सत्यमेव जयते

Government of India

MINISTRY OF FINANCE

ANNUAL REPORT

2024-2025

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MINISTRY OF FINANCE

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Introduction

The Ministry comprises of six Departments namely:—

- ❖ Department of Economic Affairs
- ❖ Department of Expenditure
- ❖ Department of Revenue
- ❖ Department of Investment and Public Asset Management
- ❖ Department of Financial Services
- ❖ Department of Public Enterprises

1. Department of Economic Affairs

Economic Growth

The global economy demonstrated resilience in 2024 despite challenges posed by evolving geopolitical dynamics. The International Monetary Fund, has projected growth of 3.2 per cent and 3.3 per cent for 2024 and 2025, respectively. While the overall outlook remains stable, regional variations in growth trajectories are evident. Inflation rates globally have converged, pointing to a decline in global inflation rates. Global headline inflation is projected to fall from an annual average of 6.7 per cent in 2023 to 5.7 per cent in 2024 and further to 4.2 per cent in 2025, with advanced economies nearing their inflation targets sooner than emerging and developing economies. Sudden eruptions in financial market volatility could tighten financial conditions and weigh on investment and growth. Further disruptions to the disinflation process could potentially be triggered by new spikes in commodity prices amid persistent geopolitical tensions. Against this backdrop, India continues to demonstrate a resilient economic performance, reaffirming its position as the fastest-growing major economy, driven by strong macroeconomic fundamentals and a promising outlook.

As per the first advance estimates released by the National Statistical Office, Ministry of Statistics & Programme Implementation, the real GDP growth for 2024-25 is estimated to be 6.4 per cent. The real GVA growth is also estimated to be 6.4 per cent. Among the sub-sectors in the economy, construction, utility services such as electricity, gas, water supply & other utility services, finance, real estate & professional services, public administration, defence & other services are estimated to catalyse the growth. From the angle of aggregate demand in the economy, private final consumption expenditure at constant prices is estimated to grow by 7.3 per cent, driven by a rebound in rural demand. PFCE as a share of GDP (at current prices) is estimated to increase from 60.3 per cent in 2023-24 to 61.8 per cent in 2024-25. This share is the highest since 2002-03. Gross fixed capital formation (GFCF) (at constant prices) is estimated to grow by 6.4 per cent.

On the external side, India's total exports have also shown positive momentum in the first nine months of FY25, witnessing a year-on-year (YoY) growth of 6.03[1] per cent. India's total imports during April-December 2024 registered a YoY growth of 6.91 per cent. The faster pace of increase in merchandise imports compared to exports contributed to the widening of the merchandise trade deficit. However, rising net service receipts continued to support improvement in the current account balance.

Performance of the Agriculture sector

The Indian agriculture sector grew by 1.4 per cent in 2023-24. Agriculture and the allied sector grew by 3.5 per cent in the Q2 of FY25. The total food grain production during 2023-24 is estimated at a record 3323 Lakh Tonne (LT), which is higher by 26 LT than the production of food grains achieved during 2022-23. A record increase foodgrain production is due to higher production of rice, wheat and shree anna. Total rice production was higher by 20.7 LT in 2023-24 than 2022-23, while wheat production is higher by 27.4 LT than the previous year. The production of shree anna is estimated at 176 LT in 2023-24 as compared to 173 LT in 2022-23. Further, the total pulses production during 2023-24 is estimated at 243 LT and total oilseeds production is estimated at 397 LT.

Table 1: Agricultural Production (Lakh Tonnes)

Crops	2019-20	2020-21	2021-22	2022-23	2023-24*
Rice	1188.7	1243.7	1294.7	1357.6	1378.3
Wheat	1078.6	1095.9	1077.4	1105.5	1132.9
Nutri/Coarse Cereals	477.5	513.2	511.0	573.2	569.4
Total Pulses	230.3	254.6	273.0	260.6	242.5
Total Nine Oilseeds	332.2	359.5	379.6	413.6	396.7
Cotton #	360.7	352.5	311.2	336.6	325.2

Source: M/o A&FW
Note: 1st advance Estimates (as on 5 November 2024)*
#In Lakh bales, 1 Bale = 170 kgs.

[1] https://pib.gov.in/PressReleasePage.aspx?PRID=2093104. Note: The latest data for services sector released by RBI is for November 2024. The data for December 2024 is an estimation, which will be revised based on RBI's subsequent release.

The livestock sector grew at a compound annual growth rate (CAGR) of 12.9 per cent during 2014-23 and is one of the fastest-growing sectors of the country. As per the estimates of National Accounts Statistics 2024 for sector-wise Gross Value Added (GVA) of agriculture and allied sectors, the contribution of livestock in total agriculture and allied sector GVA has increased from 24.4 per cent in 2014-15 to 30.2 per cent in 2022-23. The livestock sector contributed 5.5 per cent of the total GVA in 2022-23. Egg production has increased by 76.3 per cent over the past 9 years from 78.5 billion numbers during 2014-15 to 138.4 billion numbers during 2022-23. Per capita Egg production has increased from 62 numbers per person per annum to 101 numbers for the same period.

Milk production has increased by 57.6 per cent, from 146.3 million tonnes in 2014-15 to 230.6 million tonnes in 2022-23. Per capita availability of milk increased from 319 grams per person per day in 2014-15 to 459 grams per person per day in 2022-23.

The fisheries sector progressively contributing to the economy, accounting for 1.1 per cent in the national GVA and 7.3 per cent in agricultural GVA in 2022-23. The total fish production in FY24 stood at a record-high 183.76 lakh tonnes.

Performance of industries

The performance of the industrial sectors based on the Index of Industrial Production (IIP) comprising mining, manufacturing and electricity sectors witnessed continued momentum during FY24 (April-November), barring a few months. According to NSO, MOSPI, the IIP-based industrial growth during FY25 (April-November), was 4.1 per cent, as compared to 6.5 per cent during FY24 (April-November). The three broad sectors, mining, manufacturing and electricity sectors registered growth of 3.3 per cent, 4.1 per cent and 5.3 per cent, respectively in FY25 (April-November) as against 9.1 per cent, 5.9 per cent and 7.7 per cent growth, respectively, during the corresponding period last year. In terms of used-based grouping, all subgroups, except consumer non-durable goods, witnessed positive growth during FY24 (April-November).

Table 2: Growth of index of industrial production (IIP) (%) (Base 2011-12=100)

Industry group	Weight	2023-24	2023-24 (April-Nov)	2024-25 (April-Nov)
Mining	14.37	7.5	9.1	3.3
Manufacturing	77.63	5.5	5.9	4.1
Electricity	7.99	7.1	7.7	5.3
Growth by used-based industrial group				
Primary Goods	34.05	6.1	7.2	4.0
Capital Goods	8.22	6.3	7.6	4.4
Intermediate Goods	17.22	5.3	5.0	4.2
Infrastructure/Construction Goods	12.34	9.7	11.4	6.3
Consumer Durable Goods	12.84	3.6	0.6	8.7
Consumer Non-Durable Goods	15.33	4.1	5.7	-0.5
General Index		**5.9**	**6.5**	**4.1**
Source: M/o SPI				

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 4.2 per cent in FY25 (April-Dec) compared to 8.3 per cent in FY24 (April-Dec). The production of cement, coal, steel, electricity, refinery products, crude oil and fertilizers recorded positive growth in December 2024.

Table 3: Growth in eight core industries (%)

Industry group	Weight	2023-24	2023-24 (April-Dec)	2024-25 (April-Dec)
Coal	10.33	11.8	12.5	6.2
Crude oil	8.98	0.6	-0.3	-2.1
Natural gas	6.88	6.1	5.6	0.7
Petroleum refinery products	28.04	3.6	4.9	2.7
Fertilisers	2.63	3.7	6.2	1.6
Steel	17.92	12.5	14.0	5.8
Cement	5.37	8.9	9.4	3.3
Electricity	19.85	7.1	7.0	5.3
Overall growth rate	**100**	**7.6**	**8.3**	**4.2**
Source: O/o Economic Adviser, DPIIT				

Performance of the service sector

Service sector is estimated to have grown by 7.2 per cent during FY25 as per the first advance estimates. Bank credit to the services sector saw a YoY growth of 12.7 per cent in October 2024, amounting to ₹47.8 lakh crore. Within the services sector, computer software, shipping, aviation and professional services witnessed a strong growth in bank credit. India's services exports have been consistently rising. Services exports stood at USD 93.5 billion in Q2 FY25, recording a growth of 12.2 per cent over the corresponding period of FY24. Software and business services together constituted around 74 per cent of India's total services exports in Q2 FY25.

Trends in retail and wholesale price inflation

Retail inflation measured by Consumer Price Index-Combined declined from 5.4 per cent in FY24 to 4.9 per cent in FY25 (April-Dec). While core inflation (non-food, non-fuel) moderated in FY25 (April-Dec), food inflation escalated due to price volatility in certain specific food items. Inflation measured in terms of Wholesale Price Index (WPI) was 2.2 per cent in FY25 (April-Dec). WPI food inflation averaged 6.1 per cent in FY25 (April-Dec) compared to 3.2 per cent recorded in FY24.

Table 4: Trend in retail and wholesale price inflation (%)

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	13
2022-23	6.7	9.4
2023-24	5.4	-0.7
2024-25 (April-Dec)	4.9	2.2

Source: M/o SPI and D/o PIIT

Monetary developments

During FY25 (April-December 2024), the MPC has decided to keep the policy repo rate unchanged at 6.5 per cent. Until its August 2024 meeting, the committee retained its stance on withdrawing accommodation to ensure inflation aligns with the target while supporting growth. Considering the prevailing and expected inflation-growth dynamics, i.e., resilient domestic growth outlook, better prospects for rabi and kharif crops, and availability of ample buffer stocks of foodgrains, the committee in its October 2024 MPC decided to change the monetary policy stance from the withdrawal of accommodation to 'neutral'. In its December 2024 meeting, taking note of the recent growth momentum slowdown, it revised its growth forecast for FY25 to 6.6 per cent from an earlier forecast of 7.2 per cent. Driven by a rise in inflation in October 2024 (surpassing the RBI's upper tolerance limit) and the expectations of high food inflation pressures to persist in Q3 of FY25, the MPC has raised the inflation forecast for FY25 to 4.8 per cent from an earlier forecast of 4.5 percent.

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. As of December 2024, the Indian stock market has achieved new highs, with intermittent corrections, in the midst of geopolitical uncertainties, currency depreciation and domestic market volatility challenges. Investor participation has been a contributor, with number of investors growing from 4.9 crore in FY20 to 13.2 crore as of 31 December 2024. This growth, combined with active listing activity and recent measures by the regulator, viz. Securities and Exchange Board of India (SEBI), to temper excesses, is expected to foster sustainable market expansion.

The total resource mobilisation from primary markets (equity and debt) stands at ₹11.1 lakh crore from April to December 2024, which is 5 per cent more than the amount mobilised during entire FY24. This also amounts to 25.6 per cent of gross fixed capital formation of private and public corporations during FY24. The number of IPOs increased by 32.1 per cent to 259 during April to December 2024 from 196 in the corresponding period of the previous year, while the amount raised almost tripled from ₹53,023 crore to ₹1,53,987 crore in the same period. The mainboard platform witnessed a significant increase in issue size as the average IPO deal size rose to ₹2,124 crore, up from ₹814 crore in entire FY24. In the case of small and medium enterprises (SMEs) IPOs, the average deal size increased to ₹39 crore from ₹31 crore during the same period. Reflecting the buoyant market conditions, Qualified Institutional Players (QIPs) emerged as the preferred equity fundraising mechanism for the corporates during FY25, with a 11.4 per cent share in total capital raised. Resource mobilisation through rights issues remains buoyant, with ₹16,881 crore raised during April to December 2024, compared to ₹6,538 crore in the corresponding period of the previous year.

Since the commencement of FY25, they have experienced significant volatility driven by various events. These include the general elections in June 2024, the unwinding of carry trades in Japan in August 2024, the escalation of conflict in the Middle East and the U.S. Presidential Election (November 2024). Notwithstanding the intermittent corrections, the markets showed a consistent upward trend until September 2024, scaling new all-time highs. Strong domestic economic prospects, robust domestic institutional investor inflows, foreign portfolio investments, anticipated policy pivots from major central banks, etc., drove the uptrend. However, this trend has moderated since October 2024, driven by economic stimulus measures in China, the US Presidential elections and valuation concerns. On account of recent corrections, the benchmark index, Nifty 50, delivered a return (in local currency) of 4.6 per cent return from April to December 2024. The highest returns (in USD) were delivered by Hong Kong's Hang Seng (22.2 per cent), followed by Nasdaq Composite (17.9 per cent), Singapore FTSE Straits Times (16.2 per cent) and South Africa's FTSE/JSE All Share index (13.3 per cent) during the same period.

The period since the pandemic has seen a surge in individual and household participation as capital market investors through direct (trading in markets through their accounts) and indirect (through mutual funds) channels. Healthy corporate earnings, stable macro fundamentals, efficient and robust technology architecture facilitating efficient trading, clearing, and depository systems, and trust garnered by mutual fund ecosystem and online digital investment platforms have encouraged greater participation in capital markets. The incremental addition to demat accounts has been continuously increasing, with the number of demat accounts rising sharply by 33 per cent to 18.5 crore at the end of December 2024 on a YoY basis. In the equity cash segment, individual investor share turnover[2] was 35.6 per cent from April to December 2024. There are 11.5 crore unique investors with demat accounts and 5.6 crore unique investors in mutual funds as of the end of December 2024. Higher investor participation has engendered a self-reinforcing cycle of strong market returns, bringing in even more investors. This, in turn, will eventually transform the securities market into a more diverse, inclusive, and robust platform for wealth creation.

The mutual fund industry has grown well in the last few years and is now crucial in channelling financial savings towards risk capital formation and leveraging technology and innovation. The rise in retail participation through mutual funds is reflected in the doubling of unique investors from 2.9 crore in FY21 to 5.6 crore as of December 2024. The total number of folios (excluding FoF domestic schemes) increased from 17.8 crore at the end of FY24 to 22.5 crore at the end of December 2024, and retail investors[3] held mutual fund units worth ₹18.6 lakh crore. This surge in participation, coupled with strong market performance, has led to a remarkable increase in mutual funds' assets under management, which rose to ₹66.9 lakh crore as of December 2024, registering 25.3 per cent growth from March 2024. The mutual fund segment presently has more than 10 crore Systematic Investment Plan (SIP) accounts, with cumulative SIP inflows of ₹10.9 lakh crore since inception. Monthly average gross SIP flows have more than doubled in the last three years, from ₹0.10 lakh crore in FY22 to ₹0.23 lakh crore in FY25. Aided by these sustained inflows, mutual fund ownership in Indian listed companies has risen to a fresh all-time high of 9.5 per cent[4] in the quarter ending September 2024, from 8.7 per cent in FY24.

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, M0, recorded a year-on-year (YoY) growth of 3.6 per cent as of 3 January 2025, compared to 6.3 per cent a year ago. The growth in M3, excluding the impact of the merger of a non-bank with a bank (with effect from 1 July 2023), was 9.3 per cent (YoY) as of 27 December 2024, compared to 11 per cent a year ago. Component-wise[5], aggregate deposits were the most significant component and contributed most to the expansion of M3. Amongst sources[6], bank credit to the commercial sector was a major contributor to the increase in M_3. As of 27 December 2024, MM[7], i.e., the ratio of M_3 to M_0, stood at 5.7 against 5.5 a year ago. Adjusted for reverse repo amounts, analytically akin to banks' deposits with the central bank, the adjusted MM was lower at 5.6 as of 27 December 2024.

Performance of the Banking sector

The GNPA ratio of SCBs has declined consistently from its peak in FY18 to a 12-year low of 2.6 per cent at the end of September 2024. Lower slippages and a reduction in outstanding GNPAs through recoveries, upgradations, and write-offs have led to this decrease. Lower GNPAs and higher provisions accumulated in recent years also contributed to a decline in net NPAs at around 0.6 per cent at the end of September 2024. Improvements in asset quality parameters were observed across all major bank groups.

2 Share turnover refers to the ratio of the value of traded shares of individual category to the total turnover in the cash market (BSE and NSE).

3 Defined as individuals investing 2 lakh or below.

4 Includes passive and active (Source: NSE Market Pulse, November 2024)

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

6 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).

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

The restructured standard advances (RSA) ratio, which is the share of RSA in total gross loans and advances, for SCBs declined from 1.8 per cent at the end of March 2022 to 0.7 per cent at the end of September 2024. All major bank groups reported a decrease in this ratio. The CRAR of SCBs has increased in the post-asset quality review period, which was conducted from August to November 2015. For FY24, around 93 per cent of the increase in the capital funds was contributed by the rise in Tier-I capital of banks, indicative of the robustness of capital buffers. At the end of September 2024, the CRAR of SCBs stood at 16.7 per cent and all banks met the Common Equity Tier-1 (CET-1) requirement of 8 per cent.

The profitability of SCBs improved during H1 of FY25, with profit after tax (PAT) surging by 22.2 per cent (YoY). The cost of funds rose in sync with the tightening monetary policy cycle. During Q2 of FY25, the cost of funds increased marginally for SCBs. As the transmission was faster for lending rates relative to deposit rates and the overall yield on assets remained broadly stable during the last year, the net interest margin (NIM) has marginally declined across all bank groups. Despite a contraction in NIM, both return on equity and return on assets ratios improved in September 2024. Further, as the GNPAs and slippages declined, the provision coverage ratio improved further to 77 per cent at the end of September 2024 per cent from 74.9 per cent in March 2023.

Credit Growth

At the end of November 2024, the growth in overall bank credit moderated to 11.8 per cent (YoY) from 15.2 per cent a year ago[8]. The moderation in credit growth can be attributed to an increase in lending rates (as a result of monetary policy transmission of higher policy rates to higher lending rates) and the imposition of increased capital requirements for unsecured personal loans, credit cards and lending to Non-Banking Financial Companies (NBFCs) by the RBI from 100 per cent to 125 per cent[9].

Sector-wise, the growth in agriculture credit as of 29 November 2024 in the current financial year was 5.1 per cent. The growth in idustrial credit picked up and stood at 4.4 per cent as of the end of November 2024, higher than 3.2 per cent recorded a year ago. Across industries, bank credit to micro, small, and medium enterprises (MSMEs) have been growing faster than credit disbursal to large enterprises. As of the end of November 2024, credit to MSMEs registered a YoY growth of 13 per cent, whereas it stood at 6.1 per cent for large enterprises. Credit growth to the services and personal loans segments also moderated to 5.9 per cent and 8.8 per cent, respectively, as of the end of November 2024 in the current financial year. Amongst the services sector, the moderation has been driven by a slowdown in credit disbursal to NBFCs. Vehicle and housing loans drove the moderation in the personal loans segment. In terms of increasing risk weights to NBFCs and credit cards, RBI's policy interventions contributed to the moderation of credit growth in those segments.

External trade

According to the latest trade update by UNCTAD[10], the gradual increase in global trade that began in H2 of 2023 has persisted into 2024. The WTO database shows a YoY growth of 3.5 per cent and 3 per cent, respectively, in global merchandise export and import indices in Q3 of 2024 (seasonally adjusted, 2005 Q1=100). Further, the global services exports and imports grew by 7.9 per cent and 6.7 per cent (YoY) during the same period.

Factors such as moderating global inflation, stable economic growth forecasts, and improving business activity are expected to foster positive momentum in global trade in early 2025. Nonetheless, this optimistic view faces substantial challenges. Modest changes in U.S. tariffs can significantly impact global trade dynamics due to its role as a major consumer market and the interconnectedness of cross-border value chains. An increase in tariffs and

[8] The statistics in this section on bank credit exclude the impact of the merger of a non-bank with a bank.

[9] RBI notification, 'Regulatory measures towards consumer credit and bank credit to NBFCs', dated 16 November 2023, https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12567&Mode=0.

[10] UNCTAD Global Trade Update December 2024, https://unctad.org/publication/global-trade-update-december-2024.

the imposition of retaliatory measures can harm international trade, investments, and overall economic growth. The tendency to impose measures to promote the production of sustainable and environmentally friendly products will also likely hinder the growth of international trade, especially in strategic sectors.

India's Merchandise Trade developments during FY23, FY24 and FY25 (April-Nov) may be seen in the table below. The merchandise trade deficit decreased from USD 264.9 billion in FY23 to USD 241.9 billion in FY24. During FY25 (Apr-Dec), the trade deficit widened to USD 210.8 billion from USD 189.7 billion in the corresponding period of the previous year. This was largely due to moderate export growth and a strong increase in merchandise imports in the first nine months of FY25.

Table 5: Trends in India's Merchandise Trade

	FY23	FY24	Change in FY24 over FY23	FY24 (Apr-Dec)	FY25 (Apr-Dec)	FY25 (Apr-Dec) over FY24 (Apr-Dec) P
Total Exports	451.1	437.1	-3.1	316.7	321.7	1.6
Total Imports	716.0	678.2	-5.3	506.4	532.5	5.2
POL Imports	209.4	178.7	-14.7	130	138.3	6.4
Non-POL Imports	506.6	499.5	-1.4	376.4	394.2	4.7
Trade Balance	-264.9	-241.1	-9.0	-189.7	-210.8	18.4

Source: Department of Commerce, Department of Commerce and Industry
Note: P: Provisional

Balance of payment situation

As per the press release of the RBI, the developments in India's Balance of Payments for FY24 (April-Sept) and FY25 (April-Sept) may be seen in the Table 6. India's current account deficit stood at USD 21.4 billion (1.2 per cent of GDP) in H1 of FY25 compared to USS 20.2 billion (1.2 per cent of GDP) in H1 of FY24. Net invisibles receipts at USD 119.0 billion were higher in H1 of FY25 compared to USD 101.0 billion a year ago, primarily because of higher net services receipts.

In the Capital Account and Financial Account, net foreign direct investment inflows at USD 4.4 billion in H1 of FY25 were higher than USD 3.9 billion in H1 of FY24. Foreign portfolio investors recorded net inflows of USD 20.8 billion in H1 of FY25 compared with net inflows of USD 20.7 billion a year ago. During H1 of FY25, there was an accretion of USD 23.8 billion to the foreign exchange reserves (on a BoP basis).

Table 6: Major Items of India's Balance of Payments (USD billion)

Items	FY24 (Apr-Sep) PR			FY25 (Apr-Sept) P		
	Credit	Debit	Net	Credit	Debit	Net
A. Current Account	**453.3**	**473.5**	**-20.2**	**487.3**	**508.7**	**-21.4**
1. Goods	213.2	334.4	-121.2	215.1	355.6	-140.4
of which:						
POL	41.7	84	-42.2	36.3	88.9	-52.6
2. Services	163.9	88.9	75.1	182	97.7	84.2
3. Primary Income	20.9	42.8	-21.8	28.8	49.4	-20.7
4 Secondary Income	55.3	7.5	47.8	61.5	5.9	55.5
B. Capital Account and Financial Account	**387.6**	**368**	**19.7**	**572.9**	**551.6**	**21.3**
of which:						
1. Direct Investment	35.9	32	3.9	45.2	40.7	4.4
2. Portfolio Investment	201.8	181.1	20.7	342	321.2	20.8
3. Other Investments	139.2	114.5	24.7	173	144	29
of which:						
NRI Deposit	40.2	34.7	5.4	52.3	42.2	10.2
ECBs to India	17.9	14.1	3.7	20.8	14.2	6.7
4. Reserve Assets [Increase (-)/ Decrease (+)]	0	27	-27	0	23.8	-23.8
C. Errors & Omissions (-) (A+B)	0.5	0	0.5	0.1	0	0.1

Source: RBI
Note: (i) PR stands for Partially Revised, and P for Provisional
(ii) The total of sub-components may not tally with the aggregate due to rounding off.

There was a moderate decline in India's foreign exchange reserves during FY25. The forex reserves stood at USD 640.3 billion at the end of December 2024, compared to USD 646.5 billion at the end of March 2024. The Indian rupee depreciated by 3.8 per cent against the US dollar from 3 April 2024-31 December 2024. Further, the INR depreciated against the Pound Sterling and Euro by 5.8 per cent and 0.4 per cent. The rupee appreciated against the Japanese Yen by 12.4 per cent during the same time period.

Labour market indicators

As reported in the 2023-24 annual Periodic Labour Force Survey (PLFS)[11] report by the NSO, the all-India annual unemployment rate (UR)[12] for individuals aged 15 years and above (usual status)[13] 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 an increased labour force participation rate (LFPR)[14] and the worker-population ratio (WPR)[15]. 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. Notable, there has been a significant increase in female LFPR from 24.5 per cent in 2018-19 to 41.7 per cent in 2023-24.

The quarterly PLFS for urban areas (available till July-Sept 2024) shows an improvement in all the key labour market indicators. The urban UR for individuals aged 15 and above has improved, decreasing from 6.6 per cent in Q2 FY24 to 6.4 per cent in Q2 FY25. During the same period (from Q2 FY24 to Q2 FY25), the LFPR rose from 49.3 per cent to 50.4 per cent, and the WPR increased from 46 per cent to 47.2 per cent.

Table 7: Quarterly Employment Indicators for age 15 years and above

Quarters	LFPR	Worker Population Ratio	UR
Jul-Sep 2021	46.9	42.3	9.8
Oct-Dec 2021	47.3	43.2	8.7
Jan-Mar 2022	47.3	43.4	8.2
Apr-Jun 2022	47.5	43.9	7.6
Jul-Sep 2022	47.9	44.5	7.2
Oct-Dec 2022	48.2	44.7	7.2
Jan-Mar 2023	48.5	45.2	6.8
Apr-Jun 2023	48.8	45.5	6.6
Jul-Sep 2023	49.3	46.0	6.6
Oct-Dec 2023	49.9	46.6	6.5
Jan-Mar 2024	50.2	46.9	6.7
Apr-Jun 2024	50.1	46.8	6.6
Jul-Sept 2024	50.4	47.2	6.4

Source: Quarterly 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 131 lakh in FY24. In FY 25, cumulative net additions to EPFO reached 95.6 lakh from April to November 2024, marking a 3 per cent YoY increase compared to the 92.9 lakh recorded during the same period in FY24.

Climate Action in India

India has ambitious commitments towards climate action despite being one of the lowest per capita carbon emitters. We had submitted an ambitious NDC under the Paris Agreement in October 2015 and were making steady progress towards those commitments. India submitted its updated NDC in August 2022. As per the updated NDC, India stands committed to reducing the emissions intensity

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

[12] UR is defined as the percentage of persons unemployed among the persons in the labour force.

[13] 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.

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

[15] WPR is defined as the percentage of employed persons in the population.

of its GDP by 45 per cent by 2030 from the 2005 level and achieving about 50 per cent cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030. It also takes forward the Hon'ble Prime Minister's vision of sustainable lifestyles and climate justice to protect the poor and vulnerable from adverse impacts of climate change, including through a mass movement for 'LIFE'- 'Lifestyle for Environment' as a key to combating climate change. This update to India's existing NDC is a step towards our long-term goal of reaching net zero by 2070.

The country has been progressively decoupling economic growth from greenhouse gas emissions and is making steady progress towards achieving those commitments mostly based on domestic resources. The emission intensity of GDP was reduced by 36 per cent in 2020 as compared to 2005, and the non-fossil fuel as a proportion of installed capacity is 47.1 per cent as of the end of December 2024. India's climate actions have been largely financed from its own domestic sources.

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 and 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 and 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-States Division 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, namely Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY) & Atal Pension Yojana (APY) and the credit schemes namely 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 guidelines concerning 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 115 officers/personnel. The organizational structure of DPE is at Annexure-1. The Department has the following constituent Divisions:

3.1 Policy Division-I

Policy Division-I 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.

3.2 Policy Division-II

Policy Division-II deals with issues related to MSME procurement under Public Procurement 2012 Policy, GeM procurement by CPSEs, examination of COS/ECOS proposals, PIB/SFC/EFC/Cabinet/CCEA notes (other than those related to disinvestment and infusion of equity), CSR spending and policy framework thereto, Employment and reservations in CPSEs, formulation or modification of guidelines of CRR and RDC schemes and conduction & coordination of training under these schemes, Databank of NoDs (IDs) and proposals for selection and appointment of IDs on the Boards of CPSEs, training/orientation of BoDs, training of DPE employees, including matters related to Capacity Building Commission and Karamyogi Bharat, engagement of Interns, programmers under RDC & CRR for OTNS related work, etc.

3.3 Wage Cell

Wage Cell deals with the policy relating to pay revision of CPSE executives at Board as well as below Board level and non-unionized supervisors, and issues broad guidelines for wage settlement negotiations in case of workmen in CPSEs. Wage Cell also issues DA orders for both of IDA employees and CDA employees of the CPSEs.

3.4 MoU Division

The MoU Division is responsible for formulating guidelines and implementing the Memorandum of Understanding (MoU) framework for performance evaluation of Central Public Sector Enterprises (CPSEs). Additionally, the division compiles data on capital expenditure (CAPEX) incurred by select CPSEs and compliance status of Corporate Governance guidelines for the CPSEs.

3.5 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.

3.6 Disinvestment Division

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.

3.7 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.

3.8 Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD)

Administrative Mechanism for Resolution of CPSEs Disputes deals with all COMMERCIAL DISPUTES between Central Public Sector Enterprises (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.

3.9 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/ CGAM/ AM, Coordination with CPSEs and Govt. agencies for monetization of assets,

3.10 Information Technology Cell (IT Cell)

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

Chapter - I

Department of Economic Affairs

1. Economic Division

1.1 The Economic Division provides expert advice to the Government on important issues of economic policy. 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 publication of the annual Economic Survey, which is presented to Parliament as a curtain raiser to the Annual Union Budget. Over time, the Economic Survey has become a respected and authoritative source, 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. 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.

1.3 The division also brings out Monthly Economic Review (MER), which gives the review of recent progress in macro-economic trends and the latest available data on the key sectors of the economy. The division prepares, from time to time, briefs on the macro-economic trends, price situation, performance of the agriculture and industrial production, trends in tax collection, balance of payments, 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. The Division works in close cooperation with the RBI, the NITI Aayog, the MoSPI and the economic and statistical wings of their Ministries.

1.4 The work of the Economic Division is organized under the following 11 units:

- Agriculture and Food Management Unit
- Climate Change Finance Unit
- External Sector Unit
- Industry Unit
- Macro unit
- Money and Banking Unit
- Prices Unit
- Public Finance Unit
- Services Unit
- Social Sector Unit
- Co-ordination Unit

Agriculture and Food Management Unit

1.5 Agriculture and Food Management unit is responsible for: (a) Providing policy advice on issues and matters related to Agriculture and Food Management; (b) Examining/Appraising Cabinet/ CCEA/ CoS/EFC and other policy notes on fixing Minimum Support Prices (MSPs) for major crops/crop insurance policy/ other agricultural policies; (c) participates in the Pre-Budget meetings with stakeholders in farm sector;(d) Briefs for the Parliamentary Standing Committee on Agriculture-related issues; (e) Occasional review/ reports on specific issues as and when required (f) Analysis of issues related to Allied sectors like dairy sector, fisheries, forestry and food processing; (g) Preparation of the Chapter on 'Agriculture and Food Management' for Annual Economic Survey; (h) Handling VIP/ Parliament/ Other references and Private Member Bills related to agriculture and food management.

Climate Change Finance Unit

1.6 The Climate Change Finance Unit (CCFU) is the nodal point for all climate change finance matters in the Finance Ministry. It represents the Ministry in climate finance-related issues in all international and domestic fora. It represents the country in international negotiations on climate finance under the UN Framework Convention on Climate Change (UNFCCC). The unit is the nodal body of the G20 Taskforce on Global Mobilization against Climate Change (TF-CLIMA) launched by Brazil's G20 presidency. It provides inputs on climate finance-related issues to other G20 working groups, such as the Energy Transition Working Group (ETWG), the Sustainable Finance Working Group (SFWG), the Framework

Working Group, etc. The Unit prepares briefs and position papers for the Government of India's position on climate change finance and international instruments being used to address climate change. It provides guidance and inputs to MOEFCC to feed into climate change negotiations. It assesses the submissions on climate change finance from various national Governments that are Parties to the UNFCCC.

The Unit is responsible for the analytical works on climate change, sustainable development, renewable energy-related issues, carbon market and any other emerging issues in the area of climate change, as well as drafting the chapter on climate and environment for the Economic Survey. It examines the proposals of the Green Climate Fund (GCF), Global Environment Facility (GEF), and proposals of the MDBs on climate-related projects. It analyses the domestic proposals relating to climate change finance and provides inputs relating to climate change finance on ongoing domestic policies like the National Action Plan on Climate Change (NAPCC).

External Sector Unit

1.7 **Trade & Balance of Payments:** Monitoring and analyzing the developments in India's Trade and Balance of Payments (BoP) and providing policy inputs/ briefs/ comments, etc., relating to same.(b)Analysis of recent trends and developments in India's trade and BoP which culminates into the External Sector Chapter published in Economic Survey. (c)Preparation of a monthly trade note based on the press release of the Department of Commerce for the perusal of the Secretary, DEA and Chief Economic Adviser (CEA). (d) Matters relating to Short-term Balance of Payments (STBoP) Monitoring Group. (e) Economic Activity tracker: Data maintenance and updation of India's key trade and BoP indicators on a weekly/monthly/ quarterly/annual basis as per availability of data. (f) Policy inputs for Hon'ble FM, MOS, Secretary on: (i) Parliamentary debates and questions related to trade and BoP (ii) Speeches related to important economic events (iii)Leading economic discussions at bilateral and multilateral forums such as G-20, World Bank, IMF, OECD, concerning India's trade & BoP position.

1.8 **External Debt Management Unit:** Publication of an Annual Status Report on India' External Debt, based on inputs from relevant stakeholders like RBI, Aid, Accounts & Audit Division, Ministry of Defence, SEBI, etc. (b) Publication of Quarterly Report on India's External Debt for the two quarters ending September and December, through collection and compilation of data from different stakeholders. The remaining two quarters' reports are published by RBI. (c) Collection, compilation and provision of inputs on India's External Debt data on quarterly basis to World Bank for its centralized database called, 'Quarterly External Debt Statistics (QEDS)', in compliance with IMF's Special Data Dissemination Standard (SDDS)requirements.(d) Dissemination of India's defence debt data on a quarterly basis to all relevant stakeholders.(e)Monitoring and analyzing the developments in India's External debt and providing policy inputs/ briefs/ comments, etc., relating to same. (f) Analysis of recent trends and developments in India's external debt and incorporate a section on the same in the External Sector Chapter published in the Economic Survey. (g)Issues relating to foreign exchange reserves and exchange rate (h) Policy inputs for Hon'ble FM, MOS, Secretary on: (i) Parliamentary debates and questions related to external debt (ii) Leading economic discussions at bilateral and multilateral forums such as G-20, World Bank, IMF, OECD, concerning India's external debt sustainability.

Industry

1.9 The unit analyses the data related to the Index of Industrial Production (IIP) and eight core industries. The unit prepares comprehensive analytical notes on both the IIP and eight core sectors, every month. The unit prepares a chapter on industry for the annual economic survey. It also contributes to policy formulation by examining and providing comments on various policy notes, expenditure finance committee notes, and cabinet notes concerning the industrial sector. The unit monitors the budget announcements monthly pertaining to the Department of Fertilizers. The Unit participates in pre-budget meetings and prepares briefs and notes for the department. It also provides inputs for parliamentary questions, VIP references and other references received from different Ministries/ Departments.

Macro unit

1.10 The Macro unit, Economic Division is primarily responsible for: (a) Monitoring macroeconomic parameters and analysis of macroeconomic trends (b) Preparing the State of the Economy chapter for the Economic Survey (c) Preparing the macroeconomy-related sections for the Monthly Economic Report

(d) Coordinating the country's participation in the Special Data Dissemination Standard (SDDS) (e) Updating the National Summary Data Page on the Ministry of Finance website (f) Annual updating of metadata in SDDS (g) Parliament matters (h) Providing macroeconomic briefs and inputs on reports or events as per requirement (i) Coordinating the interactions of credit rating agencies with the Ministry of Finance and (j) Provision of inputs for Budget Related matters, which includes: Inputs for the Macro Economic Framework Statement for the Union Budget, Macroeconomic overview for the statement on half-yearly review of the trends in receipts and expenditure in relation to the budget at the end of the first half and second half of the financial year and GDP projections before the preparation of the budget.

Money and Banking Unit

1.11 The unit is responsible for: (a) Monitoring of money market trends and developments in monetary policy; (b) Monitoring of banking policy and aggregate trends in credit flows; (c) Fortnightly analysis of the monetary parameters; (d) Monitoring yields on G-Sec/ Treasury Bills; (e) Monitoring behaviour of Call Money Rates and LAF operations; (f) Periodical updates on monetary policy and quarterly reviews of RBI.

Prices Unit

1.12 The unit is responsible for: (a) Inflation monitoring based on the: (i) Wholesale Price Index (WPI), base: 2011-12=100 (ii) Consumer Price Index (CPI)- Rural, Urban, Combined, base: 2012=100; (b) Price/inflation-related issues:(i) related to domestic and international price behaviour; (ii) related to seasonal price behaviour; (iii) related to Price Policy and inflation management; (c) Preparation of Monthly Inflation Report (d) Drafting chapter on prices for pre-budget Economic Survey. (e) Committees/ Working groups: (i) Participation in the various committees on price indices (CPI, WPI and RESIDEX); (ii) Participation in macro financial monitoring group constituted under DEA; (iii) Participation in the meeting of Committee of Secretaries on Review of prices of essential commodities.

Public Finance Unit

1.13 Public finance unit is responsible for monitoring of central fiscal parameters including deficit indicators, expenditure, revenue trends & public debt and provide a narative in Monthly Economic Review & Economic Survey.

Services Unit

1.14 The unit is responsible for (a) Preparing the chapter on the Services Sector for the Economic Survey (b) Monitoring the performance of the services sector (c) Parliament Matters.

Social Sector

1.15 The unit is responsible for: (a) Providing policy advice on issues related to social infrastructure, employment and human development; (b) Analysis of labour issues, employment trends, health, education and other topics concerning social sector; (c) Examining/ Evaluating results of employment and unemployment surveys; (d) Examine/ Appraise Cabinet Notes/CoS/EFC/ SFC/PIB/ CEE notes on labour and skill development including various issues related to health, education, social empowerment, gender issues, rural development etc. those received from the other Divisions in DEA; (e) Participation/membership of Standing Committee on Labour Force Statistics; (f) Preparation of chapters on ‘Social Infrastructure’ and ‘Employment’ for Annual Economic Survey; (g) Pre-budget meetings with labour unions, civil society organizations, health, education, welfare and women's organizations/ experts etc.; (h) Handling VIP/ Parliament/Other references related to the themes in social sector; (i) Occasional review/reports on specific issues as and when required; (j) Organizing workshops/ inter-departmental meetings on specific themes.

Coordination Unit

1.16 The Unit is responsible for (a) Internal administration and coordination of economic division; (b) Organizing the Finance Minister's Pre-Budget meetings with various stakeholders; (c) Nomination of officers of the economic division for foreign deputation to OECD meetings and other meetings and workshops; (d) Coordination with all units of economic division for publishing Economic Survey and laying them before parliament; (e) Organizing Arun Jaitley Memorial Lecture, the annual international conference on thematic issues; (f) Coordination of parliament work, RTI matters, VIP references, public grievances etc; (g) All administrative matters of economic division viz. transfer/posting of officers within the division.

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 and Excess Demands for Grants of the Central Government and of States/UTs under President's Rule.

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 current year and Budget Estimates for the ensuing year. Detailed work allocation within Budget Division is available at https://dea.gov.in/allocation-business.

2.2 MAJOR ACHIEVEMENTS DURING 2024-25

2.2.1 Regular Budget 2024-25 was delivered on 23rd July, 2024 in paperless form. During the Financial year 2024-25, the First Batch of Supplementary Demands for Grants 2024-25 was presented and passed in the Parliament in December 2024.

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 ₹11,29,494 crore was devolved to all State Governments during the Financial Year 2023-24 as against ₹10,21,448 crore projected in BE 2023-24. Further, ₹9,01,150 crore was devolved to all State Governments till December, 2024 during the Financial Year 2024-25 as against ₹12,47,211 crore projected in BE 2024-25.

2.2.3 From 1st April, 2024 to 31st December, 2024, 19 Reports of the C&AG of India were laid before the Parliament and 31 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 Small Savings Schemes:

2.2.4.1 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.
- PM CARES for Children Scheme, 2021
- Mahila Samman Savings Certificate, 2023

2.2.4.2 Small Savings Collections:

The provisional estimates for gross deposits under various small savings schemes during FY 2024-25 are ₹15,44,323.23 crore as against the deposit of ₹14,32,479.70 crore during 2023-24. An amount of ₹13,167.55 crore (provisional estimate) is to be invested, as share of net small savings collections and amount received on redemption of securities to Kerala, Madhya Pradesh and UT of Delhi during FY 2024-25, as against the sum of ₹15080.23 crore invested to these States and UT of Delhi during 2023-24.

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 U.T.s (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, only two States, namely, Kerala and Madhya Pradesh and one UT with legislature namely, Delhi have opted for the NSSF loan.

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 and the Government's development/fiscal considerations.

The rate of interest on various small savings schemes for the FY 2024-25 is given below:

Rate of Interest in FY 2024-25 (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 and the Public Debt Management Cell (PDMC).

2.2.5.2 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 2022-23 was released on July 31, 2024. 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 As announced in the Union Budget 2022-23, the GoI, as part of its overall market borrowings, issued Sovereign Green Bonds (SGrBs) for an aggregate amount of ₹16,000 crore and ₹20,000 crore in the year 2022-23 and 2023-24, respectively, 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 2024-25, ₹11,697 crore has been raised through SGrBs so far and in the remaining period of the FY further ₹10,000 crore has been planned to raise through 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 2024-25 was budgeted at ₹14.01 lakh crore (BE).

2.2.5.6 The Government Debt is held predominantly (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. A low rollover risk is signified through debt maturing within the next 5 years. This accounted for about 26% of total outstanding stock of G-Secs at end-Sep, 2024. Detailed analysis of existing debt and liabilities of the Government is brought out in the annual debt papers (available on https://dea.gov.in/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 thereunder is the prime function of the FRBM Section. The FRBM Act, 2003 provides 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, 2024 to December 20, 2024 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 2024-25

   a) Medium-Term Fiscal Policy cum Fiscal Policy Strategy Statement

   b) Macro-Economic Framework Statement

B) Disclosure statements presented with Budget 2024-25

   a) Tax Revenues raised but not realised

   b) Arrears of Non-Tax Revenues

   c) Asset Register

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 2023-24

   b) First Half of the Financial Year 2024-25

2.2.6 3 Fiscal indicator targets for RE 2023-24 and BE 2024-25 are as below:

(as % of GDP)

Fiscal Indicators/ Year	2023-24 (RE)	2024-25(BE)
Fiscal Deficit	5.8	4.9
Central Government Debt*	58.1	56.8

Note:

i. *GDP for FY 2023-24 is ₹295.36 Lakh crore issued by M/o Statistics & Programme Implementation on 31.05.2024.*

ii. *The GDP for BE 2024-25 has been projected at ₹326.37 lakh crore assuming 10.5% growth over the estimated GDP of ₹295.36 Lakh crore for 2023-24 (Provisional Estimates).*

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

* *Central Govt. debt includes 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.

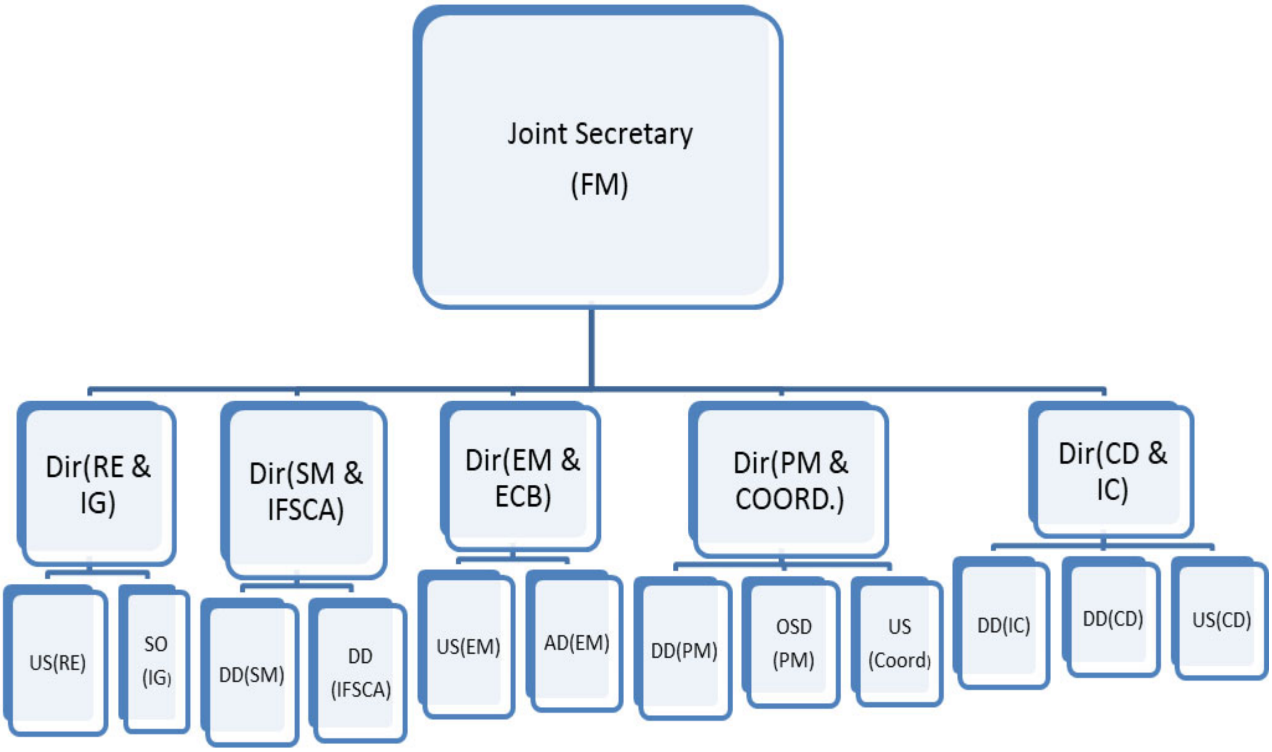
2.2.7.2 Apart from the above, the Budget Press inter alia printed Highlights of Economic Survey 2023-24, First Batch of Supplementary Demands for Grants for the year 2024-25, the Action Taken Report, Cabinet Notes (Hindi & English) and several Discussion Papers.

3. Financial Markets (FM) 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 allocation 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:
   (a) Mutual funds,
   (b) Collective investment schemes,
   (c) Alternative investment funds,
   (d) Domestic credit rating agencies,
   (e) Merchant Banks etc.
2. Matters related to Corporate Governance and Minimum Public Shareholding.
3. Policy issues related to mergers, takeovers and acquisitions
4. Development of corporate bond market
5. Financial literacy
6. Corporate governance of companies
7. Policy articulation on agenda items of SEBI's Board meetings (primary responsibility)
8. SEBI Act, related rules and regulations
9. Investment Guidelines for Non-Government Provident Funds, Superannuation Funds and Gratuity Funds
10. Coordinating DEA-AJNIFM Research Programme and other Research Programme

II. Secondary Markets 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 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-
   (i) Aircraft Leasing and Financing
   (ii) Bullion Trading
   (iii) Fin Tech
   (iv) Insurance/Re-Insurance
   (v) Banking
   (vi) Fund Management
   (vii) Global-In-House Centres
   (viii) Others
5. Preparation of Cabinet Notes for signing of bilateral and multilateral MoUs by IFSCA for strengthening mutual co-operation with overseas financial regulators/authorities
6. Facilitating international outreach by IFSCA and GIFT City
7. Enhancing inter regulatory coordination between SEBI, RBI, IRDAI, PFRDA to enable comprehensive regulations and new financial products/services in IFSC
8. Budgetary assistance for IFSCA and transfer of grants from central government for expenditure on salaries, allowances and other establishment expenses of the Authority
9. Supervising projects and schemes sanctioned to IFSCA including the IFSCA HQ Project, Sup-Tech Project and Fintech Incentive Scheme
10. Examination and furnishing of comments on all Draft Cabinet Notes
11. 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 matters 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. Financial Development Index (FDI) under Global Indices for Reform and Growth (GIRG)
8. 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 of Senior Management Group (SMG) taken by Secretary (EA) to evaluate pending VIP reference, PMO reference and Parliamentary matters. Management of e-Samiksha and portals in respect of FM Division related complaints, VIP/ PMO references, cabinet notes and court cases etc.
3. Monthly summary in respect of activities, major achievement and important policy decisions taken in DEA are sent to Cabinet Secretariat
4. Work management /allocation issues within FM Division
5. Website management in respect of FM Division
6. Internship matters within FM division

A. Indian Market Performance

i. During FY25 (till November), the Indian stock market has achieved new record highs, consistently outperforming its emerging market peers despite downside risks from geopolitical uncertainties and election-driven market volatility. In May 2024, India's market capitalization surpassed the $5 trillion mark, making it the fourth largest equity market globally and underscoring India's robust long-term growth potential. This growth, combined with active listing activity and SEBI's recent measures to temper excesses has fostered sustainable market expansion.

ii. The performance of India's benchmark indices Nifty 50 and BSE Sensex surged by 8.1 per cent and 8.4 per cent during Apr-Nov 2024, respectively as against 28.6 per cent and 24.9 per cent during FY24. The Indian indices corrected about 6 to 7% during Oct-Nov 24 after reaching all-time high in September 2024. The corrections were driven by combination of factors such as aggressive selling by FPIs due to excessive market valuation, weaker than expected Q2 corporate earnings, geopolitical tensions and elections in US. On an overall level, the all-India market capitalisation grew by 15 per cent during FY25 (Apr- Nov).

Table 1: Performance of Major Markets in the World

Index	Last Day of 2022-23 (31.03.2023)	Last Day of 2023-24 (28.03.2024)	Last Day of 2024-25 (29.11.2024)	Performance in FY 2023-24 (% change as on 28.03.2024 over last closing of FY 2022-23)	Performance in FY 2024-25 (% change as on 29.11.2024 over last closing of FY 2023-24)
Indian Markets					
BSE Sensex	58,992	73,651	79,803	24.9%	8.4%
Nifty 50	17,360	22,327	24,131	28.6%	8.1%
Emerging Markets					
FTSE/JSE, South Africa	76,100	74,536	84,510	-2.1%	13.4%
TAIEX, Taiwan	15,868	20,147	22,263	27.0%	10.5%
Shanghai Composite, China	3,273	3,011	3,326	-8.0%	10.5%
Ibovespa, Brazil	1,01,882	1,28,106	1,25,668	25.7%	-1.9%
KOSPI, Korea	2,477	2,746	2,456	10.9%	-10.6%
Developed Markets					
Hang Seng, Hong Kong	20,400	16,541	19,424	-18.9%	17.4%
Nasdaq, USA	12,222	16,379	19,218	34.0%	17.3%
Dow Jones, USA	33,274	39,807	44,911	19.6%	12.8%
Straits Times, Singapore	3,259	3,224	3,559	-1.1%	10.4%
DAX, Germany	15,629	18,492	19,626	18.3%	6.1%
FTSE 100, UK	7,632	7,953	8,287	4.2%	4.2%
Nikkei, Japan	28,041	40,168	38,208	43.2%	-4.9%
CAC, France	7,322	8,206	7,235	12.1%	-11.8%

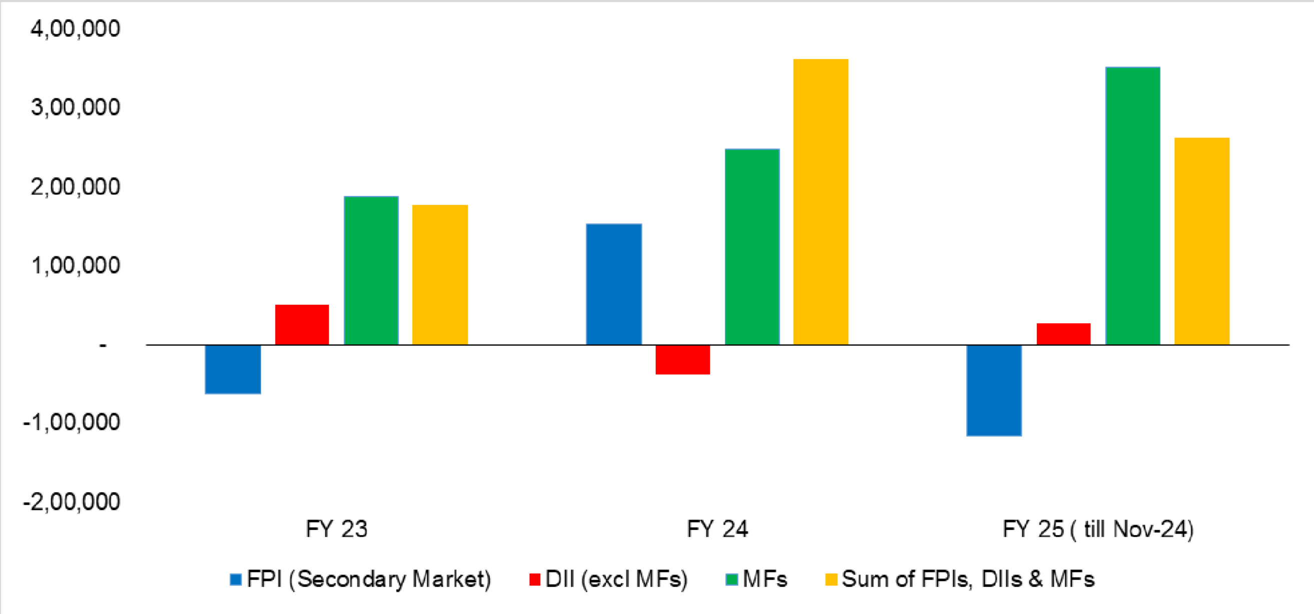
Domestic Institutional Investors moving beyond their countervailing role

In the FY25 (Apr-Nov) so far, DIIs net inflow into the equity markets has reached an all-time high of ₹3,78,740 crore recording growth of 80.8 per cent from FY24 (of which mutual funds investment was 92.7 per cent).

The net inflow by DIIs was largely driven by increasing domestic investor participation through the mutual funds route. Over the past few years, domestic institutional Investors led by mutual funds have not only played their role as a countervailing force to volatile FPI flows but have also become the single largest investor in domestic listed companies.

Chart 1: DIIs counterbalancing FPI's outflows

(₹crore)



Source: *NSDL, BSE, NSE*

B. Primary Market

a. Capital market, both debt and equity, have become increasingly important for India's growth story. During FY25 (Apr-Oct), total of ₹1,21,631 crore has been raised through 302 public-equity and rights issues. Qualified Institutions' Placement(s) (QIPs) emerged as preferred equity fundraising mechanism for the corporates, with total amount mobilisation of ₹80,339 crore during FY25.

b. The total amount raised through public issue and private placement of corporate bonds during FY25 (Apr-Oct) was ₹5,38,416 crore. While fund raised through Hybrid instruments REITs and InvITs during FY25 (Apr-Oct) was ₹10,612 crore.

c. The assets under management (AUM) of mutual fund industry stood at ₹67.2 lakh crore as on the end of October 2024.

d. In the current financial year so far, there has been 42 Substantial Acquisition of Shares and Takeovers involving ₹1,463 crore compared to 73 such takeovers during FY24 involving ₹10,252 crore.

Table 2: Capital Raised from the Primary Market through Public and Rights Issues

Financial Year	Total (Public + Rights)		Category-wise (Equity)				Issues-Type			
			Public#		Rights		Preferential Issue		QIP	
	No. of issues	Amount (₹ crore)	No. of issues	Amount (₹ crore)	No. of issues	Amount (₹ crore)	No. of issues	Amount (₹ crore)	No. of issues	Amount (₹ crore)
2022-23	238	65,824	165	59,073	73	6,751	454	83,832	11	8,212
2023-24	340	83,093	273	67,982	67	15,110	689	45,155	61	68,972
2024-25 (Apr-Oct)	302	1,21,631	215	1,09,255	87	12,376	575	61,348	60	80,339

 # includes IPOs and FPOs

Table 3: Funds Mobilized through Issuance of Corporate Bonds in India

Financial Year	No. of Public Issues	Amount Raised through Public Issue (₹ Crore)	No. of Pvt. Placement	Amount Raised through Private Placement (₹ Crore)	Total Amount Raised through Public Issue and Pvt. Placement (₹ Crore)
2022-23	34	9,221	1,524	7,54,467	7,63,688
2023-24	45	19,167	1347	8,37,756	8,56,923
2024-25 (Apr-Oct)	25	5,526	976	5,32,890	5,38,416

Table 4: Resource Mobilisation through Municipal Bonds

Financial Year	No. of municipal bond Issues	Amount Raised (₹ Crore)
2021-22	1	100
2022-23	1	244
2023-24	3	500

Table 5: Resource Mobilization through REITs and InvITs

Financial Year	REITs	InvITs#@	Total	Net asset value of REITs/InvITs
	Amount (₹ crore)	Amount (₹ crore)	Amount (₹ crore)	Amount (₹ lakh crore)
2022-23	0	6,360	6,360	2.48
2023-24	5,905	33,119	39,024	6.05*
2024-25 (Apr-Oct)	1,228	9,384	10,612	---

 # InvITs includes both listed and unlisted InvITs

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

**Net asset value for FY 2023-24 is based on estimation and is provisional figure.*

Fund Mobilisation through Mutual Funds

During FY25 (Apr-Oct), mutual funds had mobilised ₹7,71,995 crore as compared to a net inflow of ₹2,87,602 crore in the corresponding period of last year. During the period under review, highest inflows were observed in Income/ debt-oriented schemes amounting to ₹3,30,665 crore (42.8 % of net inflows), followed by inflows of ₹2,45,685 crore in growth/ equity-oriented schemes, ₹97,822 crore in other schemes and ₹95,914 crore in hybrid schemes.

Table 6: Resource Mobilization by Mutual Funds (in ₹Crore)

Financial Year	Gross Mobilisation			Redemption/Repurchase			Net Inflow/ Outflow			Assets at the End of Period
	Pvt. Sector	Public Sector	Total	Pvt. Sector	Public Sector	Total	Pvt. Sector	Public Sector	Total	
2022-23	77,54,916	27,52,442	1,05,07,357	77,38,933	26,92,199	1,04,31,132	15,983	60,242	76,225	39,42,031
2023-24	88,41,565	26,06,650	1,14,48,215	85,32,667	25,60,847	1,10,93,513	3,08,898	45,803	3,54,701	53,40,195
2024-25 (Apr-Oct)	62,47,516	16,33,199	78,80,716	55,92,596	15,16,124	71,08,721	6,54,920	1,17,075	7,71,995	67,25,615

Table 7: 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
2022-23	-2,09,061	1,44,775	-18,813	1,836	1,57,489	76,225
2023-24	-34,588	1,81,362	1,44,954	2,284	60,689	3,54,701
2024-25 (Apr- Oct)	3,30,665	2,45,685	95,914	1,909	97,822	7,71,995

Portfolio Managers

With rise in HNIs, there has been growing demand for portfolio management services outside the traditional mutual fund space. Propelled by market appreciation and increase in client base, cumulative AUM of the portfolio management services as at the end of Oct 2024 stood at 36.2 lakh crore, up by 19.1 per cent over the previous year.

Table 8: Growth in assets managed by PMS

Period	AUM (in ₹ Crore)				
	Discretionary	Non-Discretionary	Co-Investment	Advisory	Total
Oct-24	30,29,522	2,98,014	3,489	2,92,082	**36,23,107**
Sept-24	30,27,983	2,99,496	2,700	2,97,507	**36,27,686**
Oct-23	25,49,406	2,44,657	742	2,48,255	**30,43,061**

Source: SEBI; The above data is as per submissions made by 431 Nos. of PMS on the SI Portal of SEBI till Nov 30, 2024

C. Secondary Markets:

i. To promote a robust and regulated derivatives market with enhanced investor protection, revised eligibility criteria have been introduced for the entry and exit of stocks in the derivatives segment on exchanges. This change aims to ensure that stocks in the derivatives market maintain liquidity and participation levels that support market stability and development. The criteria for exit shall apply to only those stocks which have completed at least 6 months from the month of entry into the derivative segment. In addition, Product Success Framework (PSF), in line with the PSF for index derivatives, has also been introduced in single stock futures and options. This framework will evaluate liquidity and participation levels in single stock derivatives to ensure that the liquidity and participation witnessed in the derivative markets are supportive of market development, regulation, and investor protection. The stocks that do not satisfy the PSF would exit the derivative segment.

ii. In order to review the existing regulatory measures for investor protection while ensuring the orderly development and strengthening of equity derivatives market, following measures were introduced in staggered manner:

- Upfront collection of Option Premium from options buyers,
- Removal of calendar spread treatment on the Expiry Day,
- Intraday monitoring of position limits,
- Revised contract size for index derivatives,
- Rationalization of Weekly Index derivatives products,
- Increase in tail risk coverage on the day of options expiry

iii. In order to bring consistency and uniformity with respect to independent evaluation of performance of MIIs by an external agency, the broad framework with basic minimum criteria has been put in place. To ensure consistency in the manner of assessment and outcomes across similar MIIs, compare performance of such MIIs and monitor trends over time, a rating framework has been developed which would be assigned after evaluation of the MIIs.

iv. Existing processes related to charges levied by MIIs on their members (i.e. stockbrokers, depository participants, clearing members), entail volume based slab-wise charge structure. It was found in many cases that the aggregated charges collected by the members from the end clients is higher than the end of month charges paid to the MII. Hence it was mandated that MII charges which are to be recovered from the end client should be True to Label and MIIs were directed to redesign the existing charge structure and associated processes. This will ensure that the fee structures are transparent and True to Label to reflect, the actual services provided.

v. Taking into account the changing market dynamics of the equity derivatives segment, with a view to have a more comprehensive understanding of the prevalent tail risk in the equity derivatives segment, SEBI has specified additional hypothetical stress testing scenarios/ methodologies for determining the Minimum Required Corpus (MRC) of Core SGF in the equity derivatives segment.

vi. To safeguard client assets and prevent the potential misuse of securities by brokers, a mechanism of pay-out of securities directly to clients' demat account has been implemented wherein securities from trade settlements will be directly credited to the client's demat account rather than the broker's pool account. Under this system, Clearing Corporations will handle the pay-out of securities, ensuring they are credited directly to the client's demat account following trade execution.

vii. For prevention and detection of fraud or market abuse, institutional mechanism changes have been implemented to cast responsibility on brokers to put in place systems for detection and prevention of fraud or market abuse including setting up of robust surveillance and control systems, ensuring appropriate escalation and reporting mechanisms (including to exchanges), and having a whistle blower policy in place.

viii. To address the issue of liquidity for investors, especially retail investors, and also to enhance their investment in debt securities, a framework of providing a Liquidity Window facility by the issuers through use of put options exercisable on pre-specified dates/intervals was introduced. The issuers can offer this facility on an ISIN basis to eligible investors at their discretion for prospective issuances.

ix. Keeping in view the growth of benchmark indices in the previous decade and to further enhance the participation of retail investors in the securities market, the Basic Services Demat Account (BSDA) for Financial Inclusion and Ease of Investing facility was comprehensively reviewed. The BSDA facility now allows securities upto ₹10 lakh and No Annual Maintenance Charges (AMC) for BSDA holding securities upto ₹4 lakh subject to a maximum of ₹100.

x. For the purpose of ease of compliance and investor convenience, non-submission of 'choice of nomination' shall not result into freezing of demat accounts/ MF Folios/physical folios and withholding of dividends/interest etc. Further, the process of providing nomination was streamlined and only three fields have been mandated for providing nomination details.

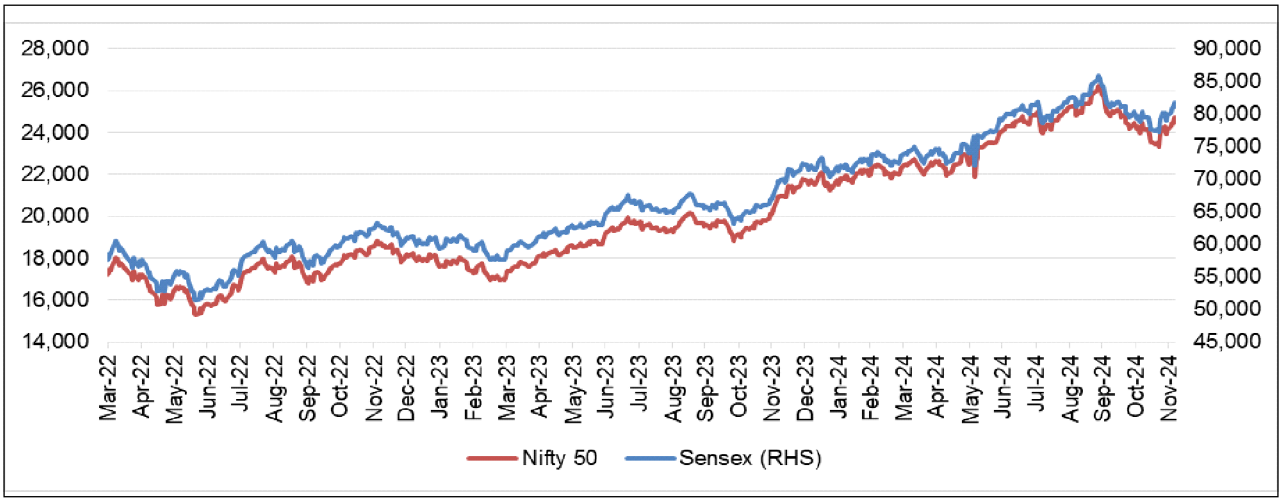
xi. Environment friendly measure introduced to provide emails as default mode of dispatch for Consolidated Account Statement (CAS) by depositories, mutual fund -registrar and transfer agents and holding statement by depository participants.

xii. The proposal to mandate the Qualified Stock Brokers (QSBs) to provide either the facility of trading supported by blocked amount in the secondary market (cash segment) using UPI block mechanism (ASBA-like facility for the secondary market) or the 3-in-1 Trading Account facility is under consideration at SEBI. The UPI block mechanism will offer enhanced safety of investors viz. through hassle-free and immediate return of funds and securities in case of default by trading member, adequate protection to the funds of the investors, and the funds blocked from savings account will enable the investors to earn interest.

Stock Market Performance

Notwithstanding the intermittent corrections, Indian markets showed consistent upward trend until September 2024, scaling new all-time highs. Strong domestic economic prospects, robust domestic institutional investor inflows, FPI investment, anticipated policy pivots from major central banks etc. drove the uptrend. However, the uptrend moderated since October 2024, driven by economic stimulus measures in China, U.S. presidential election and the valuation concerns.

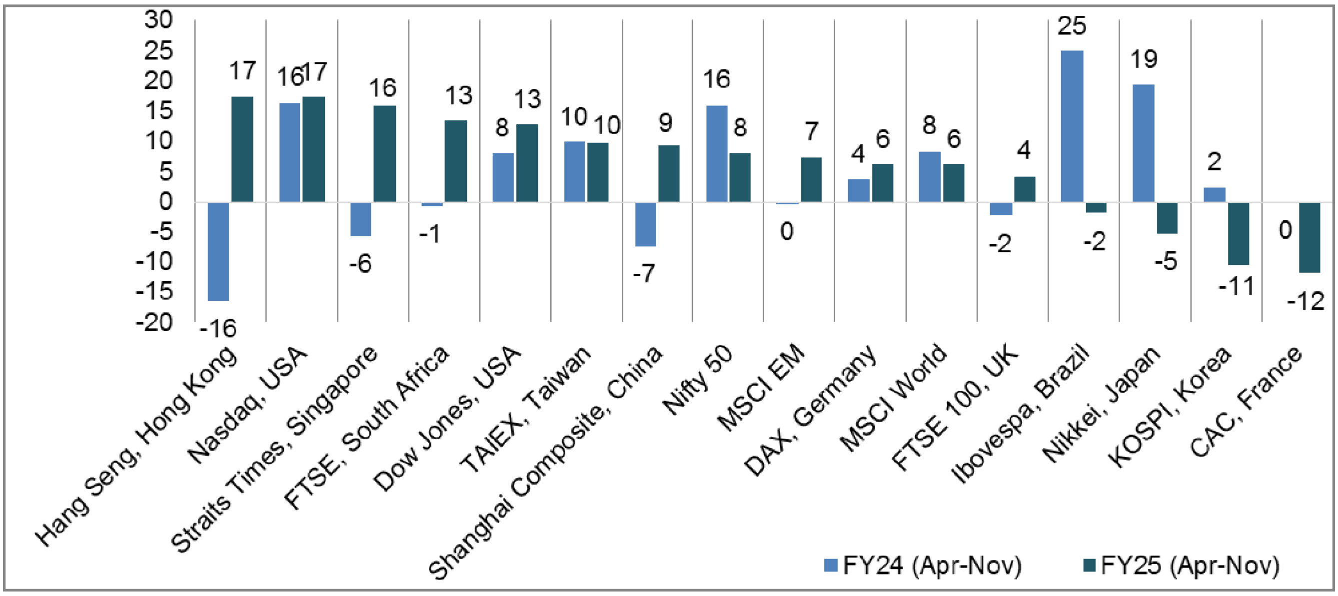
Chart 2: Movement of Indian Benchmark Indices



Source: *Refinitiv*

Despite the recent corrections, the Indian benchmark index, Nifty 50, delivered a return of 8.1% during FY25 (April to November) among selected major markets. The highest returns were delivered by Hong Kong's Hang Seng, followed by USA's Nasdaq and Singapore's Straits Times.

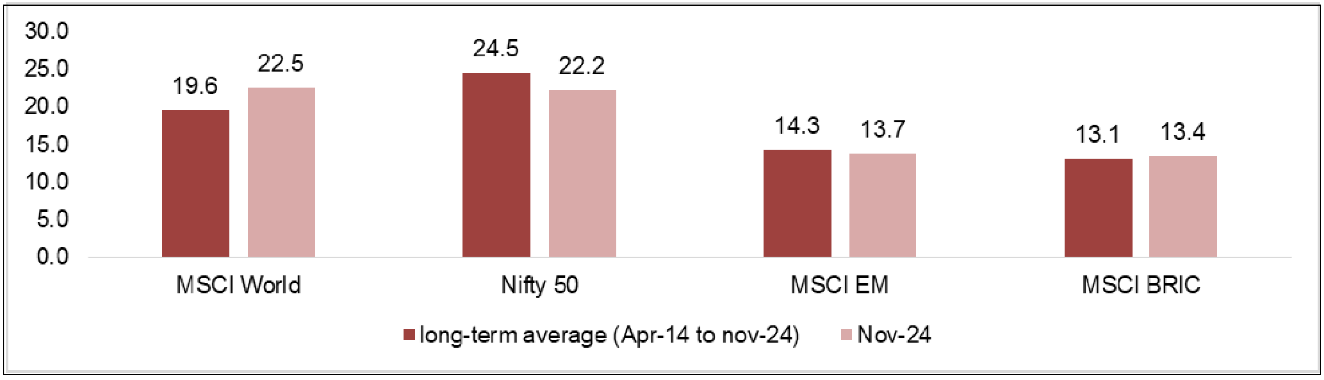
Chart 3: Return of Major World Indices



Valuations (P/E Ratio)

At the end of November 2024, the PE ratio (trailing) of Nifty 50 stood at 22.2, which was higher compared to peer markets. However, this is lower than the long-term average, whereas current valuations of other global benchmark indices are higher than their long-term valuations.

Chart 4: Comparison of P/E Ratios of Major Indices with the Long Term Average



Source: *Bloomberg, NSE*

Retail Participation in the Capital Market

Individual investor's share in the equity cash segment turnover was at 35.5 per cent in FY25 (Apr-Nov), which was same for the corresponding period last year.

Table 9: Share of Individual Investors in Equity Cash Segment Turnover (per cent)

Year	Share of Individual Investors (per cent)
2023-24*	35.5
2024-25*	35.5

**During April to November for the respective financial year*

Note: *Individual investors includes individual domestic investors, NRIs, sole proprietorship firms and HUFs,*

Source: *NSE, BSE*

The incremental addition of demat accounts have been continuously on an increasing trend during FY25. The number of demat accounts rose by 20.3 per cent to 1,820 lakhs at the end of November 2024, as compared to 1,514 lakhs at the end of March 2024.

Table 10: Trends of Demat Accounts

Period	Total No. of Demat Accounts (in lakh)	Total no. of Demat Accounts added during the Period (in lakh)
2022-23	1,144.6	247.8
2023-24	1,513.8	369.1
2024-25*	1,820.5	306.7

**Till November 30, 2024*

Turnover Statistics

Driven by increased participation of investors and buoyant market trend, the value traded increased across all segments in the exchanges during FY25 (Apr-Nov), except currency derivatives. Turnover of currency derivatives declined after RBI's directive requiring exchange traded currency derivatives to be backed by underlying exposures.

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

Segment	FY24	FY25*	Variation from FY24 to FY25*
Equity Cash segment	18	27	48%
Equity Derivatives- Notional	7,330	10,050	37%
Equity Derivatives- Premium	41	57	41%
Currency Derivatives	31	1	-95%
Commodity Derivatives	23	45	93%

**Till end of November, 2024*

Commodity derivatives monthly average turnover rose by 93% during FY25 (Apr-Nov) when compared to the monthly average for FY24, driven by increase in turnover in energy segment.

Table 12: Exchange-wise Market Share in Notional Turnover of Commodity Derivatives (Monthly average in ₹crore)

Exchange	2022-23	2023-24	2024-25*	% variation of 2023-24 over 2022-23	% variation of 2024-25* over 2023-24
MCX	12,31,714	23,04,623	44,14,952	87%	92%
NCDEX	17,243	17,176	12,876	-0.4%	-25.0%
NSE	1,480	16,808	83,675	1036%	398%
BSE	697	3	35	-100%	1070%
All India	12,51,134	23,38,611	45,11,537	87%	93%

**Till November 2024*
***Source:** SEBI Bulletin*

D. Commodity Derivatives Market

The Government of India, in an effort to expand the commodity derivatives market, issued a notification on June 26, 2024, under the Securities Contracts (Regulation) Act, 1956 (SCRA, 1956) in consultation with the Securities and Exchange Board of India (SEBI) for expansion of the list of commodities eligible for derivatives trading and 'Option in Goods' from 91 to 104, permitting recognized stock exchanges to introduce standardized contracts for new goods like Apple, Cashew, and Freight. Alloys of base metals such as Aluminium and Zinc were also included. The categorization was restructured from 12 to 18, incorporating new sectors like fruits and vegetables, dairy and poultry, forestry, chemicals, construction, and activities. This signifies a significant evolution in India's commodity derivatives market regulations.

