannabis	1227.69 kg
Charas	2.527 kg

4.6.2.3 Gender Issues/ Empowerment of Women:

Complaint Committee regarding “Sexual Harassment” of women at work place created and working at Hqrs. Gwalior and unit offices and submission of quarterly report to DGHRD on action taken on complaints under the Sexual Harassment of women at work place (Preventive, Prohibition and Redressal Act, 2013).

4.6.2.4 E-Governance Activities.

Take another leap towards transforming India into digital India Unified Web Portal of CBN was launched with URL (<http://www.cbnonline.gov.in>) Unified Portal is working as one stop solution for all license related work with Central Bureau of Narcotics.

4.6.2.5 Right to information Act, 2005

The application received under RTI section are dealt with the RTI Act and are disposed off in the time limit. Detailed functions and various aspects of the work done by the Department are also available on CBN website <http://www.cbn.nic.in>

4.6.2.6 Total 55472 cultivators were licensed during the year 2024-25 for production of Gum opium 54344 cultivators tendered Gum opium during crop year 2024-25 and a quantity of 346 Metric Tons of opium at 70

consistence (provisional figure) was produced from opium cultivators. The average yield (kg/hectare) at 70 consistence on the basis of results received from Madhya Pradesh, Rajasthan and Uttar Pradesh units for the crop year 2024-25 is 64.70 kg/hectare (provisional).

Production of Unlanced Poppy Straw(UPS):- Total 42830 cultivators were issued license in crop year 2024-25 for production of Unlanced Poppy Straw cultivation and 41788 cultivators tendered a total quantity of 3838 MT of UPS in crop year 2024-25.

4.6.2.7 Other highlights of performance and achievements during the year 2025-26.

i. GEM Purchase

Purchase of items for the official purpose is made through GEM portal. The dead stock items, perishable items are purchased through GEM portal. The upcoming purchase/ services of the articles will also be made through the GEM portal mostly.

ii. World Drug Day, 26th June, 2025 by Central Bureau of Narcotics:-

Every year 26th June is observed as “International day against drug abuse and trafficking” in order

to raise awareness for the drug menace in the society and seeking people's participation to deal with this problem. Central Bureau of Narcotics organized several activities like placing Banners on prominent public places, bike rally for awareness, use of electronic media such as awareness camping through FM radio, easy and slogan writing and Tree plantation in the official campus.

iii. Programme organized by Hindi section of central Bureau of/ Narcotics: -

During the year 2025-26, Hindi Fortnight was organized in the Hindi section from September 14, 2025 to September 30, 2025, and various competitions were held. The winning participants were awarded on June 30, 2025, as an encouragement.

4.6.3 FUNCTIONS /WORKING OF GOVERNMENT OPIUM AND ALKAOLIDS WORKS (GOAW)

The Government Opium & Alkaloid Factories (GOAF) is engaged in the processing of raw opium for export and manufacturing of opiate alkaloids through its two Factories viz Govt. Opium & Alkaloid Works (GOAW) at Ghazipur (U.P.) and Neemuch (M.P.). The Products manufactured at GOAWs are mainly used by pharmaceutical industry of India for Preparation of cough syrup, pain relievers, de-addiction drugs and tablets for terminally ill cancer and HIV patients. The GOAWs are administered by a High-Powered Body

called the "Committee of Management" constituted and notified by the Government of India in 1970. The Additional Secretary (Revenue), Department of Revenue, Ministry of Finance is the Chairman of the Committee of Management. An officer of the rank of Commissioner/ Joint Secretary is the Chief Controller of Factories who heads the Organization and each of the two factories at Neemuch and Ghazipur are managed by a General Manager of the rank of Additional Commissioner/Director. The office of the Chief Controller of Factories is located at New Delhi. Each of the factories at Ghazipur and Neemuch comprises two units – the Opium Factory and Alkaloid Works. The Opium Factories undertake the work of receipt of opium from the fields, their storage and processing for exports and domestic consumption. The Alkaloid Works are engaged in processing raw opium into alkaloids of pharmacopeial grades to meet the domestic demand of the pharmaceutical industry.

The GOAWs have employed a total work force of about 341 people including the two opium and alkaloid plants viz GOAW, Neemuch and GOAW, Ghazipur. The work force comprises of officials and staff drawn from the Central Board of Indirect Taxes and Customs, Central Bureau of Narcotics, Central Revenues Control Laboratory, apart from personnel selected by the Union Public Services Commission directly. The security aspects of these factories are looked after by the Central Industrial Security Force (CISF), a paramilitary force under the Ministry of Home Affairs.

4.6.3.1 PERFORMANCE OF GOAF FOR THE FINANCIAL YEAR 2025-26

Sl. No.	Particulars	Unit	Actual Production April 2025 to November 2025	Estimated Production from December, 2025 to March 2026
A	PRODUCTION			
1	a) Morphine Sulphate	KG.	1363.200	1000
	b) Codeine Phosphate (IP)	KG.	7778.000	17250
	c) Pure Thebaine	KG.	1193.500	661
	d) Noscapine BP	KG.	13406.000	9000
	e) Papaverine S.R.	KG.	3494.200	1660
	f) IMO Powder	KG.	12100.000	6050
	g) IMO Cake	KG.	2586.000	1293
	Total (1) (a to g)	KG.	41920.900	36914

*09 Superintendents promoted to Assistant Commissioner (In – situ basis)

01 Administrative Officer promoted to Chief Accounts Officer (In – situ basis)

Sl. No.	Particulars	Actual Sales April 2025 to November 2025	Estimated Sales from December, 2025 to March 2026
		Quantity (in Kgs.)	Quantity (in Kgs.)
B	Sales		
1	a) Morphine Sulphate	685.016	1600
	b) Codeine Phosphate (IP)	17588.446	16228
	c) Pure Thebaine	1250.030	723
	d) Noscapine BP	12882.000	7250
	e) Papaverine S.R.	3725.000	3725
	f) IMO Powder (Domestic sales + export)	12661.705	12461
	g) IMO Cake (Domestic sales + export)	3686.715	3686
	h) RIO (Export)	428.000	10120

C. (a) COUNTRY WISE EXPORT OF OPIUM AT 90°C (excluding domestic sales of IMO Powder & Cake) FOR THE FINANCIAL YEAR 2025-26 (Up to November 2025)

(Quantity in Kgs)

Sr. No.	Unit	USA	France	Switzerland	Total
1	GOAF	428.086	4000.000	380.000	4808.086

(b) ESTIMATE COUNTRY WISE EXPORT OF OPIUM AT 90°C (excluding domestic sales of IMO Powder & Cake) FOR THE FINANCIAL YEAR 2025-26 (From December 2025 to March 2026)

(Quantity in Kgs)

Sr. No.	Unit	France	Total
1	GOAF	4000	4000

D. (a) REVENUE RECEIPTS (ON REALISATION BASIS) FOR THE FINANCIAL YEAR 2025-26 (Up to November 2025)

(Rs. In crore)

Sr. No.	Unit	Opium Factory	Alkaloid Works	Total
1	GOAF	0.53	147.22	147.76

(b) ESTIMATE REVENUE RECEIPTS (ON REALISATION BASIS) FOR THE FINANCIAL YEAR 2025-26 (From December 2025 to March 2026)

(Rs. In crore)

Sr. No.	Unit	Opium Factory	Alkaloid Works	Total
1	GOAF	6.94	104.44	111.38

II. ACHIEVEMENT OF CCF ORGANISATION UP TO THE MONTH OF NOVEMBER 2025 WITH COMPARATIVE DATA OF PREVIOUS YEAR i.e., 2024 FOR THE SIMILAR PERIOD

Sl. No.	Particulars	Unit	Actual Production April to November	
			2024-25	2025-26
(1)	(2)	(3)	(4)	(5)
A.	PRODUCTION			
1	Manufacture of Drugs:			
	a) Morphine Sulphate	KG.	266.800	1363.200
	b) Codeine Phosphate	KG.	22393.500	7778.000
	c) Pure Thebaine	KG.	856.850	1193.500
	d) Noscapine BP	KG.	633	13406.000
	e) Papaverine S.R.	KG.	1923.870	3494.200
	f) IMO Powder	KG.	9800.000	12100.000
	g) IMO Cake	KG.	0	2586.000
	Total (1) (a+g)	KG.	35874.020	41920.900

B.	Sales		
Sl. No.	Particulars	2024-25 April to November	2025-26 April to November
		Quantity (kgs)	Quantity (kgs)
(1)	(2)	(3)	(4)
1	Domestic Sale of Drugs: (on actual basis)		
	a) Morphine Sulphate	300.010	685.016
	b) Codeine Phosphate (indigenous & exported)	18755.751	17588.446
	c) Pure Thebaine	770	1250.030
	d) Noscapine BP	2878.500	12882.000
	e) Papaverine S.R.	1800	3725.000
	f) IMO Powder (domestic sale + export)	7503.500	12661.705
	g) IMO Cake (domestic sale + export)	3484.721	3686.715

C. COMPARATIVE COUNTRY WISE EXPORT OF OPIUM AT 90°C (Up to November of each Financial Year)
(Qty. in Kgs. at 90°C)

Unit	USA	FRANCE	SWITZERLAND	SRI LANKA	TOTAL
2024-25					
GOAF	68.17	2000	668	130	2866.17
2025-26					
GOAF	428.086	4000	380	0	4808.086

- Digitization in Opium receiving, sampling and testing: -OCTA (Opium Container Tracking Application) is QR code based, Blockchain protected application introduced

by this organization to ensure transparency & efficiency in receiving, sampling & testing of opium gum. Using this application this year, report of the samples received from

53,349 farmers was submitted in less than 20 days.

- Scheduled maintenance by way of shut down has been completed & opium charging capacity has increased and stabilized to 300 MT per year (25 MT per month), doubling the previous capacity of 150 MT per year. This expansion significantly enhances our overall production capabilities.
- The CPS policy implementation is being done through PPP model with M/s Sunlite Alkaloids Private Limited, Neemuch, Madhya Pradesh.
- M/s Bajaj Healthcare Ltd, Vadodara, Gujarat, shall process at least 500 MT of opium poppy capsule along with straw through Concentrate of Poppy Straw (CPS) Method per year.
- GOAW, Neemuch has attained WHO-GMP certification with effective from 17.03.2025.

4.6.3.2 CCF organization does not implement and govern any scheme for public services.

4.6.3.3 Regular monitoring of work is done by management through weekly meetings with Section In- charges and regular meetings with Headquarters are done to increase efficiency.

4.6.3.4 Activities Undertaken for Disability Sector & SCs/STs & Other Weaker Sections of Society: Person with disabilities are posted in this organization and all welfare measures are extended to them. The weaker sections of society including SC/ST are being given the opportunities and timely benefits are given as per Govt. norms.

4.6.3.5 Gender Budgeting/Empowerment of Women: An Internal complaint committee has been formed to address the complaints of harassment of women at work place and it is functioning smoothly.

4.6.3.6 E-Governance Activities;

- i. Purchases and award of contracts are being done through E-tendering and GeM except for items of urgency and which are not available on GeM.
- ii. OCTA is an e-governance initiative done by this office in which receiving, sampling & testing process of opium gum is done by QR code and Blockchain based application increasing transparency and efficiency.

4.6.3.7 Implementation of the Right to Information Act, 2005: CPIO, APIO and 1st appellate Authority

have already been appointed and they are functioning effectively to facilitate timely disposal of RTI application.

4.6.3.8 All rules and policies laid down for benefit of persons with disabilities are being followed. The CCF organization does not govern and implement any scheme.

4.7 Central Economic Intelligence Bureau (CEIB)

The Central Economic Intelligence Bureau is the nodal agency on economic intelligence. It was set up in 1985 for coordinating and strengthening the economic intelligence and enforcement activities under the Ministry of Finance.

The Bureau is headed by a Director General who is assisted by two Additional Director Generals (JS Equivalent), Joint Secretary (COFEPOSA), Additional / Joint Directors (DS/Director equivalent), Under Secretaries, Deputy Directors (US equivalent) and other staff. The Bureau has a sanctioned strength of 116 officers & staff.

4.7.2 MAIN FUNCTIONS OF CEIB

4.7.2.1 In terms of its existing charter, the CEIB functions as:

- a) The Secretariat for the Economic Intelligence Council (EIC)
- b) Coordination between various agencies for coordinating action and repository of economic intelligence (ECOINT) and
- c) Administers the COFEPOSA Act 1974 at Central Government Level.

4.7.2.2 As part of its earlier mandate, the CEIB

- (a) Maintains databases on economic offenders and offences
- (b) Studies and analyses macro level economic activities;
- (c) Supervises and monitors the functioning of Regional Economic Intelligence Councils (REICs) which are coordinating bodies at the field level and comprise representatives from various Central and State enforcement and investigative agencies dealing with economic offences;
- (d) Organizes training programmes in premier training institutions for officers of the Department of Revenue/ Member agencies of REICs.

4.7.2.3 In terms of its existing revised charter dated 12.12.2003 issued by Department of Revenue (HQ), the CEIB carries out the following functions:

- (a) The Secretariat for the Economic Intelligence Council (EIC);

- (b) Coordination between various agencies for coordinated action;
- (c) Repository of economic intelligence (ECOINT);
- (d) Administers the COFEPOSA Act 1974 at Central Government Level;
- (e) Ensures prompt dissemination of intelligence having security implications among the NSCS, IB & R&AW;
- (f) Coordinates the functioning of Regional Economic Intelligence Councils (REICs);
- (g) Coordination with Multi Agency Centre (MAC);
- (h) Organizes meetings of Working Group under the Chairmanship of Revenue Secretary at prescribed intervals and submits a report to the Chairman of the EIC after every meeting;
- (i) Acts as a 'think tank' for the Department of Revenue, Ministry of Finance on all issues relating to economic offences, and undertakes analysis of economic activities at the macro level.

4.7.2.4 National Economic Offence Records (NEOR):

National Economic Offence Records (NEOR) application of the Central Economic Intelligence Bureau has been developed as a secure web-based platform to enable information sharing and multi-agency coordination among Law Enforcement Agencies (LEAs) for prevention and mitigation of economic offences. It is designed to enable real-time data sharing, antecedent verification, and 360-degree profiling of economic offenders across Law Enforcement Agencies (LEAs).

The application is designed and developed to evolve into a comprehensive repository of economic offence data with advanced analytical capabilities by leveraging API-based data extraction from external databases, thereby streamlining data retrieval, reducing manual data entry, and enhancing overall system efficiency. The process of API integration with LEAs has been initiated and the same is currently under progress.

The application has been successfully deployed on HCI infrastructure at LNDC, Delhi, and made accessible on NIC-NET after completion of software security audit, DNS registration, and remediation of identified vulnerabilities.

As a part of onboarding process, a one-day master trainers and administrators training programme on the application was conducted at CEIB, covering key modules such as case management, advanced search, analytics, MIS, and user administration. Officers from

multiple LEAs including CBDT, CBIC, ED, SEBI, SFIO, NIA, DGFT and others participated, ensuring operational readiness for go-live.

4.7.2.5 IMPLEMENTATION OF THE CONSERVATION OF FOREIGN EXCHANGE AND PREVENTION OF SMUGGLING ACTIVITIES (COFEPOSA) Act, 1974.

Conservation of foreign exchange and prevention of smuggling activities is of prime importance for the economic health and national security of a Nation. Accordingly, the links which facilitate the violations of foreign exchange regulations and smuggling activities are required to immobilizes by detention of persons engaged in these operations as the smuggling, foreign exchange racketeering and related activities have a deleterious effect on the national economy and thereby causing a serious adverse effect on the security of the state.

To deal with this menace, the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (COFEPOSA Act, 1974) has been enacted to provide for preventive detention law to detain smugglers and foreign exchange manipulators from indulging in these prejudicial activities.

The COFEPOSA Wing of Department of Revenue is entrusted with the task of effective implementation of the COFEPOSA Act, 1974. This wing is functioning under the administrative control of Central Economic Intelligence Bureau (CEIB).

During the year 2025-26, preventive detention orders against 29 persons (from 01.04.2025 to 30.11.2025) were passed under the COFEPOSA Act, 1974 which got executed (including the orders of previous years) before 30.11.2025. Further, 03 Detention Orders were confirmed by the Central Government on the basis of the pinion of Advisory Boards constituted under the COFEPOSA Act, 1974.

4.7.2.6 Administration in CEIB.

Administration Wing is responsible for personnel and office/general administration, preparation of BE/RE, implementation of the RTI Act 2005, redressal of public grievances etc. The Administration Wing is headed by Additional Director General (Admn.) who is assisted by one Additional Director and two Under Secretaries. The Additional Director General (Admn.) is responsible for administration of the affairs of the Bureau and exercises his powers under the direction and guidance of the Director General, CEIB. The Sanctioned strength & incumbency position of the officers/staff in the Bureau are depicted below:

INCUMBENCY POSITION

Central Economic Intelligence Bureau: Staff Strength as on 14.1.2026

Sl. No.	Designation	Pay Level	Sanctioned Strength	Present Strength	Vacancy
1	DG (Group-A)	Level-15-17	1	1	-
2	JS(Cofeposa) (Group-A)	Level-14	1	-	1
3	Addl. Director General(Group-A)	Level-14	2	2	-
4	Addl. Director/Jt.Dir. (Group-A)	Level-13/12	5	5	-
5.	Director/D.S.(CSS) (Group-A)	Level-13/12	3	3	-
6.	US(Group-A)	Level-11	4	2	2
7.	Deputy Director(Group-A)	Level-11	8	1*	7\$
8.	Sr. Stat. GR.-II (Group-A)	Level-09	1	0	1
9.	S.O. (Group-B Gazetted)	Level-8/10	2	2+2=4	-
10.	A.S.O. (Group-B)+UDC	Level-7& Level-6	4+4=8	5	1
11.	Assistant Director(Group-B)	Level-7	20	17	3
12.	PSO/Sr. PPS(Group-A)	Level-12	1	-	1
13.	PPS(Group-A)	Level-11	4	2	2
14.	PS(Group-B Gazetted)	Level-8/10	6	2	4
15.	Steno Gr.-C(Group-B)	Level-7	4	1	3
16.	Steno Gr.-D(Group-C)	Level-6	3	0	3
17.	Investigator(Group-C)	Level-6	2	0	2
18.	LDCs(Group-C)	Level-2	6	0	6
19.	Staff Car Driver(Group-C)	Level-4	5	0	5
20.	MTS(Group-C)	Level-3	30	09	21
Total:-			116	54	62

\$6 Posts of DD have been deemed abolished.

*One DD has been posted by DoR/CBIC on loan basis.

4.7.3 Achievements of the CEIB during the year 2025-26

4.7.3.1 Information Sharing Protocol

Till date 28803 cases have been processed and entered in NEOR database. Also, 7937 cases having multi agency ramifications have been shared with Law Enforcement Agencies under the Information Sharing Protocol.

4.7.3.2 Regional Economic Intelligence Council (REICs)

CEIB is the coordinating agency for 30 Regional Economic Intelligence Council (REICs), which are established across various states. Each REICs conducts bi-monthly meetings in a F.Y. The Designated Members

of the REICs belong to senior officers from various Law Enforcement Agencies which handles the revenue-based offences such as DRI, ED, DGGI, EOW, CBI, Income Tax, Lokayukta, SEBI, State Development Authorities, etc. REIC is a unique platform for LEAs to share revenue-based offences having inter agency ramifications.

Since, April, 2025, 62 REIC meetings have been conducted, wherein officers of CEIB also attended to further strengthen the REIC structure and operations. Also, officers from various departments such as FIU-IND, Telecom Authority, Narcotics Control Bureau were also included in the REIC meetings.

In June, 2025, an all-India REIC online meeting was conducted with more than 200 officers from 30 REICs participated to discuss the REIC operations and NEOR application. In addition, in November, 2025, the hands-on training of the REIC Module in NEOR was conducted at CEIB, wherein officers and officials from 30 REICs visited CEIB for the presentation and training.

4.7.3.3 Training and Development

CEIB in order to increase learning, development and capacity building, organises various training programme and courses for the officer under Dept. of Revenue. Total 10 courses are conducted annually.

These courses are organised in coordination with various training institutes such as National Law University, New Delhi; National Academy of Direct Taxes, Nagpur; National Intelligence Academy, New Delhi; Indian Army, Pune; National Institute of Securities Markets, Navi Mumbai; State Bank Institute of Consumer Banking, Hyderabad; Cabinet Secretariat Training Academy Gurgaon. CEIB also facilitated on job training programme for Assistant Section Officers probationers.

In addition, a new course on Basic Intensive Practical Training courses in 'Digital Investigation and Cyber Forensics' by "Indian Cyber Crime Coordination Centre" (I4C) at NCFL Dwarka, New Delhi, has been started during the F.Y 2025-26. Total 10 batches are organised.

In total approx. 200 officers have been nominated in these training programmes.

4.7.3.4 Book on compilation of study reports prepared by REICs

The book compiling study reports of REICs for the FY 2024-25 was prepared.

4.7.3.5 Global Entry Programme (GEP)

CEIB is designed as nodal agency under the Ministry of Finance, for giving clearance to the GEP applications, a US Customs and Border Protection (CBP) program facilitating expedited clearance for low-risk travellers at US airports. CEIB coordinates with nine law enforcement agencies i.e., ED, DRI, NIA, SEBI, DGGSTI, SFIO, CBDT, CBI and NCB for obtaining feedback/input from these participating agencies. CEIB also performs antecedent checks for each applicant from its own database. During FY 2025-26 (as on 30.01.2026), a total of 11,381 GEP applications were processed.

4.8 STATE TAXES

GST collection has shown an upward growth year on year basis since its implementation. Total gross GST collection during FY 2025-26 (till Nov. 25) is **15.64 lakh crore**, which is **7.39%** higher than the collection for the same period in FY 2024-25. The average monthly gross collection for FY 2025-26 (till Nov. 25) is **₹1.96 lakh crore**, exceeding the **₹1.82 lakh crore** collected in the previous year's corresponding period. GST revenue net of refunds

as of November 2025 for the current fiscal year is **₹13.64 lakh crore** which is a growth of 5.66% over that for the same period last year. Overall, the GST revenue figures demonstrate continued growth momentum and positive performance.

Further, as per the recommendations of the GST Council in its 56th meeting held on 03rd September 2025, the cess on items other than tobacco products has been discontinued w.e.f. 22nd September, 2025. For the specified goods namely, pan masala, gutkha, cigarettes, chewing tobacco products like zarda, unmanufactured tobacco and beedi, cess will continue to apply and the new rates will be implemented at a later date to be notified, based on discharging of entire loan and interest liabilities on account of compensation cess.

4.9 Tax Policy Research Unit (TPRU)

4.9.1 Introduction

The Tax Administration Reform Commission (TARC), in its First Report, identified tax policy and related legislation as areas needing structural reform. It noted that tax policy work was being carried out separately by the two Boards, Central Board of Direct Taxes (CBDT) and the Central Board of Indirect Taxes and Customs (CBIC). This work was handled through their respective Tax Research Unit (TRU) and Tax Policy and Legislation (TPL) wings. As a result, policy proposals reached the Finance Minister through separate channels. This fragmented system reduced consistency, coherence, and the use of multidisciplinary inputs in tax policymaking.

Based on TARC's recommendations, the Tax Policy and Research Unit (TPRU) was established. Its objective was to bring greater coordination, analytical strength, and consistency to tax policy formulation. The unit includes tax administrators, economists, and specialists such as statisticians, tax law experts, operational research professionals, and social researchers. TPRU functions as a research and advisory body supporting the Hon'ble Finance Minister, the Revenue Secretary, and both Boards.

TPRU operates under the Department of Revenue and is currently headed by AS(Revenue). It undertakes rigorous analytical work and prepares strategic policy papers. By bringing together officers from the IRS, IES, and ISS, along with field officers and Research Fellows, the unit bridges institutional gaps between CBDT and CBIC. It also works closely with State Commercial Tax Departments to align national and regional tax perspectives.

Over the years, TPRU has completed major studies that informed key policy and legislative reforms. Its work on TDS simplification proposed a payment-based system with three slab rates using microsimulation

modelling. Its analysis of Transfer Pricing litigation and global practices influenced the 2024–25 reforms, including expanded safe harbour rules and block assessments. To reduce delays in dispute resolution, TPRU also developed a Litigation Management framework with “Call Book” mechanisms and structured appeal categorisation.

4.9.2 Mandate and Objectives

Objectives

TPRU undertakes in-depth studies and provides independent analysis on fiscal and tax policy issues referred by CBDT and CBIC. It prepares and disseminates policy papers, background notes, and comparative studies on emerging tax policy challenges. The unit supports the Tax Policy Council, chaired by the Union Finance Minister, in informed and forward-looking tax policymaking, and facilitates coordination with State Commercial Tax Departments on issues requiring inter-governmental alignment.

Additional Responsibilities

TPRU coordinates India’s Business Ready (B-READY) / Ease of Doing Business (EoDB) initiatives, including engagement with DPIIT, CBDT, CBIC, and the World Bank, and supports tax-related EoDB reforms through analysis and outreach. It serves as the Secretariat to the IGST Settlement Committee and the Compensation Cess Group of Ministers (GoM). The unit also supports India’s FATF Mutual Evaluation process through project management, reviewer coordination, and multi-stakeholder engagement. In addition, TPRU develops advanced tax revenue forecasting and nowcasting tools, including a high-accuracy Dynamic Factor Model for GST.

4.9.3 Key Workstreams

4.9.3.1 Goods and Services Tax (GST)

TPRU undertakes analytical work on GST rate rationalisation, inverted duty structure under GST Next-Generation reforms, and the design of a more trade-friendly E-Way Bill system through risk-based and technology-driven solutions. Studies cover blocked credits and their impact on the VAT chain, special dispensations such as composition and reverse charge mechanisms, and the implications of GST 2.0 for MSMEs and start-ups. The unit propose to develop a **GST Equity Dashboard** to assess Centre–State revenue balance, prepares sector-wise compliance and revenue reports, and evaluates GST compensation and state revenue trends.

4.9.3.2 Direct Taxes

Work in direct taxes includes evaluation of corporate tax models, analysis of profit shifting and digital economy taxation, and impact assessment of DTAA on foreign investment under the DEA–DPIIT Task Force. The unit explores the use of Artificial Intelligence in tax

administration in coordination with NITI Aayog, examines issues arising from the Select Committee Report on the Income-tax Bill, and pursues collaboration with UNU-WIDER on econometric analysis of Indian tax laws. It also supports initiatives on participatory budgeting and develops a convergence framework for Transfer Pricing and Customs Valuation.

4.9.3.3 Customs and Trade

TPRU analyses tariff structures to support industrial competitiveness, aligns customs and trade policies, and evaluates Production-Linked Incentive (PLI) schemes from a tax perspective.

4.9.3.4 Emerging Areas

Emerging areas of work include green taxation and carbon pricing, legal analytics, taxation of the digital and platform economy including crypto-assets, and technology-enabled tools for tax administration such as AI/ML-based compliance support and risk engines.

4.9.4 Work Undertaken during 2025–26

During 2025–26, the Tax Policy and Research Unit (TPRU) played a central role in strengthening evidence-based tax policymaking, enhancing inter-ministerial coordination, and supporting national and international engagements on taxation and regulatory reform. The year marked a significant expansion of TPRU’s analytical, coordination, and outreach functions, particularly in the context of global benchmarking exercises, GST reforms, and institutional capacity building.

A major focus area during the year was India’s engagement with the World Bank’s **Business Ready (B-Ready) Exercise**. TPRU assumed a leadership role in coordinating and advancing India’s position under the B-Ready framework, particularly on taxation-related indicators. The unit’s contributions were formally acknowledged at the Inter-Ministerial Committee chaired by Secretary, DPIIT. Throughout the year, TPRU convened regular Joint Working Group (JWG) meetings with participation from key stakeholders, including CBIC, CBDT, GSTN, the Ministry of Labour and Employment, and DPIIT, ensuring consistent alignment across institutions and timely resolution of technical and policy issues.

In addition to domestic coordination, TPRU facilitated Government-to-Government deliberations with Singapore, Hong Kong, and New Zealand to draw lessons from international best practices. Notably, the unit initiated and coordinated a multi-ministerial delegation to New Zealand, which emerged as one of the strongest performers across domains in the first B-Ready report released in 2024. TPRU also participated in a multi-ministerial delegation to the World Bank Headquarters, where detailed discussions were held on taxation-related

aspects of the B-Ready methodology, indicators, and data validation processes.

Complementing the technical work under B-Ready, TPRU undertook a comprehensive **Perception Management and Outreach Programme**, as mandated under the exercise. This programme was implemented across 20 cities over the course of the year and involved structured engagement with a wide range of stakeholders, including tax professionals, industry representatives, and industry associations. The objective was to understand ground-level perceptions, identify implementation bottlenecks, and align administrative practices with global benchmarks on ease of doing business in taxation. In parallel, TPRU conducted proactive outreach sessions with CBDT and CBIC field formations across the country. These sessions focused on sensitising officers of Customs, GST, and Income Tax formations to the B-Ready framework and the broader objective of improving taxpayer experience without compromising revenue integrity.

On the international research front, TPRU engaged with the **United Nations University World Institute for Development Economics Research (UNU-WIDER)**, Helsinki. A series of online meetings were held to explore potential areas of collaboration, including applied tax policy research, inequality, development finance, and the use of administrative data for policy evaluation. These engagements are expected to lay the groundwork for future joint research initiatives.

During the year, TPRU also contributed to policy analysis on international taxation through its involvement in the **Impact Analysis of Double Taxation Avoidance Agreements (DTAAs)**. The unit prepared analytical inputs as part of a study undertaken under the aegis of the DEA-DPIIT Task Force, focusing on the impact of DTAAs on foreign investment flows. This work involved examining treaty structures, investment patterns, and emerging international tax norms, with a view to informing future treaty negotiations and tax policy design.

The unit's work in **indirect taxation and GST reforms** remained a key pillar of its activities. TPRU undertook multiple analytical studies aimed at improving GST compliance and addressing structural challenges. Research on Online Information and Database Access or Retrieval (OIDAR) services and the import of services resulted in recommendations for definitional clarity and for integrating remittance reporting with income-tax data, thereby strengthening revenue assurance. To address persistent gaps in B2C transactions, TPRU proposed the expanded use of e-invoicing and recommended

the designation of UPI-like payment platforms as GST reporting entities.

In terms of **GST forecasting and institutional support**, TPRU continued to strengthen its analytical capabilities by using a Dynamic Factor Model incorporating high-frequency indicators. In parallel, the unit advanced the development of machine-learning-based forecasting methods to improve the accuracy and timeliness of revenue projections. TPRU also functioned as the Secretariat to the IGST Settlement Committee, providing analytical and logistical support to facilitate informed decision-making.

Other Work Undertaken

In addition to the major initiatives outlined above, TPRU provided a continuous stream of analytical and advisory support to the Ministry throughout the year. This included the preparation of policy notes and concept papers, analytical support during the Budget cycle, research studies and sector-specific taxation assessments, and briefing notes for inter-ministerial groups and committees. The unit also developed data dashboards and statistical reports, prepared rapid-response notes on emerging tax issues, and undertook international comparisons and best-practice reviews. Collectively, these activities supported informed decision-making, strengthened coordination between policy formulation and administrative implementation, and reinforced TPRU's role as a central knowledge and analytical hub within the Department of Revenue.

4.9.5 Future Plans

TPRU will continue to support the Government with clear and evidence-based advice on tax policy. It will help improve the quality of tax proposals in the Union Budget and provide data-based inputs to the GST Council. The unit will also work to improve coordination between direct and indirect tax authorities. A key focus will be on reducing unnecessary compliance burdens and ensuring that tax policies keep pace with new technologies and global practices.

Under the GST Next-Generation Reforms, TPRU will address long-standing issues such as the inverted duty structure and work towards a simpler and more trade-friendly E-Way Bill system using risk-based and technology-driven solutions. It will study the impact of blocked input tax credits and review special schemes like the composition scheme. A new GST Equity Dashboard will be developed to track fairness in revenue sharing between the Centre and States.

TPRU will also study the next phase of GST, especially its impact on small businesses and start-ups. In addition, it will review corporate tax rules, international tax practices, and tax treaties. The unit will promote the

use of new technologies and support transparent and participatory budgeting.

4.9.6 Conclusion

Overall, the work undertaken during 2025–26 reflects TPRU's continued evolution as a central analytical and coordination hub within the Department of Revenue. Through sustained engagement with domestic and international stakeholders, robust empirical analysis, and proactive support to policy and administrative processes, the unit has contributed to strengthening the credibility, coherence, and effectiveness of India's tax policy framework. Going forward, TPRU's focus on next-generation GST reforms, international taxation, technological integration, and evidence-based policymaking will further enhance its role in supporting growth, improving compliance, and ensuring that India's tax system remains efficient, equitable, and aligned with global best practices.

4.10 Competent Authority

4.10.1 The Appellate Tribunal under SAFEMA

4.10.1.1 The Appellate Tribunal has been constituted under the Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976 (SAFEMA). It started functioning w.e.f. 03.01.1977. It hears the appeals filed against the orders of Competent Authority under SAFEM/NDPS Acts, Adjudicating Authority under PMLA, FEMA and Prohibition of Benami Property Transactions Act 1988.

4.10.1.2 The Appellate Tribunal is located at New Delhi. It consists of a Chairman (who is, or has been a Judge of the Supreme Court or Chief Justice of a High Court) and four members. The four members are appointed from among the officers of the Central Government who have held the post of Additional Secretary to the Government of India or any equivalent or higher post and have performed judicial, quasi-judicial or adjudicating function for three years.

4.10.1.3 The appeals and allied petitions under the aforesaid acts are disposed of by the Benches as constituted as the Chairman may deem fit. During the period **01.04.2025 to 30.11.2025**, a total of **2861 Appeals** (1702 in PMLA, 288 in NDPSA, Nil in SAFEMA, 68 in FEMA and 803 in PBPT) were received during the said period. A total of **2642 Appeals** (1712 in PMLA, 118 in NDPSA, 05 in SAFEMA, 152 in FEMA and 655 in PBPT) were disposed of during the said period. Oldest petition pending before Appellate Tribunal were of the year 1986, 1991 etc. However, with proper adjudication and change of the roster & benches, all the appeals filed till 2012 were disposed off except those in which stay on proceedings has been granted or remanded back with directions by the higher forums thereby reducing the average age of the

appeal drastically. Disposal of the appeals in the current year has been highest so far since establishment of the Appellate Tribunal.

4.10.1.4 Further, to provide more ease and flexibility to the appellants & respondents, facility of e-filing has been introduced.

4.10.2 Competent Authority under SAFEMA/NDPSA

4.10.2.1 The Smugglers and Foreign Exchange Manipulators (Forfeiture of Property Act, 1976 (SAFEM(FOP)A), provides for forfeiture of illegally acquired property of the persons convicted under the Sea Customs Act, 1878, the Customs Act, 1962 and the Foreign Exchange Regulation Act, 1947 and Foreign Exchange Regulation Act, 1974 and the persons detained under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974. The Narcotics Drugs and Psychotropic Substances Act, 1985 (NDPSA) provides for tracing, freezing, seizure and forfeiture of illegally acquired property of the persons convicted under that Act or any corresponding law of any foreign country, and those who are detained under the Prevention or Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, 1988 and Jammu and Kashmir Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, 1988.

4.10.2.2 SAFEM(FOP) Act and NDPS Act provide for appointment of Competent Authorities for carrying out forfeiture of illegally acquired properties. At present, the Offices of Competent Authorities are located at Kolkata, Chennai, Delhi, Mumbai and one unit is at Ahmedabad. SAFEM(FOP)A envisages establishment of an appellate forum, namely the Appellate Tribunal to hear the appeals filed against the orders of Competent Authority under SAFEMA/NDPSA Act.

4.10.2.3 As per the latest amendments vide the Finance Act 2021 to the Prohibition of Benami Property Transaction Act, 1988, the Competent Authority appointed under sub-section (1) of section 5 of the Smuggling and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976 is the Adjudicating Authority to exercise jurisdiction, powers and authority conferred by or under PBPT Act, 1988. PBPT Act was enacted to prohibit benami transactions where any person enters into a benami transaction in order to defeat the provisions of any law or to avoid payment of statutory dues or to avoid payment to creditors, the beneficial owners, benamidar and any other person who abets or induces any person to enter into such benami transaction, shall be punishable under the said Act.

4.10.2.4 The details regarding the number of reports received by the Competent Authorities from enforcement agencies, the number of show cause notices issued and the value of the property involved therein, the number of

orders of forfeiture passed and the value of the property involved therein and the value of sale proceeds of the property disposed of, year-wise, from 2000-01 to 2025-26 [up to 30.11.2025] are given below:

FORFEITURE OF ILLEGALLY ACQUIRED PROPERTY UNDER NDPSA AND SAFEM(FOP)A BY COMPETENT AUTHORITIES

Financial Year	Number of reports received from Enforcement Agencies	Number of Notices for Forfeiture issued and value of Property involved		Number of Forfeiture Orders issued and value of Property involved		Value of sale proceeds of Property disposed off (in Rs. Lakhs)
		Number	Value (in Rs. Lakhs)	Number	Value (in Rs. Lakhs)	
1	2	3	4	5	6	7
2000-2001	491	159	2755	103	1662	201
2001-2002	228	89	7223.12	50	3202.39	107
2002-2003	995	72	1269.22	53	2498.60	18
2003-2004	1180	97	1547.75	25	977.01	51.6
2004-2005	1357	162	3251.64	25	650.93	73.67
2005-2006	607	214	10074.59	91	744.60	153.27
2006-2007	514	243	3017.27	112	868.57	2.63
2007-2008	507	210	12784.31	24	551.10	366.97
2008-2009	99	39	2065.88	28	1115.33	121.30
2009-2010	48	21	178.5	20	2153.20	Nil
2010-2011	128	19	1394.06	22	45.57	1123.49
2011-2012	112	17	690.85	22	391.58	191.27
2012-2013	40	13	3091.48	10	101.10	Rs.1294.28 lakhs + US \$3400
2013-2014	61	5	73.55	3	118.73	608.37
2014-2015	54	24	643.908	18	3253.55	166
2015-2016	92	22	1553.81	12	308.93	11.52
2016-2017	45	22	1232.95	19	2.35	778.44 and \$443783.19
2017-2018	40	7	77.92	3	39.47	1641.45
2018-2019	104	28	1243.69	4	94.26	918.93
2019-2020	105	36	7417.96	52	15,606.82	371.89
2020-2021	38	17	3549.17815	1	22500.00	3.70
2021-2022	50	2	25.66	4	42.58	536.7
2022-2023	36	22	1303.24	21	1170.99	554.21
2023-2024	70	20	550.13	13	975.59	937.95
2024-2025	350	36	3112.46	13	405.32	541.15
2025-2026 (01.04.2025 – 30.11.2025)	280	70	1778.19	7	259.57	1084.35

4.11 Customs, Excise & Service Tax Appellate Tribunal (CESTAT)

4.11.1 Functions/ Working of the Organization

4.11.1.1 The Customs, Excise and Service Tax Appellate Tribunal earlier known as Customs Excise & Gold (Control) Appellate Tribunal is a quasi-judicial authority hearing appeals filed against the orders passed by the Commissioners of Customs & Central Excise under the Customs Act, 1962 and Central Excise Act, 1944. Service Tax appeals filed under the Finance Act, 1994

are also decided by the Tribunal. The Tribunal is also having appellate jurisdiction over Anti-Dumping disputes under the Customs Tariff Act and is heard by the Special Bench with the President presiding it. CESTAT also hears appeals under the Central Sales Tax Act.

4.11.1.2 The Principal Bench of the Tribunal is situated at Delhi and the regional benches are situated at Mumbai, Kolkata, Chennai, Bangalore, Ahmedabad, Chandigarh, Allahabad and Hyderabad. Each Bench of the Tribunal consists of a Judicial Member and a Technical Member.

4.11.1.3 The Tribunal is headed by the President who is a retired Judge of a High Court. There are 16 posts of Members (Judicial) and 16 posts of Members (Technical). At present, all the 32 posts of Members are working in full strength.

4.11.1.4 Difference of opinion among the Members in a Bench is resolved by nominating a Third Member and thereafter majority decision is passed. Whenever differing decisions on a single issue is passed by co-ordinate benches of the Tribunal, the matter is referred to a Larger Bench as constituted by President and a decision rendered by the Larger Bench is binding in all Division Benches and subordinate adjudicating authorities.

4.11.1.5 To expedite the disposal of small cases with financial stake upto Rs. 50,00,000/- (Fifty Lakh Rupees), wherein no question of rate of duty or valuation is involved, Single Member Bench is constituted. The Tribunal is also the final appellate authority hearing appeals from the orders of the Commissioner (Appeals). Appeals from the orders passed by the Tribunal are filed before the Hon'ble Supreme Court on classification and valuation issues as they have all India ramifications.

4.11.2 Highlights of the performance and achievements during the year

Despite various constraints including several vacancies of subordinate staff and abolition of posts the appeals are disposed off at consistent pace. A sample statement showing institution and disposal of appeals of the current financial year is given below:

Year	Institutions	Disposal	Total Pendency as on 30.11.2025
April 2025 to November 2025	9578	10842	70850

4.11.3 Online filing of appeals by the department has achieved a milestone with adding of separate dashboard for the respondent and taxpayers to view the status of appeals filed against them. All information are uploaded on the website of the Tribunal proactively to ensure transparency and integrity in administration. All orders including daily orders of the Tribunal are also uploaded besides real time display of item number taken by the Bench which is available both in the website and display boards installed in the Tribunal premise. Online filing of appeals by the tax payers also started from 15.11.2025. By mid 2026 the Tribunal is poised to become paperless with e-court set up already in place. Virtual hearing is also taking place in all benches of the Tribunal regularly.

4.11.4 The whole north eastern region is placed under the jurisdiction of Kolkata Bench. However, the indirect tax litigation from N.E. region is relatively less.

4.11.5 All facilities as required by the Government in respect of weaker sections including differently abled and SC/ST are strictly followed and extended to the eligible candidates/Staff.

4.11.6 All facilities are being extended to female employees of this Tribunal as per O.M. No.13018/4/2009-Estt.(L) dated 08/07/2009 of DOPT. To redress the grievances of women, an internal complaint committee under the chairperson Hon'ble Rachna Gupta, Member (J), CESTAT, has been constituted. So far, no complaint has been received by the committee.

4.11.7 The dynamic website of the Tribunal started in January 2017 has been shut down due to its vulnerability. A new cloud based website using added security features has been developed by NIC which is catering to growing needs of the litigant public. Cause lists are uploaded on weekly basis and Daily orders are uploaded on daily basis. Final orders are uploaded as soon as they are signed by the Members. All information concerning the Tribunal are available as required by DOPT O.M. No. 1/6/2011 dated 15/04/2013. Steps for online filing of appeals by the assessee has been undertaken by the NIC.

4.11.8 The Tribunal is trying to strictly adhere to the provisions of FRBM Act (Fiscal Responsibility & Budget Management Act). All expenditures are limited to the budget allocated for the Tribunal. Whenever a Member is sent on tour, though they are entitled for travel by business class flights, the Members are requested to travel by economy class to which they oblige as part of austerity measures. In spite of escalation in prices of various items/ services and the function of additional benches, the expenditure is restricted to the granted ceiling. Sincere efforts are being done to control the expenditure with financial propriety and reasonableness.

4.11.9 Implementations of the Right to Information Act, 2005

The Public Information Officer and the Appellate Authority have been nominated by the Public Authority in All Benches of the Tribunal, and they are acting in accordance to the provisions of the Right to Information Act, 2005, in dispensing the information. All RTI

applications and orders including orders of the Appellate Authority are uploaded on the website.

4.12 Goods and Services Tax Appellate Tribunal (GSTAT)

The Goods and Services Tax Appellate Tribunal (GSTAT) is the second Appellate Authority under the GST laws and consists of the Principal Bench located in new Delhi, along with 31 State Benches across various locations in India. The web application for filing of appeals in GSTAT has been inaugurated by the Hon'ble Union Finance Minister on 24th September, 2025. The tribunal has thus been operationalised and has been implemented in 100% virtual/e-court mode. Filing of appeals in the portal has already begun. In addition to the above, appointment of Members and initial staff to begin operations has also been completed and similarly, buildings and infrastructure has been finalized at majority of the locations. The hearing of cases has already begun and is being carried out from temporary locations where finalized premises are not completely operational.

4.12.2 The President (Level-18), 50 Judicial Member (Level-17), 29 Technical Member (Centre) (Level-17) and 12 Technical Member (State) (Level-17) have joined.

4.12.3 On the supporting staff side, 192 officers comprising from the level of Upper Division Clerk (Level-4) to Registrar (Level-13) have been appointed on deputation basis. Apart from these, 9 Group 'C' posts have been filled through other mode. Recruitment for the other posts are in process.

4.12.4 On the infrastructure side, the Principal Bench, GSTAT has been functional since 2024. The state benches have been opened on 21st January, 2026 in temporary locations. The following benches have been fully functional viz, Thane, Guwahati, Kolkata and Vijaywada, with the other benches operating from temporary locations. Fully functional offices would be ready by June, 2026.

4.13 National Institute of Public Finance and Policy (NIPFP)

4.13.1 The National Institute of Public Finance and Policy (NIPFP) is a premier research organisation dedicated to high-quality research, policy advocacy and capacity-building in the field of public finance and public policy. Established in 1976 as an autonomous institution under the Societies Registration Act, 1860, the Institute has made significant contributions to policy reforms across all levels of the Government of India. Through its research, advocacy and training initiatives, NIPFP continues to support evidence-based policymaking and strengthen public finance systems.

4.13.2 The Governing Body of the Institute is chaired by an Economist of Eminence and is presently led by Dr. Urjit Patel, former Governor of the Reserve Bank of India. The Government of India is represented on the Governing

Body by the Secretary (Revenue), Secretary (Economic Affairs), and the Chief Economic Adviser, Ministry of Finance.

4.13.3 In addition, the Governing Body includes: One nominee from NITI Aayog, one nominee from the Reserve Bank of India, three nominees from the sponsoring State Governments, one nominee from ICICI Bank, one nominee each from FICCI and ASSOCHAM, three eminent economists, three heads of collaborating research institutions, two members co-opted by the Governing Body, The Director of the Institute (ex officio) and One Professor of the Institute, nominated by rotation for a period of one year.

The Chairman of CBDT and Chairman of CBIC serve as special invitees to the Governing Body.

4.13.4 There is an Academic Committee to advise the Director. The Academic Committee consist of the Director as Chairperson, all Professors as Members, the Professor representing the Governing Body (by rotation) as the Convenor, and one Associate Professor and one Assistant Professor (by rotation on the basis of seniority) for a term of one year.

4.13.5 NIPFP has undertaken the following projects related to the North-Eastern Region and Sikkim:

Government of Sikkim:

NIPFP is conducting a study on the Preparation of the Medium-Term Fiscal Plan (MTFP) for the period 2024-25 to 2026-27 and the Evaluation Report of Compliance to Provisions of the Sikkim FRBM Act for Fiscal Years 2021-22 and 2022-23.

Government of Tripura:

NIPFP is undertaking a study on Possible Measures for Mobilization of Additional Resources for Tripura and Restructuring of Public Sector Units in Tripura.

Government of Assam:

NIPFP is conducting a study on Possible Ways to Enhance Revenue Generation for the State of Assam.

4.13.6 Initiatives undertaken for the welfare of Persons with Disabilities and SC/ST as well as other weaker sections of society

Action to fill up the posts reserved for SC/ST/OBC categories has been taken, and the posts have been filled accordingly. For persons with disabilities, appropriate provisions such as ramp and accessible toilet facilities have been made in our building.

4.13.7 Initiatives relating to Gender Budgeting and Empowerment of Women

NIPFP has undertaken research on the subject and has conducted policy dialogues at national and international fora, including UN organisation.

4.14 Revision Application Unit

4.14.1 Historical Background of Revision Application:

4.14.1.1 Under the scheme operative till 10.10.1982, the appeal against the orders of Commissioners (then called Collectors), of Customs & Central Excise lay with the Central Board of Excise & Customs (now CBIC). As far as the appeals against the orders passed by the authorities below the rank of the Collectors (now called Commissioners), were concerned, the same were required to be filed before the appellate Collectors of Customs & Central Excise.

4.14.1.2 The erstwhile Section 131 of the Customs Act, 1962 and Section 36 of the Central Excise & Salt Act, 1944, empowered the Central Government to revise the orders passed by the CBEC and appellate Collectors in exercise of their appellate jurisdiction. At the Government level, the Secretary (Revenue) or Special Secretary decided upon Revision Applications against orders passed by the CBEC, and the Additional Secretary or Joint Secretary dealt with the applications against the orders passed by the appellate Collectors of Customs & Central Excise and executive Collector of Customs and Central Excise.

4.14.1.3 The Finance (No.2) Act, 1980 introduced a new system by establishing the Appellate Tribunal. The appellate jurisdiction of CBEC and Revisionary jurisdiction of the Central Government were abolished w.e.f. 11.10.1982, except a few residual transitional provisions and the Customs, Excise and Gold Appellate Tribunal (then known as CEGAT, but now commonly known as CESTAT) was set up w.e.f. 11.10.1982.

4.14.1.4 The Finance Act, 1984, revived the Revisionary powers of the Central Government in specified type of cases. On the Customs side, Section 129DD read with proviso to Section 129(A) of the Act, empowered Central Government to revise the appellate orders passed by the Commissioner of Customs (Appeals). On Central Excise side, Section 35 EE read with first proviso to sub-section (ii) of Section 35B of the Central Excise Act, 1944 gave review and revisionary powers to Central Government to revise the orders passed by the Commissioner of Central Excise (Appeals).

4.14.1.5

- a) Since inception there was only one Revision Application Unit having its office at Delhi which was headed by the Joint Secretary (Revision

Application), Department of Revenue, New Delhi. The revisionary powers of the Central Government were being exercised by a Joint Secretary, in the Department of Revenue, Headquarters (being a technical post under IRS (C & CE), till July, 2017.

- b) In March, 2016, the Hon'ble Punjab and Haryana High Court, in the matter of NVR Forgings vs. Union of India {2016 (335) ELT 679}, held that a revisionary order passed by the Joint Secretary, who is in the same rank as the Commissioner (Appeals), cannot be sustained. This order of the Hon'ble Punjab and Haryana High Court has been upheld by the Hon'ble Supreme Court as reported in 2017 (348) ELT A-82. The Hon'ble Madras High Court and Hon'ble Gujarat High Court have also taken a similar view in the matter. Therefore, the post of Revisionary Authority was upgraded.
- c) Pursuant to the aforesaid judgment of the Hon'ble High Court, sanction of the competent authority was accorded for temporary up-gradation of an existing post of Joint Secretary and the newly created post of Director in Revision Application Unit, to the level of Additional Secretary, as technical posts, and, consequently, two posts of Principal Commissioner, were reduced from the cadre strength of IRS (C&CE), vide Department of Revenue's Sanction Order No. 160/2017 dated 19.07.2017. Pursuant thereto, one post of A.S. (R.A.) each was created at New Delhi and Mumbai, vide the Department of Revenue's Office Order No. 202/2017 dated 20.07.2017.
- d) Till recently, there were two Revision Application Units, situated at Delhi and Mumbai which deal with the Revision Applications filed before Central Government in the above specified matters as per the specified geographical jurisdiction. These Revision Application Units are presently headed by the Principal Commissioner (Revision Application) and ex-officio Additional Secretary to the Government of India who consider and decide the revision applications after following the due process of law. The work was distributed between the two Revisionary Authorities on geographical basis i.e., the work relating to North, East and south Zones was handled in R.A. Unit, New Delhi while that relating to West was handled in R.A. Unit, Mumbai. The arrangement was modified in 2022 vide order No. 191/2022, dated 28.07.2022, the cases pertaining to the South Zone were reallocated to R.A. Unit New Delhi with

an objective to equitably distribute the pending applications for faster disposal. The arrangement was further modified in 2025 vide Office Order No. 164/2025 dated 13.10.2025, the jurisdiction of Additional Secretary(R.A.), Mumbai has been assigned to Additional Secretary(R.A.), Delhi

4.14.2 Formation, function and working of the Revision Application Unit

Introduction:

4.14.2.1 The Revision Application Unit of the Department of Revenue, Ministry of Finance, Government of India deals with the Revision Applications filed before Central Government in specified Customs and Central Excise matters under section 35 EE of Central Excise Act, 1944 and section 129 DD of Customs Act, 1962. The revision applications filed either by parties or department against the orders of Commissioners of Customs, Central Excise and Service Tax (Appeals) are considered and decided by Additional Secretary (RA) after following the due process of law.

4.14.2.2 Normally, against the order passed by the Commissioner (Appeals), the appeal lies before Tribunal i.e. CESTAT, but in following categories of cases, against the order passed by the Commissioner (Appeals), the Revision Application is filed before the Additional Secretary (Revision Application) (hereinafter also referred to as AS(RA):-

A. Customs Cases:-

(Specified in the first proviso to sub-section (1) to Section 129A of the Customs Act, 1962)

4.14.2.3 Section 129DD read with proviso to Section 129 A(1) of Customs Act, 1962 empowered the Central Government to revise or review the appellate orders passed by Commissioner of Customs (Appeals), if such order related to:-

- (i) any goods imported or exported as baggage;
- (ii) any goods loaded in a conveyance for importation into India, but which are not unloaded at their place of destination in India, or so much of the quantity of such goods as has not been unloaded at any such destination if goods unloaded at such destination are short of the quantity required to be unloaded at that destination.
- (iii) payment of drawback as provided in Chapter X of the Customs Act, 1962, and the rules made thereunder.

B. Central Excise Cases:-

(Specified in proviso to sub-section (1) to Section 35B of Central Excise Act, 1944)

4.14.2.4 Section 35EE read with proviso to Section 35B(1) of the Central Excise Act, 1944 empowered the Central Government to annul or modify the appellate orders passed by Commissioner of Central Excise (Appeals), if such orders relate to:-

- (a) a case of loss of goods, where the loss occurs in transit from a factory to a warehouse or to another factory, or from one warehouse to another, or during the course of processing of the goods in a warehouse or in storage, whether in a factory or in a warehouse;
- (b) a rebate of duty of excise on goods exported to any country or territory outside India or on excisable materials used in the manufacture of goods which are exported to any country or territory outside India;
- (c) goods exported outside India (except to Nepal or Bhutan) without payment of duty;
- (d)* credit of any duty allowed to be utilized towards payment of excise duty on final products under the provisions of the Central Excise Act or the rules made thereunder and such order is passed by the Commissioner (Appeals) on or after the date appointed under Section 109 of the Finance (No.2) Act, 1998.

Note: *indicates that this clause has not yet come into force as it is to be effective on or after the date to be appointed under section 109 of the Finance Act, 1998 and no such date has been notified so far.

C. Service Tax matters:-

4.14.2.5 The provisions of the Section 35EE of the Central Excise Act, 1944, which deals with revision by the Central Government, has been made applicable to the Chapter V of the Finance Act, 1994 dealing with Service Tax. In the Finance Act, 2015, the Section 86 has been amended to prescribe that remedy against the order passed by Commissioner (Appeals), in a matter involving rebate of Service Tax, shall lie in terms of section 35EE of the Central Excise Act, 1944. Further, it has also been provided that all appeals relating to rebate of service tax and filed in Tribunal after the date the Finance Act, 2012 came into effect and pending on the date of assent of the Finance Bill, 2015 by the President (i.e. 14.05.2015) shall be transferred and dealt in accordance with section 35EE of the Central Excise Act. In other words, in such cases, against the order passed by the Commissioner (Appeals), the revision applications are required to be filed before the AS(RA).

4.14.2.6 The text of two provisos inserted in sub-section (1) of Section 86 of the Finance Act, 1994 vide section 117

of the Finance Act, 2015 (with effect from 14.05.2015), are as under:

“Provided that where an order, relating to a service which is exported, has been passed under section 85 and the matter relates to grant of rebate of service tax on input services, or rebate of duty paid on inputs, used in providing such service, such order shall be dealt with in accordance with the provisions of Section 35EE of the Central Excise Act, 1944; Provided further that all appeals filed before the Appellate Tribunal in respect of matters covered under the first proviso, after the coming into force of the Finance Act, 2012, and pending before it up to the date on which the Finance Bill, 2015 receives the assent of the President, shall be transferred and dealt with in accordance with the provisions of Section 35EE of the Central Excise Act, 1944.”

4.14.3.1 Procedure for filing Revision Application

- a) The aggrieved party can file a revision application under sub-section (1) of Section 129DD of the Customs Act, 1962 and under Section 35EE of the Central Excise Act, 1944 for annulment or modification of the orders of the Commissioner (Appeals).
- b) If the Commissioner of Customs or Principal Commissioner of Customs is of opinion that order passed by the Commissioner (Appeals) is not legal and proper, then he may direct the proper officer to make an application on his behalf to the Central Government for revision of such order. Thus, the Department files application to the Revisionary Authority under sub-section (1A) of Section 129DD of the Customs Act, 1962 and Section 35EE of the Central Excise Act, 1944.
- c) No case of Revision Application can be filed against the order passed by the Commissioner or Principal Commissioner even though such order is on the same subject as specified above. The appeal against such orders lies before CESTAT, not before the Principal Commissioner (RA) and ex-officio Additional Secretary to the Government of India. The application to Revisionary Authority lies only against the order of Commissioner (Appeals) involving the subjects specified above.
- d) The Revisionary Authority has discretion to refuse to admit an application in respect of order if the amount of duty or fine or penalty determined by such order does not exceed five thousand rupees.

4.14.3.2 Time limit for filing of a Revision Application:-

- a) A Revision Application should be filed within three months from the date of the communication to the applicant of the order of the Commissioner (Appeals) against which the application is being made.

- b) If the Central Government is satisfied that the applicant was prevented by sufficient cause from presenting the application within the aforesaid period of three months, it may allow it to be presented within further period of three months. Thus, the Revisionary Authority has power to condone the delay upto three months in deserving cases.

4.14.3.3 Filing of Revision Application:-

- a) Sub-section (3) of 129DD of the Customs Act, 1962 and Section 35EE of the Central Excise Act, 1944 stipulates that a Revision Application (by the parties) shall be in such form and shall be verified in such manner as may be specified by rules made in this behalf and shall be accompanied by a fee of two hundred rupees where duty and interest demanded and fine or penalty in the case to which application relates is one lakh rupees or one thousand rupees where duty and interest demanded and fine or penalty in the case to which application relates is more than one lakh rupees. No such fees shall be payable in case of application filed by Department.
- b) The form and manner for filing of revision application before the revisionary authority has been provided in Customs (Appeals) Rules, 1982 (Notification No. 212-Customs dated 10th of September 1982)/Central Excise (Appeals) Rules, 2001 (Notification No. 32-CE dated 21.06.2001). As per Rules 8A and 8B of Customs (Appeals) Rules 1982, the revision application should be filed in prescribed Form CA-8 and as per sub-rule (2) of Rule 3 Central Excise (Appeals) Rules, 2001 the revision application should be filed in prescribed Form EA-8 in duplicate alongwith equal number of copies of order passed by the Commissioner of Customs (Appeals) and relevant decision or order passed by the Customs officer and presented either in person to the Under Secretary Revision Application Unit, Government of India, Ministry of Finance, Department of Revenue, New Delhi or sent by registered post addressed to such officer.
- c) As per Appeals Rules, the ground of appeal and form of verification in application form shall be signed by the applicant or his authorized representative.
- d) The Central Government on its motion can annul or modify any order referred to in sub-section (1) to Section 129DD Customs Act, 1962 and Section 35EE of the Central Excise Act, 1944.

- e) No order enhancing any penalty or fine can be passed by the Revisionary Authority in any case in which an order passed by the Commissioner (Appeals) has enhanced any penalty or fine in lieu of confiscation. In other case, no order for enhancing any penalty or fine can be passed by the Revisionary Authority unless the person affected by the proposed order has been given notice to show cause against it within one year from the date of the order sought to be annulled or modified.
- f) Where the Central Government is of opinion that any duty of Customs/Central Excise/Service Tax has not been levied or has been short-levied, no order levying or enhancing the duty shall be made under this section unless the person affected by the proposed order is given notice to show cause against it within the time limit specified in Section 28/Section 11A.

4.14.4 Conditions to be fulfilled for filing Revision Application before AS(RA):

The following are the essential conditions, which need to be fulfilled, before filing appeal before Joint Secretary (RA):-

- i) The order, which is being appealed against, should be passed by the Commissioner (appeals) and should be relating to issue/issues mentioned above.
- ii) If, on the same subject as specified above, the order has been passed by the Commissioner of Customs/Central Excise, then appeal against such orders shall lie to CESTAT and not before AS(RA).
- iii) The Government i.e. AS(RA) may refuse to admit an application in respect of order where the amount of duty or fine or penalty determined by such order does not exceed five thousand rupees.

4.14.5 Procedure adopted for process of Revision Application in RA Unit:

- The Revision Application Unit receives the revision application in prescribed form EA-8/CA-8 filed by department as well as parties.
- The stipulated time for filing such applications is three months from the date of communication or order-in-appeal. The delay upto three months can be condoned by Central Government in deserving cases.
- The revision application Unit on receipt of revision applications issues the acknowledgement to

the applicant alongwith deficiency memo in documents if any.

- Notice is issued to respondent party for filing counter reply. Thereafter, personal hearing is fixed/held in cases, in the order of seniority, on first come first serve basis.
- Out of turn hearings are allowed only in deserving cases involving substantial revenue, recurring issue resulting into multiplicity of cases, interest liability, the issue is no longer res integra, passenger is going abroad and cases of financial hardship.
- After completion of hearing, final revision order is issued by AS(RA).

4.14.6 Appeal against Revision Order passed by Additional Secretary (RA):

- a) The Revisionary Authority while passing the Revision Orders on behalf of Central Government follows the due process of law. There is no stipulation of the appellate authority against the order passed by the Revisionary Authority.
- b) The Central Government is the highest authority in these revision applications, and therefore orders passed by Central Government are final. However, the applicants, aggrieved with the orders of Revisionary Authority have only option of writ petitions before the High Court under Article 226 of Constitution of India.
- c) The Revisionary Authority becomes functus officio after passing the final Revision Orders. It is Jurisdictional Commissioner which contests writ petitions in the High Court or files writ petition in the High Court.

4.14.7 The Revision Application Unit is directly responsible to Revenue Secretary.

4.14.8 Performance

From April, 2025 to November, 2025, 24 Revision Applications have been disposed of by R.A. Delhi Unit.

4.15 Implementation of Official Language Policy

4.15.1 Implementation of official language policy

There is a full-fledged Official Language Division under the Department of Revenue which is entrusted with the implementation of the Official Language Policy of the Government of India. This division has a sanctioned post of Director (Official Language) and this division presently is functioning through three Hindi sections. Each section is headed by an Assistant Director (Official Language) and supervised by two posts of Deputy Director (Official

Language). At present, the post of Director (OL), one post of Assistant Director (OL), five posts of Senior Translation Officer and one post of Junior Translation Officer are lying vacant.

The Division is involved with the work of implementing official language policy of the Union and the timely follow-up action on the orders and instructions issued by the Department of Official Language, Ministry of Home Affairs. The entire translation work of the Department from English to Hindi and vice-versa has also been carried out and ensured by the Official Language Division.

Department of Revenue is a notified office under Rule 10(4) of the Official Language Rules, 1976. During the year 2025, 1085 offices of the Central Board of Direct Taxes and 27 offices the Central Board of Excise and Customs were notified under the Rule 10(4) of the Official Language Rules, 1976.

4.15.2 Performance of Official Language Division during the year 2025

All documents related to the Central Board of Excise and Customs, Central Board of Direct Taxes and Revenue Headquarters were issued in bilingual form under Section 3 (3) of the Official Language Act, 1963;

All Gazette notifications, answers to parliamentary questions and assurances related to the Central Board of Excise and Customs, Central Board of Direct Taxes and Revenue Headquarters were made available in diglot form;

Cabinet Notes to the Cabinet, Action Taken Report (ATR) on the Report of the Comptroller and Auditor General, Annual Report of the Ministry of Finance and Outcome Budget were translated into Hindi and made available in bilingual form;

Agreements signed with many countries to prevent double taxation were also translated into Hindi;

Timely circulated all orders and circulars related to Official Language implementation from the Department of Official Language to all the sections of the Revenue Department (HQ) and the offices under the control of both the Boards;

Detention orders issued by the COFEPOSA section and their reasons were translated into Hindi.

The letters received under the Right to Information Act, 2005 were made available in bilingual form.

4.15.3 Meetings of Hindi Advisory Committee

Hindi Advisory Committees have been set up in Ministries/Departments of the Government of

India to advise on the smooth implementation of the Official Language Policy of the Government of India. These Committees are headed by the Minister of the concerned Ministry/Department and are required to be constituted in accordance with the guidelines framed on the recommendation of the Central Hindi Committee, Chaired by the Honourable Prime Minister of India.

For this purpose, the Joint Hindi Advisory Committee of the Department of Revenue, Department of Expenditure, Department of Investment and Public Asset Management and the Office of the Comptroller and Auditor General of India under the Ministry of Finance has been re-constituted. And the Resolution is published on 27 June, 2025. Meeting of the reconstituted Joint Hindi Advisory Committee is proposed to be held soon.

4.15.4 Inspection by Parliamentary Official Language Committee

The Parliamentary Committee on Official Language inspected 40 subordinate offices of the Department of Revenue this year. Senior officers and translation officers of the Rajbhasha Division extended their wholehearted support during the inspection of these offices.

4.15.5 Departmental inspection related to official language

To take stock of the progress made in the use of Hindi in the offices during the period under report, 04 subordinate offices under the control of the Revenue Department Headquarter were inspected by the officers of the Rajbhasha Division and thereafter suggestions were also given to increase the progressive use of Hindi in government work.

4.15.6 Celebrating Hindi Fortnight (Pakhwada)

As per the instructions of the Department of Official Language, Ministry of Home Affairs, this year's Hindi Day celebration was organized mainly at Gandhi Nagar, Gujarat under the chairmanship of Honourable Minister of Home Affairs, Shri Amit Shah on 14-15 September, 2025. Officers/officials of the Rajbhasha Division of the Revenue Department and other officials from the department also participated in this function.

Hindi Fortnight, 2025 was successfully organized in the Department from 14 September to 30 September 2025. During this period, a total of 05 competitions were organized aiming to increase the use of the Official Language Hindi in the routine official work.

During the fortnight, various competitions like Essay Writing, Extempore in Hindi, Crossword competition, Hindi Translation and Official Language Quiz (written) and Hindi dictation and General

Knowledge competition (for MTS only) were conducted. The participants securing first, second and third positions were awarded cash prizes of Rs 5000/- (first prize), Rs 3000/- (second prize), Rs 2000/- (third prize) and seven incentive awards of Rs 1000/- in each competition.

4.15.7 Cash Incentive Scheme to encourage original noting/ drafting and Dictation in Hindi

As per the instructions of the Department of Official Language, incentive award schemes (full time) were implemented in the Department and subordinate offices every year for the officers and employees for carrying out official work (noting/drafting) in Hindi and for dictation by the officers in Hindi.

Under this scheme, eight entries received from the officials of various sections of the Department of Revenue were awarded. Apart from this one Officer of the department was awarded for Dictation in Hindi incentive scheme.

4.15.8 The Official Language Implementation Committee

To ensure effective implementation of the Official Language Policy of the Government of India and to review its implementation along with overcoming the hurdles of the Sections/Subordinate Offices in implementing the Official Language Policy, three Official Language Implementation Committees are constituted in the department. The committee under the chairmanship of the Joint Secretary (Revenue) reviews the progressive use of the official Language in the Revenue Headquarters while the committees headed by the Joint Secretary(CBDT) and Joint Secretary(CBIC) review the use of Official Language in the Central Board of Direct Taxes and Central Board of Indirect Taxes and Customs respectively. Meetings of these committees are held every quarter in accordance with the instructions of the Ministry of Home Affairs. Following are the details of the meetings of the Departmental Official Language Implementation Committee held this year:-

- (a) The committee under the chairmanship of Joint Secretary (Revenue) held meetings on 11.06.2025, 27.08.2025 and 11.12.2025
- (b) The committee under the chairmanship of Joint Secretary (CBDT) held meetings on 02.05.2025, 16.9.2025 and 13.11.2025

- (c) The committee under the chairmanship of Joint Secretary (CBIC) held meetings on 24.06.2025 and 18.09.2025

The minutes of the said meetings were issued to all sections for compliance.

4.15.9 Workshops organized to promote the use of Official Language

During the period 2 Hindi workshops on 10.09.2025 and 09.12.2025 were organized for the officers and employees of Department Headquarters, CBIC and CBDT on various aspects of the Official Language Policy of the nation. A seminar was also organized on the 10th of June 2025.

4.15.10 Training

Non-Hindi speaking officials are nominated for language training under the Hindi Teaching Scheme. Besides that training in Hindi typing is also imparted to those Stenographers/Secretarial officials for whom the knowledge of Hindi typing is mandatory. Three officials have already completed Hindi typing training in July 2025 and six of them are under training for the training session ending in January 2026. The language and typing training helps in achieving the targets of correspondence and noting set by the Rajbhasha Vibhag (Department of Official Language).

4.15.11 Circulation of the Annual Program issued by the Department of Official Language, Ministry of Home Affairs

The copies of the Annual Program 2025-26 issued by the Department of Official Language, Ministry of Home Affairs, New Delhi was circulated to all the offices and sections under the Department of Revenue Headquarters. The Annual Program is issued every year in which targets are set for the promotion and progressive use of Hindi.

4.16 Swachh Bharat Campaign

The Department of Revenue, Ministry of Finance, along with its attached and subordinate offices and field formations, is fully geared up to participate in the upcoming **Special Campaign 5.0**, being conducted across Government of India departments from **2nd October to 31st October 2025**. The campaign is being spearheaded by the Department of Administrative Reforms and Public Grievances (DARPG) to further

institutionalize Swachhata (cleanliness) and ensure timely and effective disposal of pending references.

As part of the preparatory phase, which commenced on **15th September 2025**, all organizations under the Department of Revenue – including the **Central Board of Direct Taxes (CBDT), Central Board of Indirect Taxes and Customs (CBIC), Enforcement Directorate, Financial Intelligence Unit – India**, and others – have undertaken thorough reviews to identify Pending MP/State Government references, Public grievances, Cleanliness campaigns in offices and public-facing areas, Records for digitization & weeding out and Disposal of scrap and obsolete items. Each organization has designated nodal officers to ensure focused action during the implementation phase. Efforts are underway to sensitize staff and ensure enthusiastic participation at all levels. The Department is also emphasizing the use of technology to reduce physical records, promote paperless work environments, and enhance citizen-centric service delivery.