The commodities eligible for derivatives trading are notified by DEA, MoF in consultation with SEBI. At present, major agricultural commodities trading on derivatives platforms include Barley, Castor Seed, Coriander, Cotton, Guar Seed, etc. Major non-agri commodities traded on commodity derivatives platforms in India are metals (Zinc, Aluminium, Copper, Gold, Silver) and energy commodities (Crude Oil, Natural Gas). The total turnover in the commodity derivatives segment is distributed across exchanges as follows:

Table 13: Market share of exchanges year wise

Total Turnover# (in ₹crore)	2020-21	2021-22	2022-23	202324	2024-25*	% variation of 2023-24 over 2022-23	% variation of 2024-25 over 2023-24
All-India	9,222,927	1,00,27,900	1,50,13,608	2,80,63,326	3,07,61,813	86.92%	9.61
MCX	8,264,585	87,81,757	1,47,80,566	2,76,55,480	3,00,79,694	87.11%	8.76
NCDEX	318,814	4,57,186	2,06,921**	2,06,112	91,597	-0.39%	-55.55
NSE	27839	19,744	17,755	2,01,699	5,90,241	1036.01%	192.63
BSE	610,023	7,69,075	8,365	36	281	-99.57%	680.55

** Data as on 31st October,2024, ** the downfall of turnover at NCDEX may be due to the suspension of futures trading of major agricultural commodities from August 2021 (Chana), October 2021 (Mustard seed) and December 2021 (Chana, mustard seed, paddy (non-basmati), wheat, soya bean & its derivatives, crude palm oil and moong). The suspension of those commodities mentioned here has been extended up to 20 December 2024. # includes notional values*

***Source**: SEBI Bulletin, November, 2024*

E. External Market

i. In FY25 (Apr-Dec) so far, FPIs have been net sellers in the equity market, with a total outflow of 10,446 crore till December, 2024. Conversely, they were net buyers in the debt segment with a net inflow of 94,287 crore till December, 2024.

ii. Indian markets witnessed significant 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. Furthermore, Indian sovereign bonds are slated for inclusion in Bloomberg and FTSE Russell indices in January 2025 and September 2025, respectively, potentially attracting more foreign investment.

iii. Following amendments to the Foreign Exchange Management (Non–debt Instruments) Rules, 2019 have been made with the aim to bolster investment opportunities in India:

a. The Foreign Exchange Management (Nondebt Instruments) Amendment Rules, 2024 vide Notification No. S.O. 332(E) 24th January, 2024. This was done in pursuance of the announcement on July 28, 2023 by Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman and to notify the 'Direct Listing of Equity Shares of Companies Incorporated in India on International Exchanges Scheme'.

b. The Foreign Exchange Management (Non-debt Instruments) (Second Amendment) Rules, 2024 notified vide Notification No. 1361(E) dated 14th March, 2024 to enable the issuance of partly paid units by investment vehicles, including AIFs, to persons resident outside India.

c. The Foreign Exchange Management (Non-debt Instruments) (Third Amendment) Rules, 2024 notified vide Notification No. 1722(E) dated 16th April, 2024 with the aim to liberalize foreign investment in the space industry, aligning with the evolving global landscape and India's aspirations in space exploration and utilization.

d. The Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2024 notified vide Notification No. 3492 (E) dated 16th August, 2024 to streamline compliance processes and facilitate easier Foreign Direct Investment and Overseas Investment.

e. The Government of India has notified the Foreign Exchange (Compounding Proceedings) Rules 2024 in supersession of the Foreign Exchange (Compounding Proceedings) Rules, 2000 with the aim to expedite and streamline the processing of compounding applications, introduction of digital payment options for application fees and compounding amounts, and a focus on simplification and rationalization of the provisions to eliminate ambiguity and clarify the process. These amendments indicate commitment of the Government towards promoting 'ease of investment' for investors and 'ease of doing business' for businesses.

Table 14: 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*	-10466	54955	10370	28962	4551	88549

*Upto 31st December, 2024

Source: NSDL

Table 15: Monthly FPI Net Investments

		Monthly FPI Net Investments (Calendar Year - 2024)				
Month		₹ Crores				
	Equity	Debt	Debt-VRR	Debt-FAR	Hybrid	Total
January	-25744	19837	-710		24	-6593
February	1539	22419	862		6997	31817
March	35098	13602	2478		818	51996
April	-8671	-10949	3267		94	-16260
May	-25586	8761	4283		-369	-12911
June	26565	14955	-973		1211	41757
July	32365	22363	-6189		257	48796
August	7320	17960	-885		1098	25493
September	57724	1299	8592	22959	2455	93538
October	-94017	-4406	100	674	1250	-96538
November	-21612	1217	3034	-4287	-37	-21444
December	15446	3755	-859	9616	-1408	25938
Total	427	110813	13000	28962	12390	165769

Source: NSDL

Table 16: External Commercial Borrowing (net inflows) in India (₹crore)

Financial Year	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25*
Amount	29,399	4,248	12,888	610	9498	11,782

**Upto October 2024*

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

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

(ii) 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 any freely convertible foreign currency.

(iii) 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".

(iv) 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 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 institutions and financial services within the IFSCs in concerned.

(v) The maiden IFSC since inception has witnessed substantial growth across the entire spectrum of financial services activities including Banking, Capital Markets, Insurance, Fund Management, Aircraft Leasing, etc. The 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.

(vi) In this direction, over the last three years, IFSCA has endeavored to develop a regulatory architecture for IFSCs, which is aligned to international best practices and also has ease of understanding for enhanced compliance. IFSCA has since its inception come up with 30+ Regulations to regulate Banking, Capital Markets, Insurance, Bullion, Fund Industry, Global In House Centers, Foreign University/foreign institutions etc. within 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.

(vii) Presently, GIFT IFSC has more than 600 + entities registered across various business segments including Banks, Capital Markets, Insurance, FinTech, Aircraft Leasing, Bullion Exchange, etc. The financial services market is rapidly growing with healthy and growing participation of International and domestic financial institutions.

(viii) Major traction in GIFT IFSC has taken place in the last one year. Some of the key notable achievements in the last one year are as follows –

(a) The Finance Act (No. 2), 2024 provided tax regime for retail schemes and exchange-traded funds regulated by the International Financial Services Centres Authority (IFSCA), aligning them with the tax treatment available for Category III Alternative Investment Funds.

(b) On June 27, 2024, the Securities and Exchange Board of India (SEBI) issued a circular amending the SEBI (Foreign Portfolio Investors) Regulations, 2019. This amendment permits Foreign Portfolio Investors (FPIs) based in International Financial Services Centres (IFSCs) in India, such as GIFT City, to have up to 100% aggregate contribution from Non-Resident Indians (NRIs), Overseas Citizens of India (OCIs), and Resident Indian (RI) individuals

(c) In July 2024, the Reserve Bank of India permitted Indian residents to remit funds to GIFT-IFSC for all permissible purposes under LRS for:

- availing financial services or financial products in accordance with the International Financial Services Centres Authority Act, 2019 ("**IFSCA Act**"); and
- conducting all current and capital account transactions in foreign jurisdictions (excluding IFSCs) via a Foreign Currency Account held in IFSC.

(d) The Cabinet approved the signing of a Memorandum of Understanding (MoU) between the International Financial Services Centres Authority (IFSCA) and the Labuan Financial Services Authority (FSA) on 16th August, 2024. The MoU, exchanged subsequently between the Authorities, aims to strengthen bilateral relations, promote knowledge sharing, and enhance the development of financial centers.

(e) In order to give impetus to development of pension landscape in IFSC, schemes operated by pension funds in IFSC were notified as financial product under IFSCA Act, 2019 to cater to global clientele.

(f) Shipping Corporation of India (SCI) was granted Certificate of Registration for undertaking Ship Leasing activities from GIFT IFSC.

(g) Similarly, Power Finance Corporation (PFC) has also been granted Certificate of Registration to set up Finance Company in IFSC.

(h) To supports India's commitment to environmental sustainability and in alignment with the pillar of Green Growth, the trading and settlement of Sovereign Green Bonds (SGrBs) has been permitted with a view to facilitate easier access for non-resident investors to invest and trade in SGrBs through IFSC and to enhance global climate capital flows into India. To further strengthen the framework and facilitate informed decision-making, improved transparency, and reduced 'greenwashing' risks, IFSCA has also enabled Credit Rating Agencies to undertake additional activities relating to ESG Ratings and Data Products Providers

(i) To materialize the goal of Digital economy, the Single Window IT System (SWIT) portal was launched by Hon'ble Prime Minister at a public function at Ahmedabad on September 16, 2024. This portal will provide a one-stop online solution, eliminating the need for multiple permissions and excessive documentation, and facilitating inter-regulatory coordination between RBI, SEBI, and other regulators and promote ease of doing business.

Table 17: Business Development Numbers (GIFT IFSC)

As on September 2024

S.No.	Parameter	Till Sept. End 2020	Till Sept. End 2024	Growth in last Six Months (April - Sept. 2024)
1.	Number of IFSCA Registrations[1]	129	687	120 +
	Banking Sector			
2.	Total Number of Banks[2]	13	28	1
3.	Foreign banks	1	12	1
4.	Indian Banks	12	16	0
5.	Total Banking Asset Size	$ 14 Bn	$ 70.92 Bn	$ 10.52 Bn
6.	Total Banking Transactions	$ 53 Bn	$ 975.80 Bn	$ 180.8 Bn
7.	Total OTC Derivative Transactions including NDF[3]	$ 65 Bn	$ 982.12 Bn	$ 186.12 Bn
	Capital Market Sector			
8.	Monthly turnover on IFSC Exchanges	$ 21.7 Bn[4]	$ 102 Bn[5]	$23.06 Bn
9.	Average Daily Turnover on GIFT Connect	NA	$ 4.8 Bn	$ 1.1 Bn
10.	Total Debt Listing on Exchanges	$ 23 Bn	$ 64.31 Bn	$ 7.81 Bn
11.	Green/ESG/Sustainable Bond listing	$ 2.1 Bn	$ 13.93 Bn	$ 1.63 Bn
	Funds Industry			
12.	Fund Management Entities	NA	128[6]	14
13.	Total Funds/Schemes	NA	173	53
14.	Targeted Corpus of Funds	NA	$ 40.6 Bn	$ 7.6 Bn
	Insurance Sector			
15.	Number of Insurance Firms & Brokers*	17	37	2
16.	Re(insurance) Gross Premium booked by Insurance Offices in IFSC	$ 45 Mn	$ 388 Mn[7]	$ 28 Mn
17.	Re(insurance) Premium transacted by Insurance Intermediaries	$ 158 Mn	$ 973 Mn	$ 55 Mn
	Aircraft Leasing			
18.	Registered Aircraft Lessors	NA	31	4
19.	Total Aircrafts/Engines leased/Ground Support Equipment leased	NA	159	1
	Ship Leasing			
20.	Registered Ship Lessors	NA	16	5
21.	Total Ships leased	NA	12	8
	Finance Company (Core & Non-Core including ITFS)			
22.	Finance Company (Core and Non-Core)	NA	15	7
23.	ITFS	NA	04	0
	FinTech			
24.	Number of Fintech Approved	NA	61	9
25.	FinTechs approved under Incentive Scheme	NA	12	2
26.	Number of Hackathons Completed	NA	13	2
	Bullion Ecosystem			
27.	Qualified Suppliers	NA	28	3
28.	Qualified Jewelers	NA	143	25
29.	Quantity of Gold Traded on IIBX	NA	43.56 tonnes	35.23 tonnes
30.	Quantity of Silver traded on IIBX	NA	1146 tonnes	237.2 tonnes
	Foreign Universities			
31.	Number of Foreign Universities	NA	2	0

[1] *Excluding Qualified Jewellers*
[2] *Excluding New Development Bank*
[3] *NDF refers to Non-Deliverable Forwards*
[4] *Exchange turnover for the month of September 2020*
[5] *Exchange turnover for the month of September 2024*
[6] *Excluding in-principle approvals*
[7] *Insurance Data till June 2024 End*

G. Regulatory Establishment

i. 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.

ii. The Securities Appellate Tribunal consists of a Presiding Officer, two Technical Members and a Judicial Member. The Central Government appointed Justice (Retd.) Shri P. S. Dinesh Kumar, Former Chief Justice, High Court of Karnataka as Presiding Officer and Shri Dheeraj Bhatnagar, Retd. Principal Chief Commissioner of Income Tax, Delhi as Technical Member of the Securities Appellate Tribunal vide gazette notifications dated 4th April, 2024. The post of Judicial Member in the tribunal was advertised vide vacancy circular dated 02.02.2024. Justice (Retd.) Shri Mayank Kumar Jain, Former Judge, High Court of Allahabad, has been appointed as Judicial Member of SAT by the Central Government vide gazette notification dated 3rd January, 2025.

iii. 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. As on 31.12.2024, 1121 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	739	736	1475	370	1105
IRDA	11	06	16	00	16
PFRDA	00	00	00	00	00
TOTAL	**750**	**742**	**1491**	**370**	**1121**

H. International Cooperation (IC)

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 with the participation of officials from Indian and UK Governments and financial regulators of both parties. Participants from both India and UK touched upon reforms in respective financial services sectors. Opportunities for inter-regulatory cooperation and private sector collaboration to increase bilateral trade and investment in financial services was also discussed.

I. Investor Grievances (IG)

The investors' grievances related to share market, stocks, mutual funds etc. are handled promptly and effectively. Out of 2,537 grievances received on the CPGRAMS Portal, 2,308 grievances have been disposed of.

4. Financial Stability & Cyber Security 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 and Cyber Security (FS&CS) Division in the Department of Economic Affairs provides secretarial assistance to the FSDC. The Division-Head in charge of Financial Stability & Cyber Security (FS&CS) Division, Department of Economic Affairs, Ministry of Finance also works as Secretary of the FSDC.

4.1.3 Till date, FSDC held 28 meetings with the latest one on 21st February, 2024. In the 28th meeting, the FSDC, inter alia, deliberated on issues related to macro financial stability and India's preparedness to deal with them. The ongoing inter-regulatory issues were also discussed to support GIFT International Financial Services Centre (GIFT IFSC) in its strategic role to become one of the world's premier international financial centres and perform its envisioned role of facilitating foreign capital and financial services. The FSDC also discussed formulation of strategy for implementing pending Union Budget announcements and FSDC decisions on uniform KYC norms, digitalisation of KYC process, kickstarting fund-raising by social enterprises through social stock exchanges, monitoring unauthorised lending through online apps and measures to curb their further spread. It was noted that there is a need to monitor the financial sector risks, the financial conditions and market developments on a continuous basis by the Government and the regulators so that appropriate and timely measures can be taken to mitigate any vulnerability and strengthen financial stability.

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 thirty one (31) times so far.

4.2.2 During the year 2024-25, FSDC-SC held the 31st meeting on 5th September, 2024. The Sub-Committee reviewed major global and domestic macroeconomic and financial developments and issues relating to inter-regulatory coordination in the Indian financial sector. Members shared their assessments of potential risks to financial stability and discussed various issues that may have financial stability implications. The Sub-Committee also reviewed the activities of various technical groups under its purview, and the functioning of State-level Coordination Committees (SLCCs) in States/Union Territories (UTs). The FSDC-SC resolved to continue its focus on improving financial sector resilience through inter-regulatory coordination, while remaining watchful of emerging challenges to the economy and the financial system, including those from global spillovers, cyber hazards and climate change.

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 situation. Regular meetings of EWG are chaired by various regulators (RBI, SEBI, IRDAI and PFRDA) with yearly rotation. For 2024-25, IRDAI is chairing the EWG meetings. In 2024-25 (till December 2024), EWG held 4 meetings, numbering from 40th to 43rd. The 40th meeting was held on 8th May, 41st meeting on 5th July, 42nd meeting on 4th October and 43rd meeting on 10th December of 2024. EWG also held a special meeting on June 10th, 2024 to discuss exponential rise in domestic equity derivatives trading and its implications for financial stability. Under the regular EWG meetings discussion, inter-alia, included agendas on Review of Action Taken Report (ATR), discussion on Financial System Vulnerabilities Monitoring Template and major developments since the last meeting, having a bearing on the risk to the financial stability.

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 also act 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 India-specific information is regularly provided to the FSB 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 non-members. Secretary, DEA represents India in the FSB Plenary and in the two out of the four FSB standing Committees, namely, the Standing Committee on Standards Implementation (SCSI) and the Standing Committee on Budget and Resources (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 the FSB Plenary as well as in the RCG Asia. The DG (RBI) represents as a Member from India in the other two Standing Committees of FSB, namely, Standing Committee on Assessment of Vulnerabilities (SCAV) and Standing Committee on Supervisory and Regulatory Cooperation (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 2024-25, meetings of the FSB Plenary were held on March 27th 2024, 14th June, and 3-4 December, 2024. FSB's Steering Committee meeting were held on 26th January, 2024, 17th April, 2024, and 23rd October, 2024. SCSI meetings were held on 21st March, 2024,15th May, 2024, 2-3rd September and 9th October, 2024. Besides, two in person meetings of the RCG Asia were held on 29-30th April, 2024 and 15-16th October, 2024. All these meetings were attended by representatives of DEA at suitable levels.

4.3.6 G20 Brazilian Presidency, continued working on the financial sector issues priorities taken forward from the earlier G20 Presidencies. Noteworthy progress has taken place under priorities like Regulation of Crypto Assets, Cross Border Payments Roadmap, 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 Brazilian 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 For 2024, under G20 Brazilian Presidency, it was also proposed to work towards developing a reporting framework for mitigating system-level vulnerabilities for the financial sector from cyber risks, especially through greater convergence in cyber incident reporting and coordination of relevant definitions and terminologies. 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 has established a new working group (FIRE WG) comprising financial sector authorities under the FSB Standing Committee on Supervisory and Regulatory Cooperation (SRC). In 2024, the FSB developed FIRE in consultation with private sector participants. The process included a Discovery Phase to identify commonalities in incident reporting needs and a Design Phase to develop the components of FIRE. As per consultative report of

FSB, a Testing Phase is underway to validate the design and robustness of FIRE using different incident types and scenarios. After the public consultation, the final version of FIRE is expected to be published by April 2025 under the South African G20 Presidency, with a workshop planned for 2027 to review experiences and determine the need for revisions.

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 G20 South African presidency to achieve global targets for faster, cheaper, more transparent and inclusive cross-border payments by 2027. In this respect FSB delivered its progress report in October 2024. As regards the regulation of crypto assets, it was stated in the New Delhi Leaders' Declaration of G20 that they welcomed the IMF-FSB Synthesis Paper, including a Roadmap, that will support a coordinated and comprehensive policy and regulatory framework for crypto assets and that the Finance Ministers and Central Bank Governors will discuss taking forward the Roadmap at their meeting in October 2023. Subsequently, the G20 membership adopted the roadmap outlined in the Synthesis Paper as the G20 Roadmap on Crypto Assets in the meeting of the FMCBGs in October 2023 and asked the IMF and FSB to provide regular and structured updates on the progress of implementation of the G20 Roadmap on Crypto Assets. Accordingly, FSB submitted the Crypto Roadmap Status Report to G20 in October 2024. Under the South African Presidency 2025, the aim will be to promote the implementation of those recommendations to reduce the scope for regulatory arbitrage, fragmentation and evasion.

4.3.9 Other G20 priorities going forward in 2025, include adoption of Artificial Intelligence (AI) across financial sector including risks emanating from it, addressing risks from NBFI leverage, address issues related to non-bank data availability, use and quality, and review of monitoring the implementation of the FSB recommendations.

4.3.10 The FSB's work programme for 2025 addresses challenges including digitalisation, climate change, resolution reforms, vulnerabilities assessment, cross-border payments and Implementation monitoring and evaluations.

4.4 Financial Sector Assessment Programme (FSAP)

4.4.1 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. The DEA, in close coordination with financial sector Regulators and Ministries / Departments concerned, facilitates and coordinates all financial sector matters related to FSAP undertaken for India, including following up on the recommendations of FSAP. India underwent its first FSAP exercise in 2011-12 and the second one in 2017. Subsequent to the FSAP exercise in 2017, the IMF and the World Bank published their reports, including the Financial System Stability Assessment Report (FSSA) along with IMF Press Release, Staff Supplement and Statement of India's Executive Director in IMF and Financial Sector Assessment (FSA) report, in December, 2017 on their respective websites, followed by a few Detailed Assessment Reports (DARs) and Technical Notes (TNs) on selected topics. The third FSAP exercise for India for the year 2023-24 started with the Scoping Mission meeting held during 11-14th December, 2023, followed by the FSAP Mission's first visit from 6th March 2024 to 1st April 2024, where the IMF and the World Bank held in-person meetings with financial sector regulators and other relevant institutions and public authorities across the country inter alia, on cross-cutting issues of cyber security, financial safety net, crisis management, climate risk, role of state, etc. FSAP Mission team after concluding the work shared the respective draft TNs on Cybersecurity Risk Supervision and Oversight and Financial Safety Net and Crisis Preparedness for stakeholders' comments. The main and closing mission commenced from 3rd June, 2024 where FSAP team held detailed discussions on the subjects of MSME Finance, Capital Markets, NBFCs, etc. in addition to the above-mentioned issues, with regulators, private sector organisations, standard setting bodies (SSBs) also. It was followed by in-person meetings with state and central government authorities including Debt Recovery Tribunal (DRT), Employee Provident Fund Organisation (EPFO), Invest India, etc. in Delhi from 11th June 2024 onwards. Post the meetings, FSAP team circulated Aide Memoire for stakeholder comments along with stream specific technical notes on Role of State, Climate Risk and Opportunities, MSME finance, Capital Markets, Credit Infrastructure, etc. As a follow up, FSAP team will conclude the year-long exercise in line with IMF's Article-IV mission and publish FSA and FSSA reports by February 2025.

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

4.5.1 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.

4.6 Critical Information Infrastructure (CII) identification in Financial Sector

4.6.1 The FS&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 FS&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.

4.6.2 During the year 2024-25, CIIs and its dependent computer resources hosted by Bank of Maharashtra, IndusInd Bank, RBL Bank, Federal Bank and Indian Overseas Bank have been declared as "Protected Systems". During the year 2023-24, CIIs and its dependent computer resources hosted by ICICI Bank, Central Bank of India, IDBI Bank, Yes Bank, Bank of India, Indian Bank, Paytm Payments Bank Ltd., CAMS RTA, KFintech RTA and Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI) had been declared as "Protected Systems." During the year 2022-23, CIIs hosted by NPCI, SBI, LIC of India, HDFC Bank, ICICI Bank, Punjab National Bank, Bank of Baroda, Axis Bank, Canara Bank, Kotak Mahindra Bank and Union Bank of India were declared as "Protected Systems". 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.

5. Financial Sector Reforms and Legislation Division

5.1.1 The Financial Sector Reforms and Legislation (FSRL) Division was created in 2013 to facilitate the implementation of Financial Sector Reforms recommended by the Financial Sector Legislative Reforms Commission (FSLRC) or as deemed necessary.

5.1.2 The key reforms implemented by the Division based on the FSLRC recommendations include:

i. Financial Sector Regulatory Appointment Search Committee (FSRASC) has been created for recommending names of suitable persons for appointment to board level positions of financial sector regulatory bodies with the approval of the ACC on 24th November, 2015. The FSRASC has been reconstituted on 9th June, 2017 to bring about uniformity in the selection of board members of financial sector regulators.

ii. The Forward Markets Commission (FMC) has been merged with the Securities and Exchange Board of India (SEBI) with effect from 28th September, 2015 to achieve the convergence of regulations of the securities market and the commodity derivatives markets. FMC stands abolished and the Forward Contracts (Regulation) Act, 1952 has been repealed.

iii. Towards strengthening the financial consumer protection in India, 'Investor Charter' have been issued by the financial regulators for the protection of all financial investors across all financial products.

iv. Implementation of governance-enhancing non-legislative recommendations of the FSLRC by financial sector regulatory agencies.

v. Government set up a Public Debt Management Cell (PDMC) on 4th October, 2016, as an independent and statutory debt management Agency.

vi. Government Institutionalised the statutory Monetary Policy Framework, including setting of inflation targeting and formation of a Monetary Policy Committee to determine policy interest rates, through amendment to the Reserve Bank of India Act, 1934. The Monetary

Policy Committee is entrusted with the task of fixing the benchmark policy rate (repo rate) required to contain inflation within the specified target level. A Committee-based approach for determining the Monetary Policy will add value and transparency to monetary policy decisions. The meetings of the Monetary Policy Committee shall be held at least 4 times a year and it shall publish its decisions after each such meeting.

vii. Provisions of the RBI Act relating to the chapter on Monetary Policy have been brought into force through a Notification in the Gazette of India Extraordinary on June 27, 2016. The Rules governing the Procedure for Selection of Members of Monetary Policy Committee and Terms and Conditions of their Appointment and factors constituting failure to meet inflation target under the MPC Framework have also been notified in the Gazette of India, Extraordinary on June 27, 2016. The Government, in consultation with the RBI, notified the inflation target in the Gazette of India Extraordinary dated August 5, 2016, for the first five-year period ending on the March 31, 2021.

viii. Keeping in mind the primacy of price stability in the wake of supporting macroeconomic policies to boost the economic recovery from COVID-19 induced slowdown, and to further strengthen credibility of monetary policy in guiding the inflation expectations in the economy, the Government, after consultation with the RBI, has decided to continue with the existing inflation target for the next five-year period starting from April 1, 2021 to March 31, 2026, as under:

Inflation Target	:	4 per cent.
Upper tolerance level	:	6 per cent.
Lower tolerance level	:	2 per cent.

The Inflation target has been notified by the Government in the Gazette of India, Extraordinary dated March 31, 2021.

ix. As per the provision of section 45ZB of the RBI Act, 1934, out of the six Members of Monetary Policy Committee, three Members are from the RBI and the other three Members of Monetary Policy Committee (MPC) are to be appointed by the Central Government. Accordingly, the first MPC was constituted on September 29, 2016 and re-constituted on October 05, 2020. The present MPC was constituted and notified in the Gazette of India Extraordinary dated October 01, 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 Members of the Monetary Policy Committee referred to in sub-paragraphs (d) to (f) above shall hold office for a period of four years or until further orders, whichever is earlier.

5.1.3 The Bilateral Netting of Qualified Financial Contracts Act, 2020: This Act provides a legal basis for measuring credit exposure on net basis for recognized financial contracts, specifically for OTC contracts. Consequently, there is a reduced credit exposure and decreased need for regulatory capital and margins for financial institutions entering into these contracts. Accordingly, RBI, IFSCA and SEBI have issued notifications for Qualified Financial Contracts (QFCs) and Qualified Financial Market Participants (QFMPs) under the Section 4 of the Act, as under:

(a) Notification No. FMRD.DIRD.2/14.03.043/2020-21 dated 9th March, 2021 issued by RBI.

(b) Circular dated 30th March, 2021 issued by RBI.

(c) Notification No. IFSCA/2020-21/GN/008 dated 2nd February, 2021 issued by IFSCA.

(d) Notification No. SEBI/LAD-NRO/GN/2021/24 dated 12th May, 2021 issued by SEBI.

6. Infrastructure Policy & Planning (IPP) Division

Infrastructure Policy & Planning (IPP) Division is headed by Shri Solomon Arokiaraj, Joint Secretary. The 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.

1. Finance Unit (FU)

1.1 Major Functions:

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:

- Financial Sector Reforms for long-term availability of financing from Domestic sources & Foreign capital, Development Finance Institutions and Financial Markets.
- Infrastructure Financing from Fiscal resources, PSE's IEBR and Private sector
- Matters related to infrastructure financing, including development of Infrastructure Instruments and promotion of investments in infrastructure sectors.
- 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.
- Matters relating to Credit Enhancement of Infrastructure Projects and New Credit Rating System for Infrastructure.
- All International engagement on infrastructure financing (other than PPPs).
- Matters relating to issues of Municipal Bonds by Urban Local Bodies (ULBs) for PPP and Non-PPP Projects.
- Matters relating to Infrastructure Working Group (IWG) of G-20.
- Matters relating to meetings of Board of Directors of IIFCL, AIAHL, HUDCO as JS (IPP) is Government nominee Director

1.2 Major Policy Initiatives/ Achievements:

1.2.1 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 Brazilian Presidency in the Infrastructure Working Group (IWG) to advance the following flagship priorities:

1. Financing climate-resilient infrastructure;
2. Linking infrastructure and poverty reduction;
3. Mitigating exchange rate risks; and
4. Building cross-border infrastructure

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

1.2.2 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 26 registered InvIT's with SEBI. InvITs have raised cumulative funds of about ₹1,20,676.79 crores till date either through public issue, private placement, or rights issue. Similarly, total 6 REITs are registered with SEBI. REITs have raised cumulative funds of about ₹20,067.89 crores[1] in the commercial real estate segment through public issue.

1.2.3 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.

1.2.4 Sovereign Green Bonds 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.

[1] *SEBI Website*

In FY 2022-23 and FY 2023-24, the Government of India raised ₹16,000 crores and ₹20,000 crores, respectively, through the issuance of Sovereign Green Bonds (SGrBs). Further, ₹1,697.398 crore has already been raised through SGrBs for FY 2024-25 (as on 24th January, 2025). 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.

1.2.5 Sovereign Green Bonds Allocation Report

Issued under Green Finance Working Committee's Supervision, 1st Allocation report corresponding to FY 2022-23 was brought out in 2024, and provided information on the status of funded projects, amounts allocated and any remaing unallocated proceeds.

2. Policy & Planning Unit (PPU)

2.1 Major Functions:

- Infrastructure Investment Policy
- Institutional Mechanism on the Harmonized Master List of Infrastructure Sub-sectors
- Sectoral charge of Ministries/Departments:
  - M/o Road Transport & Highways,
  - M/o Ports, Shipping & Waterways,
  - M/o Civil Aviation,
  - M/o Railways,
  - M/o Housing and Urban Affairs,
  - Dept. Of Telecommunications, and
  - Dept. Of Posts.
- Analysing non-PPP investment proposals concerning
  - Road Transport & Highways,
  - Ports, Shipping, Inland Water Transport,
  - Railways,
  - Telecommunications,
  - Civil Aviation &
  - Urban Development sectors
- Institutions:
  - National Industrial Corridor Development Corporation (NICDC) Limited (erstwhile Delhi Mumbai Industrial Corridor Development Corporation (DMICDC) Limited),
  - National Industrial Corridor Development and Implementation Trust (NICDIT)
  - National Highways Authority of India (NHAI),
  - Digital Communications Commission (erstwhile Telecom Commission),
- Monitoring of NIP Implementation by 22 Union Ministries/Departments

2.2 Major Policy Initiatives/ Achievement:

2.2.1 Harmonized Master List of Infrastructure Sub-sectors

As announced in Budget Speech 2023-24, an Expert Committee on Infrastructure Classification and Financing Framework was constituted to undertake a comprehensive assessment of the characteristics/ parameters defining infrastructure and the financing framework. The Committee has completed extensive consultations with the stakeholders and is finalising the report.

2.2.2 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.

In Revised Estimates (RE) 2024-25, the Capital Expenditure is estimated to be ₹10,18,429 crore (3.1 percent of GDP) while Grants in Aid for creation of Capital assets is estimated to be ₹2,99,891 crore (1.2 percent of GDP), bringing Government's Effective Capital Expenditure to ₹13,18,320 crore (4.3 percent of GDP) underscoring its 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.

2.2.3 Infrastructure Investment Proposals

A total of 26 CCEA/Cabinet/GoM Notes, 12 PIB/ EFC/DIB Memorandum and 39 SFC Memorandum, received from line Ministries/Departments i.e. MoRTH, MoHUA, M/o Shipping, M/o Railways, DoT, MoCA 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.

2.2.4 National Infrastructure Pipeline (NIP)

The National Infrastructure Pipeline (NIP) aims to enhance project preparation and attract infrastructure investment. All projects costing over ₹100 crores during FY 2019-25, regardless of their stage, are included in the NIP. The IIG/NIP and PMG portals were Integrated Project Monitoring Portal (IPMP), aiming to reduce data entry efforts with a Common Uploand Foan (CUF). In the next phase, the OCMS portal of MoSPI is being integrated with IPMP, and the CUF has been updated to meet MoSPI's requirements.

3. Capacity Building Unit (CBU)

3.1 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 analysis, 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.

3.2 Major Policy Initiatives/ Achievement:

This financial year (FY 2024-25) as on 30th November 2024, 5 offline training programs have been conducted by CBU, DEA in association with AJNIFM, Faridabad. A total of 168 officers from central ministries, CPSEs, state governments, and union territories from across the country have participated in these trainings.

CBU, DEA has launched a Learning Management System (LMS) for hosting e-learning courses. Since December 2023, an e-course on "Public-Private Partnership (PPP) Beginner's" has been launched on both LMS and iGoT Karmyogi portals. As of 30th November 2024, 2,572 users have registered for this e-course.

For the remainder of the financial year, a total of 7 offline training programs have been scheduled to be organized in association with AJNIFM, Faridabad, with the objective of training 245 officers across these programs.

7. Investment Division

Investment Division comprises of five different sections, viz. Foreign Direct Investment & Overseas Direct Investment Policy (FDI & ODI) Section, International Investment Treaties and Framework (IITF) Section, Foreign Trade & Services (FT) Section, Domestic Investment (DI) Section and Digital Economy (DE) 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) Foreign Exchange aspect related to Gold including Gold Monetisation Scheme, Indian Gold Coins etc.

(iii) To coordinate with Ministry of Steel, Ministry of Micro, Small & Medium Enterprises (MSME), Ministry of Textiles, Ministry of Electronic and Information Technology, 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), 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.

(iv) To negotiate and conclude Bilateral Investment Treaties (BITs) and Investment Chapter of FTAs/ CECA/ 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.

(v) 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.

(vi) Matter relating to Digital Economy including FinTech, identifying policy interventions, digital infrastructure gaps and International collaborations in Fintech.

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- the National Investment and Infrastructure Fund (NIIF) and the SWAMIH Fund. The Section processes requests from fund managers to release funds.

NIIF Funds

National Investment and Infrastructure Fund Limited ('NIIF Ltd.') presently manages 3 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 31.12.2024
Total capital commitment	15,998
Capital drawn down	11,828
Portfolio investments committed	14,599

(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 31.12.2024
Total capital commitment	4,281
Capital drawn down	3,507
Portfolio investments committed	4,070

(c) India Japan Fund ('IJF')

NIIF launched India-Japan Fund (IJF) of ₹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 31.12.2024
Total capital commitment	4,908
Capital drawn down	1,092
Portfolio investments committed	1,000

(d) US-India Green Transition Fund (USIGF)

In addition to the above developments, emanating from visit of Hon'ble PM to the US and the subsequent meeting of the two leaders on the sidelines of India's G20 Leaders Forum, the special initiative for the creation of US-India Green Transition Fund (USIGF) was formalized. The objective of the proposed Fund is to help lower the cost of capital and attract international private finance at scale to accelerate the deployment of greenfield renewable energy, battery storage, and emerging green technology projects in India.

- US and India, through US Development Finance Corporation (DFC) and the National Investment & Infrastructure Fund (NIIF) have committed to contribute USD 500 million each by way of catalytic capital for USIGF.
- USIGF has a target corpus of USD 2 billion and is structured as a credit fund for financing greenfield infrastructure projects in India. It is likely to be one the largest green transition funds in emerging economies investing in development projects.

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 ₹2.0 crore in Mumbai Metropolitan Region, below ₹1.5 crore in National Capital Region, Chennai, Kolkata, Pune, Hyderabad, Bangalore and Ahmedabad and below ₹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 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 ₹ Crores)

Particulars	Amount as on 31.12.2024
Total capital commitment	15,531.0
Capital drawn down	8,735.5
Portfolio investments committed	12,257.4

The Fund has made 125 investments, across India. Upon completion of the project, the Fund has achieved profitable full exits from 36 investments. About 49492 housing units have applied for/achieved completion.

C) Digital Economy Section

The Digital Economy and FinTech Section has been actively engaged in the initiatives aimed at enhancing the digital economy, through the promotion of financial technology (FinTech) solutions for inclusive and sustainable growth. This Section identifies the gaps and policy interventions required for the Digital Economy and FinTech sector like promoting digital payments, simplification of KYC (Know Your Customer), taking Account Aggregator to population scale, bridging the credit gap in MSME financing etc. Extensive international collaborations in Fintech sector are also undertaken to grow India's contribution in the Global Digital Economy.

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.

(i) 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 status of digital payment connectivity, particularly updates on the UPI-Pay.Now interlinkage. Participants also discussed the ONDC and Proxtera initiatives aimed at enhancing SME trade connectivity and financial services collaboration.

(ii) 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.

(iii) 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 internationalisation of UPI. The meeting also included valuable insights from Project Nexus, fostering an environment of collaboration and knowledge sharing.

This section also looks into the forward-looking perspective of outlining a strategic blueprint for elevating Financial Sector DPI across domestic and global scale. It offers a range of policy recommendations with the objective of strengthening the foundations of DPI worldwide. The section is involved in taking Unified Payment Interface (UPI) fast payment system global by building UPI like digital payment infrastructure and making digital payment infrastructure interoperable by means of mutual acceptance and interlinkage of fast payment systems. Currently, the UPI is accepted in Bhutan, France (e-commerce), UAE, Singapore, Sri Lanka, Mauritius and Nepal. UPI-Pay.Now interlinkage has also been established to facilitate cross-border remittance between India and Singapore. Reserve Bank of India is continually engaging with various Indian Missions abroad for globalizing the UPI payment rails, one of the most important foundational DPIs. National Payment Corporation of India (NPCI) international has reached out for UPI Globalization in 80 plus countries and has already executed MOU with more than 20 payment partners covering 30 plus countries.

D) 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

2. Based on India's Model BIT 2015, India has signed the following Treaties/Agreement with other countries/Jurisdictions:

S. No.	Country and Name of Agreement	Date of Signing of Agreement	Date of Enforcement
1.	**Belarus:** Bilateral Investment Treaty	24th September, 2018	5th March, 2020
2.	**Brazil:** Investment Cooperation & Facilitation Treaty	25th January, 2020	Pending
3.	**Kyrgyz Republic:** Bilateral Investment Treaty	14th June, 2019	Pending
4.	**Taiwan:** Bilateral Investment Agreement between India Taipei Association (ITA) in Taipei and Taipei Economic and Cultural Center (TECC) in India	18th December, 2018	14th February, 2019
5.	**UAE:** Bilateral Investment Agreement	13th February 2024	31st August, 2024
6	**Uzbekistan -** Bilateral Investment Agreement	27th September, 2024	Pending

3. India is currently discussing and negotiating Bilateral Investment Treaties with many countries.

4. In May 2022, India had signed Investment Incentive Agreement (IIA) with Government of USA. In addition to this, India signed Joint Interpretative Statements (JIS) on 4th October 2017, 4th October, 2018 and 11th July 2022 with Bangladesh, Colombia and Mauritius respectively.

E) Foreign Trade & Services Section

The main function of Foreign Trade (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

With a view to mobilize the idle gold held by households and institutions in the country; and put this gold to productive use, e.g., by making available gold for the gems and jewellery sector; and, over time to reduce the country's dependence on the import of gold, Government launched the Gold Monetisation Scheme on 5th November, 2015.

The minimum deposit at any one time shall be 10 grams of raw gold (bars, coins, jewellery excluding stones and other metals). There is no maximum limit for deposit under the Scheme. Depositors may avail two options for deposit:

- Short term bank deposit (1-3 years) and
- Medium and Long Term deposit (5-15 years)

Till November 2024, approximately 31,164 kilograms of gold have been mobilised under GMS. The details are as under:

Details of Gold Mobilised under GMS (as on 30th November 2024)

S.No.	Types of Deposit	Deposited Gold as on 30.11.2024 (in Kgs)
1	Cumulative Quantity of Gold (in Kg)	31,164
	a. Short term Gold Deposit	7,509
	b. Medium Term Gold Deposit	9,728
	c. Long Term Gold Deposit	13,926
2	Number of participating banks	10
3	Number of depositors	**5,693**

8. FB & ADB Division

8.1 Introduction

8.1.1 The FB & ADB Division is concerned with policy matters ultilateral Institutions like World Bank Group, International Monetary Fund (IMF), Asian Development Bank (ADB) and related Institutions. FB & ADB 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 as of 23rd October, 2024 comprises of 83 projects with a net commitment of USD 18.15 billion. The World Bank projects are spread across sectors like Agriculture, Education, Energy, Environment, Finance, Governance, Health, Infrastructure, Macroeconomics, Social, Transport, Urban, Water, Digital Development, etc.

8.4 Major activities pertaining to the World Bank from 1st April, 2024 to 23rd October, 2024

8.4.1 Loan Signed & Disbursement: Five World Bank assisted projects were signed during April - September 2024, amounting to USD 2.198 billion of assistance. The projects signed during April - September 2024 included Second Low-Carbon Energy Programmatic Development Policy Financing, Fisheries Sector Prosperity Project, Karnataka Urban Water Supply Modernization Project-AF, Uttarakhand Climate Responsive Rainfed Farming Project, and Assam Resilient Rural Bridges Program.

8.4.2 Monitoring of the World Bank Portfolio: Portfolio performance has improved over the years as a result of review meetings such as Tri- partite Review Meetings for ongoing projects and Pipeline Review Meetings for pipeline projects. The meetings are organized jointly by Government of India and World Bank and attended by officials from Department of Economic Affairs (DEA), World Bank and Implementing Agencies of World Bank assisted projects. Two Tripartite Meetings to discuss the World Bank's on-going and pipeline projects were held in April, 2024 in Udaipur and in September, 2024 in Mumbai.

8.4.3 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 replenishment, India committed INR 15 bn & INR 17.48 bn respectively. Discussions on IDA 21 replenishment are on-going and will be finalized during the final pledging seminar in December 2024.

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 4.13% of the total capital subscription and 3.93% of the total voting power. India's Executive Director represents a constituency equal to 4.71% 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 33.5 billion (including mobilization) in India since its first investment in 1958. IFC continued to deliver over USD 3.342 billion through own account and mobilization in FY24 (July 2023-June 2024) in India. During July 2023-June 2024, DEA approved a total of 28 Article III Notifications. Further, DEA granted approval for 3 advisory engagements of IFC between July 2023 and June 2024. IFC's portfolio as of August 31, 2024 included 288 projects with 217 clients, with portfolio exposure of USD 8.7 billion, making India IFC's largest portfolio accounting for 10.7% of its global exposure. India is also one of IFC's largest advisory 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, 2nd G-20 FMCBG, Bilateral and Investors were held in USA from April 15 to April 19, 2024. Secretary (EA), Chief Economic Adviser, Additional Secretary (FB, OMI & crypto), Additional Secretary (Revenue), Advisers (IER) and Director (IER) represented India in these meetings.

8.6.4 India voted in the favour of Dr. K. V. Subramanian, ED India at IMF in the 2024 Regular elections of Executive Directors at IMF.

8.6.5 India has committed to contribute USD 50 million for Phase II of SARTTAC Operations (January 2024 - April 2029) in two instalments of 25 million each. The second tranche of first instalment amounting to Rs 107,83,87,335.00 equivalent to USD 12,974,828.91 million has been contributed by India on May 29, 2024 which completes the first instalment of USD 25 million.

8.6.6 The IMF Mid-year staff visit was held during August 7-14, 2024, with the Wrap Up meeting, chaired by Secretary (EA) and attended by all concerned Departments, on August 14, 2024. Discussions were held on the Macroeconomic issues and financial sector issues and Data Adequacy Assessment.

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 Mexico and USA from October 17 to October 26, 2024. The Hon'ble Finance Minister, Secretary (EA), Chief Economic Adviser, Additional Secretary (FB, OMI & crypto), Director (FB), Deputy Secretary (Investment) and Deputy Secretary (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 'Contribution Agreement' signed between Government of India and GAVI, India committed to contribute USD 3 million per annum to the GAVI Alliance during the replenishment cycle of five year i.e. 2021-25.

8.7.2 A proposal of MoHFW was received in 2020 for enhancement of India's contribution to the GAVI in the next replenishment cycle of five year i.e. 2021-25. It was decided with the approval of Hon'ble Finance Minister that the Govt. of India will make a contribution of US$ three million per annum to GAVI, i.e., a cumulative contribution of US$ 15 million for the next replenishment cycle of GAVI of five years. The Multi-Year Contribution Agreement towards the replenishment for the next five years (2021-25) was signed on 30th June, 2021 and Fourth installment was made on 5th January, 2024.

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 50 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 committed 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 Second installment to the GFATM for 2024-25 (USD 8 million) was paid in December 2024.

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 (one of only 10 MIGA overseas offices) to further enhance its engagement in the country and the broader South Asia region. India has recently 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.

8.10 Asian Development Bank

8.10.1 ADB Membership: India became a founding member of the Asian Development Bank (ADB) in 1966. ADB envisions a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, with a steadfast focus on eradicating extreme poverty. Through loans, technical assistance, grants, and equity investments, ADB supports its members and partners in their pursuit of social and economic development.

8.10.2 ADB has 69 members, split into 49 regional and 20 non-regional members. Headquartered in Manila, Philippines, ADB's authorized and subscribed capital stock stands at $163.12 billion, of which India's subscription is $10.3 billion. India holds 6.32% of shares in ADB, equivalent to 672,030 shares (@$12063.5 per share). India has 5.35% voting rights. Japan and the United States are the largest shareholders with 15.57% each of the shares. China and India are the third and fourth largest shareholders, with 6.43% and 6.32%, respectively.

8.10.3 The Asian Development Fund (ADF), a special fund of ADB, is dedicated to extending financial support to less credit worthy and prone to debt distress members, primarily those classified under Group A, with selective support to Group B member countries. India became a donor to ADF in July 2014 and contributed $30 million for the ADF 11 replenishment. This commitment was followed by a contribution of $41.74 million to ADF 12. Continuing its support, India has pledged $51.38 million to ADF 13 and $61.31 million to ADF 14. ADB provides concessional financing through ADF to its developing member countries (DMC) based on agreed yardsticks.

8.10.4 ADB is governed by a structure that includes a Board of Governors (BoG), a Board of Directors (BoD), a President, six Vice Presidents and specialized officers and staff in its headquarters and country offices. The BoG is ADB's highest policy-making body, with representatives from each member nation, including India, where the Finance Minister serves as the Governor. The BoG exercises its powers and functions with the assistance of the BoD, which performs its duties full time at the ADB headquarters. The Directors supervise ADB's financial statements, approve its administrative budget, and review and approve all policy documents and all loan, equity, and technical assistance operations. India is represented in the BoD by an Executive Director (ED), who is nominated by the Government of India. ED is supported by officers from India (two advisers and one executive assistant).

8.10.5 Annual Meetings of BoG are held in a designated member country in early May. Annual meetings are occasions for the BoG to provide guidance on ADB administrative, financial, and operational directions. The meetings provide opportunities for member governments to interact with ADB staff, nongovernment organizations (NGOs), media, and representatives of observer countries, international organizations, academia, and the private sector. Bilateral meetings are held between countries on the side lines of the annual meeting. The 46th Annual Meeting of ADB was hosted by India on 2-5 May 2013 in New Delhi. The 57th Annual Meeting was held on 2-5 May 2024 in Tbilisi, Georgia. The 58th Annual Meeting is scheduled to be held from 4-7 May 2025 in Milan, Italy.

8.10.6 ADB assistance to India commenced in 1986. Till date, ADB has committed 309 sovereign loans amounting to $56.00 billion. The ongoing sovereign lending portfolio of ADB projects in India consists of 80 loans worth $16.84 billion. ADB's annual sovereign lending in India increased to an all-time high of $4.6 billion in 2021, including a $1.5 billion loan under Asia Pacific Vaccine Access Facility (APVAX) to support government's rapid vaccination rollout to contain the ongoing pandemic and help reduce severity of a possible third wave and loss to life. In 2022, the annual lending level declined to $1.8 billion due to the impact of COVID-19 on project readiness. The 2022 regular assistance program included projects in transport, urban, energy, and public sector management sectors. In 2023, ADB committed sovereign lending of $2.59 billion, covering projects in transport, urban, energy, agriculture, and public sector management sectors. In 2024, ADB committed sovereign lending of $4.24 billion. To develop cities as engines of economic growth, ADB focused on water and urban sector to support climate resilient, sustainable and inclusive infrastructure and services. To support India's climate action, ADB financed projects aimed at promoting green infrastructure, decarbonization of energy and transport sectors and building resilience of communities to climate change. ADB also prioritized health sector by supporting programs to improve the country's health system preparedness and capacity to respond to future pandemics as well as state level projects to strengthen tertiary health care and medical education system and to improve early childhood development and maternal mental health.

Portfolio performance has improved over the years as a result of regular tripartite portfolio review meetings (TPRM) for ongoing and pipeline projects. India achieved a record sovereign loan disbursement of $3.7 billion in 2022, followed by $2.69 billion in 2023 and $2.93 billion in 2024.

8.10.7 ADB assistance to India supports the government's development priorities, evolving focus areas, and flagship initiatives. The India country partnership strategy (CPS) of ADB provides the overarching framework for ADB's operations in India. In line with the government's guiding principle that multilateral development partners add value beyond tangible investments, ADB leverages knowledge, supports capacity development, and incorporates innovation and best practices into its operations. ADB's country partnership strategy (CPS), 2023-2027 for India was approved in May 2023.

8.10.8 The new CPS seeks to catalyze the country's robust, climate-resilient, and inclusive private sector-led growth by accelerating structural transformation and job creation, promoting climate-resilient green growth, and deepening social and economic inclusiveness. ADB will support strategic and coordinated investments and strengthen the logistics-industry-urban-skilling nexus to help cities serve as engines of economic growth. ADB will operationalize a holistic engagement framework to enable the central and state governments to prioritize and implement climate actions. ADB will also strengthen its human development, and agriculture and rural development portfolio while keeping its focus on basic urban services, prioritizing lagging states and districts. ADB shall be engaging in upstream studies and sustained dialogues with key central line ministries to identify their development priorities, financing, and knowledge needs. At the state level, ADB shall pursue a differentiated approach to prioritize projects on basic services, critical infrastructure and services, institutional strengthening, and private sector development through the sovereign operations in low-income states. Support for more developed states will focus on transformational programs with policy and knowledge advice, combined with non-sovereign operations.

8.10.9 The South Asia Subregional Economic Cooperation (SASEC) Program brings together Bangladesh, Bhutan, India, Maldives, Myanmar, Nepal, and Sri Lanka in a project-based partnership. Under this flagship program, ADB has been working with the SASEC countries to build cross-border power connectivity, facilitate regional trade, and connect transport network for movement of goods and people. SASEC countries share a common vision of boosting intraregional trade and cooperation in South Asia, while also developing connectivity and trade with Southeast Asia, East Asia, and the global market. The SASEC Vision was launched in April 2017 in the SASEC Finance Ministers' Meeting in New Delhi. It articulates shared aspirations of SASEC countries and set the path to achieve these through regional collaboration. The vision document lays out a plan to transform the subregion by leveraging natural resources, promoting industry linkages for the development of regional value chains, and expanding the region's trade and commerce through the development of subregional gateways and hubs. The SASEC Operational Plan presents the strategic objectives of the SASEC partnership, and the operational priorities of the four main SASEC sectors: transport, trade facilitation, energy, and economic corridor development. It is supported by a list of potential projects regularly updated by SASEC countries to be implemented during 2016-2025.

Bhutan hosted the SASEC Working Group meetings on transport, trade facilitation, and energy in Thimphu from 4-7 November 2024. More than 100 government officials of the SASEC countries participated. The decisions of the SASEC working groups were discussed and endorsed in the SASEC Senior Officers' meeting (SOM) held in Thimphu from 8 November 2024. The SASEC SOM updated Action Plan of SASEC Initiative (2024-2026) and asked ADB to initiate work on next rolling plan of APSI (2025-2027). The SOM resolved to focus on initiatives on decarbonatization and digitalization for enhanced regional cooperation and integration.

As of 30 June 2024, SASEC Countries have signed and implemented 87 projects worth $20.75 billion, with ADB financing of $12.80 billion. The transport and tourism sector accounts for most projects (51 projects worth a cumulative $8.70 billion), followed by energy (16 projects worth $1.57 billion), economic corridor development (7 projects worth $1.64 billion), trade facilitation (7 projects worth $343.67 million), ICT (2 projects worth $12.57 million), and health (3 projects worth $356.47 million). In addition, ADB technical assistance has supported SASEC investment projects in India, regional cooperation forums, and knowledge-sharing initiatives, and pilot projects since 2001. An additional 155 technical assistance projects with total cumulative value of $224.78 million has been provided to assist in project preparation, strategic planning, and capacity building. ADB is assisting Government of India in extending project development support through project readiness financing (PRF) loans, along with grants in the form of knowledge support technical assistance (KSTA) to northeastern region (NER) states. PRFs enable quick response to continued demand for project development and finance project preparation and design activities for investments that are expected to be financed under one or more ensuing ADB-financed projects with quality project designs and a high level of implementation readiness. PRF and KSTA in NER aim to support development of investment plans/projects for key sectors and preparation of feasibility studies, detailed designs, procurement process, and timely completion of preconstruction activities of priority projects. Building institutional capacity is one of the key components of PRFs and KSTAs, which intend to support infrastructure planning and implementation capacities of the line departments. Presently, Sikkim Road Sector PRF ($2.5 million), Tripura Urban and Tourism Development PRF ($4.2 million), and the Mizoram Urban Transport PRF ($4.5 million) are under implementation. Tripura Industry PRF ($2 million), Tripura City Infrastructure PRF ($3 million), Manipur Road Sector PRF ($5 million), and Nagaland Urban Infrastructure PRF ($2 million) are under processing. KSTA support is also being mobilized for developing sector investment plans in Tripura and Assam (Road Sector and Urban & Rural Water Supply - Sanitation).

8.10.10 The Capacity Development Resource Center (CDRC) at ADB's India Resident Mission is a unique institutional arrangement to help build capacities of executing agencies in ADB procedures, project implementation, thematic topics, and presentation of good practices to support robust portfolio performance. In 2024, CDRC conducted 25 capacity development programs benefitting 1,408 executing and implementing agency staff (24% women) from 86 projects covering entire India portfolio. Majority of participants evaluated the programs as useful and 96% rated it as relevant, demonstrating that the training courses are demand driven and operationally relevant. A knowledge exchange program was organized by CDRC for the representatives from Govt of Indonesia and Nepal. The program shared India's project management practices with the delegations, covering project readiness checklist of DEA, Capacity Development Resource Center, MDB financing, digitized solutions, procurement, safeguards clearances, tripartite portfolio review meetings (TPRMs) and environmental clearances. For long term sustainability and large-scale replication to benefit Indian agencies, CDRC is working towards institutionalizing training programs within the national eco system to benefit other MDBs, Bilaterals, GOI and State Government agencies. The plan is proposed for implementation during 2025-2026.

8.10.11 Technical Assistance (TA) program has also evolved in line with the loan program. TA helps DMCs enhance capacity, improve project preparedness and implementation, promote technology transfer, and undertake analytical studies.

8.10.12 ADB's Technical Assistance Special Fund (TASF) provides technical assistance improving capacity in the formulation, design, and implementation of projects to facilitate effective use of external financing. India has been voluntarily contributing to TASF since 1970.

9. International Economic Relations Division

9.1. 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;
- G7;
- G24;
- OECD;
- SAARC, SAARC Development Fund
- ASEAN, Asia Europe Meeting (ASEM), Caribbean Union
- World Economic Forum (WEF)
- BIMSTEC
- Shanghai Cooperation Organisation (SCO);
- Voice of Global South Summits;
- Commonwealth of Independent States (CIS) countries (Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine, Uzbekistan),
- South Asia (Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan, Sri Lanka), South East Asia (Brunei, Burma, Cambodia, East Timor, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand, Vietnam), North America (Mexico), East Asia (Mongolia, Hong Kong, Taiwan)
- Capacity Building Unit of DEA
- Sectoral Charge
  - a) Ministry of Defence,
  - b) Ministry of Tribal Affairs

E- Governance:

IER division has fully operationalized E-file System.

I. G-20

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

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 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 (GPFI)
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 the 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-chair: 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 contribute to better alignment of the international financial system to the objectives of the 2030 Agenda and the Paris Agreement.

Co-chair: The SFWG is co-chaired by China and the US. The United Nations Development Programme (UNDP) serves as the Secretariat for the SFWG. The Group was set up in 2021.

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 (GPFI)** is mandated to advance 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 GPFI's scope of work and overall objectives are defined by a G20 Financial Inclusion Action Plan (FIAP) drafted and agreed upon every three years. The two broad priorities of G20 2023 FIAP are Digital Financial Inclusion and MSME Financing. In addition, GPFI continues to work on reducing the cost of remittances below 3% as mandated by SDGs; building relationship with non-G20 countries and engagement with Standard Setting Bodies (SSBs).

Co-chairs: India and Italy are the Co-Chairs of the GPFI. The GPFI was created in 2010

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.

Brazilian G20 Presidency 2024

Brazil assumed the Presidency of G20 from India on December 1, 2023. The Brazilian Presidency is centred on the theme, "Building a fair world and a sustainable planet", and has three overarching priorities:

a) Social inclusion and the fight against hunger
b) Energy transition and sustainable development in its three aspects (social, economic and environmental)
c) Reform of global governance institutions

Brazil Presidency also set up two new G20 Task Forces, viz., the Global Alliance against Hunger and Poverty (TF GAHP), and Global Mobilization against Climate Change (TF CLIMA). Under TF GAHP, the Presidency launched the Global Alliance against Hunger and Poverty at the Rio Summit in November 2024.

The first communique[1] of the G20 Finance Ministers and Central Bank Governors (FMCBG) under the Brazilian Presidency was adopted on July 25-26, 2024 during the third meeting of the G20 FMCBGs held in Rio de Janeiro, Brazil. The key factor that enabled the Brazilian Presidency to arrive at an agreed Communique was the consensus reached by G20 Sherpas to issue a separate Chair's Statement on geopolitical issues along with Ministerial Communiques. This was aimed at separating the geopolitical debate from the subject matter of Ministerial Meetings. In July, the Brazilian Presidency also produced a standalone G20 International Tax Declaration[2] under which the G20 members committed to strengthen their respective domestic reform endeavours, engage cooperatively to ensure that ultra-high-net-worth individuals are effectively taxed and make significant progress towards the implementation of Pillar 2 and finalisation of all components of Pillar 1, among others.

The fourth and final meeting of the G20 Finance Ministers and Central Bank Governors (FMCBG) under the Brazilian Presidency was held on 23-24 October 2024, in Washington DC, US, on the sidelines of the IMF/WB Annual Meetings. The G20 FMCBG meeting was preceded by the Fifth G20 Finance and Central Bank Deputies Meeting on 22 October 2024, during which the Deputies negotiated the G20 Communiqué, leading to its adoption by FMCBGs on October 24, 2024. The Communique may kindly be seen at *https://www.g20.org/pt-br/documentos/trilha-de-financas/4th-fmcbg-communique.pdf/@@download/file*

The G20 Brazil Presidency also hosted a G20 Joint Meeting of Finance, Climate & Environment, and Foreign Affairs Ministers and Governors of Central Banks on 24 October 2024. This meeting marked the culmination of the efforts of the G20 Task Force for the Mobilization against Climate Change (TF CLIMA) during the Brazilian Presidency. The Joint Ministerial Statement and the TF CLIMA outcome document may be seen at *https://www.g20.org/en/tracks/sherpa-track/climate-change*

The 19th G20 Leaders' Summit was held on November 18 and 19, 2024, in Rio de Janeiro, Brazil. The outcome of this summit is the G20 Rio de Janeiro Leaders' Declaration[3], which was adopted by the G20 Leaders. The declaration reflects the key outcomes of the Sherpa and Finance Tracks of the G20 under the Brazilian Presidency.

Key priorities from the 2023 Indian Presidency taken forward by the Brazilian Presidency in 2024

a) Strengthening Multilateral Development Banks (MDBs): In 2023, Indian Presidency held focused discussions on several aspects of MDB evolution, including incentive structure, operational approaches, and financial capacity for making MDBs better equipped to address the global challenges of the 21st century and the development needs of low and middle-income countries. The two key outcomes of the Indian Presidency under the MDB agenda were the 2 volume Report of the G20 Independent Expert Group (IEG) on Strengthening MDBs and the G20 Roadmap for the implementation of the recommendations of the G20 Independent Review of Multilateral Development Banks' Capital Adequacy Frameworks (CAF). The Brazilian Presidency's outcome on the MDB agenda in 2024 is the G20 Roadmap for better, bigger, and more effective MDBs. The Roadmap is a key deliverable of the Brazilian G20 Presidency which was endorsed by the G20 Leaders in the November 2024 G20 Rio Summit. The Roadmap has been built on the mandate received from G20 Leaders in New Delhi Declaration and identifies recommendations and actions for MDB reforms based on the IEG Report.

b) Macroeconomic risks stemming from Climate Change and Transition Pathways: One of the key priorities of Brazilian Presidency in 2024 is assessing the distributional implications of climate change and sustainable transition policies. The G20 Note on the macroeconomic and distributional impacts of climate change and transition policies, was delivered to the G20 FMCBGs in the October G20 FMCBG Communique. The note builds on the 2023 G20 report on macroeconomic

[1]https://www.gov.br/fazenda/pt-br/assuntos/g20/declaracoes/2-3rd-fmcbg-communique.pdf. *It may be noted that in the first meeting of the G0 FMCBGs under the Brazilian Presidency, a Chair's Summary was produced by the Presidency since a consensus on the communique was unable to be reached at by the membership due to differences on how the geopolitical issues may be referenced in the FMCBG communique.*
[2]*https://www.g20.org/pt-br/documentos/trilha-de-financas/1-g20-ministerial-declaration-international-taxation-cooperation.pdf/@@download/file*
[3]*https://www.consilium.europa.eu/media/l11hh2mb/g20-rio-de-janeiro-leaders-declaration-final.pdf*

risks stemming from climate change and transition pathways, which was endorsed by the G20 Leaders in New Delhi.

c) **Advancing Financial Inclusion:** Implementation of 2023 Financial Inclusion Action Plan (FIAP) endorsed under India's G20 Presidency and two FIAP deliverables were produced in 2024, viz. G20 Policy Options for improving 'last mile' access and quality inclusion through digital infrastructure, including Digital Public Infrastructure (DPI), consumer protection and other FIAP objectives. (endorsed by the G20 FMCBGs in October 2024 Ministerial meeting) and the New G20 Action Plan for MSME Financing (the G20 FMCBGs took note of the advances regarding this deliverable and looked forward to its final version). In addition, GPFI also produced "Updates to Leaders on the Progress towards G20 Remittances Target" as one of the continuing areas of GPFI.

Additionally, India, alongside Italy, managed the GPFI Co-Chair Secretariat, which included implementing GPFI priorities, overseeing the development of GPFI deliverables, coordinating with all members, and organizing meetings.

Further, in January 2023 'India's G20 Task Force on Digital Public Infrastructure for Economic Transformation, Financial Inclusion and Development' was established to oversee and facilitate achieving India's G20 Presidency agenda and priorities on Digital Public Infrastructure (DPI) and Financial Inclusion. The Task Force was led by the Co-Chairs - Shri Amitabh Kant, G20 Sherpa of India and Shri Nandan Nilekani, Co-founder and Chairman of Infosys and the Founding Chairman of UIDAI (Aadhaar). It released the **'Report of India's G20 Task Force on Digital Public Infrastructure'** by 'India's G20 Task Force on Digital Public Infrastructure for Economic Transformation, Financial Inclusion and Development' in 2024.

d) **Scaling up sustainable finance:** During India's G20 Presidency, the SFWG developed Technical Assistance Action Plan (TAAP) to scale up capacity-building efforts in sustainable finance. Under the Brazilian Presidency, the Implementation Mechanism for G20 TAAP was convened by UNDP to facilitate knowledge sharing, and tailoring capacity-building efforts in line with the national circumstances. To discuss the progress on the implementation of TAAP a G20 session was held on the side-lines of 4th SFWG Meeting. Further, expanding the area of work under Analytical framework for SDG-aligned finance developed during the Indian Presidency, the Brazilian Presidency took financing of Nature based Solutions as one of the key priority areas under SFWG for 2024.

e) **Crypto-assets: Policy and Regulations:** Under the Indian Presidency, a joint IMF-FSB Synthesis Paper was developed which provided policy and regulatory recommendations to identify and respond to macroeconomic and financial stability risks associated with crypto assets and outlined a roadmap for effective and coordinated policy implementation. The paper was welcomed by the Leaders in the G20 NDLD and the G20 Roadmap on Crypto Assets was adopted at the G20 FMCBG meeting held in Marrakesh. During the July 2024 G20 FMCBG meeting, Ministers and Governors recognized the joint efforts of the IMF and the FSB, in collaboration with the World Bank, the Financial Action Task Force (FATF) and its global network, and SSBs, towards the implementation of the G20 Roadmap on Crypto Assets, including beyond G20 jurisdictions. The first status report related to the G20 roadmap on crypto assets was welcomed at the 4th FMCBG in October 2024.

f) **International Taxation Agenda:** One of the flagship priorities of the Indian G20 Presidency under the International Taxation agenda was enhancing tax transparency. On the request of the Indian G20 Presidency, the OECD had presented a report to the G20 on 'A roadmap for enhancing international tax transparency on real estate' which was taken note of in the New Delhi Leaders Declaration (NDLD). Under the Brazilian Presidency, the work is being carried forward, and during the 3rd FMCBG Meeting, the OECD has presented a report titled 'Strengthening International Tax Transparency on Real Estate - From Concept to Reality', building on the July 2023 Report to the Indian G20 Presidency. In the Ministerial Declaration issued by G20 Finance Ministers on International Cooperation, OECD has been invited to continue work on exchanging foreseeably relevant information regarding real estate for tax purpose, building on the Indian G20 Presidency.

g) **Financing Cities of Tomorrow:** In 2023 the G20 Leaders emphasised the need for enhanced mobilisation of finances and efficient use of existing resources in the efforts to make the cities of tomorrow inclusive, resilient, and sustainable. This emphasis on inclusivity and resilience has been carried forward under the Brazilian G20 Presidency in the form of two key priorities identified in the Infrastructure Working Group work plan, namely, financing climate-resilient infrastructure and linking infrastructure with poverty reduction. The report pertaining to the priority 'Approaches for Financing and Investment in Climate-Resilient Infrastructure' has been welcomed in the July 2024 FMCBG meeting while the other report 'Infrastructure and Poverty Reduction: Innovative

Policies for Effective Access' has been endorsement in the October 2024 FMCBG Meeting. The report on 'Infrastructure and Poverty Reduction: Innovative Policies for Effective Access' draws upon the G20/OECD report on 'Financing Cities of Tomorrow' under the Indian G20 Presidency to highlight the need for attracting private financing, and leveraging innovative financing and funding mechanisms.

h) Finance-Health Collaboration: The August 2023 report on Framework for Health, Social, Economic Vulnerabilities & Risks (FEVR), under the Indian Presidency, envisioned an update and expansion of the analysis in the existing Framework, as well as the development of a comprehensive report on global health, social, and economic vulnerabilities. The Brazilian G20 Presidency has further updated and refined the Framework as presented in the G20 Global Report on FEVR related to Pandemics. They have also elevated a focus on addressing inequity, including through discussing the social determinants of health (SDH): the conditions in which people are born, grow, work, live, and age, that impact health and well-being across the life course and the inequities in access to power, decision-making, money and resources that give rise to these conditions.

The New Delhi Leaders Declaration also supported advancing work on "mapping pandemic response financing options and gaps", as well as further discussions on optimizing, coordinating, and, where necessary, enhancing financing mechanisms for efficient deployment. In this regard, the G20 Operational Playbook provides a much-needed overview of pandemic response financing needs and sources, covering both domestic and external financing options for different categories of response.

South African G20 Presidency 2025

South Africa assumed the Presidency of the G20 from December 1, 2024 under the theme "Solidarity, Equality, and Sustainability".

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 Chairmanship of BRICS was taken over by Russia from South Africa on 1st January 2024.

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.

BRICS 2024 Meetings & Outcomes

Russia assumed the BRICS Chairmanship on 1st January 2024 and hosted the XVI BRICS Summit in October 2024 under the theme: "Strengthening Multilateralism for Equitable Global Development and Security".

In the Finance Track under Russian Chairmanship of BRICS, two meetings of the BRICS Finance Ministers and Central Bank Governors (FMCBG) and four meetings of the BRICS Finance and Central Bank Deputies were held, the following being the issues under discussions in 2024:

Ministry of Finance Issues

1. BRICS Economic Outlook
2. Improvement of International Monetary and Financial System
3. Cooperation on Customs and Tax
4. Infrastructure and Investments
5. BRICS Think Tank Network for Finance

Central Bank issues

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

Joint Ministry of Finance and Central Bank issue

1. Improvement of the International Monetary and Financial System

The second BRICS FMCBG meeting in October saw the adoption of a Joint Statement and a Report to Leaders on the issue of local currencies, payment instruments and platforms as was tasked by the Leaders in the Johannesburg II declaration of 2023[4]. The key outcomes under the Russian Chairmanship in 2024 were as follows:

a. Improvement of International Monetary and Financial System

The Russian BRICS Chair focused on improving the international monetary and financial system (IMFS) in order to make it more responsive to the needs of all countries. The key idea was that the IMFS needs to better meet the needs of developing countries and adequately reflect their growing share in the global economy. The Chair prepared the BRICS Chairmanship Research on Improvement of the International Monetary and Financial System. The report was taken note of by the FMCBGs through the Joint Statement and the FMCBGs appreciated the efforts of the Chair towards this work.

b. Practical Financial Cooperation Initiatives

The Chair made efforts to develop practical financial cooperation initiatives. The Chair was instrumental in developing a conceptual document on the BRICS Cross-Border Payment Initiative (BCBPI), a voluntary and non-binding project, aimed at enhancing cooperation on cross-border payments among BRICS countries. The Chair also made efforts to introduce voluntary initiatives - BRICS Clear (to complement existing financial market infrastructure) and BRICS (Re)Insurance (to develop an independent reinsurance capacity).

c. Cooperation on Customs and Tax matters

In 2024, the BRICS Tax Workstreams identified several key collaborative projects aimed at improving tax administration and cooperation among member countries. These included initiatives focused on the modernization of VAT administration, the use of big data to strengthen tax audit capabilities and improve public services, the exchange of knowledge in the application of HR strategies and a client-centric approach in BRICS tax authorities. Further, the BRICS Heads of Tax Authorities Governance Framework was also adopted. The Framework introduces new agendas, establishes Working Groups, and creates a rotational secretariat to enhance knowledge sharing and coordination across member nations. The BRICS Heads of Customs Administrations signed the BRICS Authorized Economic Operator Joint Action Plan towards Mutual Recognition of their Respective Authorized Economic Operator Programmes.

d. Infrastructure and Investments

Under Russia's Presidency in 2024, blended finance was a key priority in the infrastructure investment workstream. The work this year aimed to enhance understanding and develop effective approaches to financing, implementing and developing infrastructure to achieve sustainable economic growth in the BRICS countries and bridge the infrastructure gap. The BRICS Public-Private Partnership and Infrastructure Task Force analysed best practices of blended finance to increase the attractiveness of investment and the interest of private investors in infrastructure projects. The Task Force prepared the Technical Report on Infrastructure Projects Blended Finance, which was endorsed by the FMCBGs through the Joint Statement in FMCBG meeting.

e. BRICS Think Tank Network for Finance

The BRICS Chair launched the work of the BRICS Think Tank Network for Finance. An MoU was signed by the Think Tanks from BRICS member countries on the sidelines of the BRICS Meetings in Moscow in October 2024. The Network is expected to contribute evidence-based intellectual support to the Finance Ministers and Central Bank Governors' Meetings on various issues under the Finance Track.

The BRICS XVI Summit took place in Kazan from October 22-24, 2024 and a Leaders Declaration was adopted[5].

BRICS Presidency 2025

Brazil is expected to take over the Presidency of the BRICS in 2025 from Russia.

III. G24

i. 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.

[4] https://brics2023.gov.za/wp-content/uploads/2023/08/Jhb-II-Declaration-24-August-2023-1.pdf

[5] https://cdn.brics-russia2024.ru/upload/docs/Kazan_Declaration_FINAL.pdf?1729693488349783

ii. 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.

iii. The 112th G-24 Ministers and Governors Meeting was held in Washington DC on 21-22 October, 2024 on the margins of the IMF and WBG Annual Meetings. The theme of the meeting was Bretton Woods System at 80: Historical and Emerging Challenges and Options for Reform.

IV. OECD

i. 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.

ii. 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. Capacity Building Unit (CBU) of Department of Economic Affairs (DEA)

The Capacity Building Unit of DEA was established within the IER Division and assigned the responsibility of implementing Mission Karmayogi Bharat. This includes organizing trainings, webinars, seminars, and other programs focused on behavioral, functional, and domain competencies for all DEA officers.

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 drawals in INR with a view to give emphasis on INR internationalization. During FY 2024-25, the facility was availed by Bhutan and Maldives.

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 ten member states: Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar (Burma), Philippines, Singapore, Thailand, Vietnam. IER Division of DEA, Ministry of Finance coordinates issues related to financial cooperation under ASEAN.

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 IS0 9001-2015 certified account establishments in the Government of India.

10.2 Performance/Achievements During the Financial year 2024-25 (as on 3oth November, 2024)

10.2.1 Total of 1460 live/active loans/accounts are being handled by Aid Accounts & Audit Division. Out of these, 469 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 2024-25 (upto 30th November, 2024) are ₹66,100 Crore. In addition to loan receipts, a sum of ₹119 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, 2024** is as under.

₹ in crore

Sl. No.	Description	2023-24 (as on 31st March, 2024)	2024-25 (as on 30th November, 2024)	Projections as per RE (For the period from 12/2024 to 03/2025)
1	Receipts (Loans and Grants)	1,09,787	66219	42619
2	Payments (Principal and Interest)	76,935	57859	32077
3.	**Net Transfer (1-2)**	**32,852**	**8,360**	**10542**

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.

10.3.2 Over the time, this responsibility was transferred to Aid Accounts & Audit Division, with an expanded mandate to cover 100% of Advance Authorization.

10.3.3 Currently, the AA&AD carries out 100% audit of Advance Authorization and Export Promotion Capital Goods (EPCG) cases, while conducting sample audits (Ranging from 10% to 50%) for other Export Promotion Schemes.

10.3.4 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.

10.3.5 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 **26** cities across the country.

10.3.6 As a result of settlements, a sum of ₹20,03,41,323/- has been recovered from various firms till 30th November, 2024. Apart from this, an amount of ₹5,89,66,187/- has been adjudicated against various firms up to 30th November, 2024.

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

11.2.1 The staff strength in Department of Economic Affairs and its attached/sub-ordinate 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

11.3.1 A Complaints Committee in Department of Economic Affairs for considering complaints of sexual harassment of women employees has been modified (replacing one member) vide Office Order No.: A-60011/1/2022- Ad.III. dated 19.09.2024.

11.4 Training of Staff Members

11.4.1 Department of Economic Affairs deputes 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 01.01.2024 to 31.12.2024 a total of 106 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:

11.5.1 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 2024, 1759 fresh public grievance cases were received in the Department besides 597 brought forward from the previous year. Out of these 2356 cases, 2100 cases were disposed off during the year. Further, 288 Appeals against the disposal of grievances were received and 276 Appeals were disposed off. Adviser (Admin) is functioning as the Nodal Officer for Public Grievances in Department of Economic Affairs.

11.6 Right To Information Act, 2005

11.6.1 In order to facilitate dissemination of information under the provisions of the 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 2024, 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) Deputy Secretary/ Under Secretary/ Deputy Director/ Assistant Director, Sr. Accounts Officer, Section Officer and Economic Officer level officers of the Department have been designated as Central Public Information Officers (CPIOs) under section 5(i) of the RTI Act, 2005 in respect of subject(s) being handled by them.

(iv) Deputy Secretaries/ Joint Director/ Director level officers of the Department 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 Gate No. 8 outside the North Block 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 2024 from January 1, 2024 to October 29, 2024, total 2395 (Two Thousand Three Hundred Ninety Five) RTI applications and 52 (Fifty Two) first appeals, were received in the Department. An amount of ₹1620/- (Rupees One Thousand Six Hundred Twenty only) was received as RTI fees and Documents fee under the RTI Act.

11.7 Use of Hindi in Official work

11.7.1 During the year 2024-25 the progress of implementation of the Official Language Policy is being continuously reviewed. All documents were presented bilingually in the Parliament. Official Language Act, 1963, Official Language Rules, 1976 and all other instructions issued by the Department of Official Language were duly followed. During the year under report, several steps were 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, 2024. While issuing a message on the occasion of "Hindi Diwas" on September 14, 2024, the Hon'ble Minister of State for Finance appealed to the officers and officials of the Ministry of Finance and 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 for the inspection of subordinate offices in the Annual Programme of the Department of Official Language, a virtual inspection of a subordinate office was conducted by the Department during April, 2024 to November, 2024. In this inspection, senior officers and officials of the Department led by Director (OL), participated and reviewed the status of use of Official Language Hindi. Apart from this, Third Sub-committee of the Committee of Parliament on Official Language conducted inspection related to Official Language of Government of India Mint, Hyderabad.

(iii) Dispatch of Quarterly Progress Report

Quarterly progress reports were collected from all the Sections/Divisions of the Department. Hindi correspondence of the Department of Economic Affairs remained about 71.14%. 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, meeting of the Official Language Implementation Committee was organized during the year 2024-25. Heads of the Department of various sections participated in this meeting.

(v) Circulation of Annual Programme

The Annual Programme for the year 2024-25 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

In the Department a workshop was organized in the department on 05.05.2024 on the topic of "Use of e-tools to promote working in Hindi for the official purpose with technology support" in which senior officers and employees of the Department participated and were benefitted.