The Department of Revenue had actively participated in Special Campaign 4.0, significantly contributing to the reduction of pendency and promoting a culture of cleanliness. During the period from December 2024 to August, 2025, the DoR disposed of a total of 38 InterMinisterial Reference (Cabinet Notes, CoS Note, EFC Memo etc.), 28 VIP references, 7043 Public Grievances, 8 Public Grievances Appeal. Further, a total of 9603 physical files were weeded out after being reviewed. Furthermore, with the scrap disposal, revenue of Rs, 1,05,000/- was also generated.

Special Campaign 5.0 reaffirms the Department of Revenue's commitment to **cleanliness, transparency,**

and accountability to further enhance administrative efficiency and cleanliness across all levels.

4.17 RTI Cell

The following steps were taken to facilitate dissemination of information under the provisions of the Right to Information Act in Revenue Headquarters:

- i. To facilitate contactless and paperless filing of RTI Application/Appeals, the RTI online portal (www.rtionline.gov.in) has been very useful in this regard. The replies to the RTI Application and Appeals are uploaded on the portal which may be viewed exclusively by the Applicant/Appellant. To make system of transfer of offline RTI Application to other Public Authorities, RTI applications are lodged on the RTI Request and Appeal Management Information System so that it can be transferred immediately to the concerned Public Authority.
- ii. The Department continued efforts towards to bring transparency and effective governance, we have placed information in the public domain on a proactive disclosure basis which is available on the Department's website (<https://dor.gov.in/rti/revenue-headquters>) as required under section 4(1) of the RTI Act.
- iii. In regard to the transparency Audit, the self-appraisal form submitted has been audited by the National Institute of Public Finance & Policy.
- iv. The following table indicates the number of online RTI Applications and Appeals received in the financial year 2025 from 01.04.2025 up to 31.12.2025.

Type	No of Applications received during the year 2025(Apr-Dec) including the cases transferred to other Public Authorities	No of cases transferred to other Pas u/s 6(3) + returned to the Applicant	Request rejected	Request/Appeals accepted.
Offline RTI Applications	697	580	-	117
Online RTI Applications	8605	7449	313	843
Offline Appeal	39	0	0	39
Online Appeal	164	89	0	75
Total fee received offline u/s 7(1) is 5175/- Additional fee received offline u/s 7(3) is Rs.770/-				

5. INTEGRATED FINANCIAL UNIT (IFU)

Integrated Finance Division of the Department of Revenue is **under the direct supervision of Additional Secretary & Financial Advisor (Finance)**. There are three units dealing with budget, finance and expenditure management in respect of the grants pertaining to **Department of Revenue, Direct Taxes and Indirect Taxes**. Director (Finance), D/o Revenue/CBIC and Director (Finance), Direct Taxes assist the Additional Secretary & Financial Advisor (Finance).

5.1 Activities undertaken by the Integrated Finance Unit:

All offices under the Department of Revenue, which inter-alia include Revenue headquarters, Central Board of Direct Taxes (CBDT) including its field offices and various Directorates, Central Board of Indirect Taxes & Customs (CBIC) including its field offices and various Directorates, Narcotics Control Division, Central Bureau of Narcotics, Chief Controller of Factories, Central Economic Intelligence Bureau, Financial Intelligence Unit (FIU-IND), Goods & Service Tax Council Secretariat, Tax Policy Research Unit, Enforcement Directorate, Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Settlement Commission (IT/WT), Authority for Advance Rulings, Appellate Tribunal for Forfeited Property, Adjudicating Authority under PMLA, Income Tax Ombudsman etc. are serviced by the three units of Integrated Finance Division in terms of Budget formulation, fund allocation, expenditure monitoring & control, enforcing economy, scrutiny and sanction of expenditure proposals beyond the delegated powers of field offices.

5.2 Details of expenditure and financial proposals scrutinized and approved:

- (a) Creation and continuation of posts, construction/purchase/hiring of offices, as well as residential accommodation for the field formations of Central Board of Indirect Taxes & Customs and Central Board of Direct Taxes, Department of Revenue and its attached offices.

- (b) Procurement of goods and services including procurement of anti-smuggling equipment i.e. scanners and marine vessels.
- (c) Proposals for deputation/tours/training abroad of officers of the Department, CBDT, CBIC and their field offices.
- (d) Restructuring proposals, redeployment of personnel in field formations and constituent units.
- (e) Comprehensive Computerization of Department of Revenue, its field formation including Customs and GST formations and Income Tax field formations.
- (f) Proposals from Committee of Management (COM), D/o Revenue which oversees the functioning of Government Opium & Alkaloid Works (GOAWs).
- (g) Grants-in-aid to National Institute of Public Finance & Policy and Central Revenue Sports & Cultural Board.
- (h) Proposals for Delegated Investment Board (DIB), Public Investment Board and Cabinet Committee on Economic Affairs (CCEA) relating to comprehensive computerization plan of CBDT/CBIC, capital expenditure involving construction of office/residential complexes and readymade office/residential buildings of all the three Departments.
- (i) Proposals received for sanction of financial assistance from the Customs & Central Excise Welfare Fund and Special Equipment Fund. Revision of norms were finalized in respect of setting up of/refurbishing of recreation/sports clubs, gymnasiums, Departmental Canteens, crèches for children of Departmental officials, guest houses and

cash award scheme for meritorious children with special emphasis on girl children and children of group 'D' staff.

- (j) Proposals involving relaxation/interpretation of financial rules and all proposals requiring reference to the Department of Expenditure.
- (k) The Integrated Finance Division has also been entrusted with the formulation of schemes of important expenditure proposals from their initial stage.

5.3 The expenditure budget/non-tax revenue receipts of Department of Revenue, Direct Taxes and Indirect Taxes for BE 2025-26 was prepared. Tentative RE 2025-26 and BE 2026-27 ceiling has been communicated by the Budget Division, Department of Economic Affairs. The details of RE 2025-26 and actual expenditure till 30.11.2025 and BE 2026-27 in respect of all the three grants are as below:

(₹ in crore)

Grant	Gr. No.	2025-26	Actual Expenditure till 30 November, 2025	2025-26	2026-27
		BE		RE	BE
D/o Revenue	35	133880.26	1534.46	15042.54	3126.42
Direct Taxes	36	10900.45	7006.49	12732.08	15306.57
Indirect Taxes	37	42889.33	23267.45*	41496.11#	27682.63#

* Actual Expenditure till November, 2025 taken from DGHRD, as per the details in e-lekha portal.

The RE 2025-26 and BE 2026-27 figures are yet to be finalized by the Budget Division.

5.4 Integrated Finance Division has taken the following steps/initiatives in 2025-26:

- (i) Preparation and submission of BE/RE and DDG in respect of Grant No. 35 (Department of Revenue), Grant No. 36 (Direct Taxes) and Grant No. 37 (Indirect Taxes).
- (ii) Follow up with the Department/Boards for the settlement of audit objections, inspection reports, draft audit paras and reports of PAC/Standing Committee and submission of replies to Audit Paras, Standing Committee of Finance, periodic reports etc.

- (iii) Allocation and monitoring of the budget relating to advances, viz. House Building Advance, Computer Advance etc.
- (iv) Overall supervision of budgetary mechanism of various scrip-based schemes and liaisoning with Department of Revenue, Department of Commerce and Department of Textiles for operation/provisioning of funds for these schemes.
- (v) Implementation of Cash Management Plan as per Monthly Expenditure Plan (MEP) and Quarterly Expenditure Allocations (QEA) as envisaged by Budget Division of Department of Economic Affairs, Ministry of Finance.
- (vi) Review of Monthly and Quarterly Expenditure vis-a-vis budgetary allocations and MEP/QEA and report to Revenue Secretary and Expenditure Secretary in compliance of the guidelines of the Department of Expenditure, Ministry of Finance for strict financial discipline.
- (vii) Review of specific activities/developments of Department of Revenue and report to Secretary (Expenditure) on monthly basis.
- (viii) Enforcement of instructions on economy in expenditure by periodic review of expenditure and advisories to spending authorities for expenditure control in line with the economy instructions issued by the Department of Expenditure.
- (ix) Preparation and budgetary allocation for Compensation to States/UTs for revenue loss on roll out of GST; Government Opium & Alkaloid Works; Acquisition of residential and office accommodation; Strengthening of IT capability for e-governance of CBIC, CBDT and Department of Revenue; Acquisition of ships and fleets to strengthen Marine capability & Acquisition of Anti-Smuggling equipment.

Representation of SCs/ STs/ OBCs

Annexure-I

Organization: Central Board of Direct Taxes (CBDT)**Group-wise representation of SCs, STs, OBCs, EWS upto 30.11.2025**

Group	Number of Employees (as on 31.12.2024)^					No. of appointments/Promotions made during the calendar year 2025 (i.e. 1.1.25 to 30.11.25)														
						Appointment by Direct Recruitment					Appointment by Promotion**					Appointment by other Methods				
	Total	SC	ST	OBC	EWS	Total	SC	ST	OBC	EWS	Total	SC	ST	OBC	EWS	Total	SC	ST	OBC	EWS
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Group 'A'	4347	780	395	680	11	180*	27	13	49	18	-	-	-	-	-	N.A.	N.A.	N.A.	N.A.	N.A.
Group 'B'	26584	4327	1820	4227	376	344	86	51	83	58	2252	345	155	269	4	1	1	0	0	0
Group 'C'	18859	3371	1426	5557	951	2859	545	264	1021	419	602	95	47	170	8	118	32	9	27	0
Total	49790	8478	3641	10464	1338	3383	658	328	1153	495	2854	440	202	439	12	119	33	9	27	-

* 180 'Offer of Appointments' have been issued by CBDT to the candidates selected through Civil Services Examination(CSE) 2024 as on 19.11.2025. These numbers are not included in column 2 to 6 above.

** A proposal for filling up 251 vacancies (incl. SC: 11 ; ST: 10) in the grade of ACIT for the vacancy years 2024 has been submitted in the UPSC on 12.09.2025. Date of DPC is awaited. However, 29 ITOs have been promoted as ACIT on ad-hoc basis against the vacancy year 2024 vide Office Order No. 89 of 2025 dated 04.04.2025.

^ Including 313 ITOs (including SC & ST) were promoted as ACIT on regular basis against the vacancy years 2022 & 2023 vide Office Order No. 350 of 2024 dated 31.12.2024. Further, 168 ITOs (including SC & ST) were also promoted as ACIT on *ad-hoc* basis against the vacancy year 2024 vide Office Order No. 354 of 2024 dated 31.12.2024.

Annexure-I

Organization: Central Board of Indirect Taxes and Customs (CBIC)

Group-wise representation of Scheduled Castes, Scheduled Tribes, Other Backward Classes, Economically Weaker Section as on 01.01.2025																				
Group	Number of Employees(as on 01.01.2025)					No. of Appointments/Promotions made during the calendar year 2024														
						Appointment by Direct Recruitment					Appointment by Promotion					Appointment by Other Methods				
	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Group -A	4197	791	428	526	9	Data not available with DGHRD and may be sought from Ad.II					14	1	1	0	0	There is no Ex-cadre deputation of Group A officers in CBIC				
Group -B	36902	5921	3682	7504	1157	2525	468	231	742	335	1014	218	93	0	0	65	0	0	0	0
Group -C (including erstwhile Gr. D posts)	10149	2089	899	2651	412	909	149	72	318	94	225	49	19	0	0	0	0	0	0	0
Total	51248	8801	5009	10681	1578	3434	617	303	1060	429	1253	268	113	0	0	65	0	0	0	0

Organization: Revenue Head Quarter

Group	Number of Employees				Number of appointments made during previous calendar year										
					By Direct Recruitment				By Promotion			By Other Methods			
	Total	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs	OBCs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group A	232	43	15	23	-	-	-	-	-	-	-	17	1	1	1
Group B	416	77	60	111	-	-	-	-	8	4	-	-	-	-	-
Group C	274	68	18	57	6	3	-	3	13	03	01	03	-	-	-
Total	922	188	93	191	6	3	-	3	21	7	1	20	1	1	1

Organization: Financial Intelligence Unit (FIU-IND)

Groups	Number of Employees (as on 31.12.2024)				Number of appointments made during the previous calendar year 2025 (i.e. 01.01.2025 to 30.11.2025)											
					By Direct Recruitment				By Promotion				By Other Methods (on deputation)			
	Total	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	OBCs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Group A	25	09	-	04	-	-	-	-	-	-	-	-	02	01	-	-
Group B	05	02	-	-	02	01	-	-	-	-	-	-	01	01	-	-
Group C	06	02	-	01	-	-	-	-	-	-	-	-	02	-	-	-
Total	36	13	-	05	02	01	-	-	-	-	-	-	05	02	00	00

Note: The mode of appointment is deputation only except for posts of 02 ASO and 05 MTS (Group 'C')

Annexure-I

Organization: The Appellate Tribunal under SAFEMA

[illegible]

Organization: Competent Authority for Forfeiture of Illegally Acquired Property

Groups	Number of Employees				Number of appointments made during the previous calendar year										
					By direct recruitment				By promotion			By other methods			
	Total	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs	OBCs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group A	9	1	-	1	-	-	-	-	-	-	-	3	1	-	-
Group B	12	1	-	1	-	-	-	-	-	-	-	1	-	-	-
Group C	31	5	-	10	1	-	-	1	-	-	-	3	-	-	1
Total	52	7	-	12	1	-	-	1	-	-	-	7	1	-	1

Organization: Customs, Excise & Service Tax Appellate Tribunal (CESTAT)

Groups	Number of Employees					Number of appointments/ promotion made during the calendar year 2025												
						By direct recruitment					By promotion			By other methods				
	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	Total	SCs	STs	OBCs	
Group A	4	2	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	
Group B	40	13	3	23	1	-	-	-	-	-	-	2	1	-	-	-	-	
Group C (Excluding Safai Karamchari)	46	15	3	27	1	2	-	-	2	-	-	-	-	-	-	-	-	
Group D (Excluding Safai Karamchari)	51	20	6	24	1	1	1	-	-	-	-	-	-	-	-	-	2	
Group D (Safai/ Karamchari)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total	141	50	12	76	3	3	1		2		-	2	1	-	-	-	2	

Organization: Narcotics Control Division

i. Central Bureau of Narcotics

Group-wise Representation of SCs, STs, and OBCs upto 30.11.2025																				
Group	Number of Employees					Number of appointments made during the Calendar year 2025 (i.e. 01.01.2025 – 30.11.2025)														
	(as on 31.12.2024)					By Direct Recruitment					By Promotion					By Other Methods				
	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Group A	10	4	1	2	0	0	0	0	0	0	10	1	0	3	0	NA	Na	NA	NA	NA
Group B	203	32	22	35	5	13	2	1	5	3	19	7	0	2	0	0	0	0	0	0
Group C	474	74	41	148	52	280	53	22	105	41	19	3	1	10	1	0	0	0	0	0
(Excluding Safai Karamcharis)																				
Group D	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(Safai Karamcharis)																				
Total	687	110	64	185	57	293	55	23	110	44	48	11	1	15	1	0	0	0	0	0

*09 Superintendents promoted to Assistant Commissioner (In – situ basis).

01 Administrative Officer promoted to Chief Accounts Officer (In – situ basis).

[illegible]

Organization: Directorate of Enforcement

Group-wise representation of SCs, STs, OBCs & EWS up to 30.11.2025																				
Group	Number of Employees (As on 31.12.2024)					Number of appointments/Promotions made during the calendar year 2025 (i.e. 01.01.2025 to 30.11.2025)														
						Appointment by Direct Recruitment					Appointment by promotion					Appointment by Others (By Deputation)				
	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>11</i>	<i>12</i>	<i>13</i>	<i>14</i>	<i>15</i>	<i>16</i>	<i>17</i>	<i>18</i>	<i>19</i>	<i>20</i>	<i>21</i>
Group A	421	32	16	40	1	-	-	-	-	-	60	2	1	22	0	55	-	-	-	-
Group B	731	86	34	182	32	93	17	6	24	16	66	10	5	21	0	28	-	-	-	-
Group C	482	28	12	48	5	23	4	2	7	7	6	0	0	0	0	17	-	-	-	-
Group D (Excluding Safai Karmcharis)	NA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group D (Safai Karmcharis)	NA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	1634	146	62	270	38	116	21	8	31	23	132	12	6	43	0	100	-	-	-	-

Organization: National Institute of Public Finance and Policy

Group	Number of Employees As on 30.11.2025				Number of appointments/promotions made during the previous calendar year (01-01-2025 to 30-11-2025)											
					By Direct Recruitment				By Promotion				By other Methods			
	Total	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Group A	35	2	1	3	02	-	-	-	00	-	-	-	00	-	-	
Group B	13	1	-	3	03	01	-	01	00	-	-	-	00	-	-	
Group C (excluding Safai Karamcharis)	18	6	-	4	04	02	-	-	00	-	-	-	00	-	-	
Group D (Safai Karamcharis)	-	-	-	-	00	-	-	-	00	-	-	-	00	-	-	
Total	66	9	1	10	09	03	-	01	00	-	-	-	00	-	-	

Representation of the persons with disabilities

Annexure-II

Organization: Central Board of Direct Taxes (CBDT)

Group-wise representation of Persons with Disabilities upto 30.11.2025																									
Group	Number of Employees (as on 31.12.2024)^					No. of Appointments/Promotions made during the calendar year 2025 (i.e. 1.1.25 to 30.11.25)																			
						Appointment by Direct Recruitment										Appointment by Promotion**									
						No. of Vacancies reserved				No. of Appointments Made						No. of Vacancies reserved				No. of Appointment Made					
	Total	VH	HH	OH	ID	VH	HH	OH	ID	Total	VH	HH	OH	ID	VH	HH	OH	ID	Total	VH	HH	OH	ID		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24		
Group A	4347	8	31	86	-	2	1	2	-	180*	2	1	2	-	-	-	-	-	-	-	-	-	-		
Group B	26584	98	92	580	1	62	33	34	23	135	31	1	3	3	59	47	59	19	559	18	15	42	0		
Group C	18859	203	139	325	14	1181	43	41	22	879	571	25	25	12	31	317	25	13	80	7	5	8	0		
Total	49790	309	262	991	15	1245	77	77	45	1194	604	27	30	24	90	364	84	32	639	25	20	50	0		

* 180 'Offer of Appointments' have been issued by CBDT to the candidates selected through Civil Services Examination(CSE) 2024 as on 19.11.2025. These numbers are not included in column 2 to 5 above.

** A proposal for filling up 251 vacancies (including VH: 1; HH: 2; OH: 2) in the grade of ACIT for the vacancy years 2024 has been submitted in the UPSC on 12.09.2025. Date of DPC is awaited.

^ Including 313 ITOs (including VH; HH; OH) were promoted as ACIT on regular basis against the vacancy years 2022 & 2023 vide Office Order No. 350 of 2024 dated 31.12.2024. Further, 168 ITOs were also promoted as ACIT on *ad-hoc* basis against the vacancy year 2024 vide Office Order No. 354 of 2024 dated 31.12.2024.

Note:-

- (i) VH stands for Visually Handicapped (Persons suffering from blindness or low vision).
- (ii) HH stands for Hearing Handicapped (Persons suffering from hearing impairment).
- (iii) OH stands for Orthopedically Handicapped (Persons suffering from locomotors disability) or
- (iv) ID stands for Intellectual Disability.

Organization: Revenue Head Quarter

[illegible]

Organization: The Appellate Tribunal under SAFEMA

Group	Number of Employees				DIRECT RECRUITMENT								PROMOTION							
					No. of vacancies reserved			No. of Appointments Made					No. of Vacancies reserved			No. of Appointments made				
	Total	VH	HH	OH	VH	HH	OH	Total	VH	HH	OH	VH	HH	OH	Total	VH	HH	OH		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19		
‘A’	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
‘B’	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
‘C’	17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total	33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		

Organization: Competent Authority for Forfeiture of Illegally Acquired Property

[illegible]

Organization: Customs, Excise & Service Tax Appellate Tribunal (CESTAT)

	Number of Employees (AS ON 31.12.2024)				No. of appointments/ promotion made during the calendar year 2025 (i.e. 1.1.2025 to 30.11.2025)													
					DIRECT RECRUITMENT							PROMOTION						
					No. of vacancies reserved			No. of Appointments Made				No. of Vacancies reserved			No. of Appointments made			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
	Total	VH	HH	OH	VH	HH	OH	Total	VH	HH	OH	VH	HH	OH	Total	VH	HH	OH
'A'	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
'B'	40	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	1
'C'	97	-	-	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	141	-	-	8	-	-	-	-	-	-	-	-	-	-	-	-	-	1

Organization: Narcotics Control Division

i. Central Bureau of Narcotics

GROUP-WISE REPRESENTATION OF THE PERSONS WITH DISABILITIES UPTO 30.11.2025																									
Groups	Number of Employees					No. of Appointments/ Promotions made during the calender year 2025 (01.01.2025 to 30.11.2025)																			
						DIRECT RECRUITMENT										PROMOTION									
						No. of Vacancies reserved				No. of Appointments Made						No. of Vacancies reserved				No. of Appointments Made					
	Total	VH	HH	OH	ID	VH	HH	OH	ID	Total	VH	HH	OH	ID	VH	HH	OH	ID	Total	VH	HH	OH	ID		
A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
B	2	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
C	7	3	1	3	0	0	3	2	0	3	1	1	1	0	0	0	0	0	1	1	0	0	0		
Total	9	3	1	5	0	0	3	2	0	3	1	1	1	0	0	0	0	0	1	1	0	0	0		

ii. Chief Controller of Factories

[illegible]

Annexure-II

Organization: Directorate of Enforcement

Group-wise representation of Persons with Disabilities up to 30.11.2025																									
Group	Number of Employees (as on 31.12.2024)					No. of Appointment/Promotion made during the calendar year 2025 (i.e. 01.01.2025 to 30.11.2025)																			
						Appointment by Direct Recruitment										Appointment by Promotion									
						No. of Vacancies reserved				No. of appointment made						No. of Vacancies Reserved				No. of appointment made					
	Total	VH	HH	OH	ID	VH	HH	OH	ID	Total	VH	HH	OH	ID	VH	HH	OH	ID	Total	VH	HH	OH	ID		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24		
Group A	421	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	60	0	0	0	0		
Group B	731	0	0	1	0	0	0	0	0	93	0	0	0	0	0	0	0	0	66	0	0	0	0		
Group C	482	1	0	5	0	0	0	0	0	23	0	0	1	0	0	0	0	0	6	0	0	0	0		
Group D	NA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
TOTAL	1634	1	0	6	0	0	0	0	0	116	0	0	1	0	0	0	0	0	132	0	0	0	0		

Summary of important observations included in Audit Reports presented to Parliament:

1. Central Board of Direct Taxes

S. No.	Year	No. of paras/PA reports on which ATNs have been submitted to PAC after vetting by Audit	Details of the Paras/PA reports on which ATNs are pending		
			No. of ATNs not sent by the Ministry even for the first time	No. of ATNs sent but returned with observations and Audit is awaiting their resubmission by the Ministry	No. of ATNs which have been finally vetted by Audit but have not been submitted by the Ministry to the PAC
1.	Audit Report No. 9 of 2024	0	1	0	0
2.	Audit Report No. 13 of 2024	283	145	11	15
3.	Audit Report No. 14 of 2024	0	1	0	0
4.	Audit Report No. 14 of 2025	114	154	8	58
	Total	397	301	19	73

2. Central Board of Indirect Taxes & Customs

Summary of important observations included in Audit Reports

S. No.	Year	No. of paras/PA reports on which ATNs have been submitted to PAC after vetting by Audit	Details of the Paras/PA reports on which ATNs are pending		
			No. of ATNs not sent by the Ministry even for the first time	No. of ATNs sent but returned with observations and Audit is awaiting their resubmission by the Ministry	No. of ATNs which have been finally vetted by Audit but have not been submitted by the Ministry to the PAC
PAC- GST Section					
1.	Audit Report No. 12 of 2025	0*	0	0	0*
PAC -Customs Section					
1.	Audit Report No. 11 of 2025	0*	27	21	18*
2.	Audit Report No. 17 of 2024	0*	0	0	0*
	Total	0*	27	21	18*

* PAC Cell, CBIC does not submit the ATNs to PAC. Uploading of ATNs of Paras at all stages is done on APMS Portal. APMS Portal is managed by CGA which comes under Dept of Expenditure with access to CAG.

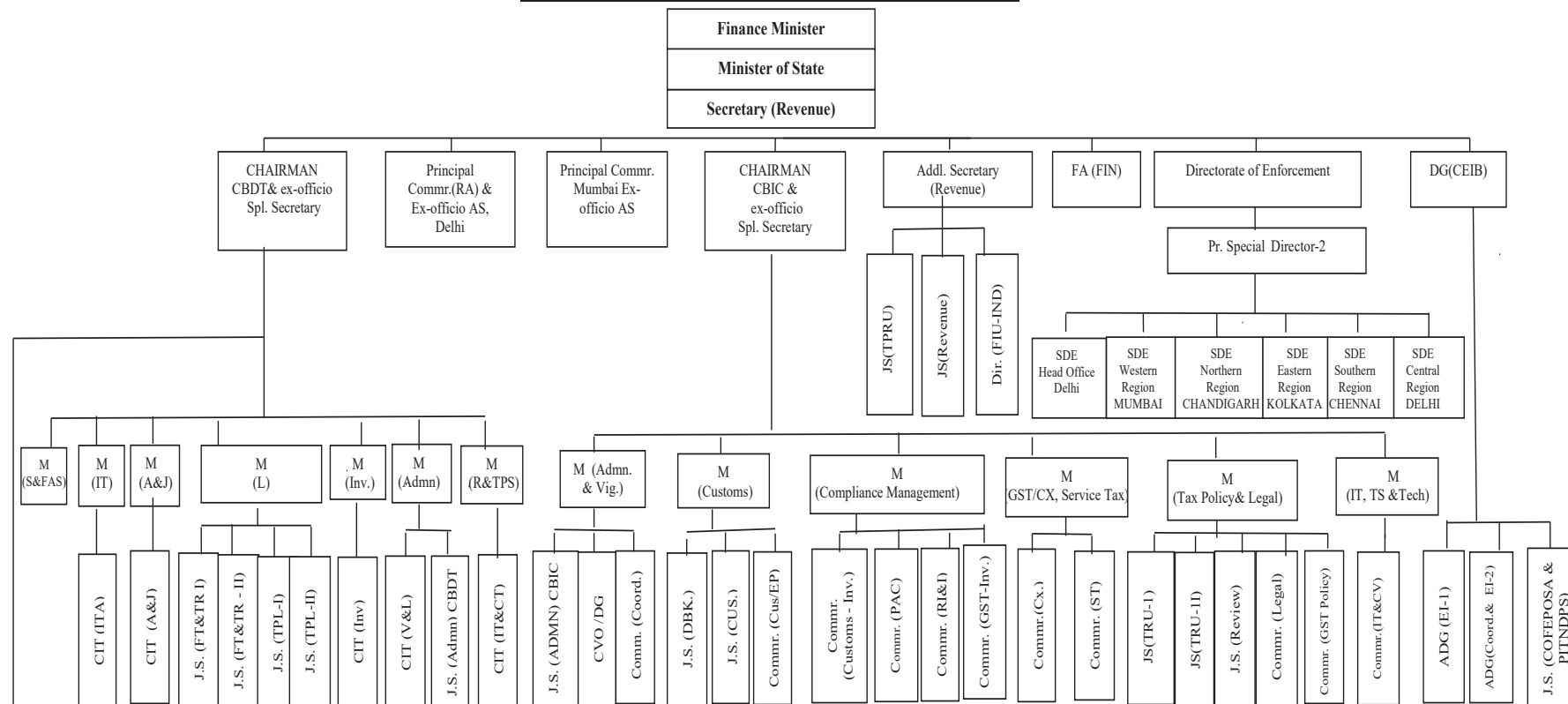
3. State Taxes (ST)

Status of CAG Audit Paras

Sr. No.	Year	Report No	Chapter No	Para No	Gist of the Audit Para	Status as on 17.11.2025
1.	2021	7	2	Para 2.3.3 - Accounting of short transfer of IGST to States/UTs pertaining to FY 18	Accounting of short transfer of IGST to States/UTs pertaining to FY 18	ATN uploaded on APMS portal on 17.07.2025. O/o CAG has not yet vetted the same.
2.	2021	7	2	Para 2.7.2 - Un-apportioned IGST	Un-apportioned IGST	ATN uploaded on APMS portal on 17.07.2025. O/o CAG has not yet vetted the same.
3.	2021	1	3	Entire Chapter - Information Technology Audit of GSTN (Phase-II)	The para relates to IT Audit of Refund Module, Returns Module, rejection of EWBs and other Issues of Infra/Network of GSTN.	O/o CAG has partially approved the Audit comments on 30.06.2025. Reply of further Audit comments has been submitted on APMS portal on 31.10.2025. O/o CAG has not yet vetted the same.
4.	2022	5	4	Entire Chapter - Reliability of GST data maintained by GSTN	The para relates to (1) Inconsistencies between taxable values and tax liability declared resulting in capture of unreliable data and (2) Inconsistencies in CGST and SGST components of GST.	O/o CAG has partially approved the Audit comments on 30.05.2025. Reply of further Audit comments has been submitted on APMS portal on 31.10.2025. O/o CAG has not yet vetted the same.
5.	2024	7	Chapter VII	Data Analysis of Composition Levy Scheme Data	Data Analysis of Composition Levy Scheme Data	Reply of further Audit comments has been uploaded on APMS portal on 04.04.2025. O/o CAG has not yet vetted the same. (ATN submitted)
6.	2024	7	Chapter VI	Reliability of GST data maintained by Goods and Services Tax Network	Reliability of GST data maintained by Goods and Services Tax Network	O/o CAG has partially approved the Audit comments on 28.04.2025. Reply of further Audit comments has been submitted on APMS portal on 22.10.2025. O/o CAG has not yet vetted the same.
7.	2024	7	Chapter 1	Para 1.3.2 - Comparative growth of various components of Indirect Taxes	Retention of IGST in the Consolidated Fund of India	Reply of further audit comments uploaded on APMS portal on 30.07.2025. O/o CAG has not yet vetted the same.
8.	2025	12	Entire Report	Performance Audit Report on E-Way Bill System under GST	Performance Audit Report on E-Way Bill System under GST	Reply of Audit comments have been submitted on APMS portal on 30.10.2025. O/o CAG has not yet vetted the same.

ORGANISATION CHART OF DEPARTMENT OF REVENUE

Annexure-IV



LEGEND

CBDT : Central Board of Direct Taxes
CBIC : Central Board of Indirect Taxes & Customs
 M(S&FAS): Member (Systems & Faceless Assessment Scheme)
 M(IT) : Member (Income Tax & ex-officio Spl. Secretary)
 M(A&J) : Member (Audit & Judicial & ex-officio Spl. Secretary)
 M(L): Member (Legislation & ex-officio Spl. Secretary)
 M(Inv.) : Member (Investigation & ex-officio Spl. Secretary)
 M(Admn) : Member (Administration & ex-officio Spl. Secretary)
 M(R&TPS) : Member (Revenue and Tax Payer Services & ex-officio Spl. Secretary)
 M(Admn & Vig.) : Member (Administration and Vigilance & ex-officio Spl. Secretary)
 M(Cus) : Member (Customs & ex-officio Spl. Secretary)
 M(GST/CX) : Member (Goods & Services/ Central Excise & ex-officio Spl. Secretary)
 M(IT,TS&Tech) : Member (Information Technology, Taxpayer, Services & Technology and ex-officio Spl. Secretary)
 CVO & DG (VIG) : Chief Vigilance Officer & Director General (Vigilance)
 J.S. : Joint Secretary
 CIT : Commissioner of Income Tax
 Commr. : Commissioner

LEGEND

SDE :- Special Director Enforcement
 TRU: Tax Research Unit
 CUS: Customs
 DBK: Drawback
 ADMN: Administration
 TPL: Tax Policy and Legislation
 FT&TR: Foreign Tax and Tax Research
 FA (FIN): Financial Advisor (Finance)
 RA: Revision Application
 Rev.: Revenue
 JS (COFEPOSA & PITNDPS): Joint Secretary (Conservation of Foreign Exchange & Prevention of Smuggling Activities and Prevention of Illicit Traffic in Narcotics Drugs and Psychotropic Substances)
 DG(CEIB): Director General (Central Economic Intelligence Bureau)
 ADG: Additional Director General
 PAC: Public Accounts Committee
 Enf. : Enforcement
 ITA: Income Tax Assessment
 C&S: Coordination and Systems

Attached Offices/ other Bodies of the Deptt. of Revenue (H.Q.)

1. Enforcement Directorate
2. Central Economic Intelligence Bureau
3. Central Bureau of Narcotics
4. Chief Controller of Factories
5. Competent Authorities (SAFEM (FOP) Act & NDPS Act)
6. National Committee for Promotion of Social & Economic Welfare
7. Customs & Central Excise Settlement Commission
8. Income Tax Settlement Commission
9. Appellate Tribunal (under SAFEMA)
10. Customs Excise & Service Tax Appellate Tribunal
11. Authority for Advance Rulings
12. Financial Intelligence Unit-India (FIU-IND)
13. Income Tax Ombudsman
14. National Institute of Public Finance & Policy (NIPFP)
15. Adjudicating Authority under PMLA
16. Indirect Tax Ombudsman

Chapter - IV

Department of Investment and Public Asset Management

1. FUNCTIONS

As per the present Allocation of Business Rules, the mandate of the Department is as follows:

1.(a) All matters relating to management of Central Government investments in equity including disinvestment of equity in Central Public Sector Undertakings.

(b) All matters relating to sale of Central Government equity through offer for sale or private placement or any other mode in the erstwhile Central Public Sector Undertakings.

Note: All other post disinvestment matters, including those relating to and arising out of the exercise of Call option by the Strategic Partner in the erstwhile Central Public Sector Undertakings, shall continue to be handled by the administrative Ministry or Department concerned, where necessary, in consultation with the Department of Investment and Public Asset Management (DIPAM).

2. Decisions on the recommendations of Administrative Ministries, NITI Aayog, etc. for disinvestment including strategic disinvestment.

3. All matters related to Independent External Monitor (s) for disinvestment and public asset management.

4. (a) Decisions in matters relating to Central Public Sector Undertakings for purposes of Government investment in equity like capital restructuring, bonus, dividends, disinvestment of government equity and other related issues.

(b) Advise the Government in matters of financial restructuring of the Central Public Sector Enterprises and for attracting investment in the said Enterprises through capital market.

5. The Unit Trust of India Act, 1963 (52 of 1963) along with subjects relating to Specified Undertaking of the Unit Trust of India (SUUTI).

II. VISION

- (i) Promote people's ownership of Central Public Sector Enterprises (CPSEs) to share in their prosperity through disinvestment.
- (ii) Efficient management of public investment in CPSEs for accelerating economic development and augmenting Government's resources for higher expenditure.

III. MISSION

- (i) List CPSEs on stock exchanges to promote people's ownership through public participation and improving efficiencies of CPSEs through accountability to its shareholders.
- (ii) To bring in operational efficiencies in CPSEs through strategic disinvestment, ensuring their greater contribution to the economy.
- (iii) Adopt a professional approach for financial management of CPSEs in the national interest and disinvestment aimed at expanding public participation in ownership of CPSEs.

IV. ORGANISATIONAL STRUCTURE

The Department of Investment and Public Asset Management (DIPAM) is currently headed by Shri Arunish Chawala, Secretary. He is assisted by two Additional Secretary, two Joint Secretaries, one Economic Adviser and one Advisor (Cost). The Department functions on the Desk Officer pattern and the assigned work is handled at the levels of Joint Secretary, Director/Deputy Secretary and Under Secretary. The Organizational Structure of the Department is placed at **Appendix –II**.

V. CURRENT POLICY ON DISINVESTMENT IN CPSEs

Government implements the policy of disinvestment through the minority stake sale and strategic disinvestment of CPSEs.

(i) Minority stake sale

Minority stake sale without transfer of management control are carried out in certain CPSEs through SEBI-approved methods such as Initial Public Offer (IPO), Offer for Sale (OFS), Buyback of shares etc. in order to unlock value, promote public ownership, meet the Minimum Public Shareholding norms of SEBI and for ensuring higher degree of accountability. These methods play important role in strengthening the capital market through (i) increasing the float of well performing CPSEs (ii) providing opportunity to retail investors to participate in an extended range of stocks and bonds and (iii) increasing liquidity and depth of the markets.

(ii) Strategic Disinvestment

“**Strategic Disinvestment**” implies entire or substantial sale of Government shareholding of a CPSE along with transfer of management control. In case of **Privatization**, which is a sub-set of strategic

disinvestments, the Government equity in CPSE and its management control is transferred to a private strategic buyer(s) and in other cases of strategic disinvestment, the Govt. equity is transferred to another CPSE along with control.

The policy on strategic disinvestment is based on the economic principle that Government should discontinue in sectors, where competitive markets have come of age and economic potential of such entities may be better discovered in the hands of strategic investor due to various factors such as infusion of capital, technological upgradation and efficient management practices.

NITI Aayog was mandated to identify the CPSEs for strategic disinvestment. Till February, 2021 NITI Aayog identified CPSEs for strategic disinvestment based on the criteria of (i) National Security; (ii) Sovereign function at arm's length, and (iii) Market Imperfections and Public Purpose.

Open, Transparent and Competitive Process for Privatization/Strategic disinvestment

The procedure of strategic disinvestment has also undergone changes to make the process result-oriented and expeditious. The new procedure provides for an Inter-Ministerial Group (IMG) chaired by Secretary, DIPAM & Secretary of Administrative Ministry to drive entire process, while minimizing redundancy and multiplicity of approvals to prevent dilution of bidder's interest and performance of the CPSEs. The overall process is also overseen by the Independent External Monitor (IEM).

New PSE policy

The New Public Sector Enterprise ("PSE") Policy for Atmanirbhar Bharat was approved by Cabinet, on 27th January 2021 and was notified on 4th February, 2021. The policy intends to redefine public sector participation in business enterprises and to encourage private sector participation in all sectors in order to achieve the goal of self-reliant India.

Under New Public Sector Enterprise ("PSE") Policy public sector commercial enterprises have been classified as Strategic and Non-Strategic sectors. The following four broad Strategic Sectors have been delineated based on the criteria of national security, energy security, critical infrastructure, provision of financial services and availability of important minerals:

- ✓ Atomic Energy, Space and Defence;
- ✓ Transport and Telecommunication;
- ✓ Power, Petroleum, Coal and other minerals; and
- ✓ Banking, Insurance and Financial Services.

In Strategic sectors, bare minimum presence of the existing public sector commercial enterprises

at Holding Company level will be retained under Government control. The remaining enterprises in a strategic sector, will be considered for privatization or merger /subsidiarization with another PSE or for closure.

PSEs in non-strategic sectors shall be considered for privatization, where feasible, otherwise such enterprises shall be considered for closure.

Approval of the Government for strategic disinvestment of a specific PSE shall be taken from time to time, on a case-to-case basis. The timing for specific transactions will however, be contingent, inter alia, on the considerations of appropriate sequencing, sectoral trends, administrative feasibility, investors' interest, etc.

This policy does not apply to certain classes of public sector entities such as Not-for-profit companies, or CPSEs providing support to vulnerable groups or having developmental/promotional roles, etc.

New policy initiative

The procedure for Strategic Disinvestment is modified from time to time to make it more result oriented, and to tackle new challenges. Keeping this in view, the Cabinet delegated certain additional powers to the Alternative Mechanism during the year 2022-23. Similarly, the Cabinet on 18.05.2022 had given approval for empowering the Board of Directors of the Public Sector Enterprises (PSEs) to recommend and undertake the transactions for Disinvestment (both strategic disinvestment and minority stake sale) or closure of any of their subsidiaries or units or sale of stake in JVs. It was also approved that based on proposal of Board of CPSE and Administrative Ministry, DIPAM will obtain an "in-principle" approval of Alternative Mechanism. Thereafter, the Board of CPSEs can undertake the process of disinvestment or closure of subsidiaries/units/ JVs based on DIPAM or DPE guidelines.

Guiding principles for strategic disinvestment/ Minority Stake sale of subsidiaries/units/sale of stakes in JVs both the holding/parent PSE was issued by DIPAM on 14.09.2022., Guiding principles for closure of subsidiaries/units by their Holding/Parent Public Sector Enterprises was issued by DPE on 31.10.2022. Further, DIPAM in consultation with NITI Aayog has issued guidelines on 23.08.2023 to the Administrative Ministries for examination of the proposals related to setting up of JVs, Subsidiaries, SPVs, etc. by CPSEs.

VI. VALUE CREATION IN CPSEs

Government has now focused on a holistic approach of public asset management which balances the objectives of value creation and value unlocking in CPSEs to optimize returns for the Government (and the minority stakeholders in listed companies) and disinvestment of CPSEs as per the extant policy (minority stake sale and

strategic disinvestment). As a part of this strategy, CPSEs are being driven to create value for itself, its employees, shareholders, and the broader economy. Emphasis has been placed on the following aspects.

i) Performance enhancement of CPSEs: Several key performance indicators have been included in the annual MOU framework for the CPSEs on which the companies are evaluated. Some of the key performance parameters include CAPEX, Return on net-worth or Return on capital employed, Export and Import as % of revenue, EBIDTA as % of revenue and Asset Turnover Ratio. Market related parameters like Total returns to shareholders for listed CPSEs (based on market cap of CPSE vis a vis Market cap of sectoral index, dividend payout as per capital management guidelines etc) have also been included in the MOU framework for the listed companies. This is key to raise the value of these companies in the market.

(ii) Focus on Capex: CPSEs are encouraged to take up CAPEX to achieve profitable growth in their business. For example, CPSEs, put together, undertake capital investment of more than Rs. 3 lakh crore annually from their own resources without budgetary support. Such a large CAPEX creates growth opportunities and further employment.

(iii) Capital Management Guidelines: These guidelines ensure consistent dividend policy and other Capital Management measures such as Buybacks, Bonus, Stock Split etc. *Revised Guidelines on Capital Restructuring of CPSEs have been issued on 18.11.2024 to align policy with market realities and requirements of CPSEs.*

(iv) Focus on Communication Strategy of CPSEs: CPSEs are being encouraged to have wider and frequent interactions with other capital market participants. Better communication about business with market participants helps CPSEs to raise funds for their future growth and creation of employment opportunities.

(v) Calibrated disinvestment strategy: Calibrated disinvestment strategy is being followed through listing/ IPO of companies and gradual dilution of minority stake through stock market consistent with interest of minority shareholders. This calibrated strategy has enabled CPSEs to improve their efficiency and growth and become important players in the capital market. The calibrated disinvestment policy also ensures that transactions whenever carried out, do not cause disruption in the market and remains aligned to overall market direction. This has led to enhanced value of the CPSEs increasing returns to shareholders.

Focus on value-creation and value unlocking through measures cited above, have seen Market cap and CPSE stocks rise significantly over the last few years,

leading to increasing returns investors holding these stocks. Total market cap of listed CPSEs has grown by nearly 3.3x in last three years from Rs 12.10 lakh crore (31.03.2021) to Rs 40.07 lakh crore (23.12.2025). Market cap of GoI equity in listed CPSEs has also increased by 3.6x from Rs 6.91 lakh crore (31.03.2021) to Rs 25.11 lakh crore (23.12.2025) in the last four years. Similarly, CPSE indices have out-performed the benchmark indices in the stock market (in terms of percentage increase) during the past 4 years.

Year	SEN-SEX	BSE CPSE	Nifty-50	Nifty CPSE
Last 2 years	15.24%	24.04%	17.53%	30.45%
Last 3 years	38.78%	120.19%	43.30%	133.40%
Last 4 years	36.57%	137.24%	40.94%	165.70%

As on 14.01.2026

VII. DISINVESTMENT PERFORMANCE

Minority Stake Sale

i. Initial Public/Further Offer IPO/FPO

- Initial public offer (IPO):** When an unlisted company makes either a fresh issue of shares or convertible securities or offers its existing shares or convertible securities for sale or both for the first time to the public, it is called an IPO. This paves way for listing and trading of the issuer's shares or convertible securities on the Stock Exchanges.
- Further public offer (FPO):** When an already listed company makes either a fresh issue of shares or convertible securities to the public or an offer for sale to the public, it is called an FPO.

Achievements: Since 2014-15, 18 CPSEs (including LIC) have been listed which yielded Rs 51,244.10 crore. During this period, 75.91 lakh retail investors invested an amount of Rs. 16,564.36 crore in IPOs of CPSEs. An additional market capitalization of Rs 7.47 lakh crore (Market-capitalization calculated based on listing price) was achieved through the new listings. At present, 67 CPSEs are listed (excluding public sector banks and insurance Companies) with a total market cap of Rs. 40.64 lakh crore as on 13.01.2026. The total M-cap of 16 public sector banks and insurance companies stands at Rs. 25.87 lakh Crore as on 13.01.2026.

In the current F Y 2025-26, while Bharat Coking Coal Limited (BCCL), a subsidiary of Coal India Limited, has been listed. Another subsidiary of Coal India Limited namely Central Mine Planning and Design Institute Limited (CMPDIL) is likely to be listed.

ii. Buyback of shares

Buyback is the repurchase by a company of its shares from the existing shareholders that reduces the number of its shares in the open market.

Companies buy back their shares:

- To increase the value of shares held by promoters.
- To eliminate any threats by minority shareholders who may be looking for a controlling stake.
- For CPSEs, buyback is a tool for Govt. of India to disinvest the equity held by Gol in CPSEs and to make proper utilization of idle cash left with CPSEs.

As per the Revised Guidelines on Capital Restructuring of CPSEs issued by DIPAM on 18.11.2024, CPSE, whose market price of the share is less than the book value consistently for the last six months, and having net-worth of at least Rs. 3000 crore and cash & bank balance of over Rs. 1500 crore may consider the option to buy-back their shares. Further, if buyback is not considered desirable for a CPSE with excess cash, but no committed expenditure, company may consider paying higher or special dividend to the shareholders.

Achievements: In order to make the use of idle cash lying with CPSEs and for improving the Earning per share, Govt. has used buyback method effectively. During the last eight years, disinvestment proceeds of Rs 45,104 crore were realized from buyback of shares by 45 CPSEs.

iii. Offer for Sale (OFS)

Offer for sale (OFS) is a simpler method of sale of shares through the exchange platform for listed companies. The mechanism was first introduced by SEBI in 2012, to make it easier for promoters of publicly-traded companies to cut their holdings and comply with the minimum public shareholding norms by June 2013. The method was largely adopted by listed companies, both state-run and private, to adhere to the SEBI norms of minimum public shareholding. Government often used this route to divest its shareholding in CPSEs.

Salient features of OFS:

- ✓ simple to execute
- ✓ market-driven
- ✓ Govt. continues to retain management control
- ✓ Cost-effective
- ✓ Time efficient (completed in 2 trading days)
- ✓ Transparent allocation based on price-parity basis.

Achievements: Disinvestment through OFS mechanism yielded Rs. 1,42,488 crore through various transactions in last 10+ years (as on 14.01.2026). This included the largest OFS of over Rs. 22,000 crore in case of Coal India Limited in January, 2015.

During F.Y. 2025-26, the following the OFS transactions were carried out (as on 17.02.2026):

(i) Mazagon Dock Shipbuilders Ltd (MDL) :

On the recommendations of High-Level Committee (HLC), the Alternative Mechanism on 03.04.2025 approved disinvestment of 4.83% of the paid-up equity of Mazagon Dock Shipbuilders Ltd (MDL) through Offer for Sale (OFS), out of Government's current shareholding of 84.83%. The OFS was done on 04.04.2025 and 07.04.2025. Government of India realized Rs.3673.42 crore from disinvestment of 3.61% of total shareholding through OFS. Post disinvestment, shareholding of Government of India in MDL stands at 81.22%.

(ii) Bank of Maharashtra (BoM) :

On the recommendations of High-Level Committee (HLC), the Alternative Mechanism on 01.12.2025 approved disinvestment of 6% of the paid-up equity of Bank of Maharashtra (BoM) through Offer for Sale (OFS), out of Government's current shareholding of 79.6%. The OFS was done on 02.12.2025 and 03.12.2025. Government of India have realized Rs. 2624.24 crore from the transaction. Post Disinvestment, shareholding of Government of India is 73.6% and BoM has now become compliant to the Minimum Public Shareholding (MPS) norms.

(iii) Indian Overseas Bank

On the recommendations of High-Level Committee (HLC), the Alternative Mechanism on 16.12.2025 approved disinvestment of 3% (2 % Base and 1% Green Shoe option) of the paid-up equity of Indian Overseas Bank through Offer for Sale (OFS), out of Government's current shareholding of 94.61% The OFS was done on 17.12.2025 and 18.12.2025. Government of India realized Rs. 1419.36 crore from the transaction, post disinvestment of 2.17% of total shareholding of Government of India in IOB stand at 92.44%.

(iv) Bharat heavy Electricals Ltd.

On the recommendation of High-Level Committee (HLC), the Alternative Mechanism approved disinvestment of the paid-up equity of Bharat Heavy Electricals Ltd (BHEL), through Offer for Sale (OFS), out of Government's current shareholding of 63.17%. The OFS was done on 11.02.2026-12.02.2026. Government of India realized Rs. 4,464.91 crore from the transaction, Post Disinvestment the shareholding of Government of India in BHEL stands at 58.17%.

Other Transactions (2025-26) (As on 14.01.2026),

Government received Rs. 1,051.00 crore as remittance from SUUTI.

Gol equity holding in Vodafone IDEA Ltd (VIL) increased to 48.99% pursuant to conversion of eligible spectrum instalment into equity under the Telecom Reforms and Support Package.

Approval of the Alternate Mechanism (AM) has been obtained in respect of the following hotels/units of ITDC

- a) Ranchi Ashok Bihar Hotel Corporation Limited (RABHCL) – AM approved sale of 51% shareholding of ITDC in RABHCL to the Government of Jharkhand at a valuation of ₹3.06 crores in June, 2025.
- b) Hotel Jammu Ashok, Jammu – AM approved transfer of Hotel Jammu Ashok, Jammu on 'As is where is' basis to the Government of J&K at a valuation of ₹11.09 crores in August, 2025.
- c) Punjab Ashok Hotel Company Limited (PAHCL) – AM approved transfer of 51% equity of ITDC in PAHCL to Punjab Tourism Development Corporation (PTDC) at a valuation of ₹79.39 lakhs in September, 2025

Alternative Mechanism on 28.08.2025 has granted approval for Disinvestment of National Thermal Power Corporation (NTPC)'s stake in its Joint Venture (JV) Utility Powertech Ltd (UPL), in one or more tranches in accordance with DIPAM's OM No. 3/17/2021-DIPAM-IIB(E) dated 01.06.2022.

Qualified Institutional Placement (QIP) in Indian Renewable Energy Development Agency Limited (IREDA) : Alternative Mechanism (AM) has approved Gol shareholding in IREDA to be diluted, owing to issue of fresh equity through QIP route, up to an extent of 7% of the paid-up equity of IREDA. Accordingly, IREDA on 11.06.2025 transacted 4.32% (fresh issue) through QIP. A sum of Rs.2005.9 crore was raised through QIP which will be utilized for strengthening the CPSE and further enhancing country's capacity to support expanding renewable energy in India.

Exchange Traded Fund

Through various offers of CPSE-ETF and Bharat-22 ETF, Govt. could realize disinvestment proceeds of Rs.98,949 crore since 2016-17. However, there is now limited scope of disinvestment through existing ETF window as many underlying Stocks in CPSE-ETF and Bharat-22 ETF have reached close to 51% level of GOI equity or some stocks in the ETF basket are no longer available for disinvestment due to strategic disinvestment or other reasons. Also, it was noted that large and repeated tranches of Equity ETF were acting as a disincentive for investors in PSU stocks due to price overhang. Therefore, Government has now decided to

pause employing Equity ETFs as a tool for minority stake sale.

B. Performance in Strategic Disinvestment

The Government, since 2016 has given 'in-principle' approval for strategic disinvestment of 36 cases of CPSEs and/or Subsidiaries/Units/ Joint Ventures of CPSEs/ Bank. Out of these, 12 CPSEs - have been strategically disinvested (Transaction Completed), 5 CPSEs - recommended for Closure, 3 CPSEs- Transaction failed and EoI Annulled, 2 CPSEs- Transaction not pursued (AM not approved), 6 CPSEs- Ongoing Transaction being processed by DIPAM, 4 CPSEs - Transaction being processed by respective Administrative Ministries and 4 CPSEs - Transactions failed, considered for Merger/Closure/Subsidiarization. The details given at **Appendix-I**.

C. Disinvestment Targets & achievements

Since 2014-15, an amount of about Rs. 4,47,055 crore (as on 14.01.2026) has been realized as disinvestment proceeds using various modes/ instruments. This includes Rs 3,37,766 crore realized from minority stake sale, and Rs. 69,412 crore realized from strategic disinvestment transactions in 10 CPSEs (Air India & NINL have been privatized and in remaining 8 CPSEs strategic disinvestment was in CPSE to CPSE space). Amount received from strategic disinvestment (Rs. 69,412 crore) does not include Rs. 12,100 crore received as Enterprise Value for NINL transaction as Gol didn't have any direct equity in this Joint Venture of Central and State PSEs. Other transactions yielded Rs. 39,877 crore.

The details of disinvestment targets set/Revised Estimate (RE) and actual disinvestment achieved by the Government from 2014-15 are given as under:

(In Rs. crore)

Year	Target (RE)	Actual
2014-15	26,353	24,349
2015-16	25,313	23,997
2016-17	45,500	46,247
2017-18	1,00,000	1,00,037
2018-19	80,000	84,972
2019-20	65,000	50,300
2020-21	32,000	32,886
2021-22	78,000	13,534
2022-23	50,000	35,294
2023-24	There is no specific estimate for disinvestment	16,508
2024-25		10,164
2025-26 (*)		8,768
(*) as of 14.01.2026 Total		4,47,055

Disinvestment is an ongoing process, and execution/completion of specific transactions hinges upon market conditions, domestic and global economic outlook, geopolitical factors, investor interest and administrative feasibility. There is no specific estimate for disinvestment since the RE of 2023-24. Further, Rs. 47,000 crore has been kept under miscellaneous capital receipts in 2025-26 Budget Estimates (BE), which includes receipts on account of management of equity investments and public assets through various mechanisms.

VIII OTHER INITIATIVES

(i) Launch of Bharat Bond ETF

Bharat Bond ETF comprising of AAA rated CPSEs, was launched in December 2019 which was the first instrument of its kind based on high-quality public-sector bonds. Tranche -I of Bharat Bond ETF launched in December, 2019 raised over Rs. 12,400 crore. Tranche- II of Bharat Bond ETF was launched in July, 2020 raising over Rs. 11,000 crore. Tranche III was launched in December, 2021 raising over Rs 6,200 Cr. The Three tranches received huge response from all sections of investors especially retail investors.

After the successful launch of three tranches with an AUM of Rs. 50,000+ Cr., the fourth tranche BBETF - 2033 of Bharat Bond ETF with 10+ years maturing in April 2033 was launched on 2nd December 2022 and ended on 8th December 2022. The April 2033 issue of Bharat Bond ETF was oversubscribed 2.8 times against the base issue size of Rs. 1,000 cr. The total Rs 2800 crore was raised against the base issue size of Rs. 1000 crore. 8 CPSE namely PFCL, IRFC, REC, NABARD, HUDCO, NTPC Limited, HPCL, and NPCIL participated and issue bonds.

Asset Under Management (AUM) for the Bond ETF market has grown to Rs. 62,218 crore (as on December, 2025)) out of which about 90% is accounted for Bharat Bond ETF (around Rs 56,064 crore). It provided opportunity to retail investors to access bonds with smaller amount (as low as Rs 1,000) while helping CPSEs mobilize debt at reduced cost. Based on this model, many Bond-ETFs based on G-Sec, State Development Loans (SDLs) and Corporate Bonds have come to the market.

(ii) Special National Investment Fund (SNIF)

The proposal for tendering 33,61,461 shares of Scooters India Limited (SIL), held in Special National Investment Fund (SNIF), in the delisting offer of SIL, was approved by the Alternative Mechanism in March, 2024 following which, the entire such shares of SIL held in SNIF were tendered on 8th April, 2024. A sum of Rs.10.68 crores was received on 2nd May, 2024, as a result this transaction. Scooters India Limited (SIL) was approved

for closure in the year 2021 and the company has now been delisted from the stock exchange in 2024.

(iii) Monetization of Enemy Shares

Cabinet in its meeting on 8th November, 2018 approved the procedure and mechanism for disposal of Enemy Shares, which is also being handled by DIPAM. As per the enemy shares provided by CEPI MHA, more than 99.4% shares have been sold. As on date (November, 2024) total shares realized at Rs. 2740.81 crore have been sold and the proceeds have come back to GoI.

IX. CAPITAL MANAGEMENT & DIVIDEND RECEIPTS

Revised Guidelines on Capital Restructuring of CPSEs

DIPAM has issued Revised Guidelines on Capital Restructuring of CPSEs on 18.11.2024 with the approval of Hon'ble Finance Minister. These Guidelines, brought out after due consultation with all stakeholders, reflect the evolution in the capital market conditions, regulatory and sectoral changes, etc. Main objectives of the Guidelines are to enhance value of the CPSE and returns for the shareholders, improve performance and efficiency of CPSEs by providing them operational & financial flexibility thereby enabling them to play effective role in economic growth of the country. The comprehensive Revised Guidelines have been circulated to all Administrative Ministries/Departments and CPSEs for compliance.

Dividends:

Dividends from CPSEs form an important component of non-tax receipts. The work related to dividends was transferred from Department of Economic Affairs to DIPAM in 2020-21. Accordingly, an Inter-Ministerial Committee namely Committee for Monitoring of Capital Management and Dividend in CPSEs (CMCDC) for discussing/approving proposals relating to capital management/restructuring and dividend payouts, including exemption proposals of CPSEs has been set up. Consistent Dividend Policy was framed by DIPAM (in November 2020) for ensuring predictability in dividend payment by companies. A predictable dividend regime helps in reviving investor interest and improve market sentiments for CPSE stocks as predictability in regular dividend payment would attract quality investors to CPSE stocks and retain them in the hope of a future dividend. Government will also get predictable and periodic dividends as interim dividend. This policy has been increasing compliances from CPSEs.

There has been a significant rise in dividend payouts by CPSEs in the last 3-4 years. The Government realized Rs. 59,533 crore, Rs.64,000 and Rs.74,129 crore as dividend receipts from CPSEs for the FY 2022-23,

2023-24 and 2024-25 against the Revised Estimates of Rs. 43,000 crore, Rs.50,000 crore and Rs. 55,000 crore respectively.

During the current FY 2025-26, the Government has realized Rs.49,580.47 crore against the Budget Estimates (BE) of Rs. 69,000 crore as on (14.01.2026).

X INITIATIVES UNDERTAKEN FOR PERSONS WITH DISABILITIES, SCHEDULED CASTES, SCHEDULED TRIBES AND OTHER BACKWARD CLASSES:

The staff strength in the Department along with representation of Scheduled Castes, Scheduled Tribes, Persons with disabilities and Other Backward Classes is given in **Annexure-I & Annexure-II**.

XI INITIATIVES RELATING TO GENDER BUDGETING AND EMPOWERMENT OF WOMEN

The nature of allocated work of the Department does not have any scope for gender budgeting as far as empowerment of women are concerned.

XII. OFFICIAL LANGUAGE POLICY

- The Department has a full-fledged Official Language Unit to implement the Official Language Policy. The website of the Department is bilingual. Hindi Section (Official Language)-DIPAM, conducted multiple activities during 2025–26:
- Officers participated in Hindi Diwas & 5th All India Official Language Conference (14–15 Sept 2025) at Gandhinagar, chaired by the Hon'ble Home & Cooperation Minister.
- Hindi Pakhwada (18–30 Sept 2025) included competitions like extempore speech, essay writing, dictation, word knowledge, and pictorial expression.
- Cash prizes (via e-payment) and certificates awarded to competition winners
- Official Language Implementation Committee (OLIC) meets quarterly as per MHA instructions.
- OLIC meetings held on 24 June 2025 (Q1) and 29 Sept 2025 (Q2).
- Workshops conducted to reduce hesitation among staff in working in Hindi.

XIII. E-GOVERNANCE

As a part of good governance through the use of information technology, the following initiatives have been taken:

- (i) Website of the Department (www.dipam.gov.in) is updated on a regular basis, in both English and Hindi. The website is compliant with the Guidelines for Indian Government Websites (GIGW).
- (ii) Maintenance of the Payroll Package
- (iii) Implementation of e-Office
- (iv) Following web-based monitoring systems are in place:
 - Rajya Sabha Question, Answer Monitoring System.
 - Centralized Public Grievance Redress and Monitoring System (CPGRAMS)
 - Centralized Tender/Procurement Monitoring System. Tenders are regularly put on the website and e-Publishing in e-procurement portal is being done regularly.
 - Representations of Reserved Categories in Posts and Services in Government of India (RRCPS) Monitoring System (SC/ST Commission Portal).
 - APAR Monitoring system for IAS Officers (JS level & above), CSS/ CSSS Officers (All levels).
- (v) Cadre Management System (for CSS Officers).
- (vi) Pension Portal
- (vii) Use of GeM portal
- (viii) Quarterly Rolling Plan
- (xi) Data Portal (Data.gov.in).

XIV. REDRESSAL OF PUBLIC GRIEVANCES

The Department is using the Centralized Public Grievance Redress and Monitoring System (CPGRAMS). The website of the Department also has an in-built mechanism for receiving grievances from public. A Joint Secretary has been designated as Nodal Grievance Officer and Additional Secretary has been nominated as Nodal Appellate Authority for the purpose.

Internal Complaints Committee on Sexual harassment of women employees

In compliance with Supreme Court's Judgement dated 13th August, 1997 in Visakha case relating to prevention of sexual harassment of women at work place, an internal complaints committee has been put in place for considering complaints of sexual harassment of women employees in Department of Investment and Public Asset Management (DIPAM).

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, an awareness workshop was conducted at DIPAM for all employees on 16th and 17th October 2025, in collaboration with the National Commission for Women.

XV. VIGILANCE MACHINERY

An Additional Secretary has been designated as part-time Chief Vigilance Officer in the Department.

XVI. RIGHT TO INFORMATION ACT, 2005.

In order to facilitate dissemination of information under the provisions of the Right to Information Act, 2005, the following initiatives have been taken by the Department:

- (i) An RTI Cell has been set up to collect, transfer the applications under RTI Act, 2005 to the Central Public Information Officers/ Public Authorities concerned and to submit the quarterly returns regarding receipt and disposal of the RTI applications/ appeals, to the Central Information Commission.
- (ii) Details of functions of the Department along with its functionaries etc. have been placed on Department's website (www.dipam.gov.in) in compliance with Section 4(1)(b) of the RTI Act and is updated from time to time.

(iii) One Under Secretary has been designated as the Nodal Central Public Information Officer and 2 Deputy Director, 2 Assistant Directors and 10 Under Secretaries as Central Public Information Officers under Section 5(1) of the Act, in respect of subjects handled by them.

(iv) 4 Directors, 2 Joint Director and 6 Deputy Secretaries have been designated as First Appellate Authorities in terms of Section 19(1) of the Act for all matters relating to their Divisions.

XVII. INITIATIVES FOR GOOD GOVERNANCE

As per the mandate provided by the Government of India (Allocation of Business) Rules, 1961, the Department is not involved in the delivery of any public services and thus, does not have any direct interface with the citizens or public at large. However, the Department has initiated the following measures as a part of good governance.

Timelines have been prescribed for disposal of transaction related bills to avoid delay and any scope of corruption as also to promote good governance.

XVIII. AUDIT PARAS/OBJECTIONS

There are six Audit Paras are pending. Details are given at **Annexure-III**

XIX. INTEGRATED FINANCE UNIT

The Integrated Finance Unit works under Additional Secretary & Financial Adviser (Finance) and deals with expenditure and Budget related proposals of Grant No. 34 – Department of Investment & Public Asset Management - which includes Secretariat General Services covering the establishment budget for the Department of Investment & Public Asset Management.

The budget allocation under Grant No. 34 is as under: -

(Rs. in crores)

Grant No.	Budget Estimates 2025-26		
	Capital	Revenue	Total
34 - Department of Investment & Public Asset Management	1.70	55.43	57.13

The Integrated Finance Unit monitors all financial and expenditure related proposals of the Department like appointment of consultants, foreign deputation/visits of officers etc. The expenditure trend of the Department is consistently monitored by the Integrated Financial Unit (IFU). All budget related matters including issues concerning Standing Committee on Finance come within the purview of this unit.

XX. Special Campaign 5.0 :

DIPAM has no attached/ sub-ordinate office under its administrative control. The Special campaign 5.0 was undertaken with full enthusiasm focusing on disposal of pending references in the identified categories, reviewing/ weeding out of files, disposing of old unusable articles.

During the Campaign the progress was regularly uploaded on the 'SCDPM' portal & posted on social media platform and the pendency was brought down to the minimum level almost in all categories.

XXI. Monitoring of Court Cases:

Monitoring of Court cases in DIPAM are now being done in Legal information briefing System 2.0 (LIMBS 2.0). DD/US/DS level officers of every Division have been designated as LIMBS user of DIPAM for the purpose of entry, updation and transferring of court cases in LIMBS portal. Therefore, the status of pending court cases are monitored regularly at the users level in the divisions of the Department through LIMBS portal.

Status of Strategic Disinvestment Transactions**A. Transactions Completed**

S.No.	Name of CPSE
1.	Hindustan Petroleum Corp Ltd (HPCL)
2.	Rural Electrification Corporation Limited (REC)
3.	Hospital Services Consultancy Corporation Limited (India) Limited
4.	National Projects Construction Corporation Limited (NPCC)
5.	Kamrajar Port Limited
6.	THDC India Limited (THDC)
7.	North Eastern Electric Power Corp Limited (NEEPCO)
8.	Hindustan Newsprint Limited (subsidiary) (Renamed as KPPL)
9.	Dredging Corporation of India Limited (DCIL)
10.	Air India and its subsidiaries (AI)
11.	Neelachal Ispat Nigam Limited (NINL)
12.	Ferro Scrap Nigam Limited (FSNL)

B. CPSEs Recommended for Closure

S. No.	Name of PSE
13.	Hindustan fluorocarbons Limited
14.	Scooters India Limited
15.	Bharat Pumps & Compressors Limited
16.	Hindustan Prefab Limited
17.	Cement corporation Ltd

C. Transactions failed and EoI Annulled:

S.No.	Name of PSE
18.	Pawan Hans Limited
19.	Bharat Petroleum corporation Ltd
20.	Alloy Steel Plant, Durgapur; Salem Steel Plant; Bhadrawati Steel Plant - units of Steel Authority of India Limited.