(vii) Translation Work

In addition to the implementation, of the Official Language Policy of the Union extensive work related to translation is carried out in the Hindi Section of the Department of Economic Affairs. Many important documents are involved in this work. Translation of government documents as specified in the Official Language Act, 1963 and the rules made thereunder were also successfully completed by the Hindi Section during the year 2024-25. These include all budget related documents, annual reports, agreements made 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 proof reading. Apart from this, after the constitution of 18th Lok Sabha, translation work related to full Union Budget was also completed in July, 2024.

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.

11.8.4 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 including rare collection of books i.e Pre-Independence time Budgets & Gazettes, Debates (Lok Sabha & Rajha Sabha), Budget speech, Acts of Parliaments and other Ministry of Finance Publications.

Finance Library subscribing important periodicals/ newspapers annually and databases like Agriwatch, CMIE, Jus Mundi, Bloomberg, Grammarly and access to collection of e-journals 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 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 & Sustainable Finance Division

12.1 Bilateral Cooperation & Sustainable Finance 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
- International Platform on Sustainable Finance
- India-Korea Working Group Meeting

d. **UNDP and Sustainable Finance**

e. **Short-term Foreign Training Courses:** 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.

f. Foreign Training Courses/Programmes

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 Government of Japan has committed JPY 478.342 billion (₹27118.74 crore approx) for 12 project proposals to India from January 1, 2024 to November 30, 2024. As on November 30, 2024, 65 ODA loan projects are under implementation with Japanese assistance. The loan amount committed for these projects is JPY 3655.580 billion (₹2.21 lakh crore approx.). The cumulative commitment of ODA loan to India has reached JPY 8.3 trillion on commitment basis till November 30, 2024.

12.3.1.3 The ODA loan disbursement to India from January 1, 2024 to November 30, 2024 was JPY 394.482 billion (₹28182.52 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 January 2024 to 30th November 2024, 06 proposals were posed to Embassy of Japan and No-objection to 13 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 3.24 billion, including Euro 1.1 billion committed during Indo-German Annual Negotiation Meeting held in September, 2024.

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 2024 was held in New Delhi on 20th September 2024. The volume of funds committed by the German side for Technical and Financial Cooperation projects and programmes in 2024 amounts to EUR 1098.39 million.

12.4.5 At present, there are 53 ongoing projects receiving external financing/loans from KFW aggregating Euro 7.56 billion from Germany. The cumulative volume of commitment made by the Germany for bilateral Technical and Financial Cooperation till 2024 amounts to EUR 25.07 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 2.5 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 12 ongoing loans for Euro 1.006 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 aggregating Euro 640 million loans were signed between DEA and EIB for the following metro rail projects:

a. Bangalore Suburban Railway Project (EUR 300 million)

b. Nagpur Metro Rai Project Phase II (EUR 240 million)

c. Pune Metro Rail Project (EUR 100 million)

12.7 Bilateral Development Cooperation with the USA and Canada

12.7.1 U.S. Agency for International Development (USAID)

12.7.1.1 The United States of America's bilateral development assistance to India started in 1951 and it is mainly administered through USAID. Since its commencement, USAID has provided economic assistance of over US $ 17 billion to India in various sectors for over 555 projects. Currently, seven projects worth a total budget of USD 1 billion (approx.) are being implemented by USAID in partnership with GOI. For the current FY, an obligation of total USD 80.15 million (approx.) has been made by USAID under the seven projects, as mentioned below:

i. Partnership Agreement for Agri. & Food Security Program;

ii. Partnership Agreement for Sustainable Forests and Climate Adaptation Program;

iii. Partnership Agreement for Water, Sanitation and Hygiene (WASH);

iv. Partnership Agreement for Renewable Energy Technology Commercialization & Innovation;

v. Partnership Agreement for Health Project;

vi. Disaster Management Support Project; and

vii. Partnership Agreement for the Energy Efficiency Technology Commercialization and Innovation Project.

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. Since 1992, the U.S. Trade and Development Agency has supported over 100 priority development projects in India with public and private sector sponsor. 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. During the current FY, IDRC provided grant aggregating Canadian $ 3.1 million to support a research project to primarily explore climate adaptation and resilience in tropical drylands.

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. The UK Government announced on 9th November 2012 that their financial grant aid to India will end from 2013 onwards and all new development cooperation programmes will be either Technical Assistance (TA) programmes focused on sharing skills and expertise, or investments in private sector projects focused on helping the poor.

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 cooperation include launching of Green Growth Equity Fund (GGEF) by National Investment and Infrastructure Fund (NIIF) in collaboration with FCDO in 2018.

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 Minsters' 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 FY 2023-24, one loan agreement *"Strengthening Multi-Modal and Integrated Logistics Ecosystem Program (subprogram 1)"* for ODA loan of 100 USD million has been signed between DEA and Korea EXIM Bank (KEXIM)

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 November 30, 2024, 324 LoCs have been extended to 68 countries for an amount of USD 31.16 billion. Out of this, value of contracts covered under the LoC by Exim Bank is USD 15.74 bn and disbursement made are USD12.53 bn. During FY 2024-25 (1st April 2024 to 30th November, 2024), 2 LoCs worth USD 300 mn have been extended/ signed with developing countries.

C. Economic Dialogues and Forums

12.11 During the year 2024-25, 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.

12.11.1.2 The 3rd EFP review meeting was held on 22 January 2024 virtually. The Indian MoF delegation was led by Dr. V. Anantha Nageswaran, Chief Economic Adviser (CEA) and the U.S. Treasury delegation was led by Mr. Brent Neiman, Assistant Secretary for International Finance (UST AS). The representatives from RBI, IFSCA, SEBI and Embassy of India, senior officials from the U.S. Treasury and U.S. Federal Reserve were also present in the meeting.

12.11.1.3 During the meetings, both sides exchanged updates and discussed further cooperation on areas of economic and financial issues under the ambit of EFP framework. Broadly, the discussions covered India-U.S.A. macroeconomic landscape, integration and innovation in financial services, cross-border data and payments and opportunities for UPI interlinkages, collaboration on mobilizing resources for climate finance, and views on global debt landscape.

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 Brazilian Presidency. The Indian delegation was led by Shri Ajay Seth, Secretary, Economic Affairs and Dr. V. Anantha Nageswaran, Chief Economic Adviser, DEA and the EU delegation was led by Ms. Elena Flores, Deputy Director General, Economic & Financial Affairs (ECFIN), European Commission. 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 6th 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-Germany Senior Officers Meeting

12.11.4.1 The 15th India-Germany Senior Officers Meeting (IGSOM) was held on 30th July 2024 through hybrid mode. The Indian Delegation was led by Smt. Manisha Sinha, Additional Secretary, Department of Economic Affairs and the German Delegation was led by Ms. Judith Hermes, Head of Directorate-General for European Policy, International Financial Policy. The meeting facilitated discussion and exchange of views in areas of Current Economic Situation and Fiscal Outlook, International Debt and Multilateral Development Bank Reforms, Digital Public Infrastructure, Unified Payments Interface (UPI). The meeting fostered rich exchange of insights on key fiscal and structured reforms and platform for enhancing India-Germany Economic Cooperation.

12.11.5 India-Japan Finance Dialogue:

12.11.5.1 The 2nd India-Japan Finance Dialogue was held on 6th September, 2024 in Tokyo under the co-chairmanship of Secretary, Department of Economic Affairs, Ministry of Finance and Vice Minister of Finance for International Affairs, Japan. Both sides exchanged views on the macroeconomic situation, financial system, financial digitalization and investment environment and agreed to continue discussions for further promoting financial cooperation & strengthening bilateral relations and agreed to explore holding the next round of the Dialogue in New Delhi.

12.11.6 India-UK Dialogue

12.11.6.1 India-UK Economic Financial Dialogue

12.11.6.1.1 The 12th round of ministerial India-UK EFD was held on 11th September 2023 in New Delhi. The EFD was co-chaired by Smt. Nirmala Sitharaman, Union Minister for Finance and Corporate Affairs and Rt Hon Mr. Jeremy Hunt, MP, Chancellor of the Exchequer. The dialogue focused on enhancing bilateral economic and financial ties, mutual cooperation on macroeconomic and multilateral issues, as well as, opportunities for enhancement of knowledge exchange, and cooperation. The India-UK Infrastructure Finance Bridge, a collaborative initiative to leverage expertise and investment in support of India's National Infrastructure Pipeline, was also announced during the Dialogue. The Dialogue concluded with the adoption of the Joint Statement by Hon'ble Finance Minister of India and Chancellor of Exchequer of United Kingdom. The next round of the EFD is being scheduled to be held in the first quarter of 2025.

12.11.6.2 India- U.K. Financial Markets Dialogue

12.11.6.2.1 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.

D. United Nations

12.12 United Nations Development Programme (UNDP)

12.12.1 India's annual contribution to the UNDP is US $ 4.5 million for the year 2024, 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 2024-25, 11 projects with UNDP as implementing agency, were approved by Local Project Appraisal Committee (LPAC) of DEA as of November 2024.

12.13 United Nations Office for Project Services (UNOPS)

12.13.1 United Nations Office for Project Services (UNOPS) is an agency of the United Nations which provides infrastructure, procurement and project management services and support to Governments, the other United Nations agencies, and partners. In FY 2024-25, one project which engaged UNOPS as an implementing agency was approved by the Project Approval and Monitoring Committee (PAMC) of DEA as of November 2024.

E. Sustainable Finance

12.14 Global Environment Facility (GEF)

12.14.1 India is a founder member of Global Environment Facility (GEF) India is a donor as well as a recipient of GEF Funds. Under the Eight Replenishment of Resources of GEF which runs from 2023-26, India has pledged USD 18.75 million.

12.15 International Platform on Sustainable Finance (IPSF)

12.15.1 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.

12.16 India UK Sustainable Finance Forum

12.16.1 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 those from MNRE, MOEFCC, M/o Power, RBI, SEBI and Co-Chair (from India) in the UK-India Sustainable Finance Working Group .

12.17 Climate Finance Leadership Initiative (CFLI) India

12.17.1 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.

12.17.2 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"

(i) **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.

(ii) **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) will be held from June 30 to July 03, 2025 at Spain. India is being represented by DEA in FfD4. The first session of Preparatory Committee (PrepCom) for the Fourth International Conference on FfD4 was held in Addis Ababa, Ethiopia from 22-26 July 2024 to review the progress in implementation of Addis Ababa Action Agenda as an integral part of Agenda 2030 and identify ideas to accelerate implementation of SDGs. DEA has been actively engaged in FfD4 and has submitted a comprehensive input paper on wide ranging issues such as domestic public resources, private investment, systemic issues, international financial architecture, international trade etc. based on extensive consultations with various line Ministries/Departments. The 2nd session of the Preparatory Committee (PrepCom) meeting for the Fourth International Conference on Financing for Development (FfD4) is scheduled from 2-6 December, 2024 at UN Hqrs, New York to discuss the elements paper which will form the basis for zero draft of FFD4 outcome.

F. Foreign Training Courses/Programmes

12.18 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 FY 2024-25, DEA received offers for training for 52 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)' for Central Sector and Centrally Sponsored Schemes costing less than ₹500.00 crore of the Ministry of Finance in Parliament.

v. Coordination of all matters relating to the examination of the DG 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 2024-25	RE 204-25	BE 2025-26
30- Department of Economic Affairs	Revenue	14075.64	45179.83	2400.24
	Capital	66197.27	12727.98	46613.63
	Total	**80272.91**	**57907.81**	**49013.87**
32- Department of Financial Services	Revenue	2783.21	3376.66	1620.01
	Capital	61.94	548.18	68.13
	Total	**2845.15**	**3924.84**	**1688.14**

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 **01.04.2024 to 31.12.2024**

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.		
			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
	CAG Report				
1.	2 of 2019	...	1	3	...
2.	4 of 2020	...	...	1	...
3.	7 of 2021	...	1	...	...
4.	18 of 2022	Entire Report	...	...	...
5.	31 of 2022	3	1	4	...
6.	32 of 2022	Entire Report	...	...	...
7.	21 of 2023	31	...	...	...
8.	01 of 2024	...	1	...	...
	PAC Reports				
1.	117 of 2024	2	...	...	...
2.	137 of 2024	1	...	...	...
3.	01 of 2024	...	1	...	...

Summary of Important Audit Observations:-

Report No. 21 of 2023 (Financial Audit) - Union Government Accounts of the Union Government for the year 2021-22

Tabled in the Parliament on: 10th August, 2023

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 2022.

EXECUTIVE SUMMARY

The Annual Accounts of the Union Government presented to the Parliament consist of The Finance Accounts and the Appropriation Accounts. The Audit of Union Government Finance and Appropriation Accounts is conducted in accordance with the CAG's Auditing Standards and the principles enumerated in the Financial Attest Audit Manual. C&AG has certified the Union Finance and Appropriation Accounts for the FY 2021-22 on 21 December 2022.

This Report of the Comptroller and Auditor General of India (CAG) is organised into four chapters, viz. Chapter 1 introduces the Union Government Accounts and the audit process; Chapter 2 contains overview of financial performance of the Union Government and discusses the significant trends of the Government's receipts and disbursements during the financial year 2021-22; Chapter 3 contains comments on Quality of Accounts and Financial Reporting Practices; and Chapter 4 contains comments on Budgetary Management.

Chapter 1: Introduction

The Union Government Finance Accounts (UGFA) depicts the receipts and payments from the Consolidated Fund of India (CFI), Contingency Fund and Public Account. The Union Government Appropriation Accounts compare expenditure with the allotments authorised by the Parliament and provide explanations for variations between the two beyond specified limits under each Grant/ Appropriation.

Chapter 2: Overview of Union Finances

The Gross Domestic Product (GDP) of the country at the end of FY 2021-22 was ₹1,47,35,515 crore at Constant Prices (base year 2011-12) and ₹2,36,64,637 crore at Current Prices. In both cases there was a growth of 8.68 per cent and 19.51 per cent over the previous year, respectively.

[Para 2.1]

During FY 2021-22, the Union Government had total resources of ₹1,48,95,450 crore through gross debt receipts (₹82,49,152 crore, 55.39 *per cent*), gross non-debt receipts (₹33,74,399 crore, 22.67 *per cent*) and gross receipts into public accounts (₹32,37,452 crore, 21.74 *per cent*). During the year, the Union Government utilized ₹148,93,046 crore, on repayment of public debt (₹66,45,468 crore, 44.62 *per cent*), discharge of liabilities on Public Account (₹30,81,152 crore, 20.69 *per cent*), expenditure (₹42,38,534 crore, 28.46 *per cent*) and States' share in Union Taxes (₹8,98,392 crore, 6.03 *per cent*). Also, due to increase in financial limit of the Contingency Fund of India from ₹500 crore to ₹30,000 crore through the Finance Bill, 2021, ₹29,500 crore (0.20 *per cent* of Gross Receipts) was transferred to the Contingency Fund. Gross non-debt receipts of ₹33,74,399 crore comprise gross revenue receipts (₹33,34,813 crore) and Non-debt capital receipts (₹39,586 crore). The gross revenue receipts of ₹33,34,813 crore consist of gross tax receipts (₹27,09,315 crore) and non-tax receipts (₹6,25,498 crore). Further, under tax receipts, direct taxes amounted to ₹13,91,993 crore (51.70 *per cent*) and indirect taxes amounted to ₹13,00,709 crore (48.30 *per cent*).

[Para 2.3]

During FY 2021-22, gross receipts increased by 9.98 *per cent* (₹13,51,384 crore), Non-debt receipts increased by 33.52 *per cent* (₹8,47,069 crore) and debt receipts increased by 1.06 *per cent* (₹86,242 crore), in comparison to FY 2020-21. Debt receipts grew by 25.86 *per cent* over a period of five years from FY 2017-18 to FY 2021-22.

[Para 2.3.2]

Cess collections at ₹4,78,680 crore formed 17.67 *per cent* of the gross tax revenue (₹27,09,315 crore) in FY 2021-22.

[Para 2.3.3.1 & 2.3.3.2]

The total Non-Tax Revenue increased substantially by 44.66 *per cent* in FY 2021-22 (₹6,25,498 crore) as compared to FY 2020-21 (₹4,32,406 crore)

[Para 2.3.4]

During FY 2021-22, total disbursements from CFI increased by 8.14 *per cent* as compared to FY 2020-21. Of the total disbursements of ₹1,39,94,654 crore, disbursements from CFI were 77.98 *per cent* and the balance 22.02 *per cent* was from Public Account. Out of the disbursements from CFI, repayment of public debt constituted 60.89 *per cent*, total expenditure 38.84 per cent and 0.27 *per cent* was transferred to the Contingency Fund of India.

[Para 2.4.1]

Total Expenditure of the Union at ₹42,38,534 crore in FY 2021-22 increased by 8.47 *per cent* over the previous year contributed by Revenue Expenditure (₹34,68,189 crore) and Capital Expenditure (₹5,38,140 crore) driving this increase whereas Loans and Advances (₹2,32,205 crore) decreased compared to the previous year (₹2,49,846 crore).

[Figure 2.16 of Para 2.4.1]

Expenditure on Social Services sector witnessed highest growth of 58.93 *per cent* in FY 2021-22 over previous year. The expenditure on General Services sector also noticed a growth of 13.63 *per cent* in FY 2021-22 over previous year. Whereas, the expenditure on Economic Services sector witnessed a decline of 3.84 *per cent* in FY 2021-22 over previous year.

[Para 2.4.2]

Interest payment of ₹8,28,253 crore was the largest single component of revenue expenditure (₹34,68,189 crore) constituting 23.88 *per cent* of the total revenue expenditure, witnessed a growth of 14.88 *per cent* over previous year.

[Para 2.4.3]

During FY 2021-22, the expenditure on Subsidies (₹5,02,226 crore) constituted 14.48 *per cent* of Revenue Expenditure, which declined by 33.47 *per cent* over previous year.

[Para 2.4.3.3]

Grants-in-Aid to States for centrally sponsored schemes increased substantially to ₹2,40,383 crore (15.35 *per cent*) over previous year.

[Para 2.4.3.4]

Capital expenditure increased significantly from ₹3,42,949 crore in FY 2020-21 to ₹5,38,140 crore in FY 2021-22 with a growth of 56.92 *per cent*, due to higher expenditure on Economic Services (₹1,81,600 crore).

[Para 2.4.4]

Total liabilities consistently increased by more than 10 *per cent* from FY 2017-18 onwards. In FY 2021-22, there was a growth of 12.04 *per cent* over FY 2020-21 on account of increase in Public Debt (₹15,96,305 crore). Total Public Account liabilities of the Union Government as on 31 March 2022, stood at ₹16,44,216 crore.

[Para 2.5 and Para 2.5.1]

During FY 2021-22 Revenue Deficit (RD) and Fiscal Deficit (FD) is on a downward trend.

[Para 2.6]

Chapter 3: Quality of Accounts and Financial Reporting Practices

Review of guarantees as depicted in Statement 4 of UGFA revealed instances of non/short recovery of guarantee fee, non-receipt of penal guarantee fee, documentation / yearly review issues of guarantees and non-consideration of implied guarantees.

[Para 3.2]

Review of UGFA Statement 11 - Details of investments by the Union Government, reveals that there was mismatch in information relating to number of equity shares and percentage of shareholding and investment with reference to Annual Accounts of respective entities, non-accounting of bonus shares, shortfall in payment of dividend etc.

[Para 3.3]

Suspense heads depicted only net balances and did not disclose the outstanding amount separately as Credit and Debit balances under these heads. As a result, the balances varied by 54.52 *per cent* under Suspense Account (Civil) and by 72.26 *per cent* under Public Sector Bank (PSB Suspense). If these amounts remain unadjusted, the balances under the suspense heads accumulate and the accounts would give an inaccurate picture of Government receipts and expenditure.

[Para 3.4]

There were 67 cases of adverse balances at the end of the year FY 2021-22. Out of this, 45 cases were unresolved for over 5 years, with the oldest being 45 years.

[Para 3.5]

There were instances of short/non-transfer of collected amounts of cess/levy to the designated reserve funds, non-opening/non-operationalisation of reserve funds, dormant reserve funds without any transactions there under and deviation from approved accounting procedure etc.

[Para 3.6]

At the end of FY 2021-22, an amount of ₹7,63,693 crore is outstanding as loans and advances given by the Union Government to State/UT Governments and other entities. Out of this, ₹68,141 crore are arrears in recovery (principal and interest).

[Para 3.7]

A total of 258 footnotes had been included for disclosing additional information in UGFA for FY 2021-22. However, these footnotes did not disclose the complete picture of the finances of the Union Government to that extent as the full nature and implications of adjustments and action taken to address the anomalies were not stated. In view of the importance of disclosures/ additional information in relation to the figures appearing in Union Government Finance Accounts, a recommendation has been made to include 'Notes to Accounts' in the UGFA for FY 2022-23.

[Para 3.8.1]

Chapter 4: Budgetary Management

Appropriation Accounts consisting of 101 Demands for FY 2021-22 had approved provisions aggregating to ₹1,24,36,009 crore, total expenditure thereon was ₹1,16,71,288 crore with overall savings of ₹7,64,721 crore.

[Para 4.1.1]

There was excess expenditure of ₹1,235.98 crore over Parliamentary authorization during FY 2021-22 involving three grants, namely Grant No.39-Pensions (₹742.57 crore), Grant No. 6-Department of Fertilisers (₹493.38 crore) and Grant No. 18-Ministry of Defence (Civil) (₹0.03 crore).

[Para 4.2.1]

Total savings under all the Grants/ Appropriations were ₹7,64,721 crore, constituting 6.15 *per cent* of total authorisations. There were Savings of ₹100 crore or more in 94 segments of 70 Grants/ Appropriations amounting to ₹7,63,305 crore. Further, out of the 16 Grants/ Appropriations with savings of ₹5,000 crore or more in FY 2021-22, nine had substantial savings in FY 2019-20 and FY 2020-21 as well.

[Para 4.2.2 & 4.2.2.1]

Significant savings of ₹500 crore or more at minor-head/ sub-head level and savings of more than 25 *per cent* of allocations subject to a minimum of ₹100 crore were noticed in 269 cases of 62 Grants/ Appropriations.

[Para 4.2.2.2]

In 40 Minor/ Sub-heads under 22 Grants, supplementary provisions amounting to ₹14,155 crore were obtained during FY 2021-22 in anticipation of higher expenditure, but final expenditure was less than the original provisions under corresponding Minor/Sub-heads.

[Para 4.3]

In respect of thirty two (32) Departments/Ministries, 42,854 number of Utilisation Certificates (UCs) aggregating to ₹52,770.14 crore pertaining to Grants-in-Aid released during FY 1975-76 to FY 2020-21, were outstanding as on 31 March 2022.

[Para 4.16]

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.

14.2.2.1 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 & their uninterrupted supply to public. The cumulative production of notes by currency presses during 2024-25 up to 31.12.2024 is given below.

Status of indent of notes by BRBNMPL and SPMCIL during 2024-25 up to 31.12.2024

Press	Total Indent allocated for 2024-25 (in mpcs)	Cumulative production from 01.04.2024 to 31.12.2024 (in mpcs)	Production left for 2024-25 (in mpcs)
BRBNMPL	18,180.00	13,109.31	5,070.69
SPMCIL	12,120	8,592.996	3,533.260
		Face Value (Cr)	
BRBNMPL	4,67,880.00	3,79,778.41	88,101.59
SPMCIL	3,11,920	2,04,592.95	1,07,339.563

14.2.2.2 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 ₹35,25,727 Cr. as on 20.12.2024.

14.2.3.1 The trends in Coins In Circulation (CnIC) are also strictly monitored. As on 20.12.2024, the CnIC were ₹35,562 crore. CnIC has risen by ₹2,463 crore as compared to CnIC as on 23.02.2024.

14.2.4.1 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.

14.2.4.2 During 2024-25 (Upto 03.01.2025), the Government issued Gazette Notifications for release of 22 Commemorative Coins viz. 150 years of Bombay Stock Exchange, 75 years celebration of Supreme Court of India, Birth Centenary of Dr. M. Karunanidhi, Birth Centenary of Shri Mataji Nirmala Devi, Centenary year SBI, Mumbai Main Branch Building, Shree Swami Narayan Mandir, Vadtaldham, Diamond Jubilee year of Official Language, Central Silk Board, 150th Birth Anniversary of Jain Acharya Shrimad Buddhisagar Surishwarji Maharajji, Diamond Jubilee of Birla Institute of Technology and Science (BITS Pilani), 150th Birth Anniversary of Bhagwan Birsa Munda Ji, 125th Birth Anniversary of Dr. Harekrushna Mahtab, 2800th Nirvan Kalyanak of Parshvanath Bhagwan, 2900th Janm Kalyanak of Parshvanath Bhagwan, 75th Anniversary of Constitution, Centenary Celebration of Mysore Medical College and Research Institute, Shri Atal Bihari Vajpayee Birth Centenary, 150 years of Indian Meteorological Department and 25th Commemoration of Sh. Harakchand Nahata, First Death Anniversary of Vidyasagar Maharaj ji, Commissioning of Jammu-Srinagar Railway Line and 75 years of Bharat Scout Guide.

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 ₹2500 crores and paid-up Share Capital of ₹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 9,707.34 million pieces of the Bank Notes and supplied 9,720 million pieces of Bank Notes to RBI during the year 2023-24. This signifies 8.06% increase in the production compared to 8983 million pieces of the Bank Notes produced in the previous year i.e. in 2022-23. The productivity per employee has risen significantly, with each employee at currency presses contributing to the production of 4.99 million pieces of the Bank Notes in 2023-24, up from 4.35 million pieces in 2022-23.

14.3.5 SPMCIL has produced 1,200.99 million pieces of the Circulation Coins and supplied 1,205.64 million pieces of the Circulation Coins to RBI during the year 2023-24. This is 21.04% higher than the production of 992.22 million pieces of Circulation Coins achieved during the last year 2022-23. However, it is important to note that this is only around 15% of SPMCIL's total annual coin production capacity, reflecting a significant reduction in the indent of Circulation Coins by the RBI.

14.3.6 During the year 2023-24, SPM, Narmadapuram (a unit of SPMCIL) has produced 7,113.75 Metric Ton (MT) of Security Paper and supplied 7,375.40 MT of Security Paper to the printing presses. This is 6.47% higher than the production of 6,681.60 MT of Security Paper during the last year 2022-23. Production of Security Paper per Employee has increased to 8.72 MT in the year 2023-24 as against 7.86 MT achieved during the previous year 2022-23.

14.3.7 SPMCIL has produced 592.18 Metric Ton (MT) of Security Inks at Ink Factory, Dewas and supplied 595.38 Metric Ton Inks to printing presses during the year 2023-24. This is 94.16% higher than the production of 305 MT of Security Inks during the last year 2022-23. Production of Security Ink per Employee has increased to 10.21 MT in the year 2023-24 as against 5.75 MT achieved during the previous year 2022-23.

14.3.8 SPMCIL has produced 14.031 million pieces of travel documents/passport booklets and supplied 13.14 million pieces travel documents/passport booklets to Ministry of External Affairs (MEA) during the year 2023-24. This is 22.51% higher than the production of 11.453 million pieces of travel documents/ passport booklets during the year 2022-23. SPMCIL has also produced 206.462 million pieces of Non-Judicial Stamp Papers (NJSPs) and supplied 211.421 million pieces NJSPs to various State Governments during the year 2023-24.

14.3.9 The Revenue from Operations of SPMCIL stood at ₹4714.80 crores in the year 2023-24 as compared to ₹4918.22 crores in the previous year 2022-23. Total expenditure for the year 2023-24 is ₹3695.04 crores as compared to ₹3430.33 crores for the year 2022-23. Profit before Tax (PBT) from continuing operations for the year 2023-24 is ₹1383.84 crores as compared to ₹2341.21 crores for the year 2022-23. The Company has achieved a Total Comprehensive Income (TCI) of ₹1006.55 crores in the year 2023- 24 as compared to ₹1709.54 crores during the year 2022-23. The consolidated TCI after taking into account the 50% share of Joint Venture Company, Bank Note Paper Mill India Pvt. Ltd. (BNPMIPL) is ₹1067.79 crores in the year 2023-24 as compared to the Consolidated TCI of ₹1772.62 crores in the year 2022-23.

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 ₹364.11 crores being 5% of Net worth of the company as at 31st March 2023, to the Government of India for the financial year 2023-24.

14.3.11 During the year 2023-24, the Company has taken-up many modernization and capacity augmentation initiatives. During the year 2023-24, a state-of-the-art Offset Banknote printing machine was installed at the Bank Note Press (BNP), Dewas. At the Currency Note Press (CNP), Nashik, a state-of-the-art shredder and briquetting machine was commissioned. The India Security Press (ISP), Nashik, commissioned both an advanced Offset Printing machine and a Laser Micro Perforation Machine. The Security Printing Press (SPP), Hyderabad, commissioned an advanced offline Variable Data Printing (VDP) machine with Screen Printing capabilities, along with an offline Die Cutting Machine for printing Excise Adhesive Labels (EAL). Additionally, at the India Government Mint (IGM), Kolkata, an Aqua-Regia Gold Refining plant has been successfully commissioned.

14.3.12 All the nine units of SPMCIL have been certified with ISO 9001:2015 for Quality Management System and ISO 14001:2015 for Environmental Management System. The Corporate R&D Centre in Nashik is also ISO 9001:2015 certified. The Security Paper Mill (SPM) in

Narmadapuram, the Bank Note Press in Dewas, and the India Government Mint in Noida have obtained ISO 45001:2018 certification for Occupational Health & Safety Management System. SPM, Narmadapuram has also been awarded the ISO 50001:2018 certification for Energy Management System. SPM, Narmadapuram, and the Security Printing Press in Hyderabad have obtained the ISO/IEC 17025:2017 certification from the National Accreditation Board for Testing and Calibration Laboratories (NABL). India Government Mint, Mumbai has received ISO 17034:2016 accreditation. These certifications are a testament to SPMCIL's relentless pursuit of excellence.

14.3.13 The Manpower Strength of the Company has come down to 5,752 as on 31.03.2024 which includes 373 Executives, 913 Supervisors and 4,466 Office staff & Workers working in 9 Units and Corporate Office in comparison to previous year's employee strength of 5,987. At SPMCIL, training and retraining initiatives have been a focal point, aiming to upgrade functional skills and expertise, along with enhancing soft skills and group dynamics.

14.3.14 SPMCIL has taken-up many CSR projects in the areas of education, healthcare, rural development, skill development, measures for benefit of armed force veteran, war widows and their dependents etc. in the year 2024. BNP, Dewas had adopted Siorliya village and SPM, Narmadapuram had adopted Chatua village for implementing projects under CSR. As per the instructions of Department of Public Enterprises (DPE) for giving preference to aspirational districts, SPMCIL had adopted Barwani District of Madhya Pradesh as the Aspirational District.

14.3.15 Indigenization: The Joint Venture Company, Bank Note Paper Mill India Private Limited (BNPMIPL) has produced 15627 MT of Security Paper during the year 2023-24.

14.4 Bhartiya Reserve Bank Note Mudran Private Limited Corporte Office, Bengaluru

14.4.1 Bharatiya Reserve Bank Note Mudran Pvt Ltd (BRBNMPL) was established by Reserve Bank of India as its wholly owned subsidiary on 3rd February 1995 with a view to augmenting the production of banknotes in India to enable RBI to bridge the gap between supply and demand for bank notes in the country. The Company has its bank notes manufacturing units at Mysuru in Karnataka and at Salboni in West Bengal and its Corporate Office at Bengaluru, Karnataka. The present total capacity for both the presses is 16 billion note pieces per year in a 2-shift operation.

14.4.2 Paper and Ink are the most critical raw materials used for banknote production. These two raw materials costs approximately 51% of the total cost. In the global banknote production industry, most of the countries depend on external sources for paper and ink. But the green field project initiated by BRBNMPL for setting up a new paper mill at Mysuru (Bank Note Paper Mill India Pvt Ltd (a Joint Venture between BRBNMPL and SPMCIL) and its brown field project of Varnika (in-house Ink Manufacturing Unit) at Mysuru has brought Indian Currency Printing Industry to its self-reliance and to stand at par of global banknote printing leaders.

14.4.3 Colour Shift Intaglio Ink (CSII), one of the main overt security features used in the Indian banknotes, which was earlier procured from private supplier, is now being manufactured at Varnika. BRBNMPL is catering entire requirement of CSII to BRBNMPL presses and this has put an end on our import dependency and resulted into self-reliance and cost advantage.

14.4.4 Colour Shift Pigment (CSP), which is one of the raw materials required for manufacturing of CSII, was earlier procured from the foreign source. Presently CSP is being procured at a ratio of 50:50 from domestic and foreign sources finalized through tendering. Further backward integration for Manufacturing of Colour Shift pigment is in progress, under Make-in-India initiative.

14.4.5 BRBNMPL is putting continuous efforts for indigenization of various items used for banknote manufacturing. The import component for Banknote was around 92% in FY 2010-11, which has now come down to less than 10%. All the procurements of BRBNMPL are complied with Public Procurement (Preference to Make in India) Order 2017 dated 15th June 2017 and its subsequent amendments issued by Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Micro, Small and Medium Enterprises (MSME) orders, Start-ups. The procurement is done through E-tendering/ E-auction, MSTC and GeM Portal.

14.4.6 Status of Indent for FY 2024-25 of BRBNMPL as on 30.11.2024

Total Indent allotted for 2024-25 (in mpcs)	Total Indent allocated face value for FY 2024-25 ₹Crores	Cumulative production in mpcs for FY 2024-25	Cumulative production face value in ₹Crore for FY 2024-25
18,180.00	4,67,880.00	11,474.17	3,41,140.14

14.4.7 Direct Remittance: BRBNMPL has increased the Direct Remittance of banknotes to currency chests which enhances the logistical efficiency thereby reducing carbon footprint and cost effectiveness to RBI. During the current financial year FY 2024-25 (as on 30/11/2024), the Company has dispatched 75% direct remittances in terms of number of consignments and 57% direct remittances in terms of million note pieces. Both the presses are strategically increasing the number of direct consignments to Chests as medium to long-term goal.

14.4.8 BRBNMPL continues to be certified under Integrated Management System covering ISO 45001:2018 Occupational Health and Safety Management System apart from ISO 9001:2015 Quality Management System and ISO 14001:2015 Environmental Management System.

14.4.9 Currency Research and Development Centre (CRDC) a state-of-the-art R&D unit has been established at Mysuru Press for conducting cutting edge research to test the robustness of security features of banknotes and introduction of new security features.

14.4.10 BRBNMPL had taken up the responsibility of contributing to the general welfare and growth of the communities preferably living near its offices in Bengaluru & Mysuru, Karnataka and Salboni, West Bengal much before it was made mandatory by Govt. of India w.e.f 1st April 2014 under the Companies Act, 2013. The Company has further expanded its reach of intervention to other parts of the country as well based on the need-based surveys, targeting into the focus areas viz. Education, Women Empowerment, Rural Developmental projects, Training & Skill Development, Health & family welfare, promotion of environment friendly technology, etc. The Company has been fulfilling all the requirements mandated under Section 135 of the Companies Act, 2013, read with amendments from time to time. Further, the Company has also been carrying out the Impact Assessment Study / Measuring of Social Returns from the completed CSR activities to understand its impact and standardizing its practices to meet desired results within prescribed timelines.

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 to about 75% of the Indian Bank Note Paper requirement.

14.5.2 During the year 2023-24, BNPMIPL has produced 15627 MT of CWBN Paper (130% of the installed capacity) and supplied 15686 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. The Company has upgraded with state-of-the-art CCTV control system with video analytics and a storage of recording up to one year to monitor the movement of material and people. The company has also installed face recognition cameras and biometric control system for entry and exit points of all sensitive areas.

14.5.3 The Company has been taking various initiatives to inculcate a culture of continuous improvement in its processes by adopting latest technology to reduce cost of manufacturing. Some of the important measures like power purchase from Indian Energy Exchange (IEX), Reducing and optimizing power demand, setting up of electronics repair laboratory, Upgradation of online quality monitoring system to reduce manual interventions, introducing ultra filtration and RO water purification system, developing special machine parts indigenously, developing Indian sources for security features, recycling of process water and achieving Zero effluent discharge etc., have contributed towards reduction of manufacturing cost. Due to efforts undertaken towards environmental protection BNPM has been able to recover recycle and reuse every drop of rain water/seepage water in the campus during the year 2023-24. The Company has continued its efforts towards research and Development with the support of ICAR-CIRCOT, Mumbai, SITRA, Coimbatore and CPPRI Saharanpur to improve its processes. The Company has received national awards for safety from National Safety Council, CII National award for Excellence in Water Management, Dasara award for Best Industrial Garden, HR award etc,. shows its commitment for continuous improvement culture and its responsibility towards the environment.

14.5.4 Under the Corporate Social Responsibility (CSR), BNPMIPL has been contributing in the areas of rural education, women empowerment, rural health, skill development, supporting homeless aged people, eliminating malnutrition, art and culture, environment protection, physically challenged, wildlife conservation, public health and hygiene, supporting local bodies for urban sanitation, medical aids to the poor, palliative care etc.

Annexure-I

SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED (SPMCIL)

Representation of SCs, STs, OBCs and EWS

	Total Representation of SCs/STs/OBCs/EWS (As on 31.03.2024)					Number of Appointments made during the Financial year 2023-24: By Direct Recruitment					By Promotion			By Depution				
Groups	**Total No. of Employees**	**SCs**	**STs**	**OBCs**	**EWS**	**Total**	**SCs**	**STs**	**OBCs**	**EWS**	**Total**	**SCs**	**STs**	**Total**	**SCs**	**STs**	**OBCs**	**EWS**
Group 'A'	373	50	22	88	3	29	2	2	7	3	123	14	4	0	0	0	0	0
Group 'B'	913	138	88	210	9	32	1	2	11	3	80	13	14	0	0	0	0	0
Group 'C'	4466	857	374	993	50	361	68	19	194	27	635	87	44	0	0	0	0	0
Total	**5752**	**1045**	**484**	**1291**	**62**	**422**	**71**	**23**	**212**	**33**	**838**	**114**	**62**	**0**	**0**	**0**	**0**	**0**

Annexure-II

SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED, (SPMCIL)

Representation of Persons with Disabilities

		Total Representation (as on 31.03.2024)					Direct Recruitment					By Promotion					By Deputation				
Group	**Total Employees**	**P**	**Q**	**R**	**S**	**T**	**P**	**Q**	**R**	**S**	**T**	**P**	**Q**	**R**	**S**	**T**	**P**	**Q**	**R**	**S**	**T**
Group A	373	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0
Group B	913	1	0	10	0	3	0	0	1	0	0	0	0	2	0	0	0	0	0	0	0
Group C	4466	15	38	50	0	25	1	2	5	0	0	0	2	4	0	0	0	0	0	0	0
Total	**5752**	**16**	**38**	**60**	**0**	**28**	**1**	**2**	**7**	**0**	**0**	**0**	**2**	**6**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

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

15. Other Multilateral Institutions (OMI) Division

15.1 Asian Infrastructure Investment Bank (AIIB)

15.1.1 India is the largest client of the Asian Infrastructure Investment Bank (AIIB) in terms of approved financing. Since 2016 (AIIB's operational period), 32 Sovereign Projects have been approved by AIIB for the financing of USD 9.5 billion across various sectors viz. energy, transport, water, urban, public health, and education. Out of these 32 projects, 21 projects worth USD 5.8 billion are ongoing, 8 projects worth USD 3 billion have already been closed, and three projects worth USD 675 million is approved by the AIIB Board and are being signed. In addition, since its inception, AIIB has approved 17 non-sovereign/private sector projects worth USD 1.4 billion.

15.2 The African Development Bank (AfDB)

15.2.1 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.

15.2.2 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.

15.2.3 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.

15.2.4 India holds a total of 41,828 shares and 0.287 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.

15.2.5 As of December 2024, India has pledged ₹601.9 crore (till ADF-15). For ADF-16, India has pledged ₹152.64 crore as a pure grant and ₹3.69 crore as grant compensation. Another ₹46 crore has been contributed towards the Multilateral Debt Relief Initiative (MDRI).

15.2.6 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.

15.3 International Fund for Agricultural Development (IFAD)

15.3.1 The IFAD assisted 33 projects in India with a commitment of USD 1.6 billion (approx.) since 1979. Out of these, 27 projects have already been closed, while 6 projects with total assistance of USD 412.73 million are under implementation. Currently, 01 projects of India worth USD 86.33 million has been built as pipeline for the approval of IFAD Board in FY 2024-25.

15.4 European Bank for Reconstruction and Development (EBRD)

15.4.1 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 72 member countries, 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. India became a member of the Bank, comprising 179 paid-in shares and 807 callable shares. 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.

15.5 New Development Bank (NDB)

15.5.1 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), 23 Sovereign Projects have been approved by NDB for the financing of USD 8.1 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 23 projects, 18 projects worth USD 4.16 billion are ongoing, 4 projects worth USD 2.8 billion have already been closed, and 2 projects worth USD 311 million are approved by the NDB Board and are being signed. Further, during the FY 2024-25, India signed 02 projects worth USD 418.8 million. In addition, since its inception, NDB has approved 2 non-sovereign/private sector projects worth USD 400 million.

16. Infrastructure Support and Development Division (ISD Division)

Introduction :

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 is headed by Joint Secretary. 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.

<u>Private Investment Unit (PIU)</u>

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 .

<u>Major Policy Initiatives/ Achievements of PIU</u>

1. Financial support to Public Private Partnerships in Infrastructure (VGF Scheme)

The Department of Economic Affairs (DEA) launched the Viability Gap Funding (VGF) scheme for providing financial assistance to financially unviable but socially/ economically desirable PPP projects. Under this scheme, economic sector projects may get up to 40% of the Capex as VGF grant. The VGF Scheme includes higher provisions of VGF grant for social sectors i.e., Health, Education, Water Supply, Waste Water Treatment, Solid Waste Management, etc. Social sector projects may get up to 80% of the Capex and up to 50% of Opex for 5 years after the Commercial Operation Date (CoD) as VGF grant. Social Sector projects get VGF grant under the following two categories:

a) **Sub scheme -1** caters to Social Sectors such as Wastewater Treatment, Water Supply, Solid Waste Management, Health & Education sectors, etc. The projects eligible under this category should have at least 100% Operational Cost recovery. The Central Government will provide maximum of 30% of Capex of the project as VGF and State Government/Sponsoring Central Ministry/Statutory Entity may provide additional support up to 30% of Capex.

b) **Sub scheme -2** supports demonstration/pilot social sectors projects. The projects may be from Health & Education sectors. The projects eligible under this category should have at least 50% Operational Cost recovery. The Central Government will provide a maximum of 40% of the Capex of the Project and a maximum of 25% of Opex of the project for first five years of commercial operations as VGF. The State Government/Sponsoring Central Ministry/ Statutory Entity may provide additional support up to 40% of the Capex of the Project and upto 25% of Opex of the project for first five years of commercial operations.

During the financial year 2024-25, under the Scheme for Financial Support to Public Private Partnerships in Infrastructure, projects with a TPC of ₹549.91 Crore received In-Principle Approval, while projects with a TPC of ₹354 Crore were granted Final Approval. Additionally, DEA disbursed ₹201 Crore as VGF under the scheme during the same period.

2. Public Private Partnership Appraisal Committee (PPPAC)

The Public Private Partnership Appraisal Committee (PPPAC) is the apex body for appraisal of PPP projects in the Central Sector. The streamlined appraisal mechanism for PPP projects ensures speedy appraisal of projects, eliminates delays, adopts international best practices, and promotes uniformity in appraisal mechanism and guidelines. The PPPAC is chaired by Secretary, DEA with Secretaries of Department of Expenditure, Department of Legal Affairs, the Sponsoring Central Ministry/Department and CEO, NITI Aayog as members to consider and appraise the proposals for Central Sector PPP Projects. During the FY 2024-25, Public Private Partnership Appraisal Committee has recommended 7 projects with a Total Project Cost of ₹35,880.42 Crores.

3. Financial Support for Project Development Expenses of PPP Projects (IIPDF Scheme)

The very success of PPP projects depends on how well the project is structured. Since PPP projects are complex in nature, conceiving a project demands expertise of experienced professionals in the field (Transaction Advisers). Generally, hiring transaction advisers for project development involves substantial costs and, many times, Project Sponsoring Authorities (PSAs) face a financial crunch in financing this cost. Thus, Department of Economic Affairs (DEA) has launched the IIPDF Scheme on 03.11.2022 as a Central Sector Scheme for funding such project development expenses. IIPDF Scheme provides necessary support to the PSAs, both in the Centre and the State Governments, by extending financial assistance in meeting the cost of transaction advisory services engaged in the development of PPP projects. Funding under IIPDF Scheme can be for a maximum amount of ₹5 Crore for a single proposal. Any funding requirement over and above ₹5 Crore may be borne by the PSAs. Under this Scheme, till date, 31 proposals amounting to ₹64.13 Crore have been approved.

4. Empanelment of Transaction Advisors(TAs)

To create an enabling environment for stepping up of private investment in infrastructure and to cater to State Governments demand, DEA has empanelled 12 transaction advisors for PPP projects to provide necessary support to project sponsoring authorities in transaction of PPP projects. The objective of empanelling TAs is to provide access to quality advisory support for PPP projects. This would help the Project Sponsoring Authorities (PSAs) to appoint TAs without delay. This list of TAs is widely used by Project Sponsoring Authorities (PSAs) for onboarding TAs for PPP projects.

5. Major Initiatives

5.1 PPP Policy-related matters

To strengthen the Public-Private Partnership (PPP) ecosystem in the country, the Department of Economic Affairs (DEA) has undertaken several initiatives during the financial year 2024-25. These efforts are designed to address the diverse needs of PSAs and other Stakeholders involved in the development/appraisal of PPP proposals 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:

- **National Infra Readiness Index (NIRI)** is being developed to assess the infrastructure readiness of States/UTs and central ministries. It will assist policymakers, investors, and stakeholders in identifying policy strengths and gaps, and help policy makers to improve support for sustainable infrastructure projects.
- **Model Request for Proposal (RfP) for the single-stage bid process** has been developed to support bidders and private investors by streamlining the procurement process and ensuring standardisation. The Model RfP will be available to the stakeholders for adoption after notification.
- **Guidelines for Renegotiation of Central Sector PPP Contracts** have been developed to save PPP projects from failure and safeguarding public interest by providing a structured framework for addressing unforeseen circumstances in PPP projects, ensuring project sustainability and maintaining investor confidence. These guidelines will be available to the stakeholders for adoption after notification.
- **Reference Guide on Optimal Risk Allocation** has been prepared to help success of a PPP project and to assist Project Sponsoring Authorities (PSAs) and other stakeholders by providing a detailed framework for risk allocation, risk balancing, and risk mitigation strategies in PPP projects.

- Collaborated with the Russian Presidency of BRICS in preparing a **Technical Report on Blended Finance Infrastructure** to explore innovative financing mechanisms for enhanced private investment and infrastructure development across member countries.
- **An online portal** is developed for streamlined submission, tracking, and processing of SFC proposals by the MoRTH.

5.2 Handholding/Support initiatives

To handhold State Governments, officers/officials of other Central Ministries and authorities dealing with PPP matters in structuring PPP projects, three PPP structuring Toolkit workshops were organised during the FY 2024-25. 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 more than 100 participants.

5.3 Public Private Partnership (PPP) Beginner's e-Course - Launched in 2023, the e-course is designed to cater to a diverse audience seeking to understand and engage with Public-Private Partnerships (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 1,950 participants from various sectors are already engaged in the course. It has been widely recognized for its in-depth content and practical applicability to real-world scenarios.

Energy Unit

Major functions of Energy Unit, inter alia, include the following:

1. Energy Sector policies and proposals
2. Investments in Climate NDCs, RE 2030 Goal, and de-carbonization of economy
3. External Territorial Charge: Gulf countries i.e. Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, UAE, Iraq
4. Matters related to OPEC Fund for International Development (OFID)
5. Matters related to energy sector ministries/ Departments viz., Power, Coal, New & Renewable Energy, Mines, Petroleum and Natural Gas, Atomic Energy and Space and appraisal and comments on DCNs/ CCEA/ CoS/ ECS/ EFC/ SFC/ PIB/ DIB/ CEE Memo received from Ministry of Power, Coal, MNRE, Mines, Petroleum and Natural Gas, Atomic Energy and Space
6. Preparing briefs for the Cabinet/PIB/EFC meetings/ miscellaneous meetings.
7. Analysing various concept notes, project proposals, sector reports received from the line ministries.
8. Institutions: ONGC, ISA, IRFC, NIIFTL
9. Maintain liaison with various Sovereign Wealth Funds from Gulf countries and ensure continuous assistance to them on their ease of doing investments in our country.
10. Appraisal of various infrastructure project proposals in terms of compliance with relevant regulations, financial viability and appropriateness of funding requests.
11. Matters related to implementation of recommendations of the Committee on Allocation of Natural Resources (CANR)

Major Policy Initiatives/ Achievements:

1. Energy Unit facilitated the establishment of a Joint Task Force on Investment between India and Qatar, enhancing investment cooperation between both the countries. The first meeting was successfully organized in New Delhi, setting a foundation for future collaboration.
2. Energy Unit is acting as a Secretariat of the Monitoring Committee (MC) set up to review the implementation status of the recommendations of the Committee on Allocation of Natural Resources (CANR). A periodic review and follow up is going on with concerned ministries/ departments to ensure implementation of these recommendations.
3. In the year 2024, Energy Unit of DEA helped the Empowered Committee of Secretaries (ECoS) setup by M/o Coal regarding adoption of methodology for auction of coal and lignite mines/ blocks to approve various coal mines to be offered for sale of coal through auction.
4. Energy Unit is continuously engaged with the Gulf countries (i.e., Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, UAE and Iraq) or investment and other matters including maintain liaison with various Sovereign Wealth Funds from Gulf countries (such as Public Investment Fund (Saudi Arabia), Abu Dhabi Investment Authority (ADIA) & Mubadala (UAE) & Qatar Investment Authority (QIA), Qatar to ensure continuous assistance to them on their ease of doing investments in our country.
5. The Energy Unit helped the Ministry of Mines in the formulation of rules under the Offshore Areas Mineral (Development and Regulation) Act, 2002 - The Offshore Areas Mineral (Auction) Rules, 2024", "Framing of rules under the Offshore Areas Mineral

(Development and Regulation) Act, 2002 - Offshore Areas Mineral Trust Rules, 2024 (OAMT Rules), contributing to enhanced transparency and efficiency in the mining sector.

6. During the year, Energy Unit has appraised a large number of Cabinet/ CCEA proposals from energy related line Ministries/ Departments, like, establishment of ₹1000 Crores Venture Capital Fund for Space Sector under aegis of IN-SPACe, Incentives to promote Underground coal mining in India, Revision of ethanol price for supply to Public sector OMCs for Ethanol Supply Year (ESY) 2024-25, Criteria for mining of minerals found along with coal/lignite from coal/lignite blocks auctioned under the MMDR Act and CMSP Act, Signing of the "Headquarters Agreement (HQA)" between Government of India and Global Biofuels Alliance (GBA) for establishment of GBA Secretariat in New Delhi and for issuance of a Gazette notification for categorization of GBA as an International Organization, Amendment of the First Schedule to the Offshore Areas Minerals (Development and Regulation) Act, 2002 to rationalize the royalty rates of construction Sand, Lime-mud, Polymetallic Nodules and Crusts and other minerals, etc.

7. During the year, Energy Unit has helped the line ministries / departments in structuring various schemes and projects through appraising a large number of PIB/ DIB/ EFC/ SFC proposals, like Revision in cost and investment in equity for HPCL Rajasthan Refinery Limited (HRRL), Revised Cost Estimate (RCE) of Power Transmission and Distribution (T&D) strengthening network works under Prime Minister's Reconstruction Plan (PMRP), Development of 1200 MW solar park at Jalaun dist., Uttar Pradesh, Development of 100 MW solar park and project at Mirzapur dist., Uttar Pradesh, National Critical Mineral Mission (NCMM), Development of Renewable Energy Parks, Implementation of Tato-I (3x62 MW) in Arunachal Pradesh by North Eastern Electric Power Corporation (NEEPCO), Implementation of Heo (3x80 MW) in Arunachal Pradesh by North Eastern Electric Power Corporation (NEEPCO), EFC Memorandum on PM Surya Ghar: Muft Bijli Yojana, etc.

8. Energy Unit has assisted the Coalition for Disaster Resilient Infrastructure (CDRI) and facilitated various stakeholder consultations required for formulating the Midterm and Final Report on "Mainstreaming Disaster Resilience into National Infrastructure Pipeline (NIP) Projects".

NIP Facilitation Unit

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

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

Major Policy Initiatives/ Achievements :

1. National Infrastructure Pipeline (NIP) (States/UTs)

NIP, which had started with 6,835 projects has expanded to over 12,886 projects of which around 3,027 projects are funded/owned by the State/UT Governments. NIP projects showcase the infrastructure investment opportunities in the states/UTs to domestic and global investors. Continuous engagement with States/UT Governments were made to improve NIP performance in the States/UTs. Project status Snapshots of all states/ UTs were regularly prepared and shared with states/UTs and regular VC Meetings held with state nodal officers for review and further improvement of the NIP performance of the States/UTs

2. National Monetisation Pipeline

For the period FY 21-22 to FY 23-24, the target envisaged under the NMP was about ₹4.30 lakhs crore. Against this, transactions aggregating to about ₹3.86 lakhs crore in terms of accruals or private investments were completed under the core asset monetization programme. Aggregate target of ₹1.91 lakh crores is envisaged for FY 2024-25 under the NMP. The NMP has brought in innovative structures and frameworks towards attracting investment in infrastructure projects enabling accelerated development of infrastructure.

Annexure-I

DEPARTMENT OF ECONOMIC AFFAIRS (MAIN)

Representation of SCs, STs, and OBCs

	Total Representation (as on 01.01.2025)				Direct Recruitment during 2024				By Promotion during 2024			By Deputation during 2024			
Group	**Total**	**SCs**	**STs**	**OBCs**	**Total**	**SC**	**ST**	**OBC**	**Total**	**SC**	**ST**	**Total**	**SC**	**ST**	**OBC**
Group A	200	25	7	36	17	3	0	4	15	5	1	2	0	0	0
Group B	296	50	35	57	0	0	0	0	2	0	0	0	0	0	0
Group C (Excluding Safai Karamchari)	285	65	5	32	0	0	0	0	1	1	0	4	1	0	0
Group C (Safai Karamchari)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	**781**	**140**	**47**	**125**	**17**	**3**	**0**	**4**	**18**	**6**	**1**	**6**	**1**	**0**	**0**

Annexure-II

DEPARTMENT OF ECONOMIC AFFAIRS (MAIN)

Representation of Persons With Disabilities (PWD)

	Number of Employees (as on 01.01.2025)				Direct Recruitment during 2024							BY PROMOTION 2024						
					No. of Vacancies reserved			No. of Appointments made				No. of Vacancies reserved			No. of Appointments made			
Group	**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**
Group A	200	0	0	0	0	0	1	1	0	0	1	1	1	2	0	0	0	0
Group B	296	0	1	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Group C (Excluding Safai Karamchari)	285	2	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Group C (Safai Karamchari)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**781**	**2**	**1**	**11**	**0**	**0**	**1**	**1**	**0**	**0**	**1**	**1**	**1**	**2**	**0**	**0**	**0**	**0**

Annexure-I

SECURITIES APPELLATE TRIBUNAL, MUMBAI (SAT)
Representation of SCs, STs, and OBCs

					Number of appointments made during the previous calendar year										
	Number of Employees (as on 01.01.2025)				By Direct Recruitment				By Promotion			By other Methods			
Group	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	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group B	5	1	-	1	-	-	-	-	-	-	-	-	-	-	-
Group C	11	2	-	2	-	-	-	-	-	-	-	-	-	-	-
Group D (Excluding Safai Karamchari)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group D (Safai Karamchari)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**22**	**3**	**-**	**3**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Annexure-II

SECURITIES APPELLATE TRIBUNAL, MUMBAI (SAT)
Representation of Persons With Disabilities (PWD)

	Number of Employees (as on 01.01.2025)				DIRECT RECRUITMENT							PROMOTION						
					No. of Vacancies reserved			No. of Appointments made				No. of Vacancies reserved			No. of Appointments made			
Group	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
Group A	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group B	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group C	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group D (Excluding Safai Karamchari)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group D (Safai Karamchari)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**22**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Annexure-I

Security and Exchange Board of India (SEBI)

Representation of SCs, STs, and OBCs

GRADE*	Total Representation (as on 01.01.2025)					Direct Recruitment 2024					By Promotion during 2024			By Deputation during 2024				
	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	984**	138	62	279	22	0	0	0	0	0	88	13	3	0	0	0	0	0
Secretaries	68	0	0	3	0	0	0	0	0	0	12	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	**1053**	**138**	**62**	**282**	**22**	**0**	**0**	**0**	**0**	**0**	**100**	**13**	**3**	**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','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*

Annexure-II

Security and Exchange Board of India (SEBI)

Representation of Persons with Disability(PWD)

GRADE*	Total Representation (as on 01.01.2025)					Direct Recruitment during 2024					By Promotion during 2024					By Deputation during 2024				
	P	Q	R	S	T	P	Q	R	S	T	P	Q	R	S	T	P	Q	R	S	T
Officers	16	7	10	2	0	0	0	0	0	0	3	2	1	0	0	0	0	0	0	0
Secretaries	1	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	**17**	**7**	**10**	**2**	**0**	**0**	**0**	**0**	**0**	**0**	**3**	**2**	**1**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

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

** 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', '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

Annexure-I

INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY

Representation of SCs, STs and OBCs

	Total Representation (as on 01.01.2025)					Direct Recruitment during 2024					By Promotion during 2024			By Deputation during 2024				
* Group	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	OBCs	EWS	Total	SCs	STs	Total	SCs	STs	OBCs	EWS
Group A	81	7	3	16	3	3	0	0	0	0	0	0	0	4	1	0	1	2
Group B	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Group C (Excluding Safai Karamchari)	3	2	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Group C (Safai Karamchari)	0	0	0	0	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
TOTAL	**84**	**9**	**3**	**17**	**3**	**3**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**4**	**1**	**0**	**1**	**2**

Annexure-II

INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY (IFSCA)

Representation of Persons with Disability (PWD)

	Number of Employees (as on 01.01.2025)				DIRECT RECRUITMENT							PROMOTION						
					No. of Vacancies reserved			No. of Appointments made				No. of Vacancies reserved			No. of Appointments made			
Group	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**
Group A	81	1	0	0	0	1	1	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
Group C	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**84**	**1**	**0**	**0**	**0**	**1**	**1**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Annexure-I

SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED (SPMCIL)

Representation of SCs, STs, OBCs

	Representation of SCs/STs/OBCs (As on 01.01.2025)					Number of Appointments made during the previous calender year — By Direct Recruitment					By Promotion			By Depution				
Groups	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'	373	50	22	88	3	29	2	2	7	3	123	14	4	0	0	0	0	0
Group 'B'	913	138	88	210	9	32	1	2	11	3	80	12	14	0	0	0	0	0
Group 'C'	4466	857	374	993	50	361	68	19	194	27	635	87	44	0	0	0	0	0
Total	**5752**	**1045**	**484**	**1291**	**62**	**422**	**71**	**23**	**212**	**33**	**838**	**114**	**62**	**0**	**0**	**0**	**0**	**0**

Annexure-II

SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED, (SPMCIL)

Representation of Persons with Disabilities (PWD)

	Total Representation (as on 01.01.2025)					Direct Recruitment during 2024					By Promotion during 2024					By Deputation during 2024				
GRADE*		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
Group A	373	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0
Group B	913	1	0	10	0	3	0	0	1	0	0	0	2	0	0	0	0	0	0	0
Group C	4466	15	38	50	0	25	1	2	5	0	0	2	4	0	0	0	0	0	0	0
Total	**5752**	**16**	**38**	**60**	**0**	**28**	**1**	**2**	**7**	**0**	**0**	**2**	**6**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

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

Annexure-I

NATIONAL SAVINGS INSTITUTE (NSI)

Representation of SCs, STs, and OBCs

	Total Representation (as on 01.01.2025)					Direct Recruitment 2024					By Promotion during 2024			By Deputation during 2024				
Group	**Total**	**SCs**	**STs**	**OBCs**	**EWS**	**Total**	**SC**	**ST**	**OBC**	**EWS**	**Total**	**SC**	**ST**	**Total**	**SC**	**ST**	**OBC**	**EWS**
Group A	2	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group B	15	2	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group C (Excluding Safai Karamchari)	23	2	2	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group C (Safai Karamchari)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**40**	**5**	**2**	**12**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

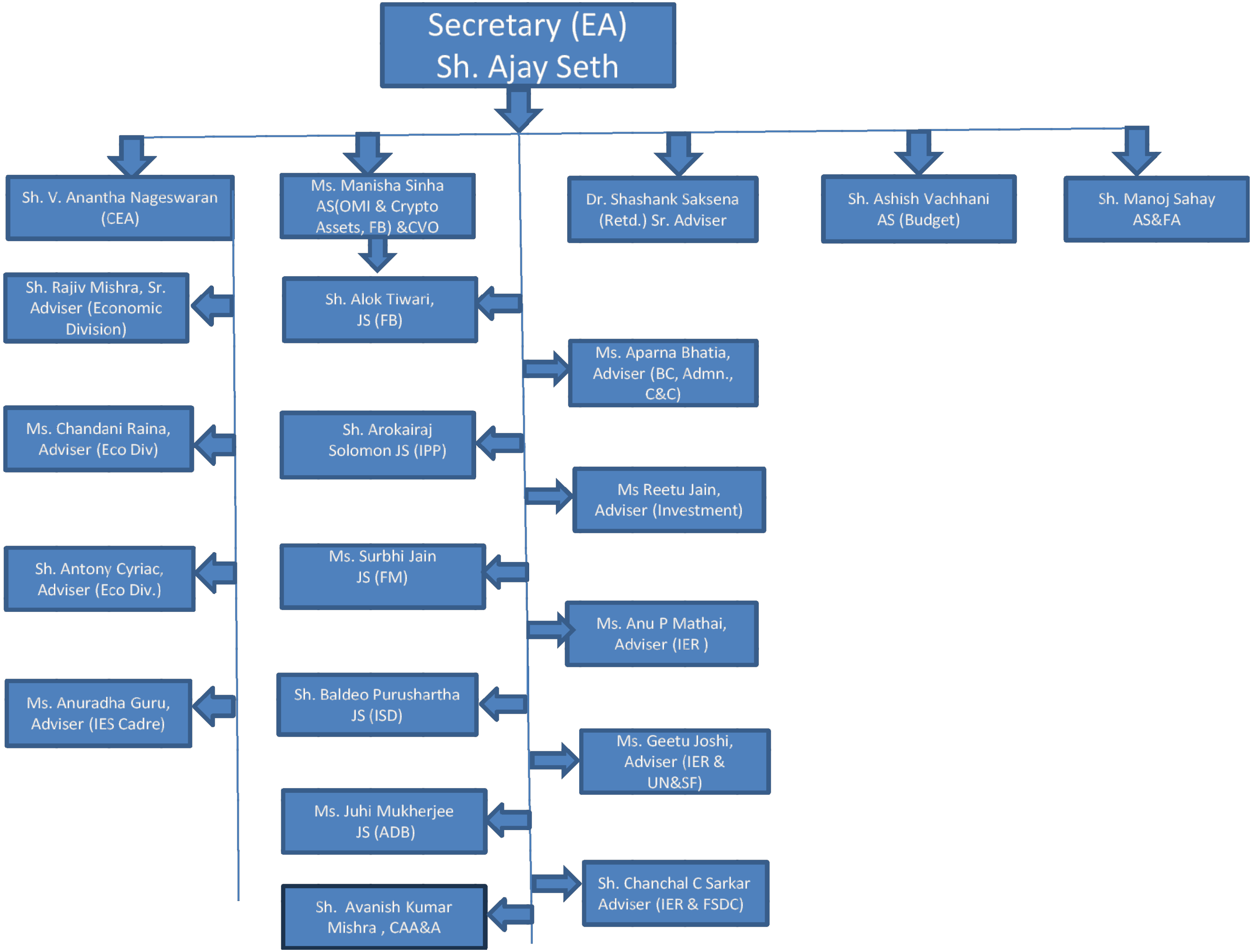
Annexure-II

NATIONAL SAVINGS INSTITUTE (NSI)

Representation of Persons With Disability (PWD)

	Total Representation (as on 01.01.2025)					Direct Recruitment during 2024					By Promotion during 2024					By Deputation during 2024				
Group	**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**
Group A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group B	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group C (Excluding Safai Karamchari)	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group C (Safai Karamchari)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

ORGANIZATION CHART IN THE DEPARTMENT OF ECONOMIC AFFAIRS



Chapter - II

Department of Expenditure

1. PERSONNEL DIVISION

1.1 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 Territory Administration. This unit brings out an Annual Publication titled "Annual Report on Pay & Allowances of Central Government Civilian Employees". The brochure 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 Allowance, 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 numbers 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 2024-25, 5 CIC hearing notices were received and prompt action taken on it. In addition to that 3489 RTI applications & 174 RTI appeals received 'online' and 572 RTI applications & 10 RTI appeals received in 'physical form' were disposed-off in a time-bound manner.

1.9 Legal Cell

1.9.1 Legal Section is the 'Nodal Section' of the Department of Expenditure in respect of all legal matters received from Central Registry of Supreme Court of India, various High Courts and Tribunals including other Ministries/Departments and also coordinates with the various Divisions/Sections of Department of Expenditure and also with Ministry of Law & Justice for all court cases.

Legal Section may compile the information regarding pending court cases on monthly basis wherein Department of Expenditure is one of the respondents. Legal Section monitors all the court cases hosted on the LIMBS portal. The parliament questions received from Department of Legal Affairs on legal matters are also being replied by the Legal Section in consultation with various sections under 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 Delegation of Financial Powers Rules, 2024:-

The Delegation of Financial Powers Rules, 2024 which became effective from 1st April, 2024 replaces the 1978 rules. These new rules aim to simplify financial decision - making by empowering various levels of authority thereby reducing bottlenecks and fostering a sense of ownership and responsibility for financial decisions.

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 (up to 31.07.2024) was issued on 07.08.2024.

1.11.2 Unified Pension Scheme (UPS)

The Union Cabinet has approved introducing a new pension scheme, the Unified Pension Scheme (UPS) for the government employees on 24th August, 2024 based upon the recommendations of the NPS Review Committee constituted in April, 2023.

Key Elements of UPS

Following are the key elements of UPS as approved by the Cabinet in its meeting of 24.08.2024:-

a) Assured Annuity will be available in the following cases:

   i. In case of an employee superannuating after qualifying service of 10 years from the date of superannuation.

   ii. In case of Government retiring an employee under the provisions of FR 56 (j) (which is not a penalty under CCS(CCA) Rules) from the date of such retirement.

   iii. In case of voluntary retirement after a minimum qualifying service period of 25 years from the date such employee would have superannuated, if the service period had continued to superannuation.

b) Assured annuity will not be available in case of removal or dismissal from service, resignation, etc. In such cases, UPS shall not apply.

c) The rate of full assured annuity will be @ 50% of 12 monthly average basic pay immediately prior to superannuation. Full assured annuity is payable after a minimum 25 years of qualifying service. In case of lesser service period, proportionate assured annuity would be admissible. A minimum guaranteed annuity of Rs. 10,000 per month shall be admissible in case of exit from the NPS on superannuation after 10 years of qualifying service.

d) In case of death of the annuity holder (pensioner) after superannuation, family annuity @ 60% of the annuity admissible to the pensioner immediately before his/her demise will be assured to the legally wedded spouse (spouse legally wedded as on the date of superannuation).

e) Dearness Relief will be available on the assured annuity, minimum guaranteed annuity and family annuity as the case may be. The Dearness Relief will be worked out in the same manner as Dearness Allowance applicable to serving employees. Dearness Relief will be payable only when payment of assured annuity commences. In cases of voluntary retirement after a minimum 25 years of qualifying service, calculation of Dearness Relief will commence from the date on which the employee would have superannuated if she/he had continued in service.

f) A lump sum payment will be allowed on superannuation @10% of monthly emoluments (basic pay + DA) for every completed six months of qualifying service. This lump sum payment will not affect the quantum of assured annuity.

Financial Implication

The annual estimated cost of the additional Government contribution of 4.5%, as recommended by the Committee, for the first year, will be around Rs.6,250 crore. One-time cost of around Rs. 800 crore as estimated on account of arrear payments to the past retirees.

Impact of UPS: balancing employee demands and citizen equity

- UPS introduces an element of defined benefit in the form of assured pension so that employees are ringfenced from the risk and uncertainty of market returns-linked returns. Inflation indexation ensures that the real value of the pension fixed on superannuation is not eroded.
- UPS allows choice to the employee and the potential of higher than assured pension. UPS incorporates the demands of assurance regarding pension of the employees while ensuring a fiscally responsible, funded and contributory pension scheme, balancing inter-citizen and inter-generation equity.

UPS in States

The mechanism of UPS has been designed for both Centre and States. However, so far the status of adoption of UPS by the State Government is not known. As per some media reports, State Government of Maharashtra has shown interest towards implementation of the UPS.

2. PUBLIC FINANCE-STATES DIVISION

2.1 Special Assistance to States for Capital Expenditure/Investment:

2.1.1 Considering the fiscal environment faced by the State Governments during 2020-21 due to shortfall in tax revenues arising from the COVID-19 pandemic, ' Scheme for Special Assistance to States for Capital Expenditure' was launched in October, 2020 to assist the States in boosting capital expenditure, which has a higher multiplier effect and enhances the productive capacity of the economy. Out of special assistance in the form of 50-year interest free loan amounting to Rs.11,830.29 crore provided to 27 States, an amount of Rs.2,441 crore for completing 3 out of 4 Citizen Centric Reforms (One Nation One Ration Card, Ease of Doing Business, Urban Local Bodies Reforms and Power Sector Reforms) was provided to 11 States in the financial year 2020-21.

2.1.2 In view of the positive response to the Scheme and considering the requests of the State Governments, Government of India continued the Scheme of Special Assistance to States for Capital Expenditure in the year 2021-22 with an allocation of Rs.15,000 crore including an amount of Rs.5,000 crore earmarked for providing incentive to States for privatisation/disinvestment of the State Public Sector Enterprises (SPESs) and monetization/recycling of assets. Out of Special assistance in the form of 50-year interest free loan amounting to Rs. 14,185.78 crore provided to 28 States, an amount of Rs. 538.86 crore was provided to the State of Madhya Pradesh, as incentive for privatisation/ disinvestments of the State Public Sector Enterprises (SPESs) and monetization/recycling of assets in the financial year 2021-22.

2.1.3 The Scheme was continued in 2022-23 with an enhanced allocation of Rs. 1.07 lakh crore. Under Part-I of the Scheme, an amount of Rs. 80,000 crore was allocated to the States in proportion to their share of Central Taxes as per the award of the 15th Finance Commission. In addition, incentive amounts of Rs. 27,000 crore were earmarked for seven reform centric areas, viz., PM Gati Shakti related expenditure; supplemental funding for priority segment of PMGSY including States' share of PMGSY; incentive for digitization, capital projects on optical fiber cable; urban reforms; disinvestment of SPSE's & asset monetization; and scrapping of old vehicles. Special assistance in the form of 50-year interest free loan amounting to Rs.8,11,95.3462 crore was provided to the eligible 28 States including an amount of Rs. 20.691 crore that was released to the State of Madhya Pradesh as 2nd installment against subsequent amount of Rs. 41.3820 crore approved under Part-III under the Scheme for 2021-22.

2.1.4 The Scheme was further expanded and continued as 'Scheme for Special Assistance to States for Capital Investment 2023-24' with budgetary allocation of Rs. 1,30,000 crore. This includes an amount of Rs. 1 lakh crore under Part-I of the Scheme which has been allocated in proportion to their share of Central Taxes as per the award of the 15th Finance Commission and incentive amounts of Rs. 30,000 crore for reform centric and sector specific areas, viz; scrapping old vehicles, urban planning reforms, financing reforms in urban local bodies to make them creditworthy for municipal bonds, housing for police personnel above or as part of police stations, unity malls, children and adolescent's library and digital infrastructure. Special Assistance in the forms of 50 year interest free loan of Rs.1,09,554.2961 crore has been released to the eligible States under the 'Scheme for Special Assistance to States for Capital Investment 2023-24'.

2.1.5 The Scheme has further extended and continued in the financial year 2024-25 as 'Scheme for Special Assistance to States for Capital Investment 2024-25 also. An amount of Rs. 1.50 lakh crore has been allocated for the Scheme for 2024-25. This includes an amount of Rs. 55,000 crore under Part-I of the Scheme which has been allocated in proportion to their share of Central Taxes as per the award of the 15th Finance Commission and incentive amount of Rs. 95,000 crore for reform centric and sector specific areas. The Scheme has multiple parts viz., Part-II (Release of balance approved amount under Part-V, Part-VI and Part-VII of the Scheme for 2023-24 - amount allocated is Rs. 5,000 crore), Part-III (Development of Iconic Tourist Centers to Global Scale-amount allocated is Rs. 2,000 crore), Part-IV (Incentives for Scrapping of Old Vehicles-amount allocated is Rs. 3,000 crore), Part-V (Stimulating Industrial growth-amount allocated is Rs. 15,000 crore), Part-VI (Development of National Capital Region-amount allocated is Rs. 1,000 crore), Part-VII (Modernization and Digitalization of Rural Land records and Incentives for creating the State Farmers's registry-amount allocated is Rs. 10,000 crore), Part-VIII (Incentives for Land-related reforms by State Governments in Urban areas-amount allocated is Rs. 5000 crore), Part-IX (State's share of CSS including urban and rural infrastructure projects-amount allocated is Rs. 15,000 crore), Part-X (Construction of working women hostels-amount allocated is Rs. 5,000 crore), Part-XI (Incentives for implementation of SNA SPARSH Model under CSS-amount allocated is Rs. 4,000 crore) and Part-XII (Incentives for achieving target fixed for Capital Expenditure for 2024-25-amount allocated is Rs. 25,000 crore). Remaining unallocated amount of Rs. 5000 crore is still to be allocated under some other part/parts under the Scheme for 2024-25. Till 24.11.2024, Rs. 76,723.367 crore has been approved and Rs. 50,571.419 crore has been released to States under the Scheme for 2024-25. Guidelines for the Scheme for Special Assistance to States for Capital Investment for 2024-25 have been issued on 26.02.2024 and 09.08.2024.

2.1.6 The State-wise details of the total amount approved/released as 'Special Assistance' (as loan) to States from 2020-21 to 2024-25 (till 24.11.2024) under the 'Scheme of Special Assistance to States for Capital Investment 2024-25' are given in Annexure-I.

2.2 Special Assistance to States:

2.2.1 Post implementation of the 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 Rs. 10,890 crore in 2015-16, Rs. 10,900 crore in 2016-17, Rs. 6,950.50 crore in 2017-18, Rs. 4,680.81 crore in 2018-19, Rs. 1,623.70 crore in 2019-20, Rs. 1,948.66 crore in 2020-21, Rs.3,766.39 crore in 2021-22, Rs. 2,271.233 crore in 2022-23 and Rs. 11695.208 crore in 2023-24 were released as 'Special Assistance'. In the current financial year 2024-25 (till 24.11.2024), Rs. 250 crore has been released as 'Special Assistance'-General to the State of Manipur and Rs 450 crore has been release as 'Special Assistance'-Capital to the State of Telangana.

2.3 Borrowings of the States

2.3.1 As per the recommendations of the XV-FC, NBC of 3 percent of Gross State Domestic Product (GSDP) has been allowed to States for the year 2024-25. The NBC of the States for the year 2024-25 has been fixed at Rs. 9,39,717 crore at 3 percent of GSDP of the States.

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 2024-25 actually deposited with the designated authority i.e. 'National Securities Depository Limited (NSDL)/ trustee bank as per the guidelines of National Pension System (NPS), over and above, the normal net borrowing ceiling of 3% of GSDP for the year 2024-25.

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 has been recommended for each year for a four-year period from 2021-22 to 2024-25.

2.3.4 The additional borrowing is also 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. 24,742.55 crore has been released against the total Budget Estimates of Rs. 41,900.00 crore under the 'ACA for EAPs' to States till 24th October, 2024 during the financial year 2024-25 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. 86,122.34 crore as on 05.11.2024 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 to States

2.6.1 Finance Commission Division (FCD), Department of Expenditure undertakes processing of and follows up action on the various recommendations of the Central Finance Commission including release of grants recommended by the successive Central Finance Commissions. For the year 2024-25, the 15th Finance Commission (XV-FC) has recommended, Post Devolution Revenue Deficit Grant, Grants to Local Bodies, Health Sector grant, Central share of State Disaster Response Fund and State Disaster Mitigation Fund, and additional Central assistance from National Disaster Response Fund (NDRF) and National Disaster Mitigation Fund (NDMF) to the State Governments.

2.6.2 Keeping in view of the flash flood/flood/landslide situation experiencing by various States during 2024, Department of Expenditure released of Rs.5833.60 crore based on the recommendations of Ministry of Home Affairs as Central share of State Disaster Response Fund (in advance) to the 13 States viz. Andhra Pradesh, Assam, Bihar, Gujarat, Himachal Pradesh, Kerala, Maharashtra, Manipur, Mizoram, Nagaland, Sikkim, Telangana and West Bengal. In addition, to strengthen Fire services in the States, assistance for expansion and modernization of Fire services is also being released to the States. Till 11/11/2024, an amount of Rs.594.28 crore has been released for Expansion and modernization of Fire Services in the States in 2024-25.

2.6.3 Details of grant-in-aid released as per the recommendations of XV-FC to the State Governments during current financial year 2024-25 are as under:

(Rs. in crore)

S/ No.	Components	Grants release during FY 2024-25 (Upto 11/11/2024)
1.	Post Devolution Revenue Deficit Grant	16322.00
2.	Urban Local Bodies Grant	5407.53
3.	Rural Local Bodies Grant	19525.91
4.	Health Sector Grant	2525.90
5.	Central Share of State Disaster Response Fund	14878.40
6.	Central Share of State Disaster Mitigation Fund	1385.45
7.	Central assistance from National Disaster Response Fund of which	
(a)	Assistance for severe natural calamities in States	4043.36
(b)	For Expansion and Modernization of Fire Services in the States	594.29
(c)	Assistance for preparedness and Capacity Building Funding Window under NDRF	276.81
8.	Release of Central assistance from National Disaster Mitigation Fund for Urban Flood Mitigation Project to the Chennai City	349.93
	Grand Total	**65309.58**

2.6.4 To strengthen the hands of the States in the event of a natural disaster, additional financial assistance is granted by the Central Government from National Disaster Response Fund (NDRF). Based on the recommendations received from M/o Home Affairs (Nodal Ministry), an amount of Rs.4043.36 crore was released from NDRF for natural calamities during 2024-25 till 11/11/2024.

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 two units i.e. Public Finance (Central-I) and Public Finance (Central-II).

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 stake holders 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, Aadhar 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 01.04.2024 to 30.11.2024, the Expenditure Finance Committee (EFC) Chaired by Secretary (Expenditure) recommended 24 investment proposals/scheme of various Ministries/Department costing Rs. 10,80,985.97 Crore (with Central share of Rs. 8,90,633.47 Crore.

3.9 Also, during the period, Public Investment Board (PIB) chaired by Secretary (Expenditure) considered and recommended 17 proposals involving an amount of Rs. 55,351.29 Crores (with Central share of Rs. 26,207.54 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 In April, 2022, revised format for appraisal and approval of public funded projects was issued in line with 'PM GatiShakti National Master Plan' for providing multimodal connectivity infrastructure to various Economic Zones. In October, 2023, revised format for appraisal and approval of new Public Funded Schemes was issued, to make it more informative, lucid and to incorporate Output/ Outcome related targets in a logical framework. This will make the appraisal more structured and effective while placing enhanced emphasis on measurable Output/ Outcome of public expenditure.

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 Functions of PPD

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 Increase in Financial limits related to Public Procurement

The monetary thresholds under almost every procurement methods have been increased after nearly two decades through amendment in the relevant provisions of General Financial Rules (GFRs), 2017 vide OM No. 1/ 3/2024-PPD dated 10.07.2024.

4.4 Revision of Manual for Procurement of Goods

4.4.1 Since the publication of the last Manual in 2022, there have been many developments in the form of policy initiatives with their clarifications, deliberations with stakeholders, Methodology for Assessment of Procurement Systems (MAPS) report 2020, Model Tender Documents for Goods, etc. necessitating the thorough revision of the Goods procurement manual. Department of Expenditure has revised the Manual for Procurement of Goods which was issued in the month of July 2024.

4.4.2 The revised Manual focuses on ease of business for suppliers and clarity for the procurement professionals. A wide range of topics have been rewritten such as clarifying extent of applicability to various entities, categorization of procurements, identification of 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 carter formation, reverse auction, rate contracts, withdrawal by L1 bidders and many others including the latest amendment to General Financial Rules (GFRs).

4.5 Capacity Building

4.5.1 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 and Administrative Staff Collage of India, Hyderabad with a view to educate and familiarize the concerned executives/ officers with all the relevant rules, regulations and procedures of public procurement. Around 2000 officers per annum are being trained. So far, around 13000 officers have already been 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 increase the use of Hindi in official work, setting up check points, notifying 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 endeavors to work in collaboration with the Sections/Divisions/Offices of the Department in achieving targets set for the implementation of Official Language Hindi in the Annual Program issued by the Department of Official Language every year.

5.2 Compliance with the provisions of the Official Language Act, 1963

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 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 the Rule 5 of the Official Language Rules, 1976 in particular is being followed as per its true spirit.

5.3 Monitoring and inspection

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. During the year, the Official Language 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 is that the use of Hindi should be increased in official work with motivation, encouragement and goodwill. With this approach, the Department of Expenditure takes utmost care.

5.4 Translation work

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 Official Language 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

Hindi workshops are organized on regular basis in the department to help the officers and employees of the department in solving the practical difficulties faced in working in Hindi. During the year, Hindi workshops were organized on different subjects, in which a total of 57 officers/ employees of the department were trained.

5.6 Hindi Fortnight and Award Distribution Ceremony

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 3rd All India Official Language Conference organized by the Department of Official Language in Bharat Mandapam, New Delhi on 14th and 15th September, 2024 to increase 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 14th to 28th September, 2024. On this occasion, a number of competitions i.e. Hindi Essay, Noting and Drafting in Hindi, typing in Hindi on computer, Hindi translation and Language Knowledge and Hindi dictation and calligraphy etc. were organized. Apart from this, a campaign was started from 01st to 30th September, 2024 for doing maximum work in the official language Hindi (minimum 1500 words). Many officers and employees of the department participated in these competitions/campaign with great enthusiasm.

5.7 Incentive Scheme

In order to promote official work in Hindi in the department, the 'Incentive Scheme for noting/drafting originally in Hindi, initiated by the Department of Official Language this year, has also been implemented in the Department of Expenditure.This year, total 4 employees participated in the scheme and were rewarded with the cash 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 are given to remove the shortcomings and to increase the use of Hindi in government work and achieve the set 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

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 it. The process of reconstitution of the committee is being 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, 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, Contribution to International Body (AGAOA) and the budget relating to payment of service charges to the Central Recordkeeping Agency for the New Pension Scheme.

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 2024-25			*Revised Estimates 2024-25		
	Revenue	Capital	**Total**	Revenue	Capital	**Total**
31 – Department of Expenditure	412.68	91.46	**504.14**	-	-	**-**

* yet to be received

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 (including grants-in-aid) 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 report of the review 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 is 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 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 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 data dissemination and quick management decision. Daily flash figures are 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 purpose of 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, Ministry of Defence, Ministry of 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 the accounts separately presented in the form of Appropriation Accounts for Grants and charged Appropriations. The Finance Accounts is 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 upto the end of the previous year.

ix. While the first four inputs mentioned above are received from the various accounting authorities, progressive figures upto 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 Government Finance Statistics (GFS)

i. In response to the 2008-09 global economic and financial crisis, G-20 Nations identified mainly statistical data gaps that, when filled, might assist the global community in early identification of, and in developing responses to, impending economic and financial crisis. The two gaps, inter-alia, that were apparent in India's statistical system were comprehensive, are high-frequency Government Finance Statistics (GFS) and Public Sector Debt Statistics (PSDS). These were designated as Data Gap Initiative Recommendation DGI-II15 and DGI-II16 respectively, and were to be complied and disseminated according to international standards; i.e. the Government Finance Statistics Manual, 2014.

ii. The initial concern was to develop a concordance, mutually agreed with IMF, for mapping GoI accounts to GFSM 2014 accounts. Further, a quarterly template was also to be developed for data submission.

iii. The Office of Controller General of Accounts in association with South Asia Regional Training and Technical Assistance Centre of IMF, has prepared a concordance table which was duly agreed by IMF. Thereafter, in a short span of time, O/o CGA has submitted GFS data for 11 quarters starting FY 2020-21 in one go, in the format prescribed by IMF.

iv. Consequent to these efforts, a significant milestone has been achieved under Data Gap Initiative Recommendation #15 for transition from 'Red' to 'Amber' label, showcasing Ministry's commitment of sharing reliable, timely and internationally comparable area.

v. Even thereafter, to fulfill India's commitment, this office is continuously dissemination quarterly, as well as annual data, to IMF in timely manner. The quarterly and annual data is also being published regularly on Office of CGA's official website at https://cga.nic.in. The concordance table is also regularly being updated on the suggestions of IMF and this office is consistently engaged with them for improving quality of Union Government Accounts data being submitted to IMF.

7.7 Public Financial Management System(PFMS) :-

As a major initiative relating to public finance management with focus on good governance through efficient use of public resources with citizen centric focus, Controller General of Accounts has designed, developed and implemented a state of art, web based IT platform Public Finance Management System (PFMS) under supervision and guidance of Department of Expenditure. The system has enabled complete digitalization of payment systems in 76 Civil Ministries/Departments for all releases made by the Central Government to the State Government and Implementing Agencies/Beneficiaries/ Vendors etc.

The PFMS provides modules for end-to-end digital payments, Collection of Receipts, Accounting, Reconciliation and Financial Reporting. PFMS has also been providing a robust IT platform for more effective cash management in the GoI through "Just in time" transfer of funds and complete tracking of realization of funds from its release to its credit into the bank account of intended beneficiaries.

PFMS being one of the transformative initiative and part of major financial reforms has played a pivotal role in revolutionizing the financial administration of Government of India and also makes a direct and significant contribution to the Digital India Initiative of Government of India

7.7.1 Single Nodal Account (SNA) Central:-

Budget provisions for a Centrally Sponsored Scheme constitutes releases to States, UTs, UTs without legislature and the agencies implementing the scheme. There are some components of the CSS where 100% funding is done by Govt. of India and scheme guidelines have provision of releasing funds directly to Implementing Agencies. DoE vide para 23 of OM dated 23rd March 2021, had given the exemption from notifying SNA and opening an SNA account for releases to those CSS having no State share and where funds are released by the Ministry directly to the Implementing Agency.

Now DoE vide OM dated 8th Feb 2023 has deleted para 23 of the DoE's guidelines dated 23rd March, 2021. Thus in order to implement SNA system uniformly for a CSS, PFMS was directed to develop 'SNA - Central' module to facilitate the release of CSS funds directly to Central implementing agencies.

Accordingly, SNA - Central module was developed and made live on 23rd May 2024. SOP for the same was prepared and circulated to all stakeholders for easy on boarding. The CSNA module is available for Program Divisions and implementing agencies. Ministry will identify the CSS where some components are 100% financed by Govt. of India and scheme guidelines have the provision of release of funds directly to Implementing Agencies and further on board them to CSNA system following the SOP.

Implementation of SNA - Central enables implementing agencies to track the utilization of funds till the last mile.

7.7.2 e-Bill - End to end digitisation of bills/claims processing:-

In pursuance of the Digital India Initiative of Hon'ble Prime Minister, it was decided to develop a system to enable end to end digital processing of bills and claims from Vendors, suppliers, contractors and all other types of payees of Government. The system was developed in the Public Financial Management System (PFMS) for the use in all Civil Ministries and Departments. Currently, payments to different types of payees in these Ministries and Departments are done through a mixed system of physical and digital modes. While the payments are done mostly through electronic mode without involvement of any paper instruments like cheques/DDs, the claimants are still required to submit physical bills/claims to the authorities for scrutiny. With the initiative of e-bill, the complete Payment system has become paperless.

In the e-bill system, vendors/suppliers/other claimants can digitally upload their bills and the supporting documents through digital signature/e-sign certification for further processing of payments. The system brings about following advantages to the Government payment system:

i. Convenience to vendors/suppliers/contractors in submitting their bills/claims without physically approaching the offices.

ii. Shorter bill payment cycle after delivery of store/ services as the time taken in physical bill submission shall be truncated.

iii. Online tracking of the bill position by vendors/ suppliers/contractors.

iv. More effective audit trails in the payment system.

v. Environmental benefits on account of elimination of paper requirements.

vi. An effective tool to facilitate Government disbursements in the pandemic like situations.

Thus, the e-bill system has great potential to further strengthen transparency, accountability, and efficiency in Government payment system and will prove to be a great citizen centric initiative in Public Finance Management. The processes flow followed in e-bill system is fully compliant to Information Technology Act, 2000. Necessary approvals of Ministry of Electronics and Information Technology (Meity) and UIDAI have been received for Aadhaar based authentication (e-sign).

A Document Management System (DMS) has been made a part of the e- bill system in which all electronic documents (bills, invoices, sanction orders, supporting documents, vouchers, pass orders/return orders etc.) will be stored and can be accessed by various users to view and could also be retrieved at any stage for post facto scrutiny, audit etc.

The e-bill initiative was launched on 2nd March, 2022. It is proposed to be rolled out in all offices of Ministries/ Departments of Government of India in phases. The system has been implemented in 509 Pay & Accounts Offices (PAOs) of all Civil Ministries/Departments.

7.8 Technical Advice on Accounting matters

7.8.1 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."

7.8.2 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.

7.8.3 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.

7.8.4 The Object Heads have been prescribed under Government of India's Orders below Rule 8 of Delegation of Financial Power Rules,1978. The power to amend or modify Standard Object heads and to open new Object Heads rests with the Department of Expenditure, 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 reviewed the Standard Object Heads, the revised Object Heads have been notified on 16.12.2022 and have been implemented with effect from the financial year 2023-24.

7.8.5 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 there from, 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 others matters connected therewith or ancillary thereto.

7.9 Monitoring Cell

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 the 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.

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 2024-25, are as under:-

S.No.	Subject	Paragraphs/Explanatory Notes submitted to PAC during 01.04.2024 to 26.11.2024
1.	C&AG Paragraphs	583
2.	PAC Paragraphs	374
3.	Explanatory Notes	46

7.10 Institute of Government Accounts and Finance (INGAF)

7.10.1 The Institute of Government Accounts and Finance (INGAF), established in February 1992, is the premier training arm of the Controller General of Accounts (CGA), Ministry of Finance, Government of India. It focuses on government accounting, financial management, and public financial systems. INGAF operates regional training centres in Chennai, Kolkata, Aizawl, and Mumbai and is recognized as an "AtiUttam" Central Training Institute by the National Accreditation Board for Education and Training (NABET).

7.10.2 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 2024-25, 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.

7.11 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 the digitized course on FRSR III (Leave Rules), under Mission Karmayogi which has been successfully launched by Hon'ble Finance Minister during iconic week of Azadi Ka Amrit Mahotsav. Similar courses on FRSR-1, FRSR-II, FRSR-IV & FRSR-V have been launched. INGAF is in the advanced stages of publishing the courses on "Fundamental of government accounting, Advance government accounting, Overview of budget preparation process, Budget execution & monitoring by Ministries/Departments and Overview of PFMS & its Functionaries to be posted on iGot Portal.

INGAF remains a leader in capacity building for government financial management in India, fostering international partnerships, and adapting to digital transformation to meet the growing demands of public administration and governance.

8. CHIEF ADVISOR 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. Vetting of claims under Price Support Scheme and Price Stabilization Fund for Perishable Agriculture produce and Cereals submitted by Implementing Agencies like NAFED/FCI etc. and State Governments;

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.

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 218 officers which are recruited at Level-10 by UPSC from among the professionally qualified Cost Accountants / Chartered Accountants. Thirty Five officers recommend by UPSC during 2023-24 joined the service and these were deployed on induction training for two weeks at AJNIFM, Faridabad. A proposal for recruitment of 36 more officers was also submitted to UPSC during 2023-24, examination for which was held on 19.10.2024.

8.4 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 70 Committees for Revision of Cost Estimates in various Ministries/ Departments involving a total value of Rs. 3,48,780/- crore during the period from April, 2024 to October, 2024. Proactive role of this Office in the Revised Cost Committee has facilitated rationalization of revised cost estimates.

8.5. Representation in EFC/SFC/PIB/DIB :- This office has represented and offered comments in 17 EFC/ SFC/PIB/DIB meetings of various Ministries/Departments involving a total value of Rs. 1,29,000/- crore during the period from April, 2024 to October, 2024.

8.6 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. Resolve the issue of interest on delayed payment to HIL India Ltd under the Chairmanship of AS&FA, MoH&FW;

vii. National Pharmaceutical Pricing Authority (NPPA) under the Chairmanship of Chairman, NPPA;

viii. Governing Body of Tear Smoke Unit, Border Security Force (BSF), Tekanpur(Gwalior) under the Chairmanship of Director General, BSF;

ix. Committee on Disposal of Chana procured under Price Support Scheme (PSS) & Price Stabilization Fund (PSF) to States / UTs at a discounted rate over issue price of utilization under various welfare schemes like Mid-Day-Meal, Public Distribution System, ICDP etc;

x. High Level Committee for the Study on Cost of Health Care Services in India constituted by Institute of Cost Accountants of India;

xi. Committee for review of Policy issued by MHA on fixation / recovery of CAPFs Deployment Charges in the States for various duties;

xii. Committee to determine the base price of Poppy Straw;

xiii. Committee on Comprehensive Multi Hazard Risk Financing Strategy (CMHRFS) being developed under National Cyclone Risk Mitigation Project (NCRMP), NDMA;

xiv. As members of various Project Appraisal & Technical Scrutiny Committees (PATSC) constituted by NHAI for appraisal of Road Construction Projects falling under Bharatmala Project.

xv. As member of Rate Structure Committee of CBoC (erstwhile DAVP).

8.7 Review of Cost Accounts Records & Cost Audit :-

In order to review the "Companies (Cost Records and Audit) Rules, 2014", and to recommend appropriate changes/modifications in the same, MCA constituted a Committee vide its OM NO. F.NO. 52/15/CAB/2023 dated 04/10/2023 with the approval of Hon'ble Minister of Finance and Corporate Affairs under the Chairmanship of Chief Adviser (Cost), Department of Expenditure, Ministry of Finance and comprises of ten other members from different Departments/ Ministries. The Committee examined the terms of reference in detail and after obtaining inputs from various Ministries/Departments/Organisations and detailed consultation with various stakeholders including Regulatory Bodies and the Industry Associations, submitted its report in January 2024.

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

The AJNIFM being the institute for training of Group 'A' probationers of organized accounts and finance services, applied for accreditation at National Standards for Civil Services Training Institutions (NSCSTI), through Capacity Building Commission (CBC), National Accreditation Board of Educational Training (NABET) under Mission Karmayogi.

The Institute registered on NSCSTI Portal and underwent a comprehensive assessment under following 08 pillars consisting of 59 metrics:

Pillar 1:	Training Needs Assessment and Course Design
Pillar 2 :	Faculty Development
Pillar 3 :	Resource and Training Targets
Pillar 4 :	Trainee Support
Pillar 5 :	Digitalisation and Training Delivery
Pillar 6 :	Collaboration
Pillar 7 :	Training Evaluation and Quality Assurance
Pillar 8 :	Operations and Governance

Each pillar represented a unique challenge, demanding an in-depth analysis of our practices, systems, and outcomes. The rigorous nature of the evaluation process tested the mettle of our institute, requiring us to showcase excellence in every facet of our operations. The elaborated information on 59 metrics was uploaded on the NSCSTI portal and the desktop assessment exercise received 02 Non-Confirmatory (NCs). Upon submission of NC reports the onsite assessment was done. A Committee of 03 Officers from CBC, Quality Council of India visited the Institute for onsite assessment.

Despite the challenges, AJNIFM received a high rating by Committee of CBC. The Institute has been accredited by Capacity Building Commission as अति उत्कृष्ट with 4 star rating at National Standards.

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 mid-level officers of Central and State Governments, Autonomous Bodies & Defence Services.

iii. Master of Business Administration (Finance): It focus on Financial Analysis, Financial Modelling & Forecasting, Big Data Analytics and Risk Management etc.The programme is comprehensive in nature, covering all major areas of financial markets viz., Equity, Debt, Mutual Funds, Equity Derivatives, Currency Derivatives, and Commodities etc. for mid-level officers of Government & others.

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 Civil Accounts Department.

v. Executive Business Management Course for Armed Forces personnel - It is a 06 month course for Armed Forces Personnel who are likely to retire in next one year. The First DGR Course (2023-24) with 30 participants was held from 20.11.2023 to 06.05.2024. The second DGR 2024-25 has commenced from 18th November 2024.

9.3.2 Apart from its regular long term programs, AJNIFM conducts short term training programs/ Management Development Programmes (MDP) on various aspects of Finance and Public Financial Management. Participants include officers from Central Government, State Government, Autonomous Bodies, PSUs, Defence & Paramilitary Forces etc. These short-term programs deal with specific themes and are specially tailored to address the needs of the participants and sponsoring organizations. As on 31.10.2024, AJNIFM has conducted 71 MDPs and 2249 officers have participated. While 15 programmes were open for nomination of officers of various organisations, 56 programmes were Sponsored (conducted for individual organisations based on their peculiar needs).

Capacity Building Commission has accredited AJNIFM as 'अति उत्कृष्ट' (Excellent) with 4 star rating at CBC's National Standard.

9.4 Major schemes/programmes implemented through the Departments/Division

1. MoU between 'Madhusudan Das Regional Academy of Financial Management(MDRAFM) Bhubaneswar' and AJNIFM on 21.05.2024 for 02 years.

2. MoU with CGDA on 6th March 2024 for research, innovation and the exchange of knowledge in defense finance, accounting and related areas.

3. MoU with ISTM on 1st October 2024 for Capacity Building, Research Projects, Faculty Exchange, Mission Karmyogi and Resource sharing

4. MoU with Controller General of Defence Accounts on 07th November, 2024 to conduct Phase III, IV & V of Mid Term Career Training Programme for IDAS officers in collaboration with Indian School of Business, Hyderabad.

5. MoU with Indian School of Business, Hyderabad on 07th November, 2024 to design and deliver the Mid Term Career Training Programme Phase III, IV & V for the IDAS officer under CGDA.

9.5 Initiatives relating to Gender Budgeting and Empowerment of Women

Ministry of WCD has designated AJNIFM as Nodal Centre for Gender Responsive Budgeting (GRB) at National Level. The mission of GRB Cell is

- To promote and strengthen knowledge and skill development for women's empowerment
- To raise awareness about gender equality, health and nutrition, and tackle social and economic challenges.

ISRO has given a consultancy work on 'Assessment of Gender Sensitivity matters in Department of Space/ISRO(HQ)' to AJNIFM

9.6 Inputs on E-governance

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 AJNIFM has implemented the *Learning Management System (LMS)* in long term programmes namely PTC, MBA(FM) & MBA(Fin.) where all the Sessions, Study Material, Teaching Plan, Handouts, Quiz, Assignments, Class Test and Attendance etc. are being organized / uploaded through the Portal.

9.6.3 AJNIFM has uploaded 04 e-Learning courses namely Fundamental Knowledge of Financial Statements, Principles of Preparation of Financial Statements, Understanding Financial Statements & Analysis of Financial Statements on iGOT platform under Mission Karmyogi.

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 three Controller of Accounts, two Deputy Controllers of Accounts, two Assistant Controllers of Accounts, 41 Senior Accounts Officers and 309 other staff members at various levels.

10.2 Function of the CCA Organization

i. Payments and accounting functions of six Departments in Ministry of Finance viz., Department of Economic Affairs, Department of Expenditure, Department of Revenue, Department of Investment and Public Asset Management, Department of Financial Services and Department of Public Enterprises.

ii. Financial reporting to the Chief Accounting Authority (i.e. the Secretaries of the respective Departments) and to the Controller General of Accounts. The monthly accounts, Appropriation Accounts and Finance accounts pertaining to six departments of the Ministry of Finance are sent to the office of the Controller General of Accounts for their consolidation into the Accounts of Government of India.

iii. The Scheme of Departmentalization of Accounts had envisaged a system of management accounting. O/o CCA prepares monthly and quarterly review statements for receipt and expenditure and submits the same for information of the Secretaries of the Departments. The summary statements are also uploaded on the Ministry's official website.

iv. Internal Audit is the responsibility of the O/o CCA. In the Ministry of Finance, the Internal Audit Wing undertakes the audit of all DDOs, attached and subordinate offices including Banks who are handling Government Schemes such as Public Provident Fund, Special Deposit Schemes and Senior Citizen Savings Scheme. There are about 273 auditee units within the jurisdiction of Internal Audit.

v. Budget related work for nine (9) Grants pertaining to Department of Economic Affairs, Department of Financial Services, Department of Expenditure, Transfer to States, Department of Revenue, Department of Investment and Public Asset Management and Department of Public Enterprises is vested with O/o CCA.

vi. Providing support staff to Controller of Aid Accounts and Audit (CAAA).

vii. Pension authorization under the Pension Rules to the officials retiring on superannuation, seeking voluntary retirement and to the families of deceased employees/pensioners.

viii. Pension payment to foreign pensioners residing in India on behalf of Sri Lanka, Singapore, UK and Myanmar.

ix. Accounting and monitoring of Loans advanced to foreign countries.

x. 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.

xi. Provide support for the settlement of C&AG audit Para.

xii. Responsible for transfer of funds to and from CFI to Public Account. There are 15 such Funds in the Department of Economic Affairs, 2 in Department of Revenue, and 1 in Department of Expenditure.

xiii. Formulation of detailed Accounting procedures in respect of the Funds maintained under Public Account of India.

xiv. 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

i. Issue of New Loans and thereby bringing into account all transactions associated with the issue of New Loans on the basis of detailed information provided by the Reserve Bank of India.

ii. Accounting of the discharged loans which inter-alia involves the reconciliation of loan balances recorded in the books of the O/o CCA with those of the Reserve Bank of India and thereby preparation of Statement (14A) for submitting it to the Finance Account Section, CGA Office and Accounting of Buyback of Government Securities raised by Government of India.

iii. Compilation of Consolidated Abstract of Rupee Loans (Transactions related to such loans are dealt by the Internal Debt & Account Section) are brought into accounts.

iv. Accounting of securities, shares etc., purchased or otherwise acquired held in the Cash Balances and Interest or dividend thereon.

v. Monitoring the timely payments of principal and payment of interest in respect of all such loans.

vi. Accounting of all securities issued to International Financial Institutions like International Monetary Fund, International Bank for Reconstruction and Development etc.

vii. Accounting of Special Government of India Securities issued against investment made by National Small Saving Fund (NSSF).

viii. Accounting of Special Government of India Securities/ Bonds issued to Nationalized Banks, Special Government of India Bonds issued to Oil companies, FCI, Fertilizer Companies and Special Securities issue against securitization of balances under Postal life Insurance which are kept under Public Account.

ix. Accounting of different Saving Schemes of Government of India.

x. Preparation of the Quarterly and Annual Statement of Internal Debt balances for submission to the Finance Accounts Section of the Controller General of Accounts.

xi. Monitoring the timely payment of Principal and payment of interest in respect of all Securities, Loans, Special Securities, Compensation & Other Bonds etc. and further reconciliation with Quarterly Statement received from DGBA, Central office, Mumbai.

xii. Reconciliation of all Treasury Bills & Cash Management Bills with Monthly and Quarterly Statement received from Public Debt Office, Mumbai and DGBA, Central Office, Mumbai.

xiii. Calculation of Average Rate of Interest chargeable on the Capital Outlay of the Central Government.

10.3.2 Monitoring system for transfer of funds from the Ministry of Finance to State Governments

i. Under the Public Financial Management System (PFMS) implemented under the aegis of CGA, scheme wise funds released to the states are visible on the PFMS portal. Under this system, the sanctions are transmitted to Public Financial Management system (PFMS) Portal based on which Inter Government Advices (IGA) are generated and sent to RBI, Nagpur in respect of 28 States. IGA advice in respect of State Government of Sikkim and Delhi are sent to RBI, Delhi by special messenger.

ii. Grants-in-aid amounting to Rs 67331.32 crores towards Externally Aided Projects, Finance Commission Grants including Grants-In-Aid for State Disaster Response Fund & Compensation to State/UT Government for Revenue Loss and Rs 4637.66 crore towards assistance to States from NDRF for calamities of severe nature were released to State Government through PFMS portal in Financial Year 2024-25 (upto 20th Nov., 2024).

iii. During the Financial Year 2024-25 (upto 20th Nov., 2024) no amount has been released as Grant-in-Aid to States /UTs for Revenue loss in implementation of Goods and Service Tax (GST) by Department of Revenue.

iv. During the Financial Year 2024-25 (upto 20th Nov., 2024) State share of Taxes to the tune of Rs. 8,12,062.93 crores was released to State/UT Governments through PFMS portal.

v. The time gap between the processing of sanctions on PFMS portal and reporting of the same on e-Lekha is now nearly on real time basis.

vi. In case of any default towards repayment of Principal and Interest by any State Government, the Consolidated Fund of State being maintained by RBI is debited on the advice of this office.

10.3.3 Internal Audit

i. 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 2024-25 (upto 20th Nov. 2024) audits of 62 units have been conducted by the Internal Audit Wing, DEA, Ministry of Finance, New Delhi.

ii. The BFI wing of the Internal Audit Wing is mandated to check delayed remittances by banks, of deposits under NSSF and impose penalties on such delayed remittances. Currently, banks are liable to pay penal interest for the entire period commencing from the date of receipt at receiving Branch of the Bank to the date of settlement with RBI (CAS) Nagpur beyond the prescribed T + 1 day (including holidays) where T indicates the transaction day.

10.4 Achievements during the year

i. Recovery of outstanding delay penal Interest (DPI) from Banks: Audit of the banks handling Public Provident Fund-1968, Senior Citizen Saving Scheme 2004, Sukanya Samridhi Account-2016 & Kisan Vikash Patra-2015 scheme is conducted by Office of CCA (Finance) to check delayed remittances under these schemes.

ii. 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.

iii. 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.

iv. All work related to feeding of budget, supplementary, re-appropriation and surrender orders for each of the 9 grants under Ministry of Finance, along with mapping of heads to each scheme on PFMS has been successfully done for the Financial Year 2024-25.

v. 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.

vi. Bill pendency in all the Pay Account Offices is monitored regularly and has been reduced to less than 1% of the total bills.

vii. Timely submission of the NPS contribution of the employees under Ministry of Finance to CRA-Protean.

viii. 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).

ix. 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 w.e.f. 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. Their number is increasing considerably every year. 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 01.04.2024 to 31.10.2024, highlights are as follows: -

- 32,090 and 26,648 authorities were issued in fresh and revision of pension cases respectively.

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.	At integration stage
4	City Union Bank Ltd.	At integration stage
5	IDFC First Bank	At integration stage
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 2024-25:-

a) Periodical meetings with CPPCs.

04 meetings covering 25 CPPCs were held during period 01.04.2024 to 31.10.2024 with the Head of CPPCs and Senior Management of Banks wherein various pension related issues were discussed in details.

b) 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 2024-25 i.e. 01.04.2024 to 31.10.2024 has been done for the 35 CPPCs with exception of 08 newly formed CPPCs of Punjab National Bank and CPPC, Bandhan Bank.

c) Training of staff of CPPCs

During the period 01.04.2024 to 31.10.2024, a training programme covering staff of 08 CPPCs has been held.

iii. Holding of Pension Adalats:

a. CPAO has actively participated in the Pension Adalat held by Department/ Ministries especially in those held by Central Armed Police Forces.

b. CPAO has also initiated Pension Adalats through Video Conferencing for quick grievances redressal. Such Pension Adalat is to be held on 20th Nov, 2024.

c. Efforts have been made to improve delivery by the measurement of outputs for different functions within CPAO of receipt/authorization/ dispatch by devising standards, daily status reports and monthly inflow-outflow statements for PPOs/Revision authority. Daily progress report on disposal of PPOs is being reviewed through "Daily Status Report" generated through PARAS (Pension Authorization Retrieval & Accounting System) Software. Further, to reduce the delay in issuance of PPOs, regular meetings are being held with concerned Ministries/Departments on monthly basis.

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 authorization, accounting, Grievance Redressal etc. which include:-

i. 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. About 16.16 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 purpose of monitoring.

ii. 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.

iii. Electronic Pension Payment System (e-PPO/e-SSA System): CPAO has been making an effort to ensure that pension authorization process becomes completely paperless. At Present, credit of the first pension into the account of pensioner/ family pensioner is carried out immediately on the basis of e-PPO and e-SSA received from CPAO without waiting for the physical copy of the same. This initiative has led to a significant reduction in delays experienced by the pensioners/family pensioners in first credit of pension.

iv. Facilitation Centres:- 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 4.05 lakhs pensioners have availed the services of 'Pensioners Facilitation Cell'. Considering, a significant number of pensioners/family pensioners of Central Armed Police Forces (CAPF), a dedicated sub- cell has been recently created in Pensioners Facilitation Cell (PFC) exclusively for CAPF pensioners for prompt resolution of their grievances.

v. 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.

Annexure-I

Scheme for Special Assistance to States for Capital Expenditure/Investment 2020-21 to 2024-25 (till 24.11.2024)

(Rs. in crore)

Sl. No.	States	2020-21		2021-22		2022-23		2023-24		2024-25	
		Amount approved	Amount Released	Amount approved	Amount released	Amount Approved	Amount released	Amount Approved	Amount released	Amount Approved	Amount released
1	Andhra Pradesh	688.00	688.00	501.79	501.79	6105.56	6105.56	4357.45	4090.81	3579.51	2616.27
2	Arunachal Pradesh	232.97	232.97	490.27	371.19	1579.52	1564.10	2745.00	2363.42	966.00	0.00
3	Assam	450.00	450.00	600.00	600.00	4300.14	4300.14	6555.54	5804.43	3307.68	3181.97
4	Bihar	843.00	843.00	1246.50	1246.50	8740.85	8455.85	10422.80	8814.80	8625.20	5408.88
5	Chhattisgarh	286.00	286.00	423.00	423.00	3465.42	2941.97	3749.77	3365.25	3013.41	2136.81
6	Goa	97.66	97.66	111.04	111.04	572.75	572.75	849.65	695.20	270.90	178.79
7	Gujarat	285.00	285.00	432.00	432.00	4189.82	4045.82	4583.48	4254.32	3076.21	2037.72
8	Haryana	91.00	91.00	135.00	135.00	1312.00	1267.00	1879.00	1702.05	0.00	0.00
9	Himachal Pradesh	533.00	533.00	800.00	800.00	825.99	650.80	1758.72	1515.97	581.50	427.55
10	Jharkhand	277.00	277.00	409.50	246.00	2964.32	2964.32	5255.12	4580.61	2728.43	1210.73
11	Karnataka	305.00	305.00	451.50	451.50	3399.35	3399.35	4761.77	3879.24	3008.93	2272.87
12	Kerala	163.00	81.50	238.50	238.50	1902.74	1902.74	928.90	0.00	0.00	0.00
13	Madhya Pradesh	1320.00	1320.00	1533.05	1512.36	7339.51	7360.20	12828.21	12636.21	6943.41	5074.94
14	Maharashtra	514.00	514.00	783.00	771.73	6803.93	6744.16	7219.23	5376.31	4421.55	2617.70
15	Manipur	317.16	317.16	288.47	212.85	764.47	467.22	1010.87	542.70	390.25	38.36
16	Meghalaya	200.00	200.00	300.00	281.20	1049.02	1049.02	1593.17	1293.06	678.52	577.01
17	Mizoram	200.00	200.00	299.99	299.99	497.50	297.50	1096.19	743.28	275.00	181.50
18	Nagaland	200.00	200.00	300.00	300.00	504.16	504.16	1069.39	973.20	397.83	249.92
19	Odisha	471.50	471.50	561.00	517.12	75.00	75.00	5270.40	3532.14	4254.38	3085.44
20	Punjab	296.50	296.50	223.50	223.50	1609.32	798.22	385.23	0.00	548.93	0.00
21	Rajasthan	1002.00	1002.00	747.00	692.41	5650.23	5595.64	8758.04	8513.42	6332.63	4552.01
22	Sikkim	200.00	200.00	300.00	300.00	551.36	551.36	864.08	797.85	342.77	322.98
23	Tamil Nadu	0.00	0.00	505.50	505.50	4011.27	4011.27	5836.83	5326.42	2854.85	1990.93
24	Telangana	358.00	358.00	260.94	214.14	2500.98	2500.98	3243.01	1948.34	0.00	0.00
25	Tripura	300.00	300.00	300.00	118.54	699.45	349.79	966.20	662.92	566.00	425.71
26	Uttar Pradesh	976.00	976.00	2224.50	1483.00	15778.84	7940.50	19898.71	19215.08	12556.85	7007.93
27	Uttarakhand	675.00	675.00	528.63	263.92	1253.92	1124.01	2082.30	1911.71	795.82	559.16
28	West Bengal	630.00	630.00	933.00	933.00	6699.77	3655.92	7523.00	5015.58	6206.83	4416.23
	Total	**11911.79**	**11830.29**	**15927.68**	**14185.78**	**95147.19**	**81195.35**	**127492.05**	**109554.30**	**76723.37**	**50571.42**

Annexure-A

DEPARTMENT OF EXPENDITURE

Representation of SCs, STs and OBCs

Groups	Representation of SCs/STs/OBCs					Number of Appointments made during the previous calendar year														
						By Direct Recruitment					By Promotion					By Other Methods				
	Total	SCs	STs	OBCs	Others	Total	SCs	STs	OBCs	Others	Total	SCs	STs	OBCs	Others	Total	SCs	STs	OBCs	Others
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**	**18**	**19**	**20**	**21**
Group A	365	71	22	55	217	42	6	5	10	21	19	5	1	0	13	0	0	0	0	0
Group B	626	114	36	158	318	27	2	0	10	15	62	14	4	0	44	0	0	0	0	0
Group C	433	52	23	112	246	51	7	4	15	25	12	0	1	0	11	1	0	0	0	1
Total	**1424**	**237**	**81**	**325**	**781**	**120**	**15**	**9**	**35**	**61**	**93**	**19**	**6**	**0**	**68**	**1**	**0**	**0**	**0**	**1**

Annexure-B

DEPARTMENT OF EXPENDITURE

Representation of Persons With Disabilities

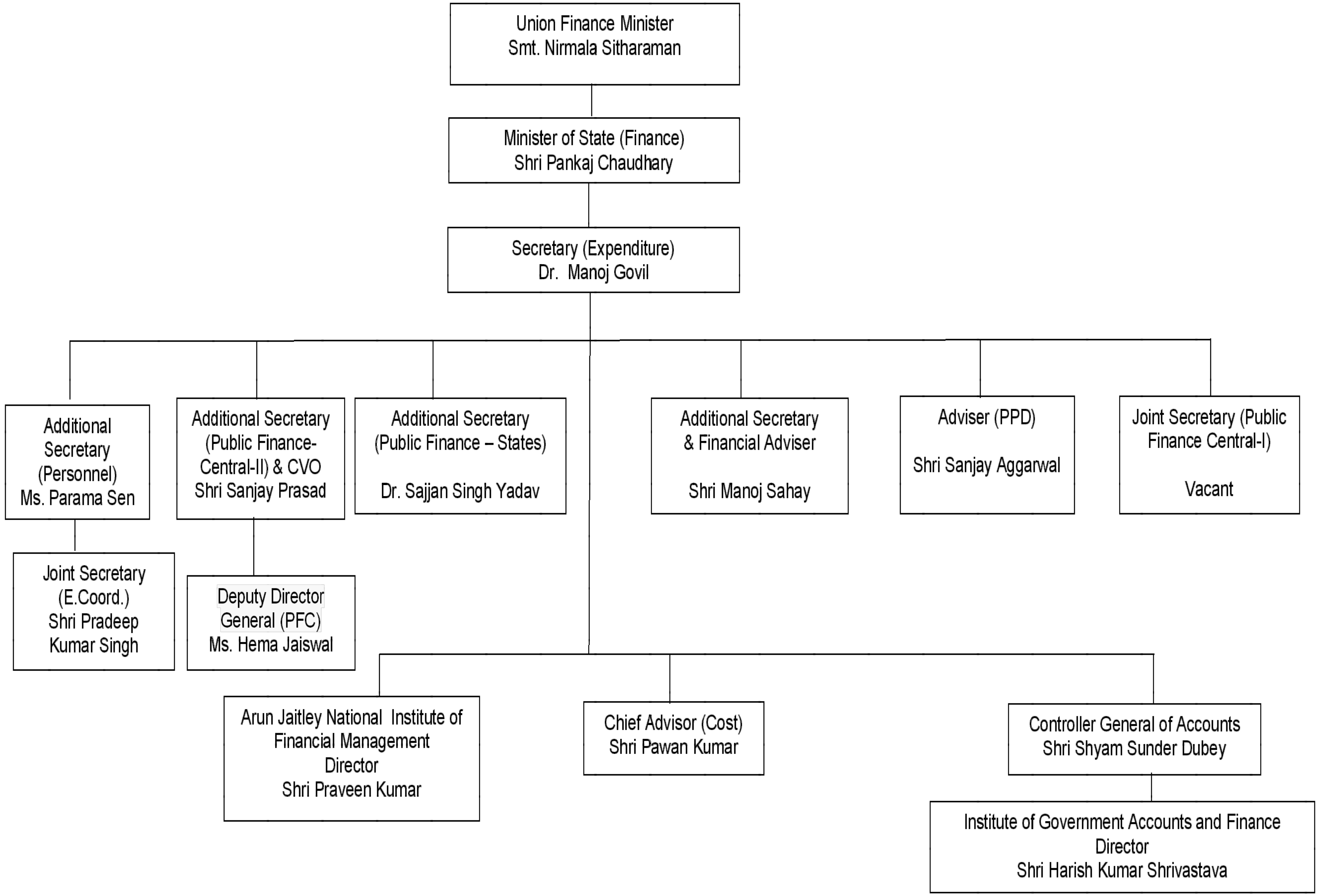
Group	Number of Employees				Direct Recruitment							Promotion						
					No. of vacancies reserved			No. of appointments made				No. of vacancies reserved			No. of appointments made			
	Total	VH	HH	OH	VH	HH	OH	Total	VH	HH	OH	VH	HH	OH	Total	VH	HH	OH
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**	**18**	**19**
A	365	0	2	3	0	1	1	6	0	1	1	0	0	0	0	0	0	0
B	626	0	1	7	0	0	1	27	0	0	0	0	0	1	0	0	0	0
C	433	1	2	3	0	0	0	38	0	0	0	0	0	1	1	0	0	1
Total	**1424**	**1**	**5**	**13**	**0**	**1**	**2**	**71**	**0**	**1**	**1**	**0**	**0**	**2**	**1**	**0**	**0**	**1**

ANNEXURE-C

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 PAC
1.	2024	7	13	-	3

ORGANIZATIONAL CHART OF DEPARTMENT OF EXPENDITURE



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. Income Tax Settlement Commission;

ix. Customs and Central Excise Settlement Commission;

x. Customs, Excise and Service Tax Appellate Tribunal;

xi. Authority for Advance Rulings (for Income Tax and Central Excise, Customs & Service Tax);

xii. Competent Authorities appointed under Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976 & Narcotic Drugs and Psychotropic Substances Act, 1985;

xiii. Financial Intelligence Unit, India (FIU-IND);

xiv. Adjudicating Authority under Prevention of Money Laundering Act.

xv. Revision Application Unit.

1.4 A comparison of the collection of Direct and Indirect taxes for the period of F.Y. 2023-24 and F.Y. 2024-25 (provisional) is as follows:

(Rs. in crore)

S. No.	Nature of Taxes	Amount collected	
	Direct Taxes	**2023-24**	**2024-25 (upto 31.12.2024)**
1.	Corporate Income Tax	9,11,055	7,39,994
2.	Personal Income Tax	10,10,948	8,31,654
3.	Other Direct Taxes	38,163	42,924
4.	**Total Direct Taxes (1+2+3)$**	**19,60,166**	**16,14,572**
	Indirect Taxes	**2023-24**	**2024-25* (upto 30.11.2024)**
5.	GST (CGST, IGST & GST Compensation Cess)	9,57,208	6,75,617
6.	Non-GST [Customs, Central Excise & Service Tax (Arrears)]	5,38,906	3,55,974
7.	**Total Indirect Taxes (5+6)#**	**14,96,114**	**10,31,591**

$ *Source: Pr. CCA (CBDT)*

* *Provisional figures*

Source: For FY 2023-24 – Figures have been taken from Finance Account, CGA
For FY 2023-24, & FY 2024-25 [April-November]-Figures have been taken from Pr CCA (CBIC); Total may vary on account of rounding off

1.5 The details of representation of SCs, STs and OBCs are at **Annexure-I.**

1.6 The details of representation of persons with disabilities are at **Annexure-II.**

1.7 The details of ATNs in respect of audit observations are at **Annexure-III.**

1.8 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)

ITD is the subordinate organization of the CBDT having jurisdiction across the country. It is divided into 20 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

The Direct Tax Collection as on 30th November, 2024 continues to register a steady growth. Direct Tax Collections upto 30.11.2024 show that gross collections are at Rs. 15,65,188 crore which is 22.0% higher than the gross collections for the corresponding period of last year. Net Direct tax collection stands at Rs. 12,46,229 crore which is 17.5% higher than the net collections for the corresponding period of last year. This collection is 56.47% of the Budget Estimates (BE) for Direct Taxes for the FY 2024-25.

So far as the growth rate of Corporate Income Tax (CIT) and Personal Income Tax (PIT) in terms of gross revenue collections is concerned, the growth rate of CIT is 18.7% while that for PIT is 23.0%. After adjustment of refunds, the net growth of CIT collections is 6.9% and that in PIT collections is 24.2%.

Refunds amounting to Rs. 3,18,959 crore have been issued upto 30.11.2024 which is 43.6% higher than refunds issued during the same period in the preceding year.

The above details of direct tax collection for FY 2024-25 upto the month of November, 2024, are tabulated as under:

(Amount Rs. in crore)

Major Heads	Collection for FY 2023-24 (as on 30.11.2023)			Collection for FY 2024-25 (as on 30.11.2024)			Growth percentage on Net Collection
	Gross	Refund	Net	Gross	Refund	Net	
Corporation Tax	5,73,207	93,785	4,79,422	6,80,282	1,67,916	5,12,366	6.9%
Personal Tax	6,88,034	1,28,254	5,59,780	8,46,352	1,51,027	6,95,325	24.2%
Others	21,371	32	21,338	38,554	16	38,537	80.6%
Total	**12,82,612**	**2,22,071**	**10,60,540**	**15,65,188**	**3,18,959**	**12,46,229**	**17.5%**

Source: Pr. CCA (CBDT)

* Provisional figures provided by Pr. CCA, CBDT

TDS related matters: In order to improve tax administration and reduce hardship of taxpayers, the following measures taken:

a) **Notification in respect of TDS provisions:** Notification No. 123/2024 dated 28.11.2024 was issued under section 194N of the Income-tax Act, 1961 ('The Act') exempting Foreign Representations approved by the Ministry of External Affairs including diplomatic missions, United Nations agencies, international organizations, consulates, and honorary consuls' offices from the provisions of Section 194N (Tax deduction at source on cash withdrawals).

b) **Orders passed to mitigate hardship/difficulty to tax payers/field offices:** Circular No 06/2024 dated 23.04.2024 was issued specifying that for the transactions entered into up to 31.03.2024 and in cases where the PAN becomes operative by 31.05.2024, there will be no liability on the deductor/collector to deduct or collect tax under sections 206AA/206CC of the Act, as the case may be.

c) **Circular No 08/2024** dated 05.08.2024 was issued specifying that in respect of cases where higher TDS/TCS was attracted under section 206AA/206CC of the Act pertaining to the transactions entered into up to 31.03.2024 and in case of demise of the deductee/collectee on or before 31.05.2024 i.e. before linkage of PAN and Aadhar could have been done, there shall be no liability on the deductor/collector to deduct/ collect tax under sections 206AA/206CC of the Act, as the case may be.

d) **Circular No 15/2024** dated 04.11.2024 was issued under section 119(1) of the Act fixing monetary limits of the income-tax authorities in respect of reduction or waiver of interest paid or payable under section 220(2) of the Act.

2.3 Some Recent Legislative Changes In Direct Tax Laws

2.3.1 Introduction of Direct Tax *Vivad se Vishwas* Scheme, 2024 for reducing pending litigation-

Keeping in view the success of the previous Vivaad Se Vishwas Act, 2020 and the mounting pendency of appeals at CIT(A) level, Direct Tax Vivad se Vishwas Scheme, 2024 has been introduced vide Finance (No.2) Act, 2024 with the objective of providing a mechanism of settlement of disputed issues, thereby reducing litigation without much cost to the exchequer.

2.3.2 Personal income tax –

2.3.2.1 Substantial tax relief has been provided by Finance (No.2) Act, 2024 under the new tax regime with new slabs and tax rates as under:-

Sl. No.	Total income	Rate of tax
1	Up to Rs. 3,00,000	Nil
2	From Rs. 3,00,001 to Rs. 7,00,000	5 per cent*
3	From Rs. 7,00,001 to Rs.10,00,000	10 per cent
4	From Rs. 10,00,001 to Rs. 12,00,000	15 per cent
5	From Rs. 12,00,001 to Rs. 15,00,000	20 per cent
6	Above Rs. 15,00,000	30 per cent

* Subject to availability of rebate under Section 87A.

2.3.2.2 Increase in Standard Deduction and deduction from family pension for tax payers in tax regime-

With the aim of encouraging and incentivizing taxpayers to shift to the new tax regime, vide Finance (No.2) Act, 2024 for persons choosing taxation under the new regime under sub –section (1A) of section 115BAC of the Act, an enhanced standard deduction of Rs.75,000/- has been made available.

Further, deduction allowable for taxpayers in the new tax regime from family pension income has been increased from fifteen thousand rupees to twenty-five thousand rupees.

2.3.2.3 Non-government employer contribution to New Pension Scheme-

For promotion of social welfare and providing tax relief, vide Finance (No.2) Act, 2024, the amount of deduction allowed to an employers in respect of his contribution to a pension scheme referred to in section 80CCD, has been increased from the extent of 10% to the extent of 14% of the salary of the employees. Further, a non-government employee in the new tax regime is now allowed deduction of an amount not exceeding 14% of the employee's salary in place of 10%.

2.3.3 Measures to promote investment and employment –

2.3.3.1 Incentives to International Financial Services Centre (IFSC) in Finance (No.2) Act, 2024

- Retail scheme and Exchange Traded Funds in IFSC, shall enjoy tax exemptions along similar lines as available to specified funds.
- Specified income of Core Settlement Guarantee Fund set up in IFSC shall be exempt.
- Section 94B shall not be applicable to certain finance companies located in IFSC.
- Where a venture capital fund (VCF) located in IFSC extends a loan / other amount to an assessee, it shall no longer be called upon to explain the source of funds.
- Further, surcharge shall not apply on income-tax payable on income from securities by specified funds.

2.3.3.2 Reduction of rate of foreign companies to 35 percent: The rate of income-tax chargeable on income of foreign company (other than chargeable at special rates) has been reduced from 40 per cent to 35 percent vide Finance (No.2) Act, 2024.

2.3.3.3 Scheme of presumptive taxation for cruise ship operations by non-residents: A presumptive taxation regime for cruise ship operations of non-residents has been put in place. Further, exemption has been provided for any income of a foreign company from lease rentals of cruise ships, received from a related company which operates such ship or ships in India.

2.3.3.4 Removal of angel tax: Finance Act, 2012 inserted a new provision under section 56 for taxation of any consideration at FMV, for issue of shares by a company in which public are not substantially interested exceeding the face value of such shares as income from other sources. Vide Finance (No. 2) Act, 2024 the provisions of clause (viib) of sub-section (2) of section 56 of the Act have been sun-setted.

2.3.3.5 Equalisation Levy: Levy at the rate of 2 per cent of consideration received for e-commerce supply of goods or services, shall no longer be applicable on or after 1st August, 2024.

2.3.4 Simplification and Rationalisation-

2.3.4.1 Rationalisation of certain TDS rates:-

To improve case of doing business and encourage voluntary compliance by taxpayers, certain Tax Deduction at Source (TDS) rates have been reduced from 5% to 2% vide Finance (No. 2) Act, 2024. These include sections 194D (Payment of insurance commission (in case of person other than company) (with effect from 1.4.2025), 194DA (Payment in respect of life insurance policy), 194G (Commission etc on sale of lottery tickets), 19411 (Payment of commission or brokerage), 194-IB (Payment of rent by certain individuals or HUF), 194M (Payment of certain sums by certain individuals or Hindu undivided family). Rate of TDS u/s 194-0 (Payment of certain sums by e-commerce operator to e-commerce participant) has been reduced to 0.1%.

2.3.4.2 Charitable trusts / Institutions:-

Amendments have been made to merge the two schemes for exemption and also provide for rationalisation of filing of applications and the timelines for registration and approval of certain benefits to charitable trusts and institutions.

2.3.4.3 Simplification and rationalisation of capital gains taxation regime:-

The period of holding of capital assets has been simplified with amended provisions providing for a period of 12/24 months as holding period for capital assets.

The rate of tax on short term capital gains under section 111A of the Act has been increased from 15% to 20% for STT paid listed equity shares, units of equity oriented funds and business trusts.

The rate for long term capital gains on above capital assets has been rationalised from 10% to 12.5%. Rate of taxation in respect of other long term capital assets has been rationalised and simplified to 12.5% without indexation from earlier rate of 20% with indexation, with an option being provided to opt for a beneficial regime in respect of immovable property acquired before the 23rd July, 2024. This option has been provided to resident Individuals/HUFs.

2.3.4.4 Simplification of re-assessments and search assessments:-

The procedure for re-assessments has been considerably simplified and the period for which assessments can be re-opened has been reduced to 5 years from earlier 10 years. Also scheme of search assessments has been revamped with the introduction of block assessment concept. The period covered for search assessments has also been reduced to 6 years from earlier 10 years period.

2.4 INVESTIGATION DIVISION

2.4.1 Search and seizure and survey actions: During F.Y. 2023-24, search and seizure actions were carried out against **1166 groups** leading to seizure of assets worth over **Rs. 2555.05 crores**. Whereas, during F.Y. 2024-25* (upto October, 2024), search and seizure actions were carried out in **1005 groups**. The actions in these cases led to seizure of assets worth over **Rs. 1360.67 crores**.

Further, during **F.Y. 2023-24, 737 surveys** were conducted leading to detection of Undisclosed Income over **Rs. 37622.22 crores**. Whereas, during **F.Y. 2024-25* (upto October, 2024),** over **110 surveys** were conducted leading to detection of Undisclosed Income over **Rs. 28296 crores.**

(*Figures are provisional)

2.4.2 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. 2023-24, 502 prosecution complaints** were filed and in **35 cases**, conviction orders have been passed by Court and in 631 cases, compounding applications were accepted. Whereas, during **F.Y. 2024-25* (upto November, 2024), 304 Cases,** prosecution complaints have been filed and in **51 cases**, conviction orders have been passed and in **457 cases**, compounding applications have been accepted.

(*Figures are provisional)

2.4.3 Actions under the Black Money (Undisclosed Foreign Income 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 31.03.2024, orders u/s 10(3)/10(4) of the Act have been passed in about 652 cases raising demand of more than Rs. 17,162 crores (approx.) and 163 prosecutions have been launched.

2.4.4 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. Ist November 2016. The amended Act defines Benami transactions and Benami property. It provides for consequences of entering into a prohibited Benami transaction, which includes attachment of the Benami property, confiscation and prosecution of both the benamidar and the beneficial owner. The 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.

As on 30.09.2024, total no. of properties attached under the Act stood at 8659 worth over Rs.19906.71 (in Cr.) and 286 prosecutions have been launched.

2.5 AUDIT & JUDICIAL DIVISION:

The following significant development/policy decisions/ initiatives were taken during the FY 2024-25:

i. Circular No. 9/2024 dated 17.09.2024 was issued by ITJ Section vide which the monetary limits for filing of appeals by the Department before Income Tax Appellate Tribunal, High Courts and SLPs/appeals before Supreme Court were enhanced to 60 Lakhs, Rs. 2 Crore and Rs. 5 Crore respectively.

ii. Order dated 31.08.2024 was issued with respect to e-Dispute Resolution Scheme (“e-DRS”) specifying the category of cases in which the applications in the Form 34BC can be filed on or before 30.09.2024. The operationalization of e-DRS will enable the delivery of quick and effective dispute resolution to small taxpayers.

iii. Letter dated 15.10.2024 was issued to Registrar, National Company Law Appellate Tribunal (NCLAT), New Delhi and Registrars, National Company Law Tribunal (NCLT) of all the regions specifying Nodal Officers along with the names of Senior/Junior Standing Counsels to ensure co-ordination and effective representation before benches of NCLT and NCLAT.

2.6 E-GOVERNANCE

I. Project Name: PAN

During the Financial Year 2024-25 (up to 30.11.2024), a total of 3,66,67,517 PANs have been allotted. Till 30.11.2024, 64,60,57,704 PANs of individuals have been seeded with the Aadhaar data base, which is approximately 84.10% of total number of PANs (76,81,35,665) allotted to individuals.

New PAN 2.0 Project

(a) The PAN 2.0 Project of the Income Tax Department has received the approval of the Cabinet Committee on Economic Affairs (CCEA) on 25.11.2024.

(b) The PAN 2.0 project recognises the importance of taxpayer registration system and accordingly intends to re-engineer the business processes through technology driven transformation of PAN/ TAN services for enhanced digital experience of the taxpayers, ITD officials and other stake holders. The major proposed shift in the new PAN 2.0 project is change from franchise model to direct delivery model, receipt of online paperless application, discontinuance of physical PAN Centres, allotment and issuance of e-PAN/TAN free of cost, etc. The key benefits envisaged from the project are ease of access, eco-friendliness, cost reduction, improved quality of services, speedy service delivery, data security, and effective grievance monitoring.

(c) The key features of the PAN 2.0 Project are online receipt of PAN/ TAN applications and near real time issuance of PAN/ TAN, real-time PAN Validation and enhanced QR based authentication of PAN card etc.

(d) The technical architecture of PAN 2.0 has been comprehensively outlined, including the infrastructure requirements for high-availability data centers with disaster recovery and near-data centers as well as infrastructure automation, cyber security & compliance provisioning and use of emerging technologies such as AI/ ML for application form verification, resolution of potential duplicates etc. The key architecture principles of the PAN 2.0 are – microservices-based, openness & interoperability, scalability, agility, maintainability and security by design.

(e) The above transformation will further the Government’s initiative to use PAN as Common Business Identifier across digital systems of government agencies.

II. Project Name: Insight

Project Insight is an integrated data warehousing and business intelligence platform of the Income Tax Department. The project serves as an information backbone of the ITD where information available in various ITD systems as well received from external third party sources are collated on its platform to enable 360 degree profiling of taxpayers, risk assessment and graded compliance action. This platform is also leveraged for making available relevant information to the taxpayers through Annual Information Statement (AIS) and Pre-filling of ITRs, which greatly enhances the taxpayer services by helping taxpayers to accurately file their return in faster time.

The current year saw a significant increase in the numbers of taxpayers visiting the AIS Portal. The table below shows the financial year -wise increase in the numbers of taxpayers in the AIS database and numbers of taxpayers visiting AIS Portal:

Particulars	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Number of Unique Taxpayers visiting AIS	2,02,68,598	4,50,44,784	6,44,41,457	7,02,81,073
Unique PANs for whom TIS/AIS available	13,72,42,343	15,12,80,083	38,60,54,406	44,50,00,000

Some of the major developments undertaken in respect of AIS are as under:

i. A link to validate the Insight DIN has been provided on the AIS Portal along with the same link on the Reporting Portal and Old Compliance Portal.

ii. For e-verification, functionality for mismatch campaign has been developed and implemented to highlight the PANs where there is a substantial difference between the information available in AIS and the information disclosed by the taxpayer in the Income Tax Return.

iii. A new functionality has been developed in AIS wherein taxpayer will be able to view entire feedback lifecycle of information in AIS.

Insight 2.0 Project

Insight 2.0 is envisaged as a significantly enhanced and improved version of the existing Insight Project so as to further strengthen the capabilities in areas such as:

i. Augmentation of data by enhancing data coverage, data quality and data integration

ii. Augmentation of capabilities of data analytics by leveraging latest tools & technologies such as AI/ML, generative AI etc thereby facilitating various use cases such as predictive analytics, fraud detection, anomaly detection, trend analysis, industry benchmarking etc

iii. More comprehensive and effective business outcomes in areas such as risk assessment, risk scoring, graded communications & campaigns etc

iv. Enhancement of taxpayer services through augmentation of data, effective campaign & grievance handling, AI-enabled chatbot etc.

The key features of the Project Insight 2.0 include, inter alia:

- **Microservices Architecture**: Enabling greater flexibility, scalability, and maintainability.
- **4-Site Data Center**: Enhancing data security, redundancy, and disaster recovery capabilities.
- **Advanced Data Analytics Tools**: Facilitating sophisticated data analysis and insights for informed decision-making.
- **Integration of Open-Source Intelligence Tools (OSINT) and external databases**: Leveraging external data sources to enhance risk assessment and investigative capabilities.
- Dedicated Data Labs

III. (Integrated E-filing and CPC) IEC-2.0

The E-filing portal acts as a single interface for taxpayers in respect of multiple services provided by the Income Tax Department as well as for compliance related responses. Key highlights related to the IEC 2.0 Project till 30.11.2024 are, inter alia, as under:

(i) Income Tax Return (ITR) filing has increased to 8.35 crore ITRs for AY 2024-25 till 30th Nov 24.

(ii) The surge of filing ITRs peaked on 31st July 2024 (due date for salaried taxpayers and other non-tax audit cases) with over 70 lakh ITRs being filed on a single day i.e. on 31st July,2024.

(iii) 80.70 lakh taxpayers registered in the efiling portal in FY2024-25, out which, 76.58 lakhs were individual taxpayers, and 4.12 lakhs were corporate taxpayers.

(iv) 18.18 lakhs Updated returns were filed in FY2024-25.

(v) 8.25 crore ITRs have been verified till 30th Nov. 2024 for AY 24-25. Out of this, 7.21 crore were e-verified using Aadhaar OTP, which is one of the six modes of verification made available to the taxpayers for verifying their ITRs filed.

(vi) Till 30th Nov 2024, more than 1.86 crore Statutory forms have been e-filed by the taxpayers including more than 52.95 Lakh TDS statements,

(vii) Till 30th Nov 2024, over 1.41 crore Bank accounts have been validated and over 78.68 Lakh Bank accounts have been enabled for E-verification.

(viii) The E-filing portal has more than 150 interfaces (both external and internal interfaces) with different entities/ systems such as UIDAI, Banks, ERIs, CPC-TDS, etc., to facilitate smooth and faster flow of information for providing better and enhanced experience for taxpayer relating to taxpayer services and compliances.

Demand Management and Facilitation Centre (DFC)

In order to handle the task of resolution of the outstanding demands, Demand Management Facilitation Centre (DFC) was set up in 2022. The DFC currently consists of 170 agents, who work 6 days a week between 8:00 A.M to 8:00 PM for inbound calls and 9:00 AM to 6:00 PM for outbound calls. Calls are made to the Taxpayer from the telephone number: 8216671200. Taxpayers can call the DFC on the number: 1800 309 0130. Scheduled Calls are made to the Jurisdictional Assessing Officers (JAOs) for the purpose of resolution of demands from the telephone number: 8216671222. Mails are sent to / received from Tax Payers and JAOs, using the dedicated mail id taxdemand@cpc.incometax.gov.in. During the period 01.04.2024 to 30.11.2024, demand amounting to Rs 4,77,934 crore involving 1,11,953 cases has been resolved due to the Demand management efforts of the DFC.

IV. Taxnet

The Taxnet project is a network connectivity project which provides LAN-WAN connectivity to all the 780 Income Tax Department (ITD) locations across the country. It acts as the architectural backbone to the entire digital edifice of the Direct Taxes administration and connects all the departmental offices to the applications of the department viz. ITBA, Project Insight, CPC-TDS, e-Filing, and other portals of the Department.

Taxnet 2.0 Project

The Taxnet 2.0 project will replace the existing Taxnet 1.0 project with an integrated project comprising of Network connectivity, Facilities Management Services (FMS) and the Video Conference project in a single project offering secure, reliable and seamless connectivity services to ITD users and aid in assessment-related work using advanced technology such as Software Defined Wide Area Network (SDWAN) with dual links, on-premise Network Operations Centre (NOC), hybrid Local Area Network (LAN) models (wired+wireless), improved perimeter security etc. The implementation of the project is underway and expected to go live by end of August 2025.The Taxnet 2.0 project is planned to be executed and operated with a project lifecycle of 14 months for implementation and 7 years for Operations & Maintenance.

V. e-Verification

The e-Verification Scheme- 2021 provides an opportunity to taxpayers to correct any information which is wrongly reported and reconciliation of mismatches between information reported by various sources and what is reported by taxpayer in the ITR.The second cycle of e-Verification was initiated in May 2023, focussing on information related to Financial year 2020-2021. A total of 2,72,209 taxpayers (including filers and non-filers) have been taken up for e-Verification and the process is currently underway. As a result, 18,846 updated ITRs have been filed, yielding an additional tax of Rs. 550.76 Crores.

VI. Project Name: ITBA

The Income Tax Business Application (ITBA) has been in action for more than half-a-decade. ITBA is used as a platform for delivery of taxpayer services such as Grievance Redressal through E-Nivaran portal, passing of orders relating to issuance of refunds, etc. which are carried out by the officers of the Department.

One of the key achievements of ITBA has been the enablement of Faceless Assessments/Appeals/ Penalty. In Faceless scheme, certain legal proceedings under direct tax laws are conducted by leveraging information technology. Hence, the faceless regime aims to impart greater efficiency, transparency, and accountability in the income tax proceedings by eliminating in-person interaction between the taxpayer and the tax officer. ITBA is the platform for use by the tax officers, for implementing the Faceless regime. During the year 2024-25(upto 30.11.2024), 9636 orders in respect of faceless assessment, 2,51,835 orders in respect of faceless penalty and 60,978 orders in respect of faceless appeals have been passed using ITBA.

ITBA 2.0

ITBA 2.0 has been conceptualized as an innovative e-Governance project which would succeed ITBA 1.0 utilizing significant technological developments of the past decade to provide improved service delivery to taxpayers. Some of the envisaged improvements in ITBA 2.0 for better taxpayer service delivery are as below: -

i. Quicker grievance redressal for the taxpayers by bringing all the pendency (such e-Nivaran, CPGRAMs, Rectification Requests, Requests for Appeal Order Give Effect, etc.) of a Departmental user at a single navigable page.

ii. Improved Video Conference facility for faceless schemes.

iii. Better monitoring and supervision of the work by the supervisory authorities i.e., through integrated action dashboard, customized MIS, alerts and notifications.

iv. Introduction of a Taxpayer Facing Portal in ITBA 2.0, to ensure that the taxpayers can provide their responses to the statutory queries of the officers in a structured manner.

v. The alerts and notifications that will be generated by ITBA 2.0 for any action to be performed by the user or which requires his attention, will be customizable. This allows for prioritization of work such as grievance redressal.

vi. Faster deployment of statutory changes in the Application due to a low code configurable system.

vii. Using technological advancements such as Single Sign-On, Optical Character Recognition (OCR) for providing an ergonomic system to the Departmental Users thereby increasing the user's efficiency.

VII. CPC TDS

Central Processing Cell-TDS provides a facility for online correction of TDS/TCS statements. Thus, the deductors can correct PANs and other attributes (in case of TAN based Forms 24Q/26Q/27Q/27EQ) and (in case of PAN based Forms 26QB/26QC/26QD/26QE) of the transactions by promptly filing a correction online anytime from anywhere.

Further, CPC-TDS provides online platform for processing and issuance of Lower/Nil deduction certificates which are applied through TDS Reconciliation Analysis and Correction Enabling System (TRACES) website in Form 13/Form 15C/Form 15D/Form 15E, making it an end-to-end faceless online facility, which is a quantum leap in taxpayer service and which has reduced the manual work to a minimum level.

CPC (TDS) 2.0 will succeed the existing CPC(TDS) project and will be based on contemporary technology to deliver taxpayer services CPC(TDS) 2.0 project would be designed to accommodate changed processes and functions related to assessments, cater to the need for enhanced linkages with other modules of the department and increased automation for efficient delivery of taxpayer services. This would entail re-designing, re-developing, and re-architecting key components viz., TRACES Web portal, AO Portal, Processing module, etc. for enhancing conventional TDS/ TCS functionalities and developing new services. CPC(TDS) 2.0 will be a completely new application to be built using new technology. The major improvements include, inter alia, the following-

i. End to end E-Proceedings and E-communication for TDS Assessing Officers and for taxpayers

ii. Faster processing of TDS/TCS statements and automated issuance & delivery of TDS/TCS certificates.

iii. Integration with other departmental modules to enable seamless functioning.

iv. Improved taxpayer services through an enhanced Integrated Grievance Management System (IGMS).

2.7 MEDIA CENTRE (M&TP)

2.7.1 Dissemination of Information Related to Direct Taxes

The Principal CIT (Media & Technical Policy) oversees the Media Centre, established in August 2006, to facilitate the dissemination of public information concerning direct taxes. Through both print and electronic media, the Media Centre has played a pivotal role in informing the public about key decisions, developments, and achievements. From April 1, 2024, to December 31, 2024, the Centre issued **25 press releases**, highlighting important milestones and updates regarding the CBDT and the Income Tax Department.

2.7.2 Enhancing Stakeholder Engagement via Social Media

In recent years, CBDT has expanded its communication channels to include social media, with a significant presence on X (formerly Twitter). Managed by the Media Centre under the supervision of the CIT (M&TP), the official handle, @IncomeTaxIndia, enables two-way communication with taxpayers and stakeholders. The Media Centre uses this platform to disseminate critical information and engage directly with the public.

To further streamline interactions, an Online Response and Reputation Management (ORM) system was introduced in July 2019, enabling the Department to identify and address actionable posts and tweets.

2.7.3 Performance Metrics: Tweets, Responses, and Follower Growth

As of now, the @IncomeTaxIndia handle boasts a **follower count of 1,540,605**. From April 1, 2024, to December 31, 2024, a total of **46,708 tweets and responses** were posted. These include taxpayer education campaigns and responses to public queries.

2.7.4 Social Media as a Tool for Compliance Support

During the peak e-filing compliance cycle in July 2024, the Department made extensive use of Twitter's messaging and response features. The handle received **55,679 tweets**, and actionable posts were promptly addressed. From April 1, 2024, to July 31, 2024, **33,739 actionable tweets were responded to and assistance was provided**,out of these, **22,282 tickets** were raised by the users who connected with the backend team via ORM link/ e-mail. These tickets are related to CPC e-filing and ITR issues. Notably, 21,645 tickets (97.14%) were successfully resolved.

2.7.5 Process Innovation and Real-Time Support

The adoption of advanced tools, such as the Konnect Insight (KI) tool, has significantly improved data collection and collation. This, coupled with the use of Google Sheets, reduced the Turnaround Time (TAT) from **72 hours to 2–3 hours**, with many cases resolved in real-time. Additionally, a dedicated war room, established during the peak e-filing season, enabled real-time grievance resolution in collaboration with the Directorate of Systems.

2.7.6 High-Profile Visits and Campaigns

Comprehensive 360-degree media campaigns were organized during visits by the Hon'ble Vice President, Hon'ble Finance Minister, and the Chairman of CBDT. These events, including building inaugurations, book launches, and valedictory ceremonies, were extensively covered with live tweets in coordination with regional teams.

2.7.7 Strengthening Regional Outreach via Twitter

Regional offices of the Department, led by their respective Principal Chief Commissioners, operate 19 Twitter handles (including NADT). These handles are instrumental in conducting localized outreach and awareness campaigns. Persistent efforts have led to all regional handles receiving the grey checkmark, ensuring credibility and authenticity.

2.7.8 Amplifying Awareness through Targeted Campaigns

Focused social media campaigns have been used to promote key departmental initiatives, such as Special Campaign 4.0. These campaigns leverage the power of Twitter to maximize outreach and public awareness, ensuring that critical information reaches all stakeholders effectively.

S. No.	Campaign	No. of Tweets	No. of Retweets	Likes	Impressions
1	Phishing Awareness	6	550	1191	261.9K
2	Vivad se Viswas 2024	2	118	212	45.5K
3	SFT	5	287	672	257.2K
4	165th Income tax day	22	837	1762	327.5K
5	E-filing	11	1672	6430	1513.5K
6	PAN-Aadhaar linking	3	426	1146	385K
7	Advance Tax	6	334	941	314.5K
8	Bank Validation	11	628	1479	477.1K
9	UnionBudget2024	29	944	2123	625.9K
10	ParisParalympics2024	8	343	1634	245.6K
11	SpecialCampaign4.0	9	146	453	141.1K

2.8 DIRECTORATE OF VIGILANCE

A. Performance and achievements during current year April-November, 2024

Performance and Achievements during current year April – November, 2024			Projections or Estimates and Achievements from the remaining period till March, 2025
Sl.No	**Items of work (Disposal)**	**Achievements**	**Projections Or Estimates**
1	CORE AREAS OF ACTION		
	Disciplinary proceedings concluded	84	36
1(a)	Penalties imposed	49	18
1(b)	Out of above J.S. and above Rank	7	5
2	Sanction for prosecution approved / granted	7	1
3	Vigilance clearance issued	4629 (till September, 24)	3500

B. Significant developments/policy decisions

* Measures for strengthening vigilance mechanism: Publication of (i) Vigilance Handbook 2024 for Group A and Group B officers, (ii) Vigilance Handbook for Disciplinary Authorities-2024.

* In-house training and capacity building of officers posted in Vigilance Directorate and PCCIT Charges with focus on timely disposal of complaints and DPs.

* Conducting extensive awareness programmes during annual Preventive Vigilance campaign period through seminars, in house competitions, quiz, slogans, poster making and wide publicity through banners and newspaper publications.

C. Training and awarness campaigns conducted

Apart from regular capacity building courses on tax laws so as to avold lapses on account of Ignorance, the Department has also conducted extensive programmes for its officers and officials through well targeted specialized preventive vigilance courses curated through Vigilance Directorate and Pr. DGIT(Training) in collaboration with PCCITs, as tabulated below:

CADRE	SUBJECTS COVERED	MODE OF DELIVERY / OUTREACH
Group-A, B and C	a. *Ethics and Values in Governance.* b.*CCS(Conduct) Rules, 1964,* c.*Public Procurement.* d.*Cyber-Hygiene,* e.*Role & responsibility of 10s and POs in timely completion of DPs.* f. *Role & responsibility of supervisory officers.* g. *Information Security.* h. *Awareness regarding key vulnerable areas common mistakes detected during the handling of vigilance cases.*	(i) Mandatory Physical Courses during Induction training at NADT, Nagpur and 8 reginal Campuses for Group A officers/ NADT-RC's for Grp B & C. (ii) Regular Refresher Courses physically conducted at Regional Training Institutes by Zonal Vigilance officers and PCCITS. (iii) Dissemination of Information for officers in field units through Video Tutorials on preventive subjects. vigilance
Supervisory officers CCIT / PCIT/CIT level	a. Ethics and Values in Governance. b. Role of supervisory officers in combating corruption.	(i) Seminars. (ii) Quarterly Review meetings of Zonal ADG(Vig) with PCCIT, DGIT(Inv).

Further, Circulation of DO's and DON'Ts for field units after identification of key vulnerable areas in core functional units of the department have been undertaken by Vigilance Directorate

Probity: In order to ensure probity in income Tax Department Quarterly Review of Officers under FR 56(j) is now being done for all Officers of Group A, B and C in the age group of 50 to 60 years of age.