D. Transactions not pursued (AM not approved):

S.No.	Name of PSE
21.	Rashtriya Ispat Nigam Ltd
22.	Container Corporation of India Limited

E. Ongoing Transaction being processed by DIPAM

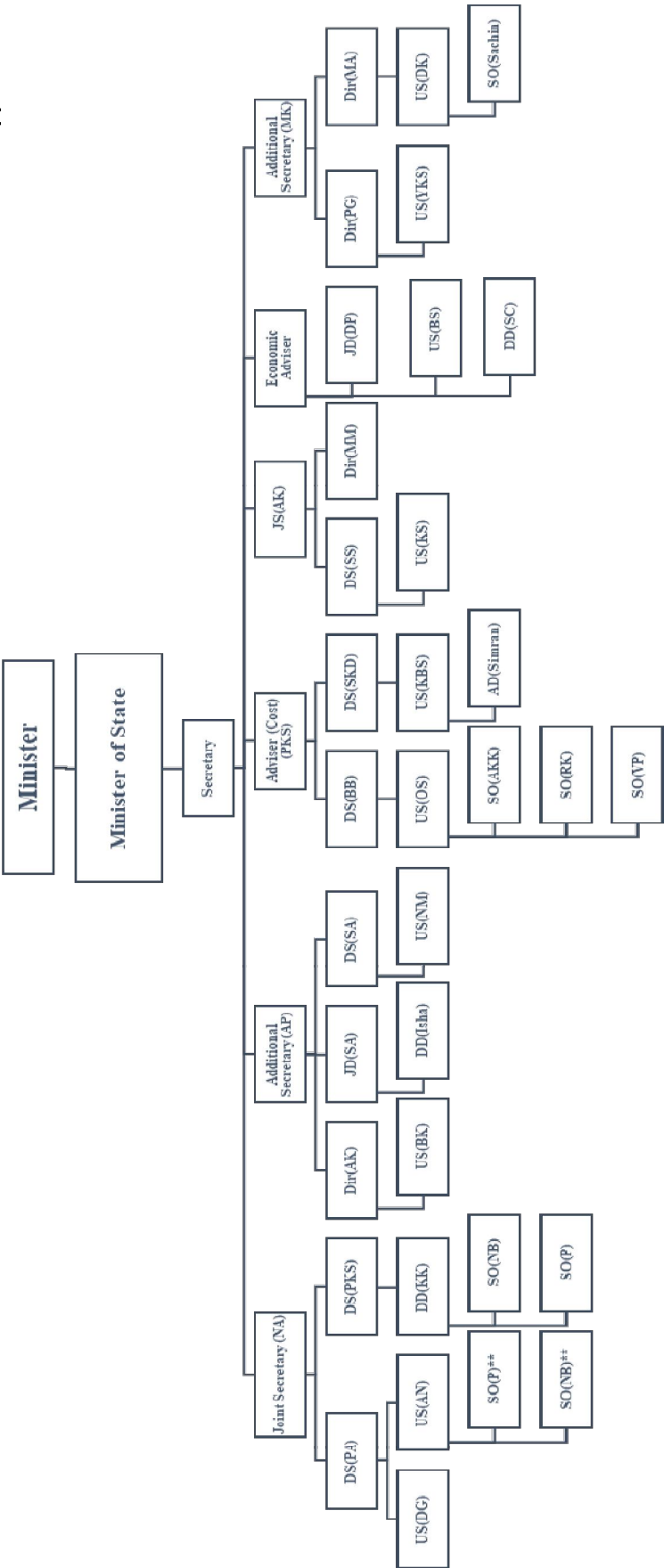
S.No.	Name of PSE
23.	IDBI Bnak
24.	Indian Medicines Pharmaceuticals Corporation Ltd. (IMPCL)
25.	NDMC Steel Limited (NSL)
26.	BEML Limited
27.	HLL Lifecare Limited
28.	The Shipping Corporation of India Limited

F. Transaction being processed by respective Administrative Ministries

S.No.	Name of PSE
29.	Various Units of India Tourism Development Corporation Limited
30.	Karnataka Antibiotics & Pharmaceuticals Limited (State Govt. opposed)
31.	Hindustan Antibiotics Limited & its subsidiaries (negative net worth)
32.	Bengal Chemicals & Pharmaceuticals Limited (adverse judicial order)

G. Transaction failed, Under consideration for Merger/Closure/Subsidiarisation

S.No.	Name of PSE
33.	Engineering Project (India) Limited
34.	Bridge and Roof Company (India) Limited
35.	Project & Development India Limited (PDIL,)
36.	Central Electronics Ltd. (CEL)



(*) Officers with additional charges

Annexure-I

Representation of SCs, STs, OBCs in respect of Department of Investment & Public Asset Management

Groups	Number of employees				Number of appointments made during the previous calendar year									
	(as on 18.12.2025)				By Direct Recruitment				By promotion			By Deputation		
	Total	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs
A	39	8	1	6	0	0	0	0	0	0	0	0	0	0
B	19	3	3	3	0	0	0	0	0	0	0	0	0	0
C	14	7	0	5	0	0	0	0	0	0	0	0	0	0
Total	72	18	4	14	0	0	0	0	0	0	0	0	0	0

Annexure-II

Representation of the persons with disabilities in DIPAM

Group	Number of employees				By Direct Recruitment								Promotion							
	(as on 18.12.2025)				No. of Vacancies reserved			No. of appointments made				No. of vacancies No. of appointment reserved made			No. of appointments made					
	Total	VH	HH	OH	VH	HH	OH	Total	VH	HH	OH	VH	HH	OH	Total	VH	HH	OH		
A	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
B	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
C	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total	72	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		

Summary of Important observation included in Audit Reports

Sl. No.	Year	Details of the Paras/PA reports on which ATNs are pending			
		No. of Paras/PA reports on which ATNs have been submitted to PAC after vetting by Audit	No. of ATNs not sent by the Ministry even for the first time	No. of ATNs sent but returned with observations and Audit is awaiting their resubmission by the Ministry	No. of ATNs which have been finally vetted by Audit but have not been submitted by the Ministry to the PAC
1	2025		Para 4.2.2.3- (Annex. 4.6B, Sr.No.68)- Significant savings at minor head/sub head level		
2	2025		Para 4.2.2.2 (Annx. 4.5,Sr.No. 25)- Significant savings at segment level		
3	2021		Para No. 2.7.3 DIPAM- Incorrect booking of receipt from sale of enemy properties		
4	2021		Para No. 2.4.7 DIPAM- Treatment of assets of Specified undertaking of UTI		
5	2022		Para 3.3.1 (Fig.3.4)- Government Investment in various entities-Mismatch of Figures		
6	2022		Para 3.8.3- Treatment of Proceeds/Receipts of specified undertaking of UTI (SUUTI)		

Chapter - V

Department of Financial Services

1. Organisations/Institutions/Regulators Under DFS

Under the administrative control of the Department of Financial Services (DFS), a total of 105 organizations fall into various categories, including Public Sector Banks, Public Sector Life Insurers, Public Financial Institutions, Regulators, Regional Rural Banks, DRTs/DRATs, CERSAI, Office of Custodian, Office of Special Court, and Court Liquidator. Below are the details of these organizations:

Public Sector Banks (12)

- State Bank of India
- Punjab National Bank
- Bank of Baroda
- Canara Bank
- Union Bank of India
- Bank of India
- Central Bank of India
- Indian Bank
- Bank of Maharashtra
- UCO Bank
- Punjab & Sind Bank
- Indian Overseas Bank

Public Sector Insurers (7)

- Life Insurance Corporation of India (LIC)
- General Insurance Corporation of India (GIC)
- The New India Assurance company limited
- United India Insurance Company Limited (UIICL)
- The Oriental Insurance Company Limited (OICL)
- National Insurance Company Limited (NIC)
- Agriculture Insurance Company of India Limited (AICIL)

Public Financial Institutions (7)

- National Bank for Agriculture and Rural Development (NABARD)
- Export -Import Bank of India (Exim Bank)
- India Infrastructure Finance Company Limited (IIFCL)
- National Bank for Financing Infrastructure and Development (NaBFID)
- Industrial Finance Corporation of India Limited (IFCI)
- National Housing Bank (NHB)
- Small Industrial Development Bank of India (SIDBI)

Regulators (3)

- Reserve Bank of India (RBI)
- Pension Fund Regulatory and Development Authority (PFRDA)
- Insurance Regulatory and Development Authority of India (IRDAI)

Regional Rural Banks (28)

- Andhra Pradesh Grameena Bank
- Arunachal Pradesh Rural Bank
- Assam Gramin Vikash Bank
- Bihar Gramin Bank
- Chhattisgarh Rajya Gramin Bank
- Gujarat Gramin Bank
- Sarva Haryana Gramin Bank
- Himachal Pradesh Gramin Bank
- Jammu and Kashmir Grameen Bank
- Jharkhand Rajya Gramin Bank

- Karnataka Grameena Bank
- Kerala Gramin Bank
- Madhya Pradesh Gramin Bank
- Maharashtra Gramin Bank
- Manipur Rural Bank
- Meghalaya Rural Bank
- Mizoram Rural Bank
- Nagaland Rural Bank
- Odisha Grameen Bank
- Puduvai Bharathiyar Grama Bank
- Punjab Gramin Bank
- Rajasthan Gramin Bank
- Tamil Nadu Grama Bank
- Telangana Grameena Bank
- Tripura Gramin Bank
- Uttar Pradesh Gramin Bank
- Uttarakhand Gramin Bank
- West Bengal Gramin Bank

DRTs (39)

- DRT-1, Ahmedabad
- DRT-2, Ahmedabad
- DRT, Allahabad
- DRT, Aurangabad
- DRT-1, Bengaluru
- DRT-2, Bengaluru
- DRT-1, Chandigarh
- DRT-2, Chandigarh
- DRT-3, Chandigarh
- DRT-1, Chennai
- DRT-2, Chennai
- DRT-3, Chennai
- DRT, Coimbatore

- DRT, Cuttack
- DRT-1, Delhi
- DRT-2, Delhi
- DRT-3, Delhi
- DRT, Dehradun
- DRT-1, Ernakulam
- DRT-2, Ernakulam
- DRT, Guwahati
- DRT-1, Hyderabad
- DRT-2, Hyderabad
- DRT, Jabalpur
- DRT, Jaipur
- DRT-1, Kolkata
- DRT-2, Kolkata
- DRT-3, Kolkata
- DRT, Lucknow
- DRT, Madurai
- DRT-1, Mumbai
- DRT-2, Mumbai
- DRT-3, Mumbai
- DRT, Nagpur
- DRT, Patna
- DRT, Pune
- DRT, Ranchi
- DRT, Siliguri
- DRT, Visakhapatnam

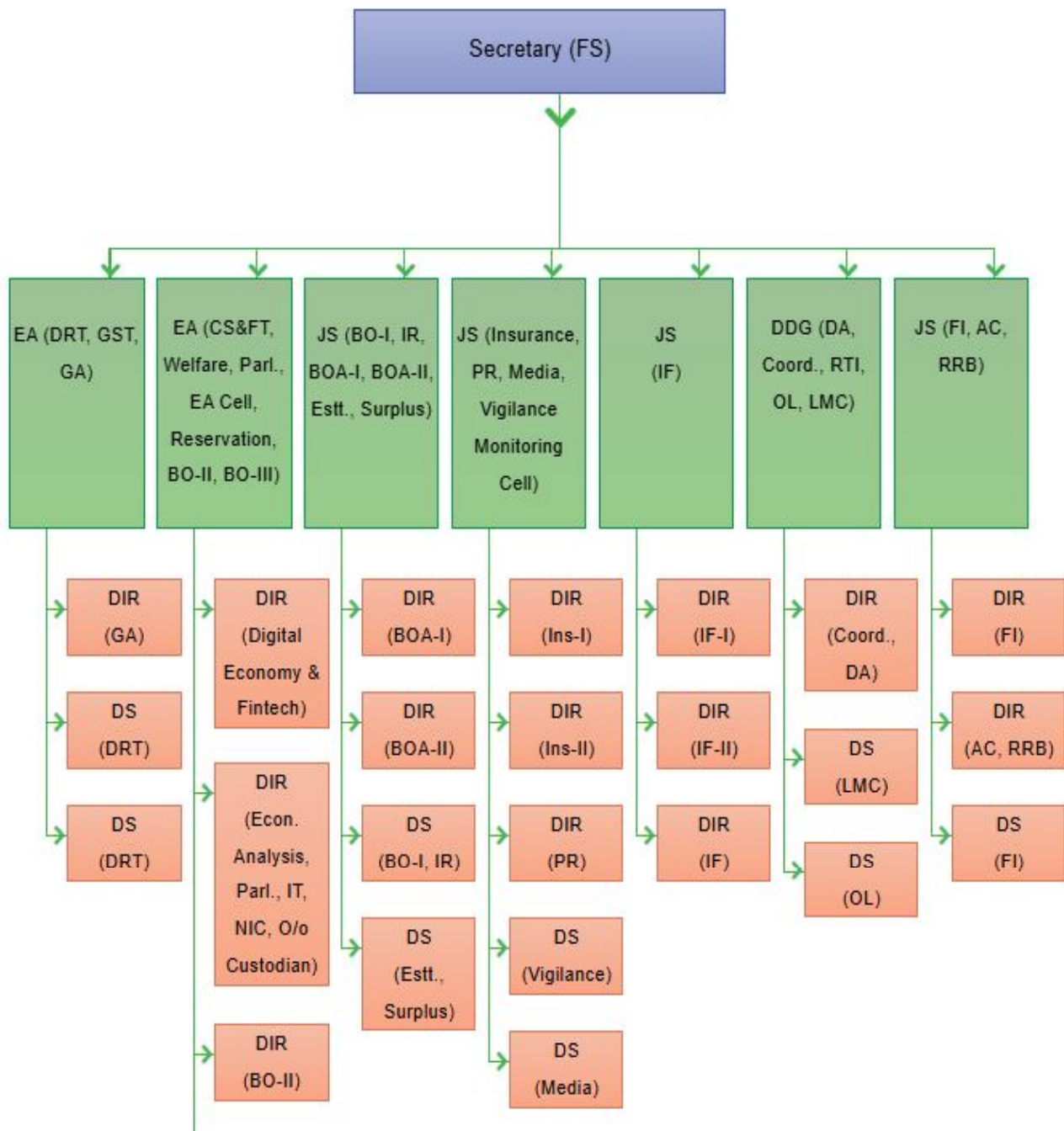
DRATs

- DRAT, Allahabad
- DRAT, Chennai
- DRAT, Delhi
- DRAT, Kolkata
- DRAT, Mumbai

2. Organisational Chart

The Department is headed by the Secretary (Financial Services) who is assisted by four Joint

Secretaries (JS), two Economic Advisers (EA) and a Deputy Director General (DDG). The organisational chart of the department is shown below:



3 Work Allocation among Sections

At present, following sections and cells are within this department. The work allocation is as follows:

Banking Operation-I (BO-I)

- Appointment/nomination of following positions on the Board of Reserve Bank of India and Public Sector Banks:
- Governor/Deputy Governors of Reserve Bank of India.
 - Non-executive Chairman on the Board of Nationalised Banks.
 - The Chairman and the Managing Director in State Bank of India.
 - The Managing Director and Chief Executive Officer and the Executive Director in Nationalised Banks.
- Government Nominee Directors on the Board of Reserve Bank of India and Public Sector Banks.
- Reserve Bank of India Nominee Director, workmen and non-workmen employee Directors on the Board of Nationalised Banks and State Bank of India.
- CA Category Directors on the Board of Nationalised Banks.
- Part-time non-official Directors/Directors on the Board of Reserve Bank of India, State Bank of India and Nationalised Banks.
- Members on the Local Boards of Reserve Bank of India.
- All the HR related matters of whole-time Directors of Public Sector Banks — such as determination of salary, allowances and other terms and conditions including leave management, foreign tour, maintenance of annual performance appraisal reports, post retirement commercial employment etc.
- Pension policy and related issues of whole-time Directors of Public Sector Banks.
- Performance Linked Incentive Scheme for whole-time Directors and Senior Executives of PSBs.
- Sitting fee payable to Directors/Members of Reserve Bank of India and Public Sector Banks.
- Administration of the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970/1980.
- Administration of the State Bank of India Act, 1955 and the Banking Companies (Acquisition

and Transfer of Undertakings) Act, 1970 and 1980 in respect of the matters pertaining to Corporate Governance.

Banking Operation-II (BO-II)

- Administration of all Acts/Regulations/Rules related to Financial Systems like the Negotiable Instruments Act, 1881, the Chit Funds Act, 1982 and the Price Chits and Money Circulation Schemes (Banning) Act, 1978, etc., Banning of Unregulated Deposit Scheme Act, 2019
- Deposit Insurance and Credit Guarantee Corporation (DICGC), Act, 1961
- Coordination of work on matters related to Disaster management and crisis management.
- Payment and Settlement System Act, 2007
- Matters relating to Digilocker, wherein the proposal is to enable the updation of the address of the account-holder in banks
- Disposal of appeals received under section 9 of the Payment and Settlement Systems Act, 2007
- Factoring Regulation Act, 2011
- State Legislations – Protection of Interest of Depositors Acts of State Governments
- Matters relating to Multi-Level Marketing and Ponzi Schemes
- Setting up of IFSC – GIFT
- International Relations (Banking) / Bilateral issues
- International Cooperation in. WTO, RCEP, JCCII and CEPAs/CECAs/FTAs of India with bilateral and multilateral partners
- Matters relating to Financial Sector Development Council and its Sub-committees
- Matters relating to Central Economic Intelligence Bureau (CEIB)
- Matters relating to office of Court Liquidator, Kolkata
- Work relating to Government Agency Business
- Financial Action Task Force (FATF)
- Setting up of Currency Chest by banks in border districts (within 80 KMs of International Border)
- Rationalization of Bank Holidays / declaration of bank holidays under section 25 of the Negotiable Instruments Act, 1881
- Know Your Customer (KYC) all matters – AML and CFT matters.

Banking Operation-III (BO-III)

- Customer Service in Banks/FIs/Ins.
- All kinds of complaints/representations received from individual/ associations for redressal of their grievances in these institutions such as delay in clearance of cheques, non-payment/ non-issue of drafts, non-issue/ delay in issue of duplicate drafts, misbehavior/ rude behavior/ harassment on the part of staff of the Institution, non-settlement/ delay in settlement of deceased accounts, non-transfer/ delay in transfer of accounts from one office to another, non-opening/ delay in opening of new accounts, non-compliance with standing instructions of the customers, non-payment of term deposits before maturity, delay in payment to pensioners, including those related to credit cards, ATMs, etc.
- All kind of complaints received from DARPG/ DPG relating to Public/ Private Sector/Foreign Banks/FIs/Ins.
- All kinds of complaints received from MPs/ VIPs/ PMO against Private Sector & Foreign Banks
- Banking Customer Service
- Banking Ombudsman
- Coordination of PRAGATI meetings.

Banking Operation & Accounts-I (BOA-I)

- Preparation of annual consolidated review on the working of Public Sector Banks (PSBs) and laying it on the Tables of both Houses of Parliament.
- Pattern of accounting and final accounts in Public Sector Banks
- Study and analysis of the working results of PSU Banks
- Taxation matters of PSBs/ FIs
- Dividend payable to Central Government by PSBs
- Scrutiny of the annual financial reviews of PSBs conducted by RBI under Section 35 of the Banking Regulation Act, 1949 and follow up action
- Capital restructuring of PSBs (including restructuring of weak PSBs) and Government's contribution to share capital, public issue of banks
- Release of externally aided grants to ICICI Bank under USAID
- Disputes and arbitration between PSBs and between PSBs and other Govt. Departments/ PSEs

- Appointment of advocates in PSBs
- Residuary matters of Portuguese Banks in Goa
- Opening and shifting of administrative offices of banks
- All Policy matters related to Banking Operation such as Licensing, amalgamation, reconstruction, moratorium funds and acquisition of private sector banks
- Functioning of PSBs
- Notification regarding exemption from various sections of the Banking Regulation Act, 1949 and appointment of appellate authority to hear appeals under BR Act and Banking Companies (Acquisition and Transfer of Undertakings) Act of 1970 and 1980
- Administration of all Acts/ Regulations/ Rules related to Public Sector Banks, RBI and State Level Banks
- Laying of annual reports and audit reports etc., of PSBs in Parliament.

Banking Operation & Accounts-II (BOA-II)

- Credit Information Companies (CICs)
- Works relating to monitoring of NPAs and Recovery including compromises and OTS of all PSBs
- Parliament matters, VIP/PMO references, complaints and other matters relating to above works
- All matters related to NPA/Stressed Assets (other than Sectoral Stress), including relief measures by banks in area affected by natural calamities
- Stressed Assets Stabilization Fund (SASF)
- Audit of banks, appointment and fixation of remuneration of auditors of PSBs/FIs
- Bank guarantees, Letters of Credit and Letters of Undertaking / Comfort by PSBs and related complaints
- Citizen's Charter of PSBs/RBI
- Acquisition/ Leasing/ Renting/ Vacation of premises, Estate Officers under Public Premises Act, 1971
- Operation of foreign banks in India (including IDC and FDI Policy matters)
- Banking Sector Reforms (including EASE Index and PSB Reforms Agenda)
- NBFCs and Appellate Authority on NBFCs
- Operational risk management (other than

cyber-security and digital payments security), including frauds and fugitive offenders

- Administration of all Acts/Regulations/Rules related to NBFCs and CICs,
- Statement of Intent / Key Performance Indicators / Performance evaluation of whole-time Directors
- Insolvency Bankruptcy Code (IBC)
- Overseas branches of Indian banks.

Industrial Relations (IR)

- Service matters of PSBs including IDBI/ RBI
- Industrial Disputes Act matters, HR matters relating to PSBs and RBI Unions and Associations in the Banking Industry, Bipartite settlements of policy of transfer, promotion, and HRD in banks
- IB reports about political activities of bank employees
- Pay and Allowances of bank employees in overseas branches
- HR Reforms.

Agriculture Credit (AC)

- Credit flow to Agriculture and allied sectors
- Agricultural Debt Waiver and Debt Relief Scheme, 2008
- Matters relating to NABARD (including pension matters of NABARD), Agriculture Finance Corporation (except Service matters), State Legislations on the subject, Co-operative Banks (including Urban Co-operative Banks), external aided projects relating to rural/agriculture credit, appeals made by co-operative banks, financial assistance to persons affected by natural calamities, riots disturbances, etc. Bank credit to KVIC, handloom and handicraft sector
- Citizen Charter of NABARD
- Appointment of CMDs & Directors of NABARD
- Kisan Credit Card (KCC) Scheme
- Secretarial assistance to the designated appellate authority in regard to appeal by Urban Cooperative banks against cancellation of license by RBI.

Regional Rural Banks (RRB)

- Legislative matters with regard to RRB Act, 1976 and framing of rules there under
- Nomination of non-official directors on the Board of RRB, appointment of Chairman, Recommendation of RRBs, review of performance of RRBs, wage revision, manpower planning

- Laying of Annual Reports of all RRBs along with review thereof
- Formation of Staff Service Regulation and Promotion Rules for employees and officers of RRBs, IR matters of RRBs
- Citizen's Charter of RRBs
- Priority Sector Lending, Micro Finance and other related matters which includes lending to weaker sections including SC/ST, PM's New 15 Point Programme for the Welfare of Minorities, Credit to minorities, follow up action of Select Parameters recommended by Sachar Committee, DRI Scheme.

Insurance-I (Ins.-I)

- Corporate governance, appointment and service matters pertaining to public sector insurers and AICIL, Insurance Regulatory and Development Authority of India, Council of the Institute of Actuaries of India, Insurance Ombudsmen, Council of Insurance Ombudsmen, recruitment and the terms and conditions of agents of the Life Insurance Corporation of India, and insurance appointment related matters pertaining to Banks Board Bureau Administration of the Actuaries Act, 2006 and related matters.
- Matters of public entities relating to the Public Premises (Eviction of Unauthorized Occupants) Act, 1971
- Parliamentary, audit, right to information, court, arbitration and VIP reference related matters and dealing with matters referred through receipts or otherwise in respect of any of the items enumerated above or connected thereto.

Insurance-II (Ins.-II)

- Administration of the Insurance Act, 1938; Life Insurance Corporation Act, 1956; General Insurance Business (Nationalisation) Act, 1972; Insurance Regulatory and Development Authority Act, 1999 and related matters, other than those related to corporate governance, appointment and service matters or those relating to recruitment and the terms and conditions of agents of the Life Insurance Corporation of India
- Policy matters relating to insurance, and to this end, analysis of the trends and development in and the performance of the insurance sector and various bodies established by or under the said Acts

- Administrative matters pertaining to public sector insurers and Agriculture Insurance Corporation of India Limited (AICIL), other than governance, appointment and service matters
- Assessment of capital requirements, divided payouts and performance of public sector insurance and AICIL
- Social security schemes for insurance protection and other insurance schemes sponsored/ supported by the Government
- Insurance Ombudsman Rules and administration thereof, other than corporate governance, appointment and service related matters pertaining to Insurance Ombudsman and the Council of Insurance Ombudsman
- Foreign investment in insurance sector
- Reforms in the sector and public sector insurers, including adoption of technology in insurance (except matters allocated to the Cybersecurity and FinTech Section)
- Supporting the section in charge of international cooperation matters on insurance related aspects of international cooperation
- Taxation matters relating to insurance sector
- Matters relating to the industry, including those raised by industry bodies/ associations
- Implementation of Law Commission Reports
- All residual matters relating to insurance which are not enumerated specifically as an item of work allocated to either Insurance-I Section or Insurance-II Section
- Parliamentary, audit, right to information, court, arbitration, VIP reference related matters and dealing with matters referred through receipts or otherwise in respect of any of the items enumerated above or connected thereto.

Financial Inclusion (FI)

- National Mission for Financial Inclusion (NMFII) related matters including monitoring of flagship schemes of DFS:
 - (a) Pradhan Mantri Jan Dhan Yojana (PMJDY) (Policy & implementation)
 - (b) Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) (Only implementation)
 - (c) Pradhan Mantri Suraksha Bima Yojana (PMSBY) (Only implementation)
 - (d) Pradhan Mantri Mudra Yojana (PMMY) (Policy & implementation)

- (e) Stand Up India (SUPI) (Policy & implementation)
- Work relating to financial inclusion, coordination with other sections, offices, institutions etc on Financial inclusion
- Branch expansion of banks
- Lead Bank Scheme and Service Area Approach
- District and State Level Bankers' Committee (SLBC)
- Regional imbalances of banking network, matters related to Business Correspondents/Business Facilitators, Mobile Banking etc.
- Deployment of banking touchpoints/BCs/ATMs and Jan Dhan Darshak App (JDD) related issues
- BC related policy matters including monitoring of their activities
- Matters relating to Minimum deposit balance, cash handling & digital payment charges
- Administrative matters of Mission Office
- Banking matters Pradhan Mantri Jan Dhan Yojana (PMJDY), Mission Office
- India Post Payment Banks (IPPB) and other payment bank related matters
- Inter- State Zonal Council Meetings
- Aspirational District, LWE and other interventions for financial inclusion by Government
- Financial Literacy, Coordination with RBI on National Strategy for Financial Inclusion (NSFI)/ Financial Inclusion Advisory Committee FIAC/ TGFIFL and related issues.
- Matter related to 75 Blocks – DoNER program (SAMBHAV), SVAMITVA Scheme, Antyodaya program, AKAM 2.0, SVANidhi. PM Vishwakarma Scheme etc.

Industrial Finance-I (IF-I)

- Administration of the Export-Import Bank Act-1981 and Scheme for financing Viable Infrastructure Projects (SIFTI) of IIFCL, Operational/Policy/ Budgetary matters relating to Exim Bank, IIFCL, IWRFC and IIBI Ltd.
- Matters related to IFCI Ltd, IDFC Ltd, winding up matter related of IIBI Ltd, and other related matters
- Board level Appointments-Whole Time Directors-IIFCL, EXIM, IFCI Ltd and their personnel matters
- Government Nominee Directors-EXIM Bank, IIFCL, IFCI Ltd. and IDFC Ltd.

- Non-Official Directors/Independent Director in -EXIM Bank, IIFCL and IFCI Ltd.
- Sector-specific matters like infrastructure, power, textiles, exports; steel, telecom, road, shipping (added) etc. matters related to sectoral issues
- Laying of annual reports of IIFCL, EXIM Bank, IFCI Ltd and Liquidator's report of IIBI Ltd. Before the parliament
- Matters related to Ratnagiri Gas and Power Pvt. Ltd (RGPPL)
- Citizen's Charter of EXIM Bank and IIFCL
- All matters related to resolution and registration issues of Asset Reconstruction Company (ARC) and to track the activities of the ARCs
- All matters related National Investment and Infrastructure Fund
- Appointment of Statutory Auditor in EXIM Bank
- Media and Publicity related matters of DFS
- Project Monitoring Group (PMG) Meeting
- Partial Credit Guarantee Scheme (PCGS)
- Joint Parliamentary Committee (JPC) (which enquired into irregularities in securities transactions)
- Disciplinary action against bank employees/ executives involved in irregularities in securities transactions.
- **Office of Custodian**
 - Establishment matters relating to Special Courts/Office of the Custodian
 - All issues pertaining to continuation of posts, budget matters of the O/o Custodian and Special Court including extension of the O/o Custodian and appointment of Custodian
- Appointment of Board Members of NCGTC.
- Laying of annual reports of SIDBI and NHB before the Parliament.
- Matters related to Account Aggregator Framework.
- Matters related to post winding up of Board for Industrial and Financial Reconstruction (BIFR) & Appellate Authority for Industrial & Financial Reconstruction (AAIFR).
- Matters related to Educational Loans.
- Mutual Credit Guarantee Scheme for MSMEs, Emergency Credit Line Guarantee Scheme (ECLGS), Loan Guarantee Scheme for COVID Affected Sectors (LGSCAS), Credit Guarantee Scheme for Microfinance Institutions (CGSMFI) and Credit Guarantee Fund Scheme for Factoring (CGFSF).
- Credit related matters with respect to Micro, Small and Medium Enterprises (MSMEs), Housing, Microfinance Institutions, Self-Help Groups (SHGs), Prime Ministers Employment Generation Programme (PMEGP), Trade Receivables electronic Discounting System (TReDS), Credit Assessment Model for MSMEs, matters related to Micro Credit Card and psbloansin59minutes portal.
- VIP/ PMO references, Audit Paras, Budget Announcements, Parliament Questions, Assurances, RTI requests/ appeals, Court Matters, General Grievances on the aforementioned matters.

Vigilance and Monitoring Cell

- Consultation with CVC/CTE
- Nomination of CVOs for PSBs/FIs/PSICs
- Correspondence with CBI
- Annual Action Plan on Anti-Corruption measures
- Investigation of cases of frauds by CBI & RBI
- Matters under Prevention of Corruption Act
- Preventive vigilance
- Vigilance systems and procedures in RBI/PSBs/ FIs and Insurance Companies PFRDA and IRADI/RBI
- Inquiry into complaints against GMs/EDs and CMDs of PSBs/FIs/PSICs/PFRDA and IRADI/ RBI and Vigilance Surveillance over them
- Major frauds in PSBs (in India and abroad)
- PMO references on anti-corruption measures
- Bank security, robberies & loss prevention in banks

Industrial Finance-II (IF-II)

- Administration of National Housing Bank Act, 1987.
- Administration of Small Industries Development Bank of India Act, 1989.
- Administration of State Financial Corporation Act, 1951.
- Operational and Policy matters relating to Small Industries Development Bank of India (SIDBI), National Housing Bank (NHB) and National Credit Guarantee Trustee Company Limited (NCGTC).
- Appointment and all personnel matters of Whole Time Directors in SIDBI and NHB.

- Sanction of prosecution in case of ED/CMDs
- War Book Matters
- Annual Reports of CVC
- Conduct Regulation in PSBs/FIs, employment after retirement regulations in PSBs
- CVC/CBI references relating to DRTs/DRATs
- Vigilance clearance, sanction of prosecution and any other matter of Board level appointees of PSBs, FIs, PSICs, PFRDA, IRDA and RBI
- Vigilance matters of Officials in DFS, Officers of Office of Custodian and Government Officials in DRTs/DRATs.

Cybersecurity and FinTech (IT)

- Matters relating to overall cybersecurity for the financial services sector and in the Department
- Coordination of FinTech and Deep Tech (artificial intelligence, big data, block chain, etc.) matters related to the financial services sector and the Department (including matters related to e-payments in the banking system)
- Matters relating to e-Governance in all FIs and e-Payments in banking system and computerisation of PSBs
- Promotion of digital payment including National Common Mobility Card (NCMC) scheme of MoHUA, Direct Benefit Transfer (DBT), Digital Payment Infrastructure (DPI), matter related to NPCI and its subsidiaries.
- Matters relating to Payment Regulatory Board (PRB) constitution and matters related to PRB.
- Incentive scheme for Promotion of RuPay Debit Cards and low-value BHIM-UPI transactions (person-to-merchant)
- Scorecard of banks for promotion of digital payments
- On-boarding of merchants on digital payment platforms
- Matters related to various modes of digital payments including UPI, BHIM - QR, RuPay Debit and Credit cards, IMPS, USSD, PoS, etc.
- Charges levied on various modes of payments including Merchant Discount Rate (MDR)
- Frauds related to various modes of digital payments including online frauds
- Matters related to app based digital payment and digital lending platforms except regulation
- Banking matters relating to digital payment platforms

- Coordination with NIC for the Department
- Management of the Department's website and web services

Debts Recovery Tribunals (DRT)

- Establishment of DRTs/DRATs under the Recovery of Debts due to Banks and Financial Institutions Act, 1993,
- Administration of Recovery of Debts and Bankruptcy (RDB) Act, framing or amending rules for implementing of the provisions of the Act,
- Filling up of the posts of Chairpersons, Presiding Officers, Registrars, Assistant Registrars, Recovery officers, and other posts in DRTs/DRATs
- Issuing clarifications/guidelines etc. on administrative matters/review,
- Progress and disposal of cases by DRT/DRATs,
- Budget provisions, monitoring, etc relating to DRTs/DRATs,
- Administration of SARFAESI Act, appointment of Registrar/MD & CEO, CERSAI, ease of doing business agenda- flowing from recent amendments
- CKYC matters under Prevention of Money Laundering Act, 2002,
- Policy matters relating to Central Registry of Securitisation Asset Reconstruction and Security Interest (CERSAI), a PSU, including the Central Registry under the SARFAESI Act, 2002.

Pension Reforms (PR)

- Reforms in the Pension Sector
- Policy matters with respect to NPS, Atal Pension Yojana and Swavalmban Scheme
- Administration of PFRDA Act, 2013
- Framing of rules under PFRDA Act, 2013
- Appointments of Chairperson and Board member of PFRDA, CVO in PFRDA, Budget and Funds of PFRDA and Legislative and policy prescriptions to PFRDA.
- Legislative and policy prescriptions to PFRDA

Parliament

- Collection, identification and marking of Parliament Questions, Notices, admitted Questions, and getting the files approved from the Minister
- Preparation of facts and replies for pads of Ministers

- Keeping track and record of pending Assurances, Special Mentions and References under 377 and other matters as mentioned in the Induction Material
- Presidential address to the Joint Session of Parliament
- Compilation and submission of material for Parliament Questions to other Ministries/ Departments
- Parliamentary Committee Matters.

Welfare Section & Reservation Cell

- Matters relating to recruitment, promotion and welfare measures of SC/ST/OBC/PH and Ex-servicemen in Public Sector Banks/ Financial Institutions and Public Sector Insurance Companies (PSBs/FIs/PSICs)
- Matter of policy regarding reservation for these categories in PSBs/FIs/PSICs, reservation matters in RRBs etc.
- Inspection/examination of Reservation Roster for SCs/STs/OBCs in PSBs/FIs/PSICs, Assistance to the Liaison Officer for smooth functioning and discharging of his duties and responsibilities as Liaison Officer for SC/ST/OBC/EWS/PwD, preparation / maintenance of reservation roster of SC/ST/OBC/EWS/PwD for the proper secretariat of this Department, reply to Parliament Questions/ National Commission for SC/ST/OBC/PwD in respect of SC/ST/OBC/EWS/PwD staff of the Department, maintenance of data of SC/ST/OBC/ EWS/PwD staff of the Department, submission of all reports/ information to other Ministries/ Departments/Parliamentary Committees, etc. in the related matters.

Establishment (Estt.)

- Matters pertaining to the Officers and Staff of DFS including RRs, appointment, ACRs, deputation (including abroad), training, IWSU, SIU, welfare, review of officers under FR 56(J), internal vigilance, staff grievances, pension, etc.
- Grant of various advances to officers and staff, payment of fees to advocates, settlement of medical claims and CGHS matters, family welfare programme.

Coordination (Coord.)

- Organisation of FM's meetings with CEOs of PSBs and regional consultative committee meetings

- Staff Meeting of Secretary (FS)/ Senior Officers Meeting (SOM)
- Monitoring & Review of disposal of VIP references, PMO references, coordination of RBI pending matters
- Parliament Questions regarding VIP references
- Monthly DO letter to Cabinet Secretary from Secretary (FS)
- Updation of Induction Material for DFS; Co-ordination of VIP, PMO, President-Sectt.,etc, references involving more than two Divisions of DFS.

RTI Cell

- Single reference point to receive applications, appeals, complaints and decisions of the Central Information Commission;
- Replies of all the RTI Applications/ Appeals through the respective Section/CPIOs;
- Uploading of all complaints and decisions of CIC on the computerised diary system;
- Segregation of RTI applications/appeals pertaining to life and liberty and forwarding the same to the concerned CPIOs without delay so as to ensure action/response within the timeframe specified in the Act;
- Transfer of RTI applications not pertaining to this Department to concerned Public Authority;
- Coordination of this Department regarding;
- Proactive disclosures under Section 4 of the RTI Act, 2005;
- Systematic changes that can be introduced to reduce the number of queries on a particular area/process;
- Formulation of FAQs on information that can be accessed from the Department;
- Information dissemination through identified means;
- Maintaining lists of CPIOs, FAAs and link officers;
- Annual report of the CIC;
- Undertaking any other activity or supplementary function which is required under the provisions of the RTI Act as notified from time to time
- Preparation of the periodic monitoring reports regarding disposal of RTI requests/Appeals and compliance of CIC instructions.

General Administration (GA)

- Housekeeping/Security matters, cleanliness, stores, canteen, R&I, library,
- Staff Car Drivers, vehicles to the officers of DFS
- Purchase of Computer Hardware and maintenance of Computers, Printers and other equipment
- Maintenance of furniture and electricity items
- Logistic support for arranging farewell of staff of DFS
- Providing of Identity Cards to the Staff of DFS and CMDs/EDs/PROs of Public Sector Banks/ Financial Institutions/Insurance companies, etc.

Official Language

- Implementation of Official Language Policy of the Government
- Translation work relating to Parliament Questions
- Standing Committees, Minutes of the Meetings
- Hindi Teaching Scheme and other miscellaneous work as mentioned in induction material of DFS.

Reservation Cell

- Assistance to the Liaison Officer for smooth functioning and discharging of his duties and responsibilities as Liaison Officer for SC/ST/OBC/EWS/PwD, preparation / maintenance of reservation roster of SC/ST/OBC/EWS/PwD for the proper secretariat of this Department, reply to Parliament Questions/National Commission for SC/ST/OBC/PwD in respect of SC/ST/OBC/EWS/PwD staff of the Department, maintenance of data of SC/ST/OBC/EWS/PwD staff of the Department, submission of all reports/ information to other Ministries/Departments/Parliamentary Committees, etc. in the related matters.

Data Analysis (DA)

- Reserve Bank of India Credit Policy - Busy Season - Slack Season and selective credit control
- Financial sector assessment and sectoral credit analysis
- Banking Statistics regarding bank deposits and advances
- Deposits and advances of banks
- Rates of interest on bank deposits and advances
- Dissemination of results and important information relating to RBI, IBA, studies on banking reforms

- Analysis of other international reports relevant to banking sector in India
- Analysis of Reports of committees on Financial Sector Reforms etc.
- Management Information System - collection, collation of data relating to Banking Industry,
- Result Framework Document (RFD), Speeches of FM/MOS on different occasions
- Audit Paras
- UN e-Government Index & Digital Services
- Work related to committee of Financial Sector Statistics
- Coordination of budget proposals of DFS. Matters related to Budget Announcements, Output-outcome Monitoring Framework
- Sustainable Development Goals – Indicators pertaining to DFS.

GST Cell

- Overseas preparedness of all institutions under DFS to implement GST, to provide inputs to the " Banking, Financial and Insurance" Sectoral Group with reference to GST
- Other matters related to coordination, rollout and implementation of GST w.r.t institutions under administrative control of DFS etc.

Surplus Cell

- All service matters and day to day administrative matters related to surplus staff of AAIFR & BIFR including their redeployment
- Consultation with DoPT, handling of court cases of surplus staff, RTI and personal matters of surplus staff such as leave, retrieval benefits, perks & allowances etc.

Legal Monitoring Cell

- Monitoring of court cases and follow-up with concerned Sections to effectively meet the timelines
- Management and updation of court cases of the Department on LIMBS portal and keeping track of court cases of the Department on the websites of Hon'ble Supreme Court/Hon'ble High Courts/ Hon'ble Central Administrative Tribunal etc.
- Receiving of court cases/correspondence related to court cases and their marking/distribution to concerned Sections
- Payment of legal bills and matters related to appointment of Central Government Standing Counsel for the Department

4. Developments in Banking Sector

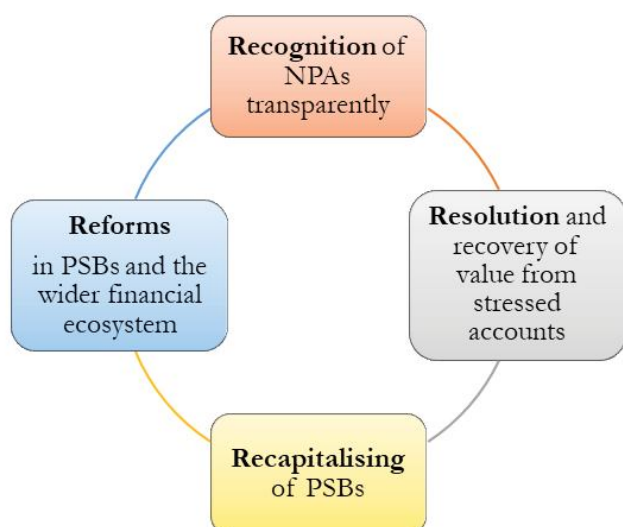
4.1 Overall condition of Banking Sector

The banking system in India, which evolved over several decades, is well established and has been serving the credit and banking needs of the economy. The banking ecosystem is providing impetus to economic growth and development of the country and catering to the specific and varied financial requirements of different customers and borrowers.

Government's commitment to reforms in the financial sector was announced at "Retreat for Banks and Financial Institutions" called "Gyan Sangam" held in 2015. Later in Aug-2015, Government launched "Indradhanush" scheme for comprehensive framework to revamp and improve financial state of PSBs including capital infusion plan over four years, from FY2015-16 to FY2018-19

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Government implemented a comprehensive 4R's strategy of Recognising NPAs transparently, Resolution and Recovery, Recapitalising PSBs, and Reforms in the financial system to address the challenges faced by PSBs.



Over the last decade the Government has undertaken an array of initiative to strengthened the Public

Sector Banks (PSBs) by improving existing processes across several domains, Enacting and modifying multiple legislature and setting-up comprehensive frameworks to address the challenges faced by PSBs.

The measures taken by the Government, include, inter alia, the following:

4.1.1 Credit discipline:

Enactment of the Insolvency and Bankruptcy Code, 2016

- The Insolvency and Bankruptcy Code, 2016 (IBC) has laid down a collective mechanism for resolution of insolvencies in the country by maintaining a delicate balance for all stakeholders to preserve the economic value of the entities and to complete the process in a time bound manner. It has:
 - Empowered creditors of a Corporate Debtor;
 - Led to behavioral change in the debtor-creditor relationship by shifting the focus from the 'Debtor in Possession' to a 'Creditor in Control' regime.
- Till September 2025, 8,659 corporate insolvency resolution process (CIRPs) are admitted at NCLT, out of which, CD was rescued in 3,865 cases. Out of this, resolution plans were approved in 1,300 cases wherein creditors have realised an aggregate amount of ₹ 3.99 lakh crore. The fair value and liquidation value of the assets available with these CDs, when they entered the CIRP, was estimated at ₹ 3.58 lakh crore and ₹ 2.35 lakh crore, respectively, as against the total claims of the creditors worth ₹ 12.31 lakh crore. The creditors have realised 170.09% of the liquidation value and 93.79% of the fair value (based on 1177 cases where fair value has been



estimated). The resolved CDs resulted in realisation of more than 32.44% as against the admitted claims. The haircut for creditors relative to the fair value of assets was around 6%, while relative to their admitted claims is around 67%.

- Furthermore, this realisation does not include the CIRP cost, and many probable future realisations such as equity, realisation from corporate and personal guarantees, funds infused into the CD including capital expenditure by the resolution applicants, and recovery from avoidance applications.

[source: Insolvency and Bankruptcy Board of India]

4.1.2 Recognition and resolution of stress:

a. Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002

Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) has been amended and it was provided for the District Magistrate / Chief Metropolitan Magistrate to pass orders for the purpose of taking possession of the secured assets by lenders within a period of thirty days from the date of application.

b. The Recovery of Debts and Bankruptcy Act, 1993

The Recovery of Debts and Bankruptcy Act, 1993 has been amended with the provision for three months imprisonment in case the borrower does not provide details of property/assets other than those properties/assets specified by the lender while filing the application to the DRT.

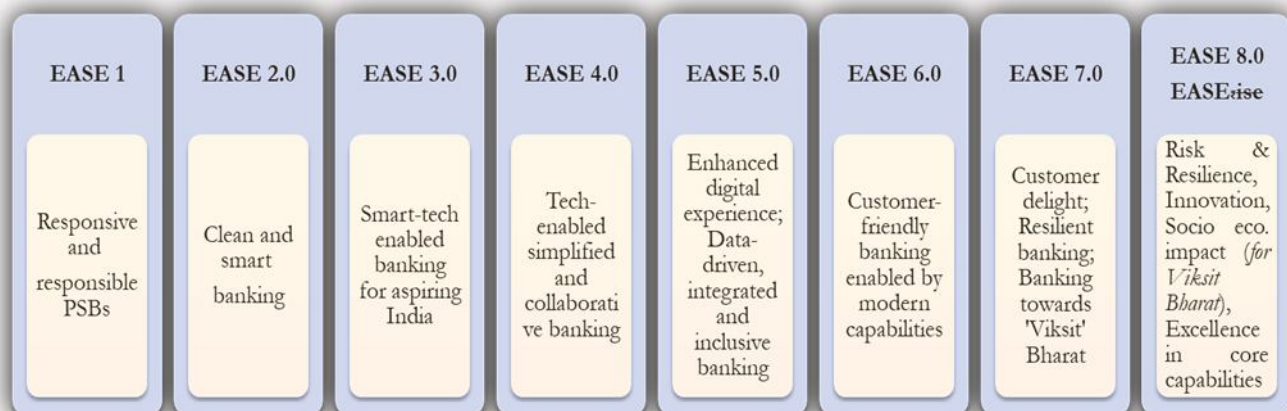
c. Debt Recovery Tribunal

Jurisdiction of Debt Recovery Tribunal (DRTs) was increased from ₹10 lakh to ₹20 lakh to enable the DRTs to focus on high value cases.

4.1.3 Enhanced Access & Service Excellence (EASE)

The EASE Reforms Agenda journey since 2018 has been instrumental in transforming PSBs from traditional, process-heavy institutions into digitally empowered, customer-centric, and resilient banks. Each phase of EASE has built upon its predecessor, aligning Indian banking with global standards of governance, technology, and sustainability.

Through EASE framework, an objective process of incremental reforms in sync with the evolving ecosystem has been institutionalized across PSBs. EASE Reforms Agenda, deeply ingrained in PSBs and a key priority for bank leadership, provides a common agenda accounting for requirements of all banks and reflects the industry priorities from short- and long-term perspectives.



The current EASE 8.0 (FY26) edition EASE is a comprehensive reform framework for PSBs covering risk resilience, digital and AI adoption, inclusive banking, sustainability, customer experience, and operational excellence. Its objective is to prepare PSBs as

future-ready, resilient, customer-centric institutions aligned with a vision of Government of India.

Driving Innovation for Business Process Re-Engineering & Customer Excellence, EASE 8.0 is anchored on four reform themes under the acronym

R.I.S.E.- Risk & Resilience, Innovation, Socio-economic Impact (Viksit Bharat), and Excellence comprising 16 reform indicators. As PSBs continue under EASE 8.0, they are poised to play a pivotal role in enabling the vision of Viksit Bharat @2047.

4.1.4 Governance in PSBs

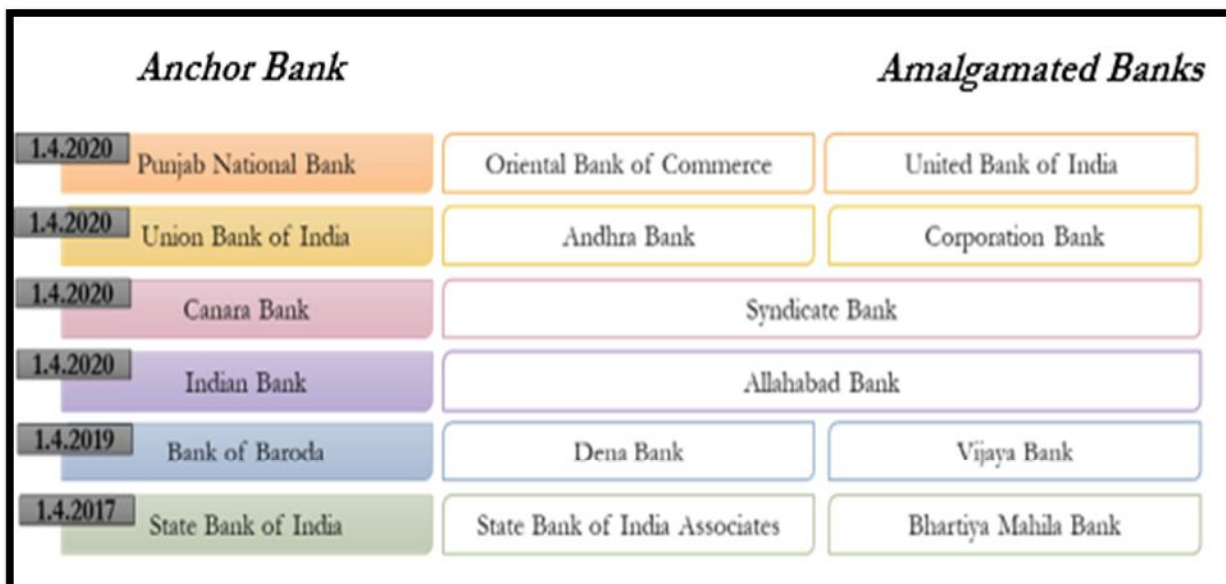
Governance in PSBs has been strengthened through:

- arm's length selection of top management through FSIB;
- introduction of non-executive chairmen in nationalised banks;
- widening talent pool and instituting performance-based extensions for MD;
- instituting appraisal by Boards of top management and NODs;

- with a view to widening the talent pool and aligning senior management appointments in PSBs with global best practices, all Managing Director & Chief Executive Officer (MD & CEO) posts in nationalised banks, one Managing Director (MD) post in the State Bank of India, and one Executive Director (ED) post in large nationalised banks have been opened for private sector candidates; and
- recruitment of CXOs viz., Chief Risk Officer, Chief Compliance Officer, Chief Economist from the market.

4.1.5 Consolidation of PSBs

Consolidation of PSBs, over the last decade has resulted in enhancing the efficacy of the banking sector by leveraging economies of scale and synergies.



The consolidation exercise has resulted in marked improvement in the financials and governance in these banks. Profits of PSBs have reached all time high and they continue to expand their reach to every nook and corner of the country. Their capital base has strengthened and their asset quality has improved. Banks are now

raising capital from the market instead of depending upon the Government for recapitalization.

4.1.5 National Asset Reconstruction Company Ltd.

- The details in respect of acquisition of assets are as under:

(Amounts in crore ₹)

Stage	No. of a/c	Amount involved	Purchase Amount	Govt. Guarantee issued
Acquired*	30	1,63,289	31,379	21,922
Offer made	4	7,530	-	-
Under evaluation (Due Diligence)	3	32,259	-	-
Total	37	2,03,078	31,379	21,922.74

* 2 accounts acquired as Resolution Applicant having total exposure of ₹ 32,815 crore at an acquisition amount of ₹ 5,555 crore.

- As on 03.12.2025, NARCL has already acquired 30 borrower entities, with an aggregate debt exposure of ₹ 1,63,289 crore. (Out of these 30 accounts, NARCL is acting as Resolution Applicant in 2 cases with total debt exposure of ₹ 32,815 crore). NARCL has informed that they have recovered ₹ 4,570 crores in 20 accounts, with ₹ 2,588 crore being recovered in FY 2025-26.

4.1.7 Initiatives during FY 2025-26:

The Banking Laws (Amendment) Act, 2025 has been notified to enhance governance standards, strengthen protection for depositors and investors, improve audit quality in PSBs, shift statutory reporting by banks to the RBI and streamline nomination processes for customer convenience.



4.1.7.2 PSB Manthan

The Department of Financial Services (DFS), Ministry of Finance, organised PSB Manthan 2025 12-13 September 2025, a two-day programme which was attended by senior leadership of Public Sector Banks along with regulators, industry experts, academicians, technologists, and banking practitioners.



The programme featured a fireside chat, and open house sessions, covering themes such as customer experience, governance, purposeful innovation, credit growth, risk management, workforce readiness, technology modernisation, and national priorities. Deliberations focused on reimagining customer journeys in a digital era, embedding governance and operational excellence, fostering purposeful innovation, ensuring sustainable credit growth, strengthening risk management frameworks, and developing an inclusive and future-ready workforce.

An important outcome of PSB Manthan 2025 was a shared sense of direction that emerged over the two days of deliberations. The discussions set near-term priorities around governance, customer service, technology, and credit delivery, while also outlining a long-term pathway for Public Sector Banks to align with sustainable growth and evolve into globally competitive institutions to realise the vision of Viksit Bharat 2047.

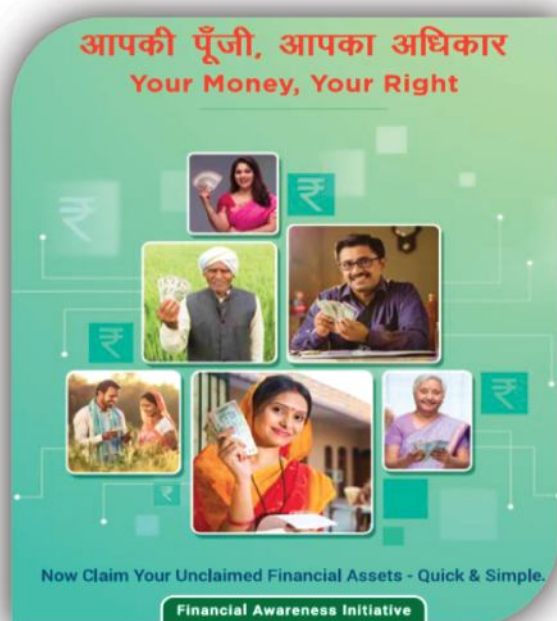
PSB Manthan 2025 reaffirmed that the future of Indian banking will be shaped by bold ambitions and transformative purpose, with Public Sector Banks playing a central role in advancing national priorities and aspiring to emerge as institutions of global standing.

PSB officially released report of PSB Manthan 2025 on 12th November 2025, outlining the Public Sector Banks' collective vision and roadmap towards Viksit Bharat @ 2047.

4.1.7.3 Your Money, Your Right Campaign:

The Government of India has launched a nationwide campaign titled “आपकी पूँजी, आपका अधिकार — Your Money, Your Right” to facilitate the settlement of unclaimed financial assets, including bank deposits, insurance, dividends, shares, mutual fund and pension, to their legitimate claimants.

The Campaign, launched on 4th October 2025 is built on the 3A Framework — Awareness, Accessibility and Action. This three-month drive (October–December 2025) is implemented across every State and Union Territory. To maximize outreach during the campaign, Standard Operating Procedures (SOPs), Frequently Asked Questions (FAQs), and awareness material in major regional languages—along with short video messages—have been widely disseminated. District-level camps are organized with on-ground digital demonstrations, helpdesks, and guided support to simplify the claims process.



The campaign entails collaborative participation of all major financial sector fund regulators—RBI, SEBI, IRDAI, PFRDA and IEPFA. Existing platforms such as RBI's UDGM (for unclaimed bank deposits), IRDAI's Bima Bharosa (for unclaimed insurance proceeds) and SEBI's MITRA (for unclaimed mutual funds) have empowered citizens to trace their unclaimed assets more efficiently.

4.1.7.4 Consolidation of guidelines for appointment of Whole-Time Directors in Public Sector Banks:

The Appointments Committee of the Cabinet (ACC) has approved the proposal of Department of Financial Services to revise and consolidate guidelines for appointment of Whole-Time Directors (WTDs) in Public Sector Banks (PSBs), in supersession of all earlier instructions in the matter. The earlier guidelines, issued since 2011, from time to time, were scattered across approximately 13 sets of instructions and lacked a unified structure, which often led to interpretational difficulties and procedural challenges in processing appointment proposals. The revised consolidated guidelines establish a uniform and comprehensive framework to ensure consistency, transparency and alignment with the evolving banking and governance landscape.

The guidelines introduce a standardised set of evaluation criteria applicable to each WTD position, thereby enhancing clarity, objectivity and procedural efficiency in appointments. Further, with a view to widening the talent pool and aligning senior management appointments in PSBs with global best practices, all Managing Director & Chief Executive Officer (MD & CEO) posts in nationalised banks, one Managing Director (MD)



post in the State Bank of India, and one Executive Director (ED) post in large nationalised banks have been opened for private sector candidates. The key provisions of the revised consolidated guidelines are as under:

- **Age and Residual Service:** The guidelines lay down the minimum age criteria and residual service requirements for appointment, extension of tenure, and re-appointment.
- **Date of Reckoning of Eligibility:** For all positions except Executive Directors, the guidelines provides that eligibility will be assessed based on the date the vacancy arises. For Executive Directors, eligibility will be determined as on the first day of April of the relevant financial year.
- **Educational Qualifications:** The guidelines prescribe a uniform minimum educational qualification of graduation for all positions.
- **Experience and Service Requirements:** The guidelines specify minimum experience requirements and lay down separate eligibility criteria for candidates from Public Sector Banks and for candidates from the private sector.
- **Selection Process:** The guidelines clearly lay down the selection process to be followed for appointing candidates to different positions.
- **Vigilance and Regulatory Clearances:** The guidelines mandate obtaining vigilance clearance from the Central Vigilance Commission in respect of candidates from the public sector and clearance from the Intelligence Bureau

in respect of candidates from the private sector. The guidelines also require mandatory consultation with the Reserve Bank of India for all appointments.

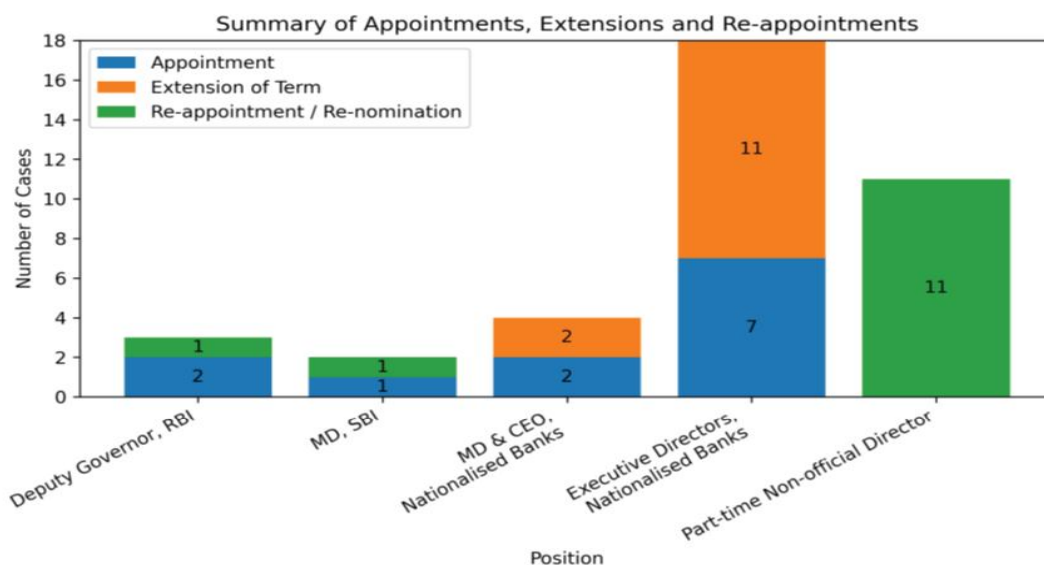
- **Term of office:** The guidelines provides for the term of office for all the positions in line with the existing provisions.
- **Salary and Conditions of Service:** The guidelines provide that the salary and other conditions of service shall be determined by the Central Government from time to time.
- **Validity of Panels:** The guidelines clearly stipulate the size of the panel, including the number of candidates on the waiting list, to be recommended by the Financial Services

Institutions Bureau (FSIB), as well as the validity period of such panels.

- **Additional Charge Arrangements:** The guidelines provide a specific mechanism for assigning additional charge in the event of a vacancy in the post of the executive head of a public sector bank, to ensure continuity of leadership during the interim period. This provision was not present in the earlier guidelines.
- **Penalty and Integrity Provisions:** The guidelines provide that a candidate shall be rendered ineligible in the event of having been awarded two or more major penalties. This provision is intended to uphold probity and ethical standards.

4.1.7.5 Appointment/extension of Deputy Governors of Reserve Bank of India and Board level Directors of Public Sector Banks:

(i)	Deputy Governor, RBI		
	Appointment	-	02
	Re-appointment	-	01
(ii)	Managing Director, SBI		
	Appointment	-	01
	Re-appointment	-	01
(iii)	MD & CEO, Nationalised Banks		
	Appointment	-	02
	Extension of Term	-	02
(iv)	Executive Directors, Nationalised Banks		
	Appointment	-	07
	Extension of Term:	-	11
(v)	Part-time Non-official Director		
	Re-nomination	-	11



4.1.7.6 Revision of sitting fee of Directors of Public Sector Banks:

Certain categories of directors on the Boards of Public Sector Banks are eligible to receive sitting fees for attending Board and committee meetings. The guidelines governing the payment of sitting fees were last revised in 2019. As per the guidelines issued in 2019, banks with a business mix of less than ₹10 lakh crore were permitted to pay sitting fees up to ₹40,000 per Board meeting and ₹20,000 per Board Committee meeting, subject to an overall annual cap of ₹15,00,000. For larger banks (₹10 lakh crore or higher business mix), the per-sitting fee for Board meetings was capped at the limit prescribed under the Companies Act, 2013 and the rules or regulations enacted thereunder, with the sitting fee for Board Committee meetings limited to half of the Board meeting fee, subject to an overall annual ceiling of ₹25,00,000.

The said guidelines had remained unchanged for several years. Over time, the impact of inflation and the evolution of the regulatory framework rendered the prescribed limits increasingly inadequate and less relevant. Accordingly, the guidelines were reviewed in October 2025, and the sitting fees were rationalised and made uniform across all public sector banks, in alignment with the provisions of the Companies Act, 2013 and the rules or regulations enacted thereunder. The following changes have accordingly been introduced:

- The overall annual ceiling on the payment of sitting fee has been removed for all the Public Sector Banks.
- Board of Directors of the respective Public Sector Banks have been authorised to determine the per-sitting fee, subject to the limits prescribed under the Companies Act, 2013 and the regulations enacted thereunder.

4.1.7.7 IBC Performance

Till September 2025, 8,659 corporate insolvency resolution process (CIRPs) are admitted at NCLT, out of which, CD was rescued in 3,865 cases. Out of this, resolution plans were approved in 1300 cases wherein creditors have realised an aggregate amount of ₹ 3.99

lakh crore. The fair value and liquidation value of the assets available with these CDs, when they entered the CIRP, was estimated at ₹ 3.58 lakh crore and ₹ 2.35 lakh crore, respectively, as against the total claims of the creditors worth ₹ 12.31 lakh crore. The creditors have realised 170.09% of the liquidation value and 93.79% of the fair value (based on 1177 cases where fair value has been estimated). The resolved CDs resulted in realisation of more than 32.44% as against the admitted claims. The haircut for creditors relative to the fair value of assets was around 6%, while relative to their admitted claims is around 67%. Furthermore, this realisation does not include the CIRP cost, and many probable future realisations such as equity, realisation from corporate and personal guarantees, funds infused into the CD including capital expenditure by the resolution applicants, and recovery from avoidance applications. **[source: website of the Insolvency and Bankruptcy Board of India]**

The Insolvency and Bankruptcy Code (Amendment) Bill, 2025 was introduced in Lok Sabha on 12.08.2025, in which this Department (DFS) has proposed several amendments to address the delay in admission, resolution and liquidation, value maximization for creditors and improving efficiency & transparency. The said Bill was referred to the Select Committee of Lok Sabha for examination and the Committee had submitted its final report on 17.12.2025.

DFS quarterly reviews the top twenty cases of PSBs having exposure more than ₹500 Crore which are pending for admission at NCLT. The top ten cases pending for resolution are also being monitored. As a result, 13 cases with exposure of more than ₹ 500 crores have been admitted/settled at pre-admission stage, under IBC, 2016.

4.1.7.8 Non-Banking Financial Companies (NBFC) Symposium

To facilitate collaborative dialogue on the role of NBFCs and Micro Finance Institutions (MFIs), DFS hosted 'NBFC Symposium 2025' in July 2025. Considering the strengthening role of NBFCs in the financial ecosystem, it is envisaged that—

NBFC credit as percentage to SCB's credit increases to 50% by 2047 from 25% currently

50% of NBFC-credit is extended to sunrise sectors

100% adoption of tech-driven process across all domains

To meet the aspiration, structural changes across all domain would require strengthened co-lending mechanism including shared platforms to leverage the capacity of commercial banks, enhanced role in financial inclusion by penetrating financially excluded segments, improved financials, enhanced corporate governance and resilience, and adoption of unified collaboration by fostering collaboration with FinTechs, AgriTechs, commercial banks, etc.

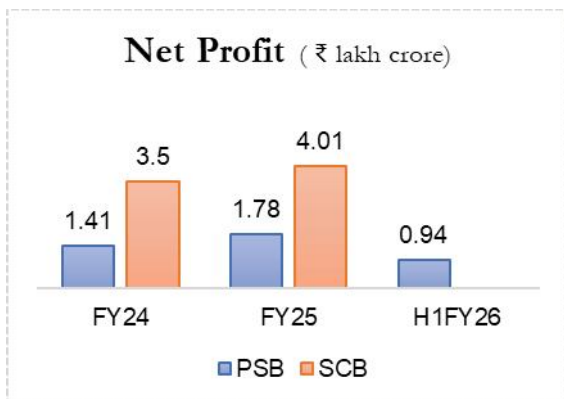
4.1.7.9 Overall condition of the banking sector

- The growth cycle of Indian banking system is on upwards trajectory across all parameters.
- The brief financial position of SCBs/PSBs are as under:

Parameters	Scheduled Commercial Banks						Public Sector Banks					
	Mar-15	Mar-18	Mar-23	Mar-24	Mar-25	*Sep-25	Mar-15	Mar-18	Mar-23	Mar-24	Mar-25	*Sep-25
Gross NPA (in ₹ lakh crore)	3.23	10.36	5.71	4.81	4.32	4.18	2.79	8.96	4.28	3.40	2.84	2.65
Gross NPA (%)	4.28	11.18	3.87	2.75	2.22	2.05	4.97	14.58	4.97	3.47	2.58	2.30
Net NPA (in ₹ lakh crore)	2.31	5.20	1.35	1.07	0.95	0.94	2.15	4.54	1.02	0.73	0.55	0.51
Net NPA (%)	3.13	5.94	0.95	0.62	0.50	0.48	3.92	7.97	1.24	0.76	0.52	0.45
PCR (%)	49.31	62.96	90.94	92.50	93.14	93.24	46.04	62.71	90.73	93.00	94.31	94.63
CRAR (%)	12.94	13.85	17.24	16.84	17.36	17.24	11.45	11.66	15.53	15.55	16.10	15.96

Source: RBI *provisional data for September 2025

- (a) During FY 2024-25, SCBs have recorded **highest ever aggregate net profit** of ₹4.01 lakh crore. PSBs have also recorded highest ever aggregate net profit of ₹1.78 lakh crore during FY 2024-25. Further, the net profit of PSBs during the first half of FY 2025-26 was ₹0.94 lakh crore.



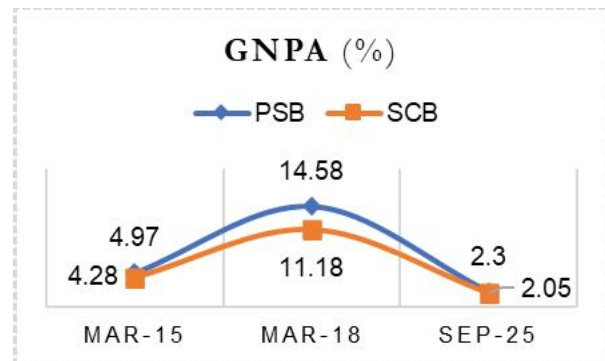
- (b) **Global Deposits and Global Advances of PSBs increased** from ₹71.95 lakh crore and

Credit flow to productive sectors of economy is growing at a good pace. The asset quality of scheduled commercial banks (SCBs) has continued to improve, with gross non-performing assets (GNPA) ratio and net non-performing assets (NNPA) ratio declining. The provisioning coverage ratio (PCR) of SCBs has steadily increased. The low slippage ratio, coupled with raising of capital from the market and net capital accretion through profits has helped banks to bolster their capital adequacy levels.

- The brief financial position of SCBs/PSBs are as under:

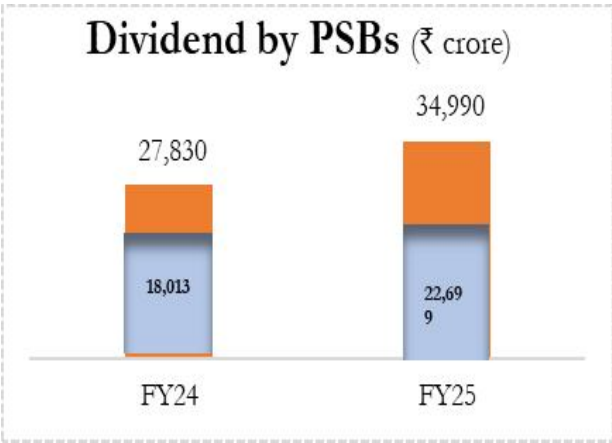
₹56.16 lakh crore in Mar-15 to ₹146.27 lakh crore and ₹114.85 lakh crore, respectively in Sep-25.

- (c) **Asset quality of PSBs improved** with GNPA and NNPA ratios declining to 2.30% and 0.45% in Sep-25 from 4.97% and 3.92%, respectively in Mar-15.



- (d) **Enhanced resilience** of PSBs with PCR increasing from 46.04% in Mar-15 to 94.62% in Sep-25.

- (e) Robust Capital adequacy with CRAR of PSBs improving to reach 15.96% in Sep-25 from 11.45% in Mar-15
- (f) PSBs declared dividend of ₹34,990 crore to shareholders (Gol share ₹22,699 crore) in FY 2024-25 against total dividend of ₹27,830 crore to shareholders (Gol share ₹18,013 crore) in FY 2023-24.



- (g) Enabled by implementation of comprehensive reforms, the financial health of PSBs has improved significantly, enhancing their ability to raise capital (in the form of both equity and bonds) from the market. PSBs have mobilised capital of ₹5.11 lakh crore from the market from FY 2014-15 to FY 2025-26 (till 30.9.2025).

4.2 Important decisions/Initiatives taken

4.2.1 The Department of Financial Services (DFS), Ministry of Finance, has undertaken several key initiatives towards good governance such as streamlining result declaration of recruitment examinations, steps to prevent impersonation and malpractices to ensure fairness and transparency, thereby enhancing public confidence in recruitment examinations process in banking industry. A brief detail of such initiatives is as under:

(a) Use of Aadhar Authentication by IBPS for Candidate Verification in Examinations:

The Department of Financial Services, Ministry of Finance, has notified the Institute of Banking Personnel Selection [a Public Examination Authority, under the Public Examination (Prevention of Unfair Means) Act, 2024] to use Aadhaar authentication (Yes/No and/or e-KYC), on a voluntary basis, for identity verification during its examinations and recruitment processes. This notification has been published subsequent to

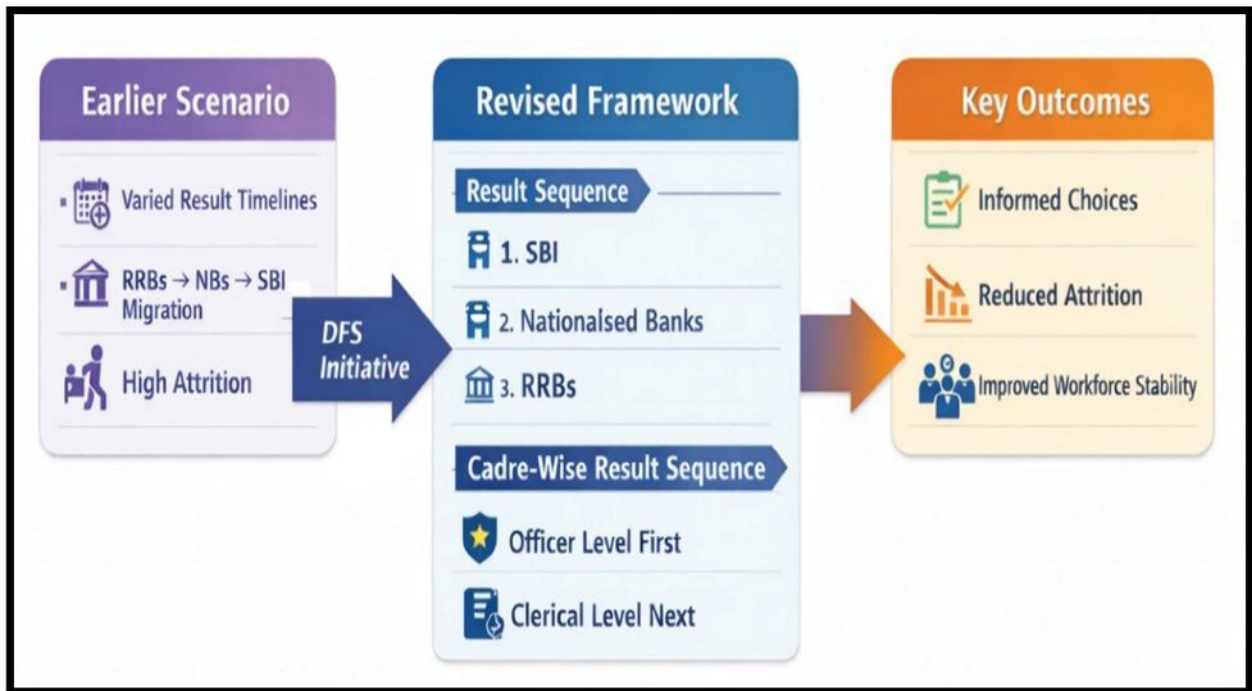
authorization by MeitY in consultation with UIDAI, under Rule 5 of the Aadhaar Authentication for Good Governance Rules, 2020. The initiative aims to enhance good governance, ensure fairness and transparency, prevent impersonation and malpractices, simplify identity verification, and strengthen trust in the Banking, Financial Services and Insurance Sector recruitment system.