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 tax payer's 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 has 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

As regards the actual data from 1.04.2024 to 30.11.2024 along with projections for the remaining period till March, 2024, the inputs are as follows:

Anticipated Receipts for the period November, 2024 to March, 2025 may not be possible, as the same will be assessed from December, 2024 onwards for incorporation in annual Union Budget 2025-26 after seeing the revenue trends [GST & Non-GST] till December, 2024. The Net Central Indirect Taxes for FY 2024-25 [April-October] is as follows:

(Amount in Rs. crore)

Tax head	BE 2024-25	April-October[P]			% of BE 2024-25 achieved
		2023-24	2024-25 [P]	% Growth (y-o-y)	
Customs Duty (Cash + Scrip)	2,37,745	1,27,494	1,33,526	4.7%	56.2%
Central Excise Duty	3,19,000	1,75,989	1,74,878	-0.6%	54.8%
Service Tax	100	433	140	-67.7%	139.9%
Sub-Total (Non-GST)	5,56,845	3,03,917	3,08,545	1.5%	55.4%
CGST	9,10,890	4,68,574	5,21,709	11.3%	57.3%
IGST	-	-17,096	-13,641	20.2%	
Compensation Cess	1,51,009	81,029	86,401	6.6%	57.2%
Sub-Total (GST)	10,61,899	5,32,507	5,94,469	11.6%	56.0%
Total Net Central Indirect Taxes [GST + Non-GST]	16,18,744	8,36,424	9,03,014	8.0%	55.8%
Source:PrCCA (CBIC), EMC HRD; [P]=Provisional;					

3.2 GOODS AND SERVICE TAX (GST)

A. Recent Measures for Simplification, trade facilitation and Ease of Doing Business under GST:

i. **Insertion of Section 128A in CGST Act has been carried out to provide for conditional waiver of interest or penalty or both relating to demands raised under Section 73, for FY 2017-18 to FY 2019-20 :** Considering the difficulties faced by the taxpayers, during the initial years of implementation of GST, amendments have been made in the CGST Act, to provide for continued waiver of interest and penalties for demand notices issued under Section 73 of the CGST Act for the fiscal years 2017-18, 2018-19 and 2019-20, in cases where the taxpayer pays the full amount of tax demanded in the notice upto 31.03.2025.

ii. **Reduction of Government Litigation by Fixing monetary limits for filing appeals under GST**.The CBIC has issued Circular No. 207/01/2024-GST dated 26.06.2024 to prescribe monetary limits, subject to certain exclusions, for filing of appeals in GST by the department before GST Appellate Tribunal, High Court, and Supreme Court, to reduce government litigation.

iii. **Amendment in Section 107 and Section 112 of CGST Act for reducing the amount of pre-deposit required to be paid for filing of appeals under GST:** Provisions have been made for reducing the amount of pre-deposit for filing of appeals under GST to ease cash flow and working capital blockage for the taxpayers. The maximum amount for filing appeal with the appellate authority has been reduced from Rs. 25 crores CGST and Rs. 25 crores SGST to Rs. 20 crores CGST and Rs. 20 crores SGST. Further, the amount of pre-deposit for filing appeal with the Appellate Tribunal has been reduced from 20% with a maximum amount of Rs. 50 crores CGST and Rs. 50 crores SGST to 10 % with a maximum of Rs. 20 crores CGST and Rs. 20 crores SGST

iv. **Reduction in rate of TCS to be collected by the ECOs for supplies being made through them:** Electronic Commerce Operators (ECOs) are required to collect Tax Collected at Source (TCS) on net taxable supplies under Section 52(1) of the CGST Act. The Central Government has issued Notification No. 15/ 2024-Central Tax dated 10.07.2024 (notified w.e.f. 10.07.2024), Notification No. 01/2024-Union Territory Tax dated 10.07.2024 (notified w.e.f. 10.07.2024) & Notification No. 01/2024-Integrated Tax dated 10.07.2024 (notified w.e.f. 10.07.2024) to reduce the TCS rate from present 1% (0.5% CGST + 0.5% SGST/ UTGST, or 1% IGST) to 0.5 % (0.25% CGST + 0.25% SGST/UTGST, or 0.5% IGST), to ease the financial burden on the suppliers making supplies through such ECOs.

v. **Change in due date for filing of return in FORM GSTR-4 for composition taxpayers from 30th April to 30th June:** Amendments have been done in clause (ii) of sub-rule (1) of Rule 62 of CGST Rules, 2017 and FORM GSTR-4 to extend the due date for filing of return in FORM GSTR-4 for composition taxpayers from 30th April to 30th June following the end of the financial year. This will apply for returns for the financial year 2024-25 onwards. The same would give more time to the taxpayers who opt to pay tax under composition levy to furnish the said return.

vi. **Amendments of Section 16(4) of CGST Act, to be made effective from July 1st, 2017,to relax condition of section 16(4) of the CGST Act in respect of initial years of implementation of GST, i.e. financial years 2017-18, 2018-19, 2019-20 and 2020-21:** Considering the difficulties faced by the taxpayers during the initial years of implementation of GST, based on the recommendations of the GST Council, retrospective amendment has been made in Section 16(4) of CGST Act to relax the time limit to avail input tax credit in respect of any invoice or debit note under Section 16(4) of CGST Act, through any GSTR 3B return filed upto 30.11.2021 for the financial years 2017-18, 2018-19, 2019-20 and 2020-21, may be deemed to be 30.11.2021. This would benefit a large number of taxpayers, especially smaller ones, who could not file returns in a timely manner in the initial years of GST, due to various reasons by which time, the time limit for availment of Input tax credit, under section 16(4) of CGST Act had already expired, which has led to issuance of demands denying them the benefit of input tax credit.

vii. **Amendment of Rule 88B of CGST Rules, 2017 in respect of interest under Section 50 of CGST Act on delayed filing of returns, in cases where the credit is available in Electronic Cash Ledger (ECL) on the due date of filing the said return**:-The Central Government has issued Notification No. 12/ 2024-Central Tax dated 10.07.2024 for amendment in rule 88B (w.e.f. 10.07.2024) of CGST Rules to provide that an amount which is available in the Electronic Cash Ledger on the due date of filing of return in FORM GSTR-3B, and is debited while filing the said return, shall not be included while calculating interest under section 50 of the CGST Act in respect of delayed filing of the said return. This will reduce interest burden on such taxpayers.

viii. **Provision of new optional facility for taxpayers to amend the details in GSTR-1:** The Central Government has provided for a new optional facility by way of FORM GSTR-1A (w.e.f. 10.07.2024) to facilitate the taxpayers to amend the details in FORM GSTR-1 for a tax period and/ or to declare additional details, if any, before filing of return in FORM GSTR-3B for the said tax period. This will facilitate taxpayer to add any particulars of supply of the current tax period missed out in reporting in FORM GSTR-1 of the said tax period or to amend any particulars already declared in FORM GSTR-1 of the current tax period (including those declared in IFF, for the first and second months of a quarter, if any, for quarterly taxpayers), to ensure that correct liability is auto-populated in FORM GSTR-3B.

ix. A consolidated guidelines dated 30.03.2024 was issued to all CGST Zones in respect of Ease of Doing Business(EODB) to be followed during investigations of cases against regular taxpayers.

x. Besides, based on the recommendations of the GST Council, a large number of notifications and circulars have been issued on contentious issues, so as to avoid legal disputes.

xi. **Recommendations of the 53rd GST Council**

Recommendations Relating to GST Rates on Goods

(i) Uniform Integrated GST (IGST) rate of 5% on imports of parts, components, testing equipment, tools, and tool-kits of aircraft, regardless of their HS classification to stimulate Maintenance, Repair, and Overhaul (MRO) activities in the aviation sector, subject to specified conditions.

(ii) All milk cans made of steel, iron, or aluminium will attract a GST rate of 12%, irrespective of their intended use.

(iii) The GST rate on cartons, boxes, and cases made of both corrugated and non-corrugated paper or paperboard (HS codes 4819 10 and 4819 20) has been reduced from 18% to 12%.

(iv) Solar cookers, whether single or dual energy source, will attract a GST rate of 12%.

(v) The existing entry covering poultry keeping machinery attracting 12% GST has been amended to specifically include “parts of poultry keeping machinery,” regularizing past practices due to interpretational issues.

(vi) All types of sprinklers, including fire water sprinklers, will attract a GST rate of 12%, and past practices will be regularized.

(vii) IGST exemption on imports of specified items for defence forces has been extended for an additional five years until 30th June 2029.

(viii) IGST exemption has been extended to imports of research equipment and buoys under the Research Moored Array for African-Asian-Australian Monsoon Analysis and Prediction (RAMA) programme, subject to specified conditions.

(ix) Compensation Cess on imports into Special Economic Zones (SEZ) by SEZ units or developers for authorized operations is exempted retrospectively from 1st July 2017.

(x) Compensation Cess is exempted on the supply of aerated beverages and energy drinks to authorized customers by Unit Run Canteens under the Ministry of Defence.

(xi) An ad-hoc IGST exemption is provided on imports of technical documentation for AK-203 rifle kits imported for the Indian Defence forces.

B. Measures for Facilitation of Trade

i. Section 9(1) of the CGST Act, 2017, is amended to explicitly exclude rectified spirit or ENA from the scope of GST when supplied for manufacturing alcoholic liquor for human consumption.

ii. Services provided by Indian Railways to general public, namely, sale of platform tickets, facility of retiring rooms/waiting rooms, cloak room services and battery-operated car services and Intra-Railway transactions have been exempted [vide Notification No. 04/2024-CTR dated 12.07.2024 w.e.f., 15.07.2024]. The issue for the past period has also been regularized [Circular No. 228/22/2024-GST dated 15.07.2024].

iii. Services provided by Special Purpose Vehicles (SPV) to Indian Railway by way of allowing Indian Railway to use infrastructure built & owned by SPV during the concession period and maintenance services supplied by Indian Railways to SPV have been exempted [vide Notification No. 04/2024-CTR dated 12.07.2024 w.e.f., 15.07.2024]. The issue for the past has also been [Circular No. 228/22/2024-GST dated 15.07.2024];

iv. A separate entry has been created in notification No. 12/2017- CTR 28.06.2017 under heading 9963 to exempt accommodation services having value of supply of accommodation up to Rs. 20,000/- per month per person subject to the condition that the accommodation service is supplied for a minimum continuous period of 90 days [vide Notification No. 04/2024-CTR dated 12.07.2024 w.e.f., 15.07.2024]. Similar benefit has been extended for past cases[Circular No. 228/22/2024-GST dated 15.07.2024];

v. Co-insurance premium apportioned by lead insurer to the co-insurer for the supply of insurance service by lead and co-insurer to the insured in coinsurance agreements, has been declared as no supply under Schedule III of the CGST Act, 2017 and past cases have been regularized on 'as is where is' basis [Circular No. 228/22/2024-GST dated 15.07.2024].

vi. Transaction of ceding commission/re-insurance commission between insurer and re-insurer has been declared as no supply under Schedule III of CGST Act, 2017 and past cases have been regularized on 'as is where is' basis [Circular No. 228/22/2024-GST dated 15.07.2024].

vii. GST liability on reinsurance services of specified insurance schemes covered by Sr. Nos. 35 & 36 of notification No. 12/2017-CT (Rate) dated 28.06.2017 have been regularized on 'as is where is' basis for the period from 01.07.2017 to 24.01.2018 [Circular No. 228/22/2024-GST dated 15.07.2024].

viii. GST liability on reinsurance services of the insurance schemes for which total premium is paid by the Government that are covered under Sr. No. 40 of notification No. 12/2017-CTR dated 28.06.2017 have been regularized on 'as is where is' basis for the period from 01.07.2017 to 26.07.2018[Circular No. 228/22/2024-GST dated 15.07.2024].

ix. Clarification has been issued that retrocession is're-insurance of re-insurance' and therefore, eligible for the exemption under Sl. No. 36A of the notification No. 12/2017-CTR dated 28.06.2017[Circular No. 228/22/2024-GST dated 15.07.2024].

x. Clarification has been issued that statutory collections made by Real Estate Regulatory Authority (RERA) are exempt from GST as they fall within the scope of entry 4 of No.12/2017-CTR dated 28.06.2017 [Circular No. 228/22/2024-GST dated 15.07.2024].

xi. Clarification has been issued that further sharing of the incentive by acquiring bank with other stakeholders, where the sharing of such incentive is clearly defined under Incentive scheme for promotion of RuPay Debit Cards and low value BHIM-UPI transactions and is decided in the proportion and manner by NPCI in consultation with the participating banks is not taxable [Circular No. 228/22/2024-GST dated 15.07.2024].

xii. **Recommendations of the 54th GST Council**

Recommendations Relating to GST Rates on Goods

(i) GST rate on extruded or expanded products, salted or savoury, reduced from 18% to 12%, aligning them with GST rate on namkeens, bhujia, mixture, and similar ready-to-consume items.

(ii) GST rate on cancer drugs such as Trastuzumab Deruxtecan, Osimertinib, and Durvalumab reduced from 12% to 5%.

(iii) Reverse Charge Mechanism introduced on the supply of metal scrap by unregistered persons to registered persons. A Tax Deducted at Source (TDS) of 2% applies to B2B supply of metal scrap by registered persons.

(iv) GST rate on car seats increased from 18% to 28%, bringing parity with motorcycleseats.

C. Other changes in duties

i. Export duty on various varieties of rice has been reduced.

ii. A Group of Ministers (GoM) has been constituted to holistically look into the issues pertaining to GST on the life insurance and health insurance.

iii. It has been recommended to notify GST @ 5% on the transport of passengers by helicopters on seat share basis and also to regularise the GST for past period on 'as is where is' basis.

iv. It has been recommended to clarify by way of a circular that the approved flying training courses conducted by DGCA approved Flying Training Organizations (FTOs) are exempt from the levy of GST.

v. It has been recommended to exempt supply of research and development services by a Government Entity; or a research association, university, college or other institution, notified under clauses (ii) or (iii) of sub-section (1) of section 35 of the Income Tax Act, 1961 using Government or private grants. It has also been recommended to regularize past demands on 'as is where is' basis.

vi. It has been recommended to clarify that location charges or Preferential Location Charges (PLC) paid along with the consideration for the construction services of residential/commercial/ industrial complex before issuance of completion certificate forms part of composite supply where supply of construction services is the main service and PLC is naturally bundled with it and are eligible for same tax treatment as the main supply that is, construction service.

vii. It has been recommended to clarify that affiliation services provided by educational boards like CBSE are taxable. It has also been recommended to exempt affiliation services provided by State/Central educational boards, educational councils and other similarly placed bodies to Government Schools prospectively. The issue for the past period between 01.07.2017 to 17.06.2021 is recommended to be regularized on 'as is where is' basis.

viii. It has been recommended to clarify by way of circular that the affiliation services provided by universities to their constituent colleges are not covered within the ambit of exemptions provided to educational institutions in the notification No. 12/2017-CT(R) dated 28.06.2017 and GST at the rate of 18% is applicable on the affiliation services provided by the universities.

ix. It has been recommended to exempt import of services by an establishment of a foreign airlines company from a related person or any of its establishment outside India, when made without consideration. The council also recommended to regularise the past period on 'as is where is' basis.

x. It has been recommended to bring renting of commercial property by unregistered person to a registered person under Reverse Charge Mechanism (RCM) to prevent revenue leakage.

xi. It has been recommended to clarify that when ancillary/intermediate services are provided by GTA in the course of transportation of goods by road and GTA also issues consignment note, the service will constitute a composite supply and all such ancillary/intermediate services like loading/unloading, packing/unpacking, transshipment, temporary warehousing etc. will be treated as part of the composite supply. If such services are not provided in the course of transportation of goods and invoiced separately, then these services will not be treated as composite supply of transport of goods.

xii. It has been recommended to regularise the GST liability for the past period prior to 01.10.2021 on 'as is where is' basis, where the film distributor or sub-distributor acts on a principal basis to acquire and distribute films.

xiii. It has been recommended to exempt supply of services such as application fees for providing electricity connection, rental charges against electricity meter, testing fees for meters/ transformers/capacitors, labour charges from customers for shifting of meters/service lines, charges for duplicate bills etc. which are incidental, ancillary or integral to the supply of transmission and distribution of electricity by transmission and distribution utilities to their consumers, when provided as a composite supply. It has also been recommended to regularize GST for the past period on 'as is where is' basis.

3.3 GST- INVESTIGATION

i. 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.

A total no. of 20582 and 17804 cases involving amount of Rs. 2,30,332 Cr. and Rs. 153693 Cr. have been booked for GST evasion on various counts during 2023-24 and 2024-25 (up to September, 2024) respectively. Amount realized / recovered during the corresponding period was Rs. 31758 Cr. and Rs. 14392 Cr., respectively. Further, 223 and 70 numbers of persons have also been arrested during this period respectively.

ii. Continuous monitoring of all enforcement related activities to ensure transparency and streamlining enforcement action.

iii. With the change in the outlook of preventive work, which evolves with the changing trade and industry landscape, as well as the transformed legal landscape of indirect taxes a comprehensive document covering various Standard Operating Procedures and instructions has been being codified and a comprehensive manual for GST Intelligence and Investigation work has been published in this regard.

iv. The issue of blocking of websites of overseas Gambling/ Casino service providers, which are not complying with provisions of CGST Act, 2017 was taken up under Information Technology Act and Rules/ instructions issued thereof.

v. Implementation of Article 8 of the Protocol (WHO FCTC) to Eliminate Illicit Trade in Tobacco & Tobacco Products and make tobacco control intervention more effective has been taken up in consultation with DG (Systems and Data Management), CBIC.

vi. For facilitating understanding and streamlining operations of the tax authorities in enforcement action undertaken by different indirect tax authorities, a National Conference of Enforcement chief 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.

vii. To nurture uniformity and optimum resource use, and at the same time keep the balance of ease of doing business in enforcement activities, comprehensive guidelines were issued by GST-Investigation Wing to the field formations under CBIC, to be followed while conducting investigations which were also made applicable to Audit Commissionerates.

3.4 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, Ministry of Commerce & Industry and is being implemented by CX Wing in CBIC. It covers the Himalayan States (J&K, Himachal 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, 2024 400 files of CX & ST Wing have been scanned & weeding out process has been initiated soon under the guidelines of CSMOP, Furthermore electronics scrap & other waste material has been already weeded out during the cleanliness drive.

During the current financial year, the Notifications/Circulars/Instructions issued by the Wings are as follows.

S. No.	Notification No. & Date	Subject
1.	No. 26/2024 Central Excise (Tariff) dated 24.10.2024	Regarding amendment in the Fourth Schedule under the heading "MINERAL PRODUCTS" in chapter 27.

S. No.	Circular No. & Date	Subject
1.	No. 1086/01/2024-CX-1 dated 03.07.2024	Revised Monetary Limits for Adjudication of Show Cause Notices in Central Excise for commodities classified under Chapter 24 of Schedule IV of Central Excise Act, 1944-reg.
S. No.	**Order No. & Date**	**Subject**
1.	02/2024dated 30.09.2024	Appointment of Common Adjudicating Authority in respect of SCNs issued to M/s Techno Electric & Engineering Company Ltd. Reg.

3.5 CUSTOMS

(i) Basic Customs Duty (BCD) on shea nuts reduced from 30% to 15%.

(ii) BCD reduced to nil on critical minerals such as Antimony, Beryllium, Bismuth, Cobalt, Copper, Gallium, Germanium, and others. BCD reduced to 2.5% on minerals like Graphite, Silicon Quartz, and Silicon Dioxide.

(iii) BCD on prawn and shrimp feed and fish feed reduced to 5%. BCD on live Specific Pathogen Free (SPF) Vannamei shrimp and Black Tiger shrimp broodstock reduced to 5%. BCD reduced on various inputs like mineral and vitamin premixes, krill meal, fish lipid oil, and others, subject to IGCR conditions.

(iv) BCD increased on ammonium nitrate from 7.5% to 10%.

(v) BCD on PVC flex films increased to 25%.

(vi) Customs duty exempted on cancer drugs- Trastuzumab Deruxtecan, Osimertinib, and Durvalumab.

(vii) The BCD on cellular mobile phone, PCBA of cellular mobile phone and charger/adapter of cellular mobile phone has been reduced from 20% to 15%.

(viii) The import duty on gold and silver has been reduced from 15% to 6% while on platinum, the duty has been reduced from 15.40% to 6.40%. Similarly the import duty on gold dore and silver dore has been reduced from 14.35% to 5.35%.

(ix) The BCD on Garden umbrella has been revised from '20%' to '20% or Rs.60 per piece, whichever is higher'

(x) The effective export duty structure on Raw hides, skins and leather have been simplified and rationalized

(xi) 188 conditional customs duty exemptions entries including concessional rates operating through Notification were reviewed. 30 exemptions were extended up to 31.3.2029, 126 exemptions were continued up to 31.3.2026 and 28 exemptions were lapsed on their end dates of 30.9.2024. While continuing the exemptions/concessional rates, some entries have been pruned or modified to include more items.

(xii) Export duty on rice has been exempted.

A. Issuance of Instruction No. 06/2024-Customs dt. 23.03.24

- Smooth and fair elections require coordinated and focused attention, including proper sharing of information by various LEA's. To this effect, vide Instructions No. 06/2024-Customs dt. 23.03.24, a detailed Standard Operating Procedure was issued for all formations under CBIC to curb the flow of suspicious cash, illicit liquor, drugs/narcotics, freebies and smuggled goods during elections. It includes instructions regarding reporting of major seizures (more than Rs.1 crore) during election & implementation of ESMS for reporting interceptions/seizures made by various enforcement agencies on real-time basis.

B. Handing over of Antiquities seized by Customs to ASI

- Consequent to repatriation of a 16th century stolen idol of Maa Kotrakshi, in presence of Hon'ble Minister of Education and Skill Development & Entrepreneurship; a project for handing over of antiquities seized pan India by Customs to ASI was undertaken. A handing over ceremony was organized on 29.02.2024 chaired by the Hon'ble Finance Minister and 101 such antiquities were handed over to ASI. A handbook titled *'Puravshesh ke Prahari'* describing the historical importance of these antiquities and role of Customs in preserving our cultural heritage was also released on the occasion.

C. Drawback & Schemes related issues

- DGFT extended the RoDTEP Scheme to include good exported from EOU and SEZ sector. To give effect to this, CBIC issued notification nos. 20/2024-Customs (NT) dated 11.03.2024 and 50/2024 -Customs (N.T.) dated 19.07.2024, respectively.
- Notification No. 33/2024-Customs (N.T.) dated 30.04.2024. was issued for amendment in Notification No. 77/2023-Customs (N.T.) dated 20.10.2023 relating to All Industry Rates (AIRs) of Duty Drawback including defence goods.
- Circular No. 04/2024-Customs dated 07.05.2024 was issued regarding changes made in All Industry Rates (AIRs) of duty Drawback notified vide Notification No77/2023-Customs (N.T.) dated 20.10.2023 and 33/2024-Customs (N.T.) dated 30.04.2024.
- For disbursal of All Industry Rates (AIR) of duty drawback, CBIC has moved from manually issued physical Cheque (to the nodal bank) based process to end-to-end automated PFMS based disbursal of duty drawback amount directly to exporter's bank accounts. With effect from 5th June, 2024, payment of Drawback amounts into the exporters' accounts post scroll out, will be facilitated through the Public Finance Management System (PFMS). The scrolls generated at different locations will be AUTOMATICALLY processed by the Customs automated system (CAS) for onward transmission to the Central Nodal e-DDO and the nominated central nodal e-DDO shall forward the consolidated scroll to the nodal e-PAO. After approval from the nodal e-PAO, duty drawback amounts shall be credited into the exporters' bank accounts linked with PFMS. For this CBIC issued Instruction No.15/2024-Customs dated 29.05.2024. This paperless functionality is expected to expedite credit of AIR of drawback amount to exporters' accounts and increase transparency.
- Notification No. 55/2024-Customs (N.T.) on August 23.08.2024, was issued for revising the All-Industry Rates (AIR) of duty drawback for gold and silver jewellery and articles of silver. This notification amends the earlier Notification No. 77/2023-Customs (N.T.) dated October 20, 2023.
- Drawback Division of CBIC assisted the RoDTEP Committee-2023 for reviewing RoDTEP Rates for various eligible goods, including defence goods, for exports from DTA, AA, EOU & SEZ units. Based on Committee's recommendations, revised RODTEP rates have been notified by DOC effective from 10.10.2024.

D. Extended export related benefits for exports made through courier mode:

Until now, the Express Cargo Clearance System (ECCS) was used for handling courier import and export shipments at the notified International Courier Terminals (ICTs). However, due to limitations in the system's architecture, certain export-related payments, such as Duty Drawback, RoDTEP, and RoSCTL, could not be processed through ECCS. To address this issue, it has been decided to implement the Indian Customs EDI System (ICES) at the International Courier Terminals for processing these payments, effective from 12.09.2024. CBIC vide Notification No. 60/2024-Customs (NT) dated 12.09.2024 amended the Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010 to allow export incentives *viz*. Drawback, RoDTEP (Remission of Duties and Taxes on Exported Products), RoSCTL (Rebate of State and Central Levies and Taxes) to exports through Courier. Circular No. 15/2024-Customs dated 12.09.2024 explaining the said amendments and informing the stakeholders about extending the export benefits to courier exports has also been issued.

E. Integration with Department of Post & IGST Refund for Export through Dak- Niryat Kendra (DNK)

CBIC and the Department of Posts (DoP) have jointly developed a "hub and spoke" system to facilitate export through postal route. The system leverages digital technology and the vast postal network for creating a paperless, contactless and intermediary-free environment for enhancing exports through postal mode. In continuation of the already authorized 1001 booking post offices, CBIC vide Circular No. 01/2024 dated 01.02.2024 has further authorized an additional 14 booking post offices taking the total number of booking post offices covered under the automated system to a total of 1015. Further, the project for automation of IGST refund on postal exports made using the DNK portal has been implemented with effect from 17th September, 2024.

F. Indian Customs Electronic Commerce/ Electronic Data Interchange (ICEGATE) 2.0:

ICEGATE website has been revamped to make it more informative and user- friendly. AI-based interactive Chatbot (Vaani) has been launched for trade at the ICEGATE website to help users with information to access various services of ICEGATE.

ICEGATE 2.0 website is a complete bilingual website which has been designed to provide contemporary user interface for enhanced user experience. New feature “widget” is also being provided to show important information such as Message filing status, details of tickets, refunds, and duty payments etc. in personalised dashboard without going for enquiries. Data available in the widgets is also downloadable. Customized notifications facility is being provided to the registered users to choose the events for which they want to receive notifications. Registered users can file their documents themselves using online Web forms on ICEGATE as well which is advancement from earlier offline webforms.

G. USE of ICETABs for efficient examination and clearance process:

The ICETAB is part of the CBIC’s ongoing initiatives to simplify trade procedures. The ICETAB is a mobile tablet designed to facilitate the quick and real-time upload of examination reports, enabling Customs Officers to enhance efficiency while on the go. The ICETAB has an exclusive Mobile Application to enable examining officers to view RMS Instructions, Examination Order and Bill of Entry (BE) details along with other supporting documents, capture images of cargo examination for integration with the Bill of Entry and submit examination report immediately on completion of the cargo examination. The ICETAB by Customs Officers is aimed at enhancing transparency and efficiency in customs processes for speedy examination of import consignments with capability to attach photographs with geo-referencing and no requirement for any paper documents for the purpose of examination. This will also facilitate quick upload of the examination report on the go in real time basis and making the examination process transparent and faster. The detailed guidelines for the use of ICETAB are outlined in CBIC Circular No. 10/2024-Customs dated 20.08.2024.

H. Exchange Rate Automation Module:

Indian Customs has always been at the forefront when it comes to adopting cutting edge technology for providing better services. In this regard, Board has launched the Exchange Rate Automation Module. This involved API based integration with SBI to receive the Exchange Rates of the currency codes. These rates are automatically updated on the website as well as the application for the purpose of trade without any manual intervention. The modalities have been explained in Circular 07/2024-Customs dated 25.06.2024 and its amendment Circular No. 17/2024-Customs dated 18.09.2024. The exchange rates shall be published on ICEGATE website at 6:00 p.m. twice a month (i.e. 1st & 3rd Thursdays of every month) and shall be accessible for public viewing on ICEGATE website. Thus, the automated system has now replaced the manual process of publication of exchange rates.

I. Encouraging Women participation in International Trade:

The Zones have been instructed by the Board Circular No. 2/2024-Customs, dated March 8, 2024 to promote women’s representation and support within customs and trade activities by:

i. ensuring women’s representation in PTFC and CCFC meetings, preferably through women’s associations;

ii. including at least one agenda point from women perspective;

iii. encouraging Trade bodies/ custodians to establish dedicated help desks and processing mechanisms for women traders and women logistics service providers;

iv. Supporting the upskilling women logistics service providers, freight forwarders and custom brokers by offering relevant trainings for women.

This initiative highlights the importance of gender equality in trade (be it as traders, customs house agents, freight forwarders, or customs brokers) advocating for active efforts from Partner Government Agencies and trade bodies to support the increasing participation of women across various roles in the logistics sector. The detailed guidelines for encouraging Women participation in International Trade are outlined in CBIC Circular No. 2/2024-Customs dated 08.03.2024

J. Mandatory additional qualifiers in import/ export declarations in respect of Synthetic or Reconstructed Diamonds w.e.f. 01.12.2024:

As per the Bill of Entry (Electronic Integrated Declaration and Paperless Processing) Regulations, 2018 and Shipping Bill (Electronic Integrated Declaration and Paperless Processing) Regulations, 2019, it will be mandatory to declare additional qualifiers/identifiers for Lab Grown Diamond at the time of filing of import/export declarations with effect from 01.12.2024. Declaration of additional qualifiers would improve quality of assessment and streamline intervention and enhance facilitation. The detailed instructions in this regard are outlined in CBIC Circular No. 21/2024-Customs dated 30.10.2024.

K. Digitization of Customs Bonded Warehouse procedures relating to obtaining Warehouse License, Bond to Bond Movement of warehoused goods, and uploading of Monthly Returns:

The CBIC has launched a Warehouse Module on ICEGATE for Customs Bonded Warehouses, enabling: (i) online filing of applications for obtaining a Warehouse License; (ii) online submission and processing of requests to transfer warehoused goods to another person and/ or warehouse; and (iii) uploading Monthly returns for Customs Bonded Warehouses. The Directorate General of Systems (DG Systems) has issued comprehensive User Manuals for both trade members and departmental officers. Detailed procedures are outlined in Circular No. 19/2024-Customs, dated 30.09.2024.

L. Performance of ongoing schemes/ programs:

(a) India's overall trade facilitation score in the Global Survey on Digital and Sustainable Trade Facilitation conducted by the UNESCAP, 2023, increased from 78.49% in 2019 to 93.55% in 2023, indicating a marked improvement in the efficiency of cross-border trade procedures. (Source: CBIC Circular No. 10/2024- Customs dated 20.08.2024)

(b) India's Score in UN Trade Facilitation survey on "women in Trade Facilitation" has increased from 0% in 2019 to 66% in 2021 and this has resulted in overall improvement in India ranking in UN Trade Facilitation survey.

M. Provisioning services to SEZ Units at ICEGATE:

EDI Enablement of SEZ Sites was successfully completed. Some key services likeRegistration of SEZ Users, Child User Registration, Amendment in Registration,filing services, Inter and Intra Goods Movement, DTA Procurement, ETP Webformand facilitating DSC Amendment for SEZ users were provisioned for the SEZ users at ICEGATE.A total of 273 SEZ sites were launched in ICES on 01.07.2024.

N. Launch of module for SCMTR (Sea Cargo Manifest and Transhipment Regulations):

The SCMTR also specifies changes to the formats and timelines for filing manifestdeclarations. Some of the features of the SCMTR include:

- Requesting additional details about each cargo, such as the invoice value and HSN
- Advancing the time of reporting to the port of departure
- Ensuring track and trace of reported cargo
- Including features for moving vessels within India
- Capturing details electronically, such as crew lists, instead of manually.

O. Document Download Utility:

A utility developed at ICEGATE to allow users to download various documents like BE, SB, LEO, OOC, Gatepass for OOC, Gatepass for LEO in the e-Copy functionality at ICEGATE.

P. Tracking the details of NOC/Release Order Issuance details from the PGAs

A facility has been enabled on the dashboard of the users to provide the tracking details of the NOC/ Release Order issued by the respective PGA (FSSAI, AQCS and PQMS) on the ICEGATE website against the Bill of entry filed by the user.

Q. API integration with Custodians (Sea and Land):

The existing MFTP based integration was migrated to API based integration with CONCOR and Adani Land and Sea Ports respectively. This has facilitated the exchange of data between ICEGATE application and Custodians to share the data ona real time basis.

R. Launch of Mobile Application for Internal and External Users over Android Platform:

- Services of ICEGATE like Filing, e-Payment, accessing various enquiries over Android based mobile have been launched. This will soon be available on iOS platform.
- Migration of critical functionalities like Integration with eSeal Vendors, eScrip, Customs E- payment Platform, Integration with DGFT, Examination Module,Integration with GSTN, Container Scanning Module from ICEGATE 1.0 to ICEGATE 2.0. The former being based on legacy-based architecture was migrated to a micro services-based architecture.

S. Integration with FSSAI, PQMS, AQCS under Single Sign On services:

A facility has been provided to the registered users to access the respective portal of the agencies like FSSAI, AQCS and PQMS from the ICEGATE website without any login at the respective PGA portal. This will be made live with other PGAs as well in the future.

T. Integration with BIS:

API based integration between BIS and ICEGATE to sharethe license details of the manufacturer for reference to the officer.

U. Integration with DGFT for RCMC details:

API based integration between DGFTand ICEGATE to share the RCMC details of the user from DGFT. These details are shown to the user on the dashboard at ICEGATE.

V. Post EGM Amendment Module

Functionality for allowing the officer to amend the shipping bill after filing of EGM has been developed. Once a shipping bill is amended, the export incentiveswould be processed again and the benefits would be paid to the exporter as per the existing functionalities.

W. International Co-operation & mutual Agreements:

- Agreement between the Government of the Republic of India and the Government of the Republic of Madagascar on Cooperation and Mutual Administrative Assistance in Customs Matters was signed on 27.06.2024 by Mr. Sanjay Kumar Agarwal, Chairman, CBIC and Mr. Lainkana Zafivanona Ernest, Director General of Customs, Ministry of Economy and Finance, Madagascar on the side-lines of WCO Council Meeting in Brussels.

- Agreement between the Government of the Republic of India and the Government of the Republic of Belarus on Cooperation and Mutual Assistance in Customs Matters was signed on 28.06.2024 by Mr. Sanjay Kumar Agarwal, Chairman, CBIC and Mr. Vladimir Orlovasky, Chairman, State Customs Committee, Belarus on the side-lines of WCO Council Meeting in Brussels.

- MoU between the CBIC and General Department of Vietnam Customs on Capacity Building was signed on 31.07.2024 by the Chairman, CBIC and Director General of General Department of Vietnam Customs.

- Cooperative Arrangement between the Central Board of Indirect Taxes and Customs of the Government of the Republic of India and the New Zealand Customs Service in Customs Matter was signed on 06.08.2024 by Shri Sanjay Kumar Agarwal, Chairman, CBIC and Ms. Christine Stevenson, Comptroller, New Zealand Customs Service, New Zealand.

· For providing connectivity to landlocked developing country Bhutan, CBIC in February this year-2024 has issued a Standard Operating Procedure allowing transit of goods between Bhutan and Bangladesh using riverine route through India with the entry/exit points at Jogighopa and Pandu ports in Assam.

- CBIC hosted the 5th Joint Group of Customs Meeting between India & Bhutan from 6th - 7th May, 2024 in Leh, India.

- Circular No. 09/2024-Customs dated 09.07.2024 has been issued amending circular No. 29/2020- Customs dated 22.6.2020 for allowing transshipment of Bangladesh export cargo to third Countries through Air Cargo Complex, Kempegowda International Airport Bengaluru.

- Recently, CBIC lead Capacity Building Program on “Advancing Bhutan-India Trade and Economic, Partnership” at Thimpu, Phuentsholing, Gelephu and Samdrup from 29th July- 01st August, 2024. (Press release attached).

- 4th National Conference on the Functioning of Land Customs Stations (LCSs) was organized on 28th and 29th August, 2024.

- Notification No.71/2024-Cus (N.T) dated 29.10.2024 has been issued for notifying Ultapani LCS route Road from Ultapani via Saralpara via Naharani (SSB Camp) to Sarpang District (Bhutan) by amendment of Principal Notification No. 63/1994-Customs (N.T.) dated 21st November, 1994.

X. Upcoming development

1. Amendment in a shipping bill Post EGM.
2. Hand carriage of Cargo (New automation of manual process).

3.6 COMMISSIONER INVESTIGATION (CUSTOMS), CBIC

The office of Commissioner Investigation (Customs), CBIC deals with 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 major activities and policy decisions taken by this office:

- **PNRI Notification**:- Passenger Name Record Information (First Amendment) Regulations, 2024 were issued vide CBIC Notification No. 68/2024 -Customs (N.T.) dated 22.10.2024 mandating aircraft operators to transfer passenger name record information twice — not later than 24 hours before departure time and at departure time-wheels off.
- **EoDB Instruction**:- This office issued Instruction no. 27/2024-Customs dated 01.11.2024 regarding Guidelines for Customs field formations in maintaining ease of doing business while engaging in investigation into tax evasion cases in import or export. The guidelines *inter-alia* prescribe standard operating procedures, in-built mechanisms for close supervision of all CI investigations and pro-active grievance redressal system for ensuring a balance between customs enforcement activities and trade facilitation.
- **Disposal of Gold**:- This office issued Instruction No. 26/2024-Customs dt 30.10.2024 regarding revised mapping of Customs jurisdictions to Focal Customs Commissionerate's (FCC) and India Government (IG) Mints.
- **Instruction No. 19/2024-Customs**:- Initiative taken to define an SOP with safeguards for handling cases of the provisional attachment of bank accounts under section 110(5) of Customs Act, 1962, which were introduced in statute book in 2019. Instruction No. 19/2024-Customs dated 22.07.2024 issued accordingly.

3.7 LEGAL CELL, CBIC

Important items of work accomplished during the Period 01.04.2024 – till date:

Special Leave Petition

Proposal received	SLP Filed	No SLP	Withdrawn	Transferred
238	128	41	4	0

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

Commissioner Public Accounts Committee (PAC)

Summary of important observations included in Audit Reports

S. No.	Year (2024-25)	No. of paras/PA reports on which ATNs have been submitted to PAC after vetting by Audit	Details of the Paras/PA reprots on which ATNs are pending		
	1st April 2024 to 30th November 2024		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		5	13	6	5
	PAC -Customs Section				
2		24	0	10	4
	Total	**29**	**13**	**16**	**9**

3.8 DIRECTORATE GENERAL OF HUMAN RESOURCES DEVELOPMENT (DGHRD)

DGHRD – Infrastructure Division

1. Infrastructure development forms an integral part of Human Resource Development in CBIC. During the F.Y. 2024-25, out of the total allocation of BE of Rs.895.97 crore under Capital Heads (4059 & 4216) an amount of Rs. 752.31 Cr. has been released till 30.11.2024.

2. Major ongoing infrastructure proposals as on 30.11.2024.

S.No.	Zone/Directorate	Proposal in brief	Total cost (Rs. in Cr.)	Tentative date of completion
1	Mumbai Zone-I Customs	Construction of Office complex and residential quarters at Customs Enclave Plot, Wadala, Mumbai	975.72	April, 2026
2	NACIN	Construction of new NACIN complex at Hindupur, Palasamundram (A.P) ***Inaugurated by the Hon'ble PM on 16.01.2024.**	840.86	Dec, 2024
3	Hyderabad CGST	Construction of Office building (GF+28 Storeyed) & residential quarters at Khajaguda village, Serilingampally Mandal, Hyderabad	644.63	Sept, 2027

S.No.	Zone/Directorate	Proposal in brief	Total cost (Rs. in Cr.)	Tentative date of completion
4	Guwahati CGST	Construction of office building & residential quarters for CGST Shillong, Customs (NER) Shillong, CGST Audit Comm'te and NACIN Shillong	256.63	Oct, 2027
5	Meerut CGST	Construction of office building for CGST Ghaziabad and Audit-II, at Ghaziabad	116.42	Dec, 2024
6	DRI	Construction of DRI (HQ.) Office building at Vasant Kunj Delhi	99.39	Dec, 2024
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	April, 2025
8	Mumbai –II Customs	Construction of additional office building (G+7) at JNCH, Nhava Sheva, Dist. Raigad, Mumbai	80.60	June, 2025
9	Chennai Customs	Construction of 36 residential quarters at Nungambakkam, Chennai	65.42	Dec, 2024
10	DRI	Construction of DRI office building at Kolkata	64.50	Dec, 2024
11	CGST Ahmedabad	Construction of office building for CGST Commissionerate and Customs Division at Bhavnagar **(MoHUA project)**	56.30	July, 2025
12	NACIN Hyderabad	Construction of RTI, NACIN at Attapur, Hyderabad **(NBCC project)**	46.71	Jan, 2025
13	Pune CGST	Construction of office building for CGST Commissionerate Kolhapur, at Tarabai Park, Kolhapur	42.44	Dec, 2024
14	Hyderabad CGST	Construction of office building for Hyderabad Custom Commissionerate at Mamidipally, Hyderabad.	44.62	March, 2025
15	Jaipur CGST	Construction of new office building for Udaipur CGST Comm'te **Inaugurated on 23.08.2024**	42.02	Dec, 2024
16	DRI Ahmedabad	Construction of office premises for Directorate of Revenue Intelligence, Zonal Unit, Ahmedabad	39.86	Oct, 2026
17	Visakhapatnam CGST	Construction of office building at Tirupati	36.11	May, 2025
18	Panchkula CGST	Construction of office building in Sector-3, Rohtak for Central Excise Commissionerate, Rohtak. **(MoHUA project) Inaugurated by Chairman, CBIC on 05.06.2024.**	34.47	Dec, 2024
19	Mumbai CGST	Construction of 3 Div. offices and 14 ranges offices on plot bearing Nos P-34 at MIDC, Boisar **Inaugurated on 01.07.2024**	33.25	Dec, 2024
20	Guwahati CGST	Const. of office building and boundary wall at Lamphel at Imphal	30.08	August, 2027

R&M Data for Annual Report

1. During the period from 01.04.2024 to 30.11.2024, total 165 proposals amounting to Rs.124.57 Cr. have been sanctioned/ revalidated towards various repair & maintenance of the departmental office buildings and residential complexes.

2. Out of 165 proposals, 71 are new sanctioned proposals amounting to Rs.45.62 Cr. and 94 are revalidation proposals amounting to Rs. 78.95 Cr.

3. Some major fresh sanctioned projects in this period are as follows:

   - Rs.4,88,35,000/- has been sanctioned for installation/ provision of lifts in the residential quarters (Type-I to Type IV) for GST Bhavan residential colony /Complex, GST Bhavan, Pune.
   - Rs.2,92,06,064/- under MH-2042 for regular maintenance charges for DG (Systems) Office at NBCC Plaza Building for the F.Y. 2023-24.
   - Rs.2,43,02,681/- for Aesthetic improvement of exterior area & repair and upgradation (civil & electrical) of 19 Nos. Customs quarters (type-v Bungalows) at IT Colony, CBD Belapur, Navi Mumbai.

Report of Land Section from 01.04.2024 to 30.11.2024

1. Acquisition of land measuring 48564 Sq. mtr. located at Mundra for construction of office building and residential accommodation for Ahmedabad Customs Zone / Mundra Commissionerate, Mundra valued at 'Rs. 12.95 crore (Rupees Twelve Crores Ninety-Five Lakh Only) has been approved during the FY 2024-25. Sanction order issued on 26.11.2024.

2. Acquisition of land measuring 4047 Sq. mtr. located at Mangaluru for office building of Mangaluru Central Excise & Central Tax Commissionerate DGGI Mangalore Regional Unit and Audit Circle, Mangalore valued at Rs. 20.81 crores (Rupees Twenty Crores Eight One Lakh) during the FY 2024-25. In Principle approval has been accorded by the IFU / DoE. Administrative approval & expenditure sanction has been accorded by the Secretary Revenue on 04.12.2024.

3. Acquisition of land measuring 2259.38 Sq. mtr. located at Visakhapatnam for office building of DGGI valued at Rs. 31.05 Crores (Rupees Thirty-One Crores Five Lakh) during the FY 2024-25. In Principle approval has been accorded by the IFU / DoE. Administrative approval & expenditure sanction has been accorded by the Secretary Revenue on 04.12.2024.

4. Acquisition of land measuring 5462 Sq. mtr. located at Jabalpur for CGST headquarters Jabalpur, CGST Division-I Jabalpur, CGST Division-II Jabalpur, Range Office 7 Range Audit circle Jabalpur & Customs circle Valued at Rs. 25.88 Crores (Rupees Twenty-Five Crores Eighty-Eight Lakh) during the FY 2024-25. In Principle approval has been accorded by the IFU / DoE. Administrative approval & expenditure sanction has been accorded by the Secretary Revenue on 04.12.2024.

5. Financial and administrative approval for acquisition of 2000 Sq. mtr. Of vacant surplus salt land, located at Bhandup Mumbai, has been accorded by the IFU / DoE & Secretary Revenue on 25.11.2024. Sanction order is pending for issuance.

CUSTOMS & CENTRAL EXCISE WELFARE FUND

I. 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:

♦ **<u>Medical Assistance:</u>**

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, 161 departmental officials have been granted a total amount of Rs. 1,43,00,293/-, as on 28.11.2024.

♦ **<u>Ex-gratia assistance to the families of deceased officers:</u>**

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. 82 bereaved families of departmental officials have been granted Rs. 3,85,00,000/- under the Scheme, as on 28.11.2024.

- **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. 4 proposals for setting up of Canteen facilities have been approved granting a total financial assistance of Rs. 29,14,350/- as on 28.11.2024.

- **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. 6 proposal has been approved granting a total financial assistance of Rs. 1,33,06,393/- as on 28.11.2024.

- **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.

- **Setting up/ refurbishing of creche facilities:**

  Assistance is granted from the Welfare Fund for setting up/ refurbishing of creche facilities by formations under CBIC. 1 proposal has been approved granting a total financial assistance of Rs. 3,37,461/- as on 28.11.2024.

- **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.

- **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. 11,93,854/- as on 28.11.2024 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.

3.9 DIRECTORATE GENERAL OF PERFORMANCE MANAGEMENT (DGPM)

1. DGPM comprises of headquarter and its regional units viz. ERU, WRU, SRU, CRU, NRU. The DGPM was tasked with inspection of field Commissionerates viz. Commissionerates of Customs, Central Excise & Service Tax (Now GST & Customs) & 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 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. 2024-25 out of which 26 inspections have been completed as on 30.11.2024 and remaining 17 inspections shall be completed by the end of December, 2024.

2. 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 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.

3. Since Feb 2018, DGPM has been appointed Cadre Control Authority of group B and C of all directorates and CCA of Hindi Translator (JTO/STO) etc.

4. 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 01/04/2024 to 30/11/2024: -

i) Official Language Inspections conducted by Hon'ble Committee of Parliament on Official Language during the above period - Full assistance was imparted to the offices concerned in preparation of questionnaire.

ii) During the above said period, 49 Official Language inspections of different field formations in respect to implementation of Official Language policy of the Government of India during the year were conducted.

iii) During the period 14.09.2024 to 27.09.2024, Official Language fortnight was celebrated in the Directorate General of Performance Management during the celebration various competition were organized.

iv) Periodic reports received from Commissionerates and Directorates were consolidated and forwarded to Official Language section of Revenue Department.

v) 03 Quarterly Progress Reports of DGPM were prepared and forwarded to Ministry.

vi) Orders & instructions received from Official Language section of Revenue Department were circulated amongst the field formations.

vii) Further, in the year 2024-25 the following major work for Implementations/promotion of the Official Language is purposed to be undertaken:

viii) During the above said period, Official Language inspections of 56 field formations in respect to implementation of Official Language policy of the Government of India during the year will be conducted.

ix) Participation in forthcoming meetings of Hon'ble Committee of Parliament on Official Language.

Apart from these, all types of works related to Nodal Office of CBIC for Official Language will be performed.

5. DGPM seeks the quarterly reports on "SAADHIT" from all Commissionerates/Directorates and furnish a consolidated quarterly report to Board office. In addition, development of Aakalan dashboard and compilation of monthly Aakalan Report is done by DGPM.

3.10 DIRECTORATE GENERAL OF TAXPAYER SERVICES (DGTS)

PUBLICITY

Paras below highlights the performance under 'Advertisement and Publicity' implemented by DGTS during Calendar Year 2024 (till 30th November 2024)

Publicity Activities during F.Y. 2024-25

1) The GST regime completed 07 successful years on 01.07.2024. To publicize this occasion and make public aware about the latest achievements under the GST regime, this Directorate produced 02 teasers and 01 short-video on the occasion of completion of 7 years of GST along with mnemonic and social media creatives were circulated to the field formations and placed on social media platforms of CBIC.

2) 03 tutorial videos in 10 regional languages were prepared, highlighting the trade and industry's view point from various sectors/ walks of life throughout the country on GST & Customs. The topic covered were e-Invoice, Biometric authentication for GST Registration & IGCRs Rules.

3) 10 videos in Hindi & English, highlighting the impact of GST on the common man were prepared.

4) 04 videos in Hindi & dubbing in English and 10 regional languages were prepared to raise awareness about fraud in the name of Indian Customs.

5) 05 Outdoor Hoardings to raise awareness about fraud in the name of Indian Custom were prepared and shared with field formations across the nation.

6) 01 video on launch of ICETAB 2.0 was prepared and released in an event in the presence of Hon'ble Finance Minister.

7) 01 video on Land Customs Station was prepared and released during 4th National Conference on functioning of Land Customs Stations (LCSs), New Delhi.

8) 01 video on the functioning of DGGI was prepared.

9) 01 video on 'K-9 Training Centre' was prepared and released during IITF, 2024 in the presence of Chairman, CBIC.

10) 01 profile video on CBIC was prepared and released during IITF, 2024 in the presence of Chairman, CBIC.

11) 01 Print advertisement to raise awareness about fraud in the name of Indian Customs was released in the newspapers across the country.

12) Print Advertisement on Customs Broker Examination was issued.

13) Participation in the 43rd India International Trade Fair organized by ITPO from 14.11.2024 to 27.11.2024. The GST & Customs Pavilion GST & Customs has been awarded the Bronze Medal for Excellence in Display for Public **Communication and Outreach** at IITF 2024.

14) 53 Brochures (in English & Hindi) were updated and placed on the CBIC website. These brochures also got printed and distributed to general public/ stakeholders during IITF 2024 held from 14-27th November, 2024.

15) 03 New Brochures (in English) namely ICETAB, Central Excise and Internship in DLA have been prepared and uploaded on the CBIC website.

16) Booklet/e-catalogue 'Bridging Borders & Connecting Nations: India's Land Customs Stations' was designed for 4th National Conference on functioning of Land Customs Stations (LCSs), New Delhi.

Publicity through Social Media during F.Y. 2024-25

Considering the importance of social media as a powerful means of instant communication with citizens, the Department has effectively used this platform namely Facebook page (CBICINDIA), Instagram (@cbicindia), WhatsApp Channel (@CBIC India), 'X' (formerly twitter) handle (@CBIC_India), YouTube channel (CBIC India) and Koo (@cbic).

345 Creatives (Approx.) were released through CBIC's social media sites on Twitter, Facebook, WhatsApp and Instagram covering various topics mainly related to the following: -

1. Clarification on GST;
2. Due date of payment of Duty;
3. GST Returns;
4. Changes in law and procedure;
5. Recommendations of GST Council Meetings;
6. Highlight of Budget of 2024;
7. Campaign on scam Indian Customs;
8. Nasha Mukti Pakhwara;
9. PIB Publicity Campaign on GST@7;
10. PIB Publicity campaign in November, 2024;
11. Special programs of the Finance Minister, MoS, Chairman and Member covered through Social Media;
12. Special Drive for cleanliness in office premises undertaken by CBIC under Swachhta 4.0; etc.
13. Various creatives on a daily basis for pre & post- event publicity of GST & Customs Pavilion during IITF, 2024 held from 14th-27th November, 2024.

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 30 webinars/Seminars in a span of last 8 months**.

RTI AND PUBLIC GRIEVANCES

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 this Directorate were processed/forwarded to the appropriate formations for further action. **Total No. of RTI received-120 and Total No. of RTI disposed-120. Total No of Public Grievance(s) Received -7641 and Total Public Grievance(s) disposed- 7640. Total Appeals Received -1479 and Total Appeals disposed-1454.**

TAXPAYER SERVICE CENTRES

One of the mandates of DGTS has been to set up Taxpayer Service Centres 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.

PUBLIC GRIEVANCE OFFICERS

Public Grievance Officers have been designated in all the Commissionerate's across the country and details are available on CBIC website. The Citizens' Charter provides for appeal to superior officer in the event of unsatisfactory response from Public Grievance Officer. Accordingly, contact details of the superior officer have also been posted on the website for the benefit of taxpayers.

PUBLICATIONS

Till 30.11.2024

The Directorate brought out following publications at the behest of CBIC and other formations:

1) Proud Participation in International supply chain

2) CC Conference booklet (Full Version)

3) CC Conference booklet (Abridged Version)

4) Quarterly Bulletin report of DGGI (Jan-Mar, 2024)

5) Swacchta Uday Booklet

6) GST day manual

7) Civil List-2024a

8) Bridging Borders and connecting nations

9) Quarterly Bulletin report of DGGI (Apr- Jun, 2024)

10) Customs Automation Initiatives

11) Annual Report of DGGI for the FY 2023-24

12) IITF-2024 Publications

Projection till 31.03.2025

Sampark 2025; Calendar 2025; Duty Drawback Schedule; Customs Day Publications etc.

3.11 <u>NACIN, Palasamudram.</u>

3.11.1. Major Achievements

3.11.1(a) The National Academy of Customs, Indirect Taxes & Narcotics (NACIN) Palasamudram has been certified with a "Five Star" rating under the Green Rating for Integrated Habitat Assessment (GRIHA) for its Large Development Masterplan. This prestigious certification highlights NACIN's commitment to sustainable and energyefficient building practices. The campus is designed to incorporate renewable energy sources such as solar, wind, and biogas, and aims to achieve energy efficiency through scientific sustainable building principles. This makes NACIN Palasamudram not only a premier training institution but also a model for environmentally responsible development

3.11.1(b) The training institute National Academy of Customs, Indirect Taxes & Narcotics is accredited as $MC7M under the Capacity Building Commission's National Standards as assessed by National Accreditation Board of Education and Training (NABET).

3.11.2. Trainings

3.11.2(a): Important Trainings

a. The WCO Sub-regional Workshop on Training Management took place at NACIN Palasamudram in India from 6-10 May 2024, under the sponsorship of the Customs Cooperation Fund Japan (CCF/Japan). This Workshop marked the second workshop of a two-year Project, initiated by the ROCB A/P in 2023. Participants from 8 Customs Administrations participated in person, while an Administration joined online. The comprehensive five-day Workshop focused on enhancing the training management capability of A/P Members through interactive sessions, tools, and experience sharing. It provided a platform for these Members to share their experiences, good practices, and common challenges encountered in their Administration.

b. HR Conference was organized at NACIN, Palasamudram on 17.5.2024. Chairman Sh. Sanjay K. Agarwal, Members, and all Pr/ CCs /DGs and other senior officers of CBIC, gathered to deliberated upon HR issues, like Cadre Management, Training, Infrastructure, Welfare and Vigilance

c. NACIN Palasamudram hosted a three-day conference on Enforcement and Capacity Building in IPR from September 18th to 20th, 2024. The conference was inaugurated by Shri Surjit Bhujabal, Member (Customs). Mr. Pranab Kumar Das, Director, WCO Compliance and Facilitation Directorate, highlighted the importance of IP enforcement from a global perspective and WCO's efforts in curbing this menace and India's growing role in the subject

d. The 22nd WCO Asia/Pacific Regional Office for Capacity Building (ROCB) and Regional Training Centres (RTC) Heads' Meeting has officially kicked off at NACIN, Palasamudram, India. Centred on the theme "Engaging New Partners for Effective Training," the three-day event was inaugurated on 24th September 2024, by Member (Admin), CBIC, India. The meeting brought together 34 participants from 11 countries across the Asia/Pacific region to discuss and collaborate on advancing training initiatives in customs and capacity building.

e. The state of the art Cyber Forensic Lab has been set up at NACIN, Palasamudram in collaboration with

IIT, Madras and 6 trainings have been conducted for the officers of DRI, DGGI, NCTC, Preventive formations and the Officer Trainees.

f. The Probationary Asst Commissioners of GST of Andhra Pradesh have been trained in various aspects of GST Law and Rules.

g. Workshops on adjudication have been conducted for all the Group A officers at various locations in the country in coordination with ZTIs and the field officers to improve the adjudication skills.

h. The GST Audit officers have been trained on various area specific aspects GST Audit for uniformity and effective auditing of the GST compliances.

i. Chairman, CBIC has launched a nationwide “Behavioural Sensitisation Programme” on 23.10.2024 for field officers who operate at the frontline and interact with citizens. To implement this programme, NACIN has trained 330 Master Trainers in an intensive fiveday training session in 12 batches. These Master Trainers are conducting the training to 35,000 field officers, including Group A, B and C in coordination and support with the Zonal Training Institutes of NACIN. 17,000 officers have already been trained and this training is scheduled to be completed by 23.1.2025.

j. The state of the art Immersive Training Facility and the Aircraft in the NACIN, Palasamudram campus are being used in imparting immersive training to all the trainees who undergo training in the campus.

3.11.2(b): Training information

During the period April 2024 to October 2024, it is reported that 1091 trainings have been conducted, wherein 73,520 numbers of officers have attended at NACIN Palasamudram and all its Zonal/Regional campuses.

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. Customs and Central Excise Settlement Commission (CCESC)

j. Financial Intelligence Unit, India (FIU-IND)

k. Adjudicating Authority under Prevention of Money Laundering Act

l. 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)
- ✓ Chairman, Vice Chairman and Members of CCESC
- ✓ 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), 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. Further, with consistent efforts, ED has secured conviction and confiscation in 07 cases where trial has been concluded.

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 following categories of cases under FEMA are investigated by this Directorate as under:

a) Under-invoicing of exports and over-invoicing of imports and other forms of invoice manipulation;

b) Non repatriation of the proceeds of exported goods;

c) Siphoning off of foreign exchange against fictitious and bogus imports;

d) Illegal acquisition of foreign exchange through Hawala;

e) Restriction in acquisition and transfer of agricultural land or farm house or plantation property by persons resident outside India and restriction on acquisition of immovable property by nationals of certain countries;

f) Remittances of Non-resident Indians other than through normal banking channels i.e. through compensatory payments;

g) Violation of norms related to GDRs, E-commerce, Foreign Direct Investment etc.;

h) Secreting of commission abroad;

i) Acquisition of foreign currency illegally by Indian nationals;

j) Unauthorized maintenance of accounts in foreign countries including accounts revealed through Panama, Paradise, Pandora papers etc &

k) Illegal holding of foreign exchange, foreign security or immovable property outside India.

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:

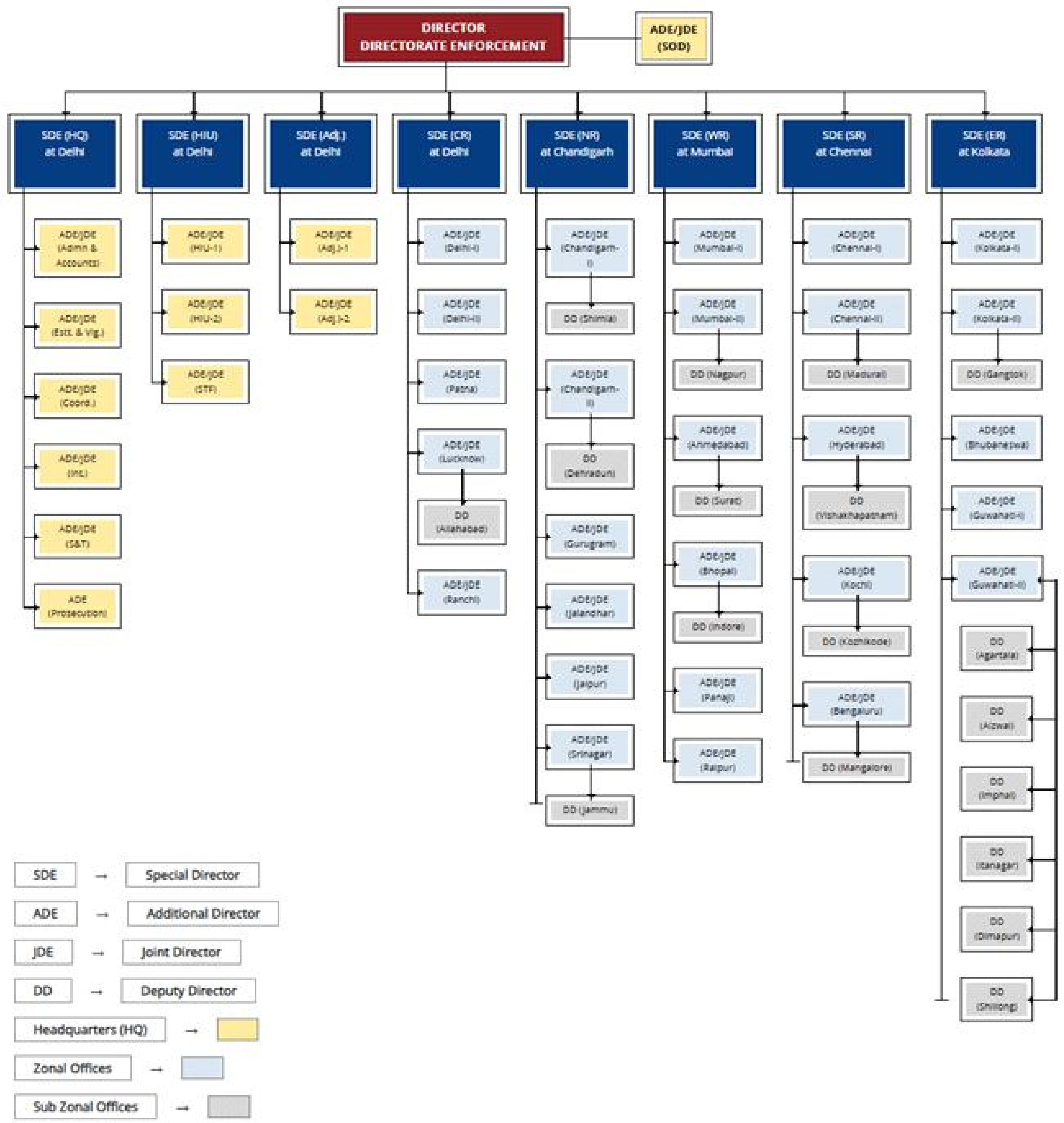
Sr. No.	Section	Work Assigned
01.	Establishment Section	• This Section deals with recruitment, transfer, posting etc. • All Human Resource related work including maintaining incumbency position of officers/staff; filling up vacant posts by issuing vacancy circulars/making correspondence with UPSC, SSC 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
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/STF). • 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-1 and ML-2 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.

Sr. No.	Section	Work Assigned
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.
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 monitors the pendency of adjudication under FEMA, 1999 at the level of various Adjudicating Authorities. • This section also monitors 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 also 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.	Systems and Training Section	• The System Section, HQ handles 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, computerization/ digitization project for the Directorate, etc. • The Training Section, HQ 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. 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:



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.

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.

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.

Eastern Region: The Region is having its Office at Kolkata. It comprises of 05 Zones, namely, Kolkata-I, Kolkata-II, Bhubaneshwar, 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 sisters of North-East (07 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 continue 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 (UNCTOC). 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 Letter of Request from US authorities, perusal of which revealed that an Indian national, Mr. A was operating a sophisticated drug trafficking operation via dark web marketplaces. The operation spanned from mid-2012 to July 2017. He created vendor marketing sites on dark web marketplaces, such as Silk Road, Alpha Bay, Hansa, and others, to sell controlled substances, including fentanyl, LSD, ecstasy, Xanax, Ketamine, and Tramadol. Customers ordered controlled substances from Mr. A using the vendor sites and payment was made in cryptocurrency. He then personally shipped or arranged the shipment of controlled substances from Europe to the United States through U.S. mail or other shipping services.

Investigation by the Drug Enforcement Administration (DEA), IRS Criminal Investigation (IRS:CI), Homeland Security Investigations (HSI), and U.S. Postal Inspection Service (USPIS) revealed that Mr. A laundered around $150 millions of drug proceeds into cryptocurrency accounts. He was arrested in London in April 2019 and extradited to the U.S. in 2023. He pleaded guilty to conspiracy to distribute controlled substances and conspiracy to commit money laundering. He faced an agreed-upon sentence of eight years in prison, pending a sentencing date.

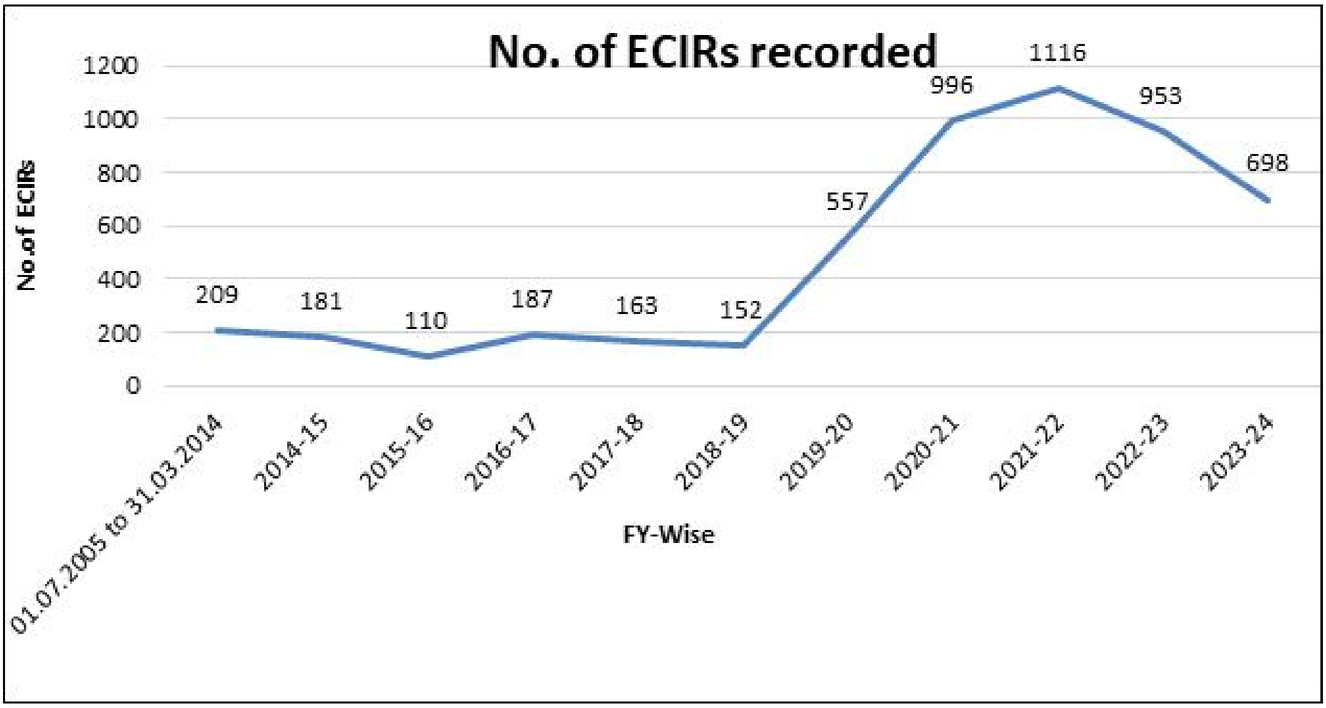
Investigation further revealed brother of Mr. A, Mr. B was also involved in the operation of the International Drug Trafficking group and he has received laundered drug trafficking proceeds in form of crypto currency. US authorities also believed that digital evidence of the crime, along with devices and/ or passwords that control access to drug trafficking proceeds in the form of crypto currency, are present at the residence of Mr. B in India. Therefore, US authorities requested for search and seizure operations to be conducted at the address of Mr. B as well as to conduct interview of Mr. B. They also requested if investigating officers from USA could be part of the same.

To this investigation under provisions of PMLA has been initiated by ED. Investigations revealed that Mr. A, Mr. B and their father Mr. C have received total foreign inward remittance of Rs. 5,54,41,420/- through PayPal. During investigation by ED, search was conducted at the residence of Mr. B wherein 268.22 Bitcoins were seized and taken into possession. Mr. B was arrested by ED for committing the offence of money-laundering. Investigation to trace further proceeds of crime is under progress.

4.2.8 Performance of Directorate of Enforcement in the area of PMLA

4.2.8.1 During the period from 01.04.2024 to 31.12.2024, the Directorate has taken up investigation under the provisions of PMLA in 406 cases. As on 31.12.2024, 7402 total number of ECIR has been recorded. The Year-wise break-up of the same is as under:

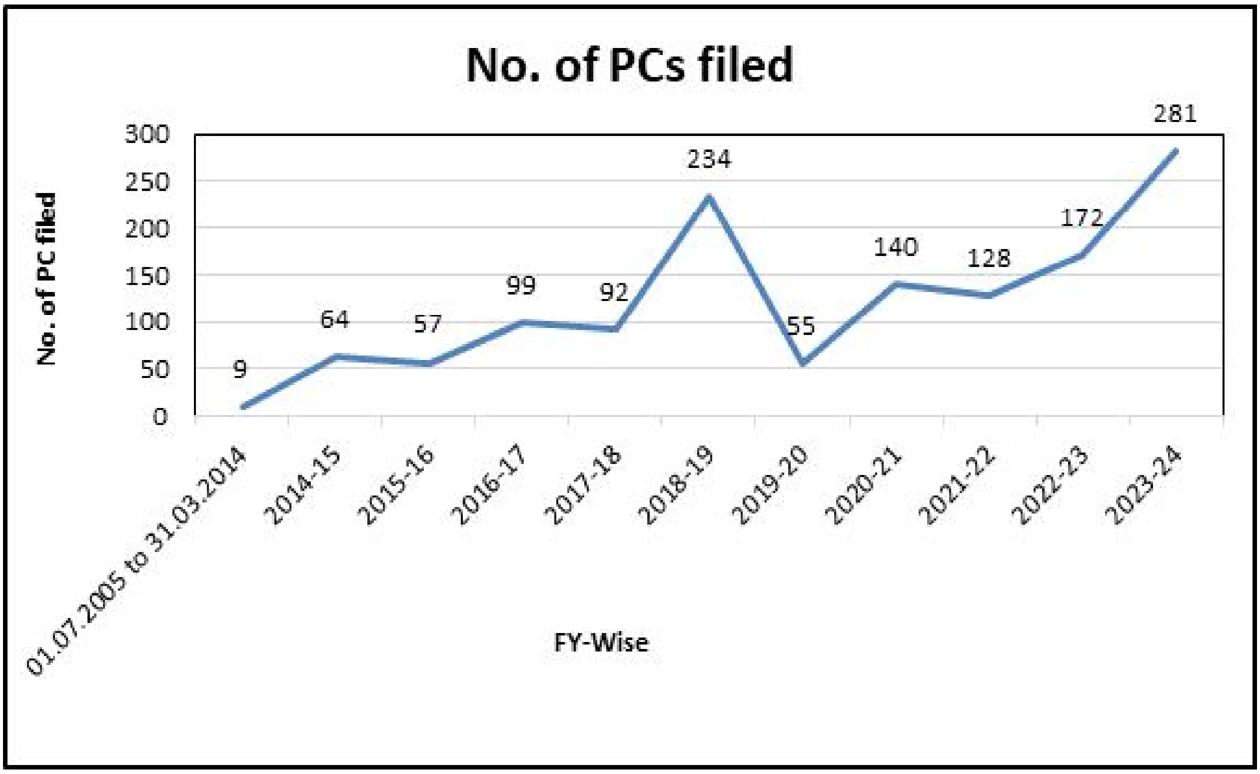
Year	No. of ECIRs recorded
01.07.2005 to 31.03.2014	1883 (209 avg. per year)
2014-15	181
2015-16	110
2016-17	187
2017-18	163
2018-19	152
2019-20	557
2020-21	996
2021-22	1116
2022-23	953
2023-24	698
2024-25 (Up to 31.12.2024)	407
Total	**7403**



4.2.8.2 During the period from 01.04.2024 to 31.12.2024, the Directorate has attached proceeds of crime with the aggregate value of Rs. 21370.02 crore (approx.) by issuance of 227 Provisional Attachment Orders taking total attachment of the Proceeds of Crime to Rs. 1,45,927.59 crore by issuance of 2555 Provisional Attachment Orders as on 31.12.2024. The Adjudicating Authority has confirmed attachment of properties worth Rs. 9483.86 crore during the period from 01.04.2024 to 31.12.2024. Thus, total amount of confirmed attached properties is Rs. 96024.39 crore as on 31.12.2024.

4.2.8.3 During the period from 01.04.2024 to 31.12.2024, 158 Prosecution Complaints have been filed under the provisions of the PMLA. Total numbers of Prosecution Complaints filed under PMLA is 1564 as on 31.12.2024. 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 (Up to 31.12.2024)	181
Total	**1587**



4.2.8.4 During the period from 01.04.2024 to 31.12.2024, the Special Court, PMLA has ordered for confiscation of properties amounting to Rs. 18.286 crore (approx.) and imposed a cumulative fine of Rs. 63.15 lakh (approx.) on the accused. Further, properties amounting to Rs. 11.6 lakhs have been confiscated under Section 8(7) of PMLA. As on date, the total confiscation amount under PMLA is Rs. 15,729.45 crore (approx.).

4.2.8.5 During the period from 01.04.2024 to 31.12.2024, the Directorate has secured 07 conviction orders in which 34 accused have been convicted by the Special Court PMLA. Further, it is informed that till 31.12.2024 the Directorate has secured 44 conviction orders wherein 100 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 It may be noted that Barter Trade was allowed between India and Pak Occupied Kashmir, across the Line of Control. This mode of trade was being misused by the Pakistan based elements for illegal inflow of narcotics, weapons and Fake Indian Currency Notes. Huge seizures of narcotics have been affected from concealments in the trucks being used in the name of trade across LOC. Besides, invoice manipulation was being used for generating cash for terror funding. Therefore, the Barter Trade has been suspended by the Government of India, pending strict regulatory mechanism in April, 2019.

4.2.9.6 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.

4.2.9.7 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 Rs. 1274.89 Crore (approx.). Out of the identified PoC, assets amounting to Rs. 1115.22 crore (approx.) have been attached by this Directorate. The attached properties include both movable and immovable properties of Rs. 912.22 crore (approx.) in India and Rs. 203 crore (approx.) in abroad. In one of the case, the accused has been declared as Fugitive Economic Offender and the properties worth Rs. 97.99 Crore have been confiscated under the provisions of Fugitive Economic Offenders Act, 2018 (FEOA). A total of 53 prosecution complaints (Charge-sheets) including 17 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, 13 accused have been declared Proclaimed Offender and 03 accused have been declared Fugitive Economic Offender by the Special Courts. Case study on one such important case taken for investigation by the ED is provided in the box below.

Case Study

A case relating to narco-terrorism module of banned terrorist outfit, Hijbul Mujahideen (HM), has been recorded for investigation under the provisions of the Prevention of Money-Laundering Act, 2002 on the basis of FIR registered Jammu and Kashmir Police that a network of Narco- Terror financing comprising other accused persons, was involved in cross border drugs smuggling and terror funding out of the money generated from the sale of the drugs.

Investigation under the PMLA has revealed a network of collusion of drug smuggling and terrorism. The funds, derived out of cross border drug smuggling and selling, in the form of Proceeds of Crime, were laundered via camouflaging the same under the business of sale purchase of second-hand cars. In the next stage, the same were routed into the hands of active terrorists for the sole purpose of subversive activities. The involvements of various entities and persons, like Punjab based drug peddlers, Kashmir based religious teachers, and businessmen, were found in the logistical chain to transport and selling the cross border smuggled drugs to areas around Jammu and Kashmir, like Punjab etc. under the guise of apple trade.

The sale proceeds of the drugs were brought back and channelized into bank accounts as projected proceeds of business sale -purchase of second-hand cars, while also providing money for funding the subversive activities of HM The investigation had also unearthed the role of erstwhile active terrorists, now leading civil life, into facilitating movement of cash into the hands of active terrorists. The transaction profiling of the bank accounts spread across various banks in the case revealed huge cash deposits obtained via drugs sales, routed through multiple suspected interconnected transactions, disguising the actual source and nature of funds, into the hands of the active terrorists.

Unlike traditional methods, this network employed a novel approach to laundering drug proceeds. Instead of relying on traditional hawala channels or cross border trade, the accused utilized a seemingly legitimate business – the sale and purchase of second-hand cars – to disguise the illicit origin of the funds. The accused masterfully exploited a legitimate business – the car trade – to launder drug proceeds having less reporting to escape the eyes of the law enforcement agencies

In this case, about Rs. 1.57 crore lying in bank account of accused persons, and about Rs. 94 lakhs, infused into terrorist activities were identified as Proceeds of Crime. Further, 03 persons have been arrested in this case and prosecution complaint has been filed on 14.09.2024 wherein the court took cognizance of the offence of money laundering on 14.09.2024 and proceeded against accused persons.

4.2.9.8 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 Halam Daogah (Jewel Garolsa Faction).

4.2.9.9 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. As on 31.12.2024, PoC amounting to Rs. 18 crore (approx.) has been identified in Naxal/LWE related cases out of which, PoC amounting to Rs. 10.67 crore stands attached in 16 different PAOs. Further, 13 Prosecution Complaints have been filed in Naxal/LWE related cases.

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

A cyber investment scam cum digital arrest scam case has been recorded for investigation under the provisions of the Prevention of Money-Laundering Act, 2002 on the basis of various FIRs registered by multiple Law Enforcement Agencies across India alleging that some unknown cyber fraudsters enticed innocent individuals into their trap by luring them with schemes involving fake IPO allotments and stock market investments through fraudulent apps, promising high returns. Further, some victims were manipulated under the guise of a fake arrest by Customs and the CBI, ultimately making them transfer huge funds to various shell companies under fake "fund regularization process".

*Investigation under the PMLA has revealed huge network of cyber scams in India, involving fake stock market investments and digital arrest schemes executed primarily through social media platforms like Facebook, Instagram, WhatsApp, and Telegram. Known as "**pig-butchering**" scams, stock market investment scams entice victims with promises of high returns, using fake websites and misleading WhatsApp groups that appear connected to reputable financial firms. Scammers establish credibility through fake ads and fabricated success stories, ultimately leading victims to invest significant amounts. The digital arrest scams involve fraudsters posing as law enforcement officials, intimidating victims into transferring their savings by fabricating scenarios that suggest illegal involvement of the victim.*

In the instant case, to facilitate the acquisition and laundering of proceeds from cybercrimes, the scammers have created 24 shell companies in states such as Tamil Nadu, Karnataka, etc. These shell companies, registered mainly at the addresses of coworking spaces (where no actual business presence exists), have used fake bank statements in filings before Registrar of Companies as proof of commencement of business of these companies. In addition to these shell companies, scammers have operated through mule accounts to transfer and conceal Proceeds of Crime (PoC) generated from Cybercrimes. The proceeds are ultimately converted into cryptocurrency and transferred abroad.

Investigation have revealed that certain individuals residing outside India (mainly in Laos, Hong Kong and Thailand) orchestrated a sophisticated cyber fraud and money laundering operation, with the active assistance of their associates located in India to target numerous victims. These overseas scammers have coordinated with individuals in India to create digital signatures, establish shell companies, and serve as dummy Directors to open bank accounts, using fake documents sent via WhatsApp. In this case, searches have been conducted on 19 premises which led to seizure of various incriminating documents, electronic devices and freezing of Rs. 2.81 crore lying in bank account. Further, 08 persons have been arrested in this case and prosecution complaints have been filed on 10.10.2024.

(ii) Human Trafficking: Human trafficking is one of the most significant human right issue in India. Human trafficking victims are mostly bonded labours working more than 12 hours a day in brick kilns, stone quarries, factories or girls put in forced sex rackets or humans trafficked to foreign countries in lure of greener pastures. Case study on two such important cases taken for investigation by the ED is provided in the box below.

Case Study 1

A case of human trafficking was initiated on the basis of FIR dated June 4, 2024, registered by Ranchi Police under Sections 420, 467, 468, 471, and 34 of the IPC, Section 12 of the Passports Act, and Section 14-A of the Foreigners Act. As per the FIR, a 21-year-old Bangladeshi national was illegally brought to Kolkata on May 31, 2024, by one Ms. X and one Ms. Y under the guise of providing work. She was later taken to Ranchi, housed at Bali Resort, and subsequently moved to an apartment with other Bangladeshi girls, reportedly for prostitution. On June 3, 2024, the complainant managed to escape and reported the matter to the police. On June 4, 2024, at 3:30 PM, police raided Bali Resort and found three girls, out of which, two girls were Bangladeshi nationals. The rooms were booked by Ms. X, and searches unearthed use of fake Aadhaar cards by them. During course of investigation under PMLA, 2002, searches have been conducted at 17 premises in West Bengal, Jharkhand and Bihar on 12.11.2024. The searches led to the recovery and seizure of several fake Aadhaar cards, arms, jewelry, fake passport and other incriminating items. Moreover, four persons have been arrested so far. Further investigation is under progress.

Case Study 2

In another case of human trafficking, investigation under PMLA have been initiated on the basis of FIR dated 14.01.2023 registered by Ahmedabad Police after a family of 04 persons was found dead on the Canada-US border on 19.01.2022. Investigations under PMLA revealed that the individuals desirous of immigrating to USA are approached by agents, who arranged admission of such individuals in the Canadian Colleges. On the basis of such admissions, Student Visa and other documents were issued and the individuals travel to Canada in the guise of students. However, upon reaching Canada the individuals instead of joining the Canadian Colleges, illegally crossed the US-Canada Border and reach USA. The accused were charging huge amount of Rs. 55 to 60 Lakh per person for the same. Investigation, so far, has revealed that the arrangements for 11 Indian National to immigrate into USA illegally in the instant case were done by Fenil Patel in Canada. To gather evidences, so far searches have conducted at 35 premises which led to seizure of cash amounting to Rs 92 lakhs, 04 luxury vehicles and various other incriminating documents. Further investigation is under progress.

(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.

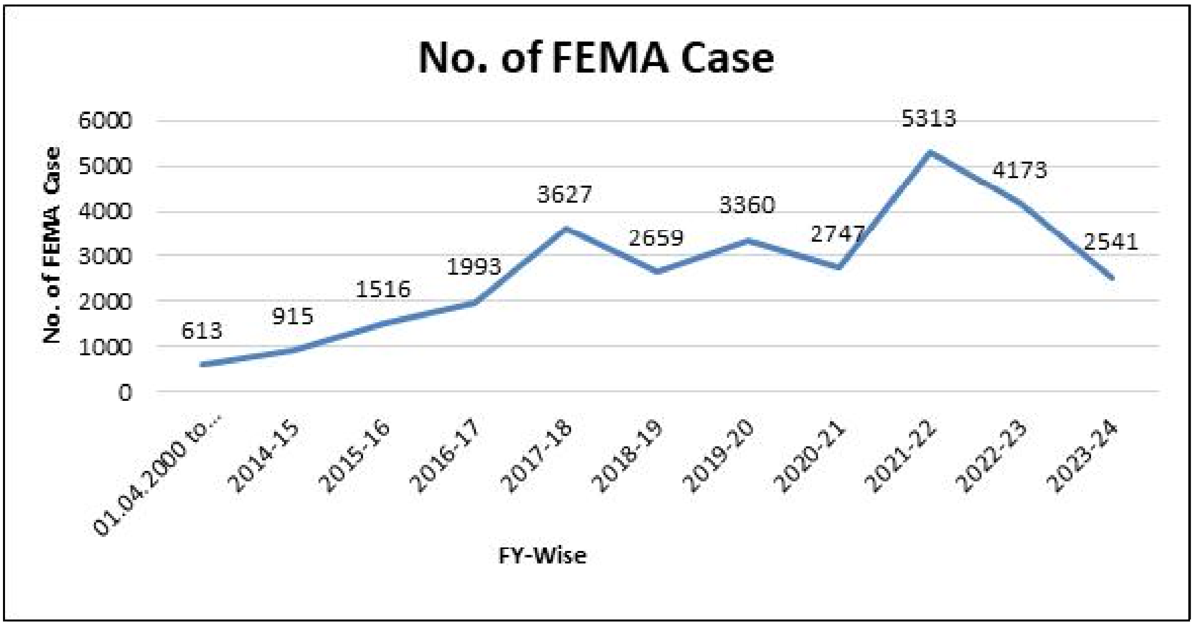
Case Study

In a case of corruption by a senior Government officer, investigation by the Directorate of Enforcement (ED) revealed that the Government official while holding various prime postings in Bihar Govt. and during his Central Deputation during the period from year 2018 -2023 got indulged in corrupt practices like receiving kickbacks from contractors etc. and acquired proceeds of crime (PoC) to the tune of Rs. 90 Cr approx. The PoC so generated have been utilized in investing the same in share market, acquiring immovable & movable properties and meeting various expenses in cash. As on date, searches have been carried out at 70 premises in different cities viz. Delhi, Punjab, West Bengal, Maharashtra, Rajasthan, Bihar among others. Total 11 persons have been arrested in this case so far. Further, movable assets being shares and bank balances worth Rs. 66 Cr (approx.) have been frozen and assets being luxury watches worth Rs. 65 lakhs (approx.) bullion & jewellery worth Rs. 2 Cr and cash of Rs. 1.3 Cr (both Indian Currency and Foreign Currency) have been seized. Also, 07 immovable properties in form of plot and flats in Nagpur, Delhi and Jaipur worth Rs. 24 Cr (approx.) have been attached by issuance of a provisional attachment order. Prosecution Complaint (PC) has been filed on 16.12.2024 before the Hon'ble Spl. PMLA Court, Patna under the provisions of Prevention of Money Laundering Act, 2002 (PMLA).

4.2.11 Performance of Directorate of Enforcement in the area of FEMA

During the period from 01.04.2024 to 31.12.2024, the Directorate has initiated investigation in total number of 1945 cases under the provisions of Foreign Exchange Management Act, 1999. A total number of 165 Show Cause Notice have been issued and 116 cases have been adjudicated during the period. Further, penalty of Rs. 4197.67 crore (approx.) has also been imposed and penalty amounting to Rs. 66.60 crore (approx.) has been realized during the period. 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 (Up to 31.12.2024)	1945
Total	**39375**



4.2.12 Performance of Directorate of Enforcement in the area of FEOA

During the period from 01.04.2024 to 31.12.2024, this Directorate has filed applications under FEOA against 03 persons in the Competent Court. Also, one person namely Mr. Pushpesh Baid has been declared as FEO by the Competent Court during the said period. As on 30.11.2024, ED has filed applications under FEOA against 23 persons, out of which 13 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. 930.79 crore belonging to FEOs. 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 01.04.2024 to 31.12.2024, the Directorate of Enforcement has made requests for publishing of Red Notice in respect of 03 persons. Also, 02 Red Notice has been published during this period. Till date, the Directorate of Enforcement has made requests for publishing of Red Notice in respect of 49 persons, out of which Red Notice has been published in respect of 27 persons. Further, a total of 03 Extradition requests have been sent to various countries during this period. A total of 44 Extradition requests have been sent to various countries in respect of 36 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 Rs. 22,280 Crore to victims or legitimate claimants. The details of restitution/restoration done by ED are given as below:

Sr. No.	Case Details	Quantum of Properties Restored (Rs. Crore)	Details of Restoration done by ED
1	Vijay Mallaya Case	14131.6	Complete amount of attached properties have been successfully restored to the Public Sector Banks.
2	Nirav Modi Case	1052.58	Properties to the tune of Rs. 1052.58 Crore have been restored to the Public and Private Banks
3	National Spot Exchange Limited (NSEL)	17.47	Property to the tune of Rs. 17.47 Crore has been restituted by ED through MPID to the genuine investors defrauded.
4	SRS Group	20.15	On 14.08.2024, the Appellate Tribunal (PMLA) granted permission for restituting 78 flats worth more than Rs. 20 crore to the homebuyers of SRS group's Pearl City and Prime projects in Gurugram
5	Rose Valley Group	19.40	Properties of Rs. 19.40 Crore have been restituted to the defrauded investors through Assets Disposal Committee (ADC).
6	M/s. Surya Pharmaceutical Ltd.	185.13	Properties amounting to Rs. 185.13 Crore have been restored to the consortium of lending banks through the Official Liquidator under Section 8(7) of the PMLA
7	Mrs. Nowhera Shaik and Others (M/s. Heera Group)	226	The Hon'ble Supreme Court vide order dated 11.11.2024 has directed ED to auction two properties valued at Rs. 201 Crore to settle investors' claims. Additionally, the Hon'ble Court has also directed the main accused person to deposit Rs. 25 Crore to the account of ED to restitute the amount to genuine defrauded investors.
8	Naidu Amrutesh Reddy and Others	12.73	Hon'ble Special Court has allowed for the release of attached property in the case presently valued at Rs. 12.73 Crore
9	Mehul Choksi and Others	2565.90	To expedite the process of restitution of properties to the victim Banks, ED along with the Banks took proactive steps towards monetization of assets. The ED and Banks agreed to take a common stand and moved the Hon'ble Special PMLA Court, Mumbai for filing a Joint Application (consent application). The Hon'ble Court passed the order dated 10.09.2024 on the Joint Application wherein it was ordered that ED would facilitate the Banks, Liquidators in different Gitanjali Group of Companies to carry out valuation and auction of the attached or seized properties worth Rs. 2565 Crore and after auction of the said properties, the sale proceed amounts would be deposited in the PNB/ICICI Bank as FDs.
10	M/s. Nafisa overseas and Others	25.38	Hon'ble Special Court has allowed for the restoration and release of attached properties in the case presently valued at Rs. 25.38 Crore
11	Bhushan Power and Steel Ltd. (BPSL)	4025	The Hon'ble Supreme Court ordered restitution of assets worth Rs. 4025 Crore to JSW vide order dated 11.12.2024. It is a bank fraud case wherein the creditor banks had initiated CIRP under IBC and JSW was the successful Resolution Applicant. ED filed an affidavit before the Hon'ble Supreme Court praying for the restitution of the attached properties worth Rs. 4025 Crore [covered under the CIRP] to JSW under second proviso to Section 8(8) of PMLA (restitution pending trial) read with Rule 3A of PMLA Restoration of Property Rules, which was approved by the Hon'ble Court.

4.2.15. Initiatives for E-Governance

ED has made a number of efforts to digitize its functions for ML risk profiling and streamlining the ML / TF investigations with the use of AI, computerization, etc., the same are summarized as below:

(i) Implementation of e-Office in Directorate of Enforcement:

Directorate of Enforcement has successfully implemented and effectively utilizing the e-Office software for administration work in all the offices of this Directorate and in all the sections at Hqrs. of this Directorate. This digital transition has not only eliminated the need for physical files, but also significantly enhanced document accessibility along with streamlining workflows, reducing response times and improving overall efficiency.

(ii) Implementation of e-HRMS 2.0 in Directorate of Enforcement:

The Directorate of Enforcement has successfully on-boarded all its present employees in the e-HRMS 2.0 software making employee data available on the centralized platform of DoPT and it is fully functional for all future uses.

(iii) Implementation of EDEMS in Directorate of Enforcement

This Directorate has developed an in-house application viz. the Directorate of Enforcement Employee Management System (EDEMS) to implement its Transfer Policy. This App has created a digital database of employee profiles with their history of postings along with details of charges held for both ED Cadre as well as employees on deputation.

This Application has proved to be highly beneficial and fully successful in conducting Annual General Transfers and at present hosts data of 2062 employees for future use

(iv) Implementation of IIMS (Intelligence Information Management System):

This Directorate is using a web-based application namely IIMS (Intelligence Information Management System) to store, process and generate various reports related to inputs/ information/complaints received from various sources. It acts as a database of all complaints received in the Headquarters office of this Directorate with search options by names of offenders/agency/complainant names for easy access to specific inputs etc.

(v) Enforcement Directorate Offender Tracking System (EDOTS):

The Directorate of Enforcement has devised and implemented an intranet application namely Enforcement Directorate Offender Tracking System (EDOTS) to keep a centralised record of cases investigated/being investigated under provisions of the PMLA and FEMA. EDOTS record/capture all FEMA/PMLA cases data right from the inception of a case to filing prosecution complaint up to the end of Court Trial under PMLA or issuance of Show Cause Notice/passing of adjudication order up to realisation of penalty imposed under FEMA.

(vi) Summons module:

Summons Module is a sub-module in EDOTS which has successfully digitized the process of issuance of summon(s) enabling summonses to verify the authenticity of summons by scanning QR Codes on the official website of ED for prevention of potential frauds and misuse of Summons.

(vii) Implementation of Swagatam Portal:

Swagatam portal is fully functional and used in Headquarters office of this Directorate for all visitors.

All visitors to the HQRS office of this Directorate are required to apply on this Portal with their Identity papers and only after approval of the designated officer, entry to the premises at Parvartan Bhawan is allowed. The Swagatam Portal has proved to be highly beneficial for the security of the office premises and has proved to be a deterrent for unwanted and frivolous visitors while also providing transparency to the process of meetings between officers and general public.

(viii) Implementation of SPARROW in ED cadre:

The SPARROW portal is fully functional in this Directorate for generating and processing APARs of all officers/officials working in the Directorate. The said portal is successfully being used by ED Cadre employees across all designations.

(ix) Official Website of Directorate of Enforcement:

The official website of ED i.e. https://enforcementdirectorate.gov.in is regularly being updated with all relevant information including press releases, tenders, recruitment rules & vacancy circulars etc.

(x) Memorandum of Understanding (MoU) with NIC:

ED is signatory to a MoU with National Informatics Centre (NIC) in 2008 for development and implementation of Information Technology based Software Solutions for computerization, Database Management, Website Development, Hosting and Management of ED Data. NIC has extended its support during implementation of e-Office, SPARROW portal and a number of in-house applications developed by this Directorate.

In an effort to upgrade the e-Governance initiatives, this Directorate has initiated the process of hiring 07 System Analysts & 36 Scientific Technical Assistants on contractual basis for assistance in all types of networking & digital support in all the offices of this Directorate.

(xi) Launch of e-manual for handling & forensic analysis of electronic record:

The Directorate of Enforcement has launched an e-manual for handling & forensic of electronic record on 19.12.2024 which is intended to be guiding tool for conducting forensics of electronic record and ensuring thorough, professional, legally & technically sound investigations while preserving the integrity and authenticity of digital evidence. The e-manual includes a chapter on cryptocurrency which provides comprehensive overview of the various crypto currencies currently in circulation. It also discusses the hardware and software paraphernalia of crypto currency, such as hot & cold wallets, seed phrase, tokens, etc., the legal aspects of crypto currency and provides the SOP for the handling and seizure of Virtual Digital Assets (VDAs)

(xii) Guidelines for issuance of summons and recording of statement:

ED has recently issued a Technical Circular conveying guidelines for issuance of summons and recording of statements of suspects involved in the offence of money-laundering. On the directions of Hon'ble High Court at Bombay, the relevant para of the circular has also been uploaded on the official website of this Directorate under the Press Release Section on 29.10.2024. The web link of the same is under:-

The web link for the said press release-

https://enforcementdirectorate.gov.in/sites/default/files/latestnews/PRESS%20RELEASE%20dated%2028.10.2024.pdf

(xiii) Miscellaneous Digital Initiatives:

- A Memorandum of Agreement (MoA) was signed between ED and National Forensic Sciences University (NFSU) to augment the forensic capabilities of this Directorate and incorporate the best practices followed in forensic world. NFSU has assisted ED in establishing state-of-art Cyber Lab at Gandhinagar, NFSU Campus along with providing contractual manpower to manage the existing 7 Cyber Labs. The said along with assisting ED officers during search operations and extraction of data of digital devices seized during operations. Procurements of new and updated forensic tools for Cyber lab of this Directorate are being done in consultation with NFSU.
- Meetings are regularly being conducted virtually through NIC's video conferencing support.

A number of webinars and trainings conducted for ED officers are being hosted online. In 2024-25 more than 300 man-hours of training have been conducted virtually through NIC's video conferencing support.

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. This year FIU-IND has expanded RE domain by including DNFPBs (Real estate, Gems & Jewellery, VASPs and TCSPs).

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.

App based ecosystem such as Youtube, Fake crypto token apps, Registered/unregistered Cryptocurrency Exchanges, web based apps providing Child Sexual Abuse Material/Adult Porn content, Online Payment Systems, Betting/Gambling Apps, Illegal Forex apps etc. are being extensively mis-used both for laundering of proceeds of cyber-crime as well as for terror financing, radicalization activities and other illicit activities. FIU India has developed an advanced tool that automatically and regularly scans social media platforms such as Telegram. Further, a supplementary tool called ImageX has also been introduced which is designed to automatically read these screenshots, identify, and extract crucial bank transaction details such as bank account numbers, UPI IDs, bank names, and account holder names.

4.3.2 Compliance action by FIU India

During the current year, FIU-IND imposed monetary penalties on several entities for non-compliance with their obligations as Reporting Entities. Notable penalties include Rs.18.82 crore on Binance Holdings Ltd. (Order No. 10/2024), Rs.1.66 crore on Axis Bank Ltd. (Order No. 09/2024), Rs.5.59 crore on Paytm

Payments Bank Ltd. (Order No. 07/2024), Rs. 54 lakhs on Union Bank of India (Order No. 13/DIR/FIU-IND/2024) and Rs.34.5 lakh on Pekken Global Ltd. (Order No. 08/ 2024), resulting in a cumulative total of Rs.26.95 crore.

4.3.3 Memorandum of Understanding between FIU-IND & NABARD

FIU-IND and NABARD signed a Memorandum of Understanding (MoU) on 03 September 2024 at FIU-IND Head Office, New Delhi, as part of continued coordinated efforts in effective implementation of requirements of the Prevention of Money Laundering Act and rules framed thereunder. The MoU was signed by Shri Vivek Aggarwal, Director, FIU-IND & Additional Secretary, Department of Revenue, GoI and Shri Shaji K V, Chairman, NABARD.

During the FY 2024-25 FIU-IND conducted an extensive and comprehensive Study & Research, which was conducted over five months, into the new sector of Illegal Wildlife Trafficking and Trade. With the help of analyses of existing STRs (based on keyword searches), best practices followed by FINTRAC & AUSTRAC, deliberations with the members of the select Working Group, Red Flag Indicators were devised for the sector.

4.3.4 Memorandum of Understanding with Oman

FIU-IND has been part of Egmont group since 2007. Egmont Group comprises 174 Financial Intelligence Units and provides a platform for exchange of information in relation to money laundering, financing of terrorism and related predicate offences. FIU-IND has contributed to Egmont group in different capacities. Mr Manish Kumar Hairat, Additional Director was elected as Vice Chair of Information Exchange working group. Shri Vikas Aswal , Deputy Director, was selected as ESW Board member which was constituted for the first time. FIU-IND has now smoothly transitioned from old Egmont Secure Web to the new Egmont Secure web i.e. information exchange platform. Apart from this FIU-IND actively signs MoUs with counterpart FIUs to further streamline the information exchange process. During F.y 2023-2024, FIU-IND signed MoU with FIU-Oman on 15th December, 2023, making the total number of MoUs as 50.

4.3.5 FINNET 2.0

FINnet 2.0 has been successfully implemented in FIU-IND. This is one of the pioneer IT systems 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 communications system between the FIU and the reporting entities (Fingate2.0) on the one hand, and the FIU and the enforcement agencies (FINnex2.0) on the other, through a secure network.

4.3.6 LEA's action on the basis of Intelligence shared by FIU

LEAs have booked several cases on the basis of intelligence shared by FIU-IND in the form of Operational Analysis and STRs. DGGI Ludhiana booked a case wherein investigation resulted in identification of 27 bogus firms for issuing invoices without supply of goods to the tune of Rs. 701 crores and the evasion of Rs. 107 crores of GST and two persons were arrested.

Enforcement Directorate recorded ECIR and initiated investigation in the case shared by FIU-IND in the form of operational analysis based on the subject-Suspicious high volume Hawala and Crypto transactions in Jammu and Kashmir allegedly for terror /secessionist activities.

4.3.7 Performance of FIU-IND in 2023-24

The intelligence shared by FIU-IND with the LEAs has led to the following achievements:-

(a) Assets attached worth of Rs. 983.40 crores and Criminal proceeds identified for Rs. 2763.30 crores.

(b) Undisclosed income detected for Rs. 10,998 crores.

(c) Seizure of 461 kgs Narcotics/Psychotropic substances.

(d) Regulatory action by FIU on REs: 211 compliance orders with Rs. 39.14 crores penalty levied.

(e) 184 arrests made in ML/TF and other predicate offenses.

Implementation of the Right to Information Act, 2005. Implementation of the Right to Information Act, 2005, Number of RTI applications received, disposed off and denied during the period from 01/04/2024 to 30/11/2024

Received	Disposed Off		Remarks
	Transferred	Denied	
63	0	0	Information provided for 58 RTI request received & 05 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:

(i) Adjudicating Authority under the Prevention of Money-laundering Act.

(ii) 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)].

4.4.3 The Prevention of Money-laundering (Maintenance of Records) Rules, 2005 was amended through the Prevention of Money-laundering (Maintenance of Records) Amendment Rules, 2024 in the Financial Year 2024-25..

4.4.4 Notification under section 11A of the Prevention of Money-laundering Act, 2002- During the Financial Year 2024-25 through notifications dated 30.04.2024, 12.06.2024, 13.08.2024, 22.08.2024, 03.12.2024 and 12.12.2024, total 26 entities were notified under section 11A of the Prevention of Money-laundering Act, 2002 for taking Aadhaar authentication facility.

4.5 Financial Action Task Force

i. 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)

ii. 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).

iii. 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.

iv. FATF Cell was constituted in DoR in 2017 vide GOI Gazette Notification dated 9th Nov, 2017.

v. 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.

vi. 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.

vii. 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.

viii. Currently, FATF Cell coordinates the work related to the MERs and FURs. Joint Secretary in charge of FATF matters is the National Coordinator and Director (FATF) is the Deputy National Coordinator for the Mutual evaluation exercise.

ix. 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.

x. 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.

xi. An AML/ CFT Joint Working Group under the Chairmanship of Additional Secretary (Revenue) has been created for enhancing operational co-ordination among all stakeholders.

xii. 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 2024, 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's work was instrumental in bringing Virtual Asset Service Providers (VASPs), Company Secretaries, Charted 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 2024 FATF Plenary was held in Paris, France and was attended by a thirteen (13) member delegation from India where as the June, 2024 Plenary was held in Singapore and was attended by 25 member delegation due to the final discussion(s) on Mutual Evaluation Report of India. The October 2024 FATF plenary was held in Paris and was attended by 8 (eight) member delegation from India.

xv. The FATF Cell, Department of Revenue is hosting the EAG Plenary meetings, from 25th to 29th November 2024 in Indore, MP and the same was attended by the delegations from EAG member countries and its observer states.

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, 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 Alkaolids Factories (GOAF).

4.6.2 FUNCTIONS/ WORKING OF THE CENTRAL BUREAU OF NARCOTICS

The Narcotics Commissioner heads the Central Bureau of Narcotics (CBN) with headquarters at Gwalior. The Narcotics Commissioner 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. 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, 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 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 2024-25 for export/import of precursor Chemicals is as under:-

No. of NOC issued	From 01.04.2024 to 31.10.2024	From 01.11.2024 to 31.03.2025 (projected)
For export of controlled substance	1334	600
For Import of controlled substance	1145	-
Total	2479	600
No of Pre-export Notification (PEN) sent to CAN	1343	600
Number of Stop Shipment/suspended (Export)	27	NA

International Narcotics Control Board (INCB) has provided online Pre-Export Notification (PEN) system for exchange of information between the Competent National Authorities. CBN had issued 1343 PEN (during the period from 01.04.2024 to 31.10.2024) to the competent authority of various importing countries, for verifying the legitimacy of the transactions.

The performance/ achievement with respect to issuance of Export authorization and Import Certificate issued by Central Bureau of Narcotics during the year 01.04.2024 to 31.10.2024 for export/ import of Narcotic drugs / Psychotropic substance is as under :-

	Psychotropic Substances		Narcotics Drugs	
	From 01.04.2024 to 31.10.2024	From 01.11.2004 to 31.03.2025 (Projected)	From 01.04.2024 to 31.10.2024	From 01.11.2024 to 31.03.2025 (Projected)
No. of Export authorization issued	4121	2944	204	145
No. of Import Certificate issued	681	487	163	40
Total	**4802**	**3431**	**367**	**185**

The performance/ achievement with respect to Quota allocation of narcotics drugs to various pharmaceuticals companies by Central Bureau of Narcotics during the year 01.01.2024 to 31.10.2024 of Natural Narcotics Drugs (ND)/ Synthetic Narcotics Drugs (SD) is as Under:-

Quota Allocation Details	2024 (From 01.01.2024 to 30.10.2024)
Quota Allocation of Natural Narcotics Drugs (ND) certificate issued	399
Quota Allocation of Synthetic Narcotics Drugs (SD) certificate issued	70
Total	**469**

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 in 2024 and 2025 (01.04.2024 to 31.10.2024) are as under:-

Year	State	Area Destroyed (In Hectare)
2024-25	Himachal Pradesh	2995
2024-25	Uttarakhand	351

Seized drug by CBN during the year 2024-25 (Upto 31.10.2024).

Name of Drug Seized	No of Cases	Quantity (in unit)
Poppy straw	75	54766.13 kgs
Heroin	3	1.4126 kgs
Cannabis	4	147.555 kgs
Charas	*	0.181 kgs
Tramadol Tab/Cap/Inj.	10	555401 Tab / Cap/ Inj. + 304.99 Kgs.
Opium	25	109.963 kgs
Morphine Sulphate Tab/Cap/Inj	*	300
Alprazolam tab/Powder	6	742710 Tab / Cap / Inj & 6.73 Kg Powder
Chlordiazepoxide Tab	*	5330 Tab/Cap/Inj.
Clonazepam Tab	*	205 Tab/Cap/Inj.
Lorazepam	1	3000Tab/Cap/Inj.
Nitrazepam Tab	*	40140 Tab/Cap/Inj.
Ketamine	*	6530 Tab/Cap/Inj.
Buprenorphine	*	4436 Tab/Cap/Inj.
Codeine phosphate Syp./Tab	*	15550 Tab/Cap/Inj.
Dizepam Tab/Inj	*	50 Tab/Cap/Inj.
Midazolam tab/cap/Inj	*	10810 Tab/Cap/Inj.
Pentazocine Inj	*	850 Tab/Cap/Inj.
Fentanyl	*	1975 Tab/Cap/Inj.
MDMA Pills/Crystal	3	503 gm + 100
Cocaine	*	0.02 kgs
Suspected Psychotropic powder	1	22.6 kgs
M.D. Powder	2	0.672 kgs
Phenobarbital Tab	*	10 Tab/Cap/Inj.
Zolpidem Tab	*	800 Tab/Cap/Inj.
Methamphetamine	4	1.976 kgs
Tranadik	*	60 Tab/Cap/Inj.

Disposal of Seized drug by CBN during the year 2024 (Upto 31.10.2024)

Sr. No	Narcotics Drugs/Psychotropic Substances/Precursor	No. of Cases	Quantity
1	Opium	46	1044.809 Kg
2	Heroin	15	11.9 Kg
3	Cannabis	8	1051.923 Kg
4	Charas/Hashish	5	215.7 Kg
5	Poppy Husk	55	136249.8 Kg
6	Acetic Anhydride	-	70 Lit
7	Pentazocin	-	2769 Ampules
8	Black Poppy Seeds		17753.46 Kg
9	Diazepam	1	19988
10	Alprazolam		266
11	Buprenorphine	2	92 Ampules
12	Poppy Plant	1	1017 Plant
13	Tramadol		2271
14	Codeine Syrup		213 Bottle
15	Psychotropic Substance (Powder)*	2	8 Kg

4.6.2.3 E-Governance Activities.

As regards, E-Governance activities, it is stated that various instructions of the Government, on issue of e-governance, are noted for compliance and necessary action. Use of CCTV's Camera's at Settlement and Weighment Centers was also successfully carried out. Payment to cultivators made through e-payment from the crop year 2012-13 continuously.

Computers have been provided, in each section and have been inter-connected through Network. All urgent reports or replies to the references received from the Ministry are being forwarded to the Ministry of Finance, New Delhi and other offices through e-mail, as far as possible. E-office programme is also launched and made operational for CBN Hqrs, Gwalior to go fully digital. To further strengthen this programme, e-office will also be implemented in the sub-official of this organization.

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.

4.6.2.4 Right to information Act, 2005:

Various provisions of Right of Information Act, 2005 have been implemented in the Central Bureau of Narcotics in the year 2005. Unit -wise information of CPIO's and First Appellate Authorities appointed at present is as follow:-

S.No.		Headquarters Gwalior	MP Unit	Raj. Unit	UP Unit
1	CPIO	1	17	8	2
2	FAA	1	1	1	1

Further, it is to apprise that 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

4.6.2.5 During the year 2024-25, a quantity of 330.567 Metric Tons of opium at 700 consistence (Provisional figure) was procured from opium cultivators. The average yield per (kg/hectare) at 700 consistence on the basis of results received from Madhya Pradesh, Rajasthan and Uttar Pradesh units for the crop 2022-23 in 61.948 Kg/ hectare (all India). The all India average yield during the crop year 2023-24 64.971 Kg/hectare (provisional). These figures are for crop year 2023-24 as the crop cycle for the cultivation of opium crop cycle for cultivation of opium commence from 01st October and end on 30 September of the following year.

Production of Unlanced Poppy Straw (UPS):- Total 23768 cultivators were licensed for production of unlanced poppy straw cultivation in crop year 2022-23 and total 49526 cultivators were issued license in crop year 2023-24 for unlanced poppy straw cultivation.1518 Metric Ton of unlanced poppy straw produced in crop year 2022-23 and 3285.9508 Metric Ton crop year 2023-24.

4.6.2.6 Other highlights of performance and achievements during the year 2023-24.

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.

World Drug Day,26th June, 2024 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. Various awareness programmes were also conducted by officers of at Mumbai, Chennai and Hyderabad.

Programme organized by Hindi section of Central Bureau of Narcotics

वित्त वर्ष 2023-24 के दौरान हिन्दी अनुभाग में 14.09.2024 को हिन्दी दिवस मनाया गया एवं 14 सितम्बर से 30 सितम्बर तक हिन्दी में कार्य करने हेतु प्रोत्साहित करने के लिए कार्यालय में विभिन्न प्रतियोगिताओं का आयोजन किया गया एवं विजेता प्रतिभागियों को प्रोत्साहन स्वरूप पुरुस्कार 15.10.2024 को दिये गये। इसके अतिरिक्त कार्यालय में सचालित पुस्तकालय हेतु विविध मैगजीन समाचार पत्र एवं पुस्तकों का कय किया गया ।

4.6.3 FUNCTIONS /WORKING OF GOVERNMENT OPIUM AND ALKAOLIDS WORKS (GOAW)

The Government Opium & Alkaloid Works (GOAW) 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 GOAW 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 420 people at the two opium and alkaloid plants. 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.

Further, for the first time in India the process of implementation of Concentrated Poppy Straw Technology has been commenced. In the Opium Policy 2021-22 of the Govt. of India licenses have been issued for cultivation of un-lanced Opium Poppy and tendering of un-lanced Poppy Straw to the Government of India. Concentrated Poppy Straw (CPS) is a technology for production of alkaloid from un-lanced Poppy Straw. The office of Chief Controller of Factories has signed two contracts with private entity, M/s Bajaj Healthcare Ltd. to process minimum 500 MT of un-lanced poppy straw and to process minimum 100 MT of Opium gum to extract semi refined morphine (SRM) and other alkaloids. M/s Bajaj Healthcare Ltd. has started Alkaloid extraction from opium gum w.e.f. 09.12.2022.

The office of the Chief Controller of Factories has executed concessionaire agreement with M/s Sunlite Alkaloids Pvt. Ltd., Neemuch for set up of production unit for processing of un-lanced poppy straw and extraction of semi refined alkaloids on PPP basis through concentrated poppy straw (CPS) technology for period of 20 years. The anticipated plant shall have projected annual installed capacity to process 10,000 MT of CPS, and shall additionally augment existing CCF capacity to process at least 100 MT of semi refined alkaloids tendered through this plant on annual basis. M/s Sunlite Alkaloids Pvt. Ltd. is expected to commence commercial production by the end of 2025.

4.6.3.1 PERFORMANCE OF GOAF FOR THE FINANCIAL YEAR 2024-25

(Provisional)

Sl. No.	Particulars	Unit	Actual Production April 2024 to November 2024	Estimated Production from December, 2024 to March, 2025
A	**PRODUCTION**			
1	a) Morphine Sulphate	KG.	266.80	500
	b) Codeine Phosphate (C.P.)	KG.	22393.5	19429.5
	c) Pure Thebaine	KG.	856.85	1048.200
	d) Noscapine BP	KG.	633	3000
	e) Papavarine S.R.	KG.	1923.87	1120
	f) IMO Powder	KG.	9800	3200
	g) IMO Cake	KG.	0.000	-
	Total (1) (a to g)	**KG.**	**35874.02**	**28297.7**

Sl. No.	Particulars	Actual Sales April 2024 to November, 2024	Estimated Sales from December,2024 to March,2025
		Quantity (in Kg.)	Quantity (in Kg.)
B	**SALES**		
	a) Morphine Sulphate	300.01	0
	b) Codeine Phosphate (Indigenous Production & Imported)	18755.751	15500
	c) Pure Thebaine	770	775
	d) Noscapine BP	2878.5	7000
	e) Papavarine S.R.	1800	300
	f) IMO Powder (Dom. Sales+Export)	7503.5	8000
	g) IMO Cake (Domestic Sales+Export)	3484.721	5000
	h) RIO (Export)	68.170	0

C. **(a)** COUNTRY WISE EXPORT OF OPIUM AT 90°C (excluding domestic sales of IMO Powder & Cake) FOR THE FINANCIAL YEAR 2024-25 (Upto November, 2024)

(Quantity in Kgs)

	Unit	USA	France	Switzerland	Sri Lanka	Germany	Total
1	Ghazipur	0	2000	668	130	0	2798
2	Neemuch	68.170	0	0	0	0	68.170
	Total	68.170	2000	668	130	0	2866.17

(b) COUNTRY WISE EXPORT OF OPIUM AT 90°C (excluding domestic sales of IMO Powder & Cake) FOR THE FINANCIAL YEAR 2024-25 (FROM DECEMBER 2024 TO MARCH 2025)

(Quantity in Kgs)

	Unit	USA	France	Switzerland	Sri Lanka	Total
1	Ghazipur	0	8000	0	0	8000
2	Neemuch	0	0	0	0	0
	Total	0	8000	0	0	8000

D. **(a)** REVENUE RECEIPTS (ON REALISATION BASIS) FOR THE FINANCIAL YEAR 2024-25 (UPTO NOVEMBER 2024)

(in Rs.)

		Opium Factory	Alkaloid Works	Total
1	Ghazipur	801120	486152441	486953561
2	Neemuch	15115961	827068054	842184015
	Total	**15917081**	**1313220495**	**1329137576**

(b) PROJECTION OF REVENUE RECEIPTS (ON REALISATION BASIS) FOR THE FINANCIAL YEAR 2024-25 (FROM DECEMBER, 2024 TO MARCH, 2025)

(in Rs.)

		Opium Factory	Alkaloid Works	Total
1	Ghazipur	450000	445000000	445450000
2	Neemuch	7500000	500000000	507500000
	Total	**7950000**	**945000000**	**952950000**

II. ACHIEVEMENT OF CCF ORGANISATION UP TO THE MONTH OF NOVEMBER 2024 WITH COMPARATIVE DATA OF PREVIOUS YEAR i.e. 2023 FOR THE SIMILAR PERIOD

Sl. No.	Particulars	Unit	Actual Production April to November	
			2023-24	2024-25
(1)	(2)	(3)	(4)	(5)
A.	**PRODUCTION**			
1.	Manufacture of Drugs:			
	a) Morphine Sulphate	KG.	243.90	266.80
	b) Codeine Phosphate	KG.	22319	22393.5
	c) Pure Thebaine	KG.	1085.5	856.85
	d) Noscapine BP	KG.	0	633
	e) Papavarine S.R.	KG.	1603.5	1923.87
	f) IMO Powder	KG.	11500	9800
	g) IMO Cake	KG.	0	0.000
	Total (1)(a+g)	KG.	**36751.9**	**35874.02**

B.	**SALES**		
Sl. No.	**Particulars**	**2023-24 April to November**	**2024-25 April to November**
		Quantity (Kgs)	**Quantity (Kgs)**
(1)	(2)	(4)	(6)
1	Domestic Sale of Drugs: (on actual basis)		
	a) Morphine Sulphate	260.31	300.01
	b) Codeine Phosphate (Indigenous & imported)	18891.01	18755.751
	c) Pure Thebaine	965.001	770
	d) Noscapine BP	1037	2878.5
	e) Papavarine S.R.	1150	1800
	f) IMO Powder (Domestic sale + Export)	11675.871	7503.5
	g) IMO Cake (Domestic sale + Export)	2305.04	3484.721

C COMPARATIVE COUNTRY WISE EXPORT OF OPIUM AT 90°C (up to November of each Financial Year)

(Qty. in Kgs. at 90ºC)

Unit	USA	FRANCE	SWITZERLAND	JAPAN	SRI LANKA	Germany	TOTAL
2023-24							
Ghazipur	0	4000	59.87	0	0	0	4059.9
Neemuch	219.667	0	0	0	0	0	219.67
Total	**219.667**	**4000**	**59.87**	**0**	**0**	**0**	**4279.5**
2024-25							
Ghazipur	0	2000	668	0	130	0	2798
Neemuch	68.17	0	0	0	0	0	68.17
Total	**68.17**	**2000**	**668**	**0**	**130**	**0**	**2866.17**

- 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. During the crop year 2023-24 GOAW, Neemuch has completed sampling & testing of opium gum that was received from 36,771 farmers in less than 20 days.
- Shut down works at GOAW, Neemuch has been completed & opium charging capacity has been 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.
- GOAW, Neemuch has received the GMP certificate, effective from 01.10.2024. Additionally, we have received the GAP analysis report for WHO GMP, provided by our GMP consultant

4.6.3.2 CCF organization does not implement and govern any scheme for public services.

4.6.3.3 The formation has regular monitoring by management and increased efficiency

4.6.3.4 Activities Undertaken for Disability Sector & SCs/STs & Other Weaker Sections of Society: The CCF organization is strictly adhering to the prescribed rules and regulations for the welfare and development of disabled, SCs, STs and other weaker sections. With an objective to initiate prompt action on grievances of such sections, a committee has been formed with members drawn from such sections. Roster registers for this purpose are also being maintained.

4.6.3.5 Gender Budgeting/Empowerment of Women: Equal opportunity / status is enjoyed by women in CCF organization. In case of gender bias / harassment reported if any, it is ensured that appropriate action is taken against the erring official. Internal Complaint Committee has already been formed at CCF office, New Delhi, at GOAW, Neemuch & Ghazipur for the purpose of dealing with the complaints received regarding sexual harassment at workplace.

4.6.3.6 E-Governance Activities:

- 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.
- 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: A RTI cell in each unit of this organization, such as the factories at Ghazipur and Neemuch,as also at the Delhi office of the CCF have been set up. These cells function directly under the officials designated as CPIO/ APIO. The applications received are regularly disposed of within the prescribed timeframe.

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)

4.7.1 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.

4.7.2 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.

4.7.3 MAIN FUNCTIONS OF CEIB

4.7.3.1 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.

4.7.3.2 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.

4.7.3.3 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.

4.7.4 The details of the Activities of CEIB during 2023-24 are as under:

4.7.4.1 The performance and achievements under the key/flagship programmes being implemented by Divisions/departments during the year.

(A) DESIGN AND DEVELOPMENT OF NEOR:

The successful pilot launch of the NEOR application marks a significant achievement in advancing centralized data management and inter-agency collaboration. This state-of-the-art system, designed to streamline antecedent verification, 360-degree profiling, advance search, strategic analysis, REIC module, audit trail, notifications and real-time case sharing among Law Enforcement Agencies (LEAs).

The seamless migration of existing NEIN data to NEOR, coupled with ongoing API integrations with agencies such as CBDT, CBIC, NCRB, SEBI, and MCA, highlight system's robust capabilities. Additionally, the procurement of Hyper-Converged Infrastructure (HCI) through GeM, following comprehensive consultations with manufacturers, demonstrates a strategic approach to optimizing hardware specifications.

The NEOR is in its final production stage, with key features like dashboards, fraud monitoring reports, and advanced search functionalities being improved. The application has been undergoing extensive User Acceptance Testing (UAT) and continuous testing and feedback integration for various modules highlight the system's adaptability and commitment to effectively combat economic offenses. This achievement highlights NEOR's potential as a transformative tool in combating economic crime.

(B) GLOBAL ENTRY PROGRAMME (GEP)

CEIB is designated as nodal agency under the Ministry of Finance, for giving clearance to the GEP applicants, 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 2023-24, total of 6,585 GEP applications were processed and during FY 2024-25, total of 12026 GEP application have been processed.

(C) FOLLOW UP OF THE ACTIONS PROPOSED DURING WGIA:

CEIB conducted Working Group on Intelligence Apparatus meeting on 28.05.2024 which was chaired by the Revenue Secretary.WGIA is an apex intelligence body which is precursor to EIC meetings not only assist in identifying emerging financial and economic offenses but analyze the role of multiple enforcement agencies in mitigating such offences. In the meeting, 16 agendas involving multi agency implication were deliberated amongst the member agencies. Some crucial decisions were taken on these agendas to address the issue. CEIB is working in close coordination with the action taking agencies to ensure smooth and timely implementation of the decisions taken.

As a result of the efforts of the Bureau, Misuse of India-ASEAN FTA by way of import of duty-free gold findings was addressed by the Directorate General of Foreign Trade vide its Notification No. 17/2024-25 dated 11th June, 2024.

On the other agendas also, the Bureau is continuously coordinating and deliberating meetings for implementation of the decisions taken.

(D) ONBOARDING OF LEAS TO NATIONAL CYBER CRIME REPORTING PORTAL:

During the WGIA meeting, Indian Cyber Crime Coordination Centre(I4C) offered providing access to the NCRP for all LEAs for information sharing and intelligence gathering. CEIB is working with I4C for swift onboarding of Law Enforcement Agencies to National Cyber Crime Reporting Portal (NCRP). Once implemented this will enhance the capabilities of the LEAs aiding effective investigations.

(E) DELIBERATION ON MODALITIES OF CREATION OF 'THE NATIONAL SERVICES IMPORT DATABASE':

One of the decisions taken during the Working Group on Intelligence Apparatus Meeting held on 28.05.2024 was to constitute a working group comprising all stakeholder agencies to explore the creation of a 'National Services Import Database'. A meeting was conducted on 26.07.2024 to examine the modalities of creation of 'National Services Import Database'. This will foster the effective monitoring of large outward payments under the guise of services. Central Board of Direct Taxes, Directorate of Revenue Intelligence, Enforcement Directorate, FIU-IND, GSTIN were the participating agencies for the meeting.

(F) API INTEGRATION OF NEOR APPLICATION:

The CEIB has developed a web-based application named NEOR (National Economic Offence Record). The application serves as a single interface for maintaining, sharing and analysing the economic offences data. To make the process of sharing of information as per the Information sharing protocol with the law enforcement agencies automated and streamline, the application will use the Application Program Interface (API) technique. In this direction, a meeting with GSTN was conducted for mapping the fields of NEOR with that of GSTN and also to discuss on the future course of action for speedily implementation of the API integration.

(G) ACCESS TO MOBILE NUMBER RELATED IDENTIFIERS DATABASE TO BANKS AND LEAS:

During the last WGIA meeting held on 28.05.2024, one of the agenda items discussed was access of mobile number related identifiers database to Banks and LEAs. Delivering the digital banking and financial services without proper verification of mobile number authenticity makes the system vulnerable to financial frauds. During the meeting, DoT highlighted the development of a Digital Intelligence Platform that facilitates the verification of user names, demographic details, and retrieval of all mobile numbers linked to a user.

CEIB and Department of Telecommunication are working in close collaboration to bring interested agencies onboard to avail the services for mitigation of such financial frauds.This may assist Law Enforcement Agencies (LEAs) and State Police in investigations and for Banks to utilize this platform for verification of mobile number seeded/to be seeded in the banking system.

(H) FACILITATING BANK CREDIT REQUEST:

In the last FY 2023-24, 10,520 reports with loans amounting to Rs. 68,19,801 croreswere processed. Till date in FY 2024-25, a total 6,924 reports amounting to Rs. 45,78,500 crores were processed.

Out of these, 13 credit requests each of more than Rs.10,000 Crore were processed in October, 2024with the total cumulative amount being Rs. 1,98,514 crores.

Out of the above, State Bank of India had sent 10 credit requests of NBFCs, PSUs requesting loan amounts of Rs. 1,61,100 crores.

The above requests were processed pertaining to various entities including PSUs, NBFCs etc.

(I) INFORMATION SHARING PROTOCOL:

During the current FY 2024-25 total 43530 cases have been received from other Law Enforcement Agencies in which 19689 cases have been processed and NEOR entries have been done. Also, 7930 cases having multi agency ramification have been shared under Information Sharing.

(J) 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.

During the current FY 2024-25, 28 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.

(K) 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.

During the current FY 2024-25 total 7 courses have been conducted in which 163 officers have been nominated and successfully completed various training courses.

(L) COFEPOSA

During the period since 24th August, 2024 till date, the 10 (Ten) detention orders have been issued by the Joint Secretary (COFEPOSA) under the COFEPOSA Act, 1974. 4 (Four) detention orders were confirmed by the Central Government based on the opinion of the Advisory Board that there was sufficient cause for detention. In addition to the above, cases pending in High Courts and Supreme Court were attended effectively and close coordination with ASG/Counsels in High Court/ Supreme Court was maintained 3 (Three) Counter Affidavits have been filed in Writ Petitions filed by on behalf of detainees in various High Court of India.

(M) BOOK ON COMPILATION OF STUDY REPORTS PREPARED BY REICS

The book compiling study reports of REICs for the FY 2023-24 has been completed and was inaugurated by the Revenue Secretary of the Ministry of Finance during the All-India Conference of REIC Convenors, held on October 25, 2024, in Chandigarh.

(N) ALL INDIA CONFERENCE OF REIC CONVENORS

The All-India Conference of REIC Convenors was held at Chandigarh on 25 Oct, 2024. The objective of the conference was to give momentum to the 'Co-ordination and information sharing mechanism' of all 30 REICs. The many Law Enforcement Agencies and REICs has given presentation on the current issues i.e., "New Modus Operandi unearthed in fake ITC cases" which is presented by DGGI and Customs & Drug Cases-Inter-Agency ramification and Operational Coordination" presented by DRI Department.

4.7.4.2 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 2024-25, preventive detention orders against 18 persons (from 01.04.2024 to 30.11.2024) were passed under the COFEPOSA Act, 1974 whereas 19 detentions orders were executed (including the orders of previous years) before 30.11.2024. Further, 13 Detention Order were confirmed by the various Advisory Boards constituted under the COFEPOSA Act,1974.

4.7.4.3 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 in the Annexure-A.

Annexure-A

INCUMBENCY POSITION

Central Economic Intelligence Bureau: Staff Strength as on 10.12.2024

Sl. No.	Designation	Pay Level	Sanctioned Strength	Present Strength	Vacancy	Outsourced staff against Vacancy	Procedure for filling up the post
1	DG (Group-A)	Level-15-17	1	1	-		By Headquarters
2	JS(Cofeposa) (Group-A)	Level-14	1	-	1		By Headquarter
3	Addl. Director General(Group-A)	Level-14	2	2	-		By Headquarters
4	Addl. Director/Jt.Dir. (Group-A)	Level-13/12	5	4	1		By Headquarters 02 posts encadred to CBIC 02 posts encadred to CBDT 01 post encadred to Central Staffing Scheme.
5.	Director/D.S.(CSS) (Group-A)	Level-13/12	3	4	+1		By Headquarter
6.	US(Group-A)	Level-11	4	4	-		By Headquarters
7.	Deputy Director(Group-A)	Level-11	8	-	8		By Headquarters
8.	Sr. Stat. GR.-II (Group-A)	Level-09	1	0	1		Through deputation(by CEIB)
9.	S.O. (Group-B Gazetted)	Level-8/10	2	1	1		By Headquarters
10.	A.S.O. (Group-B)+UDC	Level-7& Level-6	4+4	6	2		By Headquarters
11.	Assistant Director(Group-B)	Level-7	20	16	4		Through deputation(by CEIB)
12.	PSO/Sr. PPS(Group-A	Level-12	1	1	-		By Headquarters
13.	PPS(Group-A)	Level-11	4	2	2	30 DEOs and out of that around 20 DEOs are engaged for recently launched NEOR project for digitization and voluminous data entry on web-based application.	By Headquarters
14.	PS(Group-B Gazetted)	Level-8/10	6	1	5		By Headquarters
15.	Steno Gr.-C(Group-B)	Level-7	4	1	3		By Headquarters
16.	Steno Gr.-D(Group-C)	Level-6	3	0	3		By Headquarters
17.	Investigator(Group-C)	Level-6	2	0	2		Through deputation(by CEIB)
18.	LDCs(Group-C)	Level-2	6	0	6		By Headquarters
19.	Staff Car Driver(Group-C)	Level-4	5	0	5	2 Drivers	By Headquarters
20.	MTS(Group-C)	Level-3	30	11	19	13 MTS	By Headquarters
Total:-			116	54	62		

4.8 STATE TAXES

GST collection has shown an upward growth year on year basis since its implementation. Total gross GST collection during FY 2024-25 (till Nov. 24) is 14.57 lakh crore, which is 9.33% higher than the collection for the same period in FY 2023-24. The average monthly gross collection for FY 2024-25 (till Nov. 24) is ?1.82 lakh crore, exceeding the ?1.66 lakh crore collected in the previous year's corresponding period. GST revenue net of refunds as of November 2024 for the current fiscal year is ?12.91 lakh crore which is a growth of 9.2% over that for the same period last year. Overall, the GST revenue figures demonstrate continued growth momentum and positive performance.

4.9 Competent Authority

4.9.1 The Appellate Tribunal under SAFEMA

4.9.1.1 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 files against the orders of Competent Authority under SAFEM/ NDPS Acts, Adjudicating Authority under PMLA, FEMA and Prohibition of Benami Property Transactions Act 1988.

4.9.1.2 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.

4.9.1.3 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 01.04.2024 to 30.11.2024, a total of 2141 Appeals (1545 in PMLA, 216 in NDPSA, 01 in SAFEMA, 73 in FEMA and 306 in PBPT) were received during the said period. A total of 1716 appeals (1213 in PMLA, 89 in NDPSA, 29 in SAFEMA, 291 in FEMA and 94 in PBPT) were disposed of during the said period. However, with proper adjudication and change of the roaster and benches, all the appeals filed till 2003 were disposed off reducing the average of appeals drastically. Disposal of the Appeals in the current year has been highest so far since establishment of the Appellate Tribunal.

4.9.1.4 Further, to provide more ease and flexibility to the appellants & respondents, facility of e-filing has been introduced.

4.9.2 Competent Authority under SAFEMA/ NDPSA

4.9.2.1 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 of 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.

4.9.2.2 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.

4.9.2.3 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.

4.9.2.4 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 2024-25 (upto 30.11.2024) are given in as 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 (01.01.2023-31.03.2024)	**70**	**20**	**550.13**	**13**	**975.59**	**937.95**
2024-2025 (01.04.2024-30.11.2024)	**702**	**22**	**757**	**06**	**314.07**	**293.13**

4.10 Customs, Excise & Service Tax Appellate Tribunal (CESTAT)

4.10.1 Functions/ Working of the Organization

4.10.1.1 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. Difference of opinion among the Members in a Bench is resolved by nominating a Third Member and majority decision. 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 to all Division Benches and subordinate adjudicating authorities.

4.10.1.2 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. To expedite the disposal of small cases with financial state 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.

4.10.1.3 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.

4.10.2 Highlights of the performance and achievements during the year

Despite various constraints including several vacancies of subordinate staff, 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 30.09.2024
January 2024 to October 2024	9963	17966	73235

4.10.3 Online filing of appeals by the department has achieved a milestone with adding of separate dashboard for the respondent and assess to view the status of appeal filed against them. All information is 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.

4.10.4 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.

4.10.5 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.

4.10.6 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.

4.10.7 The dynamic website of the Tribunal started in January 2017 has been shut down due to its vulnerability. A new website using added security features has been developed by the 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 assesse has been undertaken by the NIC.

4.10.8 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 obliged 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.

4.10.9 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.

4.11 Authority for Advance Ruling Division

4.11.1 Customs, Central Excise & Service Tax Settlement Commission

A. 4.11.1.1 Highlights of the Performance and achievements of the Commission during Financial Year 2024-25 is given below:

No. of application received	No. of application disposed	Duty Settled (Rs. In crores)
89	79	398*

* includes Penalty and Interest Amount Settled

4.11.1.2 Function & Working of the Organization.

The Central Government have constituted the Customs & Central Excise Settlement Commission under Section 32 of the Central Excise Act, 1944 vide Notification No. 40/99-CX(NT) dated 09.06.99 and 41/ 99-CX(NT). The Commission consists of the Principal Bench presided over by the Chairman at New Delhi and 3 Additional Benches at Chennai, Mumbai and Kolkata Presided over by Vice Chairman with 2 Members in each Bench. The Commission functions under the Department of Revenue in the Ministry of Finance.

The Settlement Commission has been set up to expedite recovery of Customs, Central Excise & Service tax revenue locked up in adjudication proceedings. It offers a onetime opportunity to tax payers to make a true and full disclosure of their liabilities. Settlement Commission has also been empowered to grant immunities from penalty and prosecution, thus offering an opportunity to tax payers to settle the disputes expeditiously.

At present there is only 1 member available in the Commission and the quorum of the bench is incomplete since 26.10.2024, after retirement of Shri Sandeep Kumar, Chairman.

4.11.1.3 Year-Wise Performance/achievements of the Settlement Commission:

Year	No. of Application Received	Disposal		
		No. of Application Rejected	No. of Application Settled	Duty Settled (Rs. In Lakhs.)
1999-2000	3	1		
2000-01	327	28	146	2128.00
2001-02	559	63	153	2664.00
2002-03	656	105	365	18751.00
2003-04	753	141	431	11404.00
2004-05	1273	205	1143	18125.00
2005-06	1587	283	1207	12909.00
2006-07	1960	219	1434	23902.00
2007-08	1596	369	2274	50792.00
2008-09	857	124	569	12543.00
2009-10	723	68	599	6736.00
2010-11	885	103	770	11433.00
2011-12	959	247	702	46248.00
2012-13	1610	74	934	19806.00
2013-14	1623	156	1680	48299.00
2014-15	1525	353	1469	74332.00
2015-16	1262	208	1154	65431.00
2016-17	844	174	814	103713.00
2017-18	618	119	555	51422.00*
2018-19	557	84	429	65937.00*
2019-20	316	50	345	36161.61*
2020-21	208	21	127	19189.19*
2021-22	194	16**	6	539.59*
2022-23	157	40**	44	3215.05*
2023-24	186	42	298	42370.96*
2024-25	89	9	79	39770.28
Total	**21,327**	**3,302**	**17,727**	**7,87,821.68**

*Includes Penalty and Interest Amount

** Includes 8 cases in FY 2021-22 and 12 cases in FY 2022-23 respectively which got abated as order could not be passed within prescribed time for want of bench in the Commission.

Note: No quorum is available in the Settlement Commission since 26.10.2024

4.11.2 National Institute of Public Finance and Policy (NIPFP)

4.11.2.1 The NIPFP is a premier research organization for conducting research, policy advocacy, and capacity building activities in the field of public finance and policy. Established in 1976 as an autonomous institution under the Societies Registration Act, 1860, the Institute has made significant contributions to policy reforms at all levels of Government of India. The NIPFP provides research, engages in policy advocacy and capacity building on public finance & policy.

4.11.2.2 The Governing Body is chaired by an Economist of Eminence and at present Dr. Urjit Patel, former Governor of RBI, is the Chairman of the Governing Body. Government is represented by the Secretary (Revenue), Secretary (Economic Affairs), and Chief Economic Adviser of the Ministry of Finance. There are three eminent Economists and representatives of FICCI and ASSOCHAM on the Governing Body.

There is an Academic Committee advising the Director.

4.11.2.3 Initiatives taken with reference to the development of North-Eastern Region and Sikkim including projects/schemes in operation and actual expenditure thereon:

NIPFP has undertaken the following projects of NER and Sikkim:

a) For the Government of Sikkim- NIPFP is doing study on Preparation of Medium-Term Fiscal Plan (MTFP) for the period 2024-25.

b) For the Government of Tripura - NIPFP is doing study on Preparation of Report on Study Undertaken on State PSUs of Tripura

For the Government of Assam - NIPFP is doing study on Possible Ways to Enhance Revenue Generation for the State of Assam.

4.11.2.4 Initiatives relating to Gender Budgeting and Empowerment of Women

NIPFP has undertaken research in the topic and conducted policy dialogue at national and international fora including UN organizations.

4.12 Revision Application Unit

4.12.1 Historical Background of Revision Application:

4.12.1.1 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.

4.12.1.2 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.

4.12.1.3 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.

4.12.1.4 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).

4.12.1.5.1 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.

4.12.1.5.2 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.

4.12.1.5.3 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 AS (RA) each was created at New Delhi and Mumbai, vide the Department of Revenue's Office Order No. 202/2017 dated 20.07.2017.

4.12.1.5.4 At present, there are 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.

4.12.1.5.5 The work has been distributed between the two Revisionary Authorities on geographical basis i.e., the work relating to North, East and south Zones are handled in RA-Unit, New Delhi while that relating to West is handled in RA 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 RA Unit New Delhi with an objective to equitably distribute the pending applications for faster disposal.

4.12.2 Formation, function and working of the Revision Application Unit

Introduction:

4.12.2.1 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.

4.12.2.2 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)

4.12.2.3 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)

4.12.2.4 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:-

4.12.2.5 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).

4.12.2.6 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."

4.12.3.1 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.

4.12.3.2 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.

4.12.3.3 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 that 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.

4.12.4 Conditions to be fulfilled for filing Revision Application before AS(RA):

a. 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.

4.12.5 Procedure adopted for process of Revision Application in RA Unit:

- The Revision Application Unit receives the revision application in prescribed from 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).

4.12.6 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.

4.12.7 The Revision Application Unit is directly responsible to Revenue Secretary.

4.12.8 Performance

From April, 2023 to October, 2024, 523 Revision Applications have been disposed of by R.A. Delhi Unit.

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.

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) Schemes proposed by CBDT/CBIC for utilizing the budget provision under 1% Incremental Revenue Incentive Scheme for obtaining approvals of the competent authority.

(k) Proposals involving relaxation/interpretation of financial rules and all proposals requiring reference to the Department of Expenditure.

(l) 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 2024-25 was prepared. Tentative RE 2024-25 and BE 2025-26 ceiling has been communicated by the Budget Division, Department of Economic Affairs. The details of RE 2024-25 and actual expenditure till 30.11.2024 and BE 2025-26 in respect of all the three grants are as below:

(Rs. in crore)

Grant	Gr. No.	2024-25	Actual Expenditure till 30 November, 2024	2024-25	2025-26
		BE		RE	BE
D/o Revenue	35	165586.01	71762.08	122202.88	158878.85
Direct Taxes	36	10340.38	6965.35	11575.17	10900.45
Indirect Taxes	37	41098.48	23223.94	40752.16	42889.33

5.4 Integrated Finance Division has taken the following steps/initiatives in 2024-25:

(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 liasioning 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-à-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.

6. Implementation of Official Language Policy

6.1 Implementation of official language policy

There is a full-fledged Official Language Division under the Revenue Department which is entrusted with the implementation of the Official Language Policy of the Government of India. There is a post of Director (Official Language) in this division and this division functions through four Hindi sections. Each section is headed by an Assistant Director (Official Language) and supervised by two posts of Deputy Director (Official Language). At present, two posts of Assistant Director (OL), five posts of Senior Translation Officer and one post of Junior Translation Officer are vacant.

This division carried out work related to the implementation of the official language policy of the Union and timely follow-up action was taken on the orders and instructions issued from time to time by the Official Language Department. The complete translation work of the department from English to Hindi and from Hindi to English was also ensured by the Official Language Division.

Revenue Department is a notified office under Rule 10(4) of the Official Language Rules, 1976.

6.2 Performance of Official Language Division during the year 2024 (1April to 30 November 2024)

a. 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;

b. 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 bilingual form;

c. 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;

d. Agreements signed with many countries to prevent double taxation were also translated into Hindi;

e. Timely circulated all orders and circulars related to Official Language implementation from the Department of Official Language to the Revenue Department (HQ) and the offices under the control of both the Boards, received

f. Detention orders issued by the COFEPOSA section and their reasons were translated into Hindi.

g. The letters received under the Right to Information Act, 2005 were made available in bilingual form.

6.3 Meetings of Hindi Advisory Committee and Official Language Implementation 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 (whose Chairman is the Prime Minister).

For this purpose, the process of reorganizing 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 initiated. After the reorganization process is completed, the meeting of the Joint Hindi Advisory Committee will be held on a regular basis.

6.4 Inspection by Parliamentary Official Language Committee

Official language related inspection of 5 subordinate offices of the Revenue Department was conducted by the Parliamentary Official Language Committee. Senior officers and translation officers of the Rajbhasha Division provided important support in the successful inspection of these offices.

6.5 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, 12 subordinate offices situated in Delhi NCR 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 use of Hindi in government work.

6.6 Hindi Diwas / Hindi Fortnight

As per the instructions of the Department of Official Language, Ministry of Home Affairs, this year's Hindi Day celebration was organized mainly at Bharat Mandpam, Pragati Maidan, New Delhi under the chairmanship of Honourable Minister of Home Affairs, Shri Amit Shah on 14-15 September, 2024. Officers and personnel of the Rajbhasha Division of the Revenue Department as well as other officials of the department also participated in this function.

Hindi Fortnight, 2024 was successfully organized in the Revenue Department from 14 September to 30 September 2024. During this period, a total of 14 competitions were organized with the aim of increasing the use of the Official Language Hindi.

During the fortnight, various competitions like noting and drafting, essay writing, extempore speech, quiz competition, Hindi typing and Hindi dictation were organised. During the Hindi Fortnight, separate incentive schemes were organised for Gazetted Officers, Hindi speaking and Non-Hindi speaking Gazetted Officers and Non-Gazetted Officers to do more and more work in Hindi. The participants securing first, second and third positions in each competition received cash prizes each of Rs 5000/- (first prize), Rs 3000/- (second prize), Rs 2000/- (third prize) and three incentive awards of Rs 1000/- in each competition are also given.

6.7 Cash Prize Incentive Scheme to encourage original noting/ drafting in Hindi

As per the instructions of the Department of Official Language, incentive award schemes (full time) were implemented by all the ministries/departments/attached/subordinate offices every year for their officers and employees for doing official work (noting/drafting) in Hindi and for dictation given by the officers in Hindi.

Under this scheme, five applications were received from the sections located in the Revenue Department (Headquarters), out of which 4 officers/employees were awarded.

6.8 Organization of meetings of the Official Language Implementation Committee

To ensure effective implementation of the Official Language Policy of the Government of India and to review its implementation and to remove the difficulties faced by the Sections/Subordinate Offices regarding the progressive use of the Official Language Hindi, a meeting of the Official Language Implementation Committee constituted under the chairmanship of the Joint Secretary is 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 Quarterly Meeting was held on 14.05.2024 under the chairmanship of Additional Secretary (Revenue).

b) The Quarterly Meeting was held on 21.08.2024 under the chairmanship of Additional Secretary (Revenue).

The minutes of the said meetings were issued to all sections for compliance.

6.9 Official language workshop organized in Revenue Department

During 1 April to 30 November, 2024, 02 (Two) Hindi workshops were organized for the officers and employees of Revenue Department Headquarters and CBIC and CBDT Boards. In these workshops regarding how to use E-Office in implementation of government work and Information about the easy and simple use of the Official Language in administrative work.

6.10 Circulation of the annual program issued by the Department of Official Language, Ministry of Home Affairs

The copies of the Annual Program 2024-25 by the Department of Official Language, Ministry of Home Affairs, New Delhi were circulated in all the offices under the Revenue Department and all the sections of the Revenue Department Headquarters. This Program is released every year in which targets are set for the promotion of Hindi.

7. Right to Information Act, 2005

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 Applications/Appeals, the RTI online portal (www.rtionline.gov.in) has been very convenient 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 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 web site (https://dor.gov.in/rti/revenue-headquters) as required under section 4(1) of the RTI Act.

(iii) In regards to the transparency audit which is carried out each year, the self-appraisal form submitted has been audited by the National Institute of Public Finance & Policy. The CIC after perusal of the audit report has issued an advisory to the Revenue Headquarters which is under consideration.

(iv) The following table indicates the number of online RTI Applications and Appeals received in the financial year 2024 from 01.04.2024 up to 31.12.2024:

Type	No. of Applications received during the year 2023-2024 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	Pending
Offline RTI Applications	83	69	0	14	0
Online RTI Applications	5266	4720	172	296	73
Offline Appeals	12	0	0	12	0
Online Appeals	100	56	0	41	3
Total fee received u/s 7(1) is 1620/- Additional fee received offline u/s 7(3) is Rs. 1100/-					

8. Swachh Bharat Campaign

The Department of Revenue (DoR) has successfully conducted the Special Campaign 4.0 in all the offices under it. The Department had set various targets in the 'Preparatory Phase' of Special Campaign 4.0. In the 'Execution Phase' from 2nd - 31st Oct. 2024, DoR made all out efforts to achieve the targets in all major items of work viz., VIP references, Public Grievances, review & weeding out of files, among others.

All officers in DoR put in extra efforts and ensured 100% achievement of targets during the campaign. The stress was on to institutionalise Swachhta (cleanliness) in workplace and surroundings.

There has been significant progress under the campaign upto 30.10.2024, as detailed below:-

- 1003 Public Grievances out of a target of 1003 Public Grievances have been disposed
- 15 VIP references against the target of 15 VIP references have been disposed
- 315 e-files out of a target of 315 e-files have been closed after review
- 1,646 physical files (100%) have been weeded out after reviewing
- Old dilapidated furniture/fixtures, other waste/ Scrap items and e-wastes have been disposed of resulting in freeing up of office space. It has also resulted in earning of Rs. 1,89,100/- as revenue for the department.

In addition of the above, under the 'Ek Ped Maa ke Naam' campaign, DoR planted saplings in DoR and its attached offices.

In another big initiative, e-Court solution was launched in different Authorities under the Department of Revenue, viz. Appellate Tribunal (SAFEMA), Adjudicating Authority (PMLA) and Competent Authority & Administrator located at Delhi, Mumbai, Chennai and Kolkata.

The implementation of e-courts solution would result in enhanced efficiency in case management procedures, and will enable paper-less filing, listing, scheduling, hearing and judgement. It will also facilitate parties to the case to access case information, file petitions and documents electronically and get justice even without any physical attendance in these courts.

It will also help to achieve a simplified, responsive, effective, accountable and transparent working in Government Authorities.

The DoR remains committed to take forward the steps taken during the SCDPM 4.0 throughout the year to ensure efficiency in disposal of work, cleanliness of the office and public premises and making a positive impact on the environment.

Annexure - I

Representation of SCs/STs/OBCs

Organization: Central Board of Direct Taxes (CBDT)

Group	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*
IRS(IT) Group 'A'	4201	741	381	680	186*	29	14	53	-	-	-	NA	NA	NA	NA
Group 'B'	21128	3536	1585	3661	229	31	19	59	3852	494	276	13	1	0	4
Group 'C'	22276	3782	1867	6344	2668	399	204	675	1557	181	246	282	41	10	64
Total	47605	8059	3833	10684	3083	459	237	787	5409	675	522	295	42	10	68

* 185 'offer of Appointments' have been issued by CBDT to the candidates selected through Civil Services Examination (CSE) 2023 as on 26.11.2024. 01 'Offer of Appointment' is under process. These numbers are not included in column 2 to 5 above.

** A proposal for filing up 370 vacancies (incl. SC: 38; ST: 30) in the grade of ACIT for the vacancy years 2022 and 2023 has been submitted in the UPSC on 08.08.2024. Date of DPC is awaited.