(b) Streamlining Declaration of Results in Banking Recruitments:

The Department of Financial Services (DFS), Ministry of Finance, has undertaken several key initiatives aimed at streamlining the timelines for recruitment examinations and declaration of their results. This includes recruitment to State Bank of India (SBI), Nationalized Banks (NBs) and Regional Rural Banks (RRBs). Additionally, these initiatives seek to enhance transparency in examinations conducted by the Institute of Banking Personnel Selection (IBPS).

Recruitment in SBI, NBs and RRBs is conducted through the IBPS process, in accordance with the mandates of the respective banks. Typically, examinations for RRBs are administered prior to those for NBs and the SBI. The results are subsequently announced in a similar sequence. Nevertheless, a notable trend has emerged wherein newly recruited candidates frequently transition from RRBs to NBs, and subsequently to SBI. This migration has resulted in significant attrition within the banks and has posed operational challenges.

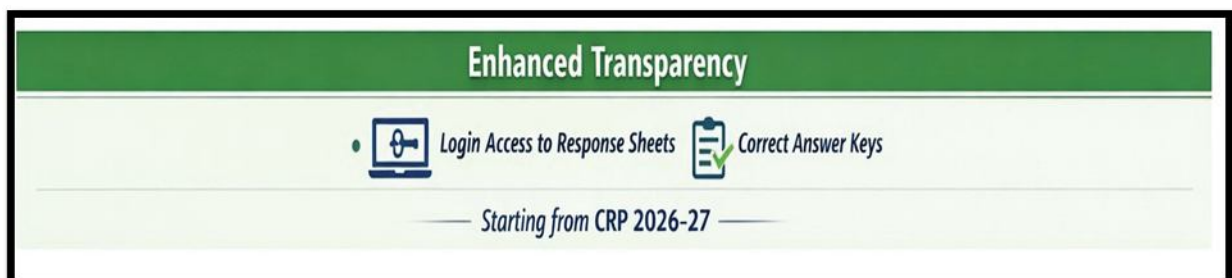
Taking cognizance of the above issue, the DFS reviewed the comprehensive process of recruitment examinations and the pattern of result declarations, advising the Indian Banks' Association (IBA) to implement a standardized and logical sequence for announcing recruitment results across all three categories of banks. Consequently, a revised framework has been established, which stipulates that results will now be announced first for the SBI, followed by NBs, and subsequently for RRBs. Additionally, results for all officer- level examinations within these categories will be declared initially, with clerical- level examination results announced subsequently in the same order.



This systematic sequencing is designed to assist candidates in expressing their preferences promptly and making well-informed decisions. This approach will enhance predictability for candidates, improve recruitment stability, substantially reduce industry attrition and enable more effective workforce planning across the banking sector.

(c) Enhanced Transparency in Banking Recruitment Examinations:

This Department took steps to enhance transparency in recruitment examinations. From the 2026–27 Common Recruitment Process cycle onwards, candidates appearing in examinations conducted by IBPS will be provided with login-based access to their response sheets and correct answer keys.



This initiative aligns recruitment practices in the banking sector with those followed by other major public recruitment agencies and strengthens transparency and fairness in the examination process. It will boost public confidence in banking recruitment systems.

4.2.2 Streamlining the promotion and transfer process in Public Sector Banks

The Department of Financial Services reviewed the promotion process followed by the Public Sector Banks (PSBs) and observed that the timelines vary across the banks as few PSBs initiate the process in the third

quarter and complete the process by March of each year whereas few PSBs complete the process only in May-June (first quarter of the FY) primarily due to delayed start of the promotion process.

Hence, in order to ensure minimize disruption during the final quarter of the financial year, to prevent the extension of the process beyond the specified timeline, and to maintain uniformity across banks, this Department has advised all PSBs to ensure completion of their respective promotion processes & declaration of the final results on or before 31st March of the selection year and to ensure that transfer exercise be completed before June every year. Further, banks have also confirmed the compliance of the same.

4.2.3 Timely updation of Regulations in Public Sector Banks

- (a) Consequent upon the signing of each Bipartite Settlement / Joint Note, necessary amendments are carried out in the respective Nationalized Banks' Employees' Pension Regulations (BEPR) to incorporate the provisions agreed upon in respect of the pensionary benefits of serving and retired employees. Thereafter, the amendments effected in the respective bank's BEPR of all Nationalized Banks are laid before both the Houses of Parliament, in accordance with the relevant statutory provisions.

In past, the process of effecting amendments to the respective banks' BEPR and laying the same before Parliament generally took a period of 6-8 years. However, in respect of the recent Bipartite Settlement signed on 08.03.2024, after examination of the proposals submitted by all Nationalized Banks, in consultation with the Legislative Department, M/o Law & Justice, the previous sanction of the Central Government was conveyed to these banks vide letters dated 24.09.2025. These amendments were subsequently published in the Official Gazette during October / November, 2025 and thereafter laid before both the houses of the Parliament in December, 2025 (Winter Session), thereby ensuring timely and efficient completion of the process.

Consequently, the process - from conclusion of the BPS/Joint Note to publication in the Official Gazette and the subsequent laying of the Gazette Notifications before Parliament was accomplished within an unprecedented period of 18 months.

- (b) This Department had approved Chief General Manager (CGM) level posts in all Nationalized Banks (NBs). Further, conclusion of 12 Bipartite Settlement and signing of 9th Joint Note has happened on 8.3.2024. To give effect to this the Bank officers' Service Regulations (OSRs) were to be amended by NBs, which has been taken up in 2 Phases by this Department, as under:

Phase I – Since the CGM level posts was being introduced for the first time in five banks first namely, Bank of Maharashtra, Central Bank of India, Indian Overseas Bank, Punjab & Sind Bank and UCO Bank, this Department has taken up the required amendments with these banks first. Further, consequent to conclusion of 12

Bipartite Settlement and signing of 9th Joint Note, the revised pay scales of all the officers of banks along with other agreed provisions has to be incorporated in the OSRs of NBs.

Accordingly, consolidated proposals of above-mentioned amendments were considered by this Department. These proposals were examined in consultation with Legislative Department (LD), M/o Law & Justice. Approval of Central Government was conveyed to these banks vide letters dated 16.5.2025. These amendments were subsequently been published in the Official Gazette in May, 2025 and further laid in both the houses of the Parliament in August, 2025 (Monsoon Session), in a timely and efficient manner.

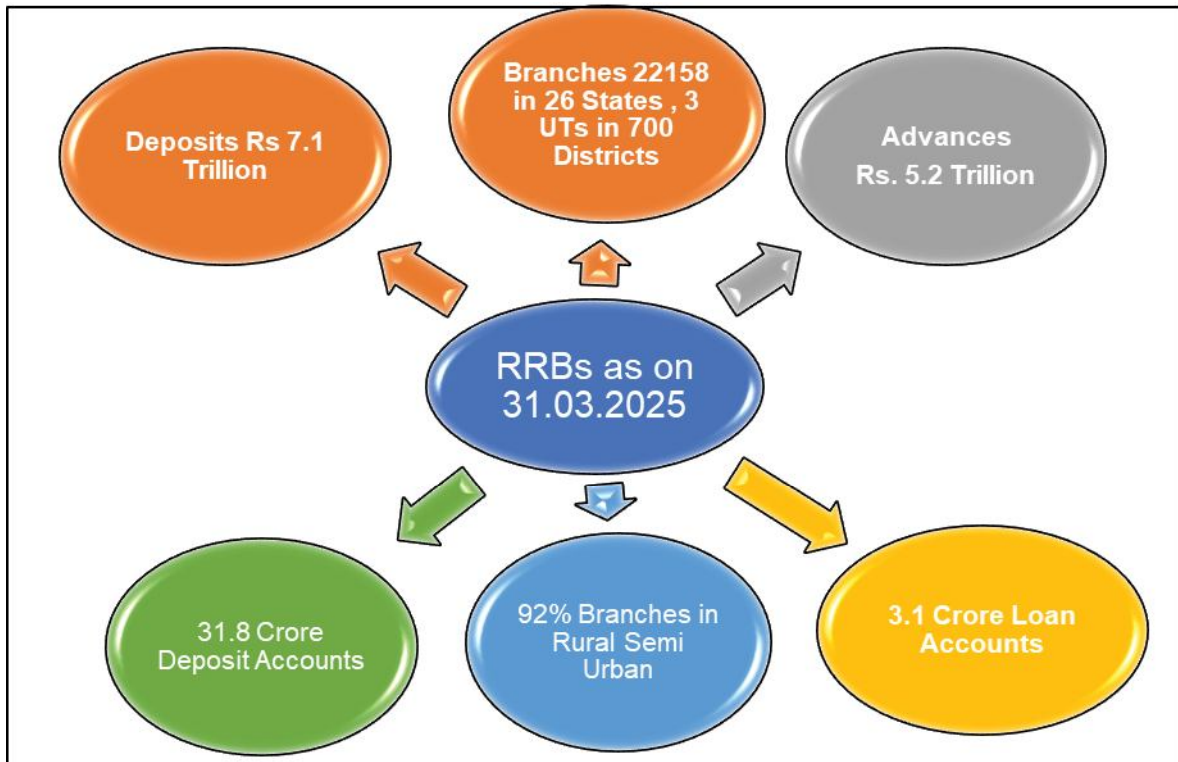
This year the whole exercise from the date of conclusion of the BPS/Joint Note till laying of the Gazette Notifications in the Parliament has been completed in record time period of 17 months. Previously, the same process took 48 months during the 11th BPS/8th Joint Note.

Phase II – Amendments in the remaining six banks, where CGM-level posts already exist, are being taken up under Phase II. The proposals received from Bank of Baroda, Bank of India, Canara Bank, Indian Bank, Punjab National Bank and Union Bank of India are currently under examination in the Department in consultation with LD. Thereafter, approval of the Hon'ble Finance Minister will be sought shortly.

4.3 Regional Rural Banks

The Regional Rural Banks (RRBs) were established under the RRBs Act, 1976 to create an alternative channel for credit dispensation to small and marginal farmers, agricultural laborers, socio-economically weaker section of population for development of agriculture, trade, commerce, small scale industry and other productive activities in rural areas. The RRBs are jointly owned by the Central Government, the concerned State Government and the Sponsor Banks with shareholding in the ratio of 50:15:35 respectively.

At present, 28 RRBs are operational through a network of 22,158 branches across 26 States and 3 Union Territories (Puducherry, Jammu & Kashmir and Ladakh), covering approx. 700 districts of the country.



This year 2025 marks an important milestone for RRBs as they complete 50 years of operations towards advancing financial inclusion and rural development.

4.3.1 Role of RRBs:

RRBs have a mandate to ensure rural development and foster financial inclusion. The contributions being made by RRBs as a whole at present, are briefly as under:

- i. Of the total loans extended by RRBs, over 85% of loans are extended to the priority sector, and about 66% is towards agriculture sector. Of the total loans, about 61% of them are extended to weaker sections of society.
- ii. RRBs play a significant role in extending micro credit. They account for 31% of the SHG loan accounts and 25% of the loan amount to SHGs. Nearly 19% of total KCCs have been issued by the RRBs.
- iii. Share of RRBs in total accounts/enrolments under Government Sponsored Schemes like PMJDY, PMJJBY, PMSBY, APY, etc. varies from 15% to 20%.
- iv. 92% of the branches of RRBs are in rural and semi urban areas. RRBs have a share of 29% in the number of rural bank branches. In the rural areas of aspirational districts, RRBs have about 40% of the bank branches. Moreover, many RRBs have branches in remote areas and they are providing financial services to vulnerable sections.

- v. In rural areas, the share of deposit accounts of RRBs is about 25% and RRBs have the highest average balance in PMJDY accounts amongst all categories of banks. In North-eastern region, RRBs cater to the banking needs of about 38% of the rural people. As against the overall rural CD Ratio of 70% for all the Scheduled Commercial Banks, RRBs had a rural CD Ratio of 81% as on 31 March 2025.

4.3.2 Recapitalization Scheme:

The Government provides recapitalization to RRBs to help them meet the regulatory requirement of 9% CRAR (Capital to Risk Weighted Assets Ratio). Infusion of capital in RRBs is done with an aim to rejuvenate and revitalise the RRBs with sufficient growth capital to facilitate reinventing themselves as sustainably viable and self-sufficient financial institutions and for leading the growth process and the change in rural areas. The capital infusion is to help RRBs in technology adoption and to efficiently cater to the financial inclusion needs of the rural populace.

Further, the recapitalisation scheme is accompanied by operational and governance reforms under the broad ambit of Sustainable Viability Plan (SVP) with a well-defined implementation mechanism aimed at credit expansion, business diversification, NPA reduction, cost rationalisation, technology adoption, improvement in corporate governance etc.

4.3.3 Progress & Outcome:

- i. The last recapitalization support was provided to RRBs as a one-time upfront recapitalisation of ₹5,445 crore as Gol share, approved by Expenditure Finance Committee (EFC) in its meeting held on 11.10.2021, 75% of which i.e. ₹4,084 crore was infused into the RRBs during the FY 2021-22. The balance 25% of recapitalisation support of ₹1,361 crore as Gol share was to be infused during the year 2022-23, upon demonstrable improvement in the operational and governance reforms as per the Viability Plan.
- ii. Accordingly, each RRB prepared a 3-year Board approved Viability Plan in FY 2022-23 encompassing operational and governance reforms. The RRBs demonstrated a significant improvement in key financial indicators under the viability plan. Therefore, the balance amount of ₹1,361 crore was infused into the RRBs during the FY 2023-24 and 2024-25.
- iii. In this backdrop, the performance of RRBs has improved significantly during FY 2024-25. RRBs have been showing consistent improvement in their financial performance. The RRBs have increased their net profit from ₹3,219 crore in FY 2021-22 to ₹ 7571 Crore in FY 2023-24 and ₹6,820 crore in FY 2024-25. The Gross NPA reduced to 5.4% in FY 2024-25 from 9.1% in FY 2021-22. The Capital to Risk Weighted Assets Ratio (CRAR) improved from 12.7% in FY 2021-22 to all time high at 14.4% in FY 2024-25. Credit expansion led to an increase in consolidated CD ratio to 73.1%, which was the highest in over 35 years. The pace of technology adoption has increased as more RRBs have started rolling out digital services to their customers.

4.3.4 Important Developments in the context of RRBs in FY 2025-26:**4.3.4.1 Review of RRBs by Secretary, DFS**

Secretary, Department of Financial Services, Ministry of Finance, reviewed performance of RRBs and the progress in implementation of Phase IV amalgamation process on 05 May 2025 in Mumbai.

4.3.4.2 Implementation of Phase-IV Amalgamation of RRBs:

In terms of section 23A of RRBs Act, 1976, Central Government, after consultation with NABARD,

the concerned State Government and the Sponsor Bank may amalgamate, in public interest, two or more RRBs in a State.

With a view to enable RRBs to minimize their overhead expenses, optimize the use of technology, enhance the capital base and area of operation and increase their exposure, Government of India (Gol) initiated structural consolidation of RRBs in FY 2004-05, which has resulted in reduction in the number of RRBs from 196 to 43 till FY 2020-21 through 3 phases of amalgamation.

In order to retain the USP of RRBs viz. the closeness to rural communities, and derive the benefits of scale efficiency and cost rationalisation, Government, on the guiding principle of "One State One RRB", has amalgamated 26 RRBs in 11 State/UTs w.e.f. 01.05.2025 thereby reducing the number of RRBs from 43 to 28.

The Phase IV amalgamation was executed through a robust institutional framework constituted by DFS, Gol comprising of:

- National Level Project Monitoring Unit (NLPMU): Constituted under the chairmanship of the Deputy Managing Director (DMD), NABARD, with representatives from the Department of Financial Services (DFS), Government of India, NABARD, and Sponsor Banks.
- State Level Monitoring Committees (SLMCs): Constituted under the chairmanship of Chief General Managers (CGMs) of NABARD Regional Offices, with members from Sponsor Banks, Regional Rural Banks (RRBs), and CBS/IT vendors.

Together, the NLPMU and SLMCs convened over 100 meetings to monitor progress, address challenges, and ensure seamless implementation of the amalgamation process. The integration of Core Banking System (CBS) and NPCI payment channels of the transferor RRBs were completed across all 11 States/UTs by 13th October 2025.

4.3.4.3 Common Branding & Logo Framework for RRBs

In order for enhanced visibility, branding and acceptance among public, Government has approved a Common Logo for all RRBs, thereby helping in promoting financial inclusion and economic growth in rural and remote areas of the country.



FINANCE & TRUST



LIFE & GROWTH



Upward Arrow (Symbol of Progress): Represents growth, development and advancement in rural economies.



Hands (Symbol of Nurturing): Conveys care, support, and a helping hand to rural communities.



Flame (Symbol of Enlightenment): Signifies warmth, knowledge, and empowering rural populations.

Further, to establish a unified identity for RRBs, reinforcing public trust by clearly positioning them as government-owned institutions, the GoI has approved the renaming of 6 RRBs, vide notification dated 23.10.2025 ensuring that all RRBs across the country now follows a uniform naming convention:

<Name of the State><Rural/Gramin in Local language><Bank>.

These reforms seek to build a strong brand that reflects rural inclusion, financial stability, and transparency. Standardized branding is expected to enhance operational efficiency, supports post-amalgamation cohesion, and improves market visibility and competitiveness in rural areas.

4.3.4.4 Bifurcation of assets and liabilities of APGVB

Andhra Pradesh Grameena Vikas Bank (APGVB) was operating across 21 districts in Telangana and 7 districts in Andhra Pradesh. During FY 2024–25, DFS, GoI approved a scheme for the bifurcation of APGVB's assets and liabilities between the two states. Pursuant to this approval, the bifurcation took effect from 01 January 2025. Consequently, the branches of APGVB located in Telangana were merged with Telangana Grameena Bank, while the bifurcated APGVB continued its operations in the 7 districts of Andhra Pradesh.

4.3.4.5 Constitution of Standing Consultative Committee (SCC) for RRBs

DFS, GoI vide letter dated 18 September 2025 has constituted a Standing Consultative Committee (SCC) for RRBs to serve as a structured forum for deliberation and resolution of policy related matters in HR, Service conditions, issues pertaining to recruitment and promotion, review of statutory provisions, draft policies, rules, regulations, directions, guidelines etc.

The SCC has been constituted under the Chairmanship of DMD, NABARD with representatives from DFS, GoI, Sponsor Banks and RRBs. The committee shall examine the issues referred to it by the DFS, GoI/ NABARD with prior consultation with DFS.

4.3.4.6 Transfer Policy in RRBs

With a view to promoting greater transparency and ensuring formulation of a uniform and non-discretionary transfer mechanism in RRBs, DFS, GoI issued revised guidelines vide letter dated 20 February 2025 to RRBs for framing a Transfer Policy in RRBs.

4.3.4.7 Government Nominee Directors

To improve the corporate governance structure in RRBs, Government has approved the appointment of Government nominee directors in all RRBs.

4.3.4.8 Viability Plan for RRBs

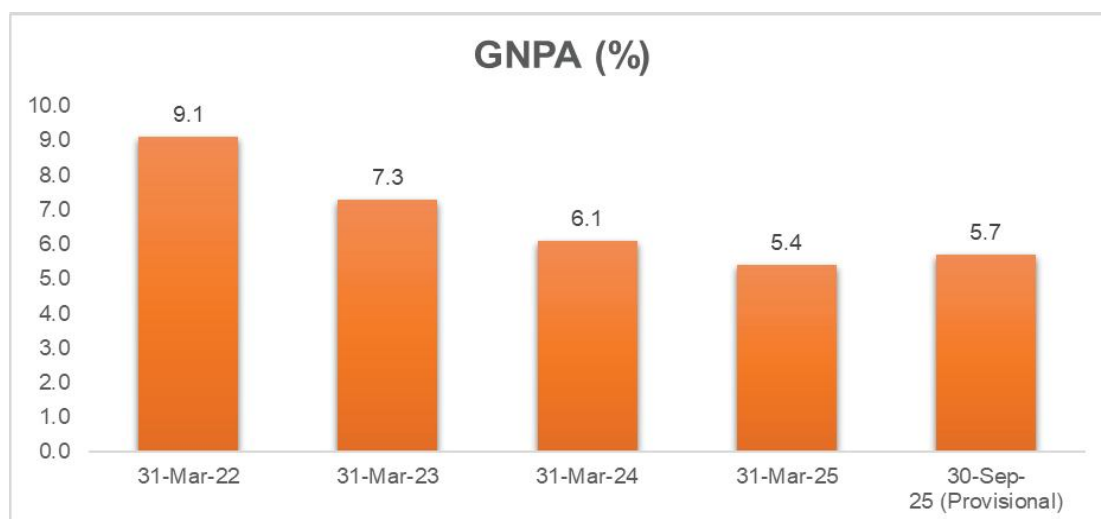
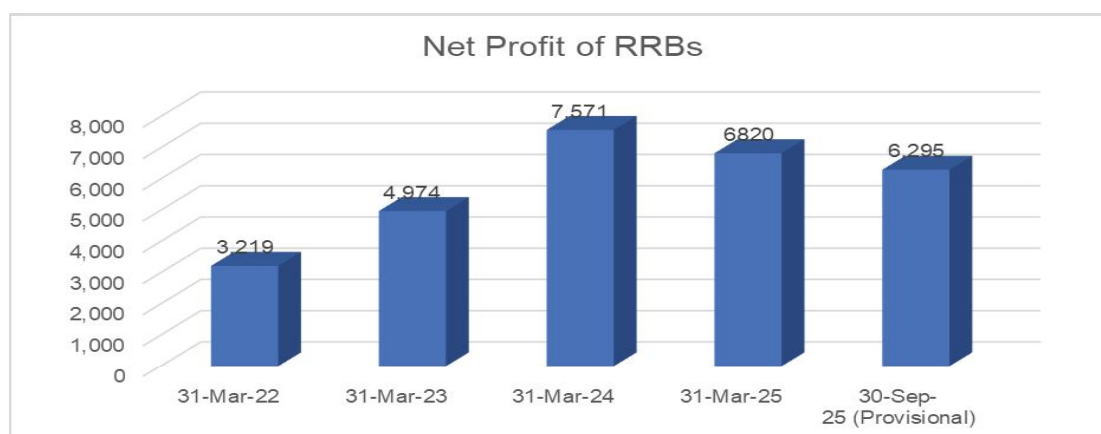
To institutionalize performance monitoring and strengthen governance reforms in RRBs, the Govt. has introduced a 3-year viability plan covering FY 2021-22 to FY 2024-25. In view of the emerging financial pressures and the continued need for sustained oversight, the plan is now in the process of being extended for a further period of three years upto FY 2027-28.

The extension aims to safeguard financial stability, improve operational efficiency, and ensure that RRBs remain aligned with national priorities in rural credit, digital inclusion and financial outreach.

4.3.5 Key Financial Parameters:

(Amount in ₹ crore)

Particulars	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	30-Sep-25 (Provisional)
No. of RRBs (No.)	43	43	43	43	28
Branch Network (No.)	21,892	21,995	22,069	22,158	22,179
Share Capital	14,880	17,232	19,042	19,303	19,303
Reserves	34,359	40,123	46,659	53,060	57,962
Deposits	5,62,538	6,08,509	6,59,815	7,13,800	7,20,000
Borrowings	73,881	84,712	92,444	92,268	81,155
Investments	2,95,665	3,13,401	3,19,099	3,21,213	3,00,281
Gross Loans & Advances O/s	3,62,838	4,10,738	4,70,109	5,21,913	5,50,509
No. of RRBs earning Profit	34	37	40	38	25
Amount of Profit (A)	4,116	6,178	7,796	8,018	6,546
No. of RRBs incurring Losses	9	6	3	5	3
Amount of Losses (B)	897	1,205	225	1,193	251
Net Profit of RRBs (A – B)	3,219	4,974	7,571	6,820	6,295
GNPA (Amount)	33,190	29,894	28,913	28,169	31,782
GNPA (%)	9.1	7.3	6.1	5.4	5.7



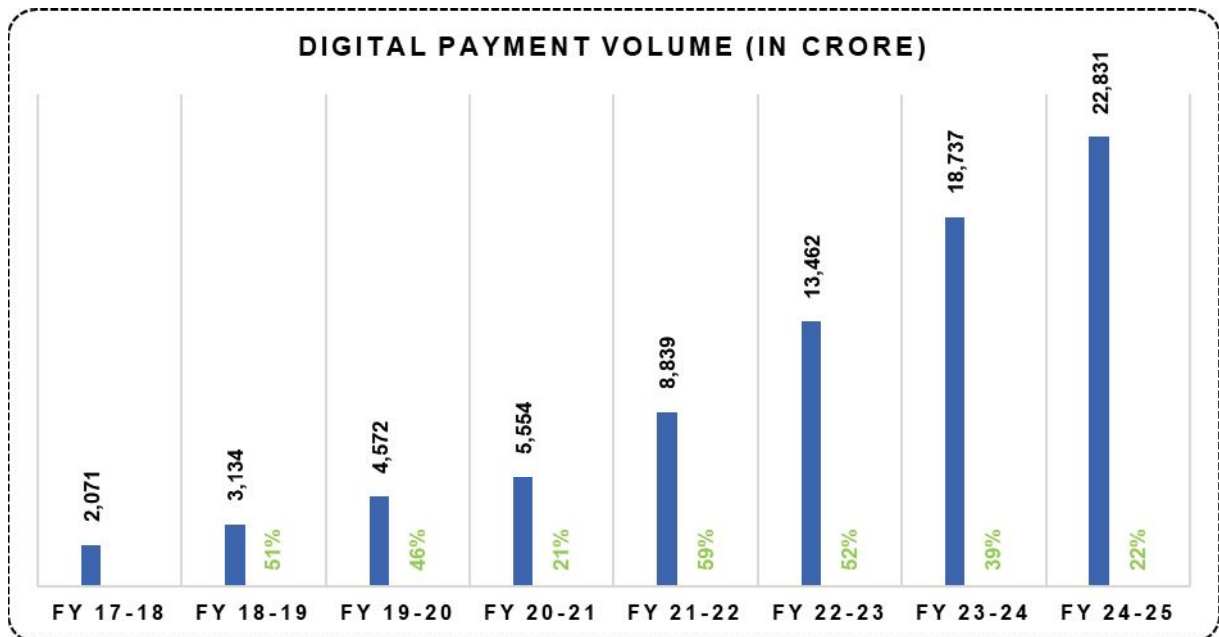
5. Digital Payments

The Government has been taking various initiatives for promotion of digital transactions in the country, especially the creation of digital public infrastructure (Aadhar, UPI, Account Aggregator Framework, Digi Locker, CBDC, ONDC etc.). The digital payment transactions in the country has seen tremendous growth, especially after FY 2013-14. As per ACI Worldwide Report 2024, around 49% of the global real-time payment transactions is happening in India. The digital payment transactions have grown from 2,071 crore in FY 2017-18 to 22,831 crore in FY 2024-25. During the same period, the value of digital payment transactions has grown from ₹ 1,962 lakh crore to ₹ 3,509 lakh crore. In the current financial year till 14th December 2025, number of digital payment transactions stands at 19,040 crore and value stands at ₹ 2,181 lakh crore.

In July 2023, Promotion of Digital Payments has been transferred from MeitY to Department of Financial Services vide Cabinet Notification No.1/21/6/2023-Cab. dated 17th July 2023. Department of Financial Services is coordinating with various stakeholders for proliferation of digital payment ecosystem in the country.

5.1 Progress in Digital Payment Transactions :

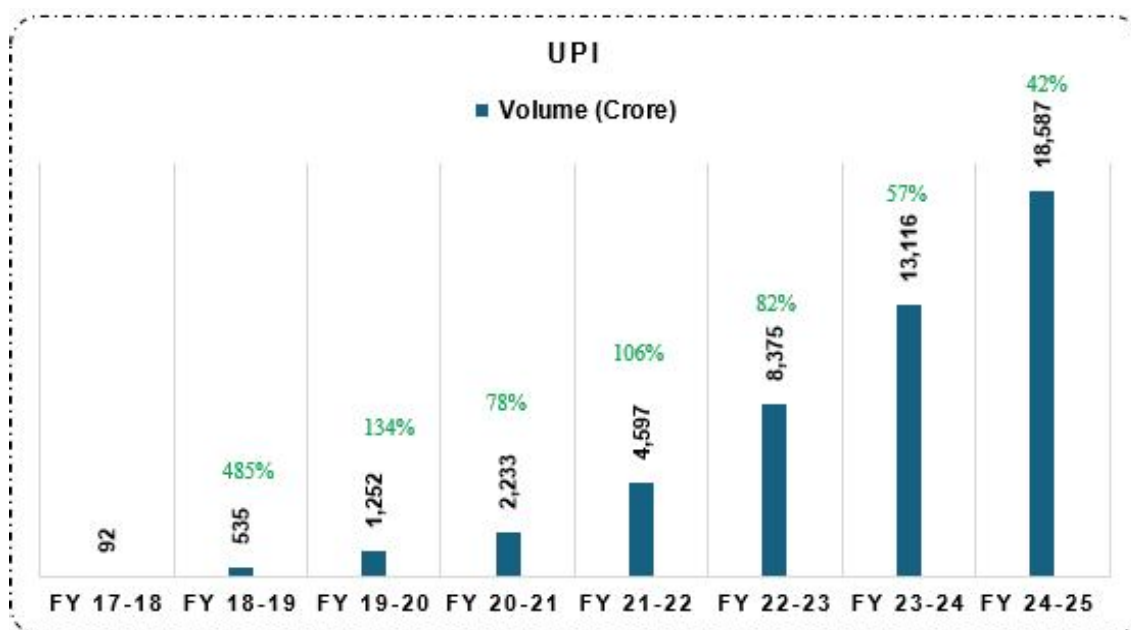
Digital payments have significantly increased in recent years as a result of coordinated efforts of the Government with all stakeholders. The digital payment transactions have grown from 2,071 crore in FY 2017-18 to 22,831 crore in FY 2024-25. During the same period, the value of digital payment transactions has grown from ₹ 1,962 lakh crore to ₹ 3,509 lakh crore. In the current financial year till 14th December 2025, number of digital payment transactions stands at 19,040 crore and value stands at ₹ 2,181 lakh crore.



- **Unified Payments Interface (UPI)** is an indigenous digital payment system which provides the facility of quick and easy payments from multiple bank accounts in a single mobile application. UPI has revolutionized digital payments in the country, UPI transactions have grown from 92 crore in FY 2017-18 to 18,587 crore in FY 2024-25. During the current financial year till 14th December 2025, number of UPI transactions stands at ₹ 16,518 crore.
 - The introduction of the UPI in FY 2016-17 has helped India establish itself as one of the global leaders in real-time payment systems and overall growth of digital transactions. As

per ACI Worldwide Report 2024, around **49%** of the global real-time payment transactions is happening in India.

- UPI has been the major driving force in the overall growth of digital payment transactions in the country accounting for **81%** of digital payment transactions in FY 2024-25 (till 31st December 2024).
- UPI transactions increased significantly from 1.31 billion (130.84 Crore) transactions per month in December 2019 to a staggering 20.46 billion (2,046 Crore) transactions per month in November 2025



➤ **Internationalization of Digital Payments:**

- India's indigenously developed UPI and RuPay cards are world class platforms for enabling digital payments. Government is making efforts to promote these products globally
- At present UPI is fully functional and live in 8 countries i.e. UAE, Bhutan, Nepal, Mauritius, France, Sri Lanka, Singapore and Qatar.
- RuPay cards acceptance is live in 6 countries i.e., Nepal, Bhutan, Mauritius, Singapore, UAE and Maldives.
- Further, a Task Force on Digital Public Infrastructure has been set up by the Government to oversee and accomplish India's G20 Presidency goals on digital public infrastructure and promoting innovative technology-based services such as UPI along with the governance frameworks.

5.2 Digital Payment Infrastructure

Coordinated efforts of ecosystem partners have led to an exponential growth in digital payments acceptance infrastructure in the country, increasing from **0.31 crore** as on March 2018 to **73.59 crore** as on September 2025

➤ **Payment Infrastructure Development Fund (PIDF) Scheme:**

RBI has, vide circular dated January 5, 2021, operationalized the Payments Infrastructure Development Fund (PIDF) Scheme from January 1, 2021, for a period of three years. On December 29, 2023, the scheme was further extended up to December 31, 2025. The objective of the Scheme is to encourage acquirers (banks and nonbanks) and merchants by subsidizing deployment of interoperable payment acceptance infrastructure in Tier-3 to Tier 6 centers with special focus on the North-Eastern states of the country and Union Territories of Jammu and Kashmir and Ladakh. The Scheme envisages creation of 30 lakh new touch points for digital payments every year. Since August 2021, eligible street vendors of the PM Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi Scheme) in Tier-1 and Tier-2 centers have been included as beneficiaries of the PIDF Scheme. Further, now with the extension of the scheme, the beneficiaries of PM Vishwakarma Scheme, across the country, have been included as merchants for deployment under the PIDF Scheme since its inception. As on October 31, 2025, around 5.45 Crore digital touch points have been deployed through PIDF.

Deployment Status (as on 30.11.2025):

Location	Physical Devices	Digital Devices	Sound box Devices	Aadhar enabled biometric devices
Tier 3 & 4 Centres	7,50,463	1,50,38,223	32,34,410	8,493
Tier 5 & 6 Centres	8,41,018	2,31,84,394	63,76,871	47,346
North-eastern States	1,49,853	25,79,758	4,92,089	5,112
UTs of J&K and Ladakh	62,912	13,66,171	2,88,611	283
Tier 1 & 2 Centres (PM SVANidhi Scheme)	2,461	17,04,345	53,804	-
Tier 1 & 2 Centres (PM Vishwakarma Scheme)	38	12,836	23,761	-
Total	18,06,745	4,38,85,727	1,04,69,546	61,234
Total Touchpoints	5,62,23,252			

5.3 Incentive Scheme for RuPay and UPI:

- Promotion of digital payments is an integral part of the Government's strategy to clean and formalise the economy, mainstream savings into banks to energise investment, improve access to credit and provide wide-ranging benefits to the common man.
- As part of this policy thrust, with effect from 01.01.2020, no charge [including Merchant Discount Rate (MDR)] is payable on payments done using RuPay Debit Cards and BHIM-UPI. Further, Hon'ble Finance Minister, in her Budget Speech for FY2021-22 and FY2022-23, announced Government's intent to provide financial incentive to promote digital payment modes. Accordingly, "Incentive scheme for promotion of RuPay Debit Cards and low-value BHIM-UPI transactions (P2M)" were notified for FY2021-22, FY2022-23 and for FY2023-24. Under the scheme banks and other payment system operators and app providers are incentivized for RuPay Debit Card and low-value BHIM-UPI transactions (upto ₹ 2,000) (Person to Merchant). For FY2024-25, "Incentive scheme for low-value BHIM-UPI transactions (P2M)" has been implemented.
- For the scheme period FY 2021-22, the estimated outlay was ₹1,300 cr, which was enhanced to ₹1,450 cr. The total expenditure under the scheme, with actual expenditure upon payout of all committed liabilities thereunder, was ₹1,389 cr. The one-year scheme ended on 31.03.2022.
- For the scheme period FY 2022-23, the estimated outlay was ₹2,600 cr., with actual expenditure upon payout of all committed liabilities thereunder, was ₹2,210 cr. The one-year scheme ended on 31.03.2023.
- For the scheme period FY 2023-24, the estimated outlay was ₹3,500 cr, which was enhanced to ₹3,637 cr. The total expenditure under the scheme, with actual expenditure upon payout of all committed liabilities thereunder, was ₹3,631 cr. The one-year scheme ended on 31.03.2024.
- The scheme was successful in furthering growth in digital payments. BHIM-UPI transactions volume grew at CAGR of 70% i.e., from 2,233 crore in FY 2020-21 to 18,587 crore in FY 2024-25. Similarly, in value terms UPI transactions have grown at a CAGR of 59% i.e., from ₹41.03 lakh crore in FY 2020-21 to ₹260.57 lakh crore in FY 2024-25. However, RuPay Debit Card (PoS & Ecom) transaction volume declined by 24%, from 137 cr. in FY2021-22 to 59 cr. in FY 2024-25. This may be viewed in the context of the intense competition from BHIM-UPI which led to overall declining trend in Debit Card transactions over last year. The transactions using Debit Cards declined by 26% during the same period for debit card industry as a whole.
- For FY 2024-25, "Incentive scheme for promotion of low-value BHIM-UPI transactions (P2M)" was notified by the Department of Financial Services (DFS) for a period of one year, w.e.f. April 01, 2024, with an estimated outlay of ₹ 1,500 crores. As on 30.11.2025, the total actual expenditure incurred was ~₹ 1,046 crores.

5.4 Account Aggregator

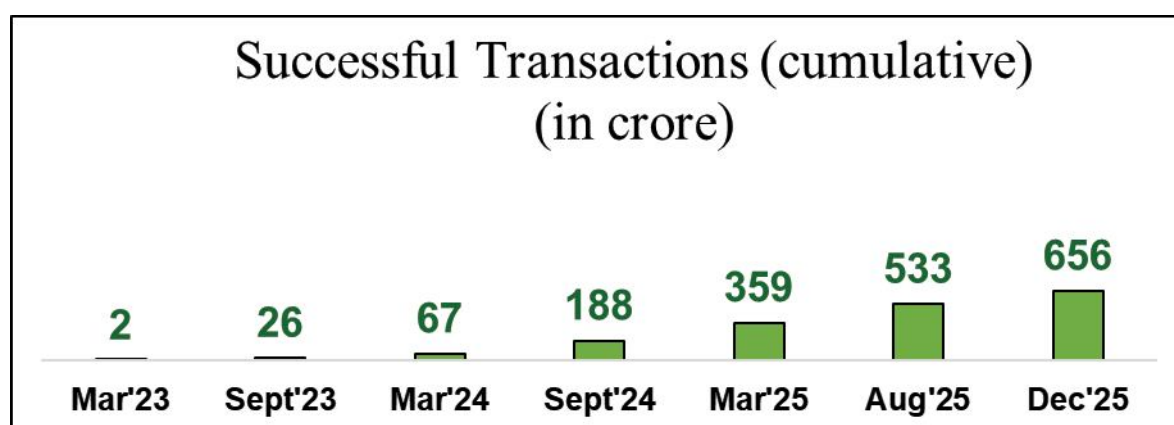
Account Aggregator (AA) is a Non-Bank Finance Company (NBFC) engaged in the business of providing the service of retrieving or collecting financial information pertaining to the customer. No financial information of the customer is retrieved, shared or transferred by AA framework without the explicit consent of the customer.

AA transfers data from one financial institution to another based on an individual's instruction and consent. In this direction, Reserve Bank of India (RBI) has issued the Master Direction viz Non-Banking Financial Company (NBFC) – Account Aggregator (Reserve Bank) Directions, dated September 02, 2016.

Entities may enrol themselves on AA framework as Financial Information Provider (FIP) viz. bank, banking company, non-banking financial company, asset management company, depository, depository participant, insurance company, insurance repository, Central Recordkeeping Agency, GSTN, Clearing Corporation of India Limited and such other entity

as may be identified by RBI for the purposes of these directions, from time to time and as Financial Information User (FIU) which is an entity registered with and regulated by any financial sector regulator. At present, RBI has granted Certificate of Registration to seventeen companies as AA.

The RBI Circular inter alia provides guidelines on Process of Registration, Consent Architecture, Data Security, Technical Specifications, Sharing of Financial Information by Financial information Providers and Use of information by Account Aggregator and Financial Information User. In terms of usage, the AA framework has shown remarkable growth in adoption since its launch.



Though the ecosystem kicked off with lending as an anchor use case, personal finance management, income verification for F&O account opening, and financial underwriting for life insurance, have become prominent applications.

6. Financial Inclusion

6.1 Pradhan Mantri Jan Dhan Yojana (PMJDY)

With a view to increase banking penetration, promote financial inclusion and to provide at least one bank account per household across the country, a National Mission on Financial Inclusion (FI), known as Pradhan Mantri Jan Dhan Yojana (PMJDY) was announced on 15th August, 2014. The Scheme was formally launched on 28th August, 2014 at National level by the Hon'ble Prime Minister. Comprehensive financial inclusion of the excluded sections was proposed to be achieved by 14th August, 2018 in 2 Phases as under:

- Phase I (15th August, 2014 – 14th August, 2015):- Universal access to banking facilities in all areas, except those with infrastructural and connectivity constraints and providing basic banking accounts and RuPay Debit

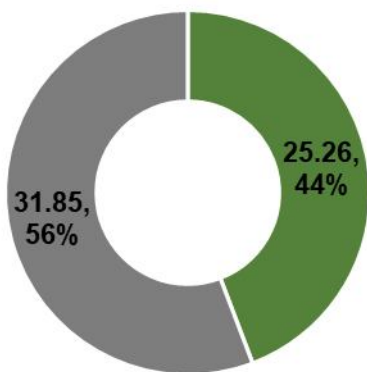
card with inbuilt accident insurance cover of ₹ 1 lakh and organizing Financial Literacy Programmes.

- Phase II (15th August, 2015 - 14th August, 2018):- Overdraft (OD) facility upto ₹5,000 to be given after six months of satisfactory operation/history. Creation of Credit Guarantee Fund for coverage of defaults in overdraft accounts and unorganized sector pension schemes like Swavlamban.
- Extension of PMJDY- PMJDY was extended beyond 14.8.2018 with the focus on opening of accounts shifting from “every household” to “every unbanked adult” while making the scheme more attractive with upward revision in: -
 - a. OD limit from ₹5,000 to ₹10,000;
 - b. accident insurance cover on RuPay card holders from ₹1 lakh to ₹2 lakh;
 - c. age limit for availing OD facility revised from 18- 60 years to 18-65 years; and
 - d. no conditions attached for OD up to ₹ 2000.

Performance of PMJDY

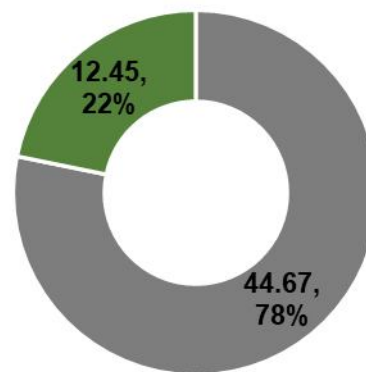
Major achievements of PMJDY are as under: (Numbers in Crore)						
As on	PMJDY Accounts (in crore)	No of PMJDY Accounts (Male)	No of PMJDY Accounts (Female)	No of PMJDY accounts (rural/ Semi-urban)	No of PMJDY Accounts (Urban/ Metro)	Deposits in PMJDY Accounts (in ₹ crores)
March'15	14.72	7.15	7.39	8.68	5.86	14,641
March'16	21.43	10.37	11.05	13.17	8.26	35,672
March'17	28.17	13.67	14.49	16.87	11.30	62,972
March'18	31.44	14.85	16.60	18.52	12.92	78,494
March'19	35.27	16.53	18.74	20.90	14.37	96,107
March'20	38.33	17.85	20.48	22.63	15.70	1,18,434
March'21	42.20	18.82	23.38	27.85	14.35	1,45,551
March'22	45.06	19.98	25.08	30.07	14.99	1,66,459
March'23	48.65	21.60	27.05	32.45	16.20	1,98,844
March'24	51.95	23.05	28.90	34.58	17.36	2,32,502
March'25	55.18	24.43	30.75	36.74	18.44	2,60,387
Nov'25	57.11	25.26	31.85	44.67	12.45	2,74,033

Gender wise bifurcation of PMJDY accounts (in crores)



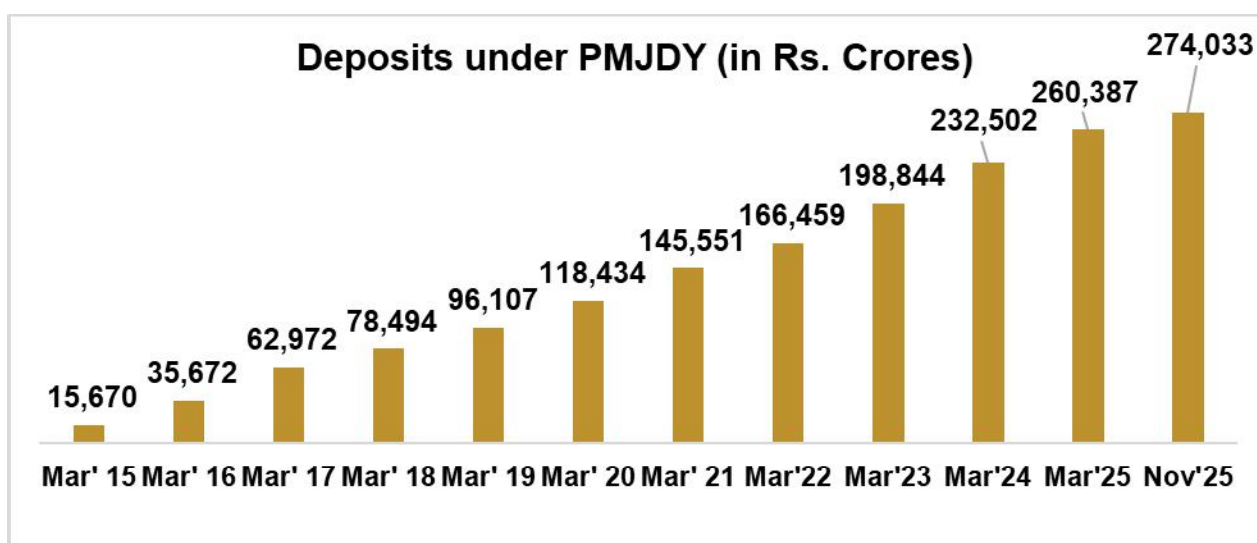
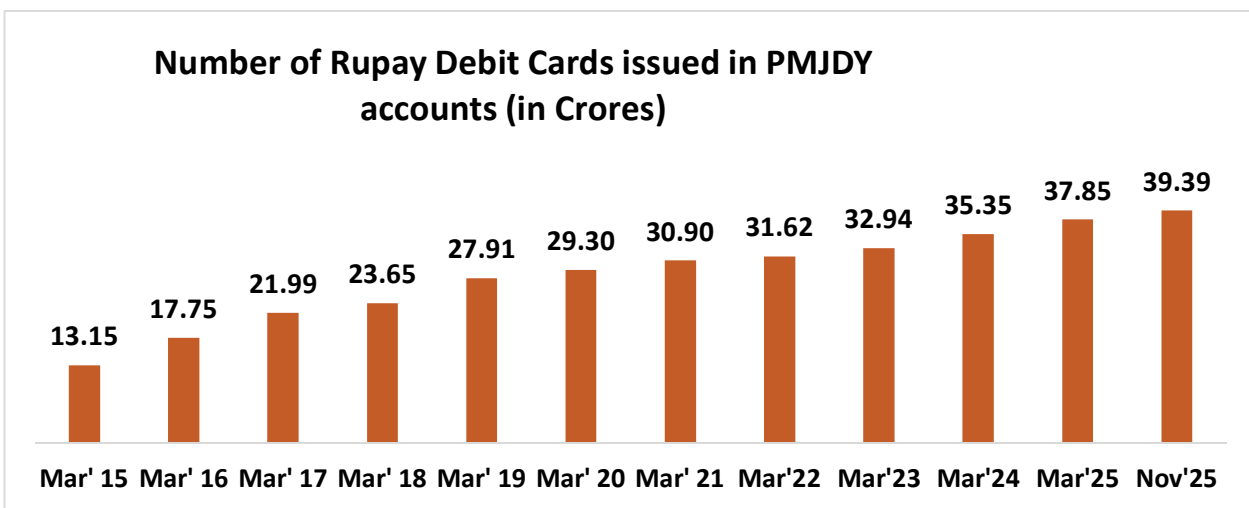
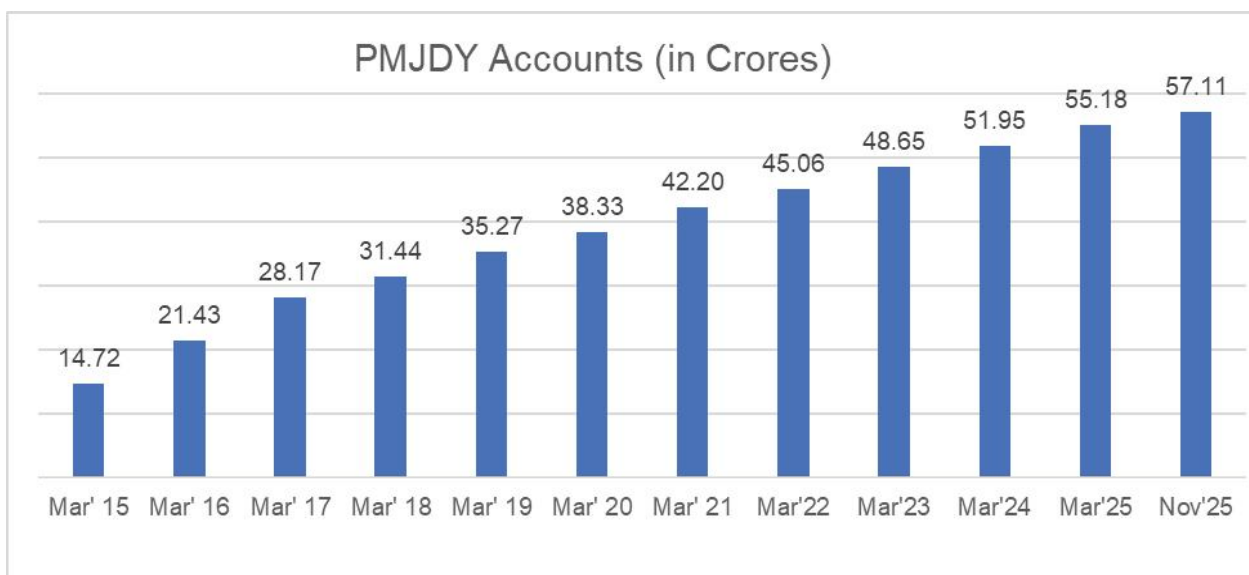
- No of PMJDY accounts (Male)
- No of PMJDY accounts (Female)

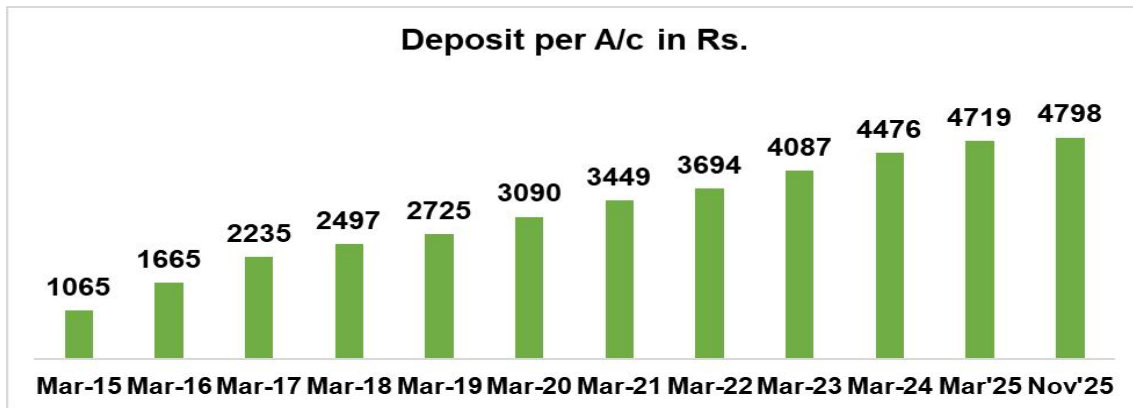
Area wise bifurcation of PMJDY accounts (in crores)



- No of PMJDY accounts (Rural/Semi-urban)
- No of PMJDY accounts (Urban/Metro)

Major Trends under PMJDY





A total of 57.11 crore Jan-Dhan accounts have been opened till Nov'25 under PMJDY, with a deposit balance of ₹2,74,033 crores. The average deposit balance is approx. ₹4,798 per PMJDY account balance.

There are 31.85 crore (55.8%) women Jan-Dhan account holders, with about 44.67 crore (78.2%) accounts opened in rural and semi-urban areas.

Approximately 39.39 crore RuPay cards with an inbuilt accidental insurance of ₹2 lakh (Rs.1 lakh for accounts opened before 28.08.2018) coverage has also

been provided to PMJDY account holders.

Out of total operative accounts opened under PMJDY, 88.6 % have been seeded with Aadhaar number of the account holder on user consent basis, which has enabled interoperable and immediate Aadhaar based transactions, including for Direct Benefit transfer (DBT) through Aadhaar Payment Bridge.

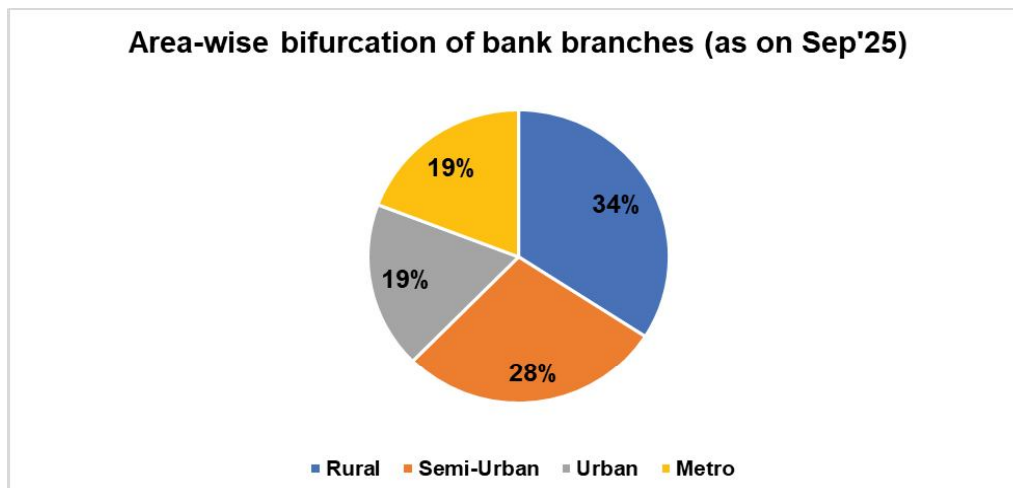
6.2 Banking Touch Points: The strength of bank branches and ATMs has been augmented over the years as indicated below:

Table 1: Number of bank branches of Scheduled

Commercial Banks:

	RURAL	SEMI-URBAN	URBAN	METROPOLITAN	TOTAL
Mar-17	49,860	38,931	25,103	26,530	1,40,424
Mar-18	50,860	39,616	25,458	26,536	1,42,470
Mar-19	51,609	41,031	26,399	27,157	1,46,196
Mar-20	52,382	42,213	27,318	28,133	1,50,046
Mar-21	52,651	42,441	27,446	28,055	1,50,593
Mar-22	53,204	42,443	27,433	28,181	1,51,261
Mar-23	54,244	43,745	28,021	29,057	1,55,067
Mar-24	55,213	45,101	29,083	30,319	1,59,716
Mar-25	56,080	46,405	30,047	31,343	1,63,875
Sep'25	56,406	46,875	30,356	31,782	1,65,419

Source: RBI



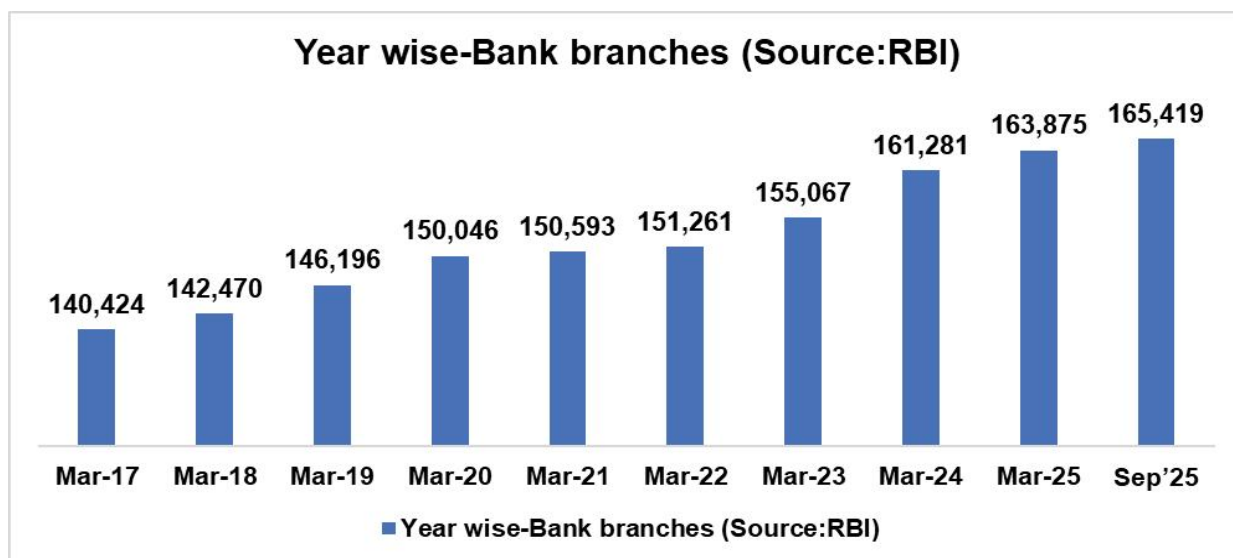
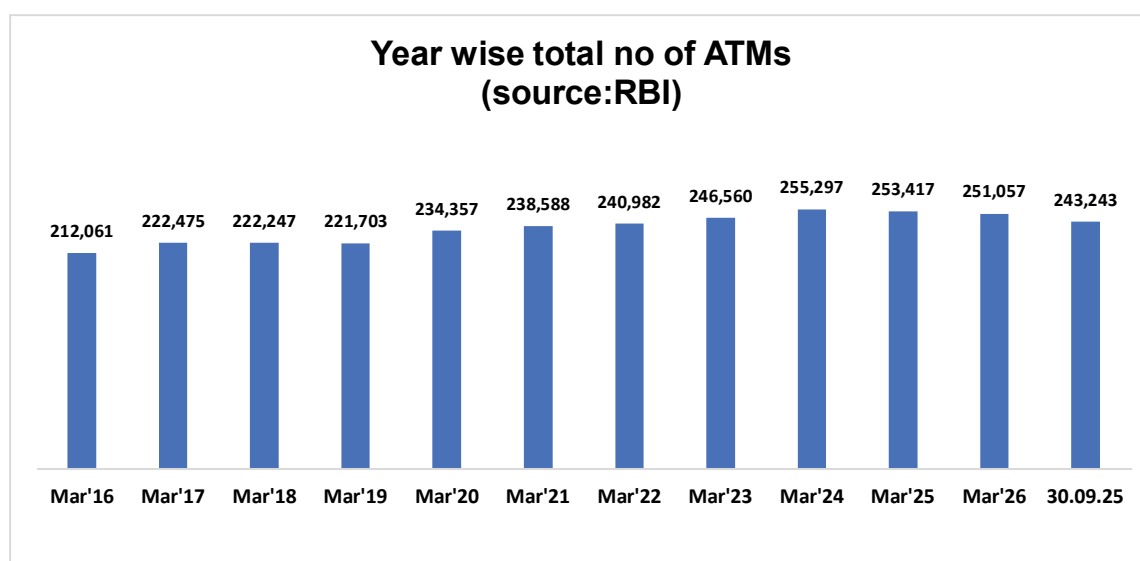


Table 2: Number of ATMs of Scheduled Commercial Banks (SCBs), Small finance Banks (SFBs), Payment Banks (PBs) and White Label ATM Operators

As on	Off-site ATMs*	On-site ATMs	Total ATMs*
31.03.2016	1,10,111	1,01,950	2,12,061
31.03.2017	1,12,666	1,09,809	2,22,475
31.03.2018	1,15,471	1,06,776	2,22,247
31.03.2019	1,15,323	1,06,380	2,21,703
31.03.2020	1,21,086	1,13,271	2,34,357
31.03.2021	1,22,983	1,15,605	2,38,588
31.03.2022	1,29,766	1,16,794	2,46,560
31.03.2023	1,31,684	1,23,613	2,55,297
31.03.2024	1,27,301	1,26,116	2,53,417
31.03.2025	1,19,734	1,31,323	2,51,057
30.09.2025	1,11,579	1,31,664	2,43,243

Source: RBI

* includes ATMs deployed by White Label ATM Operators

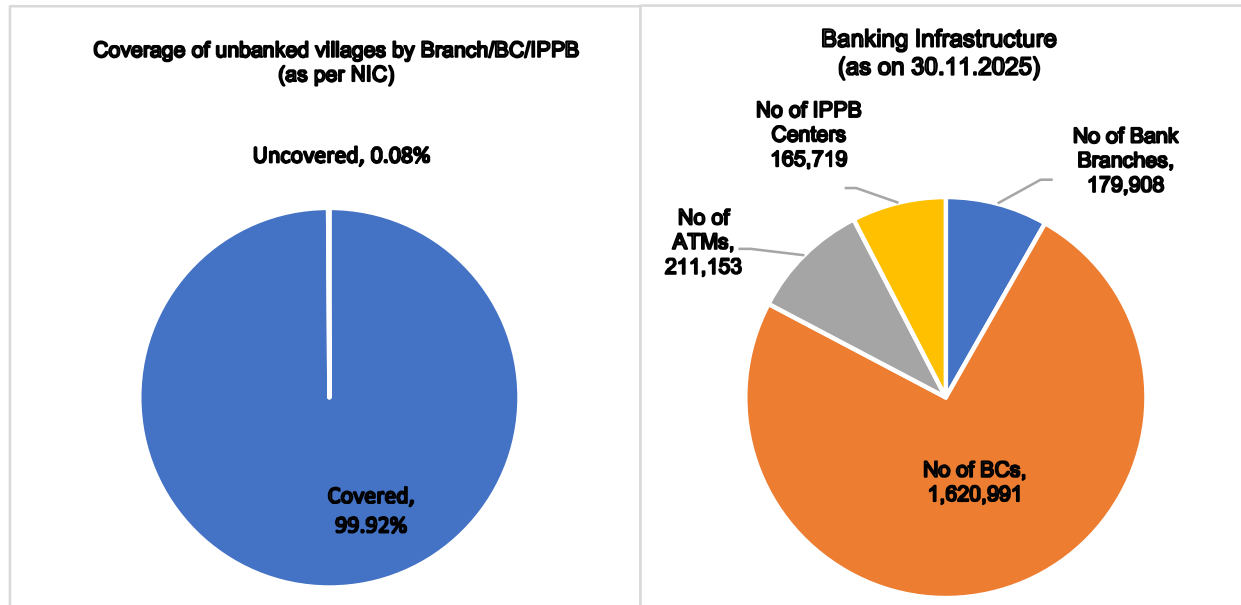


The number of card acceptance devices of Point of Sale (POS) has increased from 51.86 lakh in March 2020 to 123.17 lakh in Oct'25.

6.3 Jan Dhan Darshak App

A mobile application was launched to provide a citizen centric platform for locating banking touch points

such as bank branches, ATMs, Bank Mitras, Post Offices, etc. in the country. The web version of this application could be accessed at the link [http:// findmybank.gov.in](http://findmybank.gov.in). Banks/IPPB have been provided login credentials to upload the GIS location of their branches, Business Correspondents and ATMs on the app.



As per JDD app, as on 30.11.2025, there are 1.80 lakh branches, 17.87 lakh BCs (including 1.66 lakh IPPB-BCs) and 2.11 lakhs ATMs mapped by the banks. Further, as per data uploaded by the banks on JDD app, out of the 6.01 lakh (6,01,328) mapped villages on the app, 6.00 lakh (6,00,821) (99.92%) villages are having branch or BC within a distance of 5 kilometres.

6.4 Jan-Dhan Aadhaar Mobile (JAM)

A Jan Dhan Aadhaar Mobile (JAM) pipeline has been laid for linking of Jan-Dhan account with mobile number and Aadhaar. This is providing the necessary backbone for DBT flows, adoption of social security/pension schemes, facilitating credit flows, promoting digital payments, etc. It has provided the much-needed support for accelerating the pace towards achieving a digitalized, financially inclusive and an insured society. The instant transfer of Direct Benefits under various Government Schemes has been made possible through the JAM pipeline.

6.5 Digital Banking Units

The Hon'ble Prime Minister dedicated 75 Digital Banking Units (DBUs) in 75 districts of the country to commemorate the 75 years of independence of our country (Azadi Ka Amrit Mahotsav) on 16.10.2022. These DBUs set-up by 24 banks including Public, Private

Sector and Small Finance Bank, cover all the States and Union Territories of the country. The DBUs are to assist those who are not tech savvy to adopt digital banking and wherein the products and services will be offered to customers in 2 modes: Self Service Mode and Digital Assistance Mode.

Services being offered through DBU include banking facilities like the opening of savings accounts, balance checks, passbook printing, transfers of funds, investments in fixed deposits, loan applications, stop-payment instructions for cheques issued, applications for credit / debit cards, view statement of account, pay taxes, pay bills, make nominations, etc. The DBUs are also facilitating for onboarding to Government credit linked schemes through the Jan Samarth portal and end-to-end digital processing of small ticket MSME/retail loans.

As per data collected, more than 2.97 crore interventions (in r/o major activities) have taken place at all the 116 DBUs which have been set during the period 16.10.2022 to 30.11.2025.

6.6 Regional imbalances : Focused attention

Special focus is being given to 112 Aspirational Districts (ADs) wherein a Targeted Financial Inclusion Intervention Program (TFIIP) program has been launched to improve the performance of these Districts under Financial Inclusion (FI) parameters. DFS is also working on 'Mission Utkarsh' to improve the performance of the

10 selected Districts which are lagging behind on FI parameters.

6.7 Key Schemes

6.7.1. Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) — The Scheme is available to people in the age group of 18 to 50 years having a Bank / Post office account who give their consent to join / enable auto-debit. Risk coverage under this Scheme is for ₹ 2 lakhs in case of death of the insured, due to any reason at an annual premium of ₹ 436/- which is to be auto-debited from the subscriber's bank / Post office account.

6.7.2. Pradhan Mantri Suraksha Bima Yojana (PMSBY) — The Scheme is available to people in the age group of 18 to 70 years with a bank / Post office account who give their consent to join / enable auto-debit facility. The risk coverage under the Scheme is for ₹ 2 lakhs in case of accidental death or total permanent disability and ₹ 1 lakh for partial permanent disability due to accident at a premium of ₹ 20/- per annum which is to be deducted from the account holder's bank / Post office account through 'auto-debit' facility

Key reforms in the implementation of schemes PMJJBY and PMSBY:

- Enrolment and claim forms for PMJJBY and PMSBY have been modified with a view to

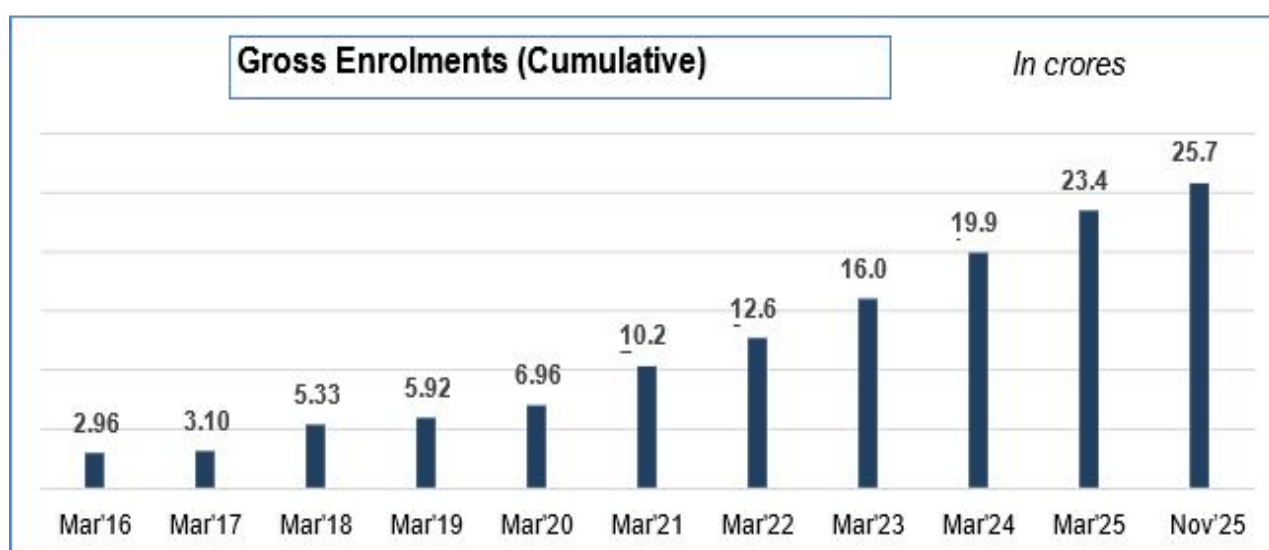
minimise pendency and ensure benefits to rightful claimants at the earliest.

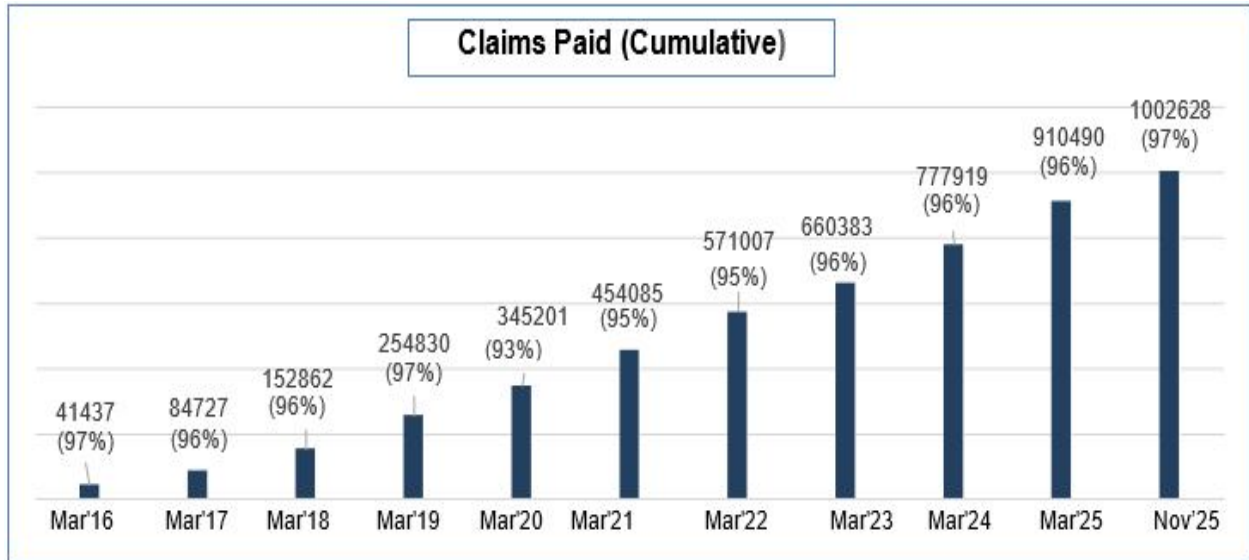
- Mobile number, email id and age of the nominee (or the appointee of a minor nominee) are now captured and in the event of an unfortunate incident, nominees are proactively informed of the benefit available and the claim process in English and regional language.
- Waiting period in case of claim of death cases under PMJJBY has been reduced from 45 days to 30 days with effect from 1st June, 2021 except for death due to an accident for which the claim is admissible from the date of joining this scheme.
- Banks have been requested to identify from their core banking solution (CBS), the existing subscribers who did not have sufficient balance in their accounts as on 31.5.2022 to enable auto debit of their premium and to inform them by SMS/ email about the revision in premium rates.
- Banks/ post office to forward claim documents electronically to their partner insurer's designated app/email id within seven days of submission of the claim and insurers to settle claims within 7 days of receipt of claim documents.

Progress as on Nov 2025 is as under:

Scheme	Eligibility (Yrs)	Premium (p.a)	Enrollments (crore)	Claim Paid	Claims amount (crore)	Settlement Ratio (%)
PMJJBY	18 to 50	₹ 436	25.79	10,02,628	₹ 20,052.56	99.94%
PMSBY	18 to 70	₹ 20	55.32	1,70,608	₹ 3,388.40	97.05%

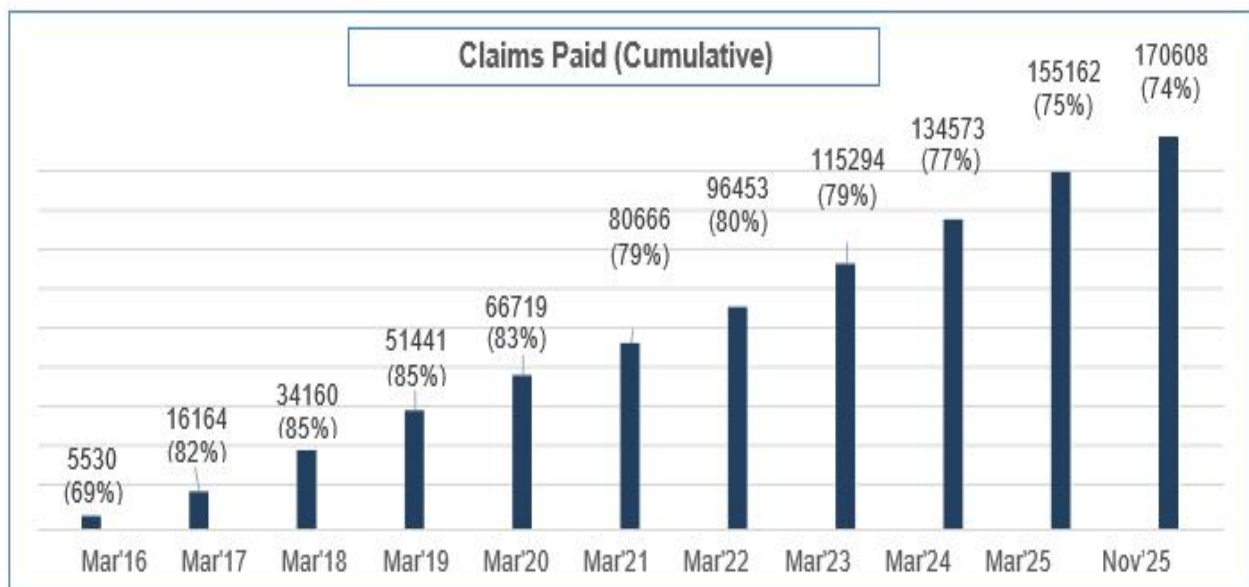
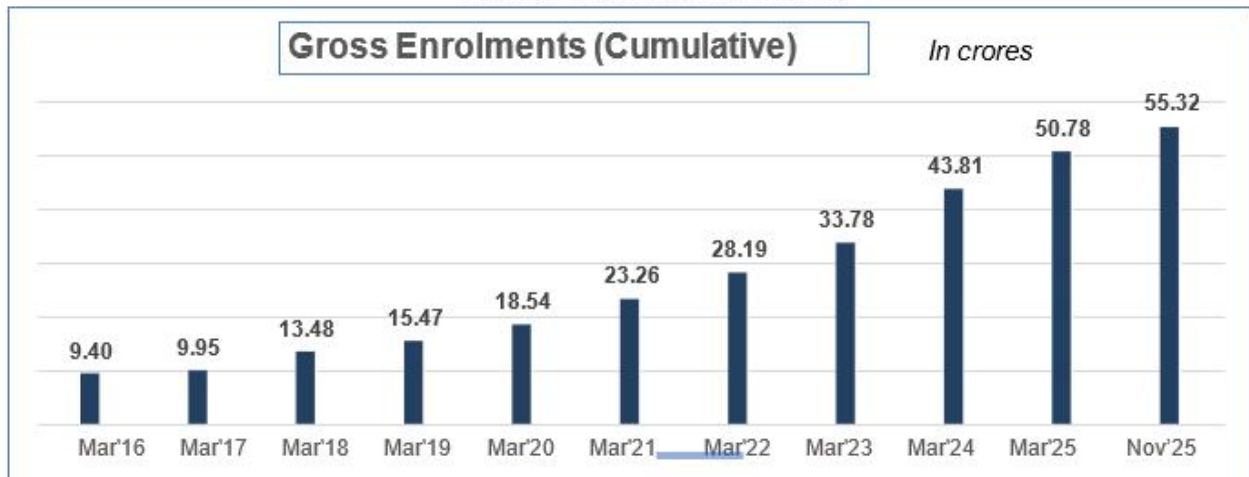
PMJJBY Trends as on Nov'25





Percentage reflects Cumulative Claims Paid Versus Cumulative Claims Reported

PMSBY Trends as on Nov'25



Percentage reflects Cumulative Claims Paid Versus Cumulative Claims Reported

6.7.3. Pradhan Mantri Mudra Yojana (PMMY)- The Scheme was launched on 8th April 2015 for financing income-generating small business enterprises in manufacturing, trading and service sectors, including activities allied to agriculture such as poultry, dairy, beekeeping, etc. Under PMMY, both Term loan and Working Capital requirements can be met. Loans under PMMY are extended through Member Lending Institutions (MLIs) viz; Banks, Non- Banking Financial Companies (NBFCs) & Micro Finance Institutions (MFIs).

- Categories: Shishu - upto ₹ 50,000/-, Kishor - above ₹ 50,000/- and upto ₹5.00 lakh, Tarun -above ₹5.00 lakh and upto ₹10.00 lakh, Tarun Plus- above ₹ 10.00 lakh and upto ₹ 20.00 lakh (for those entrepreneurs who have availed and successfully repaid previous loans under the 'Tarun' category w.e.f. 24.10.2024).
- The limit of Mudra loans under the PMMY has been enhanced from the current ₹10 lakh to ₹20 lakh. A new category, Tarun Plus, has been introduced for loans above ₹ 10 lakh and up to ₹ 20 lakh, specifically for entrepreneurs who have availed and successfully repaid previous loans under the Tarun category. Necessary Gazette Notification has been issued on 24.10.2024 of Guarantee coverage for PMMY loans up to ₹ 20 lakh which will be provided under the Credit Guarantee Fund for Micro Units (CGFMU).
- Collateral free loans upto ₹20 lakh
- Credit Guarantee Fund for Micro Units (CGFMU) was set up for guaranteeing loans extended to eligible micro units under PMMY by MLIs and overdraft loan amount sanctioned under Pradhan Mantri Jan Dhan Yojana (PMJDY) accounts. From FY 2020- 21 onwards, loans sanctioned to Self Help Groups (SHGs) between ₹10 lakh to ₹ 20 lakh are also eligible for coverage under CGFMU. The National Credit Guarantee Trustee Company Ltd. (NCGTC), a wholly-owned company of Government of India, constituted under the Companies Act, 1956 (2013) is the trustee of the Fund.
- As on 30.11.2025 the sanction amount covered under live guarantee is ₹5.60 lakh crore.

Achievements under Pradhan Mantri Mudra Yojana (PMMY) as on 10.01.2025

- More than 55.85 crore loans amounting to ₹37.57 lakh crore have been sanctioned since launch of

the Scheme. Approximately 21% of the total loans have been sanctioned to New Entrepreneurs.

- Approximate 68% loans of the total number of loans have been sanctioned to Women Entrepreneurs & 50% loans have been sanctioned to SC/ST/OBC categories of borrowers.
- Category-wise breakup: -

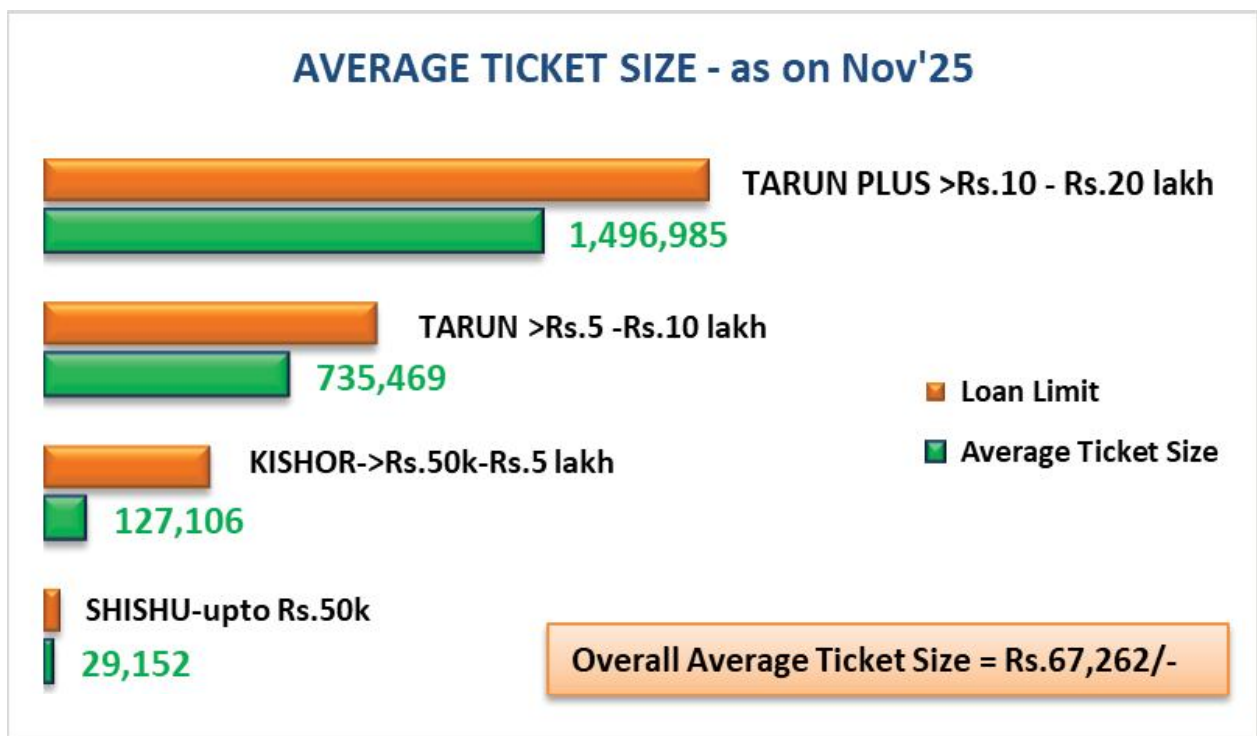
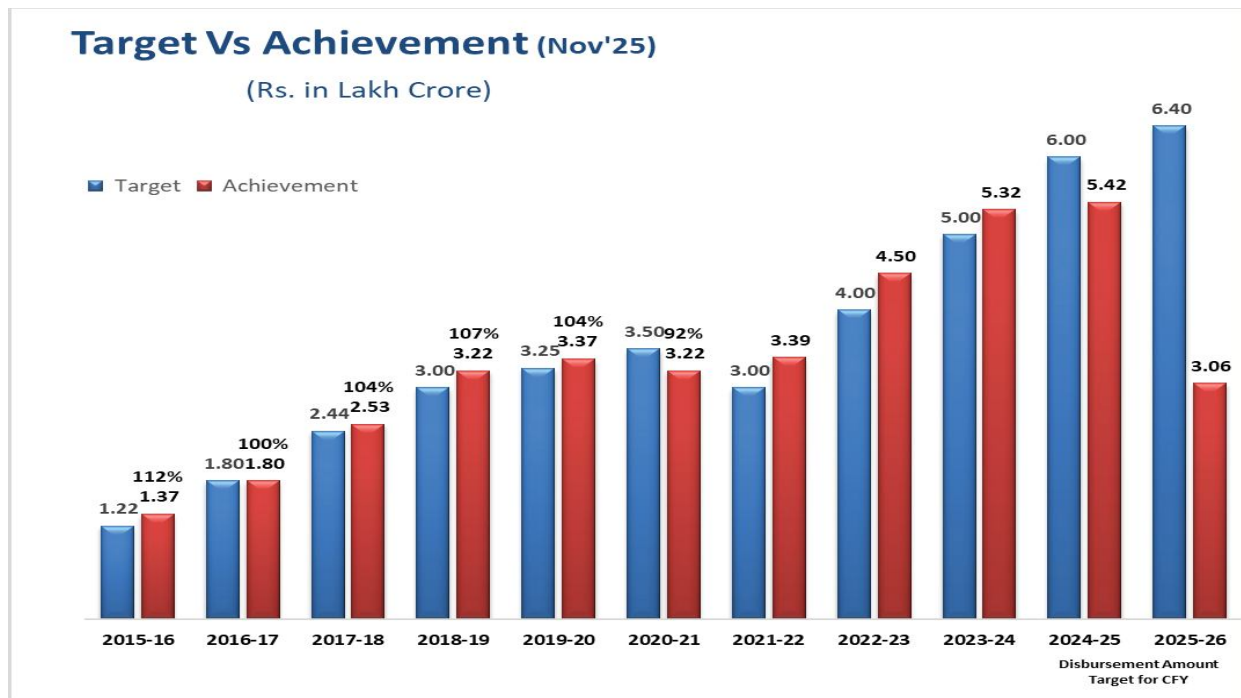
Category	No. of Loans (%)	Amount Sanctioned (%)
Shishu	76%	33%
Kishor	22%	42%
Tarun	2%	25%
Tarun Plus	-	-
Total	100%	100%

- Targets have been consistently met since inception of the Scheme, except for FY 2020-21 due to COVID- 19 pandemic.
- Year-wise sanction amount is as follows: -

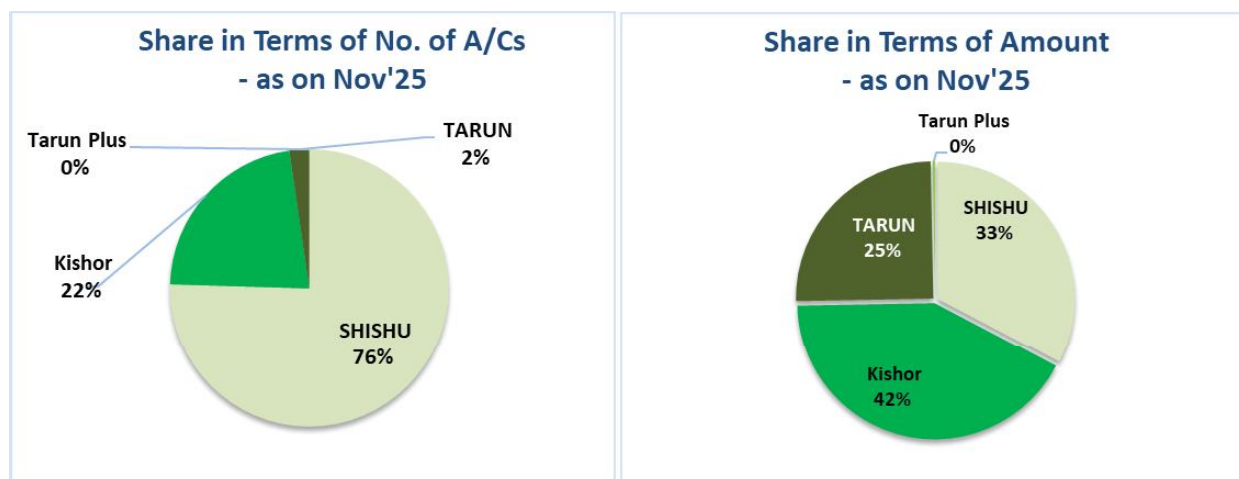
Year	No of Loans Sanctioned (in cr.)	Amount Sanctioned (₹ Lakh crore)
2015-16	3.49	1.37
2016-17	3.97	1.80
2017-18	4.81	2.54
2018-19	5.98	3.22
2019-20	6.22	3.37
2020-21	5.07	3.22
2021-22	5.38	3.39
2022-23	6.23	4.56
2023-24	6.67	5.41
2024-25	5.46	5.52
2025-26 (up to Nov'25)	2.54	3.15
Total	55.85	37.57

Consolidated achievements (as on Nov,2025)

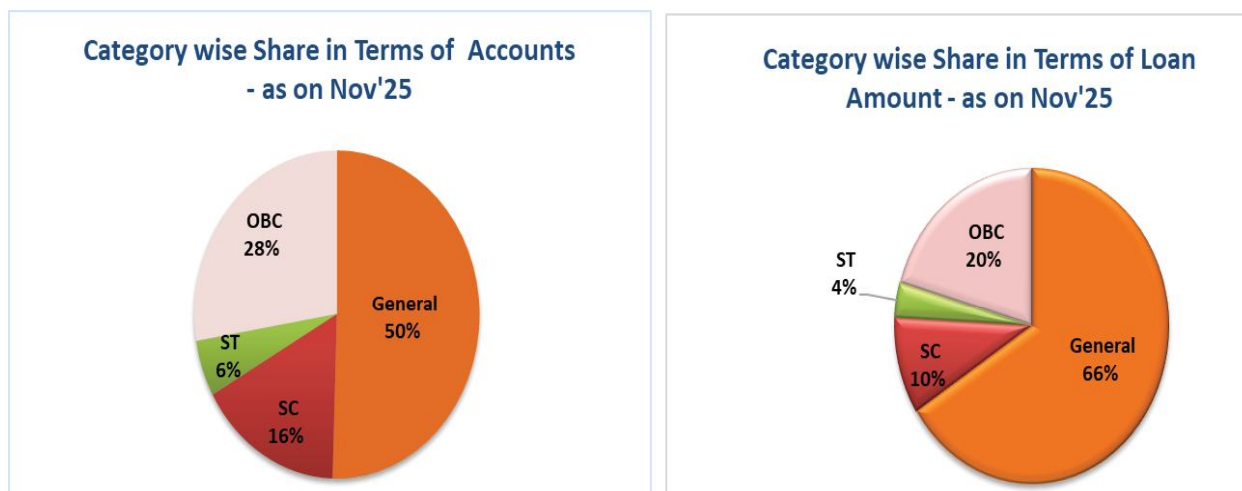
Achieving Targets, Attaining Excellence:



Scheme-wise Share (Based on Cumulative Data)

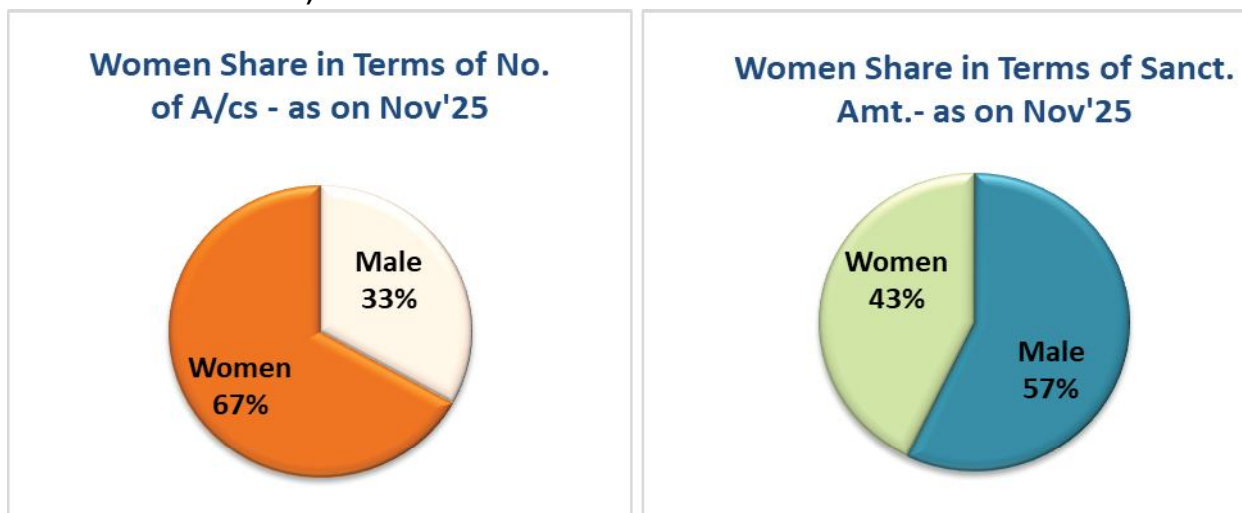


Category-wise Share (Based on Cumulative Data)



Empowering Enterprising Women Strengthening the Nation

(Based on Cumulative Data)



6.7.4. Stand Up India Scheme (SUPI)- The Stand-Up India Scheme launched on 5th April, 2016 aims to promote entrepreneurship among the Scheduled Caste/ Scheduled Tribe and Women by facilitating bank loans of value between ₹10 lakh and ₹1 crore to at least one SC/ ST borrower and one-woman borrower per bank branch of Scheduled Commercial Banks for setting up greenfield enterprises in trading, manufacturing and services sector.

In 2019- 20, the Stand-Up India Scheme was extended for the entire period coinciding with the 15th Finance Commission period of 2020-25. Pursuant to an announcement made by the Union Finance Minister in the Budget speech of FY 2021-22, the following changes have been made in the Stand-Up India Scheme

- The extent of margin money to be brought by the borrower has been reduced from 'upto 25%' to 'upto 15%' of the project cost. The Scheme envisages 'upto 15%' margin money which can

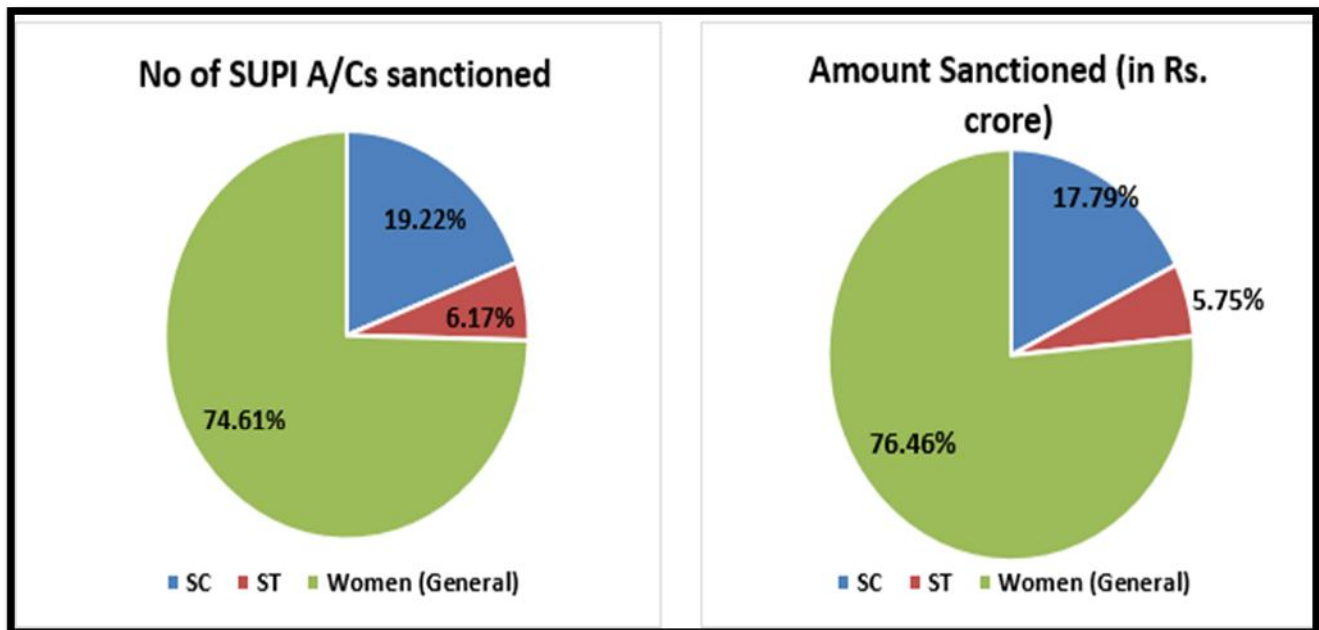
be provided in convergence with eligible Central/ State schemes. However, the borrower will continue to contribute at least 10% of the project cost as own contribution.

- Loans for enterprises in 'Activities allied to agriculture' e.g. pisciculture, beekeeping, poultry, livestock, rearing, grading, sorting, aggregation agro industries, dairy, fishery, Agri clinic and agribusiness centres, food & agro- processing, etc. (excluding crop loans, land improvement such as canals, irrigation, wells) and services supporting these, shall be eligible for coverage under the Scheme. The scheme was valid/ operational till mar'25.

As on 31.03.2025, a total number of SCs/STs and Women borrowers benefited under the Stand-Up India Scheme are as under.

(Amt. in ₹ crore)

SC		ST		Women (General)		Total	
No of A/ Cs	Sanctioned Amt.	No of A/Cs	Sanctioned Amt.	No of A/Cs	Sanctioned Amt.	No of A/Cs	Sanctioned Amt.
52,901	11,168.36	16,991	3,612.84	2,05,399	48,010.73	2,75,291	62,791.93



6.7.5. PM Street Vendor's AtmaNirbhar Nidhi Scheme (PMSVANidhi)

The PM SVANidhi Scheme, a Central Sector Scheme, was launched in 01.06.2020 by the Ministry of Housing and Urban Affairs (MoHUA), with the aim to help street vendors restart their businesses which were adversely affected by the Covid-19 pandemic.

The scheme was originally launched for a period up to 31.03.2022 which was later extended till 31.12.2024. The Union Cabinet approved the "Restructuring and extension of the lending period beyond 31.12.2024 and the lending period has further been extended until March 31, 2030.

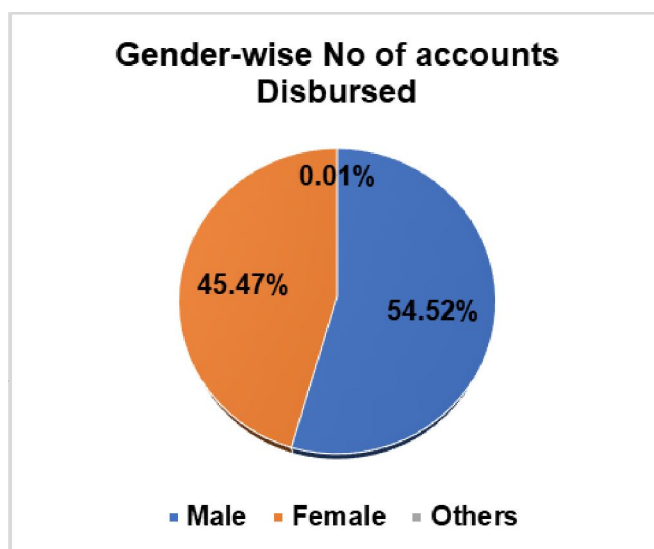
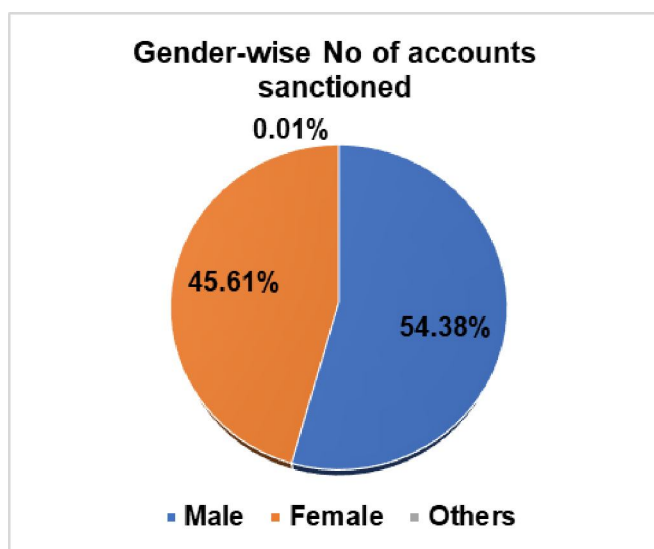
The Scheme will now be jointly implemented by MoHUA and DFS, with DFS being responsible for

facilitating access to loan/ credit cards through banks/ financial institution and their ground level functionaries.

Salient Features of the restructured scheme:

- Enhancement of 1st tranche loan amount from ₹10,000 to ₹15,000 for 12 months and 2nd tranche loan from ₹20,000 to ₹25,000 for 18 months. The third tranche loan will remain at ₹50,000 for 36 months.
- To provide UPI linked RuPay Credit Card with a limit of ₹30,000 to PM SVANidhi beneficiaries who have repaid their 2nd loan.
- The Existing Credit Guarantee coverage for 1st loan, 2nd loan and 3rd loan loans is 31.87%, 8.25% and 6% respectively will remain same for the tranches. The Card will have partial credit guarantee, with 75% risk sharing up to 20% NPA level.
- Interest Subsidy will remain the same @ 7%
- Cashback of ₹ 1 per digital transaction, maximum of ₹100 per month for 12 months (max. digital incentive of ₹1200/year) for every tranche of loan.
- Cashback of maximum ₹100 per quarter for 4 quarters, for conducting digital transactions on wholesale purchases of at least ₹2,000

Cumulative							
Applications Sanctioned	Male Sanctioned	Female Sanctioned	Others Sanctioned	Applications Disbursed	Male Disbursed	Female Disbursed	Others Disbursed
1,03,73,266	56,41,407	47,30,945	914	1,00,42,368	54,74,768	45,66,720	880



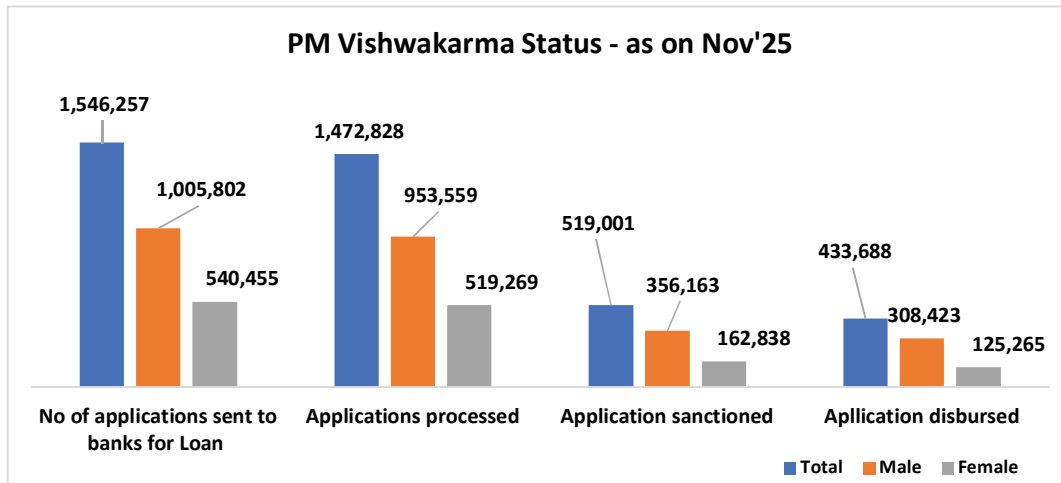
6.7.6. PM Vishwakarma Scheme

PM Vishwakarma Scheme, implemented by the Ministry of Micro, Small and Medium Enterprises (MSME), was launched on September 17, 2023. This scheme involves collaboration among Ministry of Micro, Small, and Medium Enterprises (MSME), Ministry of Skill Development and Entrepreneurship (MSDE) and Department of Financial Services (DFS) to provide end- to-end holistic support to traditional artists and craftspeople engaged in 18 identified trades through

access to skill training, collateral free credit, modern tools, market linkage support and incentive for digital transactions.

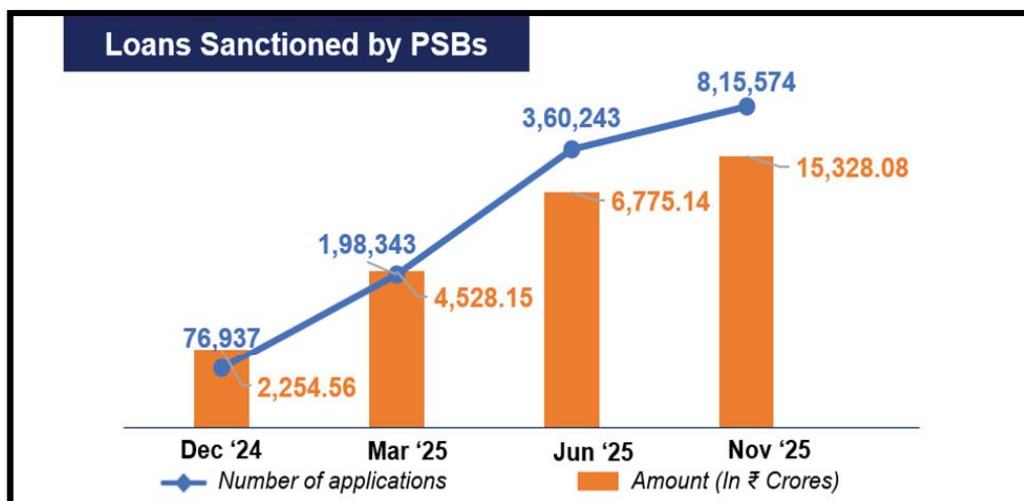
The DFS collaborates with financial institutions to streamline the loan application and disbursement processes and to ensure that artisans and craftspeople can easily access collateral-free loans. DFS also promotes the use of digital platforms to facilitate loan applications and disbursals.

As on Nov'25, 14.73 lakh applications have been sanctioned by banks. processed by banks of which 5.19 lakh loans have been



6.7.7. PM Surya Ghar Muft Bijlee Yojana:

- Prime Minister launched the 'PM Surya Ghar Muft Bijli Yojana' on 13th February, 2024 with an aim to solarize one crore households by providing free electricity up to 300 units every month.
- Under the scheme, subsidy upto ₹ 78,000/- is provided to beneficiaries installation of RTS upto 3 KW. Systems above 3 KW can be installed with subsidy capped at ₹ 78,000/-.
- Loan application are routed through Jan Samarth Portal in digital form and the same is integrated with National portal of MNRE.
- Latest progress under the scheme is as under:



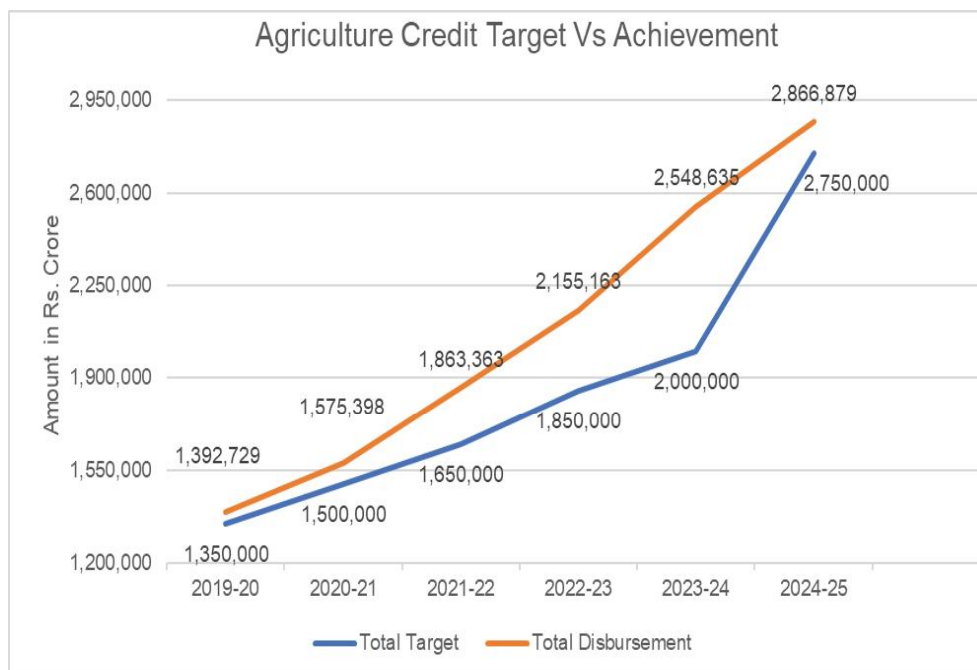
7. Agriculture Credit

In order to boost the agriculture sector with the help of effective and hassle-free agriculture credit, the Government has been fixing annual targets for ground level agriculture credit to be extended by Scheduled Commercial Banks, Regional Rural Banks (RRBs) and Cooperative Banks. An analysis of year-wise target and achievement under agricultural credit flow for the period 2019-25 reveals the sustained trend of actual

disbursement, surpassing the incremental annual targets year after year. As against the annual target of ₹27.50 lakh crore for 2024-25, agriculture credit disbursement stood at ₹28.67 lakh crore, registering 104% achievement. Further, over the past six years, disbursements have recorded a compound annual growth rate (CAGR) of 12.79%. Agriculture credit target for year 2025-26 has been set at ₹ 32.50 lakh crore with a sub-target of ₹ 5 lakh crore for Animal Husbandry, Dairying and Fisheries farmer. As on 30 September 2025, ₹14.94 lakh crore

was disbursed (Provisional) against the target of ₹32.50 lakh crore, registering 46% achievement. The trend in the

growth of Agriculture Credit Target vis-à-vis Achievement over last six years is captured in the graph below:-



Source: ENSURE portal of NABARD

7.1 Kisan Credit Card (KCC)

KCC scheme was introduced in 1998-99, as an innovative credit delivery mechanism that aims at adequate and timely credit support from the banking system to the farmers for their cultivation needs including the purchase of inputs in a flexible, convenient, and cost-effective manner. Banks have been advised to issue Kisan Credit Cards (KCC) to all eligible farmers. The KCC Scheme has since been simplified with facilities like one-time documentation, built in cost escalation in the limit and facility of ATM enabled debit card etc. Under the present guidelines of KCC, the limit is sanctioned for 5 years, and the beneficiaries have ease and flexibility in withdrawal and repayment.

Under the KCC scheme, Govt has approved interest subvention @1.5% on short term loans for agriculture and allied activities which is available on an overall limit of ₹3 lakh per annum and subject to a maximum sub-limit of ₹2 lakh per farmer involved in allied activities related to Animal Husbandry, Dairy, Fisheries, Bee Keeping etc. within the prescribed limit of ₹3.00 lakh availed. An additional interest subvention of 3% is provided to farmers on prompt repayment of loans, which effectively reduces the rate of interest to 4%.

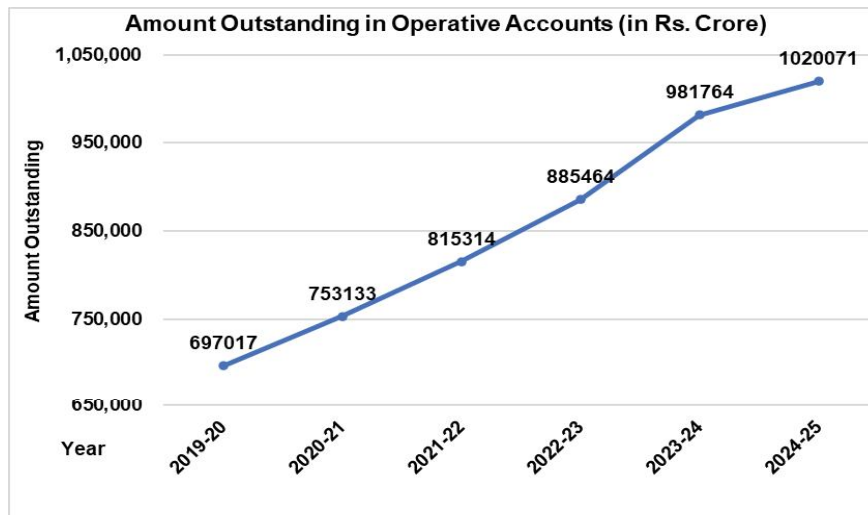
To enable universal access to Concessional Institutional credit, Government of India initiated a drive in Mission Mode from February 2020 for saturating all

PM-KISAN beneficiaries with Kisan Credit Card (KCC). While ensuring convenient and cost-effective credit delivery to farmers, the campaign was instrumental in boosting the rural economy and further accelerating agricultural production and allied activities, besides enhancing the income level of farmers.

In 2019, the facility of KCC has also been extended to animal husbandry and fisheries farmers in order to help them meet their working capital needs. Further, in order to cover animal husbandry and fisheries farmers under KCC, a special saturation drive in the form of weekly "District level Camp" was launched w.e.f. 15th November, 2021 for ensuring convenient and cost-effective credit delivery to the farmers and accelerating agriculture output.

The Nationwide AHDF KCC Campaign was extended from time to time till 31st March 2025. As on 30.09.2025, a total 47,80,225 KCCs have been sanctioned to Animal Husbandry, Dairy and Fisheries farmers under this campaign.

At present (as on 30.09.2025), there are 7.81 crore crore operative KCC accounts with a total outstanding loan of ₹10.39 lakh crore. The amount outstanding in operative accounts under Kisan Credit Card has consistently increased over last 5 years as under:-



7.2 Role of National Bank for Agriculture and Rural Development (NABARD) in Rural Financing & Development of Rural Economy.

NABARD, an apex development financial institution, was established in 1982, for providing and regulating credit and other facilities for the promotion and development of agriculture, small-scale industries, cottage and village industries, handicrafts and other rural crafts and other allied economic activities in rural areas with a view to promoting integrated rural development and securing prosperity of rural areas. Major functions of NABARD are Financial, Developmental and Supervision. Several funds such as Rural Infrastructure Development Fund (RIDF), Long Term Irrigation Fund (LTIF), Micro Irrigation Fund (MIF), Short Term Cooperative Rural Credit (Refinance) Fund, Short Term Regional Rural Bank (Refinance) Fund, Long Term Rural Credit Fund (LTRCF), etc are available with NABARD for creation of rural infrastructure and providing credit to the agriculture sector

7.3 Rural Infrastructure Development Fund (RIDF)

In the backdrop of declining public investment in agriculture and rural infrastructure, RIDF was instituted in NABARD during 1995-96 with an initial corpus of ₹2,000 crore with the main objective of providing loans to State Governments for completing ongoing rural infrastructure projects. Resources to the fund are contributed by Commercial Banks, Foreign Banks, Regional Rural Banks and Small Finance Banks in a proportion indicated by RBI, with respect to banks' shortfall in priority sector lending. The fund which started as a "last mile approach" to facilitate completion of ongoing irrigation, flood protection and watershed management projects during 1995-96, today covers as many as 39 activities, broadly classified under three categories, viz., (i) Agriculture and related sector (ii) Social Sector and (iii) Rural Connectivity. The annual allocation of funds towards RIDF has gradually

increased from ₹ 2,000 crores in 1995-96 to ₹ 35,000 crores in 2025-26.

The cumulative funding commitment, as on 31 October 2025 to 30 States/UTs stood at ₹ 6,02,711 crore (including Bharat Nirman) against which ₹ 4,92,385 crore have been disbursed as on 31 October 2025. Over the years, RIDF has emerged as a dependable source of public funding of impactful rural projects. Of the total RIDF loans sanctioned to State Governments under various tranches since 1995-96, 26% accounted for rural roads, 30% for irrigation, 21% for social sector, 13% for agriculture sector (other than irrigation) and 10% for rural bridges.

7.4 Long Term Irrigation Fund (LTIF)

The Government of India, through the Dept. of Water Resources, River Development and Ganga Rejuvenation, Ministry of Jal Shakti (earlier Ministry of Water Resources) has taken a major initiative to complete various stalled major/medium irrigation projects in the country, for which a Long-Term Irrigation Fund (LTIF) was set up in NABARD. As on 31 October 2025, sanctions have been accorded by NABARD under LTIF to the tune of ₹ 71,883 crores against 99 projects identified. Further, loan amount of ₹11,218 crores have been sanctioned for the Polavaram Irrigation project, ₹1,379 crores for North Koel Reservoir Project, ₹ 485 crores for Shahpur Kandi Dam and ₹ 826 crores for Relining of Sirhind and Rajasthan Feeder under LTIF, totaling the cumulative sanctions under LTIF to ₹ 85,791 crores. The cumulative amount released against sanction of 99 identified projects stood at ₹ 51,213 crores. Similarly, for Polavaram Irrigation project, North Koel Reservoir Project and Shahpur kandi Dam Project, cumulative releases stood at ₹10,650 crores, ₹721 crores and ₹ 207 crores respectively, totaling the cumulative releases under LTIF to ₹ 62,791 crores.

7.5 Micro Irrigation Fund (MIF)

Micro Irrigation Fund with a corpus of ₹5,000 crore has been operationalized from 2019-20 in NABARD with an objective to facilitate State Govts. Efforts are being made to mobilize additional resources for expanding coverage under micro irrigation and incentivizing its adoption beyond provisions of PMKSY-PDMC. From the year 2022-23, the PDMC scheme is being implemented under Pradhan Mantri-Rastriya Krishi Vikas Yojna (PM-RKVY). The continuation and augmentation of the Micro Irrigation Fund (MIF) by an additional ₹5,000 crore for the 15th Finance Commission period was approved by the Union Cabinet in its meeting held on 03 October 2024. The cumulative sanction and release under MIF as on 31 October 2025 stood at ₹4,854 crores and ₹4,074 crores respectively. This will facilitate expanding micro irrigation to an area of 24 lakh ha. involving 16 lakh farmers.

7.6 Short Term Cooperative Rural Credit STCRC (Refinance) Fund

STCRC (Refinance) Fund was set up in NABARD in 2008-09 with an initial corpus of ₹5,000 crores to provide Short Term refinance to cooperative banks so as to ensure increased and uninterrupted credit flow to farmers at concessional rate of interest. NABARD provides refinance to cooperative banks at an interest rate of 4.5 % per annum for crop loans up to ₹3.00 lakh, disbursed by cooperative banks at an interest rate of 7% per annum to ultimate borrowers. An allocation of ₹35000.00 crores has been made for the STCRC (Refinance) Fund during 2025-26. As on 18.11.2025, ₹ 25,939.29 crores have been utilised out of STCRC (Refinance) Fund during 2025-26.

During the current year, total Refinance disbursed by NABARD to Co-operative Banks amounts to ₹ 67,166.74 crores (as on 18.11.2025) including non-concessional ST refinance under Additional SAO and ST(Others). At the same time, the total number of KCC issued by cooperative banks stands at 3.49 Crores with total outstanding amount of ₹ 2,28,488.73 crores as on 31.10.2025.

7.7 Short Term Regional Rural Bank STRRB (Refinance) Fund

STRRB (Refinance) Fund was set up with an allocation of ₹10,000 crores in 2012-13, so as to enable NABARD to provide short term refinance to RRBs to meet their crop loan lending obligations. NABARD provides refinance to RRBs at an interest rate of 4.5% per annum for crop loans up to ₹3.00 lakh disbursed by RRBs at an interest rate of 7% per annum to ultimate borrowers. The allocation under STRRB Fund was at ₹7,500 crores during 2025-26. As on 18.11.2025, ₹ 5,517.01 crores have been utilised out of STRRB (Refinance) Fund during 2025-26.

During the current year total Refinance disbursed by NABARD to RRBs amounts to ₹ 21,508.51 crores as on 18.11.2025 including non- concessional ST refinance under Additional SAO and ST(Others). At the same time, the total number of KCCs issued by RRBs stands at 1.50 Crores with total outstanding amount of ₹ 2,08,794.93 crores as on 31.10.2025.

7.8 Long Term Rural Credit Fund (LTRCF)

This fund has been set up for the purpose of providing long term refinance support to Cooperative Banks and Regional Rural Banks for their lending towards investment activities in agriculture with a view to provide a fillip to capital formation in the sector. Government has allocated ₹8,000 crores fund under LTRCF during FY 2024-25. However, department has received ₹3,996.76 crore as deposits from contributing banks as on 30.11.2024. The same has been disbursed to Cooperative Banks and Regional Rural Banks under LTRCF during the financial year 2024-25 (as on 30.11.2024). Besides the above NABARD also provided non-concessional LT refinance to Cooperative Banks and Regional Rural Banks amounting ₹12,342.17 crore during FY 2024-25 (as on 31.11.2024).

8. Priority Sector Lending

The objective of priority sector lending (PSL) is to ensure that vulnerable sections of society get access to credit and to maintain adequate flow of resources to those segments of the economy which have higher employment potential which will help in making an impact on poverty alleviation. Thus, the sectors that impact large sections of the population, the weaker sections and the sectors which are employment-intensive such as agriculture and micro and small enterprises are part of the priority sector.

With this background, RBI has framed the Priority Sector Lending (PSL) guidelines to facilitate the flow of credit to these segments from banking system. Priority sector loans include loans to eight eligible categories- Agriculture, Micro, Small and Medium enterprises, Export Credit, Education, Housing Social Infrastructure, Renewable Energy and Others.

The revised guidelines on PSL were issued on March 24, 2025 after a comprehensive review of existing provisions considering feedback from stakeholders and included the following major changes:

- a) Enhancement of several loan limits, including housing, education loans for enhanced PSL coverage;
- b) Broadening of the purposes based on which loans may be classified under 'Renewable Energy';
- c) Expansion of the list of eligible borrowers under the category of 'Weaker Sections', along with removal of the existing cap on loans by UCBs to individual women beneficiaries.

The guidelines also specify targets of 40% for lending to PSL by Scheduled commercial Banks (SCBs) and targets of 75 % for lending to PSL by Regional Rural Banks (RRBs). Further, on June 20, 2025, the PSL target for Small Finance Banks (SFBs) and Urban Cooperative Banks (UCBs) were revised to 60%. higher. Within overall PSL, following sub-targets has been assigned for banks as percent to Adjusted Net Bank Credit (ANBC) or Credit Equivalent of Off-Balance sheet Exposures (CEOBE), whichever is higher, to be achieved by banks.:

Sub-targets:	
Agriculture	18%; out of which a target of 14 % is prescribed for Non-corporate farmers (NCFs), including 10% for Small and marginal farmers (SMFs)
Micro Enterprises	7.5 %
Advances to Weaker Sections	12 % for SCBs & 15% for RRBs

The performance of Scheduled Commercial Banks (SCBs) and Regional Rural banks (RRBs) in

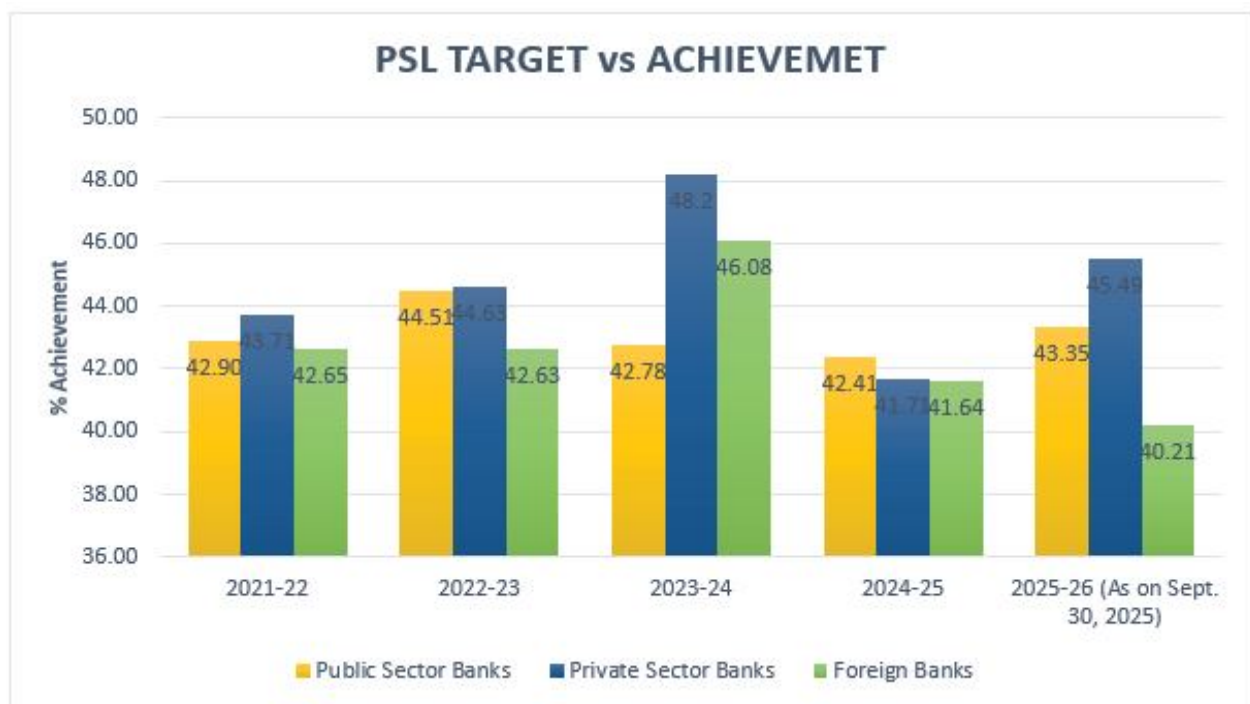
achievement of priority sector lending targets in the last five years given as follows:

(₹ crore)

Financial Year	Public Sector Banks	Private Sector Banks	Foreign Banks	Regional Rural Banks#
2021-22	26,49,180 (42.90)	16,85,806 (43.71)	2,08,107 (42.65)	2,45,481 (89.76)
2022-23	30,36,062 (44.51)	21,01,827 (44.63)	2,19,622 (42.63)	2,69,835 (95.72)
2023-24	34,01,407 (42.78)	26,09,386 (48.20)	2,78,694 (46.08)	2,89,336 (89.86)
2024-25	38,12,376 (42.41)	27,01,993 (41.71)	2,86,060 (41.64)	3,08,892 (88.44)
2025-26 (As on Sept. 30, 2025)	40,57,579 (43.35)	31,70,746 (45.49)	2,84,617 (40.21)	3,23,261 (95.90)

Note: Figures in parentheses are percentage to ANBC or credit equivalent of off-balance sheet exposure (CEOBE), whichever is higher. PSL target for SCBs is 40% whereas target for RRBs is 75%

Source: RBI



The performance of Scheduled Commercial Banks (SCBs) in achievement of priority sector lending targets over the recent years shows a sustained growth in credit in credit in absolute terms

by all banks. In fact, in FY 2025-26, all categories of banks, viz. Public Sector banks, private sector banks, foreign banks and RRBs have actually exceeded their PSL targets.

To reduce regional disparities in priority sector credit, a new incentive system has been introduced wherein districts are ranked by per-capita credit flow, so that incentives for low-credit districts and disincentive for high-credit districts have been put in place. From FY 2024-25, incremental priority sector credit in districts with per-capita PSL below ₹9,000 carries a higher weight of 125%, while districts with per-capita PSL above ₹42,000 receive a lower weight of 90%.

To ensure continuous flow of credit to priority sector, the compliance of banks in meeting the PSL targets is being monitored by RBI on a calendar quarter basis. Further, Banks having any shortfall in lending to priority sector have to allocate the shortfall amount as contribution to the Rural Infrastructure Development Fund (RIDF) established with NABARD and other similar funds being maintained by financial institutions like NABARD/ NHB/SIDBI/ MUDRA Ltd., as decided by the RBI in consultation with Department of Financial Services from time to time.

8.1 Education Loan

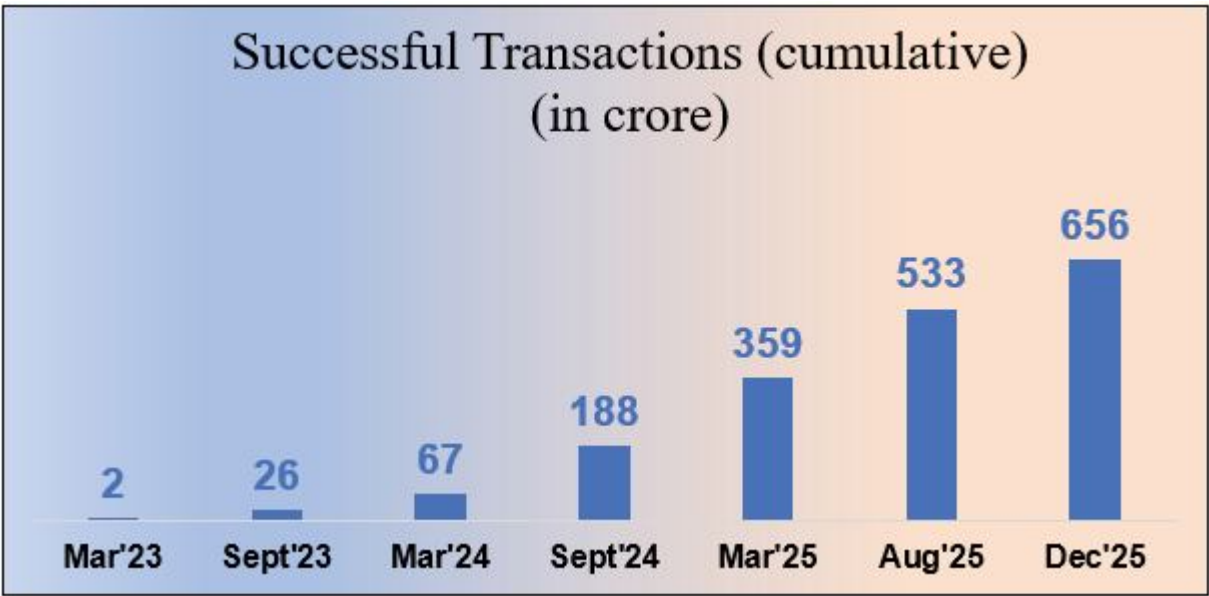
Every meritorious student should have access to bank credit to pursue higher education, if they so desire. Indian Banks' Association (IBA) had prepared the Model Educational Loan Scheme (MELS) and circulated to banks in the year 2001. The Scheme is for all students including students belonging to the economically weaker sections and those below the poverty line. Indian Nationals who

have secured admission to a higher education course in a recognized Institution in India or abroad through an entrance test/merit-based selection process are eligible for educational loans under the Scheme. The Scheme has been modified from time to time, based on the experience gained and feedbacks received during its implementation over the years. The scheme was last modified in June 2025. The main features of the revised Model Educational Loan Scheme are as under:

- i. The scheme provides need-based education loan.
- ii. No collateral security/third-party guarantee is required for loans amount up to ₹ 7.50 lakhs (in case of loans that are eligible for CSIS and/or Credit Guarantee coverage extended under the 'Credit Guarantee Fund Scheme for Education Loan' (CGFSEL).
- iii. No Margin for loans up to ₹ 4 lakhs.
- iv. Moratorium period is allowed up to study period plus one year in all cases.
- v. Repayment period (after moratorium) is available up to 15 years for all loans.

8.1.1. Performance of Education Loans

As informed by RBI, the total outstanding education loans of Public Sector Banks (PSBs) as on 31st March, 2021 stood at ₹ 72,726 crores and as on 31st March, 2025 stood at ₹ 1,16,786 crores.



Graph 1: Performance of educational loan

8.1.2. Pradhan Mantri Vidyalaxmi (PM-Vidyalaxmi) Scheme

Cabinet on 06.11.2024 has approved PM Vidyalaxmi scheme under the administrative control of

Department of Higher Education (DHE), which enables loans through banks to meritorious students so that financial constraints do not prevent any youth of India from pursuing quality higher education. A mission mode

mechanism will facilitate and enable education loans to meritorious students who get admission in the top 860 Quality Higher Educational Institutions in the country, which translates into a coverage to approximately 22 lakh students every year. The scheme enables meritorious students of these QHEIs to take collateral free, guarantor free education loans through a simple, transparent, student-friendly and entirely digital application process. A dedicated PM-Vidyalaxmi Portal is maintained to ensure overall implementation and monitoring of the scheme. The portal has the following features:

- i. A unified portal that allows student to apply for education loan digitally.
- ii. PM-Vidyalaxmi portal allows student to upload all the required documents for sanction of loan.
- iii. A simple 2-page application format for applying education loan
- iv. Facility for students to apply to multiple banks through common application for education loans;
- v. Facility for students to track the status of submitted application;
- vi. Facility for banks to download various reports for effective monitoring of the scheme.

The scheme also provides for 3% interest subvention on loans up to ₹ 10 lakh to a maximum of one lakh needy students in a year, where annual family income is less than ₹ 8 lakhs. This implies that, students who are not availing the benefits under CSIS or any other Central /State Government Scholarship or any other interest subvention scheme or Fee reimbursement shall be eligible for availing the benefit of 3% interest subvention under PM Vidyalaxmi scheme.

9. Insurance Sector

9.1 Overview

The insurance sector is crucial for citizens and the economy alike, providing individuals with protection from unexpected risks such as death, health crisis or property damage, thereby fostering financial security and peace of mind. This stability encourages entrepreneurship and investment, driving economic growth and job creation. Insurance mechanisms mitigate systemic risks, reducing the likelihood of widespread financial crisis and supporting the overall well-being of society. It provides long-term funds for infrastructure development and supports continuous economic transformation.

9.2 Public Sector Insurers

The Public Sector Insurance Companies operating in the sector are as follows:

1. Life Insurance Corporation of India

2. General Insurance Corporation of India – GIC Re (Re-Insurer)
3. The New India Assurance Company Limited
4. United India Insurance Company Limited
5. National Insurance Company Limited
6. The Oriental insurance Company Limited
7. Agriculture Insurance Company of India Limited—Specialised Insurer (Company floated by Public Sector general insurance companies along with NABARD)
8. ECGC Limited – Specialised Insurer (Government of India enterprise for export credit guarantee)

9.3 Legislative Framework governing the Insurance Sector

The policy formulation and administration of the following Acts are involved in the development of insurance sector in the country:

1. The Insurance Act, 1938
2. The Life Insurance Corporation Act, 1956
3. The General Insurance Business (Nationalisation) Act, 1972
4. The IRDA Act, 1999
5. The Actuaries Act, 2006

The Government promulgated an Ordinance namely - the Insurance Laws (Amendment) Ordinance, 2014 on December 26, 2014 to make amendments to the Insurance Act, 1938, the General Insurance Business (Nationalization) Act, 1972 and the Insurance Regulatory and Development Authority Act, 1999 in accordance with the Insurance Laws (Amendment) Bill 2008 as reported by the Select Committee of the Rajya Sabha. The Ordinance was replaced by the Insurance Laws (Amendment) Act, 2015. With the coming into force of the Insurance Laws (Amendment) Act, 2015, the foreign investment cap in an Indian Insurance Company has gone up from 26 per cent to 49 per cent with the safeguard of Indian ownership and control.

Further amendment in the Insurance Act 1938, was brought by promulgating the Insurance (Amendment) Act, 2021 enacted on March 25, 2021 by which the Government has further enhanced the FDI cap from 49% to 74% with certain conditions in the terms of Indian ownership and control. The Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Bill 2025 has further raised FDI limit to 100%.

9.4 New entrants in the insurance industry

Since the opening up of this sector for private and foreign investment in the year 2000, the number

of participants in the insurance industry has gone up from seven (7) insurers (including the Life Insurance Corporation of India, four public sector general insurers, one specialized insurer and General Insurance Corporation as the national re-insurer) to seventy four (74) insurers as on March 31, 2025 operating in the life, general, health and reinsurance segments (including specialized insurers, namely Export Credit Guarantee Corporation Limited and Agricultural Insurance Company of India Limited).

As on March 31, 2025, there are 26 Life insurers including one in Public Sector, 25 general insurers including four in public sector, two specialized insurers in Public Sector, eight Stand-Alone Health Insurers (SAHI) and 13 reinsurers including one in Public Sector.

Registered Insurers and Reinsurers (As on 31.03.2025)

Type of Insurer	Public Sector	Private Sector	Total
Life Insurers	1	25	26
General	6	21	27
Standalone Health	0	8	8
Re-Insurer	1	12	13
Total	8	66	74

Source: IRDAI

9.5 Insurance related Social Security Schemes:

Alongside from the two primary Social Security Schemes - Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) – the Pradhan Mantri Vaya Vandana Yojana (PMVVY) provides an insurance scheme specifically designed for citizens above 60 years of age.

9.5.1. Pradhan Mantri Vaya Vandana Yojana:

- Pradhan Mantri Vaya Vandana Yojana (PMVVY) is offered by the Life Insurance Corporation of India (LIC) and supported by the Government of India, to provide senior citizens of age 60 years or more an assured minimum pension for a term of 10 years, linked to the price at which they purchase the pension policy.

- Government of India bears the differential return, i.e. the difference between return generated by LIC and the assured return committed under the scheme as interest-gap subsidy on an annual basis.
- Maximum Investment allowed is ₹ 15,00,000.
- Under the scheme, a loan of up to 75% of the purchase price is allowed after completion of three policy years.
- As per LIC, 8.36 lakh subscribers (10.9 lakh policies) have benefited under the PMVVY scheme as on 31st March, 2025.
- The Scheme was valid up to 31st March 2023.
- Earlier to PMVVY, LICs' Varishtha Pension Bima Yojana (VPBY) - Plan 161 and Plan 828 supported by the Government of India provided pension to senior citizens. As per LIC, 3.58 lakh subscribers (4.16 lakh policies) have benefited under the VPBY scheme as on 31st March, 2025.

9.6 Insurance Industry Statistics

Insurance coverage

Insurance coverage refers to the number of lives covered under insurance for life, health and other insurance categories. As per IRDAI report, during 2024-25, life insurers issued 270.22 lakh new policies under individual business and the General, health and specialised insurance companies have issued 3913.53 lakh policies.

The cumulative enrolment as on 29.10.2025 under Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) is 25.46 crore and under Pradhan Mantri Suraksha Bima Yojana (PMSBY) is 54.73 crore

Insurance Penetration and Insurance Density

The measure of insurance penetration and density reflects the level of development of insurance sector in a country. While insurance penetration is measured as the percentage of insurance premium to GDP, insurance density is calculated as the ratio of premium to population (measured in US\$ for convenience of international comparison).

	India (2001-02)	India (2024-25)	Malaysia (2024-25)	Thailand (2024-25)	China (2024-25)
Insurance Penetration (%)	2.7	3.7 (Life:2.7% Non- Life:1%)	5.3	5.1	4.2
Insurance Density (US\$)	11.5	97 (Life:72 & Non-Life: 25)	623	371	558

Source: Swiss Re, Sigma Report World Insurance Report (No.2/2025)

Globally insurance penetration and density in 2024-25 were 3.0% and USD 388 for the life segment and 4.3% and USD 555 for the non-life segment respectively. In 2024-25, the insurance density in India increased from 95 in 2023-24 to 97 in 2024-25.

The insurance penetration of Life Insurance sector in India is reduced from 2.8% in 2023-24 to 2.7% in 2024-25 and the same for Non-Life Insurance sector remained at 1% in both these years. As such, India's overall insurance penetration remained same at 3.7% in 2023-24 & 2024-25.

Premium underwritten for Life Insurance Industry 2024-25

	Market Share	New Business Premium	Renewal Premium	Total Premium
LIC	57.02%	₹ 2.27 lakh crores	₹ 2.62 lakh crores	₹ 4.89 lakh crores
Private Insurers	42.98%	₹ 1.71 lakh crores	₹ 2.26 lakh crores	₹ 3.97 lakh crores
Industry Total	100%	₹ 4.89 lakh crores	₹ 3.97 lakh crores	₹ 8.86 lakh crores

Source: IRDAI

General insurance industry including Health Insurance Business

The general insurance industry (including standalone health insurers) underwrote total direct premium of ₹ 3.08 lakh crores in India for the year 2024-25 as against ₹ 2.90 lakh crores in 2023-24, registering a growth rate of 6.19% as against 12.76% recorded in the previous year. The public sector general insurers (including specialized insurers) together contributed to 34.57% of the market share while the private sector general insurers contributed to the remaining 65.43%. The total premium underwritten outside the country by the three public sector insurers (except United India Insurance) and two private sector insurers (Care Health and ICICI Lombard) stood at ₹ 3,973 crores and ₹ 82.28 crores in 2024-25 respectively.

Sector	Premium (Rs crore) for 2024-25	Growth from 2023-24
PSU	95,252	5.54%
Private General Insurers	1,62,837	5.00%
Private Standalone Health Insurers (SAHI)	38,414	15.99%
Specialized Insurers	11,108	-0.92%
Industry Total	3,07,611	6.19%

Source: IRDAI Annual Report 2024-25

9.7 Life insurance industry

Post liberalization period has witnessed sharp growth in the insurance industry, more particularly in the life segment. Life insurance industry recorded a premium income of ₹ 8.86 lakh crores during 2024-25 as against ₹ 8.3 lakh crores in the previous financial year, registering a growth of 6.73%. The private sector life insurers have clocked a growth of 12.07% in premium, while the public sector life insurer recorded 2.75% growth in premium. Life Insurance Corporation of India (LIC) is the only life insurer underwriting business outside of India and collected a premium of ₹ 398.15 crores during 2024-25, from outside India.

One of the benefits of opening up of the insurance sector has been the extension of health cover to a wider cross-section of the society. Health insurance business is the largest segment with a contribution of 41.42% of the total premium in 2024-25 (40.29% contribution in 2023-24). Health Insurance Segment reported growth of 9.19% in 2024-25 (19.50% growth in 2023-24).