Annexure - I

Organization: Central Board of Indirect Taxes amd Customs (CBIC)

(As on 01.01.2024)

Group	Number of Employees					Number of appointments made during the calendar year 2023										
						By Direct Recruitment				By Promotion			By Deputation			
	Total Sanctioned Strength	Total number of Employees Working Strength	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	5759	5097*	903	496	590	49	6	6	13	2321	287	166	There is no Ex-cadre deputation of Group A officers in CBIC			-
Group B	52496	37232	5372	2600	6951	3964	592	385	1078	2844	529	297	125	5	2	-
Group C	26359	10844	1998	840	2327	2742	399	210	796	415	80	39	1	0	0	-
Total	**84614**	**53173**	**8273**	**3936**	**9868**	**6755**	**997**	**601**	**1887**	**5580**	**896**	**502**	**126**	**5**	**2**	

* Category and PWD status of 574 out of 5097 is not available with HRM II

Annexure - I

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
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group A	257	34	16	21	-	-	-	-	5	2	1	-	-	-
Group B	366	52	50	80	-	-	-	-	8	-	1	-	-	-
Group C	267	73	18	54	22	6	2	5	9	2	-	3	3	-
Total	**848**	**144**	**83**	**153**	**22**	**6**	**2**	**5**	**17**	**2**	**1**	**3**	**3**	**-**

Annexure - I

Organization: Financial Intelligence Unit (FIU-IND)

(Up to 31 March, 2024)

Groups	Number of Employees				Number of appointments made during the previous calendar year											
					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	34	06	-	05	-	-	-	-	-	-	-	-	15	04	-	03
Group B	06	02	01	-	-	-	-	-	-	-	-	-	04	01	01	-
Group C	07	02	-	02	-	-	-	-	-	-	-	-	01	-	-	-
Total	**47**	**10**	**01**	**07**	-	-	-	-	-	-	-	-	**20**	**05**	**01**	**03**

Note: The mode of appointment is deputation only except for posts of 05 MTS (Group 'C')

Annexure - I

Organization: The Appellate Tribunal under SAFEMA

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
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group A	7	-	-	-	-	-	-	-	-	-	-	-	-	-
Group B	9	1	1	-	-	-	-	-	-	-	-	-	-	-
Group C	17	5	0	3	-	-	-	-	-	-	-	-	-	-
Total	**33**	**6**	**1**	**3**	-	-	-	-	-	-	-	-	-	-

Annexure - I

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	2	-	2	-	-	-	-	-	-	-	2	1	-	-
Group B	13	1	1	2	-	-	-	-	1	-	-	2	1	-	1
Group C	31	6	1	7	1	-	-	1	-	-	-	5	-	-	3
Total	**53**	**9**	**2**	**11**	**1**	**-**	**-**	**1**	**1**	**-**	**-**	**9**	**2**	**-**	**4**

Annexure - I

Organization: Customs, Excise & Service Tax Appellate Tribunal (CESTAT)

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
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group A	3	1	0	2	0	0	0	0	-	-	-	-	-	-
Group B	43	17	4	22	0	0	0	0	-	-	-	-	-	-
Group C	93	37	7	49	6	5	0	1	-	-	-	-	-	-
Total	**139**	**55**	**11**	**73**	**6**	**5**	**0**	**1**	**-**	**-**	**-**	**-**	**-**	**-**

Annexure - I

Organization: Customs, Central Excise & Service Tax Settlement Commission

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	OBCs	Total	SCs	STs	OBCs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Group A	6	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0
Group B	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0
Group C (Excluding Safai Karamchari)	8	2	0	1	0	0	0	0	0	0	0	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
Total	15	3	0	3	0	0	0	0	0	0	0	0	0	0	0	0

Annexure - I

Organization: Central Bureau of Narcotics

Groups	Representation of SCs/STs/OBCs				Number of appointments made during calendar										
					By direct recruitment				By promotion			By other methods			
	Total No. of employees	SCs	STs	OBCs	Totals	SCs	STs	OBCs	Totals	SCs	STs	Totals	SCs	STs	OBCs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group A	10	4	1	2	NA										
Group B	222	40	21	38	3	1	16	0	32	10	3	0	0	0	0
Group C*	508	78	40	158	249	32	0	93	0	0	0	0	0	0	0
Total	740	122	62	198	252	33	16	93	32	10	3	0	0	0	0

Organization: Chief Controller of Factories

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
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group A	07	01	01	01	-	-	-	-	-	-	-	-	-	-
Group B	07	01	-	01	-	-	-	-	-	-	-	-	-	-
Group C	406	92	48	129	-	-	-	-	-	-	-	-	-	-
Total	420	94	49	131	-	-	-	-	-	-	-	-	-	-

Annexure - I

Organization: Directorate of Enforcement

As on 31.03.2024

Group	Number of Employees (As on 31.03.2024)				Number of appointments made during the previous calendar year										
					By Direct Recruitment				By promotion			By Others (By Deputation)			
	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	430	31	14	42	0	0	0	0	10	4	1	95	-	-	-
Group B	731	89	42	169	87	11	12	24	62	11	3	32	-	-	-
Group C	483	34	10	47	6	0	1	1	4	1	0	127	-	-	-
Group D (Excluding Safai Karmcharis)	NA	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group D (Safai Karmcharis)	NA	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**1644**	**154**	**66**	**258**	**93**	**11**	**13**	**25**	**76**	**16**	**4**	**254**	**0**	**0**	**0**

Annexure - I

Organization: National Institute of Public Finance and Policy

Group	Number of Employees As on 30.11.2024				Number of appointments made during the previous calendar year (01-04-2024 to 30-11-2024)										
					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	34	2	1	3	3	-	1	-	2	-	-	-	-	-	-
Group B	11	-	-	1	-	-	-	-	3	-	-	1	-	-	-
Group C (excluding Safai Karamcharis)	15	4	-	6	-	-	-	-	2	-	-	1	-	-	-
Group D (Safai Karamcharis)	-	-	-	-	-	-	-	-	-	-	-		-	-	-
Total	60	6	1	10	3	-	1	-	7	-	-	2	-	-	-

Annexure -II

REPRESENTATION OF THE PERSONS WITH DISABILITIES

Organization: Central Board of Direct Taxes (CBDT)

(As on 26.11.2024)

REPRESENTATION OF THE PERSONS WITH DISABILITIES																		
Group	Number of Employees				DIRECT RECRUITMENT							PROMOTION						
					No. of Vacancies reserved			No. of Appointments Made				No. of Vacancies reserved			No. of Appointment 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*
IRS(IT) Group A	4201	8	30	66	1	2	2	186*	1	0	2	-	-	-	-	-	-	-
Group 'B'	21128	150	108	811	4	2	6	229	3	1	9	47	42	87	3852	28	26	66
Group 'C'	22276	515	347	997	60	63	77	2668	28	30	53	22	24	49	1557	3	5	8
Total	**47605**	**673**	**485**	**1874**	**65**	**67**	**85**	**3083**	**32**	**31**	**64**	69	66	136	5409	31	31	74

* 186 'Offer of Appointments'have been issued by CBDT to the candidates selected through Civil Services Examination (CSE) 2023 as on 26.11.2024. 01 'Offer of Appointment' is under process. These numbers are not included in column 2 to 5 above.

** A proposal for filing up 370 vacancies (incl. VH: 4; HH: 4; OH: 4) in the grade of ACIT for the vacancy years 2022 and 2023 has been submitted in the UPSC on 08.08.2024. Date of DPC is awaited.

Annexure - II

Organization: Central Board of Indirect Taxes and Customs (CBIC)

Statement showing the number of persons with Disabilities appointed during the Year 2023 i.e. as on 01.01.2024

Group	Number of Employees					DIRECT RECRUITMENT									PROMOTION								
						No. of Vacancies reserved			No. of appointments made					No. of Vacancies reserved			No. of appointments made				
	Total	In Identified Posts	VH	HH	OH	VH	HH	OH	Total	In Identified Post	VH	HH	OH	VH	HH	OH	Total	In Identified Post	VH	HH	OH
1	2		3	4	5	6	7	8	9		10	11	12	13	14	15	16		17	18	19
A'	5097*		11	4	35	1			1	1							2321		0	1	6
B'	37232	1037	39	252	517	9	87	92	3964	633	1	46	69	41	60	53	2844	404	19	43	53
C'	10844	331	31	42	111	24	58	61	2742	287	13	27	46	20	28	28	415	44	0	0	3
TOTAL	53173	1368	81	298	663	34	145	153	6707	921	14	73	115	61	88	81	5580	448	19	44	62

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)

Annexure -II

Organization: Revenue Head Quarter

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'	257	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
'B'	366	3	4	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
'C'	267	4	-	4	-	-	-	2	1	-	1	-	-	-	-	-	-	-
Total	**890**	**7**	**4**	**9**	**-**	**-**	**-**	**2**	**1**	**-**	**1**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Annexure - II

Organization: Financial Intelligence Unit (FIU-IND)

(up to 31.03.2024)

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'	34	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
'B'	06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
'C'	07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Annexure - II

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**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Annexure -II

Organization: Competent Authority for Forfeiture of Illegally Acquired Property

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'	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
'B'	13	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-
'C'	31	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**53**	-	-	**1**	-	-	-	-	-	-	-	-	-	-	**1**	-	-	-

Annexure -II

Organization: Customs, Excise & Service Tax Appellate Tribunal (CESTAT)

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'	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
'B'	43	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
'C'	93	-	-	7	1	-	2	-	-	-	1	-	-	-	-	-	-	-
Total	139	-	-	8	1	-	2	-	-	-	1	-	-	-	-	-	-	-

Annexure - II

Organization: Customs & Central Excise Settlement Commission

Groups	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
Group A	6	0	0	0														
Group B	1	0	0	0														
Group C	8	0	0	0	------------------------------Nil------------------------------													
Total	15	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 or cerebral palsy)

Organization: Central Bureau of Narcotics

Groups	Number of employees				Direct Recruitment							PROMOTION						
					No of vacancies reserved			No. of appointment made				No. of vacancies reserved			No. of appointment 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
Group A	0	0	0	0														
Group B	2	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Group C	12	4	2	6	0	1	0	2	1	0	1	0	0	0	0	0	0	0
Total		**4**	**2**	**8**	**0**	**1**	**0**	**2**	**1**	**0**	**1**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Organization: Chief Controller of Factories

Group	Number of employees as on 31.03.2024				DIRECT RECRUITMENT							PROMOTION						
					No of vacancies reserved			No. of appointment made				No. of vacancies			No. of appointment 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'	07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
'B'	07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
'C'	406	1	-	1	-	-	3	-	-	-	-	-	-	-	-	-	-	-
Total	**420**	**1**	**-**	**1**	**-**	**-**	**3**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Annexure -II

Organization: Directorate of Enforcement

as on 31.03.2024

Group	Number of Employees (As on 30.11.2023)			By Direct Recruitment							By promotion							
				No. of vacancies			No. of Appointment made				No. of vacancies			No. of Appointment 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
Group A	430	-	-	-	0	0	0	0	0	0	0	0	0	0	10	0	0	0
Group B	731	-	-	1	0	0	1	84	0	0	0	0	0	0	0	0	0	0
Group C	483	-	-	5	0	0	1	0	0	0	0	0	0	0	0	0	0	0
Group D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	1644	-	-	6	-	-	2	84	-	-	-	-	-	-	10	-	-	-

Annexure - III

Summary of important observations included in Audit Reports presented to Parliament during 2024

1. Central Board of Direct Taxes (CBDT)

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 PAC
1		NIL	NIL	NIL	NIL

2. Central Board of Indirect Taxes & Customs

S. No.	Year (2024-25)	No. of paras/PA reports on which ATNs have been submitted to PAC after vetting by Audit	Details of the Paras/PA reprots 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 obervations 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	1st April 2024 to 30th November 2024	5	13	6	5
	PAC -Customs Section				
2	1st April 2024 to 30th November 2024	24	0	10	4
	Total	**29**	**13**	**16**	**9**

3. Integrated Finance Unit (IFU)

Summary of important observations included in Audit Reports
Department of Revenue

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	Public Accounts Committee (2022-23) (53rd Report)	-	-	06 ATNs are under examination in Audit	-

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
-	-	-	-	-	-

Indirect 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
-	-	-	-	-	-

4. State Taxes (ST)

Summary of important observations included in Audit Reports April - November, 2024

Sr. 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.	2021,2022 & 2024	Two (Para no. 3.14 & 3.26 of Audit report no. 11 of 2019)	NIL	As per Annexure **A'**	NIL

Annexure 'A'

Status of CAG Audit Paras in r/o ST-1 section, D/o Revenue

S. No.	Year	Report No	Chapter No	Para No	Gist of the Audit Para	Status as on 30.11.2024
1.	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 is pending to be submitted.
2.	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	Comments have been sought from GSTN on further Audit comments.
3.	2024	7	Chapter VII	Data Analysis of Composition Levy Scheme Data	Data Analysis of Composition Levy Scheme Data	
4.	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.	Comments have been sought from GSTN & GST Policy Wing on further Audit comments.
5.	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.	

Annexure-III

Summary of important observations included in Audit Reports from 01.04.2024 to 30.11.2024

Sr. No.	Year	No. of para/PA reports on which ATNs have been submitted to PAC after vetting by Audit	Details of Paras/PA reports on which ATNs are pending		
			No. of ATN 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 vetted by Audit but have not been submitted by the Ministry to the PAC
1.	2021	1 (One) Para 1.5 of Report No. 1 of 2021. Status- Final ATN has been approved and submitted to Lok Sabha (PAC Branch) on 16.10.2024.	Nil	Nil	Nil
2.	2024	Nil	Nil	1 (one) Para No. 1.4 of Report No. 7 of 2024- Chapter No. 1 (Non-submission of Compensation Fund Account for the years 2017-18 to 2020-21). Status- Returned on 16.10.2024 from CAG.	Nil

5. Customs, Central Excise & Service Tax Settlement Commission (All Benches)

Annexure-III

Summary of important observations included in Audit Reports

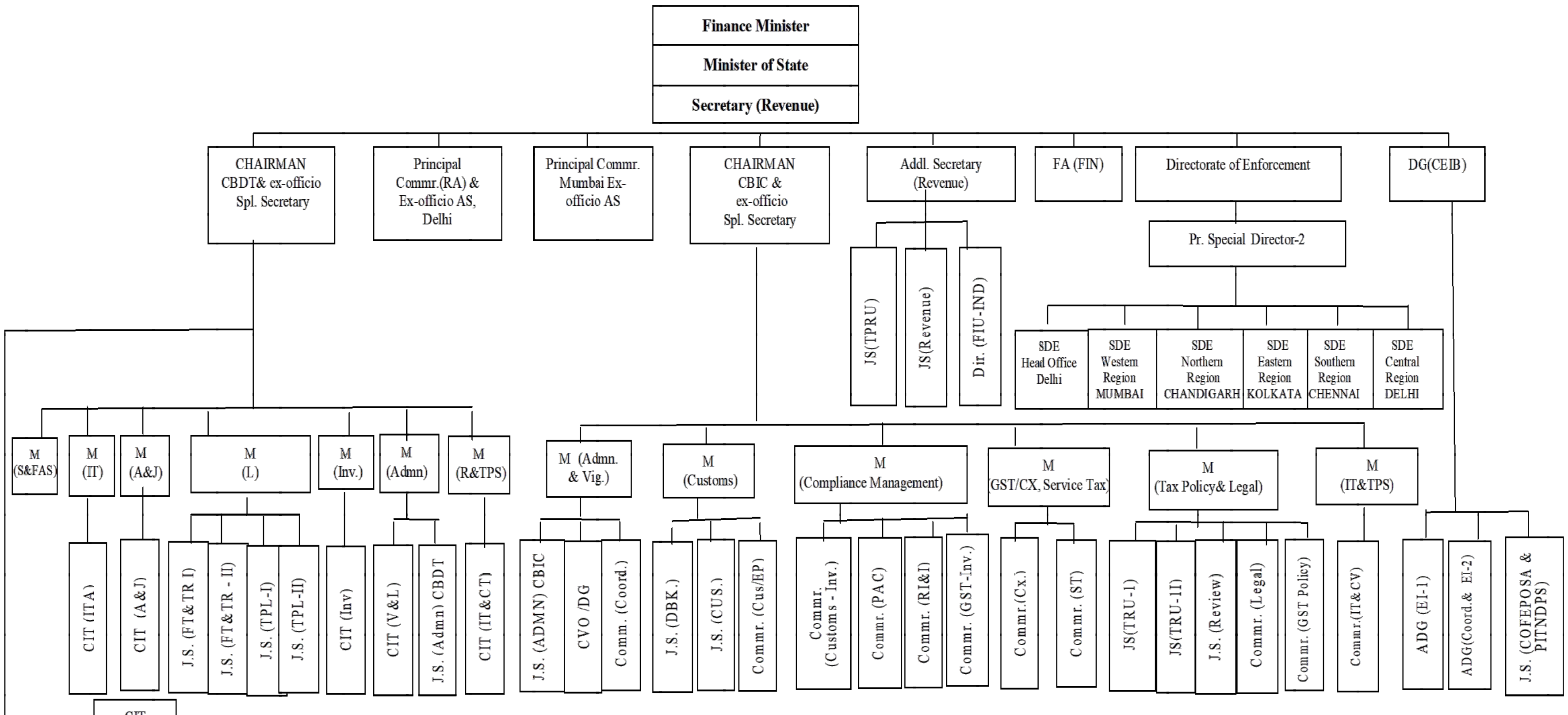
S.No.	Year	No. of paras/PA reports on which ATNs have been submitted to PAC after vetting by Audit	Details of the Paras/PA reports on which ATNs are pending		
			No. of ATNs not sent by the Ministry even for the first time	No. of ATNs sent but returned with observations and Audit is awaiting their resubmission by the Ministry	No. of ATNs which have been finally vetted by Audit but have not been submitted by the Ministry to the PAC
1	2024	--NIL--			

6. NC Division

Sr. No.	Year 2024-25	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
		NIL			

ORGANISATION CHART OF DEPARTMENT OF REVENUE

Annexure-IV



LEGEND

CBDT : Central Board of Direct Taxes
CBIC : Central Board of Indirect Taxes & Customs
M(S&FS): Member (Systems & Faceless Assesment 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 Vigilence & 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 Tarrif 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
RI&I: Revenue Intelligence and Investigation/Export/Promotion

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

I. 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 Dr. Arunish Chawla, Secretary. He is assisted by one Additional Secretary, three 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 –I.**

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 through 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.

Strategic disinvestment of CPSEs was implemented till 2004. However, thereafter, till 2014-15, disinvestment in CPSE was carried out only through limited minority stake sale. Since 2016, the Government has substantially overhauled the approach towards disinvestment in CPSEs. The policy for strategic disinvestment was revived. The Department was renamed as Department of Investment and Public Asset Management (DIPAM) with effect from 14th April, 2016. A comprehensive guideline on “Capital Restructuring of CPSEs” was laid down in May, 2016 for efficient management of Government’s investment in CPSEs in areas such as, payment of dividend, buyback of shares, issues of bonus shares and splitting of share.

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.

The strategic disinvestment process was modified in 2019 to make the process result-oriented and expeditious. The new process 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) comprising eminent persons.

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 Defense;
- √ 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.

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-priniciple” 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 by 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.

In accordance with the new policy, DIPAM took approval of Alterative Mechanism (AM) on the following proposals during the current FY:

i. Listing of NTPC Green Energy Limited- DIPAM in coordination with Ministry of Power (MoP) facilitated listing of NTPC Green Energy Limited, which is a subsidiary of NTPC Limited. NTPC Green Energy Limited was listed on 27.11.2024 for approximate deal size of Rs.10,000 crore. NTPC Green Energy Limited has been listed with a Market Cap of more than one trillion rupees. The funds raised in the IPO (fresh issue) will be used by the company for undertaking investments in green energy projects.

ii. Bharati Hexacom Ltd (BHL) [JV between TCIL & Bharti Airtel Ltd (BAL)]: Based on the recommendation of NITI Aayog that TCIL shares in its joint venture company namely Bharti Hexacom should be divested through an IPO, approval of Alternative Mechanism was obtained for divestment of TCILs 30% stake in Bharati Hexacom Limited. The approval was conveyed to Department of Telecommunication. BHL was listed on stock exchange on 12th April 2024 and TCIL received Rs 4,275 crore by divesting 15% stake comprising 7.5 crore shares of TCIL in BHL.

iii. The proposal for disinvestment of Telecommunications Consultants India Ltd (TCIL)'s stake from TBL International Ltd (TBL) [JV between TCIL, TBL India LLC, USA and DSS Group 1 received from Department of Telecommunication on 16 March ,2024 as per capital management guidelines dated 1st June,2022 for AM approval. DIPAM supported the proposal and approval of AM was sought and intimated to DoT on 03-09-2024. The disinvestment is under process.

iv. A proposal of M/o Heavy Industries to divest 6% paid up share capital of TWOIL, a subsidiary of Andrew Yule &Company Limited has been support and DIPAM obtained the approval of AM on 18.09.2024. Intermediaries i.e. Merchant Bankers & Legal Adviser for the transaction have been appointed by the company.

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 3.23x in last three years from Rs 12.10 lakh crore (31.03.2021) to Rs 39.14 lakh crore (21.01.2025). Market cap of GoI equity in listed CPSEs has also increased by 3.23x from Rs 6.91 lakh crore (31.03.2021) to Rs 22.30 lakh crore (21.01.2025) in the last three years. Similarly, CPSE indices have out-performed the benchmark indices in the stock market during the past 3 years.

Year	SENSEX	BSE CPSE	Nifty-50	Nifty CPSE
Last 1 year	8.17%	22.53%	8.80%	25.26%
Last 2year	28.43%	113.65%	30.60%	117.58%
Last 3 year	34.14%	143.54%	36.25%	168.97%

As on 31.12.2024

VII. DISINVESTMENT PERFORMANCE

A. Minority Stake Sale

i. Initial Public/Further Offer IPO/FPO

a) *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.

b) *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 LICI) 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, 66 CPSEs are listed (excluding public sector banks and insurance Companies) with a total market cap of Rs. 39.4 lakh crore as on 21.01.2025 The total M-cap of 16 public sector banks and insurance companies are Rs. 24.81 lakh Crore as on 21.01.2025.

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:

a) To increase the value of shares held by promoters.

b) To eliminate any threats by minority shareholders who may be looking for a controlling stake.

c) For CPSEs, buyback is a tool for Govt. of India to disinvest the equity held by GoI 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 ten 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: After listing, further disinvestment by OFS mechanism yielded Rs 1,34,771.2 crore through various transactions in 10+ years (as on 21.01.2025). This included the largest OFS of over Rs. 22,000 crore in case of Coal India Limited in January, 2015.

During F.Y. 2024-25, OFS transactions were carried out in General Insurance Corporation of India Limited (Re), Cochin Shipyard Limited and Hindustan Zinc Limited (HZL) and Government realized Rs. 2345.55 crore, Rs.2015.32 crore and Rs. 3449.18 crore respectively from these transactions.

Qualified Institutional Placement (QIP) in Indian Renewable Energy Development Agency Limited (IREDA) - Alternative Mechanism (AM) has approved GOI 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. Presently, IREDA has engaged transaction intermediaries such as Book Running Lead Managers and Legal Counsel for the purpose of QIP and held kick-off meeting with them. The IRDEA is planning non-deal domestic and international roadshows with potential investors tentatively during February 2025. Expected post dilution GOI holding % in IREDA shall be 68%. Funds raised in the QIP would go to the company, and not GOI.

Other Transactions

In F.Y. 2024-25, Government received Rs. 815 crore as remittance from SUUTI.

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, there has been concern 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 PSEs and/or Subsidiaries/ Units/ Joint Ventures of PSEs/ Bank. Out of the 36 cases, 33 cases are being handled by DIPAM and 3 cases are being handled by the respective Administrative Ministry/Department. Out of the 33 cases being handled by DIPAM, strategic disinvestment transactions have been completed in 11 cases (8 transactions are in CPSE-to-CPSE space while Air India, NINL and FSNL (subsidiary) have been privatized); 5 PSEs are under consideration for closure; 1 case held up due to litigation and 1 case is under Corporate Insolvency Resolution Process (CIRP) in NCLT and 2 transactions found not feasible. Out of remaining 13 transactions, EoI has not been issued or transactions called off after issuance of EoI/RFP in case of 6 PSEs and 7 transactions are ongoing and are at various stages. The details are given at **Annexure-I.**

In the current FY, the Strategic Disinvestment of FSNL has been concluded. FSNL is a 100% subsidiary of MSTC Ltd, M/o Steel incorporated on 28.03.1979 to provide steel mill services. FSNL specializes in the recovery and processing of scrap from slag and refuge generated during iron and steel making across different steel plants. Alternative Mechanism approved the highest bid amounting to Rs. 320 crore of M/s. Konoike Transport Co. Ltd. for sale of 100% equity shareholding of MSTC Ltd in Ferro Scrap Nigam Limited (FSNL) along with transfer of management control through a two-stage open, competitive bidding process supported by a multi-layered consultative decision-making mechanism. The Letter of Award has been issued. Share Purchase Agreement (SPA) has been signed between M/s. Konoike Transport Co. Ltd, M/s MSTC Ltd and M/s FSNL Ltd. The transaction has been concluded on 21.01.2025 after Strategic Partner, FSNL and MSTC met the condition precedent and the shares of FSNL along with management control were transferred by MSTC Ltd to M/s. Konoike Transport Co. Ltd.

C. Disinvestment Targets & achievements

Since 2014-15, an amount of about Rs. 4,36,748 crore (as on 21.01.2025) has been realized as disinvestment proceeds using various modes/ instruments. This includes Rs 3,30,049 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 and Rs. 320 crores received resectively as Enterprise Value for NINL and FSNL (Subsidiary) as GoI didn't have any direct equity in these companies. Other transactions yielded Rs. 37,287 crore.

Year			*(In Rs. crore)*
	Target (BE)	Target (RE)	Actual
2014-15	43,425	26,353	24,349
2015-16	69,500	25,313	23,997
2016-17	56,500	45,500	46,247
2017-18	72,500	1,00,000	1,00,037
2018-19	80,000	80,000	84,972
2019-20	1,05,000	65,000	50,300
2020-21	2,10,000	32,000	32,886
2021-22	1,75,000	78,000	13,534
2022-23	65,000	50,000	35,294
2023-24	51,000	There is no specific estimate for disinvestment in 2023-24 RE @	16,507
2024-25	50,000 There is no specific estimate for disinvestment in 2024-25 BE	-	8,625
Total			**4,36,748**

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. During the FY 2023-24, Rs.51,000 crore was estimated for disinvestment and Rs. 10,000 crore for other capital receipts as 2023-24 BE. However, under "Miscellaneous Capital Receipts - Receipts" at the RE stage it was revised to Rs.30,000 crore, which accounted for the receipts under erstwhile categories of disinvestment and other capital receipts such as asset monetisation. There is no specific estimate for disinvestment in 2024-25 BE as well. Rs. 50,000 crore kept under Miscellaneous capital receipts, 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 are expected to participate and issue bonds.

Asset Under Management (AUM) for the Bond ETF market has grown to Rs. 59,220 crore (as on December, 2024)) out of which about 98% is accounted for Bharat Bond ETF (around Rs 58,020 crore). It provided opportunity to retail investors to access bonds with smaller amount (as low as Rs 1,000) while helping CPSEs mobilized 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

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 of value of 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 from Financial Year 2020-21 onwards. 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 successful and as a result, CPSE indices have significantly improved over the last year, beating the matching the benchmark Sensex. The significant rise in dividend payouts by CPSEs has also encouraged investors to invest in CPSE stocks. The Government realized Rs. 59,533 crore as dividend payouts by CPSEs for the FY 2022-23. Total dividend receipts from CPSEs in FY 2023-24 stood at Rs 64,029.74 crore, which exceeds the Revised Estimate (RE) of Rs 50,000 crore, and is more than actual dividend receipts (Rs 59,533 crore) during the previous financial year. Sofar, Rs. 49,323 crore (as on 20.01.2025) has been received as dividend from CPSEs.

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 **Appendix-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 and empowerment of women.

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.

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

(ix) 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).

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 3 Deputy Director, 2 Assistant Directors and 9 other Under Secretaries as Central Public Information Officers under Section 5(1) of the Act, in respect of subjects handled by them.

(iv) 1 Joint Secretary, 5 Directors, 1 Joint Director and 2 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

No CAG or PAC paras/Objections are pending in the Department.

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 2024-25		
	Capital	Revenue	Total
34 - Department of Investment & Public Asset Management	1.47	48.27	49.74

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 4.0 :

DIPAM has no attached/ sub-ordinate office under its administrative control. The Special campaign 4.0 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 and.

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). JS(Admn) has been nominated as Nodal Officer of limbs portal of DIPAM and DD/US/DS level officers of every Division have been designated as limbs user by Nodal officer 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.

Annexure-I

List of PSEs and/or Subsidiaries/ Units/ Joint Ventures of PSEs and Bank for which Government has given ‘in-principle’ approval for strategic disinvestment since 2016.

1. **Ongoing Transactions being processed by DIPAM wherein EoI has been issued**

S. No.	Name of PSE
1.	BEML Limited
2.	The Shipping Corporation of India Limited
3.	HLL Lifecare Limited
4.	Project & Development India Limited
5.	Indian Medicines Pharmaceuticals Corporation Limited
6.	NMDC Steel Limited (NSL)
7.	IDBI Bank.

2. **Transactions where EoI has not been issued or transactions called off after issuance of EoI/RFP:**

8.	Bharat Petroleum Corporation Ltd (except Numaligarh Refinery Limited)
9.	Pawan Hans Limited
10.	Central Electronics Limited (CEL)
11.	Alloy Steel Plant, Durgapur; Salem Steel Plant; Bhadrawati Steel Plant - units of Steel Authority of India Limited
12.	Container Corporation of India Limited
13.	Rashtriya Ispat Nigam Ltd.

3. **Transactions being processed by respective Administrative Ministries**

S.No.	Name of PSE
14.	Various Units of India Tourism Development Corporation Limited
15.	Hindustan Antibiotics Limited
16.	Bengal Chemicals & Pharmaceuticals Limited

4. **Transactions halted as the CPSEs recommended / approved for closure; or any other reason**

S.No.	Name of PSE
17.	Hindustan Fluorocarbons Limited (subsidiary) *
18.	Scooters India Limited ^
19.	Bharat Pumps & Compressors Limited *
20.	Hindustan Prefab Limited**
21.	Units of Cement Corporation of India Limited (Nayagaon Unit) #

*Government approved for closure of the Company.

^ Company has been delisted from stock exchanges

** CPSE is under closure.

Transaction not feasible and the mines are being returned to the State Governments.

5. **Transactions held up due to litigation**

S.No.	Name of PSE
22.	Karnataka Antibiotics & Pharmaceuticals Limited

6. **Under Corporate Insolvency Resolution Process (CIRP) in NCLT**

S.No.	Name of PSE
23.	Hindustan Newsprint Limited (subsidiary)**

** In January, 2021 National Company Law Tribunal approved a 146-crore bid of the Kerala Industrial Infrastructure Development Corporation (KINFRA), Government of Kerala to acquire Hindustan Newsprint Ltd. HNL was renamed as Kerala Paper Products Limited (KPPL) in 2021.

7. **Transactions not feasible.**

S.No.	Name of PSE
24.	Engineering Project (India) Limited
25.	Bridge and Roof Company (India) Limited

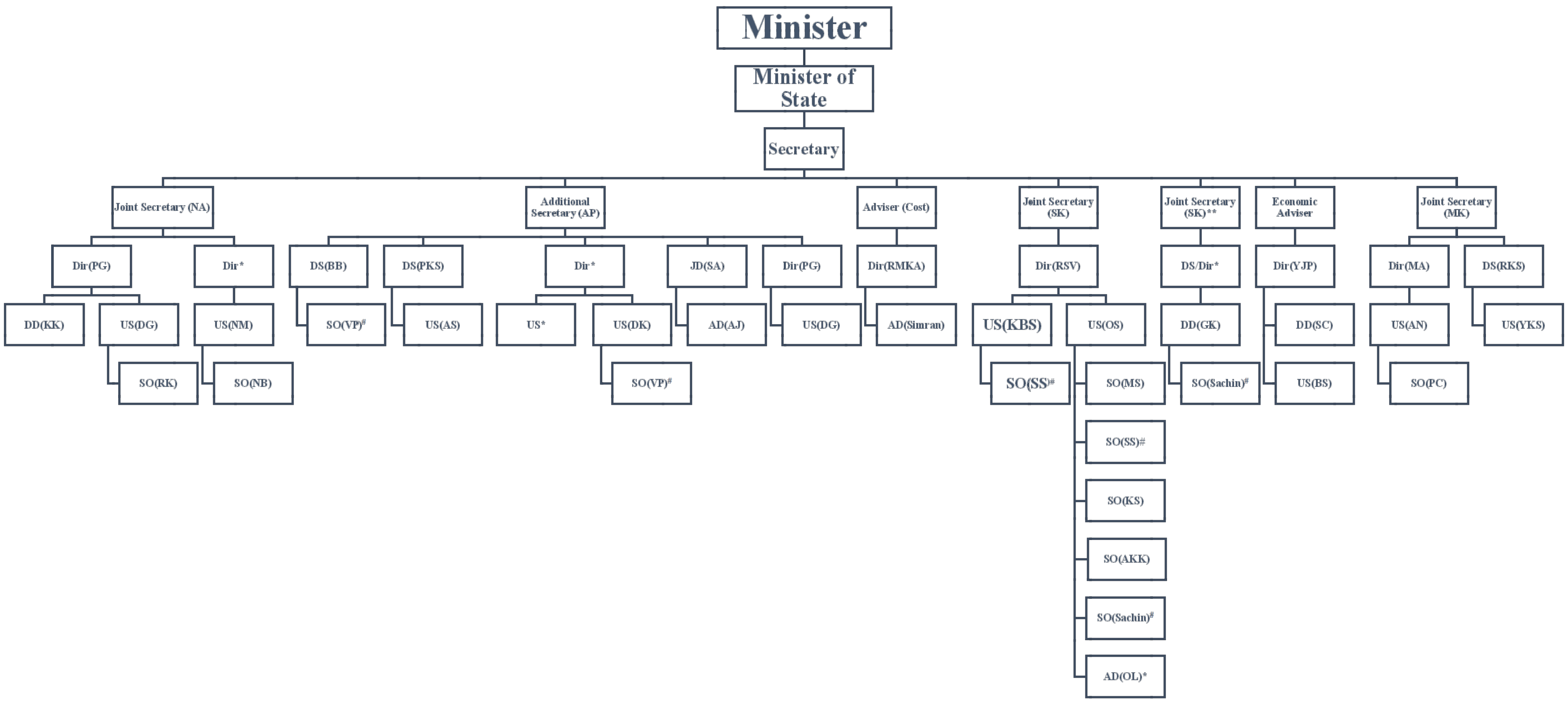
8. **Transactions Completed**

S.No.	Name of CPSE
26.	Hindustan Petroleum Corporation Limited (HPCL)
27.	Rural Electrification Corporation Limited (REC)
28.	HSCC(India) Limited
29.	National Projects Construction Corporation Limited (NPCC)
30.	Dredging Corporation of India Limited (DCIL)
31.	THDC India Limited (THDC)
32.	North Eastern Electric Power Corporation Limited (NEEPCO)
33.	Kamrajar Port Limited
34.	Air India ^^
35.	Neelachal Ispat Nigam Limited (NINL)
36	Ferro Scrap Nigam Limited (subsidiary)

^^ Subsidiaries which are now with AIAHL are still to be divested

Appendix-I
As on 23.01.2025

Organisation Chart



* Vacant Posts.

** Officers with additional charges.
# Reporting to two officers

Appendix-II

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 23.01.2025)				By Direct Recruitment				By promotion			By Deputation		
	Total	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs
A	39	10	1	5	0	0	0	0	0	0	0	0	0	0
B	20	4	1	3	0	0	0	0	0	0	0	0	0	0
C	15	8	0	5	0	0	0	0	0	0	0	0	0	0
Total	**74**	**20**	**2**	**13**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Representation of the persons with disabilities in DIPAM

Group	Number of employees				By Direct Recruitment							Promotion						
	(as on 23.01.2025)				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	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
C	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	74	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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 120 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 (NIACL)
- United India Insurance Company Limited (UIICL)
- The Oriental Insurance Company Limited (OICL)
- National Insurance Company Limited (NICL)
- 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 (43)

- Andhra Pragathi Grameena Bank
- Chaitanya Godavari Grameena Bank
- Saptagiri Grameena Bank
- Arunachal Pradesh Rural Bank
- Assam Gramin Vikash Bank
- Dakshin Bihar Gramin Bank
- Uttar Bihar Gramin Bank
- Chhattisgarh Rajya Gramin Bank
- Baroda Gujarat Gramin Bank
- Saurashtra Gramin Bank
- Sarva Haryana Gramin Bank
- Himachal Pradesh Gramin Bank
- Ellaquai Dehati Bank
- J&K Grameen Bank
- Jharkhand Rajya Gramin Bank
- Karnataka Gramin Bank
- Karnataka Vikas Grameena Bank
- Kerala Gramin Bank
- Madhya Pradesh Gramin Bank
- Madhyanchal Gramin Bank
- Maharashtra Gramin Bank
- Vidharbha Konkan Gramin Bank
- Manipur Rural Bank
- Meghalaya Rural Bank
- Mizoram Rural Bank
- Nagaland Rural Bank
- Odisha Gramya Bank
- Utkal Grameen Bank
- Puduvai Bharthiar Grama Bank
- Punjab Gramin Bank
- Baroda Rajasthan Kshetriya Gramin Bank
- Rajasthan Marudhara Gramin Bank
- Tamil Nadu Grama Bank
- Andhra Pradesh Grameena Vikas Bank
- Telangana Grameena Bank
- Tripura Gramin Bank
- Aryavart Bank
- Baroda UP Bank
- Prathama UP Gramin Bank
- Uttarakhand Gramin Bank
- Bangiya Gramin Vikash Bank
- Paschim Banga Gramin Bank
- Uttar Banga Kshetriya Gramin Bank

DRTs

- 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

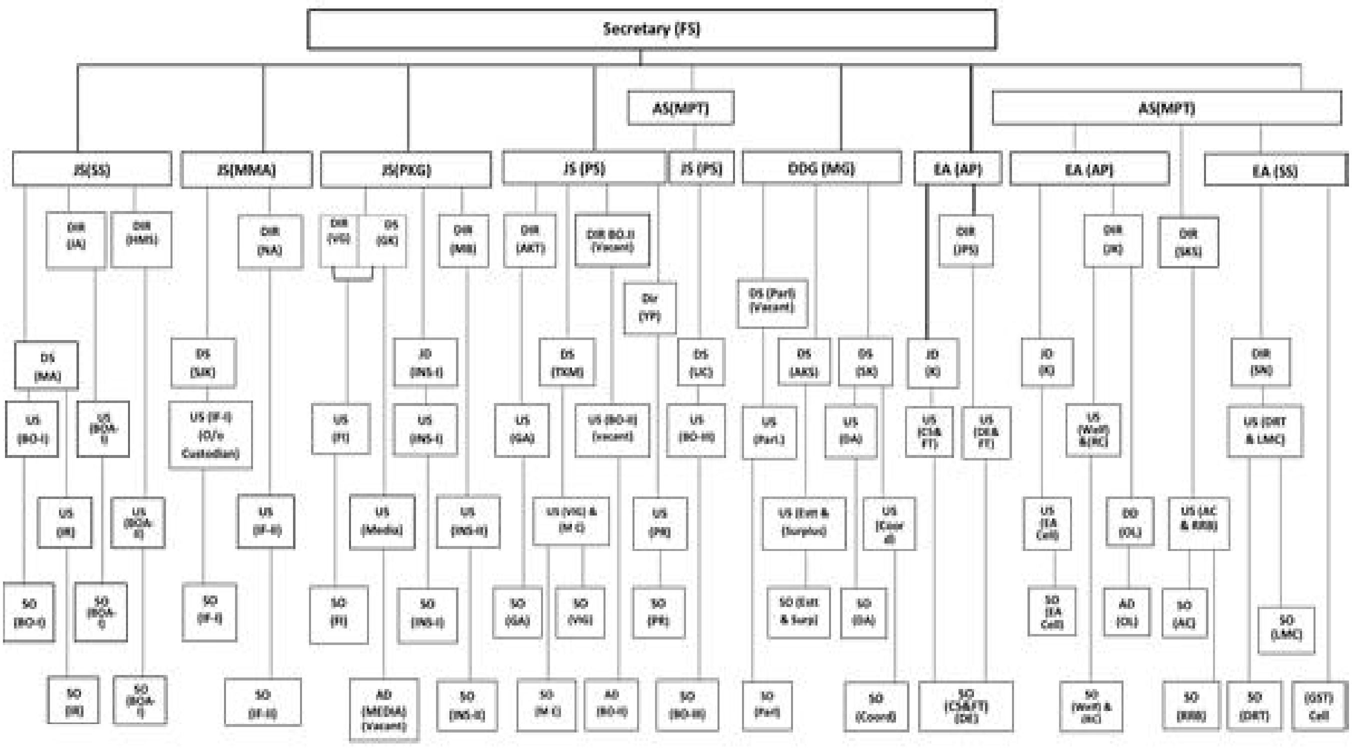
DRATs

- 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 one Additional Secretary, four Joint Secretaries (JS), one Deputy Director General (DDG) and two Economic Advisers (EA). The organisational chart of the department is shown below:

Flow Chart – Department of Financial Services



3. Work Allocation among Sections

At present, there are 29 sections within this department, and their work allocation is as follows:

Banking Operation-I (BO-I)

- Appointment of Governor/ Deputy Governor of RBI, Chairman & MDs of SBI, CMDs and EDs of Nationalised Banks, salary allowances and other terms and conditions of Whole Time Directors of PSBs
- Constitution of Boards of Directors of RBI and PSBs: appointment of Workmen Employee Directors, appointment of Part Time Non-Official Directors and Officer Employee Directors of PSBs
- Nomination of Directors on the Board of PSBs.

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, Re-commendation 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 insures 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 Ombudsmen Rules and administration thereof, other than corporate governance, appointment and service related matters pertaining to Insurance Ombudsmen and the Council of Insurance Ombudsmen
- 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 (NMFI) 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

Industrial Finance-II (IF-II)

- Administration of National Housing Bank Act, 1987
- Administration of Small Industries Development Bank of India Act
- Administration of National Housing Bank Act Administration of State Financial Corporation Act
- Operational, Policy and Budgetary matter relating to SIDBI and NHB
- Matters relating to NHB and Housing Policy
- Post winding up of BIFR & AAIFR matters
- Matters related to Micro, Small and Medium Enterprises (MSMEs), TReDS. SIDBI, SFCs, Credit Guarantee Fund for Micro and Small Enterprises, CGFMU, CGFSI, CGTMSE, CGFF
- MLIs, Credit Guarantee Scheme and other related matters on the subject
- Citizens Charter of NHB and SIDBI
- All matters related to Educational Loans including Vidyalakshmi Portal, Govt. Sponsored Schemes-PMEGP, Education, employment generation scheme of SJSRY, SGSY and other poverty alleviation programmes and other related matters, VIP references, Audit Paras, CPGRAM, RTI, Parliament Questions, Assurances, Grievances, Budget Announcements, Coordination with RBI and State Govts
- Appointment and all personnel matters of Whole Time Director in SIDBI and NHB,
- Appointment of Non-Official/Independent Directors and Government Nominee Directors in SIDBI and NHB,
- Laying of annual reports of SIDBI and NHB before the parliament
- All matters related to Pradhan Mantri Mudra Yojana (PMMY)
- Micro Finance (IF-II) - Matters related to Micro Finance Institutions and Legislation thereon, Self Help Groups as well as NABARD's Micro Finance, etc.
- Matter related to psbloansin59minutes portal.

Vigilance

- 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
- 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.

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 (SCT)

- 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.

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:
    a. Proactive disclosures under Section 4 of the RTI Act, 2005;
    b. Systematic changes that can be introduced to reduce the number of queries on a particular area/process;
    c. Formulation of FAQs on information that can be accessed from the Department;
    d. Information dissemination through identified means;
    e. Maintaining lists of CPIOs , FAAs and link officers;
    f. Annual report of the CIC;
    g. 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.

Hindi

- 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, retrial 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.
- To identify and address the issue of stress which remained hidden in the form of Standard Restructured Assets (SRAs) in the banking system, RBI initiated Asset Quality Review (AQR) in 2015 under which, after transparent recognition by banks and withdrawal of the special treatment of restructured loans, stressed accounts were reclassified as NPAs and expected losses on stressed loans, not provided for earlier as a result of the special treatment, were provided for, resulting in higher NPAs which peaked in 2018. Higher NPA and necessitated provisioning deeply impacted the financial parameters of banks and impeded their ability to grow and lend to productive sectors of the economy.
- 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.
- 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. The measures taken by the Government/RBI, include, inter alia, the following:

1. **Credit discipline:**

- **Enactment of the Insolvency and Bankruptcy Code**

  The Insolvency and Bankruptcy Code (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 behavioural change in the debtor-creditor relationship by shifting the focus from the 'Debtor in Possession' to a 'Creditor in Control' regime.

- **Setting up of the Central Repository of Information on Large Credits**

  Setting up of the Central Repository of Information on Large Credits (CRILC) by RBI:

  - To collects, stores and disseminates credit data to lenders; and
  - Banks are required to submit report on weekly basis to CRILC, in case of any default by borrowing entities with exposure of ?5 crore and above.

- **Systematic checking of high-value accounts for wilful default and fraud.**

2. **Recognition and resolution of stress:** To protect financial institutions in case of default or payment delay by large borrowers, RBI/Government has taken multiple steps which include, inter alia, the following:

- **Principle-based framework has been put in place for early recognition and time-bound resolution**

  A comprehensive principle-based framework has been put in place for early recognition and time-bound resolution of stress in the borrower accounts, manifesting in payment default. Delayed resolution is disincentivised under the framework as lenders are required to make additional provisioning in case of resolution plans are not implemented within specified timeline.

- **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;

- **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;

- **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;

- **Proactively detection of stress**

  To proactively detect stress and reduce slippage into NPAs, following measures have been implemented:

  - Automated Early Warning Systems (EWS) in banks;
  - Use of third-party data; and
  - Workflow focussing on time-bound remedial actions.

- **Regulatory framework for Asset Reconstruction Companies**

  Regulatory framework for Asset Reconstruction Companies (ARCs) has been amended with an objective of:

  - Strengthening transparency in the ARC sector; and
  - Improving corporate governance standards in ARCs.

- **Better management of the credit risk**

  Market based mechanisms have been strengthened to enable the financial institutions to better manage the credit risk on their balance sheets through a comprehensive framework for transfer of stressed assets to eligible transferees.

3. **Enhanced Access & Service Excellence (EASE)**

Through EASE framework, an objective process of incremental reforms in sync with the evolving ecosystem has been institutionalizedsss 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.

Areas of continued focus include - Governance, prudential lending, risk management, technology and data-driven banking and outcome-centric HR.

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;
- widening the pool of eligible WTDs by including private sector executives for appointment of MD & CEO in large PSBs; and
- recruitment of CXOs viz., Chief Risk Officer, Chief Compliance Officer, Chief Economist from the market.

5. **Consolidation of PSBs**

With consolidation of banks, the efficacy of the banking sector has been enhanced 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.

6. **National Asset Reconstruction Company Ltd.**

National Asset Reconstruction Company Limited (NARCL) and Asset Management Company (IDRCL) have been set up to consolidate and take over the existing stressed debt and then manage and resolve the accounts by implementation of various resolution strategies including disposing of the assets to Alternate Investment Funds and other potential investors for eventual value realization. NARCL has enabled transfer of bad debts of the banks from their balance sheets to the former, and has also enabled freeing up human resources from recovery functions, for productive business development, including credit deployment.

- **Impact of reforms**

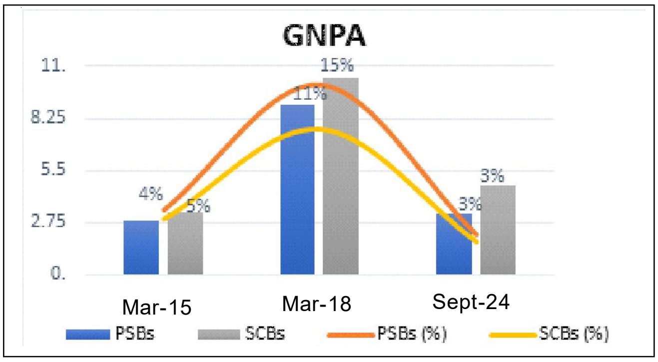
  As a result of Government's overarching policy response to recognition of stress, resolution of stressed accounts, recapitalisation and reforms in banks, the financial health and robustness of banking sector has improved significantly.

(a) As per Reserve Bank of India's provisional data:

(i) Asset quality has improved significantly with-

o **Gross NPA ratio** of SCBs declining to 2.54%, the lowest in 13 years, (₹4.64 lakh crore) in Sep-24 from 4.28% (₹3.23 lakh crore) in Mar-15 and from a peak of 11.18% (₹10.36 lakh crore) in Mar-18.

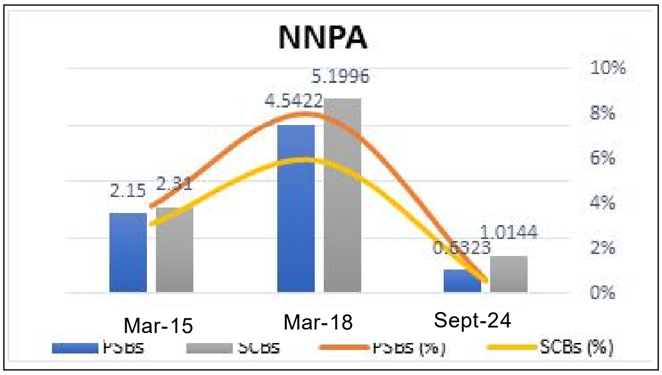
₹ lakh crore



- Gross NPA ratio of PSBs declining to 3.09% (₹3.16 lakh crore) in Sep-24 from 4.97% (₹2.79 lakh crore) in Mar-15 and from a peak of 14.58% (₹8.96 lakh crore) Mar-18.

o **Net NPA** of SCBs declining to ₹1.01 lakh crore (decadal low of 0.57%) in Sep-24 from ₹2.31 lakh crore (3.13%) in Mar-15 and from a peak of ₹5.2 lakh crore (5.94%) in Mar-18.

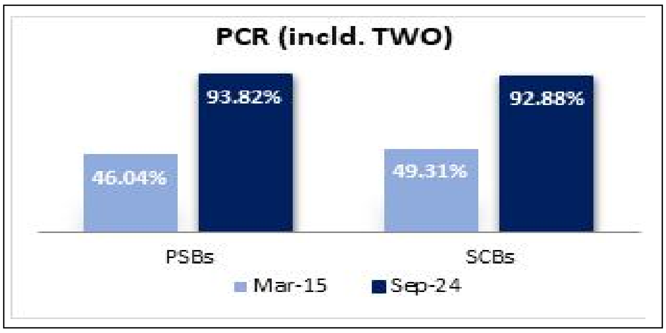
₹ lakh crore



- **Net NPA** of PSBs declining to ₹0.63 lakh crore (0.63%) in Sep-24 from ₹2.15 lakh crore (3.92%) in Mar-15 and from a peak of ₹4.54 lakh crore (7.97%) in Mar-18.

(ii) Resilience has increased with-

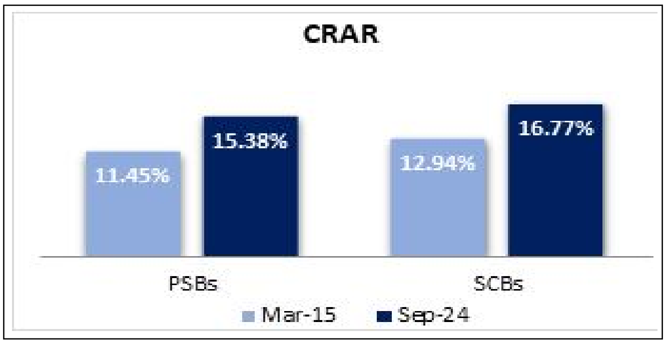
- Provision coverage ratio (PCR) of SCBs increasing from 49.31% in Mar-15 to a healthy 92.88% in Sep-24.



o PCR of PSBs increasing from 46.04% in Mar-15 to a healthy 93.82% in Sep-24.

(iii) Capital adequacy has improved significantly with-

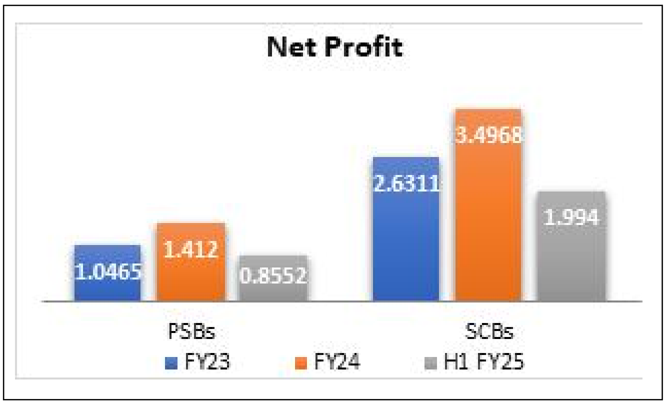
- CRAR of SCBs improving by 383 bps to reach 16.77% in Sep-24 from 12.94% in Mar-15.



o CRAR of PSBs improving by 393 bps to reach 15.38% in Sep-24 from 11.45% in Mar-15.

(iv) Highest ever aggregate net profit

During FY24, SCBs have recorded highest ever aggregate net profit of ₹3.50 lakh crore against net profit of ₹2.63 lakh crore in FY23, and recorded aggregate net profit of ₹1.99 lakh crore in the first half of FY25. In FY24, PSBs have recorded highest ever aggregate net profit of ₹1.41 lakh crore against net profit of ₹1.05 lakh crore in FY23, and recorded ₹0.86 lakh crore in the first half of FY25.

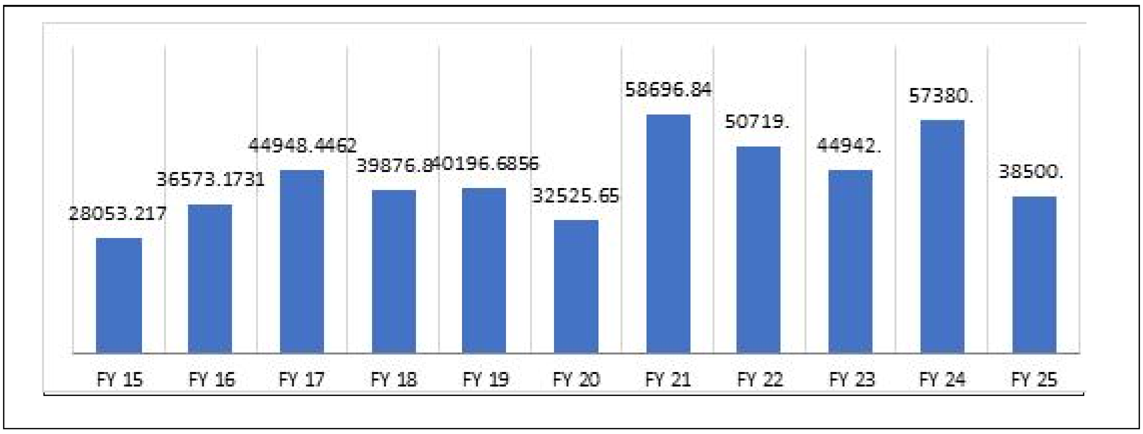


(b) Dividend

PSBs declared dividend of ₹27,830 crore to shareholders (GoI share ₹18,013 crore) in FY24 against total dividend of ₹20,964 crore to shareholders (GoI share ₹13,804) in FY23.

(c) Market raising of capital

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 ₹4.72 lakh crore from the market from FY15 to FY25 (up to 31.12.2024).

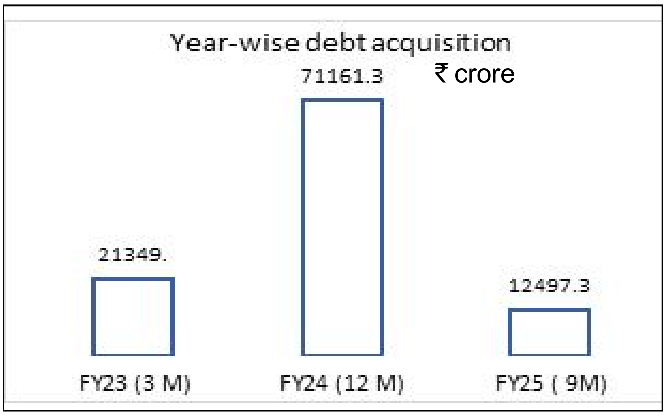


(d) Prompt Corrective Action

Banks, earlier placed under Prompt Corrective Action (PCA) framework by RBI, have made significant improvement resulting in removal of each one of them from the PCA restrictions.

(e) NARCL

As on 14.1.2025, NARCL has acquired 24 borrower entities, with an aggregate debt exposure of ₹105,008 crores. (Out of these 24, NARCL is acting as Resolution Applicant in 2 cases with total debt exposure of ₹32,815 crore). NARCL has given offers in 2 accounts (Debt Exposure of ₹49,999 crore) where swiss challenge is underway.



4.2. Important decisions / Initiatives taken

a) Review of guidelines on the number of posts of Chief General managers (CGMs) / General Managers (GMs) / Deputy General Managers (DGM)s / Assistant General Managers (AGMs)

Status as on last year: With a view to make the span of control more manageable and effective, Government in the year 2019 had conveyed 'no objection' to introduce Chief General Manager (CGM) post, below board level, in those Nationalised Banks (NBs) having a total business of Rs. 10 Lakh crore or higher. Accordingly, CGM post was available in six out of eleven Nationalized Banks. The remaining banks have been approaching the Government for making available the CGM post in their banks also. There was also a demand from all the NBs to review existing methodology for fixing the number of executives citing various reasons such as high pace of digitalization, the growing role of specialized and dedicated verticals, branch expansion etc. The number of executives from the post of AGM to CGM, were 5800 across all nationalised banks.

Present Status: The Finance Minister, in the year 2024, has approved the creation of CGM post in remaining five nationalized banks (i.e.) Bank of Maharashtra, Central Bank of India, Indian Overseas Bank, Punjab & Sind Bank and UCO Bank. While creating the said post, the Finance Minister has also approved the increase in the existing number of CGMs in the banks that already have CGM level posts. This step will significantly enhance the administrative structure and efficiency of banks.

CGM post acts as an administrative and functional layer between the General Manager (GM) and the Executive Director (board level post) in the Nationalized Banks. The increase of CGM posts will enhance the capability of banks to better monitor critical positions such as digitalisation, cyber security, fin-tech, risk, compliance, rural banking, financial inclusion etc., and sub-domains like retail Credit, Agri-credit, MSME Credit etc., thereby leading to more targeted strategies and improved overall performance. Increase in the number of CGMs will further enable the banks to have a better control and supervision thereby resulting in improved asset management and operational efficiency.

The number of posts has been revised based on the business mix of the banks as on 31.03.2023, with the ratio of one CGM for every four GMs. This creation / increase will not only benefit the GMs elevating to the post of CGM but also benefit the immediate lower levels of executives, below GM level posts i.e. Deputy General Managers (DGM) and Assistant General Managers (AGM), as with the increase of 01 CGM level post, there will be an increase in 04 GM posts, 12 DGM posts and 36 AGM posts.

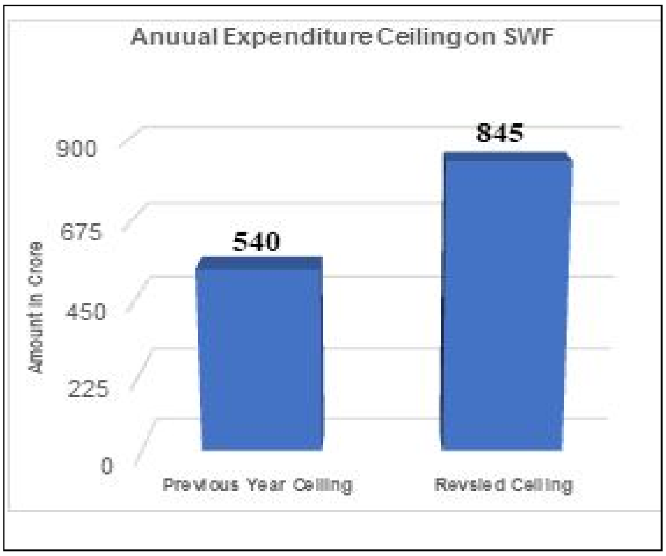
With the revision, the number of CGM posts in all the 11 Nationalised Banks has been increased from 80 to 144. Accordingly, the number of GM posts has been revised from 440 to 576, the number of DGM posts from 1320 to 1728 and the number of AGM posts from 3960 to 5184. Post enhancement at the senior management level will lead to increased oversight and will result in better identification and mitigation of risks, especially in complex financial environments.

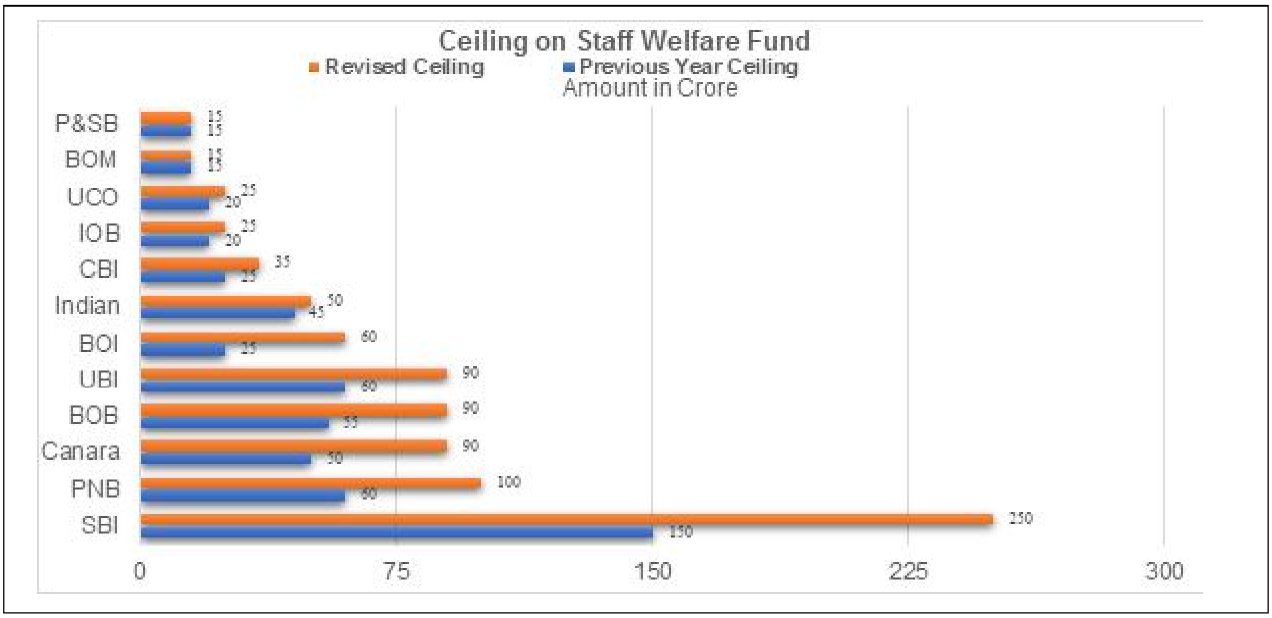
This significant step has been taken keeping in view the demands being received from various banks and also due to the substantial growth in business, verticals, domains and branch expansions of the banks that require a dedicated pyramid of executives at the senior level

b) **Revision in the ceiling on the Staff Welfare Fund in Public Sector Banks (PSBs) -** Staff welfare fund (SWF) is a fund allocated by the PSBs for the welfare-related activities (health-related expenses, subsidies on canteen, sports and cultural activities, education-related financial assistance etc.) in respect of working and retired officials of PSBs. SWF was given a fillip by increasing the maximum ceiling of annual spending.

Status as on last year: PSB were using the SWF ceiling as per the revision made in year 2012. Post amalgamation in 2019/2020, PSBs were using combined ceiling of amalgamated banks. The combined maximum annual expenditure ceiling of SWF for all PSBs was Rs 540 Crore. The ceiling on SWF was ranging earlier from Rs. 15 Cr to 150 Cr. among PSBs.

Present Status: The ceiling on SWF has been thoroughly revised in the year 2024, after taking into consideration the number of employees and retirees in PSBs as of 2024 and the change in the business mix of the PSBs. PSBs were categorized into four different slabs based on their business mix and the employee strength and the combined maximum annual expenditure ceiling of SWF for all the 12 PSBs has increased from Rs.540 crore to Rs.845 crore. This increase will benefit 15 lakh staff including the retired employees of all the 12 PSBs. A graphical presentation in this regard is as under:





This measure reflects the Government's commitment to support the welfare of both current employees and retirees of PSBs, recognising the rising cost of welfare services and the expanded workforce following recent mergers. These welfare initiatives shall boost the workforce morale and help create a supportive environment, essential for continued growth in India's banking sector.

c) **Revision of Crisis Management Plan (CMP) -** The CMP, first formulated in the year 2019 and modified subsequently in the year 2021, is invoked for an industry-wide strike in Banking Industry for three or more days. It involves proactive preparation, communication, and coordination to minimize disruption, ensure stakeholder safety and restore operations swiftly. Based on the observation of the Secretary (Security), Cabinet Secretariat and the suggestions of the stakeholders, the CMP has been revisited and revised CMP-2024 has been circulated to all PSBs to make their Standard Operating Procedures (SOP) in line with CMP-2024 of this Department.

Highlights on new inclusions in CMP-2024 : The highlights of the modifications done in the CMP - 2024 are as under:

i. Inclusion of Crisis Information Flowchart as per the GOI guidelines;

ii. Clarification on the role of Crisis Management Group;

iii. Defined composition, role and responsibilities of 'Monitoring Committee' and 'Crisis Management Team';

iv. Inclusion of a Scheduled Commercial Bank other than PSBs in the Steering Committee;

v. Provision for background checking, vetting of integrity, physical security plan and mock drill in banks;

vi. Coordination of SLBCs and LDMs with the Local Administration to maintain law & order during strike;

vii. Defining role of banks based on their geographical position;

viii. Mitigating the Crisis by ensuring full functioning of Critical Infrastructure like Currency Chests, Cheque Clearing Processing Centres (CCPCs), Data Centres, Data Recovery Centres, Treasury Operations etc.

The CMP 2024 provides a comprehensive framework for handling potential industry-wide strikes in the banking sector, ensuring minimal disruption to services. It establishes Crisis Management Teams at multiple level and a coordination framework among them, enabling banks to prepare for strike situation, mitigate operational vulnerability during strikes and sustain core operations including critical infrastructure like ATMs and data centres.

The CMP ensures that customers are also informed about strike timelines and have access to essential services through alternative channels such as mobile & internet banking. This comprehensive approach helps maintain trust, enabling banks to uphold stability and protect customer interests during potential crises.

d) Performance Linked Incentive Scheme for Whole-time Directors and senior executives in PSBs:

Status as per last year:

Earlier Performance Linked Incentive (PLI) Scheme was introduced to suitably reward and motivate Whole-Time Directors (WTDs) of Public Sector Banks (PSBs) only. The eligibility for PLIs for the WTDs of the PSBs was evaluated on the basis of Key Performance Indicators (KPI) approved by the Finance Minister. The maximum amount of PLI payable to Managing Director & Chief Executive Officer was Rs. 8 Lakh and to Executive Director was Rs. 6.5 Lakh. This Scheme was not applicable to other officers of the banks.

The increasing presence, dominance and swift ability to embrace system-driven changes by other players in the market like Private Sector Banks, Foreign Banks, Payment Banks, Small Finance Banks and other financial sector participants such as Non-Banking Financial Institutions (NBFCs) and other FIs have changed the scope of banking in multitudes and are forcing the PSBs to evolve beyond traditional banking. These changes are required to be aptly recognized and accordingly the compensation package, scheme coverage and KPIs with its evaluation matrix are required to be revised to reflect present market position.

Current Status:

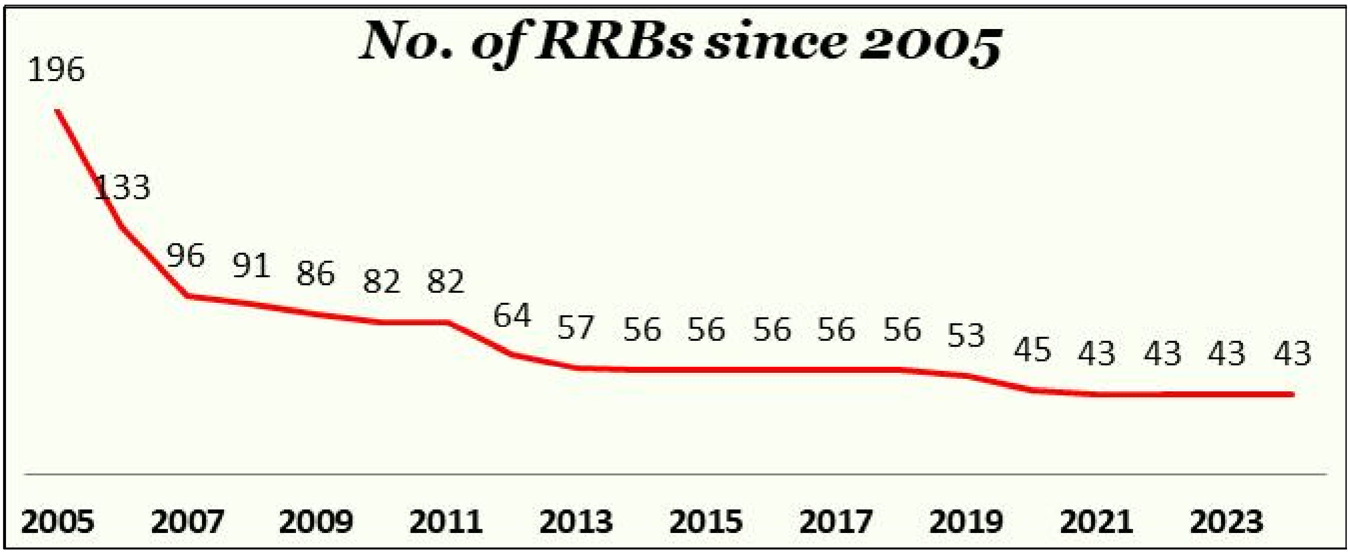
Accordingly, Finance Minister has approved a revised Scheme for Performance Linked Incentive with the objective to suitably reward and motivate WTDs of PSBs. Further, for greater inclusivity, the revised PLI Scheme has been made applicable to senior executives from Scale-IV to Scale - VIII (i.e. Chief Manager to Chief General Manager) duly recognising the leadership role played by them in efficient steering of the bank's performance.

The revised PLI Scheme shall evaluate performance on detailed Evaluation Matrix comprising of four equally weighted Evaluation Parameters - (i) Efficiency, (ii) Business, (iii) Asset Quality and (iv) Financial Inclusion (including EASE reforms). The first three parameters are further divided into 12 sub-parameters. The performance evaluation on these sub-parameters shall be made using different Evaluation Methodologies such as comparing performance with previous year's performance of the bank, comparing performance with average performance of Scheduled Commercial Bank and Public Sector Banks and performance in respect of allocated targets. Further, under parameter (iv), performance of all the PSBs are assessed on the basis of achievement of targets for flagship schemes for financial inclusion.

Under the revised PLI Scheme, the maximum amount of incentive for WTDs has been increased to their annual basic pay. Similar provision, with suitable modification, has been made for senior executives in the scale-IV to scale - VIII. The revised Scheme will foster a sense of accomplishment, encourage continuous learning and innovation and promote competitive atmospheres that will boost the productivity. The Scheme is effective from FY 2023-24.

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. As on 31 March 2024, 43 RRBs are operating through a network of 22,069 branches in 26 States and 3 Union Territories (Puducherry, Jammu & Kashmir, Ladakh) covering 700 districts of the country. 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.



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:

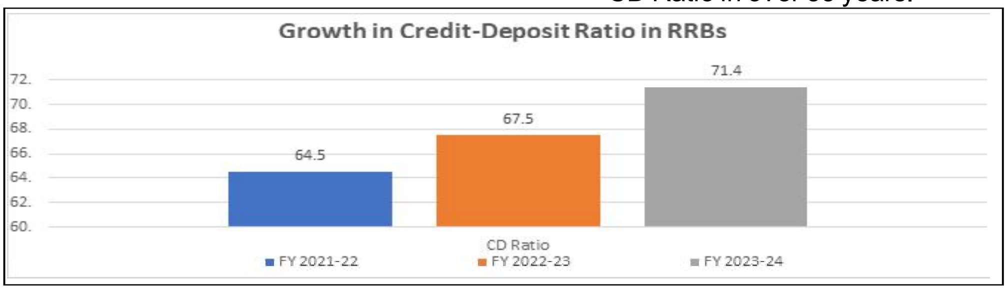
(i) Of the total loans extended by RRBs, as on 31st March 2024, over 87% of loans are extended to the priority sector, and about 67% is towards agriculture sector. Of the total loans, about 61% of are extended to weaker sections of the society.

(ii) RRBs play a significant role in extending micro credit. They account for 31% of the SHG loan accounts and 25% of the total loan amount is extended to SHGs. Nearly 19% of the total KCCs have been issued by the RRBs.

(iii) Share of RRBs in total accounts/enrollments 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 79% as on 31 March 2024. As a result of a healthy credit growth of RRBs during the previous 3 years, the consolidated CD ratio of RRBs improved to 71.4 % as on 31 March 2024, which was the highest CD Ratio in over 33 years.



4.3.2. Recapitalization Scheme:

The Government of India along with other stakeholders of RRBs viz concerned state government and sponsor banks recapitalise them to help RRBs 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.

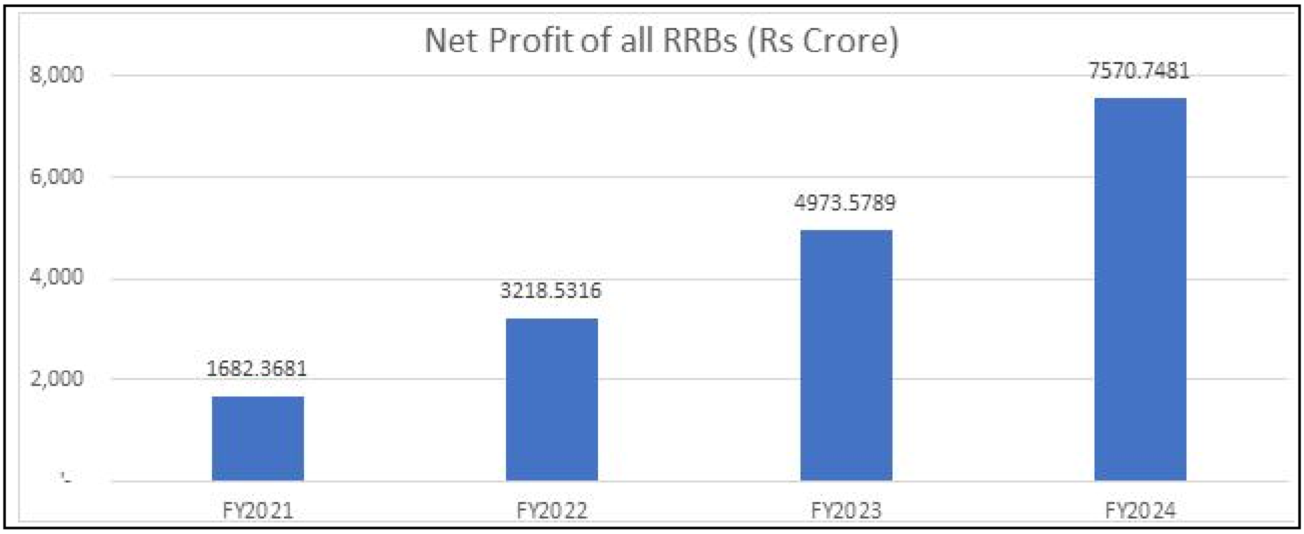
4.3.3. Progress & Outcome:

i) The last recapitalization support was provided to RRBs as a one-time upfront recapitalisation of Rs.5,445 crore as GoI share, approved by Expenditure Finance Committee (EFC) in its meeting held on 11.10.2021, 75% of which i.e. Rs.4,084 crore was infused into the RRBs during the FY 2021-22. The balance 25% of recapitalisation support of Rs.1,361 crore as GoI 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 Rs.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 2023-24 and has reached historic highs on several parameters. RRBs posted highest ever consolidated net profit of ₹7,571 crore during FY 2023-24 and their consolidated CRAR was at an all-time high of 14.2% as on 31 March 2024. The asset quality measured by GNPA (Gross Non-Performing Assets) at 6.1% was the lowest in previous 10 years. Credit expansion led to an increase in consolidated CD ratio to 71.4%, which was the highest in over 33 years. The pace of technology adoption has increased as more RRBs have started rolling out digital services to their customers.

Consolidated Net Profit of 43 RRBs



4.3.4. Important Developments in the context of RRBs in FY 2024-25:

4.3.4(i). Review meetings of RRBs by Hon'ble Union Finance Minister:

Hon'ble Union Finance Minister chaired meetings in different regions of the country to review the functioning of RRBs. The details of the review meetings held during 2024-25 are as follows:

Sr. No.	Region	Place	Date of Review
1	National Level Review of all RRBs	New Delhi	19 August 2024
2	Western & Central Region	Udaipur, Rajasthan	22 August 2024
3	Northeastern Region	Itanagar, Arunachal Pradesh	30 September 2024
4	Southern Region	Bengaluru, Karnataka	09 November 2024
5	Eastern Region	Patna, Bihar	29 November 2024

4.3.4(ii). Initiation of process for 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 (GoI) 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, GoI has decided to embark on further consolidation of RRBs towards the goal of 'One State-One RRB'.

4.3.4(iii) Performance of RRBs under Financial security schemes

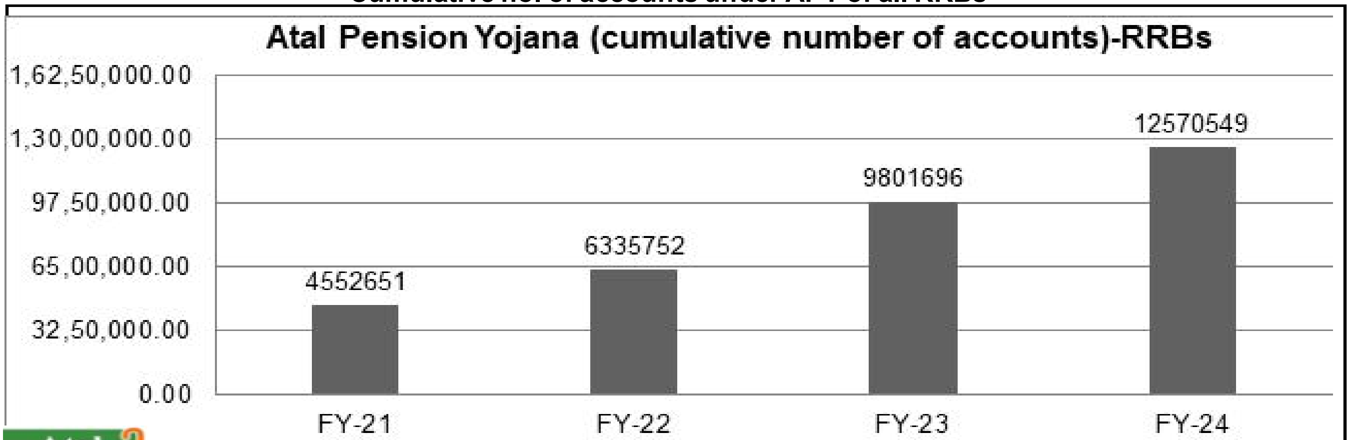
The comparative performance of Regional Rural Banks (RRBs) versus all banks under financial inclusion schemes is provided below. Additionally, the performance of RRBs under the Atal Pension Yojana (APY), Pradhan Mantri Jan Dhan Yojana (PMJDY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), and Pradhan Mantri Suraksha Bima Yojana (PMSBY) is detailed below.