During the year 2024-25, the non-life insurance sector reported net profit of ₹ 13,154 crores compared to a net profit of ₹ 10,119 crores in 2023-24. The Profit after Tax for public sector companies was ₹ 798 crores as against profit of ₹ 157 crores in 2023-24, private sector general insurers had profit after tax of ₹ 8,150 crores as against ₹ 5,983 crores in 2023-24. Specialized insurers' net profit was at ₹ 3,444 crores as against ₹ 3,063 crores in 2023-24 and the net profit for standalone health insurers was at ₹ 762 crores in 2024-25 as against ₹ 915 crores in 2023-24.

9.8 Investments of the Insurance sector:

Insurers have been mandated to follow the pattern of investment, as required under IRDAI (Investment) Regulations, 2016. As on 31.03.2025, the investments made by the insurance industry stood at ₹ 74.44 lakh crores as against ₹ 67.57 lakh crores as on 31.03.2024 registering a growth of 10.14%. The share of Life Insurers, General Insurers and Reinsurers stood at 91.07%, 7.04% and 1.89% respectively. The contribution of public sector was 68.4%, while that of private sector was 31.6%.

	Insurance Sector (2022-23)	Insurance Sector (2023-24)	Life Insurers (2023-24)	Public sector Insurers (2023-24)
Total investments	₹ 67.57 lakh Crores	₹ 74.44 lakh Crores	91.07% of total investment	68.40% of total investments

9.9 Rural and Social Sector Business

The IRDAI (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015 and IRDAI (Obligation of Insurer in respect of Motor Third Party Insurance Business) Regulations, 2015 have been reviewed and notified as IRDAI (Rural, Social Sector and Motor Third Party Obligations) Regulations, 2024 which came into effect from 1st April, 2024.

The revised regulations had specified Rural, Social and Motor Third-Party Business obligations for the year 2024-25 as under:

- a) **Rural Sector Obligations:** All General insurers (excluding stand-alone health insurers, AIC, and ECGC) shall collectively cover minimum 10 per cent of dwellings, shops, and vehicles under fire and motor insurance in minimum 25000 of Gram Panchayats
- b) **Social Sector Obligations:** All insurers—life, general, and stand-alone health insurers (excluding AIC and ECGC)—shall ensure that 10 per cent of lives will be covered under social sector as a proportion of total lives covered.
- c) **Motor Third Party Obligation:** Every General Insurer (other than stand-alone health insurers, AIC and ECGC) shall ensure minimum percentage increase, in number of Goods Carrying, Passenger Carrying Vehicles and Tractors (Miscellaneous segment) over last financial year separately for each category based on their respective Motor Third Party Insurance Market Share in the last financial year.

Under Rural Obligation, it is reported that all general insurers collectively have insured 1,61,525 dwelling & shops and 11,82,073 Vehicles for allocated Gram panchayats. 11 General Insurers have reported that they have not achieved social sector obligations for FY 2024-25. Under Passenger Carrying Vehicle and Tractor Category, 18 insurers have reported shortfall and under Goods carrying Vehicle Category, 17 insurers have reported shortfall.

The SAHI insurers have covered 166.60 lakh lives under social sector i.e., 20% of total lives covered during the year complying with social sector obligations. With respect to Rural Sector, SAHI insurers covered 17.76 lakh lives in health and 12.21 lakh lives under personal accident.

Micro insurance

Micro insurance being a low price-high volume business, its success and sustainability depends mainly on keeping the transaction costs down. In micro-insurance-life, the individual new business premium for the year 2024-25 was ₹ 359.05 crores through 9.32 lakh new policies and the Group new business premium amounted to ₹ 9,242.85 crores covering 1,364.48 lakh lives. There were 1,01,630 micro insurance agents attached to life insurers at the end of FY 2024-25. There were 706 micro insurance agents attached to general insurers and the number of policies stood at 26,097 with a gross domestic premium of ₹ 31.96 crores.

9.1 Initiatives/Steps taken by DFS:

- The Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Act, 2025 has amended various provisions of the Insurance Act, 1938, the Life Insurance Corporation Act, 1956, and Insurance Regulatory and Development Authority Act, 1999, with a view to enhance citizens protection, deepen insurance penetration, accelerate growth and development of the insurance sector and to enhance the ease of doing business. The amendment raised the Foreign Direct Investment limit in Indian Insurance Companies from 74% to 100%. This will help in attracting stable and sustainable investment, facilitate technology transfer, enhance insurance penetration & social protection and help achieve goal of 'Insurance for All by 2047'
- The amendment also provides for creation of a Policyholders' Education and Protection Fund. For greater Policyholders' protection, Insurance Regulatory and Development Authority of India (IRDAI) is being granted the power of disgorgement of wrongful gains made by an insurer or intermediary. It will create a legal anchor for effective use of digital public infrastructure in insurance sector to ensure that policyholders' information is duly secured and protected
- To ensure uninterrupted service and support to policyholders and to promote ease of doing business, one-time registration of insurance intermediaries is proposed in the amendment. Further, the limit for seeking IRDAI approval

for transfer of shares of paid up equity capital, is being raised from the current 1% to 5% for insurance companies. The requirement of Net Owned Funds for foreign re-insurers is reduced from ₹ 5,000 crores to ₹ 1,000 crores to facilitate entry of more re-insurers, building greater re-insurance capacities in the country

- This department has been continuously reviewing the performance of PSGICs. With concerted efforts, the profit after tax of the four PSGICs has improved from ₹ 157 crores in 2023-24 to ₹ 798 crores in 2024-25.
- DFS in co-ordination with DIPAM has disinvested its equity stake to the extent of 3.39% in General Insurance Corporation of India by Offer for Sale of Equity Shares through the stock exchange mechanism on 4th and 5th September, 2024. A total of 594,32,385 Equity Shares (3.39% of the paid-up equity share capital of the Company) were sold raising approx. ₹ 2345.55 crores.
- This department in collaboration with the sector regulator IRDAI, is taking measures to monitor cyber security related issues in public sector insurance companies. DFS has requested IRDAI to conduct a regular review of the cyber security of insurance companies and intermediaries to align with up-to-date security mechanisms for prevention and monitoring of threats.
- With a view to address accessibility needs of persons with disabilities in respect of the facilities and services pertaining to Insurance Sector, DFS has formulated the “Accessibility Standards and Guidelines for infrastructure and services in Insurance Sector” in August 2024.
- This department is supporting MoRTH in implementing the Scheme for Cashless Treatment for Road Accident victims under Golden Hour, which is a welfare measure for saving the lives of road accident victims. Additionally, DFS is coordinating between MoRTH and insurance companies for timely contribution to Motor Vehicle Accident Fund. A total of ₹ 504 crores have been contributed by Insurance companies in “account for insured vehicles” as on December 2025.
- Insurance Surety Bonds (ISBs) are being envisaged to be a viable alternative/complement to Bank Guarantee (BG). In this regard, DFS has requested all Ministries to explore, adopt and promote the use of surety bonds in projects related to their ministries.

10. Pension Sector

Performance & achievements under key/flagship programmes (Tables at Annexure I)

10.1 Atal Pension Yojana (APY)

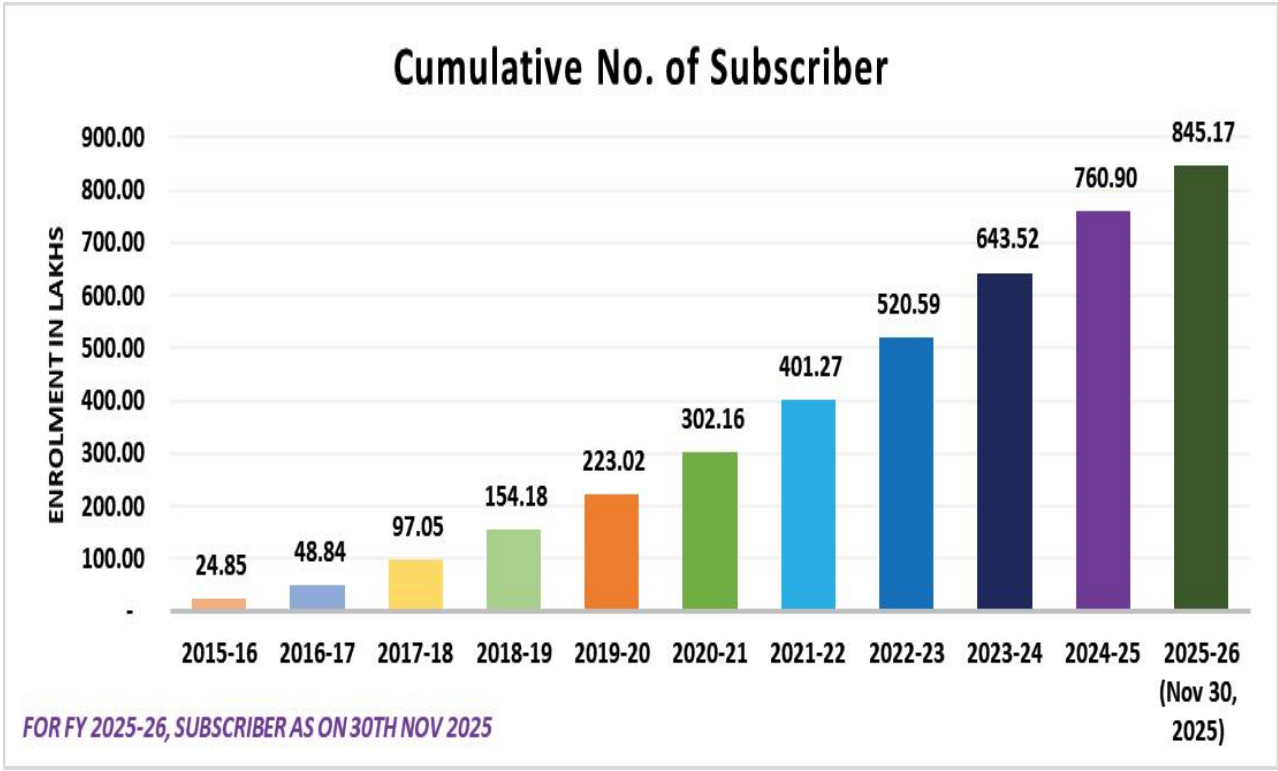
Atal Pension Yojana (APY) was launched on 9th May, 2015, with the objective of creating a universal social security system for all Indians, especially the poor, the under-privileged and the workers in the unorganised sector. It is open to all citizens of India between 18-40 years of age having a savings bank account in a bank or post-office. For better targeting of guaranteed pension to unorganised sector workers, an income tax payer shall not be eligible to join APY from 1st October, 2022. The subscriber under APY is required to make a monthly/quarterly/six monthly contribution of an amount determined by the amount of pension chosen and the age of joining the scheme. The subscriber shall receive a government guaranteed minimum pension of ₹ 1000 per month, ₹ 2000 per month, ₹ 3000 per month, ₹ 4000 per month or ₹ 5000 per month, after the age of 60 years until death, depending on the contribution chosen. The spouse of the subscriber shall be entitled to receive the same pension amount as that of the subscriber after the death of the subscriber. After the death of both subscriber and the spouse, the nominee of the subscriber shall be entitled to receive the pension wealth, as accumulated till age 60 of the subscriber.

APY is being administered by the Pension Fund Regulatory and Development Authority (PFRDA) under the overall administrative and institutional architecture of the National Pension System (NPS). As on 30th November, 2025, the number of enrolments under APY is more than 8.45 crore with an AUM of ₹ 52,419.63 crores (including gap funding from GoI).

- Enrolment Figures: Total gross enrolments under APY have crossed 8.45 crores as of November 30, 2025. More than 84 lakh APY subscribers were enrolled in FY 2025–26 up to November 30, 2025. Public Sector Banks (PSBs) accounted for 5.89 crore accounts, while Regional Rural Banks (RRBs) accounted for 1.73 crore accounts of the total gross enrolments.
- Gender and Age Distribution (as of 30th November 2025): Female subscribers account for 4,10,44,015 (48.54%) of gross enrolments. The largest age group enrolled is between 21 to 25 years (27.60%, or 2,33,30,498 enrolments), followed by 26 to 30 years (24.14%).
- Pension Slab Preference: A vast majority (86.91%) of subscribers opted for the ₹1,000 pension slab, while 8.15% opted for the highest ₹5,000 pension slab.

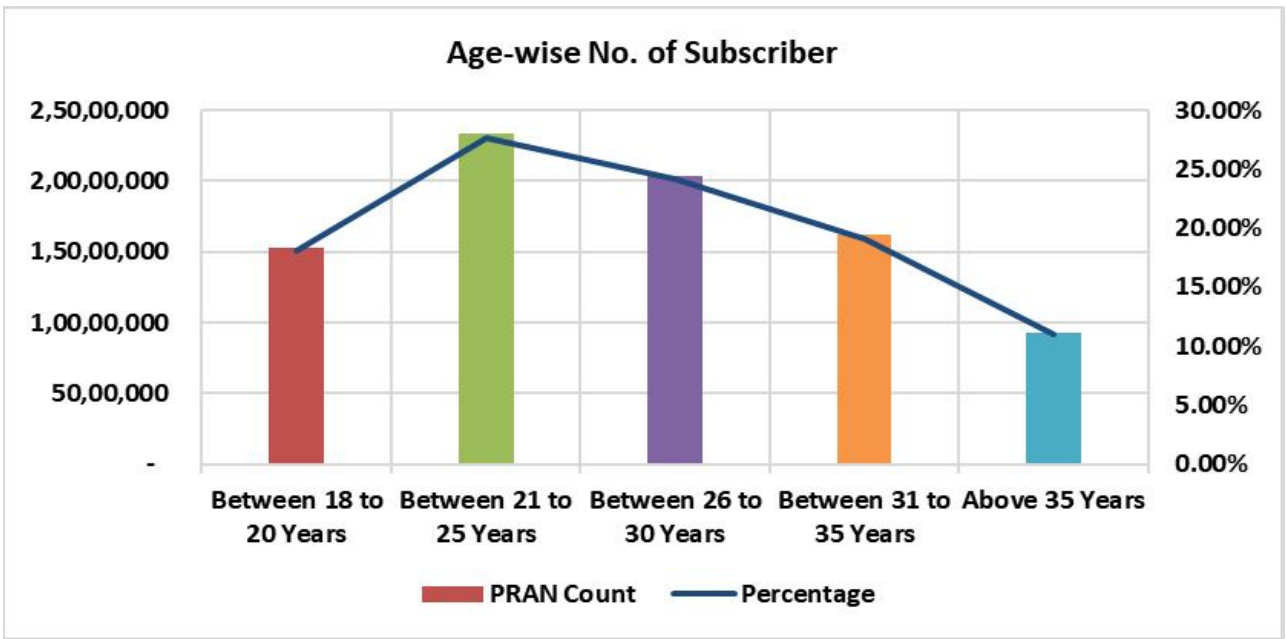
- Asset Under Management (AUM) and Returns:
The total AUM under APY reached ₹52,419.63 crore as of November 30, 2025, up from
- ₹44,780.49 crore in FY 2024-25. The APY Scheme Returns stood at 9.00% since inception as of November 28, 2025.

Cumulative Gross Enrolments under APY as on 30.11.2025



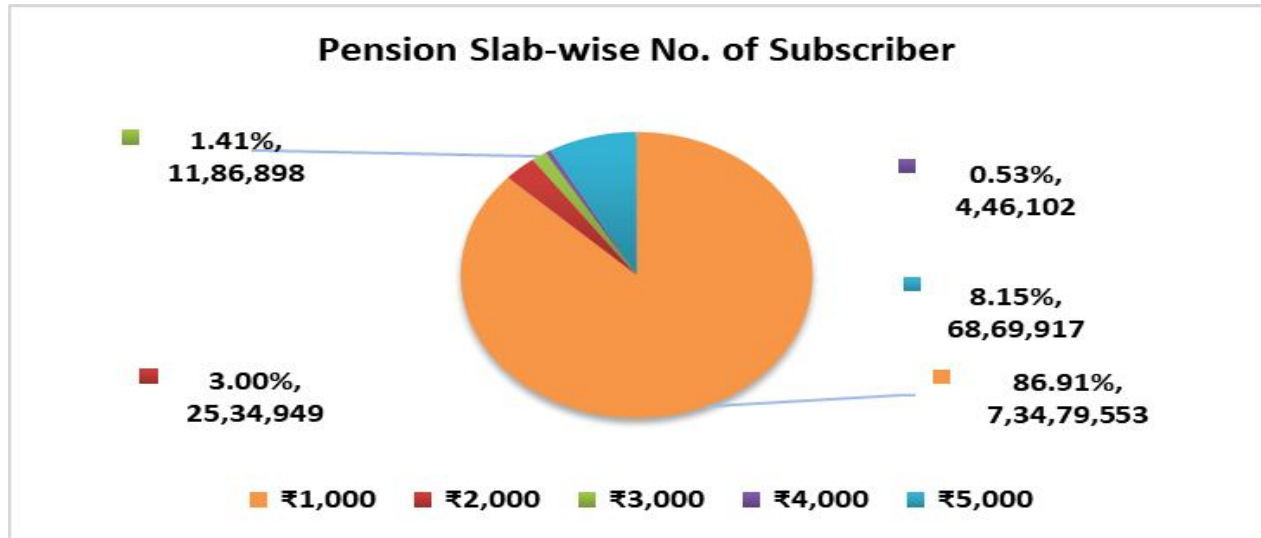
Source: Protean CRA

Age-wise gross subscribers under APY as on 30.11.2025



Source: Protean CRA

Pension slab wise no. of gross subscribers under APY as on 30.11.2025



Gender-wise gross subscribers under APY as on 30.11.2025:

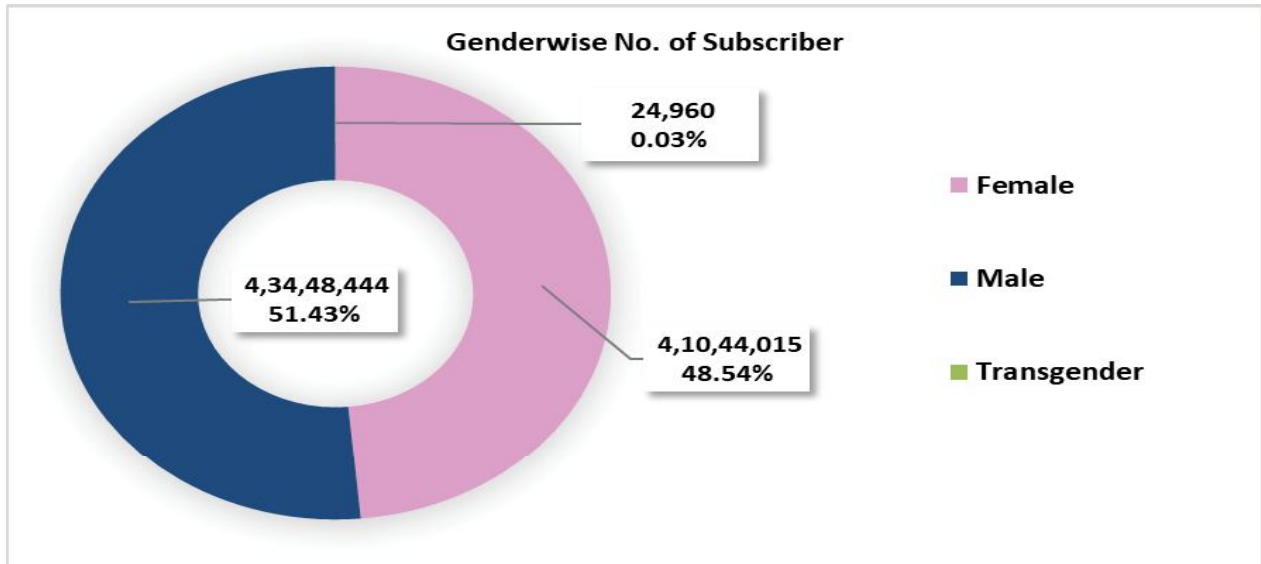
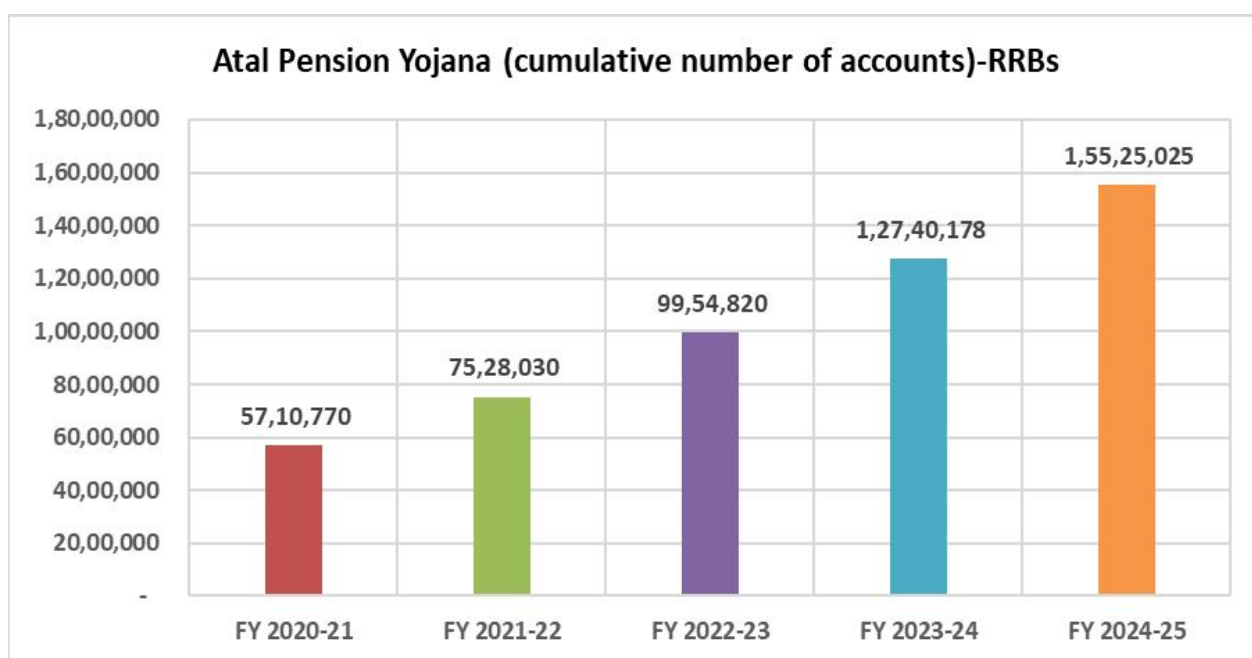


**Table I: Performance under Financial Inclusion Schemes-
Cumulative Accounts / Enrolments in Crore**

S.No	Government Scheme	31-Mar-24			31-Mar-25			YoY Growth (%)	
		RRBs	All Banks	RRBs Share (%)	RRBs	All Banks	RRBs Share (%)	RRBs	All Banks
1	Atal Pension Yojana	1.27	6.44	19.72	1.55	7.60	20.39	22.04	18.01



10.2 Unified Pension Scheme (UPS)

The UPS was introduced as an option under the National Pension System (NPS) for Central Government employees via a notification dated January 24, 2025, designed to provide assured, inflation-indexed, and adequate retirement benefits within the existing NPS architecture. As a result of extensive outreach and publicity initiatives, over 1.22 lakh Central Government employees opted for UPS until November 30, 2025.

10.3 National Pension System (NPS)

The National Pension System (NPS) was introduced by the Government of India vide notification dated 22nd December, 2003, to replace the defined benefit pension system by defined contribution pension scheme in order to provide old age income security in a fiscally sustainable manner and to channelize small savings into productive sectors of the economy through prudential investments. It was made mandatory for all new recruits to the Government service (except armed forces) with effect from 01st January, 2004, and has also been rolled out for all citizens with effect from 01st May, 2009, on voluntary basis. NPS has been adopted by most State Governments and most of the Central and State autonomous bodies. Subsequently, the Pension Fund Regulatory and Development Authority (PFRDA) Act, 2013 was passed. The Scheme offers two types of accounts, namely Tier-I, which is the Pension account, and Tier-II account, which is a voluntary withdrawal account allowed with an active Tier-I account. Some features of NPS are listed below:

10.3.1 Architecture of NPS

NPS architecture consists of Points of Presence (PoPs) as collection and distribution arms, a Central Record keeping Agency (CRA) which maintains the data and records, Trustee Bank to manage the banking operations, Pension Fund (PFs) for generating and maximizing returns on investments of subscribers, Custodian to take care of the assets purchased by the Pension Funds and NPS Trust which holds the assets of subscribers for their benefit and oversees the investment operations.

10.3.2 Withdrawal under NPS

Subscribers can withdraw up to 25% of their own contributions with interval of four years & up to four times before age 60, and of three years after age 60.

10.4 Tax Benefits under NPS:

10.4.1 Tax Benefits under Income Tax Act, 1961 (Old regime)

- a. Section 80CCD (1): Employee contributions eligible for deduction up to:
 - 10% of salary (Basic + DA)
 - 20% of Gross Income for self-employed (Subject to ₹ 1.5 lakh limit under Section 80CCE)
- b. Section 80CCD (1B): Additional tax deduction of ₹ 50,000
- c. Section 80CCD (2): Employer contributions deductible up to:
 - 10% of salary for employees under Old Tax Regime

- 14% of salary for employees under New Tax Regime

10.4.2 Corporate Tax Benefits

- Employer contributions to NPS (up to 14% of salary, i.e., Basic + DA) are treated as a business expense and can be claimed as a deduction under Section 36(1)(iv)(a) of the Income Tax Act, 1961.

10.4.3 Tax Benefit on Transfer from Approved Superannuation Fund to NPS

To facilitate fund transfers from an approved superannuation fund to NPS, sub-clause (v) under section 10(13) of the Income Tax Act, 1961 provides tax exemption by not treating such transfer as the employee's income for the relevant assessment year.

10.4.4 Tax Benefit on Exit from NPS

- Amount utilized for purchase of annuity on exit (minimum 40% mandatory) is not treated as income.
- Goods and Service Tax (currently 1.8%) is not applicable on annuity purchase.

- Maximum 60% of the total corpus at the time of exit is not treated as income.
- Partial Withdrawals are tax-exempt

As of November 30, 2025, the total AUM across all NPS sectors reached ₹15,94,909.57 crores, with a total subscriber count of 210.30 lakh. Corporate sector registrations crossed 22,957 with 3,138 new corporates onboarded in the current financial year, taking retirement coverage to millions of formal-sector employees.

10.5 NPS Vatsalya

NPS Vatsalya, launched on September 18, 2024, is a contribution-based saving-cum-pension scheme for minors that aims to secure their future and nurture a culture of savings.

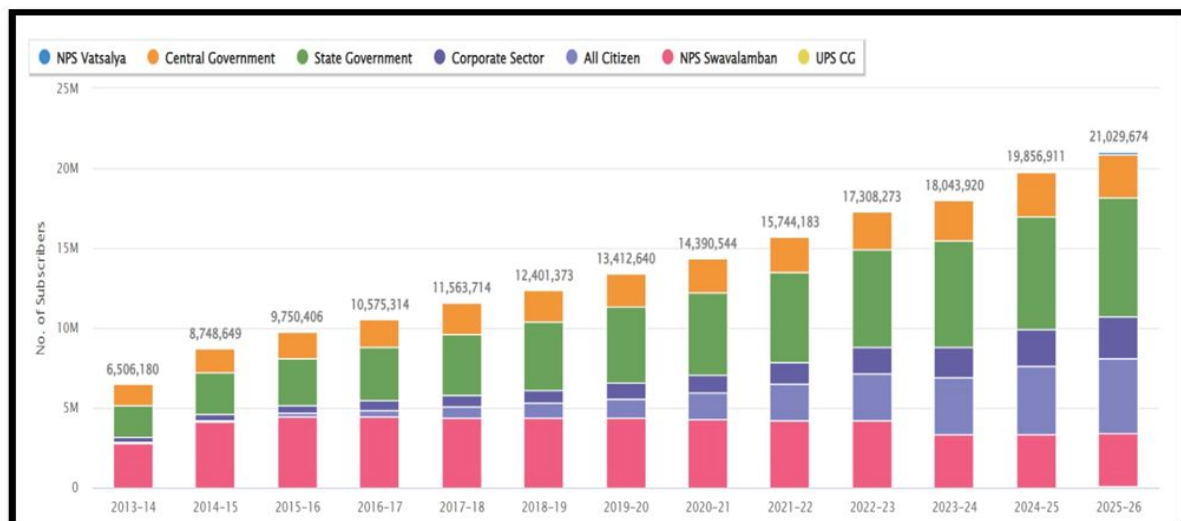
Performance (as of November 30, 2025): The scheme recorded 1,59,205 subscribers and an AUM of ₹215.95 Crore. The subscriber count includes 70,599 females and 88,558 males. The largest age group enrolled is 0-5 years (66,686 subscribers).

10.6 The status of NPS as on 30th November, 2025, is as under:

Sector		Number of subscribers (In Lakhs)	Asset under Management (₹ in Cr.)
Central Government		28.01	4,31,005.49
State Government		74.58	8,14,339.54
Non-Govt Sector	Corporate	25.97	2,62,915.92
	All Citizen Model	46.65	80,041.27
	Vatsalya	1.59	219.38
NPS Lite* (discontinued)		33.50	6,387.97
Total		210.30	15,94,909.57

*(No fresh registration permitted w.e.f. 1st April, 2015)

NPS Subscriber Base as on 30th Nov 2025



10.7 Significant policy decisions & initiatives for inclusive growth/public service delivery

10.7.1 Policy Decisions and Frameworks:

1. **Amendments to the PFRDA (Exits and Withdrawals under the NPS) Regulations, 2015:** PFRDA notified the amendments to the PFRDA (Exits and Withdrawals under the National Pension System) Regulations, 2015, vide notification dated 12 December 2025, following stakeholder consultations. The amendments are aimed at enhancing subscriber flexibility and choice, while ensuring retirement income security.

The amendments provide for the maximum entry and exit age as 85 years, modify vesting period and remove the minimum subscription period for All Citizen Model subscribers. Exit provisions have been recalibrated providing structured payout options including Systematic Lump Withdrawal (SLW) and Systematic Unit Withdrawal (SUR). For lower corpus amounts (up to ₹12 lakh), subscribers can opt for complete withdrawal and/or along with SUR or annuity, while for higher corpus, annuity is mandatory with the lump sum portion taken as SLW or SUR with the option to avail 100% as annuity continues to be available for any corpus size. For exit upon superannuation/attaining 60 years/15-year vesting period, as applicable, the lump-sum and annuity proportion has been retained at 60:40 for government subscribers, while for non-government subscribers it has been revised to 80:20. Full withdrawal limit for premature exit has been stipulated at ₹5 lakh, and subscribers joining post age 60 are eligible for exit without requirement of vesting period.

The amendment also allows regulated financial institutions to provide financial assistance with lien marking on individual pension accounts within limits applicable to partial withdrawal. Partial withdrawals are permitted with interval of four years & up to four times before age 60, and of three years after age 60. Enabling provisions have also been added for the introduction of specific purpose schemes under NPS, while maintaining the overall retirement income objectives

2. **Multiple Scheme Framework (MSF):** Operationalised on October 1, 2025 (NPS Diwas), the MSF allows a subscriber, uniquely identified via PAN, to hold and manage multiple

schemes within the NPS through the PRAN at each Central Recordkeeping Agency (CRA). This new architecture enables Pension Funds (PFs) to design schemes tailored to specific subscriber profiles, such as self-employed professionals or digital economy workers, promoting inclusivity in pension. 25 schemes have been launched under this framework. till 30th November 2025, a total of 15,720 Subscribers invested to the various MSF schemes launched with a total AUM of approx. ₹ 20 Cr.

3. **Expansion and Rationalisation of Investment Choices:** The range of investment options for Central Government (CG) employees under NPS was expanded from four to six distinct choices. Two new Auto Choice options were introduced: The Life Cycle 75 (LC75), offering higher equity exposure, and the Balanced Life Cycle Fund (BLC), which maintains relatively higher equity later in life. Furthermore, PFRDA rationalised the nomenclature of Life Cycle Funds to better reflect their equity exposure and risk profile, promoting transparency and ease of selection.
4. **Unified Pension Scheme (UPS) Flexibility:** The Government of India introduced a 'One-time one-way Switch facility', allowing UPS subscribers to revert to NPS at any time during service (subject to time limits before retirement/superannuation). Crucially, the additional lump sum payment under UPS has been made fully tax-exempt.
5. **CRA Selection Choice:** PFRDA issued a Master Circular on September 15, 2025, granting subscribers voluntarily enrolling under NPS the choice of selecting their preferred CRA. For APY and NPS-Lite, the choice rests with the Point of Presence (PoP), but if the PoP integrates with multiple CRAs, both existing and new subscribers can select their preferred CRA.
6. **NPS Exit Policy Amendment:** A circular dated April 21, 2025, permits the closure of NPS accounts and complete withdrawal (without annuitization) for subscribers who have renounced Indian citizenship and do not hold an OCI card.
7. **CRA Charge Determination:** Following a Price Discovery Process (undertaken once every five years), PFRDA issued a circular on September 15, 2025, stipulating the revised charge structure for CRAs to ensure transparency and competitiveness.

8. **Amendments to the PFRDA (Exits and Withdrawals under the NPS) Regulations, 2015:** The PFRDA (Exits and Withdrawals under the NPS) Regulations, 2015, last amended in 2021, are currently being reviewed to reflect recent developments in the NPS architecture, including the introduction of Multiple Scheme Framework (MSF) for the Non-Government Sector. Stakeholder feedback highlighting the need for greater flexibility is also being factored into the amendment exercise.

10.7.2 Initiatives for Inclusive Growth and Outreach

1. To strengthen social security for workers in the informal and digital economy, PFRDA has launched NPS for Gig and Platform Workers. The initiative began with the onboarding of workers associated with Zomato and GoaMiles, marking a step towards extending pension benefits to this emerging workforce segment.
2. To increase the awareness among workforce involved in MSME, more than 50 outreach programs for NPS awareness will be conducted in coordination of consultancy firms. In addition to it, conferences are being organized on NPS in association with trade bodies.
3. With an aim to enhance NPS visibility and outreach among the general public, the Department has initiated large-scale awareness programs through engagement with several media partners. 50 such programs will be organised and it includes pre-event and post event local coverage through the media partner in all of these cities.
4. Training of employees of Point of Presence (PoP) is being conducted on regular basis.
5. ENRICH ELEVATE ENROL – TRIPLE “E” and NPS Diwas, NPS Game Changers campaigns were organized to encourage and honor the efforts of PoP officials who significantly contribute to NPS expansion.
6. Rural and FPO Outreach: PFRDA signed a Memorandum of Understanding (MoU) with NABARD during NPS Diwas 2025 to expand NPS access to 45,000 Farmer Producer Organisations (FPOs). Outreach programs are also being conducted in Tier II cities and mofussil towns, and PFRDA is engaging with Regional Rural Banks (RRBs) to focus on rural areas.
7. NPS Vatsalya Awareness: A nationwide drive titled “Children’s Financial Security Week: Promote Awareness & Savings with NPS Vatsalya” was organised from November 11 to

16, 2025, to promote awareness and financial literacy from a young age.

8. **Strengthening of KYC/AML/CFT framework:** PFRDA issued a Master Circular towards transitioning towards the risk-based KYC approach prevalent in industry, thus moving away from the previous “one-size-fits-all” model as announced in the Union Budget 2023-24. This streamlined framework leverages identifiers from the CKYCR, bank-issued KYC, and CBS-based verification to enable faster subscriber onboarding with minimal physical documentation. Furthermore, in compliance with recent Supreme Court directives, the circular mandates making the KYC process more accessible for Persons with Disabilities (PwDs) and individuals with special needs.
9. **Strengthening of Distribution channel-** To strengthen the distribution channel of NPS, PFRDA is engaging with Fintechs to increase penetration through online mode and Regional Rural Banks (RRBs) to focus on the rural areas. Furthermore, PFRDA has widened Pension Agent options for FPOs. This will expand both online and offline distribution channels, enabling a broader reach and onboarding of additional channels into the NPS ecosystem and has promulgated an incentive framework for FPOs through POPs under NPS.
10. **Revised Guidelines on Subscriber Onboarding:** With the core objectives of simplifying and standardizing the entire onboarding process for NPS, to make the SRF more inclusive and user-friendly and to ensure seamless digital subscriber registration across all available channels, PFRDA issued Revised Guidelines on Subscriber Onboarding and a Revised Subscriber Registration Form (SRF) in October, 2025.
11. **Atal Pension Yojana (APY) Outreach-** PFRDA scheduled 32 APY Outreach programs in FY 2025–26, conducting 24 such programs by November 30, 2025, in coordination with SLBCs and LDMs. These strategies for promotion are also discussed at Zonal strategy review meetings held in Mumbai, Kolkata, and Chennai. To enhance regional accessibility, a single one-pager APY Flyer was created in Hindi, English, and 21 other regional languages.
12. **Consultation Papers and Future Strategy:** PFRDA released two consultation papers in late 2025 addressing future strategy. The

first paper proposed three distinct schemes under the NPS framework, including Pension Scheme-2, an Assured Benefit scheme designed to provide a Target Pension with periodic inflation adjustments. PFRDA hosted a seminar on October 28th 2025 on the Consultation Paper at the Insurance Institute of India in Mumbai. The seminar generated rich discussions among the participants, focusing on the future roadmap for the NPS and the practical implementation of the proposals outlined in the Consultation. The second paper proposed the adoption of a dual valuation framework ('accrual' and 'fair market') for long-dated Government Securities in NPS/APY, aiming to depict stable pension wealth accumulation and reduce the impact of short-term interest rate volatility.

10.7.3 North-East Region & Sikkim Based Initiatives (Tables at Annexure I)

To enhance the outreach of APY across the North-East, PFRDA has undertaken outreach programmes in collaboration with regional stakeholders. During FY 2025–26, two major programmes were conducted in the North-Eastern Region, one in Itanagar in coordination with the LDM Itanagar, and another in Guwahati in coordination with SLBC Assam. These programs covered the need for pension, key features of APY including its triple benefits, and included presentation of awards and certificates to the best-performing LDMs and State Coordinators of the respective states, along with a review of state-wise progress. The sessions were attended by officials from PFRDA, RBI, NABARD, SRLMs, banks, BCs, SHGs, subscribers, and FLC members, ensuring comprehensive participation.

To strengthen localized communication, a dedicated one-page APY flyer has been developed in the key North-East languages listed under Schedule 22 i.e. **Assamese, Bengali, Bodo, Manipuri, Nepali, Khasi, Mizo, and Garo** and also in **English**, facilitating wider acceptance and understanding across the North East region.

Subscriber awareness programs were also conducted for the people of the North-East through PFRDA's empanelled training agency.

With the combined efforts of PFRDA and various stakeholders, APY gross enrolments in the North-Eastern States and Sikkim reached 26.77 lakh as on 30 November

2025. Out of these, 15.10 lakh are women enrolments, representing 56.40% of total enrolments in the region. This strong female participation highlights PFRDA's focused efforts in bringing more eligible women under the APY.

10.7.4 e-Governance activities

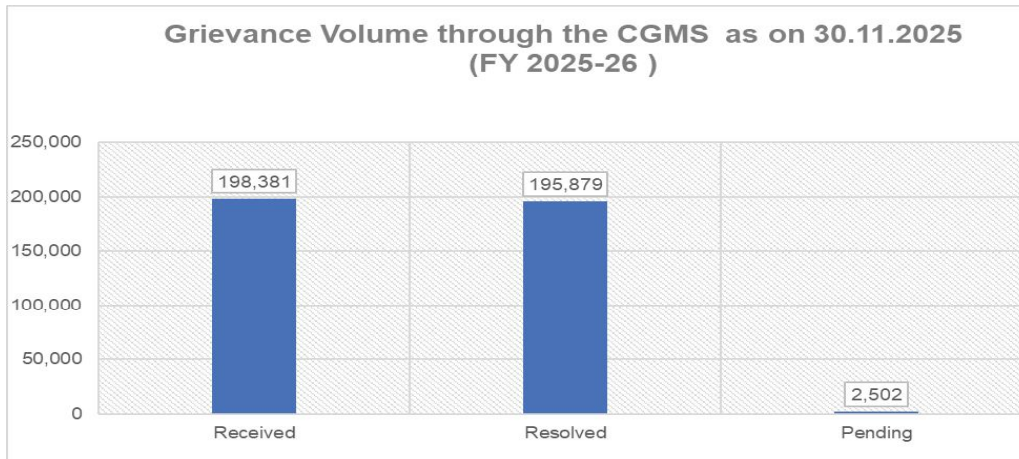
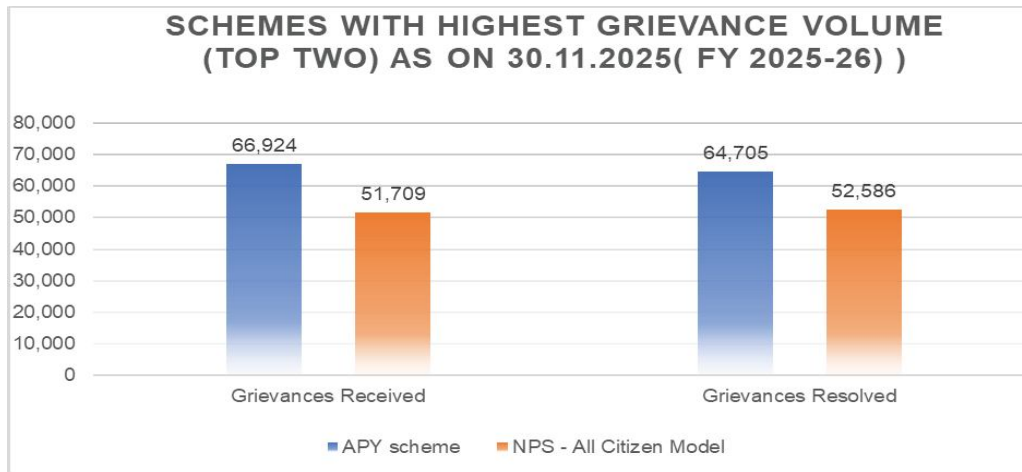
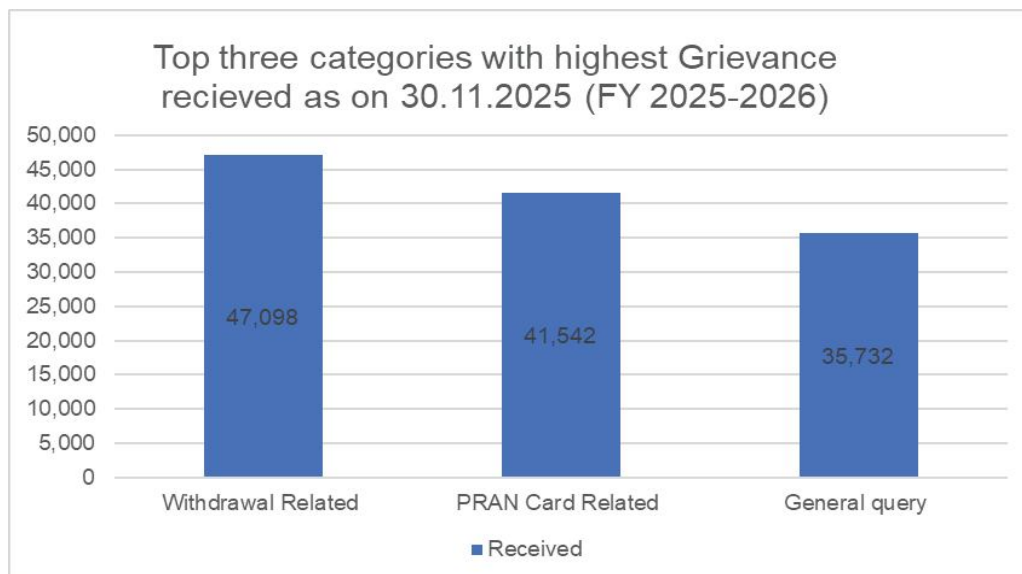
10.7.4.1 Digital Integration and Subscriber Access

1. **Bharat Connect Platform:** NPS accounts can accept contributions from individual investors via Bharat Connect-enabled platforms, including BHIM, PhonePe, MobiKwik, and Kotak Mahindra Bank (net banking).
2. **Account Aggregator (AA) Framework Integration:** NPS is integrating with the AA framework, which facilitates the sharing of financial and other information in a real-time and data blind manner between regulated entities. This technology empowers NPS subscribers to have seamless and secure access to their NPS information and enables its portability in an encrypted form.
3. **APY Online Onboarding:** Banks are encouraged to strengthen online distribution channels for APY onboarding, specifically through the e-APY portal and APY app using Aadhaar-authentication, and via banks' net-banking, mobile app, and web portals.

10.7.4.2 Grievance Redressal Mechanism (GRM)

The Centralized Grievance Management System (CGMS), managed by Central Recordkeeping Agencies (CRAs), facilitates a system-driven grievance redressal mechanism for subscribers under NPS, APY and UPS.

1. **Grievance Volume (FY 2025-26 as on 30.11.2025):** A total of 198,381 grievances were received through the CGMS portal in FY 2025–26, with 195,879 resolved. The highest number of grievances were received under the APY scheme (66,924 received, 64,705 resolved), followed by NPS - All Citizen Model (ACM) (51,709 received, 52,586 resolved).
2. **Top Grievance Categories:** The top grievance categories received were Withdrawal Related (47,098), PRAN Card Related (41,542), and General query (35,732).

A. Grievance Volume through the CGMS as on 30.11.2025 (FY 2025-26)**B. Schemes with Highest Grievance Volume (Top Two) As On 30.11.2025 (FY 2025-26)****C. Top Three Categories with Highest Grievance received as on 30.11.2025 (FY 2025-2026)**

A workshop was conducted by the Department of Financial Services (DFS) Ministry of Finance on 'Measures to Improve Grievance Redressal Mechanism' on 4.8.2025 at PFRDA, focusing on strengthening the grievance redressal mechanism under the Centralized Public Grievance Redressal and Monitoring System (CPGRAMS), with specific emphasis on pension-related grievances pertaining to NPS, APY, and UPS. The workshop highlighted the importance of systematic data collection and indicator-based root cause analysis to identify recurring grievance categories and customer pain points. Key issues such as service delivery gaps, procedural delays, system-related challenges, and lack of awareness at intermediary levels were discussed. The deliberations aimed at improving monitoring, enhancing coordination among stakeholders, and enabling more effective, timely, and citizen-centric grievance resolution.

11. Financial Institutions

11.1 National Housing Bank

The National Housing Bank (NHB) is a development financial institution, established in 1988, under the National Housing Bank Act, 1987 (Central Act no. 53 of 1987). NHB operates as the principal agency to promote housing finance institutions and to provide financial and other support to such institutions. NHB's three broad functions are Supervision of Housing Finance Companies (HFCs), Financing and Promotion

& Development. NHB provides finance to the housing sector through two windows namely Refinance and Project Finance. NHB's business includes refinancing individual housing loans of HFCs, SCBs, Regional Rural Banks and Small Finance Banks (SFBs) and financing public agencies and public private partnerships for their housing projects.

The Urban Infrastructure Development Fund (UIDF) was initiated in the Union Budget of FY 2023-24 utilizing the priority sector lending shortfall. As on 30.11.2025, an amount of ₹30,000 crore has been allocated under UIDF, managed by the National Housing Bank (NHB). The primary objective of UIDF is to complement the urban infrastructure development initiatives of State Governments/UTs in Tier 2 and Tier 3 cities by offering a reliable source of financing. NHB has established normative allocation guidelines for States/UTs and implemented an automated system for efficient scheme execution. As on 30.11.2025, the Bank has sanctioned ₹13842.54 crore and disbursed ₹1,868.37 crore under UIDF.

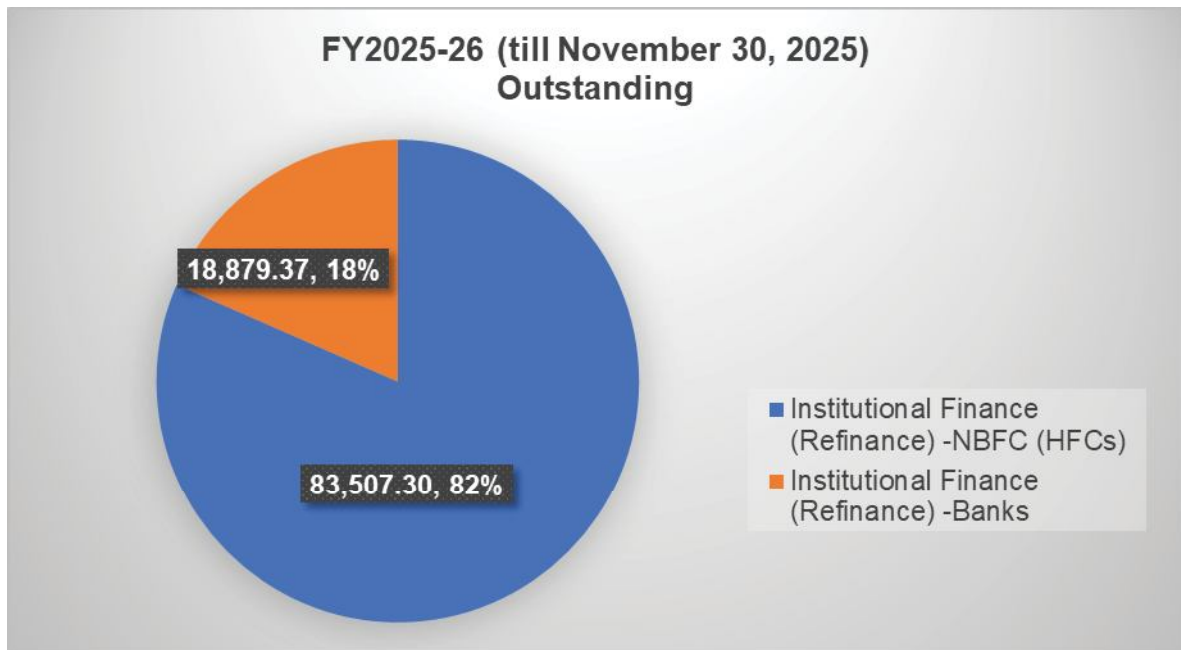
11.1.1 Refinancing

Till 30.11.2025, National Housing Bank has disbursed cumulative refinance of ₹ 4.33 lakh crore, out of which ₹ 59,368 crore has been disbursed under Affordable Housing Fund. The details of refinance activities undertaken by NHB during FY 2024-25 and FY2025-26 (till 30.11.2025) are as below:

(Rs. Crores)

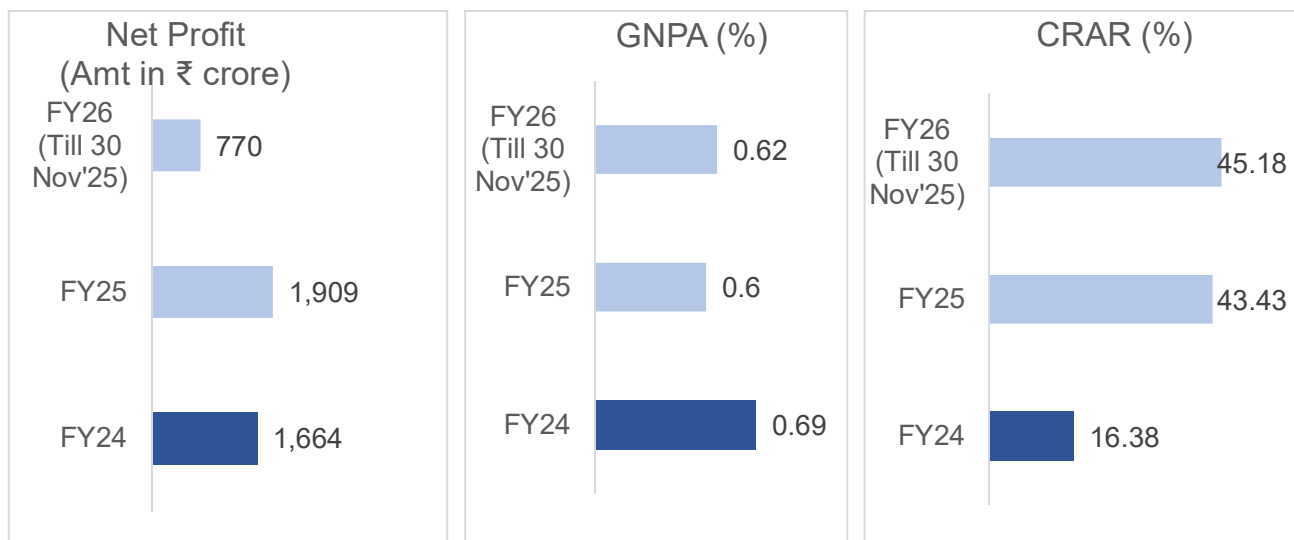
	FY2024-25 (01.07.2024 – 30.06.2025)			FY2025-26 (01.07.2024 – till 30.11.2025)		
Business Groups	Sanction	Disbursement	Outstanding as on 30.06.2025	Sanction	Disbursement*	Outstanding as on 30.11.2025
Institutional Finance (Refinance) -NBFC (HFCs)	28,168	27,266.40	86,440.55	23,618	9,387.85	83,507.30
Institutional Finance (Refinance) -Banks	8,366	5,042	21,472.89	4,250	509.00	18,879.37
Total	36,534	32,308.4	1,07,913.44	27,868	9,896.85	1,02,386.67

*figure includes disbursement from carried forwarded limit of last financial year.



11.1.2 Financial Highlights

- Bank posted a Net Profit of ₹ 770 crores for the period ended November 30, 2025 (July-November) with ROA of 1.59%, Return on NOF of 11.66% and Capital Adequacy Ratio (CRAR) of 45.18% as on 30.11.2025.
- Gross NPA ratio of the Bank stood at 0.62% as on 30.11.2025.
- Bank has disbursed a cumulative amount of ₹ 9,897/- crores till 30.11.2025 during the current financial year (July, 2025 – June, 2026).



11.2 Small Industries Development Bank of India (SIDBI) by way of

SIDBI, established under an Act of Parliament in 1990, is the Principal Financial Institution for promotion, financing and development of the Micro, Small and Medium Enterprises (MSMEs) and co-ordination of the functions of the various Institutions engaged in similar activities. SIDBI extends financial assistance to MSMEs

- a) Direct Finance through its branch network as also in partnership with other Institutions
- b) Indirect Finance/ Refinance through Banks (including SFBs), NBFCs, MFIs and other institutions by extending refinance/ resource support assistance against micro and small (MSE) loan portfolio of such institutions.

SIDBI is also engaged in various developmental and ecosystem building initiatives for the MSME sector in India, such as Cluster Level Interventions, Promotional & Development Initiatives, Government Scheme Management, Digital Innovations, Venture Capital Support, etc.

11.2.1 Financial Highlights

Overall portfolio is expected to grow as given below: (Amount in ₹ Crore)

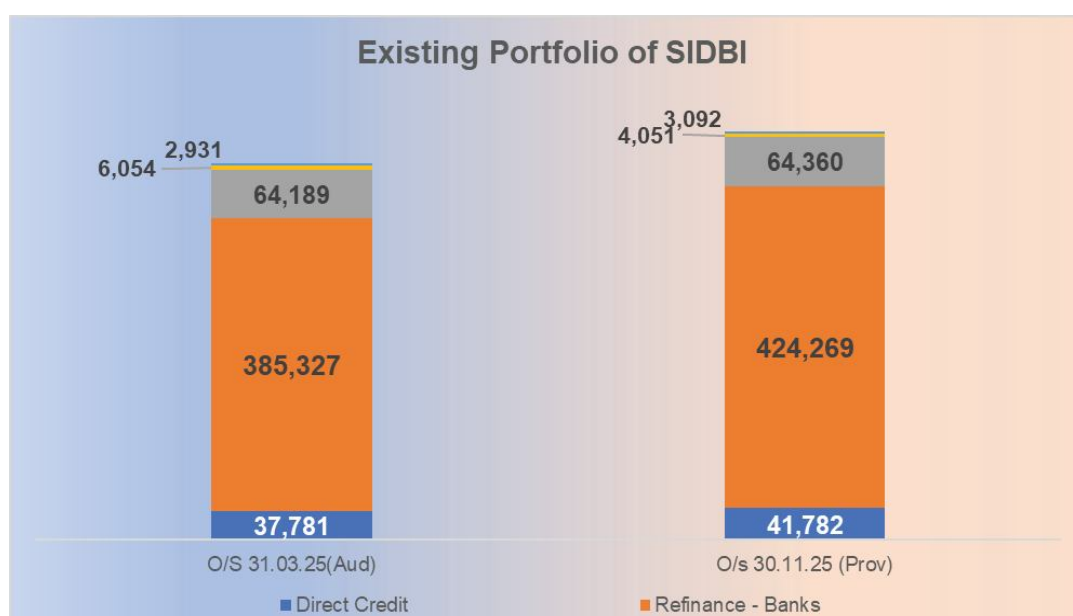
Business Groups (SIDBI)	O/S 31.03.25 (Audited)	O/s 30.11.25 (Provision)
Total	4,96,282	5,37,554

The Profit after Tax for FY 2024-25 and Gross NPAs as on March 31, 2025 of SIDBI stood at ₹4,811 crore and 0.04%, respectively.

11.2.2 Initiatives

The Bank has launched new products targeting MSMEs' evolving needs, including cashflow-based support for defence-related businesses, incentives for purchasing DG sets, modernization assistance for hospitality enterprises, and investment aid for agro-based industries.

SIDBI has also initiated a Development of Industry Associations (DIA) programme in industrial clusters across India. SIDBI continues to leverage technology to boost financial inclusion for MSMEs, focusing on improving credit access through digital initiatives.



The Profit after Tax for FY 2024-25 and Gross NPAs as on March 31, 2025 of SIDBI stood at Rs.4,811 crore and 0.04%, respectively.

11.3 Export - Import Bank of India (Exim Bank)

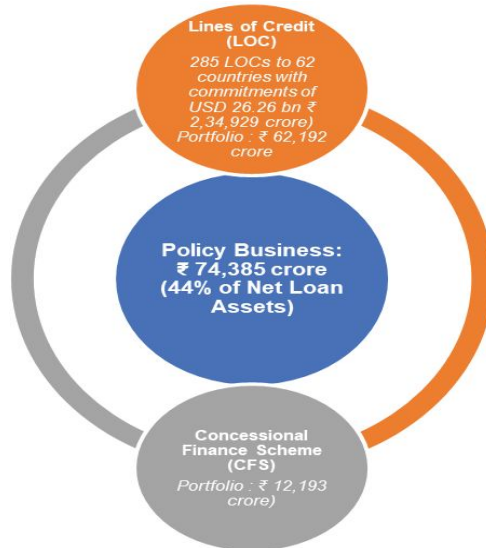
Exim Bank was established in 1982 for financing, facilitating and promoting India's international trade and investment, for functioning as the principal financial institution for coordinating the working of institutions engaged in financing export and import of goods and services with a view to promoting the country's international trade, and to function as a key policy-input provider to the Government of India (GoI).

Exim Bank offers a comprehensive range of lending and service / advisory programmes, aimed at aiding the globalisation efforts of Indian companies. Exim Bank especially distinguishes itself in the areas of Project Exports, Lines of Credit (LOCs) and Overseas Investment Finance (OIF) and Ubharte Sitaare Programme (USP),

which benefit a gamut of externally oriented Indian companies, including MSMEs. The Bank's Trade Assistance Programme (TAP) is also working towards addressing the trade finance gap to businesses, especially MSMEs, by providing an effective bridge between local banks in partner countries and banks in India.

India Exim Finserve IFSC Pvt. Ltd. is a subsidiary of Exim Bank set up in GIFT City. As on November 30th, 2025 the Exim Finserve has supported transactions with aggregate value of USD 31.10 mn (equ. ₹ 275 crore) covering 1,726 transactions (invoices) for exports to North America, Europe, Middle East and Southeast Asia and Australia supporting MSME exporters, based in Uttar Pradesh, Tamil Nadu, Goa, Maharashtra, Gujrat, Punjab and Delhi etc

A. Policy Business of the Bank (As on Nov,2025)



B. Commercial Business: (As on Nov,2025)



11.4 India Infrastructure Finance Company Limited (IIFCL)

IIFCL is a wholly-owned Government of India company set up in 2006 to provide long-term financial assistance to viable infrastructure projects. IIFCL has been registered with the Reserve Bank of India as a Non-Banking Finance Company – Infrastructure Finance Company (NBFC-ND-IFC) since September 2013. It is amongst the most diversified public sector infrastructure lenders in terms of eligible infrastructure sub-sectors and product offerings. IIFCL is also active in providing inputs and policy support in infrastructure financing space to the Government through various forums, with an aim to promote and develop world-class infrastructure in India.

IIFCL has set up three wholly-owned subsidiaries as under:

- IIFC(UK)
- IIFCL Projects Limited (IPL)
- IIFCL Asset Management Company Limited (IAMCL)

The organization gives overriding priority to Public-Private-Partnership (PPP) projects. IIFCL provides long term financing to viable infrastructure projects through a product mix of Direct Lending (SIFTI), Takeout Finance, Refinance and Credit Enhancement. Taking its developmental role further, IIFCL has in FY 2021-22 ventured into investment in Infrastructure Project Bonds and lending to Infrastructure Investment Trusts (InvITs).

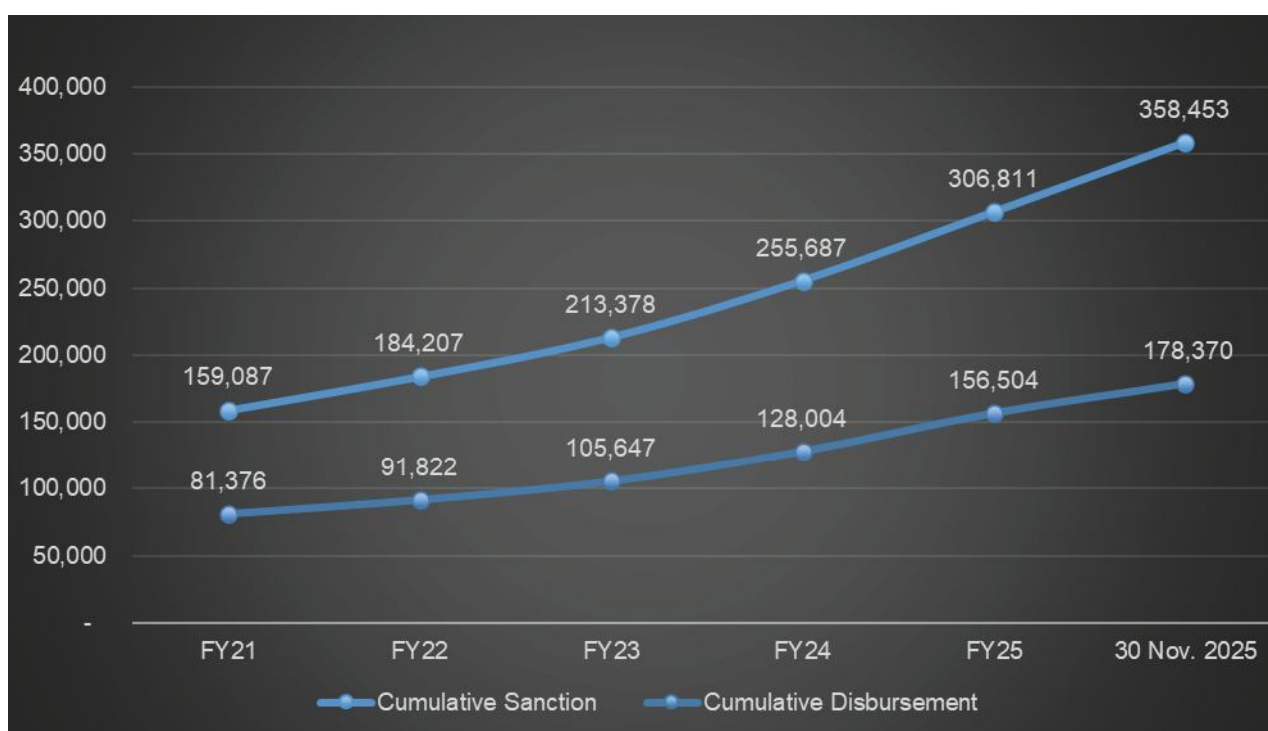


Fig.1 Sanctions and Disbursements as on 30.11.2025

On a standalone basis, as of 30th November, 2025, IIFCL has made cumulative gross sanctions of ₹ 3,58,453 crore to around 880 projects under Direct Lending, Takeout Finance, Refinance Schemes, InvITs, and investment in Bonds. This includes cumulative gross sanctions of ₹ 1,41,746 crores under direct lending. The company has made cumulative disbursements of ₹ 1,78,370 crores till 30th November, 2025. Since inception, 60% of IIFCL's business has been done during the period from FY 2021 to Q2 FY 2026

IIFCL recorded an all-time high Profit after Tax (PAT) of ₹2,165 crores in FY 2024-25 and a PAT of ₹719 crores as on Q2 FY 2025-26. Further, IIFCL is targeting 20% of its disbursements in FY 2026 towards

green and sustainable financing, specifically within the renewable energy sector. In August 2024, IIFCL introduced a comprehensive Sustainable and ESG Financing Framework to facilitate the issuance of green bonds, along with a Green Finance Framework for their appropriate deployment.

11.5 National Bank for Financing Infrastructure and Development

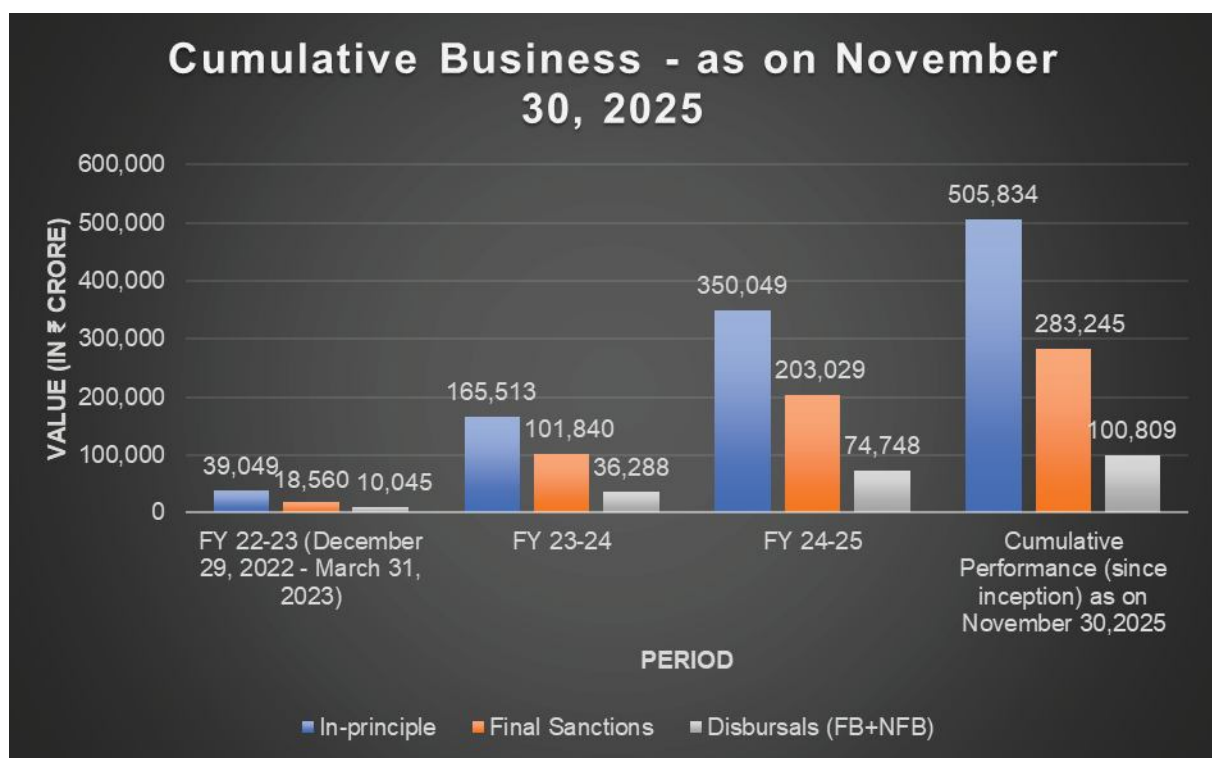
National Bank for Financing Infrastructure and Development (the 'Institution') has been set up as an infrastructure focused Development Financial Institution (DFI) under the National Bank for Financing Infrastructure and Development Act 2021, on March 28, 2021 to support

the development of long-term non-recourse infrastructure financing in India including the development of the bonds and derivatives markets necessary for infrastructure financing. The Institution was granted All India Financial Institution (AIFI) status by the RBI on March 8, 2022.

The Institution commenced its business operations on December 29, 2022, with its first loan disbursement. The Institution reported Net Profit After Taxes of ₹ 1,602 crore for FY 2024, ₹ 2,191 crore for FY 2025 and ₹ 1,486 crore, for the first six months of FY 2026 respectively. The Institution received Highest AAA (stable) domestic rating from ICRA, CRISIL, CARE and India Ratings. In FY 2024-2025, the Institution raised ₹ 16,851 crore (of which ₹ 3,911 crore had tenor of 20 years) and during the half year ended September

2025, the Institution has successfully raised ₹ 7,809 crore through bonds.

As of November 30, 2025, the Institution has accorded cumulative sanctions (since December 2022) of ~₹ 2,83,245 crore and cumulative disbursement of ~₹ 1,00,809 crore across sectors such as Roads, Renewables, Transmission and Distribution, Data centres, Hospitals, Education, and Social Commercial Sectors amongst others. Two-thirds of the sanctions are spread across long-term tenors ranging between 15-30 years. The Institution projects to accord cumulative sanctions of ~ ₹ 3,23,000 crore and cumulative disbursements of ~ ₹ 1,45,000 crore by end of FY 2025-2026.



Major achievement towards Developmental Mandate:

- i. The Institution launched the Partial Credit Enhancement (PCE) product on September 18, 2025. The aim is to catalyse the participation of insurance and pension funds in infrastructure financing and expand the investor base. Backstop guarantee facility from Multilateral Development Banks for risk sharing on PCE facility is under progress.
- ii. The Institution is offering Transaction Advisory Services (TAS) with focus on Public-Private Partnerships (PPP) projects facilitating creation of bankable project pipeline. The Institution has

been appointed as transaction advisor by Andhra Pradesh Capital Region Development Authority (APCRDA) on November 12, 2025, for providing advisory services related to urban infrastructure projects to undertake the development of Amravati City. The Institution also signed an MoU with Jammu & Kashmir Lake Conservation Authority (J&K LCMA) for providing advisory services for development of tourism projects near Dal Lake on Oct 24, 2025 and work has commenced.

- iii. A program based lending product for Urban Local Bodies (ULBs)/ Municipal Corporations

was launched by Institution in December 2024 for debt financing of Waste Management projects including Waste to Power, Waste to Biogas & Waste-water treatment. The contours of this product were presented to various participants, including Municipal corporations/ ULBs in the event scheduled on February 06, 2025.

- iv. The Institution is taking steps towards crowding in of investments through partnerships with various Multilateral Development Banks. The Institution is developing a Partial Debt Guarantee offering in collaboration with Asian infrastructure Investment Bank (AIIB) for loans that qualify under climate financing.
- v. Blended / Concessional Finance structures and engagement with the World Bank Group for development of Partial Credit Enhancement (PCE) product; MoU with International Finance Centre (IFC) for Co-Lending activities, Lol with Asian Development Bank for collaboration aimed at promoting climate resilience and supporting the improvement of urban and rural infrastructure.

11.6 The Industrial Finance Corporation of India (IFCI)

IFCI Limited (IFCI) was set up as a Statutory Corporation ("The Industrial Finance Corporation of India" now named as "IFCI Limited") in 1948, as independent India's first Development Financial Institution, for providing medium- and long-term finance to industry. In 1993, after repeal of the IFCI Act, IFCI became a Public Limited Company, registered under the Companies Act, 1956. IFCI is also registered as a Systemically Important, Non-Deposit Taking, Non-Banking Financial Company (NBFC-ND-SI) and is classified as NBFC-Middle Layer (NBFC-ML) as per Scale Based Regulatory (SBR) Framework with Reserve Bank of India (RBI). It is also notified as a Public Financial Institution (PFI) under Section 2(72) of the Companies Act, 2013. IFCI became a Government Company in April 2015 and as on date (30-11-2025), the shareholding of GoI stands at 72.57% of paid-up capital of IFCI. IFCI is a public limited company listed on BSE and NSE and has six number of subsidiaries, and one associate under its fold.

11.7 IFCI Limited also provides Government Advisory services and Corporate Advisory services. In Government

Advisory, IFCI is appointed as a Project Management Agency (PMA) for various Production Linked Incentive (PLI) schemes launched under the aegis of "Atmanirbhar Bharat" by the Government of India. These schemes are aimed at boosting domestic manufacturing and to attract large investment in the identified sectors. IFCI is also the Verifying & Monitoring Agency for various capital subsidy schemes. Under Corporate Advisory, IFCI is offering financial advisory, ESG advisory and other Project advisory services to the Corporate & Government sectors. IFCI is also the Nodal Agency for monitoring loans of Sugar Development Fund (SDF) since 1984.

11.8 New Initiatives

- Mutual Credit Guarantee Scheme for MSMEs (MCGS-MSME)

The government has launched MCGS-MSME, a government-backed initiative designed to help Micro, Small, and Medium Enterprises (MSMEs) access loans to grow their businesses. This scheme offers a credit guarantee, making it easier for MSMEs to obtain loans, especially for purchasing essential equipment and machinery. The Scheme provides credit guarantee cover to lenders (Scheduled Commercial Banks, All India Financial Institutions, NBFCs) for their term loans up to ₹100 crore to MSMEs for their projects involving purchase of equipment/machinery.

- New Credit assessment model

A New Credit assessment model has been launched for Micro, Small & Medium Enterprises. This credit assessment model leverages the digitally fetched and verifiable data available in the ecosystem and devise automated journeys for MSME Loan appraisal using objective decisioning for all loan applications and model-based limit assessment for both MSME borrowers. All the Public Sector Banks (PSBs) have the model live for MSME customers.

Among PSBs, State Bank of India has created IT enabled online Platform for Loan application by MSME units for their need-based credit requirements from Banks. Key Instruments/features and its impact (Customer satisfaction in various aspects) are as under:

Case Study: State Bank of India

State Bank of India was one the first public sector bank to create an end to end IT enabled online platform for loan application by MSME units for their need-based credit requirements.

Key Instruments/Features

- Instant in-principle sanction for MSME loans based on Digital footprints of the customer (GST, ITR, Bank A/c Statement, CIC reports etc.).
- Application sourcing is an end-to-end journey through Jan Samarth Portal for Mudra loans up to ₹ 10 Lacs and CLP Portal for loans above ₹10 lacs to ₹5 crores.
- Most of the due diligence shall be carried out digitally through various APIs.
- Average time taken for loan processing is 45-50 minutes for MSME loans up to ₹ 50 lacs.
- Minimal submission of physical papers/documents post clearance by BRE.
- It is an end-to-end journey with objective assessment of the request of the MSME clients on GO/NOGO model.

Impacts

- Need not visit branches for applying the loan. MSME promoters have the flexibility to apply for loan from anywhere on 24/365 basis.
- Uploading of the required documents is enabled and no necessity to submit hard copies for a sanction.
- Immediately on completion of loan application, the decision shall be conveyed to the applicant online, thereby improving the turnaround time.

- **Credit Guarantee Scheme for Exporters (CGSE)**

- Credit Guarantee Scheme for Exporters (CGSE) was made operational on 01.12.2025 to enable banks and financial institutions (Member Lending Institutions – MLIs) to extend additional financial assistance to Indian exporters during a period when they are facing certain headwinds and have to take measures to diversify their markets and enhance their global competitiveness.
- The objective of this proactive intervention is to incentivise MLIs to enhance credit flow and ensure timely liquidity to exporter-borrowers — particularly MSMEs — thereby strengthening their global competitiveness, facilitating the exploration of new markets, stabilisation of supply chains, supporting expansion of export activities, and promoting sustainable growth in international trade.

- **Features of the Scheme**

- Credit Support: Up to ₹20,000 crore in additional collateral-free working capital to eligible exporters
- Guarantee Coverage: 100% coverage through NCGTC to Member Lending Institutions
- Eligibility: Direct and indirect exporters, including MSME and non-MSME units

- Quantum: Up to 20% of sanctioned working-capital limits
- Tenor: 4 years, including 1-year moratorium
- Guarantee Fee: Nil
- Validity: Till 31 March 2026 or until ₹20,000 crore of guarantees are issued.

11.9 GST Sahay Project-

SIDBI, in association with Online PSB Loans Ltd (OPL) and iSPIRT, has developed a reference GST Sahay App using the Open Credit Enhancement Network (OCEN) and Account Aggregator (AA) frameworks for providing 'on tap' invoice-based financing (cash flow based) for small value credit to micro enterprises. The app journey is paperless and covers the entire credit life cycle from origination to repayment. It uses trade information from Goods and Services Tax Network (GSTN), Bank information through AA, Credit bureau status, etc., and also other components of India Stack like e-sign and e-stamping, e-NACH mandate, etc. to achieve paperless process. After RBI approval for adoption of GST Sahay app by Regulated Entities, SIDBI launched this App on 12.3.2024 for providing working capital to Jan Aushadhi Kendra and related stakeholders.

12. Special Court and Office of Custodian**12.1.1 Special Court**

The Special Court (Trial of Offences Relating to Transactions in Securities) Act, 1992 came into force

on 6.6.1992. The legislature sought to set up a Special Court through this Act for (a) speedy trial of offences, (b) immediate attachment and freezing of all assets of parties suspected to be involved in the scam and (c) a reasonable and equitable distribution of the property.

The Special Court, at present, has one Judge who is sitting High Court Judge on its strength. To support their day-to-day functioning, the office of the Special Court functions with a staff of 26 officials at various levels.

12.1.2 Office of the Custodian

To assist the Custodian in discharging the duties under the Special Court (TORTS) Act, 1992, at present there are two offices one at New Delhi and the other at Mumbai. The present sanctioned strength of the Office of the Custodian is 19 (including the post of Custodian). The charge of Custodian is presently held by a Joint Secretary level Officer of the Department of Financial Services in addition to his substantive charge in the Department of Financial Services.

Since inception, a total of 13,636 cases have been filed in the Special Court and 552 cases in Supreme Court of which 13,567 cases in Special Court and 490 cases in Supreme Court have been disposed of, leaving a balance of 69 cases in Special Court and 62 cases in Supreme Court to be disposed as on 30th November, 2025. As on 30th November, 2025, the total outstanding liabilities of notified parties assessed at ₹ 40,905.15 crores as against recoverable assets valued at ₹ 6,342.5 crores. Till 30th November, 2025, ₹ 13,539.33 crores (approximately) has been recovered by the Custodian and out of these assets ₹ 7,196.83 crores have been distributed to the Income Tax Department, Banks and others as per the orders of the Special Court.

13. Disposal of Public Grievances

Timely redressal of public grievances relating to banking and insurance sectors is an important tool towards upgrading the quality of customer service in this very crucial segment of financial sector. Department of Administrative Reforms and Public Grievances (DARPG) has established Centralised Public Grievance Redressal and Monitoring System (CPGRAMS), an online web-based system to resolve public grievances.

DARPG vide its Office Memorandum dated 23.08.2024 had reduced the timeline of redressal of grievances from 30 days to 21 days and the timelines for redressal of appeals remains unchanged to 30 days.

In the Department of Financial Services, a significant number of grievances/complaints, received directly from citizens, both online and by post, are related to Banking and Insurance Sectors. The postal grievances are also digitized and processed through CPGRAMS for its onward transmission to the designated

Nodal Officers i.e. Deputy General Manager/General Manager (DGM/GM) of Public Sector Banks/Public Sector Insurance Companies (PSBs/PSICs) concerned for their redressal within the maximum time limit of 21 days. These directions are to be followed by all organisations within the administrative purview of this Department. Action taken reports are uploaded on the system and a scanned copy of the reply is provided to the complainants on CPGRAMS and same can be viewed by them online. In addition, a dedicated Grievance Handling Cell has been set up in the Department, which is accessible at the Telephone No. 23346785 and email address sobo3-dfs@nic.in.

DARPG has introduced a comprehensive Grievance Redressal Assessment and Index (GRAI) from May 2023 onwards. The objective of GRAI is to assist the Ministries/Departments to review, analyse and streamline their grievance redressal mechanism with identification of strengths and areas of improvement. GRAI has been formulated based on 4 dimensions and 11 indicators with the corresponding weightages. For the month of November 2025, this department achieved by far the best ranking as mentioned below: -

Sector	Ranking by DARPG based on GRAI			
	April 2025	September 2025	October 2025	November 2025
Banking	24	13	11	7
Insurance	30	11	9	6

Secretary (FS) has been personally reviewing twenty (20) grievances selected on random basis every month, wherein, the citizens are given an opportunity to raise their concerns against BFSI sector in the presence of Chairman/ MD& CEOs/Senior managements of Organisations concerned. Such an exercise had a salutary impact and helped in building greater customer trust in the financial services sector. Till date, sixteen (16) such meetings have been held and three hundred and twenty (320) grievances have been analysed to ensure the quality of the resolution. Similar meetings are also held by Joint Secretaries of the department. Drawing from the experience, Chairman/MD&CEO of financial institutions are also conducting similar exercise at their level for their Organizations. Objective is to assess the efficacy of grievance resolution through a 'dip-stick survey' at top most level in the Department.

First round of Centralised Public Grievance Redress and Monitoring System (CPGRAM) workshops on effective grievance redressal mechanism with all the Public Sector Banks were successfully completed for the year 2025. Workshop with Regulators i.e.; PFRDA was held on 04.08.2025, RBI on 13.10.2025 and IRDAI on 19.12.2025 which were attended by Grievance Redressal Officers, Senior Management and Ombudsmen across the Country. Such an exercise helped the Organizations

to effectively tackle root cause of grievances thereby reducing & ensuring its qualitative resolution.



Glimpses of workshop at IRDAI & PFRDA



Glimpses of workshop at RBI



Glimpses of monthly review of Grievances

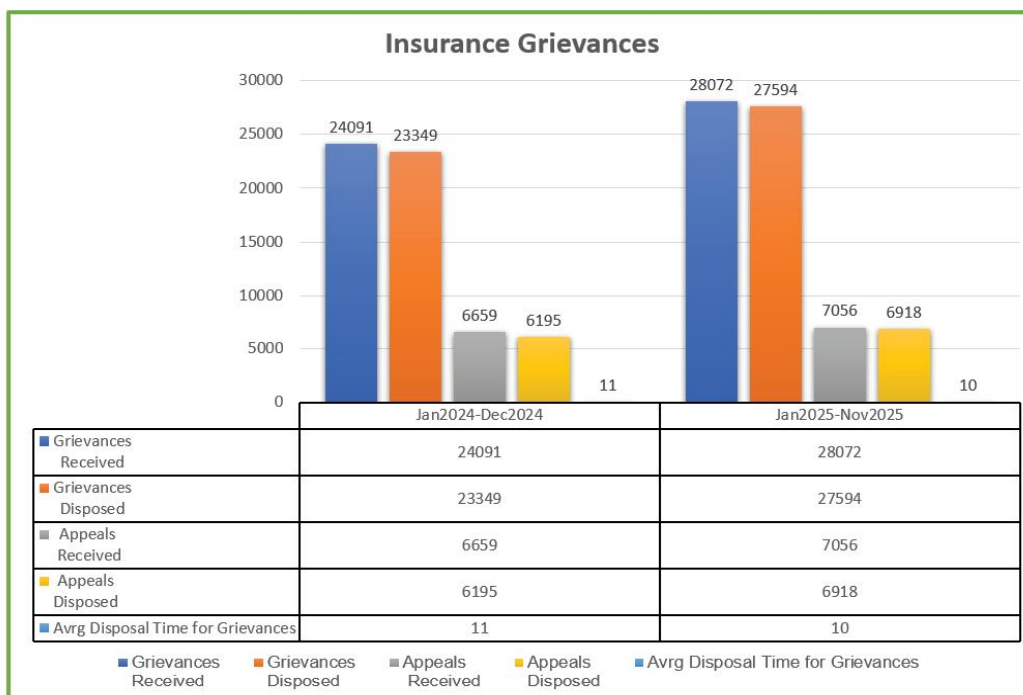
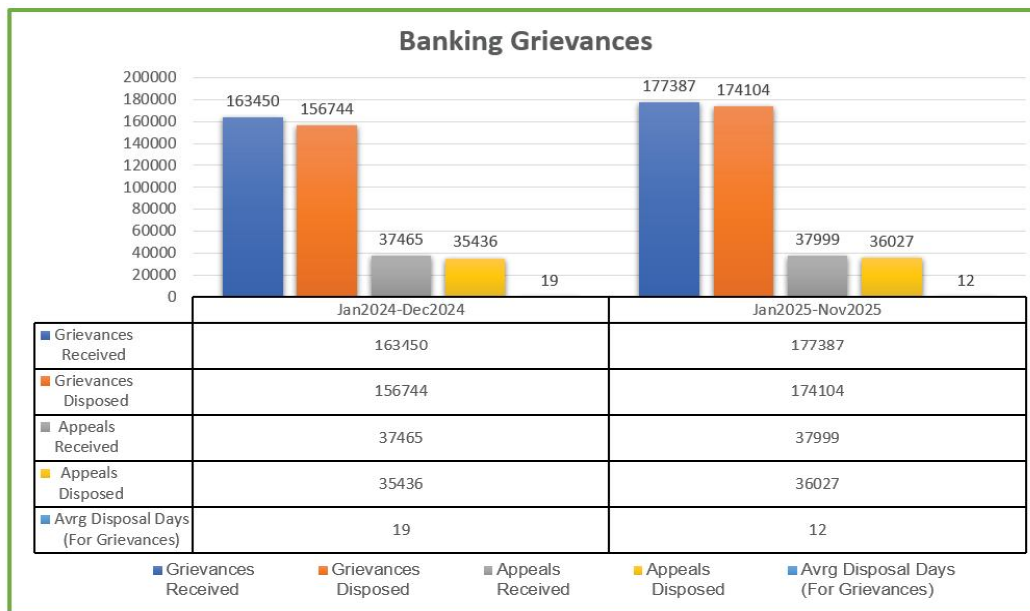
In order to improve the grievance redressal framework, this department initiated ranking of Public Sector Banks, Private Sector Banks and Public Sector Insurance Companies, based on quality and timely redressal of grievances from the month of June 2025, which significantly improved their performance. Ranking of Private Sector Insurers are also in the pipeline. This has strengthened the grievance redressal mechanism by increased focus on faster turnaround time (TAT) by banks and insurance companies, transparent communication between customer and the respective organizations and increase in customer service training in the Organizations. To ensure that branch staff of Public Sector Banks provide the highest levels of service to the customers and visitors, all the banks were advised to devise a mechanism to collect feedback on customer services through the help of technology (Voice chat, email, QR code etc.).

The Banks and Insurance Companies have their own grievance redressal mechanism in place and it is also hosted on their respective websites. The first level of grievance redressal is Branch Manager in Banks and

Insurance Companies followed by Zonal Managers and then General Manager (Customer Care) in Head Office. The grievances concerning some private sector banks and private sector insurance companies are resolved through Reserve Bank of India (RBI) and Insurance Regulatory and Development Authority of India (IRDAI) respectively. The PSBs have also established Ombudsman for settlement of grievances for their respective banks.

The Reserve Bank of India (RBI) has launched 'The Reserve Bank Integrated Ombudsman Scheme, 2021' on 12.11.2021. The Scheme integrates the existing three Ombudsman Scheme of RBI namely – (i) the Banking Ombudsman Scheme, 2006 (ii) the Ombudsman Scheme for Non-Banking Financial Companies, 2018 and (iii) the Ombudsman Scheme for Digital Transaction, 2019. In addition to integrating the three existing schemes, the integrated scheme also includes under its ambit Non-Scheduled Primary Co-operative Banks with a deposit size of ₹50.00 crore and above. The scheme adopts "One Nation One Ombudsman mechanism". In case of banking, there are 24 offices of RBI Ombudsmen and for insurance, there are 18 Insurance Ombudsmen.

The Bar Diagram showing receipt, disposal of grievances and appeals for the banking and insurance division from 01.01.2024 to 31.12.2024 and 01.01.2025 to 30.11.2025 is mentioned below: -



This department has also initiated 'Financial Institutions Interaction Program' from the month of December 2025, wherein meetings are held with selected organisations based on grievances received in CPGRAM Portal. As a first step, Non-Banking Financial Companies (NBFCs) are selected for this exercise. DFS remains committed to further improving the grievance redressal framework in the financial services sector.

14. Right to Information (RTI) Act, 2005

As per RTI Act, any citizen can seek information under RTI by making an appropriate application in writing

along with the prescribed fees to the Central Public Information Officer, Department of Financial Services, 3rd Floor, Jeevan Deep Building, Parliament Street, New Delhi-110091 and/or can also file an RTI under RTI Act, 2005, on Online Portal available at www.rtionline.gov.in

During FY 2025-26 (up to 30.11.2025), 6387 RTI Applications and 167 First Appeals were received on various matters related to Banking, Insurance and pension. All the applications and appeals were replied/ disposed of within the stipulated time as prescribed under the RTI Act, 2005.

Section 4 of the RTI Act casts an obligation on every public authority to make certain suo-moto disclosures on its website. DFS has also made such suo-moto disclosures on its website, regarding information on various functions, powers and duties etc.

15. VIGILANCE

Department of Financial Services (DFS) is the Administrative Department for Public Sector Banks (PSBs), Public Sector Insurance Companies (PSICs) and Financial Institutions (FIs). A Joint Secretary level officer has been designated as Chief Vigilance Officer of the Department. He is assisted by Deputy Secretary, Under Secretary and Section Officer in the discharge of his functions.

15.1 Performance

- The Vigilance Division of the Department monitors the progress on disposal of complaints received from various sources and pendency of disciplinary / vigilance cases regularly and holds meeting with CVOs in this Department at appropriate intervals.
- Instructions have been issued from time to time as and when any gap in the system is observed to strengthen the preventive vigilance in these organisations.
- Vigilance Section also held Secretary level meetings to review pending fraud cases, status of section 17A and 19 of Prevention of Corruption Act, 1988 cases with senior officers of CBI and CVOs of PSBs.
- CVC's Annual Sectoral Review Meeting for PSBs was held to review the status of large value fraud cases, complaints and sanctions for investigation and prosecution.

15.2 Vigilance Awareness Week

Vigilance Awareness Week was observed from 27.10.2025 to 02.11.2025. Essay and slogan writing competitions, both in Hindi and English were held to create awareness about vigilance rules in Department. Further, vigilance Section, DFS also oversaw the successful completion of Vigilance Awareness Week in subordinate organisations viz. Public Sector Banks/ Public Sector Insurance companies and Public Sector Financial Institutions.

16. Debt Recovery Tribunals (DRTs)/ Debt Recovery Appellate Tribunals (DRATs)

16.1 BAANKNET Portal:

In 2018, as part of the ongoing reforms, the Department of Financial Services, Ministry of Finance

proposed the development of a unified e-Auction platform to capture and display detailed information about properties mortgaged to banks and put up for auction by Banks/FIs etc. The objective of the Government was to focus on strengthening the recovery mechanisms for banks and financial institutions, and to ensure a time-bound resolution of stressed assets and improve transparency and boost the sale value realized through such auctions. Accordingly, a unified e-auction platform was launched in 2019 as e-Bkay, developed by Indian Bank, with MSTC Ltd., a PSU under the Ministry of Steel, designated to conduct e-auctions through the portal.

In view of evolving user requirements, advances in technology, and the need to further widen buyer participation, the platform has been comprehensively upgraded in line with contemporary industry standards. The revamped portal, now renamed BAANKNET, was formally launched on 3 January 2025 by the Secretary, Department of Financial Services. BAANKNET enables seamless listing and auction of mortgaged properties, significantly broadens the pool of potential buyers, and is expected to materially enhance recovery outcomes for banks and financial institutions.

Auctions are witnessing participation from increasing number of bidders indicating a notable improvement in competitive intensity. More functionalities are being added to the portal in order to further enhance the success rate of bids and improve overall auction outcomes.

16.2 e-DRT:

A flagship project of Department of Financial Services, e-DRT was implemented in line with the Government's initiative to usher in fast-paced reforms and Ease of Doing Business environment. The project implemented from 01.10.2018 sought to digitize the functioning of the 39 DRTs and 5 DRATs situated across the nation. This has successfully led to automation in the process flow resulting in transparency, convenience and easy access to documents along with cost efficiencies.

e-DRT is an ongoing project and various features have been added to it since its launch in 2018. E-filing module (screen design, workflow, user registration, online case filing), integration of Bharat Kosh payment system (enabling online court fee payment), SMS alert facility, MIS Module and also CIS Module which facilitates scrutiny of documents, hearing of cases, generation of forms, uploading of orders and judgments, public viewing of cause lists, case status etc are prominent features of the project, amongst other things.

To ensure ease of access, Helpdesk support and e-Sewa Kendras have been established in all DRTs/

DRATs. Moreover, hearing of cases through hybrid mode or online mode has been enabled in all DRTs/DRATs. This has enabled the users/litigants to attend the hearing of their cases remotely.

16.3 e- Filing Rules:

Vide Gazette Notification No.GSR.403 dated 23.6.2025, Debts Recovery Tribunals and Debts Recovery Appellate Tribunals Electronic Filing Rules, 2020, have been amended, removing the necessity of any physical filing subsequent to e- filing of any application in DRT/DRAT

16.4 CKYCRR:

Central KYC Records Registry (CKYCRR) is a Centralised Repository of KYC records of customers in the financial sector (across the Regulated Entities of all the Financial Sector Regulators viz RBI, SEBI, IRDAI & PFRDA) with uniform KYC norms and inter-usability of KYC records across the financial sector. It has resulted in efficient sharing of KYC records across the financial sector resulting into ease of doing business for regulated entities including banks and ease of living for citizens. The usage of the CKYCRR has increased substantially over time. As on 30.11.2025, approximately 8,529 Reporting Entities (REs) have been onboarded, with over 108 crore KYC records uploaded and corresponding KYC Identifiers generated. The number of downloads has reached 169 crores, indicating the growing reliance on CKYCRR for customer onboarding. The revamp process of CKYCRR has already begun, with several features been enabled such as the ability to search and download CKYC cards via the website, access to CKYC cards through missed calls, and integration with Digi Locker allowing customers to fetch their KYC cards. Additionally, CKYCRR now provides REs with data on the number of times a KYC record has been updated or downloaded in the past five years.

16.5 Aadhar authentication by CERSAI:

A notification has been issued 6.11.2025 by DFS under Aadhar Authentication for Good Governance (Social, Welfare, Innovation, Knowledge), Rules, 2020 authorizing CERSAI to carry out Aadhar Authentication services on a voluntary basis for the purpose of authenticating demographic details of Aadhar Number Holder received from the entities regulated by RBI, SEBI, IRDAI, IFSCA and PFRDA under the Prevention of Money Laundering Act, 2002 using Yes/No authentication facility. This step furthers the ease of living for citizens and ease of doing business for entities.

16.6 Trainings conducted:

- **Mediation Training:** Department of Financial Services, Ministry of Finance, in collaboration with Mediation and Conciliation Project Committee, Supreme Court of India has organized a 40 hours Mediation Training Programme for the Presiding Officers of Debts Recovery Tribunal at Additional Building Complex, Supreme Court of India from 24th September, 2025 to 28th September, 2025.

During this Training Programme various topics including concept of Mediation, comparison between Judicial Process and various ADR processes, the process, stages and role of Mediators, ways of communication in Mediation as well as Negotiation and Bargaining in Mediation were covered. The Training Programme also covered the role of various stakeholders viz referral judges, lawyers and parties in Mediation with special focus on the cases tried and entertained by the Presiding Officers of DRTs under the Recovery of Debts and Bankruptcy (RDB) Act, and the SARFAESI Act, 2002.

- **Seminar for POs of DRTs:** A Residential National Seminar was organized at National Judicial Academy (NJA), Bhopal for Presiding Officers of Debts Recovery Tribunals (DRTs) on 1st and 2nd December, 2025.

During this Seminar, various topics including Genesis & Overview of Recovery of Debts and Bankruptcy Act, 1993 (RDB), Jurisdictional Character of RDB, Proceedings before DRT Role, Case Management: Ways for Improving Efficiency & Efficacy of DRT, Role of Adjudicating Officer, Online Adjudication, Art, Craft & Science of Drafting Judgments/Orders, Role and Responsibilities of DRT post SARFAESI Act, and Procedural Issues and Challenges faced by Debt Recovery Tribunals were discussed.

17. Cyber Security and Fintech

a. Identification of Critical Information Infrastructure in financial sector

Critical Information Infrastructure (CII) has been defined in the Information Technology Act, 2000 as the computer resource, the incapacitation or destruction of which shall have debilitating impact on national security, economy, public health or safety. With a view to identifying CII in the financial services sector, this Department plays

a pivotal role in coordinating with Regulators (Reserve Bank of India, Insurance Regulatory and Development Authority of India & Pension Fund Regulatory and Development Authority) and NCIIPC for identifying and notification of critical infrastructure of regulators as also its regulated entities. To streamline the process of identification of CII within financial services sector and to build a clear roadmap and pipeline for identification of CIIs in banking, insurance and pension sector, a Standard Operating Procedure (SOP) has been put in place, in consultation with NCIIPC. As of date, certain systems/ products/ services in respect of 33 organisations/ banks/ regulator as Critical Information Infrastructure (CII) were notified as protected systems, of which 10 organizations were notified during the year 2025.

b. Cyber Crisis Management Plan

The purpose of Cyber Crisis Management Plan (CCMP) is to establish the strategic framework and actions to prepare for, respond to and begin to coordinate recovery from a cyber incident. CCMP has been put in place in this Department in October, 2020 and is updated periodically.

c. Cyber Crisis Management Plan

National Cyber Security Awareness Month (NCSAM) was observed during the month of October, 2025. All the Regulators and organisations under DFS were requested to celebrate NCSAM by conducting various awareness activities on cybersecurity. Further the following activities were held at DFS.

- Standees were placed in the office premises of DFS on cyber security awareness
- All officers of this Department were requested to undergo the course related to Cyber Security on the iGOT Karmayogi platform during this month
- Photo booth is placed on the ground floor of DFS near the fountain and all staff members were requested to take photos in the booth and post the same on social media (X, Facebook, Instagram etc.) with the hashtag #CyberJagrukNagrik.
- Cybersecurity Awareness session was conducted at DFS in association with NIC during this month in which over 60 DFS officials participated

- All staff were requested to attend online Cyber Awareness quiz by NCIIPC.
- A phishing exercise was carried out to evaluate the effectiveness of cyber awareness among staff members.
- Initiated the Cyber Awareness Campaign in hotspots (with Mastercard & Cyber Peace Foundation), 8—10 workshops planned till 31.12.2025 including Cyber Awareness Program for Women Entrepreneurs. Released Cyber Security Awareness Comic Toolkit at DFS.

- d. **The PSB Hackathon Series** is an initiative led by the Department of Financial Services (DFS) in collaboration with the Indian Banks' Association (IBA) and all 12 Public Sector Banks (PSBs), designed to source, mentor, and operationalize innovative solutions addressing priority challenges in inclusion, security, and resilience across the banking sector.

The program consolidated 94 PSB-originated problem statements into 15 high-impact challenges and mobilized approximately 2,438 student teams (circa 10,000 participants) nationwide, reflecting depth of interest and sectoral relevance across academia and industry. A two-phase design of the hackathon combined virtual/physical idea screening with on-ground training, prototyping, and juried presentations; a standardized prize structure (₹5 lakh, ₹3 lakh, ₹2 lakh; ₹1 lakh consolation) reinforced performance and quality benchmarks across cohorts.

Further, 12 teams were shortlisted across all the PSBs, which pitched their solutions to VCs/ angel investors at Global Fintech Fest-2025 for investments. Out of total 12 selected teams, five teams were from the FinTech category focusing on the financial inclusion and accessibility, with solutions that have potential to significantly benefit vulnerable groups, including senior citizens and the differently-abled. Remaining seven teams were from the Cybersecurity category, proposed a solution for developing crucial defences against the evolving digital threat landscape

e. Fintech

The Department has been proactively engaging with stakeholders across the fintech ecosystem to foster innovation, collaboration, and sustainable

growth in the sector. Through regular interactions, workshops, and lecture series, it has created a platform for open dialogue with fintech startups, financial institutions, regulators, and law enforcement agencies (LEAs). These engagements have facilitated the exchange of ideas, addressed industry challenges, and promoted awareness of emerging trends and regulatory frameworks. By building strong partnerships with ecosystem participants, the Department has reinforced its commitment to driving financial inclusion, enhancing digital infrastructure, and ensuring that India remains at the forefront of global fintech innovation.

The department supported the sixth edition of Global Fintech Fest, which was attended by Hon'ble Prime Minister and Hon'ble Prime Minister of United Kingdom. The department also continuously collaborates with fintech partners to deliberate on the issues and suggestions which would be useful in creating a robust Fintech ecosystem. In this direction, the government has set up an Inter-Ministerial-Industry Committee on fintech (IMICF) to look into entire gamut of issues that affect growth of fintech sector and suggest long term strategy for its development. The panel will analyse the growth of fintech sector and its contribution to BFSI sector; understand the issues and challenges of the fintech sector; take stock of the regulatory and policy developments in the fintech sector and formulate a fintech vision document. Three meeting of the committee has already been held in this regard dated 11.04.2025, 12.06.2025 and 19.07.2025.

The Section also engages in a range of bilateral Fintech matters between India and several countries, including Singapore, the United Kingdom, Canada and the USA. The section also represents the department in Inter-Ministerial AI Coordination Committee (IMACC), and has coordinated with MeitY in the project "Design and Development of Unified Blockchain Framework for offering National Blockchain Services and creation of a Blockchain Ecosystem".

18. Coordination

Department of Financial Services (DFS) successfully completed the one month long Special Campaign 5.0 and focused on various activities to

minimize pendency and to institutionalise Swachhata. DFS launched the Special Campaign 5.0 from 2nd - 31st October 2025 with special impetus on better space management, customer centric initiatives, making the environment clean and green, record management and disposal of scrap. Public Sector Banks, Public Sector Insurance Companies and other Public Sector Financial Institutions like NABARD, SIDBI, EXIM Bank, NHB, IIFCL etc. actively participated in the Special Campaign 5.0.

The Department achieved 100% disposal of all identified Public Grievances, Public Appeals and MP References. 2.03 lakh square feet of space have been freed and revenue of ₹ 3.20cr. has been earned through scrap disposal. The Campaign was conducted in more than 41000 sites across the country.

12 Public Sector Banks and 28 Regional Rural Banks organised Pension Grievances Weeks. In the camps, apart from the grievances registered & redressed, pensioners were also educated regarding submission of online life certificate and door step banking facilities.

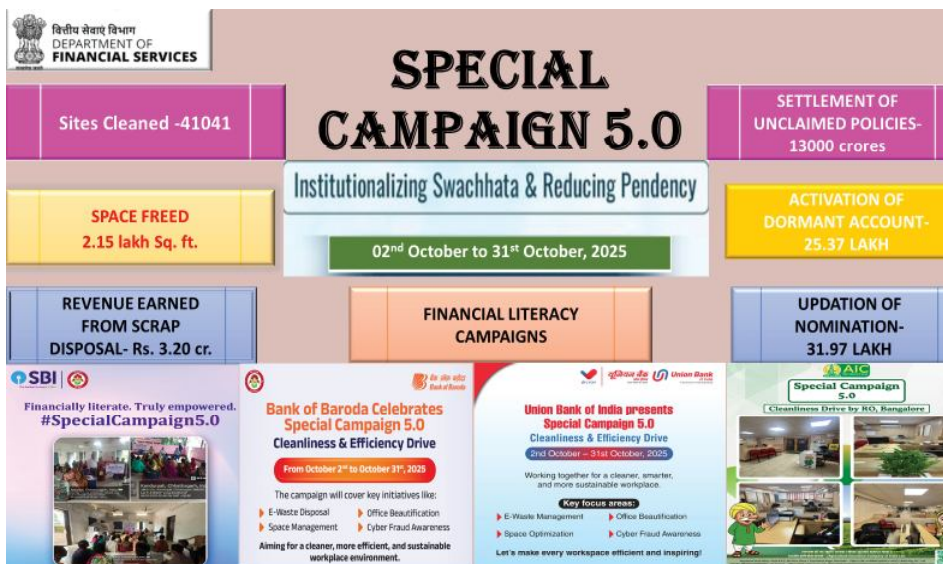
Various videos and static contents were posted on Social media platforms by PSBs and RRBs to spread awareness towards Cyber Security. Safety tips and practices were shared through these educational posts to combat against cyber related frauds. A book on cyber-security was published by State Bank of India.

Highlights & achievements of the Department and organisations:

1. Cleanliness Campaigns/Sites/Offices Cleaned: 41041
2. Space Freed: 2,15,965 sq. ft.
3. Revenue Earned from Scrap Disposal: ₹ 3,20,58,911
4. Disposal of Public Grievances: 6,207
5. Disposal of Public Grievances Appeals: 2,139

The organisations of DFS, being in the financial services sector, undertook the activities like Financial Literacy campaigns, Registration/Updation of Nomination in bank accounts, Activating Dormant Accounts, Renewal of Locker Agreements, Disposal of Pending Claims etc.

All the activities undertaken by organisations were regularly posted on various social media platforms. More than 500 posts were made during the campaign. Customers of organisations, staff members, senior management & head of organisations shared the views about the good work done during the campaign on various social media platforms.



19. Representation from SCs, STs, OBCs and PWDs in Financial Sector Institutions

Department of Personnel & Training (DoP&T) in the Ministry of Personnel, Public Grievances and Pension, is the Nodal Department for implementation of the reservation policy for Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs), Economically Weaker Divisions (EWSs), and Persons with Disabilities (PwDs) (Divyangjan) in the Government of India. Instructions regarding reservation in recruitment and promotion are issued by DoP&T from time to time. Department of Financial Services (DFS) circulates these instructions to the Public Sector Banks (PSBs), Public Sector Financial Institutions (PSFIs), Public Sector Insurance Companies (PSICs), Reserve Bank of India (RBI), Insurance Regulatory and Development Authority of India (IRDAI) & Pension Fund Regulatory and Development Authority (PFRDA) etc. for implementation. Similarly, instructions issued by the other Nodal Ministries/ Departments for the welfare of aforesaid category employees, are also circulated to all PSBs, PSFIs, PSICs, RBI, IRDAI and PFRDA etc. for implementation.

The details of representation of SCs/STs/OBCs/EWSs/PwDs in PSBs, PSFIs, PSICs, RBI, IRDAI and PFRDA is at Annexure (I to IV) respectively

Details of representations from SCs/ STs/ OBCs/ EWSs and Persons with Disabilities (PWDs) in Public Sector Banks / Financial Institutions and Insurance Companies is at **Annexure III, IV, V & VI** respectively.

20. Official Language

The Official Language Division monitors the progressive use of Hindi and implements the Official Language Policy formulated by the Department of

Official Language in the official work of the Department. Necessary steps have been taken to achieve the targets set in the Annual Programme for 2025-26.

➤ Meeting of the Hindi Advisory Committee

A meeting of the Joint Hindi Advisory Committee of the Department of Economic Affairs, Department of Financial Services, and Department of Public Enterprises, Ministry of Finance, was held on December 10, 2025, under the chairmanship of Shri Pankaj Chaudhary, Hon'ble Minister of State for Finance, to review the progressive use of Hindi in the official work of the Department and various organizations under its administrative control.

➤ Parliamentary Official Language Committee

During the year 2025-26, the Hon'ble Parliamentary Official Language Committee inspected public sector banks/insurance companies/financial institutions under the administrative control of the Department of Financial Services, the Reserve Bank of India, the Insurance Regulatory and Development Authority of India, and the Pension Fund Regulatory and Development Authority. These were attended by the Joint Secretary/Deputy Director General (In-charge of Official Language) and the Deputy Director (Official Language). The instructions received during these meetings were communicated to the concerned organizations for implementation.

➤ Hindi Fortnight

Hindi Fortnight was organized in the Department of Financial Services from September 14 to 30, 2025. Five competitions were organized during this fortnight: Hindi Essay Writing, Hindi



Note writing and Drafting, Official Language Knowledge and Translation, Hindi Typing, and General Hindi Knowledge. The prize money for the competitions was ₹5,000 (first), ₹3,000 (second), ₹2,000 (third), and ₹1,000 (incentive). Officials and employees of the Department participated enthusiastically in these competitions, and a total of 30 prizes were awarded to 24 officials/employees. The Secretary, Financial Services, presented the awards to the winners of the fortnightly competitions.

➤ **Rajbhasha Kirti Puraskar**

On September 14-15, 2025, the Department of Official Language, Ministry of Home Affairs, under the chairmanship of the Hon'ble Home Minister, organized a two-day Hindi Diwas and the Fifth All India Official Language Conference. The Department of Financial Services was awarded the Rajbhasha Kirti Puraskar (second prize) for its excellent implementation of the Official Language Policy in Central Government offices. In the same sequence, the Rajbhasha Kirti Awards were also



presented to banks/regulators of the Department of Financial Services, and several Hindi books and magazines published by their offices were released.

➤ **Special Incentive Scheme**

To encourage officers/employees to conduct their official work in Hindi, the Department has implemented an "Annual Special Incentive Scheme," under which cash prizes of ₹5,000/- for the first, ₹4,000/- for the second, and ₹3,000/- for the third placed officers are given. During the year 2024-25, 10 officers/employees of the department were awarded under this scheme.

➤ **Hindi Workshops**

To promote the use of Hindi in official work among employees/officers in the Department of Financial Services and to assist them in resolving practical difficulties faced in working in Hindi, the Department organizes Hindi workshops on a regular basis. Hindi workshops on various topics were organized during the year wherein, training

was imparted to a total of 63 officers/employees of the Department.

➤ **Organization of Official Language Implementation Committee Meetings**

To review the progress of official work in Hindi in the Department of Financial Services, meetings of the Official Language Implementation Committee are held every quarter under the chairmanship of the Joint Secretary/Deputy Director General (In-charge of Official Language). The meetings review the quarterly progress reports received from Hindi sections/offices against the targets set in the annual program of the Department of Official Language. During the review, instructions are given to address deficiencies and increase the use of Hindi in government work, for achieving the set targets.

21. **Audit Paras**

A summary of Audit observations made available by the Office of C&AG pertaining to DFS is at **Annexure-VII**

I. Atal Pension Yojana

Bank's category-wise, Y-o-Y Performance of APY (in lakh)

Category of Bank	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26 as on 30th Nov, 2025	Since inception - 30th Nov, 2025
Public Sector Bank	86.61	88.22	78.46	57.13	588.90
Regional Rural Bank	24.27	27.85	27.85	17.73	172.98
Private Bank	5.14	5.45	9.65	8.42	57.86
Payments Bank	2.16	0.35	0.08	0.01	15.48
Department of Posts	0.22	0.14	0.10	0.07	4.14
Small Finance Bank	0.79	0.76	1.11	0.82	4.34
Co-op Banks	0.14	0.16	0.13	0.11	1.47
Total	119.31	122.93	117.38	84.27	845.17

Summary of Gross Enrolment under APY

Age Wise as on 30 November, 2025			
Sr. No.	Age Range	Gross Enrolments	Percentage
1	Between 18 to 20 Years	1,52,86,229	18.08%
2	Between 21 to 25 Years	2,33,30,498	27.60%
3	Between 26 to 30 Years	2,03,96,052	24.14%
4	Between 31 to 35 Years	1,61,80,250	19.15%
5	Above 35 Years	93,24,390	11.03%
Total		8,45,17,419	

Gender Wise enrolments as on 30 November, 2025			
Sr. No.	Gender	Gross Enrolments	Percentage
1	Female	4,10,44,015	48.54%
2	Male	4,34,48,444	51.43%
3	Transgender	24,960	0.03%
Total		8,45,17,419	

*In the F.Y. 2024-25, among the total gross enrolments of 1.17 crores, about 54.64% were females.

Pension Slab Wise as on 30 November, 2025			
Sr. No.	Pension Slab	Gross Enrolments	Percentage
1	1,000	7,34,79,553	86.91%
2	2,000	25,34,949	3.00%
3	3,000	11,86,898	1.41%
4	4,000	4,46,102	0.53%
5	5,000	68,69,917	8.15%
Total		8,45,17,419	

APY Gender Wise Gross Enrolments in North East States and Sikkim as on 30 November, 2025					
S. No	State	Female	Male	Transgender	APY Gross enrolments Since Inception
1	Arunachal Pradesh	19,462	20,776	13	40,251
2	Assam	11,75,400	8,59,867	439	20,35,706
3	Manipur	39,674	35,194	62	74,930
4	Meghalaya	50,136	40,561	9	90,706
5	Mizoram	18,331	16,102	6	34,439
6	Nagaland	21,433	22,212	8	43,653
7	Sikkim	21,975	24,869	28	46,872
8	Tripura	1,68,989	1,42,277	27	3,11,293
Grand Total		15,15,400	11,61,858	592	26,77,850

II. National Pension System

NPS- Sector-wise break-up as on 30th November 2025

Sector		Number of subscribers (In Lakhs)	Asset under Management (₹ in Cr.)
Central Government		28.01	4,31,005.49
State Government		74.58	8,14,339.54
Non-Govt Sector	Corporate	25.97	2,62,915.92
	All Citizen Model	46.65	80,041.27
	Vatsalya	1.59	219.38
NPS Lite* (discontinued)		33.50	6,387.97
Total		210.30	15,94,909.57

During April– Nov 2025, the private sector (All Citizen + Corporate) added 8.13 lakh new subscribers, reflecting sustained momentum in voluntary retirement savings. Corporate sector registrations crossed 22,957 with 3,138 new corporates onboarded in the current financial year, taking retirement coverage to millions of formal-sector employees.

Enrolment during FY 2025-26 (till November 30, 2025)

Particular	Total
UoS (All Citizen model)	5,32,496
eNPS mode	1,03,400
Corporate model	1,77,889
Total	8,13,785

Atal Pension Yojana Outreach Event Photographs

2 APY Outreach Programs were conducted in North East:



State Level APY Outreach Program Guwahati, Assam (10.11.2025)



District Level APY Outreach Program at Itanagar, Arunachal Pradesh (19.09.2025)

Physical State Level and District Level APY Outreach Program are organised all over India.



Ahilyanagar, Maharashtra
(13.08.2025)



Kolkata, West Bengal (01.08.2025)



Bhopal, M.P. (03.09.2025)



Bhopal, M.P. (03.09.2025)



Patna, Bihar (29.08.2025)



Pune, Maharashtra (14.08.2025)



Madurai, Tamil Nadu (26.09.2025)



Madurai, Tamil Nadu (26.09.2025)



Udaipur, Rajasthan (16.09.2025)



Udaipur, Rajasthan (16.09.2025)



Seoni, Madhya Pradesh
(09.09.2025)



Shimla, Himachal Pradesh
(31.10.2025)



Shimla, Himachal Pradesh
(31.10.2025)



Vadodara, Gujarat (12.09.2025)



Vadodara, Gujarat (12.09.2025)

NPS Outreach Event Conducted at New Delhi, Bengaluru and Assam



Workshop by the Department of Financial Services (DFS) Ministry of Finance on 'Measures to Improve Grievance Redressal Mechanism' on 4.8.2025 at PFRDA



Annexure III

Group-wise representation of Scheduled Castes, Scheduled Tribes, Other Backward Classes, Economically Weaker Section upto 30.11.2025																		
Group	Number of Employees (as on 31.12.2024)					Number of appointments/promotions made during the calendar year 2025 (i.e. 01.01.2025 to 30.11.2025)												
						Appointment by Direct Recruitment					Appointment by Promotion			Appointment by Other Methods				
	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	Total	SCs	STs	OBCs	EWS
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Group-A	488486	88935	40323	137410	5501	15164	2253	1048	4616	1279	26387	4754	1887	10	1	0	0	0
Group-B	21715	3505	1595	5689	601	0	0	0	0	0	25	7	3	0	0	0	0	0
Group-C	302978	54076	24029	84654	6574	293471	3589	1564	6527	2493	4427	1080	263	600	150	82	141	1
Group-D (Excluding Safai Karamchhari)	73466	20453	5810	20049	428	203	21	3	106	0	32	15	1	321	148	42	73	0
Group-D (Safai Karamchharis)	23180	11205	1696	6086	46	0	0	0	0	0	1	0	0	117	58	9	25	0
Total	909825	178174	73453	253888	13150	308838	5863	2615	11249	3772	30872	5856	2154	1048	357	133	239	1
Sources: PSBs, PFIs, PSICs & Regulators																		

Annexure IV

Group-wise representation of Persons with Disabilities up to 30.11.2025																									
Group	Number of Employees (as on 31.12.2024)					Number of appointments/promotions made during the calendar year 2025 (i.e. 01.01.2025 to 30.11.2025)																			
						Appointment by Direct Recruitment										Appointment by Promotion									
						No. of vacancies reserved					No. of appointments made					No. of vacancies reserved					No. of appointments made				
	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Group-A	488486	4072	1384	7633	182	987	230	287	235	235	440	136	100	142	62	735	189	200	157	189	374	142	48	164	20
Group-B	21715	14	2	19	3	0	0	0	0	0	0	0	0	0	0	2	0	1	1	0	2	0	1	1	
Group-C	302978	2934	1035	4340	119	1207	330	336	290	251	395	172	21	176	26	983	324	239	290	130	79	26	5	47	1
Group-D (Excluding Safai Karamchhari)	73466	148	177	684	8	43	2	2	5	37	34	0	2	1	0	0	0	0	1	0	0	1	0	0	0
Group-D (Safai Karamchharis)	23180	71	80	367	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	909825	7239	2678	13043	318	2237	562	625	530	523	869	308	123	319	88	1720	513	440	449	319	455	169	54	212	21
Note:-																									
(i) VH stands for visually Handicapped (persons suffering from blindness or low vision).																									
(ii) HH stands for Hearing Handicapped (persons suffering from hearing impairment).																									
(iii) OH stands for Orthopedically Handicapped (persons suffering from locomotors disability or cerebral palsy).																									
(iv) ID stands for Intellectual Disability.																									
Sources: PSBs, PFIs, PSICs & Regulators																									

Annexure V

Projection for recruitment till March 2026 in respect of Scheduled Castes, Scheduled Tribes, Other Backward Classes, Economically Weaker Section													
Group	Projection period from 01.12.2025 to 31.03.2026												
	Appointment by Direct Recruitment					Appointment by Promotion			Appointment by Other Methods				
	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	Total	SCs	STs	OBCs	EWS
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Group-A	10163	1670	936	2853	984	2765	511	306	2	0	1	0	0
Group-B	0	0	0	0	0	0	0	0	0	0	0	0	0
Group-C	8141	1362	896	1936	714	6994	770	644	187	53	23	45	0
Group-D (Excluding Safai Karamchari)	3	0	3	0	0	10	1	0	41	17	7	10	0
Group-D (Safai Karamcharies)	0	0	0	0	0	0	0	0	8	4	1	2	0
Total	18307	3032	1835	4789	1698	9769	1282	950	238	74	32	57	0
Sources: PSBs, PFIs, PSICs & Regulators													

Annexure VI

Projection for recruitment till March 2026 in respect of Scheduled Castes, Scheduled Tribes, Other Backward Classes, Economically Weaker Section																				
Group	Projection period from 01.12.2025 to 31.03.2026																			
	Appointment by Direct Recruitment										Appointment by Promotion									
	No. of vacancies reserved					No. of appointments made					No. of vacancies reserved					No. of appointments made				
	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID	Total	VH	HH	OH	ID
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Group-A	366	99	102	83	82	288	77	82	69	60	180	52	45	42	41	50	18	11	20	1
Group-B	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Group-C	316	91	88	71	66	283	85	78	60	60	18	4	4	5	5	0	0	0	0	0
Group-D (Excluding Safai Karamchari)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Group-D (Safai Karamcharie s)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	682	190	190	154	148	571	162	160	129	120	198	56	49	47	46	50	18	11	20	1
Note:- (i) VH stands for visually Handicapped (persons suffering from blindness or (ii) HH stands for Hearing Handicapped (persons suffering from hearing (iii) OH stands for Orthopedically Handicapped (persons suffering from (iv) ID stands for Intellectual Disability.																				
Sources: PSBs, PFIs, PSICs & Regulators																				

ANNEXURE-VII**Summary of important observations included in Audit Reports**

Sl. No.	Year	No. of paras/PA reports on which ATNs have been submitted to PAC after vetting by Audit	Details of the Paras/PA reports on which ATNs are pending		
			No. of ATNs not sent by the Ministry even for the first time	No. of ATNs sent but returned with observations and Audit is awaiting their resubmission by the Ministry	No. of ATNs which have been finally vetted by Audit but have not been submitted by the Ministry to the PAC
1	01.04.2025 to 30.11.2025	10	14 (as on 30.11.2025)	12 (as on 30.11.2025)	5 (as on 30.11.2025)

Sl. No.	Year	No. of paras/PA reports on which ATNs have been submitted to PAC after vetting by Audit	Details of the Paras/PA reports on which ATNs are pending		
			No. of ATNs not sent by the Ministry even for the first time	No. of ATNs sent but returned with observations and Audit is awaiting their resubmission by the Ministry	No. of ATNs which have been finally vetted by Audit but have not been submitted by the Ministry to the PAC
1	2014-15	1	Nil	Nil	Nil
2	2015-16	1	Nil	2	Nil
3	2016-17	1	Nil	1	Nil
4	2017-18	1	Nil	4	Nil
5	2018-19	Nil	Nil	3	Nil
6	2019-20	Nil	Nil	8	Nil
7	2020-21	Nil	Nil	3	Nil
8	2021-22	Nil	2	Nil	Nil
9	2022-23	Nil	1 (Entire Report) #	Nil	Nil
10	01.01.2023 to 31.03.2024	3*	Nil	13	4
11	01.04.2024 to 30.11.2024	1	Nil (as on 30.11.2024)	9 (as on 30.11.2024)	Nil (as on 30.11.2024)

#Report No.1 of 2022 (Audit Report on Third Party Administrators in Health Insurance business of Public Sector Insurance Companies)

* Includes 2 Nos. of C&AG's Audit Paras and an entire Report No.1 of 2022

Chapter - VI

Department of Public Enterprises (DPE)

1. Public Enterprises Survey

The Department of Public Enterprises brings out the Public Enterprises Survey on the performance of Central Public Sector Enterprises (CPSEs), which is laid in the Parliament every year. The PE Survey Report 2024-25 has been laid in the both the Houses of the Parliament in December 2025.

As per PE Survey 2024-25, there were 475 Central Public Sector Enterprises under the administrative control of various Ministries/ Departments as on 31.03.2025. Out of 475 CPSEs, 291 were in Operation of which 226 CPSEs showed profit during 2024-25. The Overall 'Net Profit' of operating CPSEs was ₹2.91 lakh crore in 2024-25. The Contribution to the Central Exchequer by CPSEs increased from ₹4.84 lakh crore in 2023-24 to ₹4.94 lakh crore in 2024-25.

A comparison of performances of CPSEs during 2024-25 vis-a-vis the previous year i.e.2023-24, is at **Annexure-2**.

2. Organisation and Autonomy of CPSEs

The endeavour of the Government is to make Central Public Sector Enterprises (CPSEs) autonomous Board managed companies. Under Articles of Association, the Board of Directors of CPSEs enjoys autonomy in respect of recruitment, promotion and other service conditions of below board level employees. The Board of Directors of a CPSE exercises delegated powers subject to broad policy guidelines issued by Government from time to time.

2.1 Structure of Boards of CPSEs:

The Board of Directors of CPSEs essentially consist of three types of Directors namely Government Directors, Functional Directors and Independent (Non-Official) Directors. The Boards are headed by a Chairperson cum Managing Director. As per the extant guidelines the number of functional Directors should not exceed 50% of the actual strength of the Board and the number of Government nominee Directors shall be restricted to a maximum of two. In case of listed CPSEs with executive Chairperson, the number of non-official Directors shall be at least 50% of the Board strength. In case of unlisted and listed CPSEs with non-executive Chairperson, at least one-third of the Board Members shall be non-official Directors.

2.1.1 Chairperson cum Managing Director:

Appointment of CMD on the Board of CPSE is made by the concerned administrative Ministry on the

basis of recommendations of Public Enterprises Selection Board (PESB) after obtaining approval of competent authority and after completing due formalities in this regard.

2.1.2 Government Directors:

The Government Directors are generally senior officers of the Government of India, State Government(s) or other Government agencies who are nominated to the Boards of CPSEs by the concerned administrative Ministries in ex-officio capacity. The dual role of a Government Director is clearly demarcated i.e. as a director of the company and representative of the Government. As Director of the company, they are bound to exercise due diligence and act in the best interest of the company keeping in view the provisions of the Companies Act 2013. Government being the major shareholder in CPSEs, they are also required to protect its interest. In doing so, they can take formal instructions from the Government on critical issues and voice them in the meetings of the Board of the company. They are required to provide timely feedback on decisions taken by the company to their administrative Ministry/Department/ Organization.

In respect of the matters having substantial financial and other consequences to the Government (a) as a shareholder and (b) on the policies of Government arising in the Board meetings, the Government Director is required to escalate them to the concerned Ministry and take their advice to formally prepare a view point of the Ministry and present the same in the Board of Directors meeting. The Government Director should also regularly sensitize the Board about the relevant Government Guidelines (including DPE Guidelines) and compliance of the same.

If the Board of a CPSE decides contrary to the Government policy, the Government Director should voice the concern of the Government and get his/her dissent or disagreement recorded in the Minutes of the Board meeting and report the same to the Ministry/Department. The Government Director is required to submit a quarterly report on the issues deliberated by the Board, which in his/her view merit attention of the Government and raise alerts when things are not happening as expected in the company.

2.1.3 Functional Directors:

The functional directors are executive heads of the concerned functional areas of a CPSE and perform their executive role in the respective fields allotted to them. viz Operations, Finance, Marketing, Human Resources

etc. The functional Directors are appointed on the Boards of CPSEs by the concerned administrative Ministry on the basis of recommendations of Public Enterprises Selection Board (PESB) after obtaining approval of competent authority and after completing due formalities in this regard. PESB is under the administrative jurisdiction of Department of Personnel & Training. PESB issues the advertisement, shortlists candidates and holds selection interviews for selection to the posts of functional Directors. The functional Directors are appointed for a tenure of 5 years or till their superannuation whichever is earlier.

2.1.4 Non-Official (Independent) Directors: -

The presence of Independent Directors (IDs) on the Boards of Directors of CPSEs is vital for good corporate governance, as their constructive contributions are essential to the smooth, transparent, and accountable functioning of the enterprises. IDs also play a key role in Board committees such as the Audit Committee, the Nomination and Remuneration Committee, and the Corporate Social Responsibility Committee. Proposals for the appointment of IDs on the Boards of Directors of CPSEs are initiated by the concerned Administrative Ministry or Department, which submits a panel of names to the Department of Public Enterprises (DPE) with the approval of its competent authority. DPE places these proposals before the Search Committee, which currently comprises the Secretary (Department of Personnel and Training) as Chairperson, the Secretary (DPE), the Secretary of the concerned Administrative Ministry or Department, and two non-official members. The concerned Administrative Ministry or Department appoints the ID on the basis of the recommendations of the Search Committee, after completing all requisite formalities and obtaining the approval of the competent authority. IDs are appointed for a tenure of three years. The qualifying standards for eligibility to be appointed as an ID are provided at **Annexure-3**.

2.2 Maharatna Scheme

The main objective of the Maharatna scheme which was introduced in 2010 is to empower mega CPSEs to expand their operations and emerge as global giants. The Boards of such CPSEs have been delegated enhanced powers in the areas of (i) capital expenditure, (ii) investment in joint ventures/subsidiaries, (iii) mergers & acquisitions, (iv) human resources management, etc. There are 14 Maharatna CPSEs.

2.3 Navratna Scheme

The Government introduced the Navratna scheme, in 1997, to identify Central Public Sector Enterprises (CPSEs) that had comparative advantages and to support them in their drive to become global giants. Under this scheme, the Boards of Navratna CPSEs have also been delegated autonomy enhanced powers in the areas of (i) capital expenditure, (ii)

investment in joint ventures/subsidiaries, (iii) mergers & acquisitions, (iv) human resources management, etc. **Three CPSEs, namely, Indian Railway Catering & Tourism Corporation Limited (IRCTC Limited), Indian Railway Finance Corporation Limited (IRFC Limited) and Numaligarh Refinery Ltd.(NRL) were granted Navratna status in 2025. With the inclusion of these three CPSEs as Navratna, there are 27 Navratna CPSEs.**

2.4 Miniratna Scheme

In October 1997, the Government decided to grant enhanced autonomy and delegation of financial powers to some other profit-making companies subject to certain eligibility conditions and guidelines to make them efficient and competitive. The Miniratna Companies are in two categories, namely, Category- I and Category-II. There are 54 Miniratna -I and 10 Miniratna-II category CPSEs.

2.5 The salient features of Maharatna, Navratna & Miniratna scheme and list of these CPSEs are provided at **Annexure-4** and **Annexure-5** respectively.

3. Wage Policy and Manpower Rationalization

The Department of Public Enterprises (DPE) functions as the nodal Department for policy relating to pay revision of CPSE executives at Board as well as below Board level and non-unionized supervisors. DPE also issues guidelines for wage settlement negotiations in case of workmen in CPSEs. The Department renders advice to the Administrative Ministries/ Departments and CPSEs in matters relating to revision in pay scales of executives and also for the wage policy negotiations of workmen.

The CPSEs largely follow the Industrial Dearness Allowance (IDA) pattern of scales of pay. However, in some CPSEs, Central Dearness Allowance (CDA) pattern of scales of pay is also followed. DPE issues quarterly DA orders in respect of IDA employees. The DA orders for CDA employees of CPSEs are issued for six-monthly period.

3.1 Pay Revision for employees of CPSEs:

3.1.1 Pay Revision for Executives and Non-Unionised Supervisors of IDA pattern in CPSEs:

- (i) The third Pay Revision Committee (PRC) was constituted under the Chairmanship of Justice (Rtd.) Shri Satish Chandra to consider and recommend pay scales for Board and Below Board level executives and non-unionized supervisors of CPSEs under IDA pattern of pay scale. Based on the recommendations of the third PRC and Government's decisions thereon,

the revised pay scale guidelines effective from 1st January, 2017 were issued vide DPE OM dated 03.08.2017, 04.08.2017 and 07.09.2017.

- (ii) The revised pay scales and allowances recommended by third PRC were based on the basic premise of affordability. These pay scales and allowances would be implemented subject to the condition that the additional financial impact in the year of implementing the revised pay- package for Board and Below Board level Executives and Non-Unionized Supervisors should not be more than 20% of the Average Profit Before Tax (PBT) of the last three financial years preceding the year of implementation. All the expenditure on this account will be met by the CPSE implementing the revised pay scales & allowances and no budgetary support shall be provided by the government.

3.1.2 Pay Revision for employees of CDA pattern in CPSEs:

For the employees of CPSEs following the CDA pattern, DPE vide OM dated 17.08.2017 issued guidelines for revision of pay scales and allowances w.e.f. 01.01.2016. The benefit of pay revision is allowed to the employees of those CPSEs that are not loss making and are in a position to absorb the expenditure on account of pay revision from their own resources without any budgetary support from the Government. Further, DPE vide OM dated 21.05.2018 and 04.07.2019 conveyed the Government decision on allowances applicable to CDA employees of CPSEs.

3.1.3 Wage Revision for Workmen under IDA pattern in CPSEs:

DPE has issued policy guidelines for the 8th Round of Wage Negotiations with unionized workmen of CPSEs (effective from 01.01.2017) vide its OM dated 24.11.2017. The validity of the wage negotiation as per para 2(xi) of DPE OM dated 24.11.2017, shall be minimum period of five years for those who opted for a five-year periodicity and a maximum period of ten years for those who have opted for a ten-year periodicity of wage negotiation w.e.f. 01.01.2017.

3.2 Guidelines recently issued:

3.2.1 DPE vide Office Memorandum No. W-02/0030/2024-DPE(WC)/FTS-14110 dated 06.02.2025 has clarified the applicability of pay fixation principles contained in DPE Office Memoranda dated 14.12.2012 and 17.09.2019 for CPSE executives joining from Public Sector Banks. Further, DPE vide Office Memorandum No. W-02/0021/2020-DPE(WC)/FTS-11378 dated 15.09.2025 has extended the definition of ' emoluments' applicable to Defence Services to officers to executives joining from Defence Services.

3.2.2 DPE has also issued revised guidelines on the purchase, use and entitlement of staff cars in Central Public Sector Enterprises (CPSEs) vide Office Memorandum No 2(23)/11-DPE(WC)/FTS-1128 dated 15.09.2025.

3.2.3 Consolidated and revised guidelines regarding the Vigilance Policy for CPSEs have been issued vide Office Memorandum No. 15(2)/2001-DPE (GM) dated 28.10.2025.

4. Categorization of CPSEs

4.1 The Public Sector Enterprises are categorized into four Schedules namely 'A', 'B', 'C' & 'D'. The categorization of CPSEs has implications mainly for organizational structure and salary of Board level incumbents of the concerned CPSE. It also plays a role in grant of autonomy to the Boards of CPSEs under 'Ratna' scheme.

4.2 The initial categorization of CPSEs in the mid-sixties was made on the basis of their importance to the economy and complexities of their problems. Over the years the Department of Public Enterprises has evolved norms for the purpose of categorization/re-categorization of CPSEs. Categorization is based on both quantitative factors like investment, capital employed, net sales, profit before tax, number of employees and units, capacity addition, revenue per employee, sales/capital employed, capacity utilization, value added per employee and qualitative factors such as national importance, complexities of problems being faced by the company, level of technology, prospects for expansion and diversification of activities and competition from other sectors etc. The other factors, wherever available, relate to share price, MoU ratings, Maharatna/Navratna/Miniratna status and ISO certification. In addition, the factor relating to the critical/Strategic importance of the CPSE is also taken into account. **At present there are 77 Schedule 'A', 64 Schedule 'B', 46 Schedule 'C' and 6 Schedule 'D' CPSEs. The Schedule-wise list of CPSEs is given in Annexure-6.**

4.3 Procedure for Categorization:

Proposal for categorization of a CPSE is initiated by the concerned Administrative Ministry/Department and submitted to DPE. The latter examines such proposals and issue orders with the approval of Finance Minister. Further, to make the process of grant of initial categorisation to CPSE simple and easy, DPE has issued guidelines on 11.12.2023 as per which all asset holding CPSEs created for managing the non-core assets of the CPSEs under disinvestment and those CPSEs which are yet to be made functional will be categorized as schedule 'C' as per procedure prescribed in the OM. Later, vide OM dated 20.05.2024 and dated 08.08.2024, the process

of categorisation was further simplified. DPE OM dated 20.05.2024 simplified the process for upgradation of the existing categorisation of CPSEs and states that all initially categorized CPSEs would continue to come to DPE for upgradation of their schedule with the approval of their Administrative Ministry/Department. The latter examines such proposals and issue orders with the approval of Finance Minister. Such proposals would not be referred to PESB and Cabinet Secretariat. DPE OM dated 08.08.2024 simplified the process for initial categorisation of the existing uncategorised functional CPSEs and states that all initially categorized CPSEs would continue to come to DPE for upgradation of their schedule with the approval of their Administrative Ministry/Department. The latter examines such proposals and issue orders with the approval of Finance Minister. Such proposals would not be referred to PESB and Cabinet Secretariat.

5. Monitoring & Evaluation

5.1 Memorandum of Understanding:

A Memorandum of Understanding (MoU) is a negotiated agreement signed between the Administrative Ministry/ Department and the management of the Central Public Sector Enterprises (CPSEs). Under this, the CPSE undertakes to achieve targets set in the MoU. In the MoU evaluation, the performance of CPSE on predetermined parameters is compared with the prescribed targets. The MoU serves as a tool for ensuring accountability of the enterprise's management to the government.

5.1.1 Scope:

All CPSEs (holding as well as subsidiaries) are required to sign a MoU. The holding CPSEs sign the MoU with their Administrative Ministries/ Departments, while the subsidiaries sign it with their respective holding companies.

5.1.2 Institutional arrangements for Implementation of MoU Policy:

- a) **High Powered Committee (HPC):** The High-Powered Committee is the Apex body for the MoU mechanism for laying policy guidelines. HPC is headed by the (i) Cabinet Secretary and comprises: (ii) CEO (NITI Aayog), (iii) Finance Secretary, (iv) Secretary (Expenditure), (v) Secretary (Statistics and Programme Implementation), (vi) Chairman (Public Enterprises Selection Board), (vii) Chief Economic Advisor (Economic Affairs) and (viii) Secretary (PE) as the members.
- b) **Inter-Ministerial Committee (IMC):** The IMC finalizes the sectoral templates and CPSE-wise MoU parameters. The purpose of sectoral templates is to select and identify the parameters

and their weightages relevant to the core business activities relating to a sector and/or the CPSE. The IMC also sets the requisite levels of performance against each of the parameters, so decided, as benchmarked targets. The IMC comprises: (i) Secretary (PE) as the Chairman and representative of – (ii) D/o Investment and Public Asset Management (iii) D/o Expenditure, and (iv) Chief Economic Advisor (Economic Affairs), as the members, and (v) Secretary/ representative of the Administrative Ministry and (vi) CMD of the CPSE concerned as special invitee, and any other expert co-opted on need basis.

5.1.3 MoU Framework (for the year 2021-22 onwards):

Based on the recommendations of the HPC, the framework for MoU mechanism using an online dashboard for the target setting and performance evaluation of CPSEs has been put in place and made applicable from the year 2021-22. The parameters included in the revised MoU mechanism are market oriented, reflecting shareholders' interest in term of growth in revenue, EBITDA margin, return on net worth, return on capital employed, asset turnover ratio, and market capitalization. Adequate weightage has also been given to production linked parameters pertaining to CPSE's core operations. All the parameters are quantifiable and verifiable from the documents available in public domain. Besides, certain government's priorities/ programmes such as procurement from MSEs, CSR etc. have also been included for compliance by CPSEs, the non-compliance of which would result in deduction of marks.

The revised MoU framework also provides for benchmarking based on growth and emerging trends of the sector, vision that has been worked by the Ministry about the sector, and peer performance.

5.1.4 MoU Score and Rating:

The CPSEs will be allotted marks proportionately for achievement of target figure for each parameter. Score on all parameters would be added to arrive at MoU score. The rating system of CPSEs based on the MoU score is as follows:

Aggregated Score	Rating
$90 \leq \text{Score}$	Excellent
$70 \leq \text{Score} < 90$	Very Good
$50 \leq \text{Score} < 70$	Good
$33 \leq \text{Score} < 50$	Fair
$\text{Score} < 33$	Poor

6. Corporate Social Responsibility (CSR)

6.1 As per Section-135 of the Companies Act, 2013, all profit-making corporates, including Central Public Sector Enterprises (CPSEs) exceeding threshold limits prescribed in the Act, i.e., net worth of Rs. 500 crores; or turnover of Rs. 1,000 crores; or net profit of Rs. 5 crores are mandated to spend at least 2% of the average net profits (Profit Before Tax) of the company made during the three immediately preceding years.

6.2 The CPSEs are required to follow the provisions contained in Section-135 of the Companies Act, 2013 and the Companies (CSR Policy) Rules, 2014 notified thereunder by Ministry of Corporate Affairs and the Schedule-VII of the Act, which lists the activities that can be undertaken under CSR.

6.3 Based on the recommendations of CPSEs Conclave held in April, 2018 and with the approval of competent authority, Department of Public Enterprises has issued guidelines on 10.12.2018 to all administrative Ministries & CPSEs for adopting a theme based focused approach every year on CSR expenditure by CPSEs. These guidelines inter-alia provide that CSR expenditure for such thematic programmes should be around 60% of annual CSR expenditure of CPSEs and the aspirational districts identified by NITI Aayog may be given preference.

6.4 During the FY 2025-26 (till date), following CSR workshops were organized by DPE.

- i. DPE and UNICEF jointly organized the 5th regional workshop on CSR with focus on Aspirational Districts of Andhra Pradesh, Telangana, Tamil Nadu, Karnataka, Kerala and Maharashtra on 31st July, 2025 at Hyderabad. The workshop elicited good response from all stakeholders with more than 100 participants from Aspirational Districts (ADs) of above states, CSR Nodal officers of CPSEs, officers from State Governments, NITI Aayog, Implementation agencies, DPE and UNICEF.
- ii. DPE and UNICEF jointly organized the 6th regional workshop on CSR with focus on Aspirational Districts of North-East India on 19th September, 2025 at Guwahati. The workshop elicited good response from all stakeholders with more than 100 participants from Aspirational Districts (ADs) of North East states, CSR Nodal officers of CPSEs, officers from State Governments, Implementation agencies, DPE and UNICEF.

7. Scheme for Research, Development, Consultancies and Re-orientation for Central Public Sector Enterprises (RDCR)

7.1.1 In line with the government's focus on streamlining schemes to enhance implementation and reduce overhead costs, DPE's two central sector schemes: Research, Development, and Consultancy (RDC) and Counselling, Retraining, and Redeployment (CRR) which were training-oriented schemes (CRR for separated employees and RDC for current employees) have been merged into Research, Development, Consultancy & Reorientation (RDCR). It has been ensured that the objectives of both the CRR and RDC schemes continue to be addressed. RDCR scheme became effective from the second half of FY 2024-25.

7.1.2 The aims and objectives of the RDCR Scheme are as under:

- a. **Thematic Studies:** Undertake studies on general/sectoral issues affecting public sector enterprises in a fast-changing economic environment.
- b. **Conferences and Seminars:** Conduct national and international conferences, seminars, webinars, and study tours for collaborative learning and best practice sharing.
- c. **Capacity Building:** Offer workshops, training, and orientation programs for the Board of Directors (BoDs) of CPSEs.
- d. **Performance Improvement:** Facilitate performance evaluation and management improvements for CPSEs through research and training institutions.
- e. **Collaboration:** Support national/international organizations working on capacity building and performance improvement of Public Sector Enterprises.
- f. **Incentives:** Reward CPSEs for best practices in functional areas through grants and incentives.
- g. **Reorientation Training:** Provide skill enhancement and reorientation training for VRS optees or their dependents to facilitate self or wage employment.
- h. **Other Issues:** Address any other pertinent issues related to the Department of Public Enterprises (DPE) and CPSEs/SLPEs.

7.1.3 The major interventions proposed to be undertaken under RDCR scheme include:

- (a) **Thematic Consultancies and Studies:** to address key issues like corporate governance, risk management, HR, CSR, benchmarking

studies to improve the competitiveness of CPSEs. Studies on performance management, compensation, and appraisal systems and other issue related to CPSEs can also be conducted.

- (b) **Conferences, Seminars, and Study Tours:** National and international events will be organized to encourage knowledge sharing and best practices. Experts will be engaged for collaborative learning through workshops, industry visits, and seminars domestic and international.
- (c) **Skill Development and Training:** Continuous skill development programs will enhance employee productivity across CPSEs and SLPEs. Training will be organized in collaboration with premier institutes like IITs and IIMs. Programs will be extended to DPE officials as well.
- (d) **Induction and Capacity Building for Board of Directors:** Short-term orientation programs for Board of Directors and Key Managerial Personnel of CPSEs to cover topics like risk management, financial management, and leadership development, succession planning, compliance etc to enhance board deliberations.
- (e) **Support to Multilateral Bodies:** DPE will continue to support organizations like the International Centre for Promotion of Enterprises (ICPE) and cover membership contributions.
- (f) **Reorientation for VRS/VSS Optees:** Financial support for training and associated costs will be provided which will form part of the VRS package.
- (g) **Incentives/Awards to CPSEs and SLPEs:** CPSEs and SLPEs will be encouraged to innovate and adopt best practices critical for future growth. Awards and incentives will be granted to those excelling in key focus areas, with the DPE determining the criteria and seeking expert assistance if necessary.
- (h) **Payment of Outsourced Manpower Support and Software Development:** Due to the wide scope of the RDCR scheme and the limited in-house manpower at DPE, outsourced personnel will be hired and payment would be made from scheme.

7.2.1 During FY 2025-26, DPE has so far organised 14 training programmes under the RDCR Scheme in residential mode through leading institutes of country IIMs, IITs, NPC, IICA, NISM, etc. The topics of these programmes focused on generative AI, public procurement, managing finances, good governance, women empowerment, stress

management, organizational behavior and leadership with a total of 493 participants.

7.2.2 4 orientation programmes for Board of Directors of CPSEs (1 for Government, 2 for Functional Directors and 1 for Independent Directors of CPSEs) have also been organized during the year 2025-26 as per following details:

- (i) DPE, with the support of ONGC Limited organized a non-residential orientation programme for capacity building of Independent Directors of CPSEs on 2nd and 3rd June, 2025 in Dehradun. 31 Independent Directors nominated on the Boards of various CPSEs participated in the programme in which sessions relating to Board Room Ethics, Role of NoDs in Audit Committee and Corporate Governance, Financial Statements, and Secretarial Standards and Governance Procedure for Board meetings. Presentation on crucial role of CPSEs in India was also made during the orientation programme.
- (ii) DPE, with the support of SJVN Limited organized residential orientation programme for capacity building of Functional Directors of CPSEs on 10th-11th July, 2025 in Dharamshala. 22 Functional Directors of various CPSEs participated in the programme in which sessions relating to Board Effectiveness & Role of Functional Directors, Arbitration in CPSEs, Strategic Management, Transformative Board Leadership, Effectiveness of Audit Functions and Integrated Governance & Risk Oversight, the session also included a presentation on DPE's important guidelines.
- (iii) DPE, with the support of BELOP Limited, organized residential orientation programme for capacity building of Government Nominee Directors of CPSEs on 3rd and 4th September, 2025 in Aurangabad, Maharashtra. 12 Government Directors from various CPSEs participated in the programme in which sessions relating to Roles & Responsibilities of Government Directors, Navigating Boardrooms, Governance Expectations, Corporate Risk Management, Trade & Tariff, Secretarial Standards, Financial Statement, Financial Roles and Responsibilities. Presentation on DPE's online portals (AMRCD, CSR, MoU, SPARROW, Survey, BoD) was also made during the orientation programme.
- (iv) DPE, with the support of NALCO Limited, organized residential orientation programme for capacity building of Functional Directors of CPSEs on 19th and 20th September, 2025 in Puri. 28 Functional Directors from various

CPSEs participated in the programme in which sessions relating to Roles & Responsibilities of Directors, Understanding Financial Statements, Transformative Board Leadership, Principles of modern board governance, Arbitration in CPSEs, Strategic Management along with a presentation on important DPE guidelines.

7.2.3 Statement of Scheme wise Expenditure for the year 2023-24 is enclosed at **Annexure-7**.

8. Implementation of New Public Sector Enterprises (PSE) Policy

8.1 The Government notified the new Public Sector Enterprise (PSE) Policy on 4th February, 2021. The new PSE policy envisages classification of CPSEs into Strategic and Non-Strategic Sectors and exempts certain CPSEs such as that setup as not for profit companies under the Companies Act, 2013 or those providing support to vulnerable groups or having developmental/promotional roles, etc, from the scope of the policy. The policy proposes that in Strategic Sector, bare minimum presence of the existing public sector enterprises at holding company level will be retained under the Government control. The remaining enterprises in Strategic Sector will be considered for privatization or merger or subsidiarization with another CPSE or for closure. CPSEs in Non-Strategic Sector shall be considered for privatization, where feasible, otherwise such enterprises shall be considered for closure.

8.2 The Department of Public Enterprises (DPE) has been brought under the Ministry of Finance vide notification dated 6th July 2021 of Cabinet Secretariat. Vide order dated 17th August 2021 of Finance Secretary, demarcation of certain responsibilities between DIPAM and DPE has been done. DPE has been entrusted with the responsibility to identify CPSEs for closure or privatization in Non-Strategic Sector in consultation with administrative Ministries/Departments. DPE is also required to drive the closure process for CPSEs approved for closure. For implementation of the above, a Disinvestment Division has been created in DPE.

8.3 In order to operationalize the New Public Sector Enterprise (PSE) Policy for CPSEs in Non-Strategic Sector and to drive the closure process of CPSEs identified for closure, DPE has prepared guidelines in consultation with D/o Expenditure, D/o Economic Affairs, D/o Revenue, DIPAM and NITI Aayog. These guidelines have been issued on 13.12.2021 and are provided at **Annexure-8**.

8.4 The salient features of the guidelines are given below:

- (i) identification of the CPSEs either for closure or privatization in Non-Strategic Sector will be done in consultation with the concerned Administrative Ministries/Departments, NITI Aayog, Department of Expenditure and DIPAM. In this regard, Committee of Group of Officers (CGO) has been constituted;
- (ii) seeking 'in-principle' approval of the CCEA regarding the CPSEs identified for closure and/or for disinvestment in Non -Strategic Sectors;
- (iii) the details of CPSEs approved for disinvestment by CCEA will be communicated to DIPAM for taking necessary action as per its extant procedure. Whereas, DPE will drive the process for CPSEs approved for closure;
- (iii) transfer of leasehold land of CPSEs under closure to the respective state governments. The freehold land will be transferred to National Land Monetization Corporation (NLMC), a Special Purpose Vehicle (SPV) set up for their disposal. The alienation of land from the CPSEs under closure will help in expediting the closure process.

9. Voluntary Retirement Scheme (VRS)

9.1 As a result of the restructuring in some Central Public Sector Enterprises (CPSEs), Government announced the Voluntary Retirement Scheme (VRS) in October, 1988. A comprehensive scheme was later notified by the Department of Public Enterprises (DPE) in May, 2000.

9.2 **VRS in CPSEs that can support the scheme on their own Enterprises**, which are financially sound and can sustain VRS on their own, can frame their own schemes of VRS and make it attractive enough for employees to opt for it. They may offer as compensation upto 60 days salary (only Basic Pay +DA) for every completed year of service. Such compensation will, however, not exceed the salary for the balance period of the service left.

9.3 **VRS in marginally profit or loss Making / sick / unviable CPSEs** Marginally profit /loss making CPSEs as well as sick and unviable units may adopt either of the following models:

9.3 (i) **Gujarat Model**, under which the compensation is computed by allowing 35 days salary for every completed year of service and 25 days for each year of the balance service left until superannuation subject to the condition that compensation shall not exceed the sum of salary for the balance period left for superannuation.

9.3 (ii) **Department of Heavy Industry (DHI) model**, under which ex-gratia payment made is equivalent to 45 days emoluments (Pay + DA) for each completed year of service or the total emoluments for the balance period of service, whichever is less. The employees who have completed not less than 30 years of service will be eligible for a maximum of 60 (sixty) months' salary/wage as compensation and this will be subject to the amount not exceeding the salary/wage for the balance period of service left.

10. Executive Development Programmes

10.1 The Central Public Sector Enterprises (CPSEs) design their own human resource development programmes to upgrade skills and knowledge of Middle and Senior level Executives by giving them training in various fields of management development through their own Management Institutes or outsourcing the services of premier management training institutions in India.

10.2 Secretary, DPE is an ex-officio member of the Executive Board and Governing Council of the Standing Conference of Public Enterprises (SCOPE), New Delhi.

10.3 Secretary, DPE is member on the Board of Governors of the Institute of Public Enterprise, Hyderabad.

11. Reservation in Employments

11.1 Reservation for Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs) and Others in the CPSEs

- i. The Personnel and Recruitment Policies in respect of appointments against below Board level posts are formulated by the management of respective CPSEs. However, on matters of general importance, policy guidelines are issued by the Government of India to the enterprises so as to enable them to frame their individual corporate policies. Furthermore, formal Presidential Directives are issued to CPSEs by the concerned administrative Ministries to ensure reservation in regard to employment for Scheduled Castes, Scheduled Tribes and Other Backward Classes (OBCs), on similar lines as applicable in the Central Government Ministries/Departments. DPE through its OM dated 25.02.2015 has stipulated that those instructions as issued by Government in respect of reservations to SC/ ST/ OBC/ Disability & Ex-servicemen are to be taken as *mutatis mutandis* extended to all the CPSEs concerned unless specified otherwise by DPE.
- ii. A comprehensive Presidential Directive incorporating all important instructions on reservation for SCs and STs was issued by DPE

to all the administrative Ministries/Departments concerned on 25th April, 1991 for formal issuance of the same to CPSEs. Necessary changes and modifications are also circulated to CPSEs through their administrative Ministries/Departments for information and compliance.

- iii. Subsequently, based on the recommendation of the Second Backward Classes Commission (Mandal Commission) and in accordance with the Hon'ble Supreme Court Judgment in the Indira Sawhney case, instructions were issued for providing reservation of 27% of vacancies in favour of Other Backward Classes (OBCs). Reservation for OBCs was made effective w.e.f. 8.9.1993. The Department of Personnel & Training (DoPT) which formulates the policy in respect of reservation in services has been issuing instructions from time to time on various aspects of reservation in respect of OBCs. Department of Public Enterprises (DPE) has been extending these instructions to CPSEs through their administrative Ministries for compliance. A comprehensive Presidential Directive incorporating these instructions was forwarded by the Department of Public Enterprises to all administrative Ministries vide DPE's OM dated 27th July, 1995 for formal issuance to the CPSEs under their control.

- iv. Further in terms of DPE OM dated 25-10-2017, all executives i.e. Board & below board level will be considered as creamy layer subject to the proviso that those executives whose annual income as per criterion given in DoPT OM dated 08-09-1993 is less than Rs. 8 lakhs (as amended vide DoPT OM dated 13-09-2017) will not fall under creamy layer criteria. It is for the concerned CPSE to issue the necessary orders for the posts covered under creamy layer criteria on the above-mentioned principle.
- v. all the administrative Ministries /Departments concerned with the CPSEs in follow-up of DoPT instructions for employment of physically challenged persons in CPSEs. With the enactment of the Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995, the reservation to physically challenged persons have been extended to identified Group 'A' and 'B' posts to be filled through Direct Recruitment. As per the 'The Rights of Persons with Disabilities Act, 2016, not less than 4% posts shall be reserved for persons with disabilities.

- vi. DPE has also extended instructions vis-à-vis the scheme for reservation for Ex-servicemen in CPSEs through the administrative Ministries/ Departments. Instructions for streamlining the procedure for recruitment of Ex-servicemen have also been issued with a view to augment their in-take in CPSEs. Such CPSEs, which are in a position to offer agencies/dealerships, have been advised to reserve quota of such agencies/ dealership for allotment to Ex-servicemen.
- vii. The instructions issued by DoPT vide its OM dated 19.01.2019 & 31.01.2019 and DO letter dated 21.01.2019 in respect of 10% reservation to Economically Weaker Sections (EWSs) are also mutatis mutandis extended to all the CPSEs in terms of DPE OM dated 25.01.2019 and 01.02.2019.
- viii. The need to ensure timely filling up of reserved posts and the backlog has been stressed through various instructions issued from time to time. All administrative Ministries/Departments have been requested to advise the CPSEs under their administrative control to take effective steps to fill up the unfilled reserved posts in Direct Recruitment as well as in Promotion in accordance with the existing instructions. Further, the DoPT has issued instructions from time to time to launch a Special Recruitment Drive (s) to fill up backlog of reserved vacancies for SCs, STs & OBCs in CPSEs. DPE has also extended these instructions to all administrative Ministries/ Departments dealing with CPSEs to fill up these vacancies in a time bound manner.
- ix. The present quota for providing reservation for candidates belonging to Scheduled Castes, Scheduled Tribes and OBCs as well as other categories of persons entitled to reservation of vacancies is shown below:

Category	Quota for Reservation
Scheduled Castes	15%
Scheduled Tribes	7.50%
Other Backward Classes	27%
Persons with Disability	4%
Economically Weaker Sections (EWSs)	10%

As per policy of reservation for Ex-servicemen & Dependents of those killed in action, 14.5% posts in respect of skilled workers and 24.5% post in respect of unskilled posts are reserved for Ex-servicemen in CPSEs.

- (X) Updated Consolidated Instructions of Department of Personnel & Training regarding reservation to SCs, STs, OBCs, PwDs and EWS in posts and services were circulated to CPSEs for information and compliance.

11.2. Reservation in Department of public Enterprises: Reservation Cell in DPE has been constituted, which looks after the implementation of reservation policies in DPE and maintain Reservation Register/ Roster in respect of DPE cadre. Complaint Register in respect of the reserved category employees of DPE is also being maintained by Reservation Cell, DPE. One Director level officer has been designated as Liaison Officer for SC/ST, OBC, PwD, EWS and Ex-servicemen in DPE. Complaint register in respect of the reserved category employees of DPE is also being maintained by Reservation Cell, DPE. No complaint has been received in year 2025 till date with regard to implementation of reservation policy in DPE or related matter. It is also mentioned that nine vacancies of MTS posts determined as per reservation roster have been communicated to the Staff Selection Commission for recruitment. Percentage representation of various reservation categories in Direct Recruit posts of DPE cadre are SC-5%, ST-10%, OBC-25%, PWBD-5% and EWS- 5%."

12. Official Language Policy

12.1 DPE's Hindi Section is primarily responsible for implementation of the various provisions of the Official Language Act 1963 and the Rules framed there under. Hindi Section is also responsible for translation of documents required to be issued under Section 3(3) of the Official Language Act, 1963. In addition, for the smooth implementation of the Official Language policy/rules in the Department, the Hindi Section continuously strives to implement the language policy and achieve the prescribed targets as per the Annual Programme published every year by the Department of Official Language.

12.2 Resolutions, notifications, notices, circulars, papers etc. to be laid on the Table of both the houses of Parliament have been issued bilingually during the year 2024-25. Efforts were also made to promote original correspondence in Hindi. The Official Language Implementation Committee of DPE continues to function under the Chairmanship of the Joint Secretary.

12.3 With the objective of creating awareness about Hindi as the Official Language and promoting its use, the Department organised various competitions during Hindi Fortnight: 2025, held from 14–28 September 2025. A total of eight (08) competitions were conducted, which included: 1. Hindi Poetry Recitation Competition, 2. Essay Writing Competition, 2(i). Essay Writing Competition (MTS/Contractual Category), 3. Language Proficiency Competition, 3(i). Language Proficiency Competition

(MTS/Contractual Category), 4. Extempore Speech Competition (for all), 5. Dictation Competition, and 5(i). Dictation Competition (MTS/Contractual Category).

12.4 Annual Public Enterprises Survey on the working of Central Public Sector Enterprises is presented in the Parliament every year by this Department. This is very voluminous and comprehensive document brought out by the Department simultaneously in English and Hindi.

13. Procurement by CPSEs from MSEs

13.1 The Government of India notified the Public Procurement Policy for Micro & Small Enterprises (MSEs) in 2012 to be administered by Ministry of Micro, Small & Medium Enterprises. The objective of this policy is to promote and develop MSEs by supporting them in marketing of products & services. As per provisions of this policy, w.e.f., 2012-13, every CPSE should achieve an overall procurement goal of minimum 20% of total annual purchase from MSEs in a period of three years. Of the 20% target of annual procurement from MSEs, a sub-target of 4% must be earmarked for procurement from MSEs owned by SC/ST entrepreneurs. At the end of three years (i.e., from FY 2015-16), the overall procurement goal of minimum 20% would be mandatory. This policy was amended on November 9, 2018 to increase the minimum annual procurement from MSEs from 20% to 25% and to mandate procuring minimum 3% out of the 25% from MSEs owned by women, in addition to 4% to be procured from MSEs owned by SC/ST entrepreneurs.

13.2 DPE has been engaging with the CPSEs to ensure that the CPSEs comply with the provisions relating to procurement from MSEs. In line with support measures announced by the Government for MSEs, procurement by CPSEs from MSEs during the year 2022-23 was around 37.90% as against the mandated 25% which increased to 43% during the year 2023-24. **During the financial year 2024-25, procurement by the CPSEs from MSEs is around 43.57%.**

13.3 Trade Receivables Discounting System (TReDS) - TReDS is an electronic platform for facilitating the financing / discounting of trade receivables of Micro, Small and Medium Enterprises (MSMEs) through multiple financiers. These receivables can be due from corporates and other buyers, including Government Departments and

Public Sector Undertakings. DPE has been continuously engaging with the CPSEs and their administrative Ministries/Departments to onboard the CPSEs on TReDS portal to facilitate increased usage of TReDS portal. 177 CPSEs are now registered on the TReDS portal which account for 98% of total procurement by CPSEs. In order to facilitate more effective use of the TReDS portal by the CPSEs and ensure timely payments to MSE vendors as provided in the MSMED, Act, 2006, it has been mapped as a parameter in the MoU framework from the year 2022-23.

14. Significant Initiatives

14.1 Mission Recruitment- The Government has decided to fill up vacancies in various Ministries/ Departments and CPSEs in a Mission Mode, i.e. 'Mission Recruitment'. This exercise is being coordinated by the Department of Personnel & Training (DoPT) which has setup a dedicated portal for this purpose. DPE has been regularly following up with the CPSEs for uploading of requisite information on the designated portal of DoPT. **69,352 new appointees of CPSEs have been covered in 17 tranches of Rozgar Mela organized by DoPT so far.**

14.2 Mission Karmyogi- All employees of DPE have been onboarded on Karmyogi portal. Annual Capacity Building Plan of DPE was also approved during the year 2023-24 and has been circulated to all employees of DPE for implementation. **83 employees of CPSEs (including YPs/YAs) have completed 3,276 courses on I-Got portal till 15th November, 2025.**

14.3 Participation in Free Trade Negotiations (FTAs)- India is pursuing FTA negotiations with several countries and representatives of DPE participated in ongoing India-UK FTA, India-EU FTA and India-Australia Comprehensive Economic Cooperation Agreement negotiations held during the year 2024-25.

14.4 Adoption of Industry 4.0 technologies across CPSEs: DPE has taken a proactive and visionary step to accelerate the adoption of Industry 4.0 technologies (also known as 4IR) across CPSEs. Recognizing that digital transformation is not merely a technological upgrade but

a strategic imperative for competitiveness, operational efficiency, and national resilience, DPE convened a series of workshops – 2 in New Delhi on 18th July 2025 and 2 on 11th November, 2025, 1 in Guwahati on 2nd August 2025, 2 in Mumbai on 22nd August 2025. These 7 workshops had participation of senior management of more than 100 CPSEs.

15. Cyber Security Compliance Report

15.1 Cyber Security Proces:- The Department of Public Enterprises (DPE) has Cyber Crisis Management Plan (CCMP) in place, which is approved by CERT-In that defines governance structures, roles, and responsibilities to ensure the protection of all Digital Assets Regular Audits and Management Reviews are conducted to verify compliance improve control effectiveness, and maintain a robust cyber security posture of the Department.

15.2 Network Security:-Network Security Controls have been implemented to safeguard the Department's Internal and External Network Infrastructures from unauthorized access, threats and vulnerabilities. These measures include Firewalls, Intrusion Detection and Prevention Systems (IDS/IPS), Secured VPN Access, Network Segmentation, and Continuous Traffic Monitoring. Baseline Configurations are regularly reviewed, and Security Patches are applied promptly to ensure that all Network Devices remain protected against emerging threats.

15.3 End-Point Security:- End-Point Security is enforced through standardized versions of Unified Endpoint Management (UEM) and End-Point Detection & Response (EDR) Systems. Dashboards for the UEM

and EDR are helpful in monitoring the End-Point Security. A Centralized Dashboard is used to Track the Health, Compliance Status, and Security Alerts of all End-Points of the Department on real-time basis

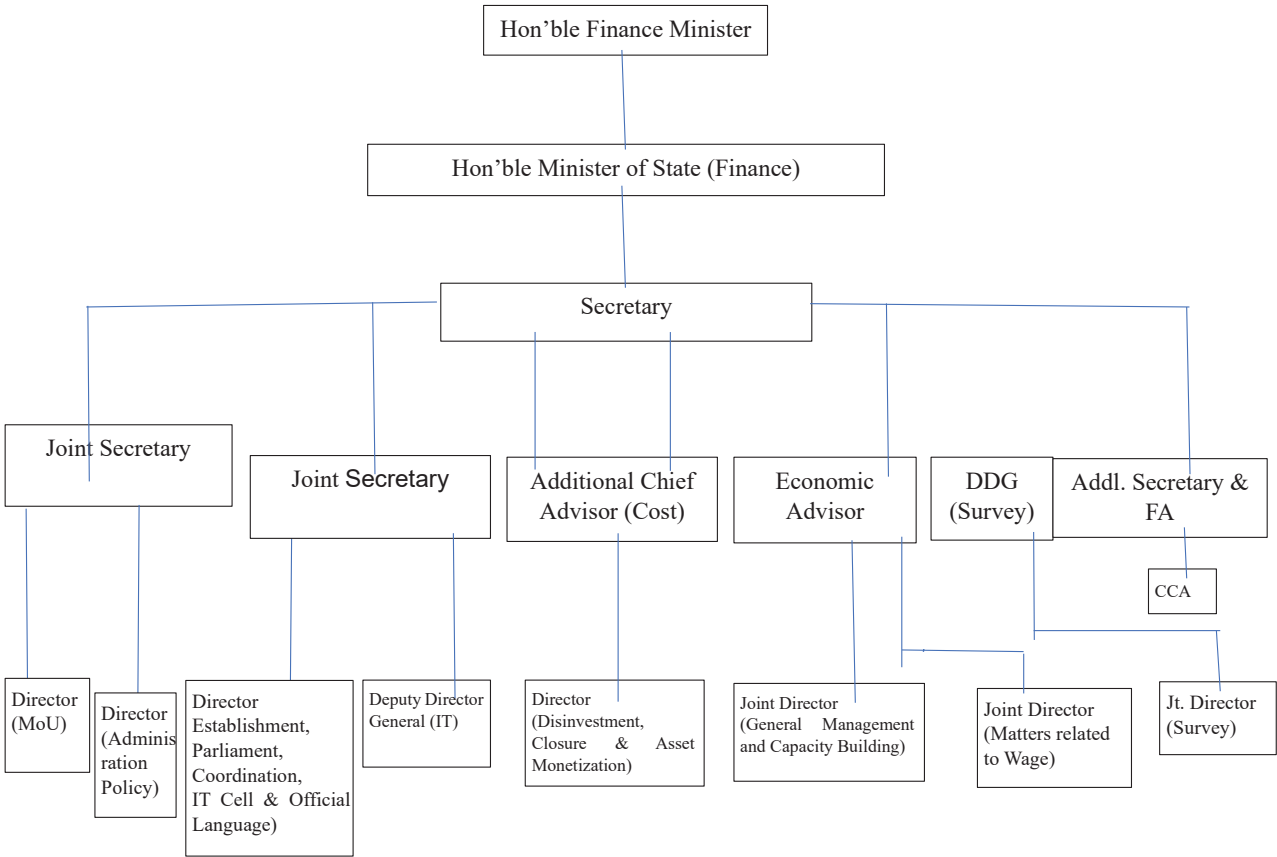
15.4 Application Security:- The Department's Websites/Web Applications are secured with valid Cyber Security Audit Clearance and SSL Certificates. Regular Cyber Security Audits are conducted as per Government Policy and carried out as and when major code level changes are incorporated in the Websites/ Web Applications even before their Audit Validity Periods are over. The Cyber Security Audit is usually conducted through any CERT-In Empanelled Agency.

New multi-lingual DPE Website is launched using DBIM Compliant Framework conforming to latest Government Guidelines including the guidelines for differently abled persons.

All Websites/Web Applications are hosted on the Secure Government Cloud Infrastructure where health of Web and Database Servers is continuously monitored 24x7 basis and regular logs & data back-up are maintained for any eventuality.

15.5 Cyber Security Incidents:-All incidents are logged, analyzed, and classified based on the severity to ensure timely response and minimal business impact. Post-incident reviews are conducted to identify root causes and implement corrective actions, enhancing the organization's resilience and reducing the likelihood of recurrence. However, no cyber security breaches have been reported during the year in the Department of Public Enterprises.

Department of Public Enterprises
Organogram



Performance of CPSEs during Financial Year 2024-25

Sl. No.	Item/Indicator	2023-24 (₹ lakh Crore)	2024-25 (₹ lakh crore)	% Change
1.	Total Gross Revenue [of Operating CPSEs]	36.09	37.01	2.6%
2.	Overall Net Profit [of Operating CPSEs]	3.22	2.91	-9.8%
3.	Net Profit of Profit making CPSEs [of Operating CPSEs]	3.43	3.09	-10.1%
4.	Net Loss of loss incurring CPSEs [of Operating CPSEs]	0.21	0.18	13.8%
5.	Financial Investment [of all CPSEs]	27.74	31.65	14.1%
6.	Capital employed [of all CPSEs]	42.78	47.87	11.9%
7.	Net Worth [of all CPSEs]	19.96	22.33	11.9%
8.	Dividend declared [of all CPSEs]	1.23	1.39	13.0%
9.	Contribution to Central Exchequer [of all CPSEs]	4.84	4.94	1.9%
10	Market Capitalization [Listed CPSEs]	37.23 [66 CPSEs]	38.57 [66 CPSEs]	3.6%

Details of Eligibility Criteria for appointment as Non-Official (Independent) Directors

Criteria of Experience:

- (i) Retired Government officials with a minimum of 10 years' experience at Joint Secretary Level or above.
- (ii) Persons who have retired as CMD/CEOs of CPSEs and Functional Directors of the Schedule 'A' CPSEs. The ex-Chief Executives and ex-Functional Directors of the CPSEs will not be considered for appointment as non-official Director on the Board of the CPSE from which they retire. Serving Chief Executives/Directors of CPSEs will not be eligible to be considered for appointment as non-official Directors on the Boards of any CPSEs.
- (iii) Academicians/Directors of Institutes/Heads of Department and Professors having more than 10 years teaching or research experience in the relevant domain e.g. management, finance, marketing, technology, human resources, or law.
- (iv) Professionals of repute having more than 15 years of relevant domain experience in fields relevant to the company's area of operation.
- (v) Former CEOs of private companies if the company is (a) listed on the Stock Exchanges or (b) unlisted but profit making and having an annual turnover of at least Rs.250 crore.
- (vi) Persons of eminence with proven track record from Industry, Business or Agriculture or Management.
- (vii) Serving CEOs and Directors of private companies listed on the Stock Exchanges may also be considered for appointment as part-time non-official Directors on the Boards of CPSEs in exceptional circumstances.

Criteria of Educational Qualification

Minimum graduate degree from a recognized university.

Criteria of Age

The age band should be between 45-65 years (minimum/maximum limit)

This could, however, be relaxed for eminent professionals, for reasons to be recorded, being limited to 70 years.

Salient Features of Ratna Scheme (Maharatna/Navratna/Miniratna)

1. Maharatna Scheme

1.1 Eligibility Criteria: The CPSEs meeting the following eligibility criteria are considered for Maharatna status: -

- a) Having Navratna status
- b) Listed on Indian stock exchange with minimum prescribed public shareholding under SEBI regulations
- c) An average annual turnover of more than Rs.25,000 crore during the last 3 years
- d) An average annual net worth of more than Rs.15,000 crore during the last 3 years
- e) An average annual net profit after tax of more than Rs.5,000 crore during the last 3 years
- f) Should have significant global presence/ international operations.

1.2 Procedure for grant/divestment of Maharatna status: - The procedure for grant of Maharatna status as well as their review is similar to that in vogue for the grant of Navratna status.

1.3 Powers delegated to Maharatna CPSEs: -

1.3.1 The Boards of Maharatna CPSEs in addition to exercising all powers to Navratna CPSEs, exercise enhanced powers in the area of investment in joint ventures/subsidiaries and creation of below Board level posts. The Boards of Maharatna CPSEs have powers to (a) make equity investment to establish financial joint ventures and wholly owned subsidiaries in India or abroad and (b) undertake mergers & acquisitions, in India or abroad, subject to a ceiling of 15% of the net worth of the concerned CPSE in one project, limited to an absolute ceiling of Rs.5,000 crore (Rs. 1,000 crore for Navratna CPSEs). The overall ceiling on such equity investments and mergers and acquisitions in all projects put together will not exceed 30% of the net worth of the concerned CPSE. In addition, the Boards of Maharatna CPSEs have powers to create below Board level posts upto E-9 level.

1.3.2 The delegated powers to establish financial joint ventures and subsidiary entities would be exercised by the Board of Maharatna CPSEs as per the prescribed procedure.

2. Navratna Scheme:

2.1 Eligibility criteria: The CPSEs which are Miniratna I, Schedule 'A' and have obtained 'excellent' or 'very good' MOU rating in three of the last five years

and have a 'Composite Score' of performance to be 60 or above in six identified performance parameters are eligible to be considered for grant of Navratna status. The composite score is calculated on the basis of performance of the concerned CPSEs during the last three years. For calculation of composite score, 6 performance indicators have been identified based on their general applicability to the CPSEs. The performance indicators have been chosen so as to capture the performance of CPSEs irrespective of their belonging to manufacturing sector or services sector. The 6 identified performance indicators are: -

S.N.	Performance Indicator	(Maximum Weight)
1	Net Profit to Net worth	25
2	Manpower Cost to total Cost of Production or Cost of Services	15
3	PBDIT to Capital employed	15
4	PBIT to Turnover	15
5	Earnings per Share	10
6	Inter Sectoral Performance	20
	Total	100

2.2 Procedure for grant/divestment of Navratna status: The proposals for grant/divestment are initially considered by the Inter-Ministerial Committee and then by the Apex Committee. The recommendations of Apex Committee for grant/divestment of Navratna status are to be placed before Minister (In charge of DPE) for a decision.

2.3 The Powers Delegated to Navratna CPSEs:

2.3.1 Capital Expenditure: - The Navratna CPSEs have the powers to incur capital expenditure on purchase of new items or for replacement, without any monetary ceiling.

2.3.2 Technology Joint Ventures and Strategic Alliances: - The Navratna CPSEs have the powers to enter into technology joint ventures or strategic alliances and obtain by purchase or other arrangements, technology and know-how.

2.3.3 Organization Restructuring: - The Navratna CPSEs have the powers to effect organizational restructuring including establishment of profit centres, opening of offices in India and abroad, creating new activity centres, etc.

2.3.4 Human Resources Management: - The Navratna CPSEs have been empowered to create posts

up to E-6 level and wind up all posts up to non-Board level Directors and make all appointments up to this level. The Boards of these CPSEs have further been empowered to effect internal transfers and re-designation of posts. The Board of Directors of Navratna CPSEs have the power to further delegate the powers relating to Human Resource Management (appointments, transfer, posting, etc.) of below Board level executives to sub-committees of the Board or to executives of the CPSE, as may be decided by the Board of the CPSE.

2.3.5 Resource Mobilization: - These CPSEs have been empowered to raise debt from the domestic capital markets and for borrowings from international market, subject to condition that approval of RBI/Department of Economic Affairs, as may be required, should be obtained through the administrative Ministry.

2.3.6 Joint ventures and Subsidiaries: -

- (a) The Navratna CPSEs have been delegated powers to establish financial joint ventures and wholly owned subsidiaries in India or abroad with the stipulation that the equity investment of the CPSE should be limited to the following: -
 - i. Rs. 1000 crore in any one project,
 - ii. 15% of the net worth of the CPSE in one project,
 - iii. 30% of the net worth of the CPSE in all joint ventures/ subsidiaries put together.
- (b) The delegated powers to establish financial joint ventures and subsidiary entities would be exercised by the Board of Navratna CPSEs as per the prescribed procedure

2.3.7 Mergers and acquisitions: - The Navratna CPSEs have been delegated powers for mergers and acquisitions subject to the conditions that (i) it should be as per the growth plan and in the core area of functioning of the CPSE, (ii) conditions/limits would be as in the case of establishing joint ventures/subsidiaries, and (iii) the Cabinet Committee on Economic Affairs would be kept informed in case of investments abroad. Further, the powers relating to Mergers and Acquisitions are to be exercised in such a manner that it should not lead to any change in the public sector character of the concerned CPSEs.

2.3.8 Creation/Disinvestment in subsidiaries:- The Navratna CPSEs have powers to transfer assets, float fresh equity and divest shareholding in subsidiaries subject to the condition that the delegation will be in respect of subsidiaries set up by the holding company under the powers delegated to the Navratna CPSEs and further to the proviso that the public sector character of the concerned CPSE (including subsidiary) would not be changed without prior approval of the Government and

such Navratna CPSEs will be required to seek Government approval before exiting from their subsidiaries.

2.3.9 Tours abroad of functional Directors: - The Chief Executive of Navratna CPSEs have been delegated powers to approve business tours abroad of functional directors up to 5 days' duration (other than study tours, seminars, etc.) in emergency under intimation to the Secretary of the administrative Ministry.

2.3.10 Exercise of delegated Navratna powers is contingent on certain functionalities.

3. Miniratna Scheme:

3.1 Eligibility criteria

- (i) **Category-I CPSEs** should have made profit in the last three years continuously, the pre-tax profit should have been Rs.30 crores or more in at least one of the three years and should have a positive net worth.
- (ii) **Category-II CPSEs** should have made profit for the last three years continuously and should have a positive net worth. These CPSEs shall be eligible for the enhanced delegated powers provided they have not defaulted in the repayment of loans/interest payment on any loans due to the Government.
- (iii) These public sector enterprises shall not depend upon budgetary support or Government guarantees.
- (iv) The Boards of these CPSEs should be restructured by inducting at least three non-official Directors as the first step before the exercise of enhanced delegation of authority.
- (v) The administrative Ministry concerned shall decide whether a Public Sector Enterprise fulfilled the requirements of a Category-I/Category-II company before the exercise of enhanced powers.

3.2 Procedure for grant of Miniratna status: Grant of Miniratna status to a particular CPSE is done by concerned Administrative Ministry/Department.

3.3 Powers Delegated

3.3.1 Capital Expenditure

- a. For CPSEs in category I: The power to incur capital expenditure on new projects, modernization, purchase of equipment, etc., without Government approval upto Rs. 500 crore or equal to net worth, whichever is less.
- b. For CPSEs in category II: The power to incur capital expenditure on new projects, modernization,

purchase of equipment, etc., without Government approval upto Rs. 250 crore or equal to 50% of the Net worth, whichever is less.

3.3.2 Joint ventures and subsidiaries:

- (a) Category I CPSEs: To establish joint ventures and subsidiaries in India with the stipulation that the equity investment of the CPSE in any one project should be limited to 15% of the networth of the CPSE or Rs. 500 crore, whichever is less. The overall ceiling on such investment in all projects put together is 30% of the networth of the CPSE.
- (b) Category II CPSEs: To establish joint ventures and subsidiaries in India with the stipulation that the equity investment of the CPSE in any one project should be 15% of the networth of the CPSE or Rs. 250 crore, whichever is less. The overall ceiling on such investment in all projects put together is 30% of the networth of the CPSE.
- (c) The delegated powers to establish financial joint ventures and subsidiary entities would be exercised by the Board of Miniratna CPSEs as per the prescribed procedure.

3.3.3 Mergers and acquisitions: - The Board of Directors of these CPSEs have the powers for mergers and acquisitions, subject to the conditions that (a) it should be as per the growth plan and in the core area of functioning of the CPSE, (b) conditions/limits would be as in the case of establishing joint ventures/subsidiaries, and (c) the Cabinet Committee on Economic Affairs would be kept informed in case of investments abroad. Further, the powers relating to Mergers and Acquisitions are to be exercised in such a manner that it should not lead to any change in the public sector character of the concerned CPSEs.

3.3.4 Scheme for HRD: - To structure and implement schemes relating to personnel and human resource management, training, voluntary or compulsory retirement schemes, etc. The Board of Directors of these CPSEs have the power to further delegate the powers relating to Human Resource Management (appointments, transfer, posting, etc.) of below Board level executives to sub-committees of the Board or to executives of the CPSE, as may be decided by the Board of the CPSE.

3.3.5 Tour abroad of functional Directors: - The Chief Executive of these CPSEs have the power to approve business tours abroad of functional directors up to 5 days' duration (other than study tours, seminars, etc.) in emergency, under intimation to the Secretary of the administrative Ministry.

3.3.6 Technology Joint Ventures and Strategic Alliances: - To enter into technology joint ventures, strategic alliances and to obtain technology and know-how by purchase or other arrangements, subject to Government guidelines as may be issued from time to time.

3.3.7 Creation/Disinvestment in subsidiaries :- To transfer assets, float fresh equity and divest shareholding in subsidiaries subject to the condition that the delegation will be in respect of subsidiaries set up by the holding company under the powers delegated to the Miniratna CPSEs and further to the proviso that the public sector character of the concerned CPSE (including subsidiary) would not be changed without prior approval of the Government and such Miniratna CPSEs will be required to seek Government approval before exiting from their subsidiaries.

3.3.8 Exercise of delegated Miniratna powers is contingent on certain functionalities.

List of Maharatna, Navratna & Miniratna CPSEs Maharatna CPSEs**Maharatna CPSEs**

1. Bharat Heavy Electricals Limited
2. Bharat Petroleum Corporation Limited
3. Coal India Limited
4. GAIL India Limited
5. Hindustan Petroleum Corporation Limited
6. Indian Oil Corporation Limited
7. NTPC Limited
8. Oil & Natural Gas Corporation Limited,
9. Power Finance Corporation
10. Power Grid Corporation of India Limited
11. Steel Authority of India Limited
12. Rural Electrification Corporation Limited
13. Oil India Ltd
14. Hindustan Aeronautics Limited

Navratna CPSEs

1. Bharat Electronics Limited
2. Container Corporation of India Limited
3. Engineers India Limited
4. Mahanagar Telephone Nigam Limited
5. National Aluminium Company Limited
6. National Buildings Construction Corporation Limited
7. Neyveli Lignite Corporation Limited
8. NMDC Limited
9. Rashtriya Ispat Nigam Limited
10. Shipping Corporation of India Limited
11. Rail Vikas Nigam Limited
12. ONGC Videsh Ltd
13. Rashtriya Chemicals & Fertilizers Limited
14. IRCON
15. RITES
16. National Fertilizers Limited
17. Central Warehousing Corporation
18. Housing & Urban Development Corporation Limited
19. Indian Renewable Energy Development Agency Limited
20. Mazagon Dock Shipbuilders Limited

21. Railtel Corporation of India Limited
22. Solar Energy Corporation of India (SECI) Ltd.
23. NHPC Limited
24. SJVN Limited
25. Indian Railway Catering & Tourism Corporation Limited
26. Indian Railway Finance Corporation Limited
27. Numaligarh Refinery Ltd. (NRL)

Miniratna I CPSEs

1. Airports Authority of India
2. Antrix Corporation Limited
3. Armoured Vehicles Nigam Limited
4. Balmer Lawrie & Co. Limited
5. Bharat Coking Coal Limited
6. Bharat Dynamics Limited
7. BEML Limited
8. Bharat Sanchar Nigam Limited
9. Braithwaite & Company Limited
10. Bridge & Roof Company (India) Limited
11. Central Coalfields Limited
12. Central Electronics Limited
13. Central Mine Planning & Design Institute Limited
14. Chennai Petroleum Corporation Limited
15. Cochin Shipyard Limited
16. Cotton Corporation of India Ltd.
17. EDCIL (India) Limited
18. Electronic Corporation of India Limited (ECIL)
19. Garden Reach Shipbuilders & Engineers Limited
20. Grid Controller of India Limited (GRID-INDIA)
21. Goa Shipyard Limited
22. Hindustan Copper Limited
23. Hindustan Steelworks Construction Limited
24. Hindustan Shipyard Limited
25. Hindustan Organic Chemicals Ltd.
26. HLL Lifecare Limited
27. HSCC (India) Limited
28. India Optel Limited
29. India Tourism Development Corporation Limited

Department of Public Enterprises VI

30. Indian Rare Earths Limited
31. India Trade Promotion Organization
32. KIOCL Limited
33. Mahanadi Coalfields Limited
34. MOIL Limited
35. Mangalore Refinery & Petrochemical Limited
36. Mineral Exploration Corporation Limited
37. Mishra Dhatu Nigam Limited
38. MMTC Limited
39. MSTC Limited
40. Munitions India Limited
41. National Projects Construction Corporation Limited
42. National Small Industries Corporation Limited
43. National Seeds Corporation
44. Northern Coalfields Limited
45. North Eastern Electric Power Corporation Limited
46. Numaligarh Refinery Limited
47. Pawan Hans Helicopters Limited
48. Projects & Development India Limited
49. Security Printing and Minting Corporation of India Limited

50. South Eastern Coalfields Limited
51. Telecommunications Consultants India Limited
52. THDC India Limited
53. Western Coalfields Limited
54. WAPCOS Limited

Miniratna II CPSEs

1. Artificial Limbs Manufacturing Corporation of India
2. Broadcast Engineering Consultants India Limited
3. Engineering Projects (India) Limited
4. FCI Aravali Gypsum & Minerals India Limited
5. Ferro Scrap Nigam Limited
6. HMT (International) Limited
7. Indian Medicines & Pharmaceuticals Corporation Limited
8. MECON Limited
9. National Film Development Corporation Limited
10. Rajasthan Electronics & Instruments Limited

Schedule-wise List of Central Public Sector Enterprises

Schedule - A (77)			
1.	Airports Authority of India	32.	Indian Railway Catering & Tourism Corporation Limited
2.	Advanced Weapons and Equipment India Limited	33.	Karmyogi Bharat
3.	Armoured Vehicles Nigam Limited	34.	Konkan Railway Corporation Limited
4.	BEML Limited	35.	KIOCL Limited
5.	Bharat Electronics Limited	36.	Mahanagar Telephone Nigam Limited
6.	Bharat Heavy Electricals Limited	37.	Mangalore Refinery & Petrochemicals Limited
7.	Bharat Petroleum Corporation Limited	38.	Mazagon Dock Shipbuilders Limited
8.	Bharat Sanchar Nigam Limited	39.	MECON Limited
9.	Central Warehousing Corporation	40.	MMTC Limited
10.	Chennai Petroleum Corporation Limited	41.	MOIL Limited
11.	Coal India Limited	42.	Mumbai Railway Vikas Corporation Limited
12.	Cochin Ship Yard Ltd	43.	Munitions India Limited
13.	Container Corporation of India Limited	44.	National Aluminium Company Limited
14.	Dedicated Freight Corridor Corporation of India Limited	45.	NBCC (India) Limited
15.	Electronics Corporation of India Limited	46.	National Fertilizers Limited
16.	Engineers India Limited	47.	NewSpace India Limited
17.	Fertilizers & Chemicals (Travancore) Limited	48.	NHPC Limited
18.	Food Corporation of India	49.	National Highways and Infrastructure Development Corporation Limited (NHIDCL)
19.	GAIL (India) Limited	50.	NMDC Limited
20.	Garden Reach Shipbuilders & Engineers Limited	51.	National Textiles Corporation Limited
21.	Heavy Engineering Corporation Limited	52.	NTPC Limited
22.	Hindustan Aeronautics Limited	53.	NTPC Green Energy Limited (NGEL)
23.	Hindustan Copper Limited	54.	NLC India Limited
24.	Hindustan Petroleum Corporation Limited	55.	North Eastern Electric Power Corporation Limited
25.	HMT Limited	56.	Numaligarh Refinery Limited
26.	Housing & Urban Development Corporation Limited	57.	Oil & Natural Gas Corporation Limited
27.	I T I Limited	58.	Oil India Limited
28.	Indian Oil Corporation Limited	59.	ONGC Videsh Limited
29.	IRCON International Limited	60.	Power Finance Corporation Limited
30.	Indian Railway Finance Corporation Limited	61.	Power Grid Corporation of India Limited
31.	Indian Renewable Energy Development Corporation Limited.	62.	Power System Operation Corporation Limited
		63.	RITES Limited
		64.	RailTel Corporation of India Limited

65. Rail Vikas Nigam Limited	26. Hindustan Cables Limited
66. Rashtriya Chemicals and Fertilizers Limited	27. Hindustan Fertilizer Corporation Limited
67. Rashtriya Ispat Nigam Limited	28. HLL Lifecare Limited
68. Rural Electrification Corporation Limited	29. Hindustan Newsprints Limited
69. SJVN Limited	30. Hindustan Organic Chemicals Limited
70. Security Printing & Minting Corporation of India Limited	31. Hindustan Shipyard Limited
71. Shipping Corporation of India Limited	32. Hindustan Steelworks Construction Company Limited
72. Solar Energy Corporation of India Limited	33. HMT (International) Limited
73. State Trading Corporation of India Limited	34. HMT Machine Tools Limited
74. Steel Authority of India Limited	35. HMT Watches Limited
75. Telecommunications Consultants (India) Limited	36. India Optel Limited
76. THDC India Limited	37. India Tourism Development Corporation Limited
77. Yantra India Limited	38. India Trade Promotion Organization

Schedule - B (64)

1. Andrew Yule & Company Limited	40. Indian Rare Earths Limited
2. Air India Assets Holding Company Limited	41. Instrumentation Limited
3. Balmer Lawrie & Company Limited	42. M S T C Limited .
4. Bharat Coking Coal Limited	43. Madras Fertilizers Limited
5. Bharat Dynamics Limited	44. Mahanadi Coalfields Limited
6. Bharat Gas Resources Limited	45. Mineral Exploration Corporation Limited
7. Bharat Petro Resources Limited	46. Mishra Dhatu Nigam Limited
8. Brahmaputa Crackers & Polymers Limited	47. National Films Development Corporation
9. Brahmaputra Valley Fertilizer Corporation Limited	48. National Handloom Development Corporation Limited
10. Biotechnology Industry Research Assistance Council	49. National Jute Manufacturers Corporation Limited
11. Braithwaite & Company Limited	50. National Projects Construction Corporation Limited
12. Bridge & Roof Company (India) Limited	51. National Seeds Corporation Limited
13. British India Corporation Limited	52. National Small Industries Corporation Limited
14. Burn Standard Company Limited	53. Northern Coalfields Limited
15. Cement Corporation of India Limited	54. Orissa Mineral Development Company Limited
16. Central Coalfields Limited	55. PEC Limited
17. Central Electronics Limited	56. Pawan Hans Limited
18. Central Mine Planning & Design Institute Limited	57. Projects & Development India Limited
19. Cotton Corporation of India Limited	58. Scooters India Limited
20. Eastern Coalfields Limited	59. South Eastern Coalfields Limited
21. Engineering Projects (India) Limited	60. SFCL
22. Fertilizer Corporation of India Limited	61. Troop Comforts Limited
23. Gliders India Limited	62. Uranium Corporation of India Limited
24. Goa Shipyard Limited	63. W A P C O S Limited
25. Handicrafts & Handlooms Export Corporation Limited	64. Western Coalfields Limited

Schedule- C (46)

1. Andaman & Nicobar Islands Forest & Plantation Development Corporation Limited
2. Artificial Limbs Mfg. Corporation of India
3. Braithwaite Burn & Jessop Construction Company Limited
4. Bengal Chemicals & Pharmaceuticals Limited
5. BEML Land Assets Limited (BLAL)
6. BHEL Electric Machines Limited
7. Bharat Wagon & Engineering Company Limited
8. The Bisra Stone Lime Company Limited
9. Broadcast Engineering Consultants India Limited
10. Central Cottage Industries Corporation of India Limited
11. Central Inland Water Transport Corporation Limited
12. Central Railside Warehouse Company Limited
13. Certification Engineers International Limited
14. Delhi Police Housing Corporation
15. EdCIL (India) Limited
16. FCI Aravali Gypsum & Minerals (India) Limited
17. Ferro Scrap Nigam Limited
18. Hindustan Antibiotics Limited
19. HIL (India) Limited
20. Hindustan Photo Films Manufacturing Company Limited
21. Hindustan Prefab Limited
22. Hindustan Salts Limited
23. HMT Bearings Limited
24. HMT Chinara Watches Limited
25. Hooghly Dock and Port Engineers Limited
26. HSCC (India) Limited
27. Hotel Corporation of India Limited
28. The Jute Corporation of India Limited

29. Karnataka Antibiotics & Pharmaceuticals Ltd
30. Nagaland Pulp & Paper Company Limited
31. National Backward Classes Finance & Development Corporation.
32. National Handicapped Finance & Development Corporation.
33. National Minorities Development & Finance Corporation
34. National Research Development Corporation of India.
35. National Safai Karamcharis Finance & Development Corporation.
36. National Scheduled Castes Finance & Development Corporation
37. National Scheduled Tribes Finance & Development Corporation
38. NEPA Limited
39. North Eastern Handicrafts & Handloom Development Corporation Limited
40. North Eastern Regional Agricultural Marketing Corporation Limited
41. Rajasthan Electronics & Instruments Limited
42. Richardson & Cruddas (1972) Limited
43. Rohini Heliport Limited (RHL)
44. STCL Limited
45. SCILAL
46. Tungabhadra Steel Products Limited

Schedule - D (06)

1. Birds Jute & Exports Limited
2. Hindustan Fluorocarbons Limited
3. Indian Medicines Pharmaceutical Corporation Limited
4. Orissa Drugs & Chemicals Limited
5. Rajasthan Drugs & Pharmaceuticals Limited
6. Bel Optonics Ltd

Statement of Scheme-wise Expenditure
Department of Public Enterprises, Demand No. 33, 2025-26

Department of Public Enterprises (Grant No. 33)

(Rs. in Lakh)

Sl. No.	Heads of Account	Scheme		
	33 - Department of Public Enterprises	2025-26		
		BE	RE	Exp. Upto 14.11.2025
		2025-26	2025-26	2025-26
2852 Industries (Major Head)				
	CRR Scheme			
1	Professional & Special Services (28.00.28)	100.00	100.00	3.54
2	Grants - in- Aid (28.00.31)	1.00	1.00	0.00
3	CRR Scheme NER (01.00.31)	20.00	20.00	0.00
	Total CRR 121.00	121.00	121.00	3.54
	RDC Scheme			
1	Domestic Travel Expenses (27.00.11)	5.00	5.00	0
2	Foreign Travel Expenses (27.00.12)	5.00	5.00	0
3	Printing and Publications (27.00.16)	5.00	5.00	0
4	Professional & Special Services (27.00.28)	448.00	448.00	442.41
5	Grants - in- Aid (27.00.31)	1.00	1.00	47
6	Contribution ICPE (27.00.32)	0.00	0.00	0
	RDC Scheme NER (02.00.31)	64.00	64.00	0
	Total RDC	528.00	528.00	489.41
	GRAND TOTAL	649.00	649.00	492.95

Guidelines For Implementation of New Public Sector Enterprises (PSE)

Policy for CPSEs In Non-Strategic Sector

1.1 The Government notified the new Public Sector Enterprise (PSE) Policy on 4th February, 2021 for Atmanirbhar Bharat. The new PSE Policy envisages classification of CPSEs into Strategic and Non-Strategic Sectors and exempts certain CPSEs such as that setup as not for profit companies under the Companies Act, 2013 or those supporting vulnerable and weaker sections of society, from the scope of the Policy. The Strategic Sectors as per the policy are as under:

- i) Atomic Energy, Space, and Defence
- ii) Transport and Telecommunication
- iii) Power, Petroleum, Coal, and Other Minerals
- iv) Banking, Insurance, and Financial Services

1.2 CPSEs in the Strategic Sector/ Non- Strategic Sector are to be taken up for privatisation, merger, subsidisation with another CPSE or for closure. Only a bare minimum presence of CPSEs in the aforesaid Strategic Sector is to be maintained.

1.3 The Department of Public Enterprises (DPE) has been brought under the Ministry of Finance vide notification dated 6th July, 2021 of Cabinet Secretariat and thereafter, Finance Secretary vide order dated 17th August, 2021 demarked certain responsibilities between DIPAM and DPE. DPE has been entrusted with the responsibility to identify CPSEs for closure or privatisation in Non-Strategic sector in consultation with administrative ministries/departments and to take in principle approval from CCEA in respect of such identified CPSEs. Besides, DPE has also been entrusted with the task of setting up a Special Purpose Vehicle (SPV) for asset monetisation once the SPV is approved by the Cabinet. DPE is also required to drive the closure process for CPSEs approved for closure, on the lines of disinvestment process being run by DIPAM.

1.4 Accordingly, the following guidelines are prescribed. The closure guidelines as enumerated below will supersede all the closure guidelines issued earlier.

2. Implementation of new PSE policy by DPE:

2.1 Identification of CPSEs of Non-Strategic Sectors for Closure and Disinvestment: Under the New Public Sector Policy, DPE will identify the CPSEs either for closure or privatization in the Non-Strategic sectors in consultation with the concerned Administrative Ministries/

Departments, NITI Aayog, Department of Expenditure and DIPAM.

2.2 Preparation of CCEA Note seeking in-principle:

After identification of CPSEs for closure or privatisation under the Non-Strategic sectors, DPE will prepare a Note for in-principle approval of the CCEA regarding the CPSEs identified for closure and/ or for disinvestment in Non-Strategic sectors. Such note(s) for in principle approval of CCEA will preferably be prepared separately for individual sectors falling under the category of "Non-Strategic Sector" of new PSE policy. The CPSEs which are approved in principle by CCEA for disinvestment will be communicated to DIPAM for taking necessary action as per its extant procedure. Closure of CPSEs will be done as per the process outlined below at Para 3.

3. Revised closure process of CPSEs:

3.1 Once, the in-principal decision for closure of a CPSE is obtained from CCEA, an IMC will be constituted by DPE to drive the process of the closure of CPSEs.

3.1.1 The Ministry/Department concerned will proceed to work out the details of the closure. This would *inter-alia* include estimation of budgetary support required for financing the closure of the CPSE, the time-lines and phasing of release of funds from the Central Government and updating of records of the movable and immovable assets of the CPSE etc. The brief details of preparatory activities are enumerated below:

- a. **Statutory dues:** The statutory dues/ liabilities towards revenues, taxes, cesses and rates due to Central Government or State Government or to local authorities will be worked out by CPSE under the supervision of its Administrative Ministry/ Department.
- b. **Serving Closure Notice:** CPSE to give a general notice to employees and other stakeholders intimating about the intention of closure and also write to the Ministry of Labour and Employment regarding the same, as applicable under Industrial Relations Code, 2020. The CPSE with the approval of the Administrative Ministry should also notify the VRS Scheme
- c. **Dues of employees:** Funds required for implementing VRS/VSS/ payment of wages/ salaries and statutory dues in respect of the employees till the time of their release by way of VRS/ VSS/ retrenchment will be worked out.

- d. **Liabilities towards Secured Creditors**
Estimation of the amount to be paid back to the Secured Creditors based on the offers from them for settlement at minimum value. Administrative Ministry/Department may critically examine the best possible settlement including schedule of payment, waiver of interest and penalties with secured creditors.
 - e. **Dues payable to the Central Government:** The dues payable to the Central Government availed in the form of loans from time to time, segregated into the principal outstanding amount and the interest thereon shall be worked out.
 - f. **MAT liability:** In case the proposal involves waiver of outstanding GOI loans (and accrued interest thereon), the MAT liability on the same should also be worked out.
 - g. **Other liabilities:** All other liabilities including any to the unsecured creditors should be worked out.
 - h. **Estimation of movable assets:** Updating details of movable assets including plant(s) & machineries and verification of inventory from an independent third party e.g., a firm of Chartered Accountants/Cost Accountants. Besides, Book Value of the movable assets, the current estimated market value and realisable value from their sale will be worked out. Wherever movable assets are on lease, negotiation with the lessor will be done by CPSE to ascertain whether lessor would take it back at market price or would like it to be auctioned. Ascertaining whether movable assets are to be utilised by its holding company (in case of subsidiary), if any or by the administrative Ministry/ Department. Market value of brand name, goodwill, trademarks, etc. of the CPSE under closure may also be worked out. In case, market value cannot be determined, the same shall be transferred to the concerned administrative Ministry/Department of the CPSE.
 - i. **Estimation of receivables:** Ascertaining of trade receivables, securities, loans and advances, etc.
- 3.1.2 Estimation of budgetary support required for closure:** Based on the exercise done as per para 3.1.1, an estimate will be made of requirement of funds for financing the closure of the CPSE. The CPSE's own resources, including amount to be realised from sale of movable assets, which may be available for settlement of liabilities during the course of closure shall be worked out too. Thereafter, the requirement of budgetary support from the Central Government shall be worked out. It is however, clarified that the Central Government reserves

the right to decide which of the requirements of funds it will permit out of budgetary support.

3.1.3 Updating of land records of immovable assets: Updating of land records such as title deed, lease hold land, freehold land, conditions of lease, remaining period of lease, current land use, FAR and other rights relating to use of land, whether land compensation (partly/fully) paid by the CPSEs/ Central Government at the time of acquisition, amount of compensation paid, status of possession of land, encroachments, if any, geo-mapping etc. will be done.

3.1.4 Once the preparatory activities are completed by the administrative Ministry/Department, a Draft Note for Closure of the CPSE will be prepared by DPE based on the inputs of preparatory activities and in consultation with the concerned Administrative Ministry/Department for closure of the CPSE on case-to-case basis. The same will be placed before the IMC which after scrutiny will vet the Note. Thereafter, the approval of the Hon'ble Finance Minister (FM) will be taken.

3.1.5 If the Director(s) of the CPSE(s) fails to co-operate, the Administrative Ministry/ Department can take a view on removing the Functional Directors including the CMD and give additional charge of the CMD to the Joint Secretary concerned and charge of Functional Directors to other senior officers in the administrative Ministry/ Department as per extant guidelines in this regard. This information regarding removal of the Functional Directors including the CMD will be communicated to the PESB.

3.2 Disposal of immovable assets

The process of closure of a CPSE and disposal of its immovable assets will be completely delinked. On approval of Closure Note, the Administrative Ministry/ Department/CPSE shall proceed simultaneously but separately for alienation of immovable properties from its books.

3.2.1 The immovable assets will be alienated from the CPSE in the manner as prescribed below:

- (a) **Return of leasehold land to the States:** All kinds of leasehold land of the CPSE will be returned back to the State Government without insisting on any compensation (if due as per lease agreement).
- (b) **Transfer of freehold land to Special Purpose Vehicle (SPV)** will be as per the procedure laid down for the operation of the SPV (to be set up in DPE).

3.2.2 Interim arrangement through Land Management

Agency (LMA): Pending setting up of SPV, the closure cases wherein a Land Management Agency (LMA) such as NBCC has earlier been engaged for disposal of land as per the DPE closure guidelines dated 14.06.2018, LMA will continue to manage the land and can dispose off the same to any appropriate agency at best discovered price. The Forward Auction Platform of GeM or MSTC can also be availed by LMA or Administrative Ministry directly for disposal of immovable assets.

3.2.3 The Secretary of the Administrative Ministry/ Department will monitor the progress of alienation of immovable assets from the CPSE.

3.3 Implementation of VRS/VSS:

- (a) The Administrative Ministry/ Department through Board of CPSE will settle wages/salaries of employees and statutory dues and complete the VRS/VSS process and payment of compensation to non-VRS optees as per law.
- (b) The CPSE staff shall be assigned specific tasks during implementation of VRS/VSS so that all the groundwork is completed within the above-mentioned period and there is no requirement of retaining the staff during subsequent process of closure.

3.4 Settlement of liabilities

The payment of statutory dues/ liabilities towards revenues, taxes, cesses and rates due to Central Government or State Government or to the local authorities to be completed first.

Administrative Ministry/Department will negotiate with the Secured Creditors to settle their dues at the minimum value as One Time Settlement (OTS).

The order of priority of settlement of other liabilities will be in the priority of distribution as mentioned in Section 53 of Insolvency & Bankruptcy Code 2016.

3.5 Disposal of movable assets:

- (a) The CPSE shall carry out the processes of disposal of movable assets including plant & machinery in a transparent manner through an Auctioning Agency (such as MSTC) appointed /'Forward Auction' Platform available on GeM by the CPSE, under the supervision of administrative Ministry/ Department.
- (b) Intangible assets like brand name, goodwill, trademarks, intellectual property, etc. of the CPSE under closure shall be transferred to the concerned administrative Ministry/Department of the CPSE for disposing of separately.

- (c) The leasehold movable assets may be returned to the lessor at latter's option.
- (d) In case, any of the movable assets are required by its holding company or by the administrative Ministry/ Department, the same may be transferred to them.
- (e) The CPSE in consultation with the administrative Ministry/ Department, if necessarily required, may dispose of factory building structure along with disposal of movable assets.
- (f) If the CPSE is not able to dispose of movable assets within the stipulated time-frame, it should be brought to notice of the Administrative Ministry/ Department by the CPSE. Thereafter, the Administrative Ministry/ Department shall redress the matter within 15 days and shall take a decision on settlement of the disposal of movable assets.

3.6 Budgetary support from D/o Expenditure:

Based on the detailed liabilities to be settled as per the Closure Note, DPE will make a request for budgetary support to DoE in respect of the liabilities to be settled. However, the right to decide as to which of the requirements of funds is to be permitted out of budgetary support would vest with the Central Government.

4. Filing of application before Registrar of Companies (RoC):

Once the requisite formalities related to settlement of all liabilities and assets are completed, the Board of Directors of the CPSE shall take necessary steps for filing the application for removal of name from the Register of Companies as given below:

Apply under Section 248 of the Companies Act, 2013 to the RoC for removal of the name of the CPSE from the Register of Companies with the new revised form STK-3A issued by Ministry of Corporate Affairs (MCA) vide notification dated 29th June, 2020 along with other forms (STK-2&4) prescribed under the Companies (Removal of Names of Companies from the Register of Companies) Rules, 2016 by MCA. This amendment enables the authorized representative (Under Secretary or its equivalent) of the concerned administrative Ministry/ Department to furnish indemnity bond on behalf of the administrative Ministry/Government of India (Owner of CPSE) for any future liability instead of by individual Directors of the CPSE.

The Administrative Ministries/Departments and their CPSEs filing closure application before the Registrar of Companies will also take a note of the MCA Circular No. 1/2020 dated 1st July, 2020 issued to all the Registrars

of Companies to enable processing of applications of CPSEs having pending litigations relating to service matters, VRS/VSS of employees, so that the same is not the ground for rejection of such closure applications.

5. Policy support:

For any policy support or clarification on any issue for completing the closure process, as required by the administrative Ministry/Department, the same will be provided by the IMC. While taking the “in-principle” approval of CCEA, the approval will also be sought for empowering the Hon’ble Finance Minister to approve the cases of any deviation with respect to the closure process of non-strategic sector CPSEs from the decision of CCEA. The concerned administrative Ministry/Department shall refer the proposal for clarification/policy support to DPE for placing before the IMC. The recommendations of IMC shall be thereafter referred by DPE to Finance Minister for seeking approval. DPE will function as the secretariat for processing the policy matters to be referred to Finance Minister.

6. Special cases:

Closure u/s 248 of CA 2013 is recommended as primary mode under the revised guidelines. In complex cases especially involving exorbitantly high liabilities, IBC 2016 route may be followed while providing adequate justification in the note for CCEA approval by DPE. The process of filing application under IBC 2016 shall be done within 3 months of receipt of Minutes of CCEA approval by concerned CPSE Board & its Administrative Ministry.

In addition, in respect of the listed CPSEs, the SEBI Delisting Regulations, 2009 and regulatory requirement(s) will be complied with under the supervision of IMC before filing for removal of company’s name from the Register of Companies.

7. Closure of subsidiaries/units of CPSEs:

The process of closure of subsidiaries/JVs/units of CPSEs shall be carried out by the Board of Directors of the Holding CPSE(s) in accordance with above guidelines.

8. Process for on-going Cases:

Cases in which the Administrative Ministry/ Department has obtained the CCEA/ Cabinet approval for closure, the concerned administrative Ministry/ Department will review and seek the budgetary support from D/o Expenditure through Financial Adviser (FA) within 15 days of the issue of these guidelines to complete the closure process as per revised mechanism. However, the right to decide as to which of the requirements of funds is to be permitted out of budgetary support would vest with the Central Government.

9. Time-lines: The entire process of closure of CPSE shall be completed within the Timeframe mentioned in **Annex-I.**

10. The finance minister will be the competent authority for granting approval to make any changes in these guidelines.

Timelines of activities for closure of CPSEs

Sl. No.	Milestones/ Activities	Time-Lines
1	a. In principle approval of closure / disinvestment of CPSEs in a Non-Strategic Sector by the Cabinet/ CCEA. b. Setting up of IMC for the Sector comprising Secretary, DPE as Chairman, representatives of concerned Administrative Ministry(ies), DIPAM, NITI Aayog and co-opted members, if any	Preparatory date (T_0)
2	Preparation of Draft Closure Note for each CPSE by IMC after ascertaining statutory dues, liabilities such as taxes, cess, MAT, dues to secured and unsecured creditors, funds required for VRS / VSS, wages due to employees till the time they are released through VRS / VSS, receivables, value of movable and immovable assets, etc	$T_0 + 3$ months
3	Vetting of Draft Closure Note by IMC and forwarding the same for approval of FM on case-to-case basis.	$T_0 + 5$ months
4	Return of leasehold land to the State government	$T_0 + 7$ months
5	Transfer of freehold land to Special Purpose Vehicle (SPV)	
6	Intimation to the Ministry of Labour and Employment in respect of closure	
7	Request for budgetary support from Department of Expenditure.	
8	Release of budgetary grants by Department of Expenditure	
9	Transfer of assets to Holding company/ administrative Ministry/ Department	
10	VRS / VSS to employees and settlement of wages/salaries of employees and statutory dues (<i>In case employees not opting for VSR / VSS, retrenchment of employees</i>)	
11	Settlement of statutory dues/ liabilities towards revenues, taxes etc. payable to State Government / Central Government / Municipal Bodies	
12	Payment of secured creditors as one-time settlement	
13	Disposal of movable assets	
14	Application to Registrar of Companies for removal of name of CPSE	$T_0 + 7$ months and 45 days.

Definition

- i. **Preparatory Date (T_p)** shall be the date on which 'in principle' approval of closure of CPSE has been taken by the CCEA.
- ii. **CPSE:** Certain statutory corporations and all Government Companies in which more than 50% equity or controlling stake is held by the Central Government are classified as CPSEs. The Subsidiaries of these Companies in which any CPSE has more than 50% equity are also categorised as CPSEs, if registered in India.
- iii. **Inter-Ministerial Committee (IMC):** Constituted by DPE and comprising Secretary, DPE as Chairman and representatives of concerned Administrative Ministry (ies), DIPAM and NITI Aayog as its members, to drive the closure process. The IMC can also co-opt any other member(s). Secretarial assistance to IMC will be provided by DPE.
- iv. **Special Purpose Vehicle (SPV):** 100% government owned company under the administrative control of DPE to facilitate monetization of non-core assets of the Ministries/ Departments and Public Sector Enterprises.
- v. **Land Management Agency (LMA):** It can be a CPSE such as NBCC (India) Ltd. (NBCC)/ Engineering Projects (India) Ltd. (EPIL) or a public agency under Ministry of Housing and Urban Affairs (MoHUA) which has been appointed and have the experience of management, development and disposal/ monetisation of immovable assets.
- vi. **Forward Auction Platform:** It is a facility available on GeM for auction of movable and immovable items in a transparent method.
- vii. **Auctioning Agency (AA)** A CPSE such as Metal Scrap Trading Corporation (MSTC), which can be nominated by the administrative Ministry/ Department/ Board of the CPSE under closure to dispose of movable and immovable assets through e-auction in a transparent manner.
- viii. **Book Value:** For the purpose of these guidelines, it is the carrying value of the assets in the balance sheet of the CPSE.
- ix. **Immovable Asset:** Immovable Asset is a piece of land/property tied to the land, such as estate, building, premises, etc.
- x. **Movable Assets:** Any asset other than Immovable asset like Plant & Machinery, Furniture, vehicles etc.

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