Table I: Performance under Financial Inclusion Schemes- Cumulative Accounts / Enrolments in Crore

S.N	Government Scheme	*31-Mar-23*			*31-Mar-24*			*YoY Growth (%)*	
		RRBs	All Banks	RRBs Share (%)	RRBs	All Banks	RRBs Share (%)	RRBs	All Banks
1	Pradhan Mantri Jan Dhan Yojana	9.13	48.65	18.8	9.83	51.99	18.9	7.7	6.9
2	Pradhan Mantri Suraksha Bima Yojana	5.22	33.78	15.5	7.24	43.69	16.5	38.7	29.3
3	Pradhan Mantri Jeevan Jyoti Bima Yojana	2.24	15.99	14.0	3.17	19.85	15.9	41.5	24.1
4	Atal Pension Yojana	0.98	5.20	18.8	1.25	6.44	19.4	27.6	23.8

i. **Atal Pension Scheme (APY):** The number of accounts under APY has been steadily increasing each year. There has been a growth of 28.24% over previous FY and cumulative number of accounts of all RRBs reached to 1.26 crore as on 31 March 2024.

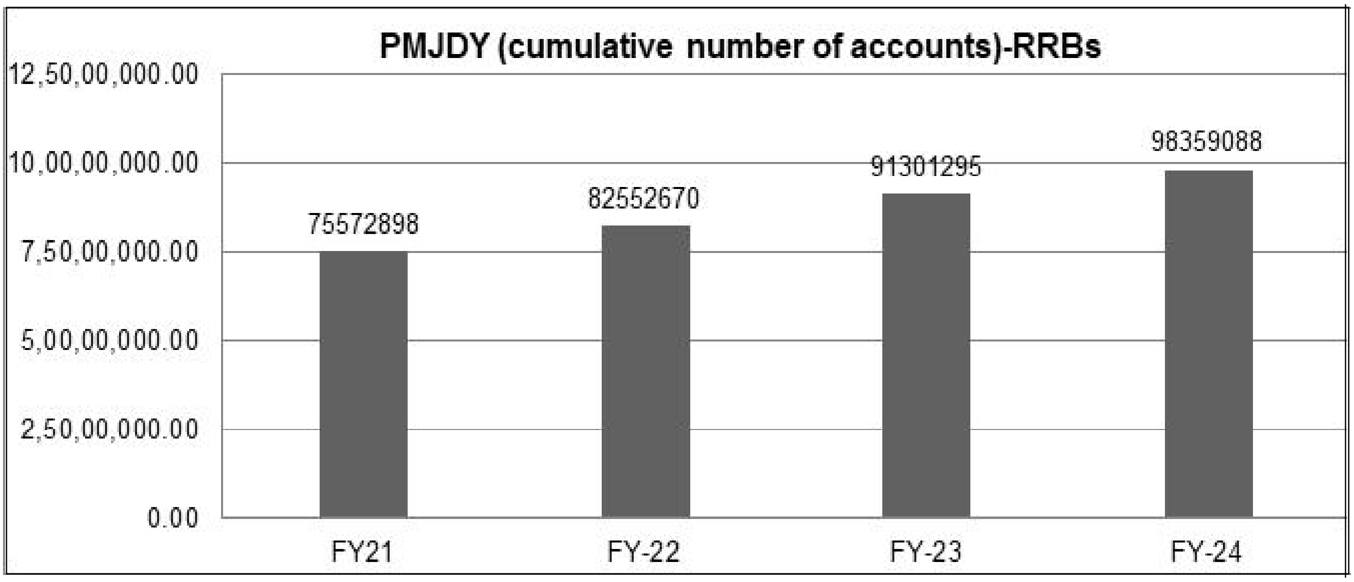
Cumulative no. of accounts under APY of all RRBs



(Source: Data sourced from RRBs via RRB Darpan Portal)

ii. **Pradhan Mantri Jan Dhan Yojana (PMJDY) accounts in RRBs:** The number of accounts under PMJDY has been steadily increasing each year. There was a growth of 7.7% over the previous financial year, bringing the cumulative number of accounts across all RRBs to 9.84 crore by the end of FY 2023-24.

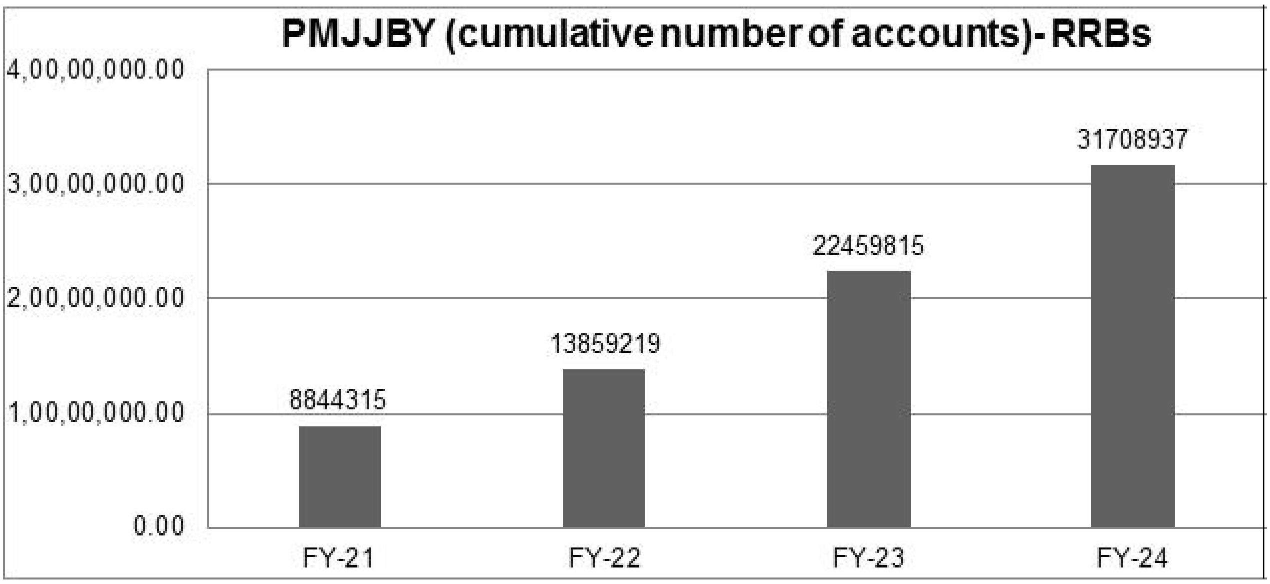
Cumulative no. of accounts under PMJDY of all RRBs



(Source: Data sourced from RRBs via RRB Darpan portal and PMJDY website)

iii **Pradhan Mantri Jivan Jyoti Bima Yojana (PMJJBY) in RRBs** The number of accounts under PJJBY has been steadily increasing each year. There was a growth of 41.2% over the previous financial year, bringing the cumulative number of accounts across all RRBs to 3.17 crore by the end of FY 2023-24

Cumulative no. of accounts under PMJJBY of all RRBs

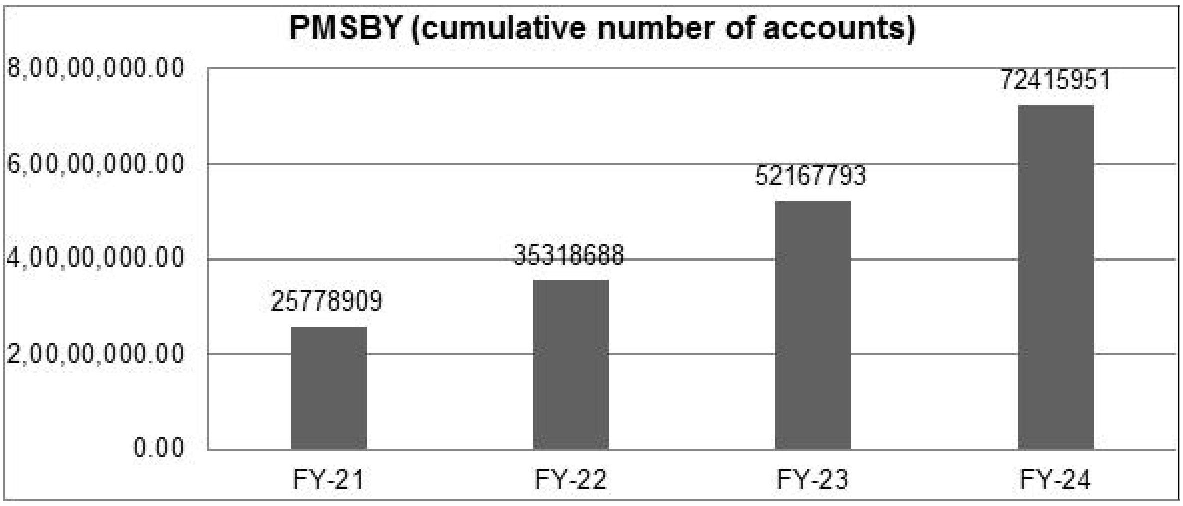


Pradhan Mantri Jeevan Jyoti Bima Yojana

(Source: Data sourced from RRBs via RRB Darpan Portal)

iii. **Pradhan Mantri Suraksha Bima Yojana (PMSBY) in RRBs:** The number of accounts under PMSBY increased by 38.8% over previous FY, bringing the cumulative number of accounts across all RRBs to 7.24 crore by the end of FY 2023-24.

Cumulative no. of accounts under PMSBY of all RRBs



(Source: Data sourced from RRBs via RRB Darpan Portal)

4.3.4(iv) The overall of performance of all the 43 RRBs on key financial parameters for the year 2023-24 is given in the table below:

Key Financial Parameters:

(Amount in ₹ crore)

Particulars	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24
No. of RRBs (No.)	43	43	43	43
Branch Network (No.)	21,856	21,892	21,995	22,069
Share Capital	8,393	14,880	17,232	19,042
Reserves	30,348	34,359	40,123	46,659
Deposits	5,25,226	5,62,538	6,08,509	6,59,815
Borrowings	67,864	73,881	84,712	92,444
Investments	2,75,658	2,95,665	3,13,401	3,19,099
Gross Loans & Advances O/s	3,34,171	3,62,838	4,10,738	4,70,109
No. of RRBs earning Profit	**30**	**34**	**37**	**40**
Amount of Profit (A)	3,550	4,116	6,178	7,796
No. of RRBs incurring Losses	**13**	**9**	**6**	**3**
Amount of Losses (B)	1,867	897	1,205	225
Net Profit of RRBs (A – B)	1,682	3,219	4,974	7,571
GNPA (Amount)	31,381	33,190	29,894	28,913
GNPA (%)	9.4	9.1	7.3	6.1

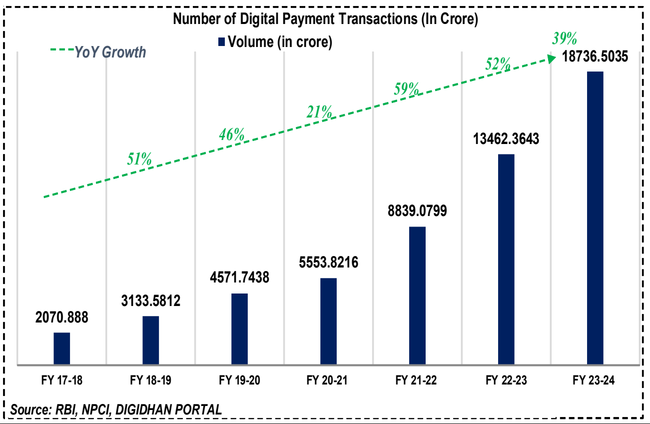
4.4 Digital Payments

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 220 crore in FY 2013-14 to 18,737 crore in FY 2023-24. During the same period, the value of digital payment transactions has grown from ₹ 952 lakh crore to ₹ 3,659 lakh crore. In the current financial year till 31st December 2024, number of digital payment transactions stands at 16,544 crore and value stands at ₹ 2,727 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.

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 18,737 crore in FY 2023-24. During the same period, the value of transactions has grown from ₹ 1,962 lakh crore to ₹ 3,659 lakh crore. In the current financial year till 31st December 2024, number of digital payment transactions stands at 16,544 crore and value stands at ₹ 2,727 lakh crore.

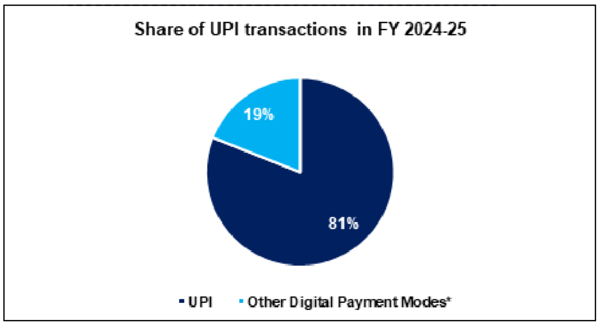


Source: RBI, NPCI, DIGIDHAN PORTAL

a. **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 13,116 crore in FY 2023-24. During the current financial year till 31st December 2024, number of UPI transactions stands at 13,446 crore. It is estimated that the UPI transactions are expected to cross 20,000 crore in FY 2024-25.

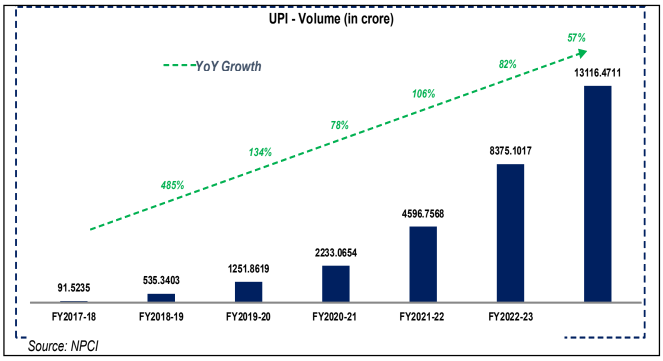
- The introduction of the UPI in FY 2016-17 has helped India establish itself as one of the global leaders in real-time payment systems and overall growth of digital transactions. As per ACI Worldwide Report 2024, around 49% of the global real-time payment transactions is happening in India.

- 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).

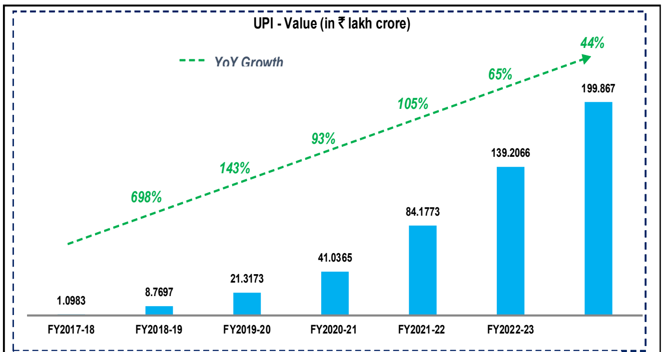


**Data till 31st December 2024*

- UPI transactions increased significantly from 1.14 billion transactions per month in October 2019 to a staggering 16.73 billion (1,673 Crore) transactions per month in December 2024.



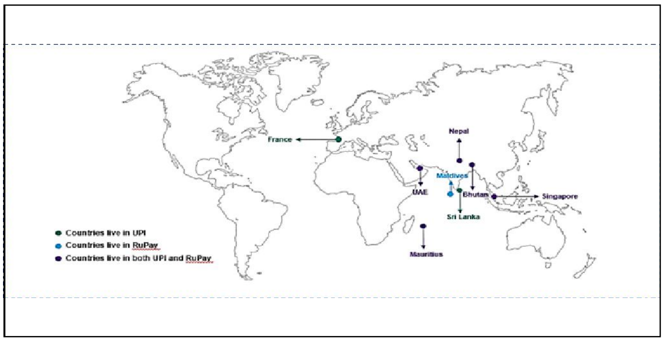
Source: NPCI



Source: NPCI

b. 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 7 countries i.e. UAE, Bhutan, Nepal, Mauritius, France, Sri Lanka and Singapore
- RuPay cards acceptance is live in 6 countries i.e., Nepal, Bhutan, Mauritius, Singapore, UAE and Maldives.



- Peru is set to adopt India's UPI tech stack to create their fast payment system, making it the first South American country to do so. This is a big step forward for digital payment systems around the world.

- NPCI International Payments Limited (NIPL) signed an MoU with Google wherein both entities will work together to enable the use of UPI for Indian citizens travelling internationally, create an UPI like digital payment system which will internationally interoperable, and make cross border remittances quick and cost effective.
- 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.

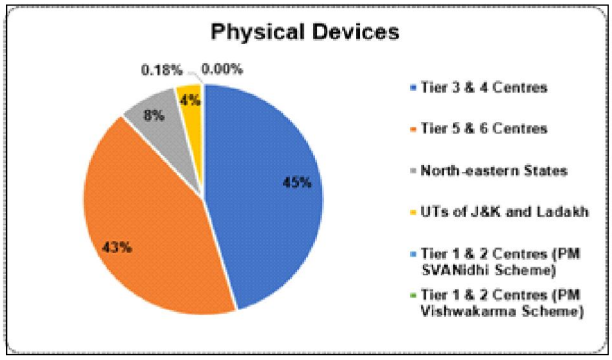
2. **Digital Payment Infrastructure:** Coordinated efforts of ecosystem partners have led to an exponential growth in digital payments acceptance infrastructure in the country, increasing from 0.31 crore as on March 2018 to 64.98 crore as on December 2024.

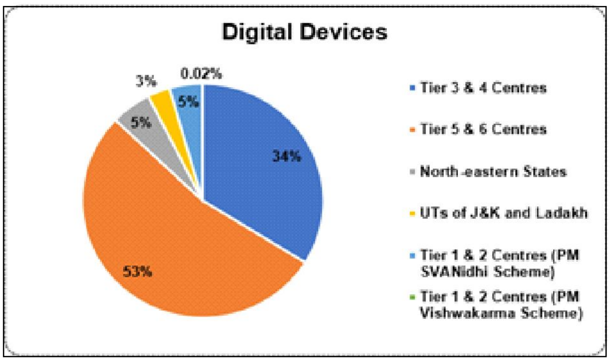
Payment Infrastructure Development Fund (PIDF) Scheme:

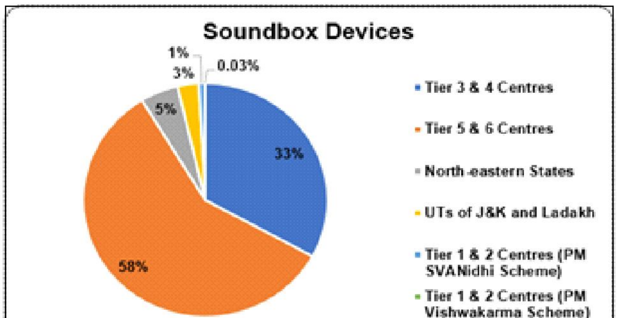
RBI has, vide circular dated January 5, 2021, operationalized the Payments Infrastructure Development Fund (PIDF) Scheme from January 1, 2021, for a period of three years. On December 29, 2023, the scheme was further extended up to December 31, 2025. The objective of the Scheme is to encourage acquirers (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 31.3.2024, a total of 3.14 crore payment acceptance devices have been deployed at eligible locations under the PIDF Scheme. The figure as on 30.11.2024 stands at 4.03 crore payment acceptance devices.

Deployment Status (as on 30.11.2024):

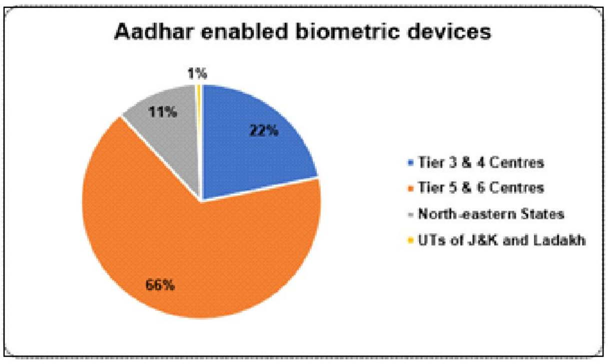
Location	Physical Devices	Digital Devices	Soundbox Devices	Aadhar enabled biometric devices
Tier 3 & 4 Centres	6,20,590	1,18,92,988	12,40,343	7,166
Tier 5 & 6 Centres	5,81,647	1,86,86,747	21,93,062	21,949
North-eastern States	1,09,833	19,06,327	1,89,370	3,665
UTs of J&K and Ladakh	49,841	10,51,077	1,05,153	222
Tier 1 & 2 Centres (PM SVANidhi Scheme)	2,503	15,58,270	30,668	0
Tier 1 & 2 Centres (PM Vishwakarma Scheme)	10	5,467	961	0
Total	**13,64,424**	**3,51,00,876**	**37,59,557**	**33,002**
Total Touchpoints	**4,02,57,859**			







Source : RBI



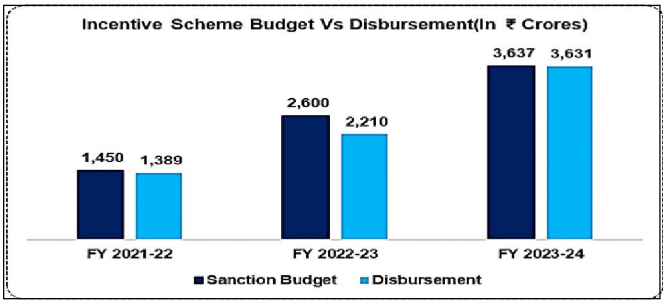
3. Incentive Scheme for RuPay and UPI:

To support payment system participants to mitigate adverse impact of zero MDR and to promote digital payment, the "Incentive scheme for promotion of RuPay Debit Cards and low-value BHIM-UPI transactions (person-to-merchant- P2M)" was launched. The scheme was based on the budget announcements, for FY2021- 22 and FY2022-23, with the intent to provide financial incentive to promote digital payment modes. 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) (P2M).

For FY 2023-24, the scheme was announced in Budget 2023-24 as part of budget speech. The Scheme was notified by the Department of Financial Services (DFS), Government of India vide Gazette Notification dated 12th March 2024, for a period of one year, i.e., from 01st April 2023 till 31st March 2024. Out of the total scheme outlay of ₹ 3,637 crore, ₹ 367 crore was allocated for RuPay Debit Card and ₹ 3,270 crore was allocated for BHIM-UPI.

(Amount in ₹ Crore)

FY	Sanction Budget	Disbursement
2021-22	₹ 1,450	₹ 1,389
2022-23	₹ 2,600	₹ 2,210
2023-24	₹ 3,637	₹ 3,631



4.5 Account Aggregator

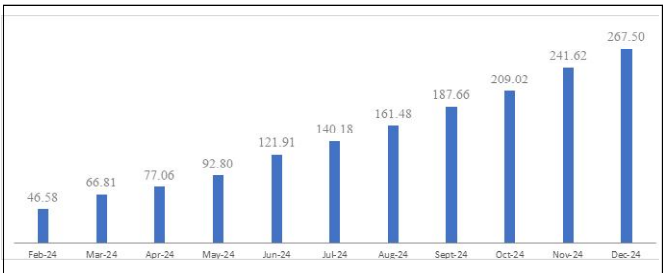
Account Aggregator (AA) is a Non-Bank Finance Company (NBFC) engaged in the business of providing the service of retrieving or collecting financial information pertaining to the customer. No financial information of the customer is retrieved, shared or transferred by AA framework without the explicit consent of the customer. AA transfers data from one financial institution to another based on an individual's instruction and consent. In this direction, 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. banking company, NBFC, asset management company, depository, depository participant, insurance company, insurance repository, pension fund etc. 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 fifteen companies as AA.

The RBI circular broadly provides guidelines, inter alia 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.

4.5.1 Initiatives

DFS conducts regular meetings to review the progress of Account Aggregator with all Financial Sector Regulators i.e. RBI, IRDAI, PFRDA and SEBI, PSBs, all Public Sector Insurance Companies (PSICs), NABARD, DEA, GSTN, SIDBI & other stakeholders. As per the data collected by FI plan portal, so far more than 221 crore transactions have taken place for successfully sharing of data via AA.



Graph 2: Trends in transactions through AA

5. Financial Inclusion

5.1. 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 Rs. 1 lakh and organizing Financial Literacy Programmes.

- **Phase II (15th August, 2015 - 14th August, 2018)**

Overdraft (OD) facility upto Rs.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 Rs.5,000 to Rs.10,000;

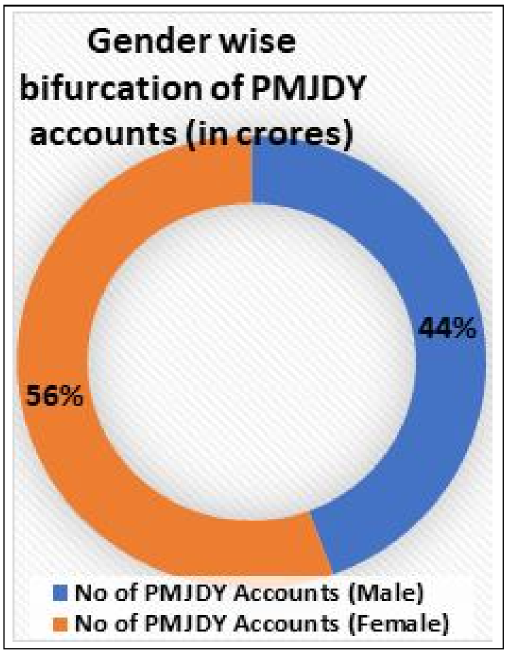
b. accident insurance cover on RuPay card holders from Rs.1 lakh to Rs.2 lakh;

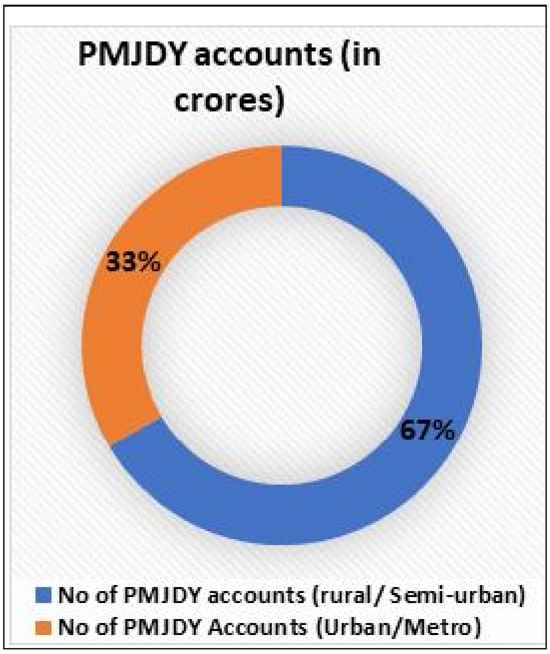
c. age limit for availing OD facility revised from 18- 60 years to 18-65 years; and

d. no conditions attached for OD up to Rs. 2000.

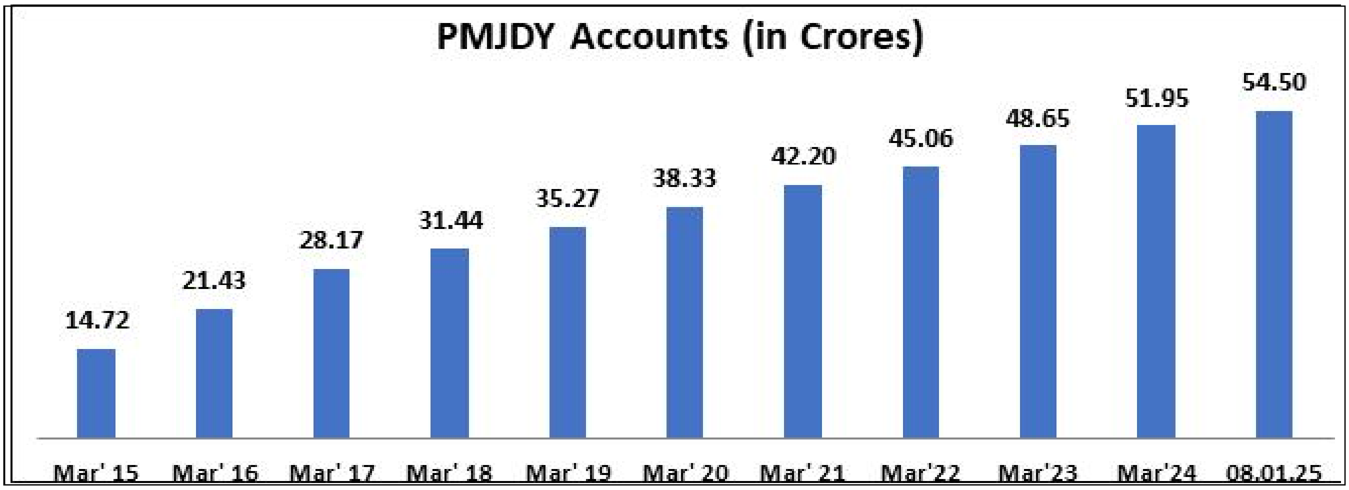
5.1.1 Performance of PMJDY

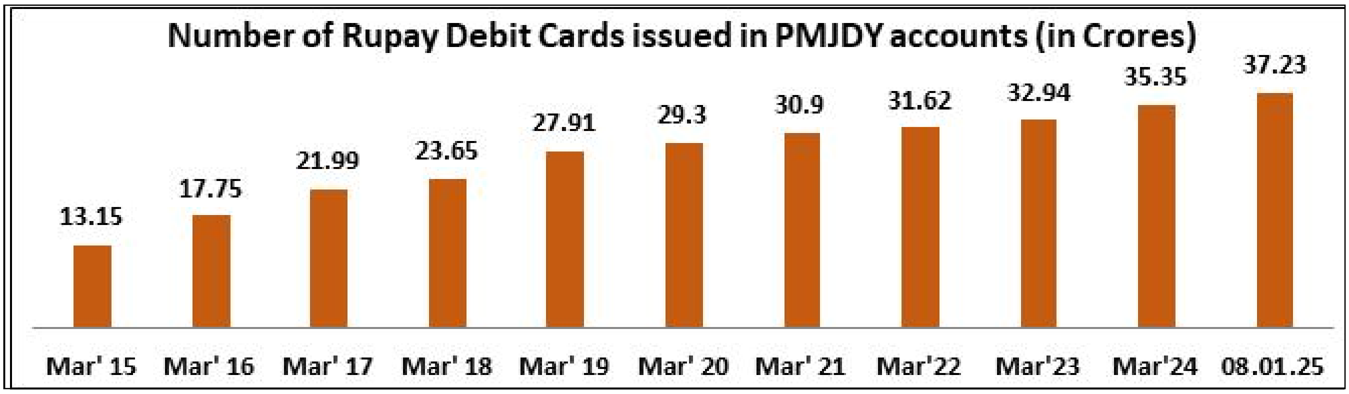
Major achievements of PMJDY are as under: (Numbers in Crore)						
As on	PMJDY Accounts (in crore)	No of PMJDY Accounts (Male)	No of PMJDY Accounts (Female)	No of PMJDY accounts (rural/ Semi-urban)	No of PMJDY Accounts (Urban/Metro)	Deposits in PMJDY Accounts (in Rs. crores)
March'15	14.72	7.15	7.39	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**
As on 08.01.2025	**54.50**	**24.17**	**30.33**	**36.28**	**18.22**	**2,44,381**

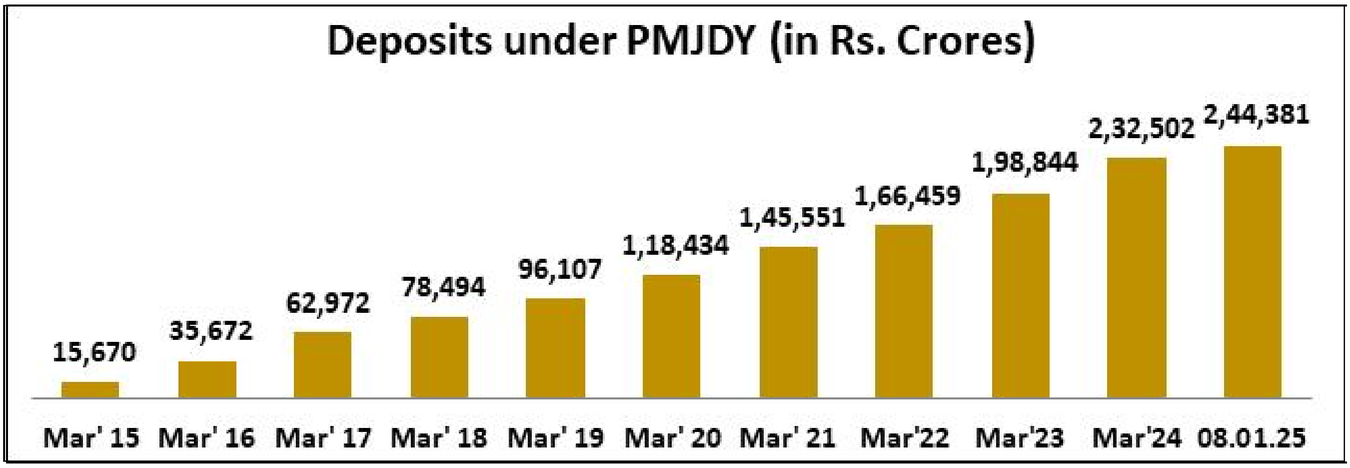


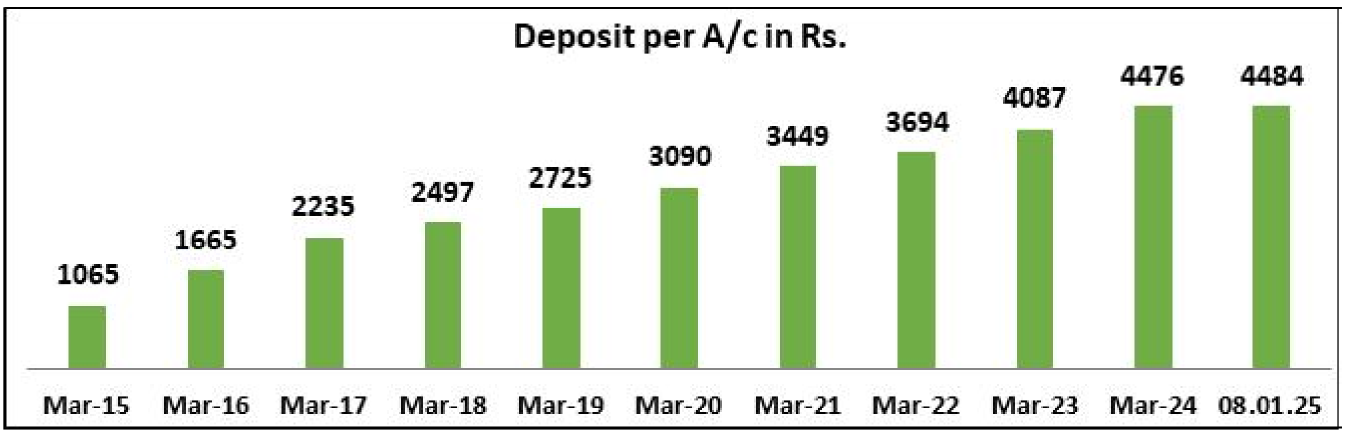


Major Trends under PMJDY









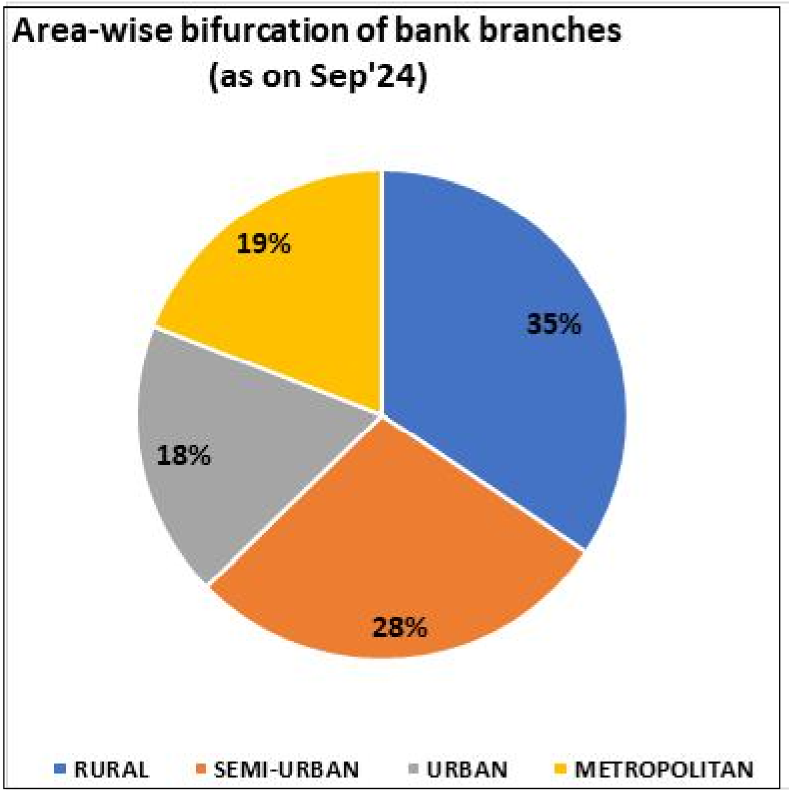
- A total of 54.50 crore Jan-Dhan accounts have been opened till 08.01.2025 under PMJDY, with a deposit balance of Rs.2,44,381 crores. The average deposit balance is approx. Rs.4,484 per PMJDY account balance
- There are 30.33 crore (55.7%) women Jan-Dhan account holders, with about 36.28 crore (66.6%) accounts opened in rural and semi-urban areas.
- Approximately 37.23 crore RuPay cards with an inbuilt accidental insurance of Rs.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.

5.1.2 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**
Sep-24	**55,532**	**45,557**	**29,455**	**30,737**	**1,61,281**

Source: RBI



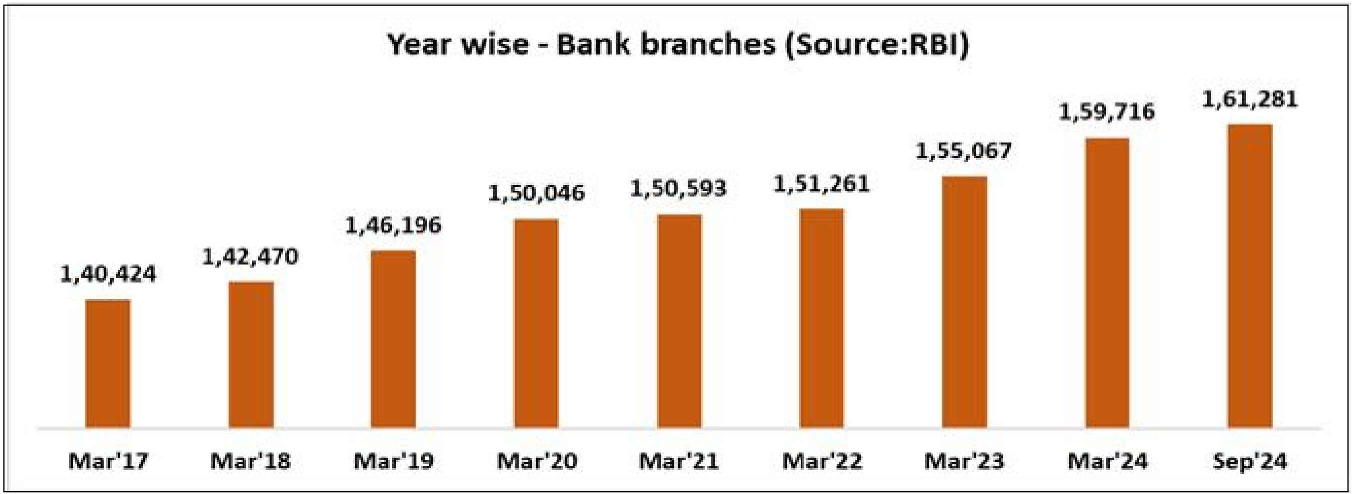
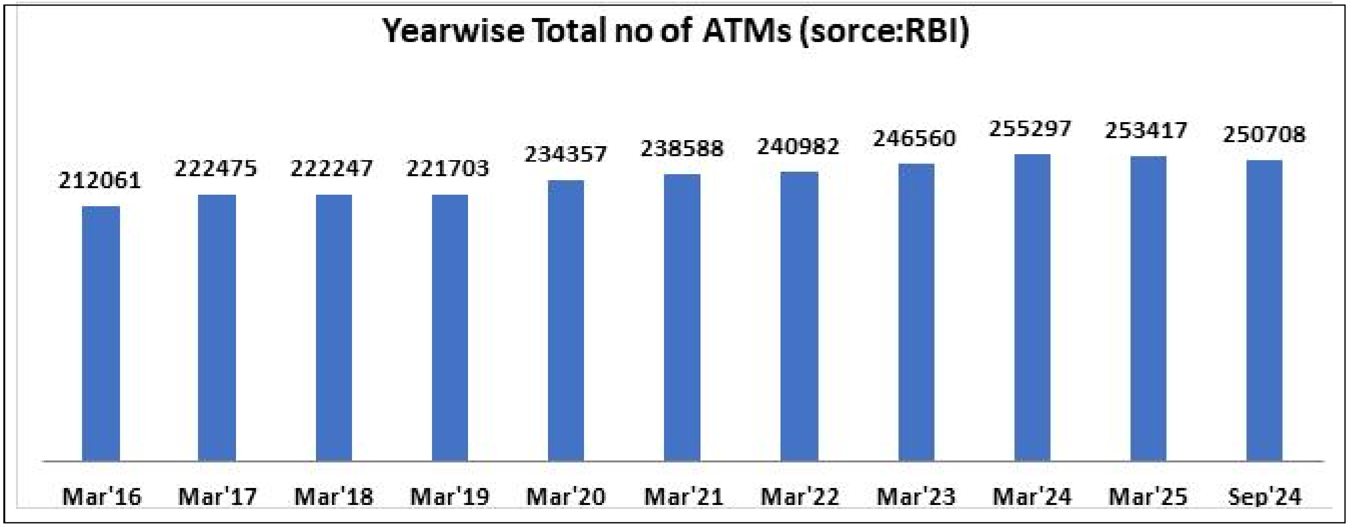


Table 2: Number of ATMs of Scheduled Commercial Banks (SCBs), Small finance Banks (SFBs), Payment Banks (PBs) and White Label ATM Operators.

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
30.09.2021	1,25,220	1,15,762	2,40,982
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
30.09.2024	1,22,779	1,27,929	2,50,708

Source: RBI

* includes ATMs deployed by White Label ATM Operators

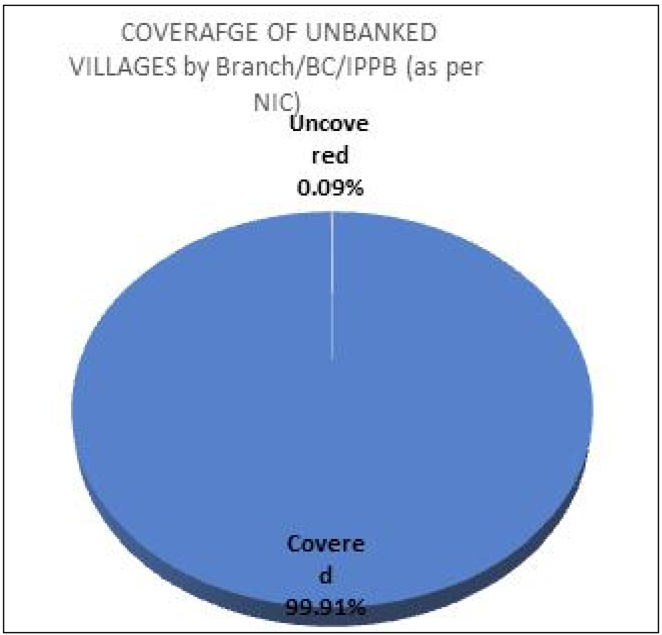


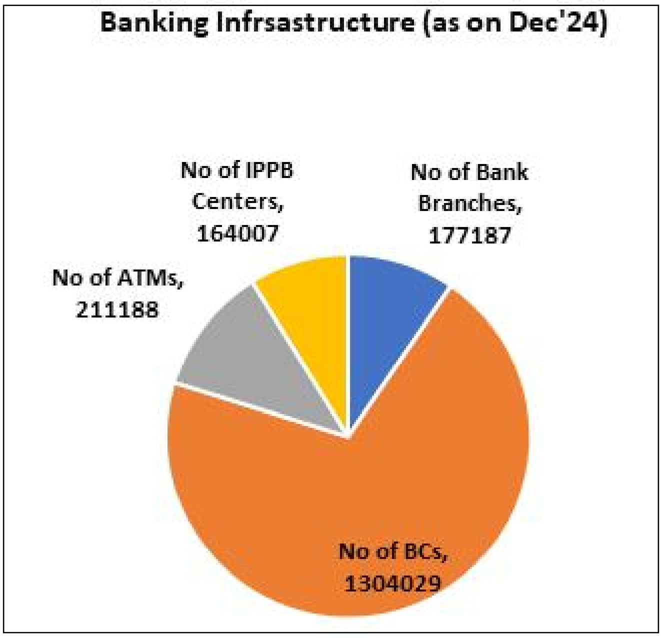
The number of card acceptance devices of Point of Sale (POS) has increased from 51.86 lakh in March 2020 to 96.91 lakh in Nov'24.

5.1.3 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. 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 December 2024, there are 1.77 lakh branches, 14.68 lakh BCs (including 1.64 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 (6,00,776) (99.91%) villages are having branch or BC within a distance of 5 kilometres.





5.1.4 Jan-Dhan Aadhaar Mobile (JAM)

A Jan Dhan Aadhar 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.

5.1.5 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 1.80 crore interventions (in r/o major activities) have taken place at all the 107 DBUs which have been set during the period 16.10.2022 to 31.12.2024.

5.1.6 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. Key Schemes

6.1 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 Rs. 2 lakhs in case of death of the insured, due to any reason at an annual premium of Rs. 436/- which is to be auto-debited from the subscriber's bank / Post office account.

6.2 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 Rs. 2 lakhs in case of accidental death or total permanent disability and Rs. 1 lakh for partial permanent disability due to accident at a premium of Rs. 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:

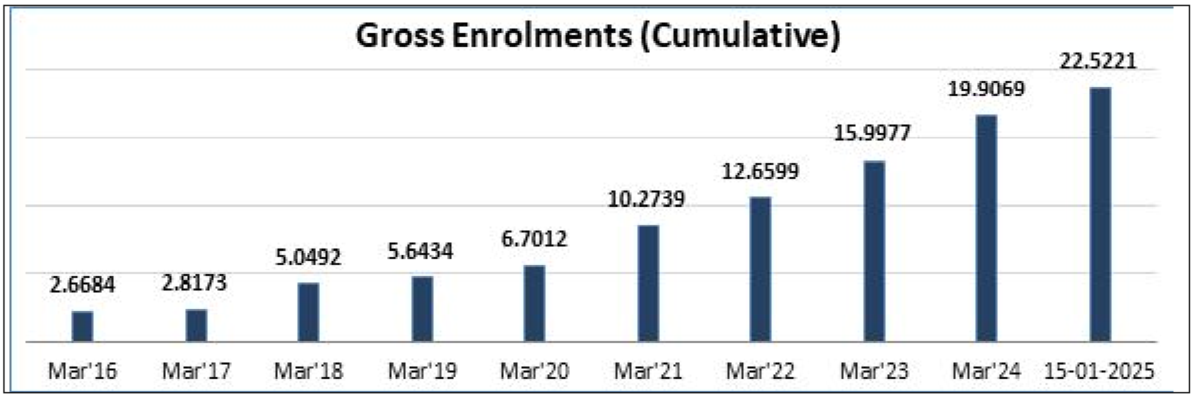
- Enrolment and claim forms for PMJJBY and PMSBY have been modified with a view to minimise pendency and ensure benefits to rightful claimants at the earliest.
- Mobile number, email id and age of the nominee (or the appointee of a minor nominee) are now captured and in the event of an unfortunate incident, 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.

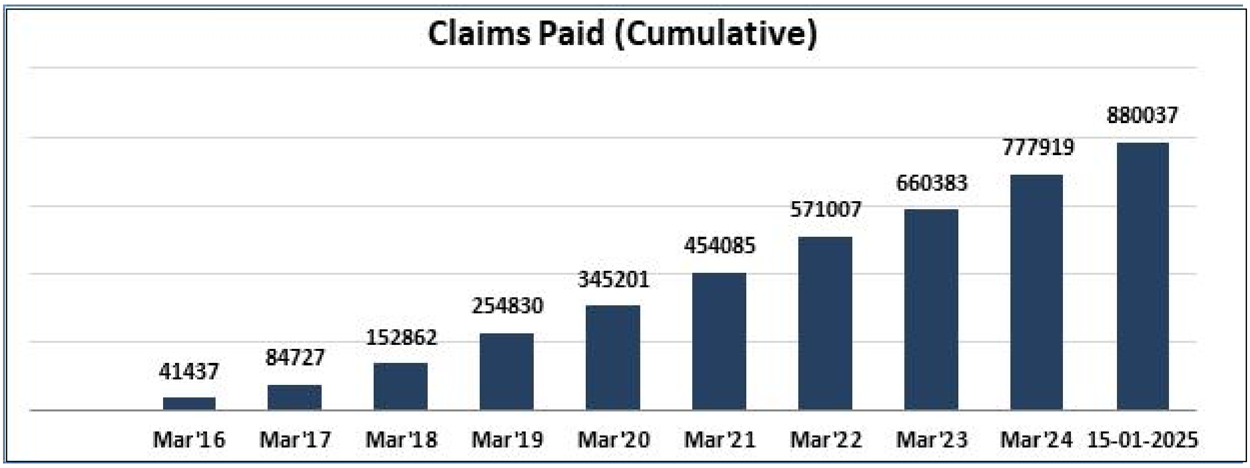
Progress as on 15.01.2025 is as under:

Scheme	Eligibility (Yrs)	Premium (p.a)	Enrollments (crore)	Claim Paid	Claims amount (crore)	Settlement Ratio(%)
PMJJBY	18 to 50	Rs 436	22.52	8,80,037	Rs.17,600.74	99.83%
PMSBY	18 to 70	Rs 20	49.12	1,50,805	Rs.2,994.75	97.64%

PMJJBY Trends as on 15.01.2025

(In crore)

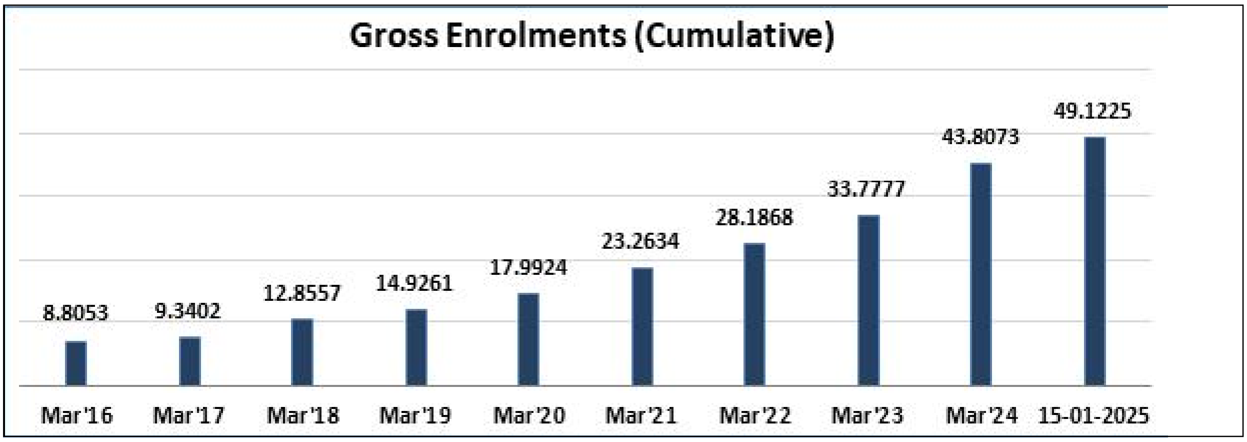




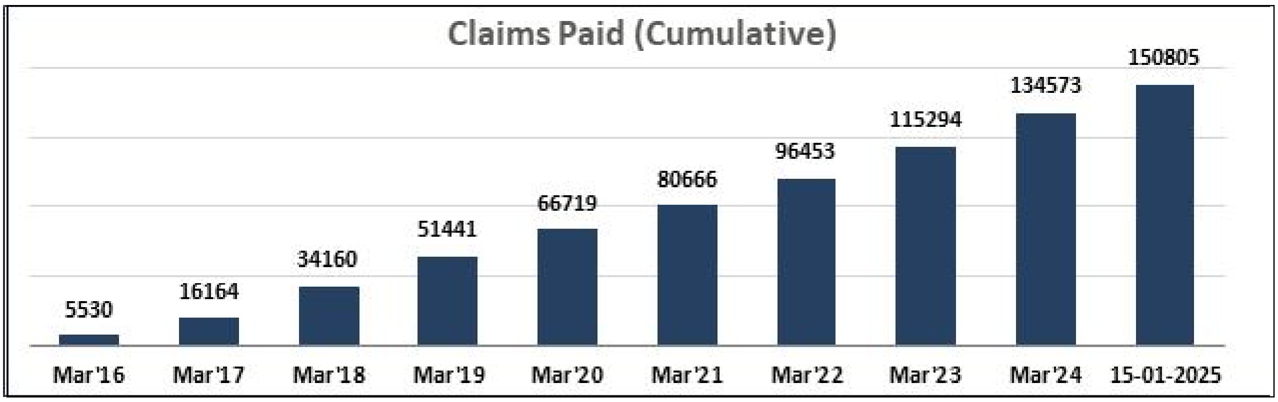
Percentage reflects Cumulative Claims Paid Versus Cumulative Claims Reported

PMSBY Trends as on 15.01.2025

In crores



Percentage reflects Active Enrolments Versus Gross Enrolments (Cumulative)



Percentage reflects Cumulative Claims Paid Versus Cumulative Claims Reported

6.3. 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 Rs. 50,000/-, Kishor - above Rs. 50,000/- and upto Rs.5.00 lakh, Tarun -above Rs.5.00 lakh and upto Rs.10.00 lakh, Tarun Plus- above Rs. 10.00 lakh and upto Rs. 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 Rs.10 lakh to Rs.20 lakh. A new category, Tarun Plus, has been introduced for loans above Rs. 10 lakh and up to Rs. 20 lakh, specifically for entrepreneurs who have availed and successfully repaid previous loans under the Tarun category. Necessary Gazatte Notification has been issued on 24.10.2024 of Guarantee coverage for PMMY loans up to Rs. 20 lakh which will be provided under the Credit Guarantee Fund for Micro Units (CGFMU).
- Collateral free loans upto Rs.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 Rs.10 lakh to Rs. 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 31.12.2024 the sanction amount covered under live guarantee is Rs.4.16 lakh crore.

Achievements under Pradhan Mantri Mudra Yojana (PMMY) as on 10.01.2025

- More than 51.41 crore loans amounting to Rs.32.36 lakh crore have been sanctioned since launch of the Scheme. Approximately 20% 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: -

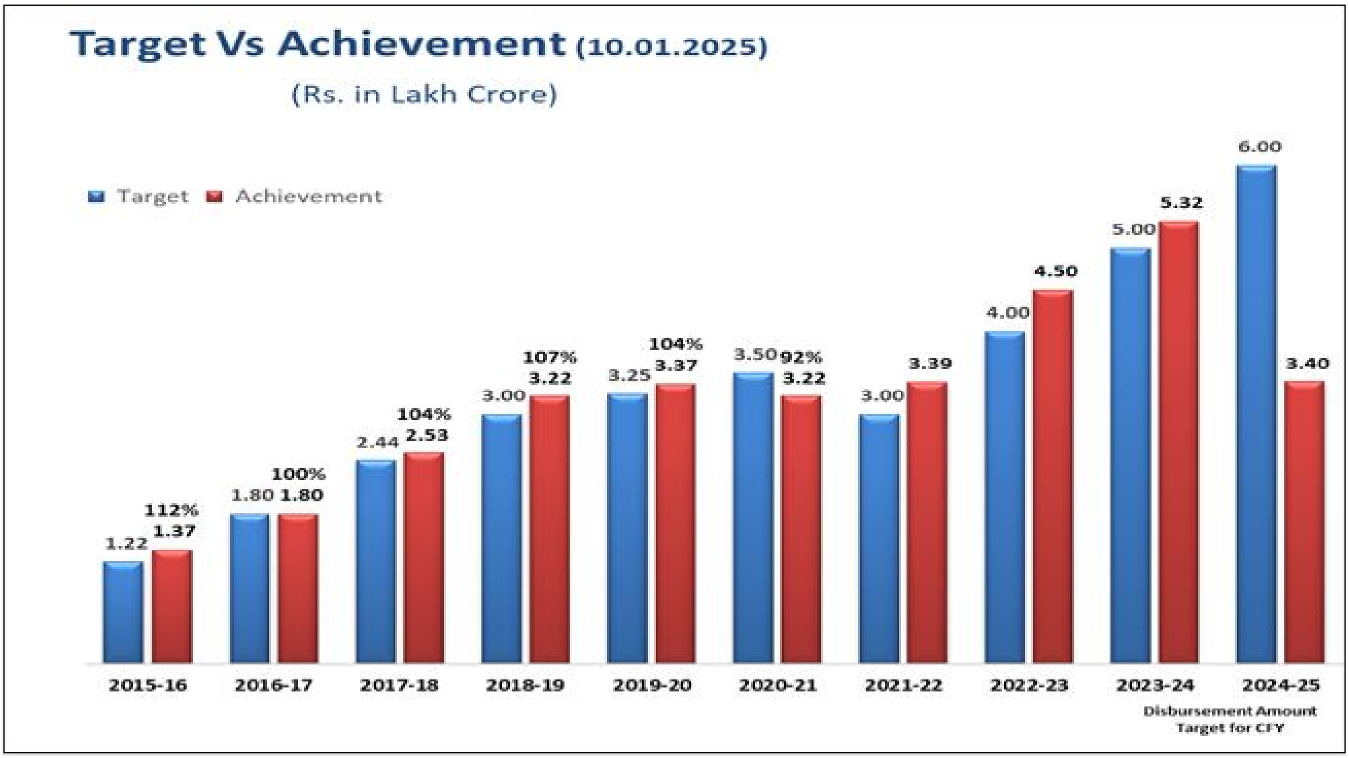
Category	No. of Loans (%)	Amount Sanctioned (%)
Shishu	79%	36%
Kishor	19%	40%
Tarun	2%	24%
Tarun Plus	-	-
Total	**100%**	**100%**

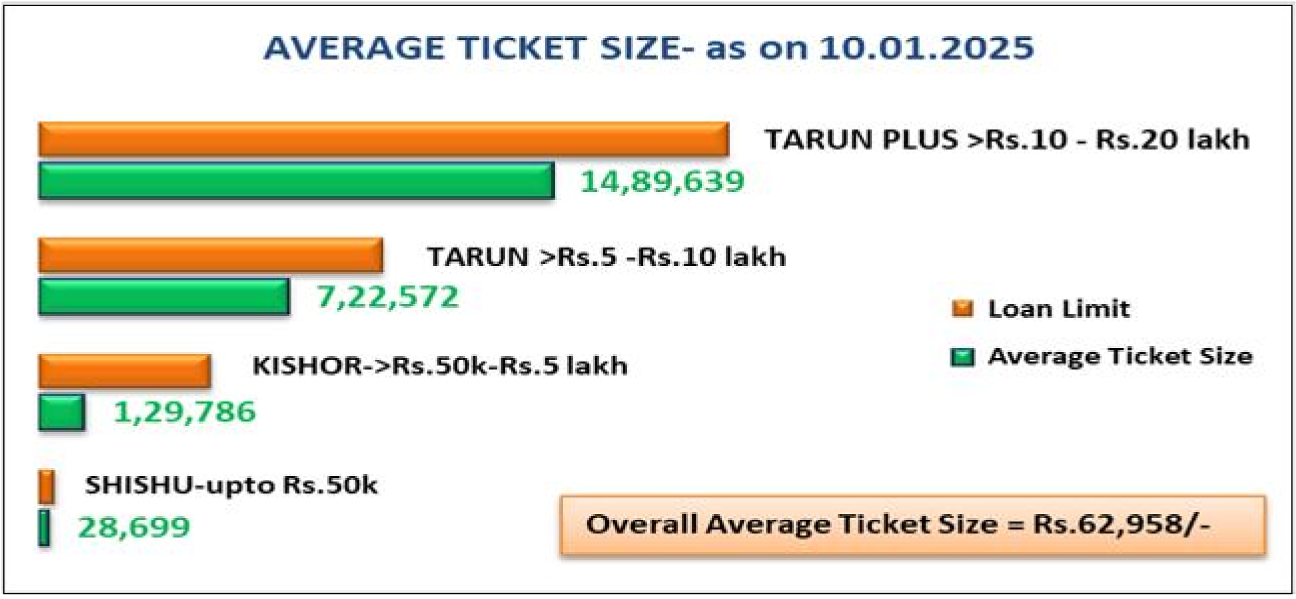
- Targets have been consistently met since inception of the Scheme, except for FY 2020-21 due to COVID-19 pandemic.
- Year-wise sanction amount is as follows: -

Year	No of Loans Sanctioned (in cr.)	Amount Sanctioned (Rs. 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 (as on 10.01.2025)	3.56	3.47
Total	**51.41**	**32.36**

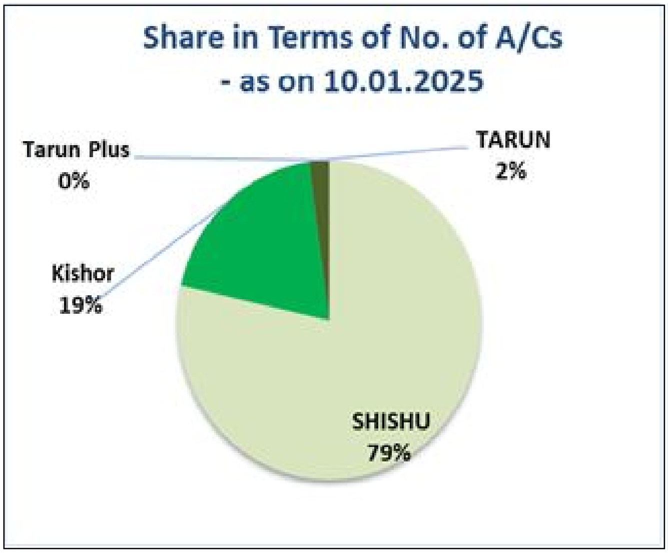
Consolidated achievements (From 08.04.2015 to 10.01.2025)

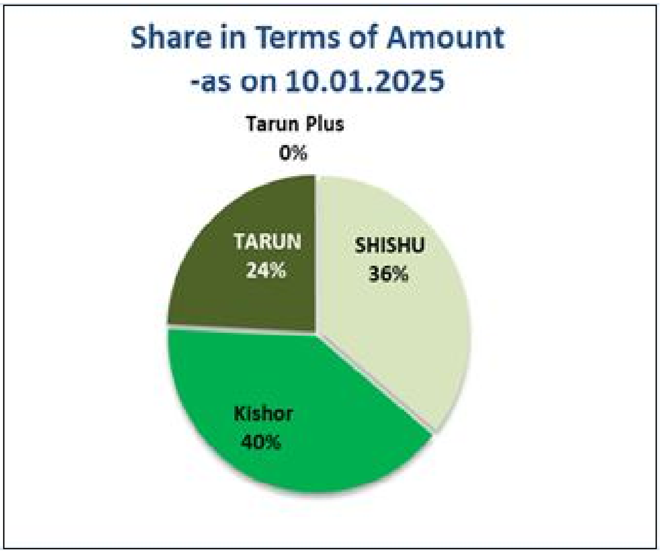
Achieving Targets, Attaining Excellence



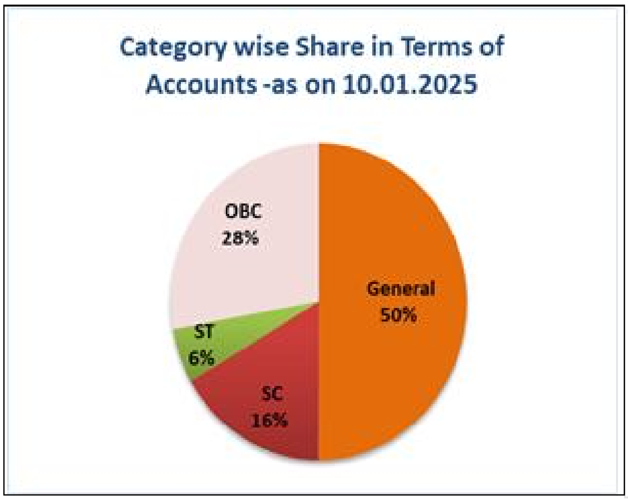


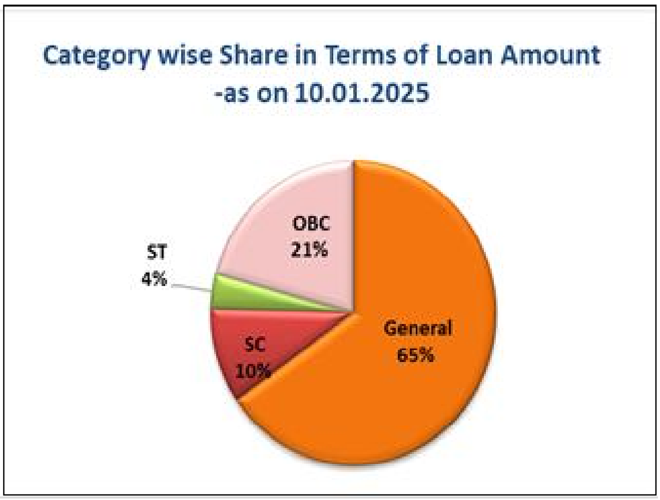
Scheme-wise Share (Based on Cumulative Data)





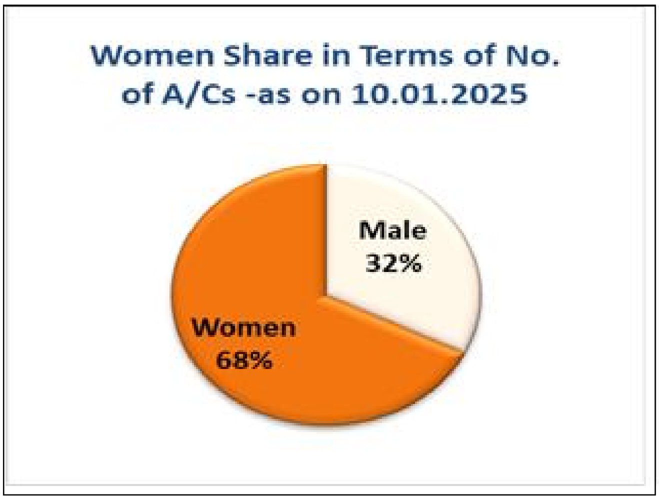
Category-wise Share (Based on Cumulative Data)

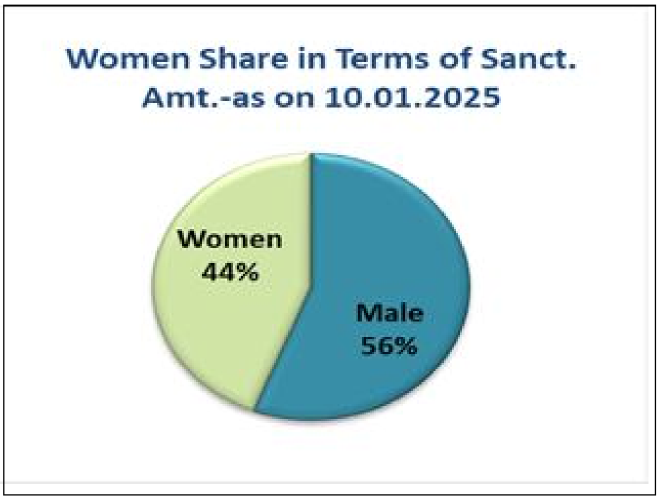




Empowering Enterprising Women Strengthening the Nation

(Based on Cumulative Data)





6.4. 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 Rs.10 lakh and Rs.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.

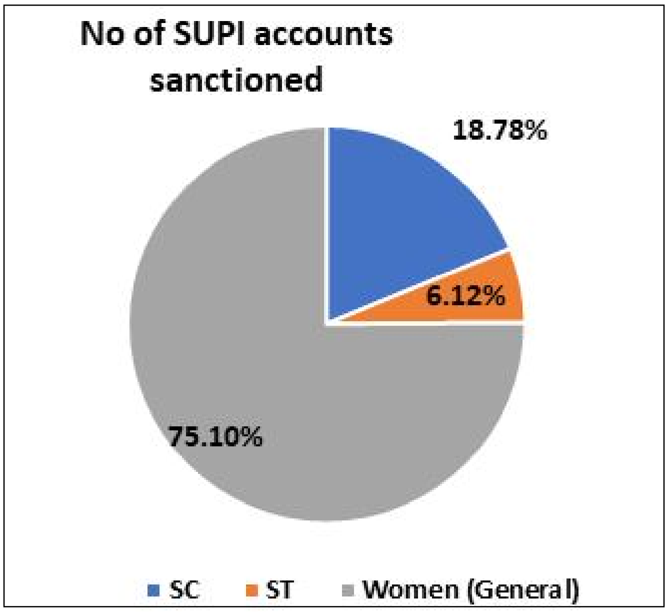
In 2019- 20, the Stand-Up India Scheme was extended for the entire period coinciding with the 15th Finance Commission period of 2020-25. Pursuant to an announcement made by the Union Finance Minister in the Budget speech of FY 2021-22, the following changes have been made in the Stand-Up India Scheme: -

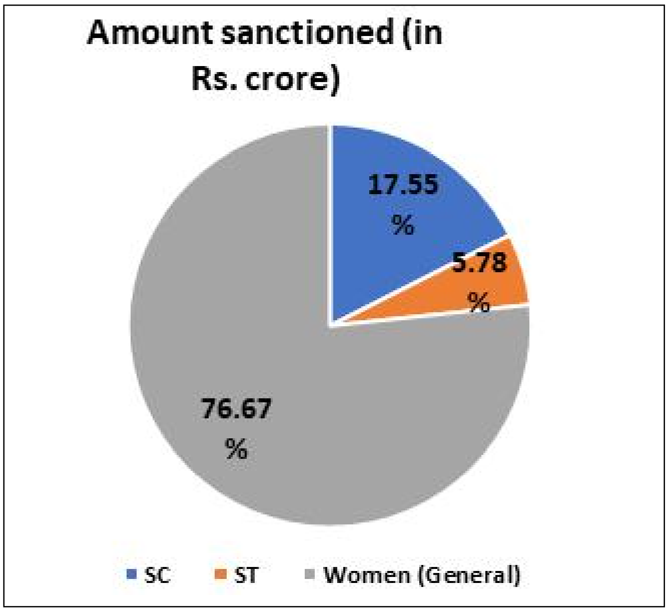
- The extent of margin money to be brought by the borrower has been reduced from 'upto 25%' to 'upto 15%' of the project cost. The Scheme envisages 'upto 15%' margin money which can be provided in convergence with eligible Central/State schemes. However, the borrower will continue to contribute at least 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.

As on 20.01.2025, a total number of SCs/STs and Women borrowers benefited under the Stand-Up India Scheme are as under.

(Amt. in Rs. 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.
48,548	10,246.37	15,824	3,377.84	1,94,152	44,768.04	2,58,524	58,392.25





6.5 PM Street Vendor's AtmaNirbhar Nidhi Scheme (PMSVANidhi)

The scheme is a Central Sector Scheme being implemented by the Ministry of Housing and Urban Affairs (MoHUA). It aims to provide relief to street vendors affected by Covid-19 lockdown. The Scheme, launched on 01 June, 2020 and valid till 31.03.2022, has now been extended till 31.12.2024.

DFS is facilitating MoHUA in the smooth implementation of the scheme which envisages empowering street vendors by not only extending loans to them but also for their holistic economic development.

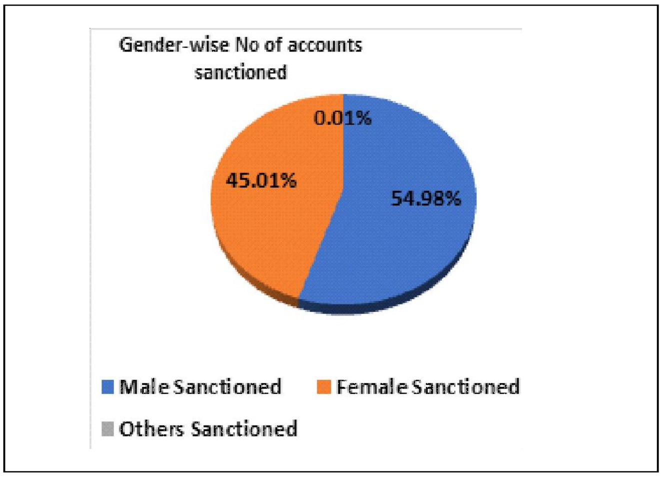
The Scheme has provision for collateral free working capital loan upto Rs.10,000 for 12 months under 1st tranche, upto Rs. 20,000 for 18 months under 2nd tranche and upto Rs.50,000 for 36 months under the 3rd tranche. On timely/ early repayment, the vendors will be eligible for the next cycle of working capital loan with an enhanced limit. No penalty is payable on early repayment of the loan. The Scheme enables free onboarding of beneficiaries onto

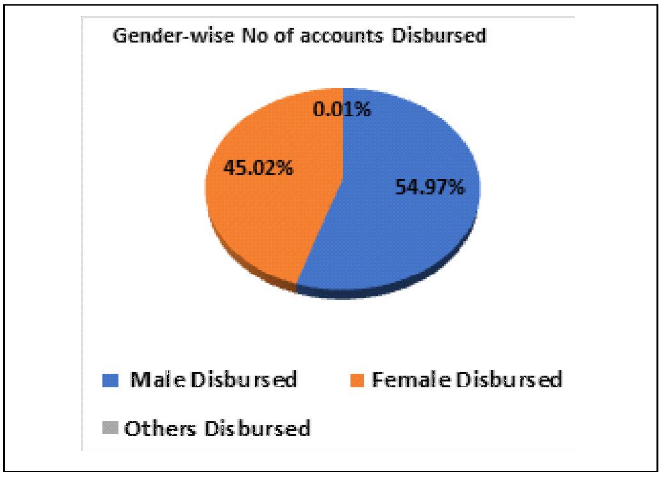
Digital Payment Platforms and offers up to Rs. 1,200 per year in cashback incentives to promote transactions by the beneficiaries

Interest subsidy @ 7% per annum is to be paid on quarterly basis on timely or regular repayment of all loans (1st, 2nd and 3rd tranche) disbursed till December, 2024.

As of December 31, 2024, a total of 99.15 lakh loan applications have been sanctioned across all tranches, with 95.44 lakh applications successfully disbursed.

Cumulative							
Applications Sanctioned	Male Sanctioned	Female Sanctioned	Others Sanctioned	Applications Disbursed	Male Disbursed	Female Disbursed	Others Disbursed
99,15,053	54,51,702	44,62,488	863	95,44,242	52,46,554	42,96,864	824



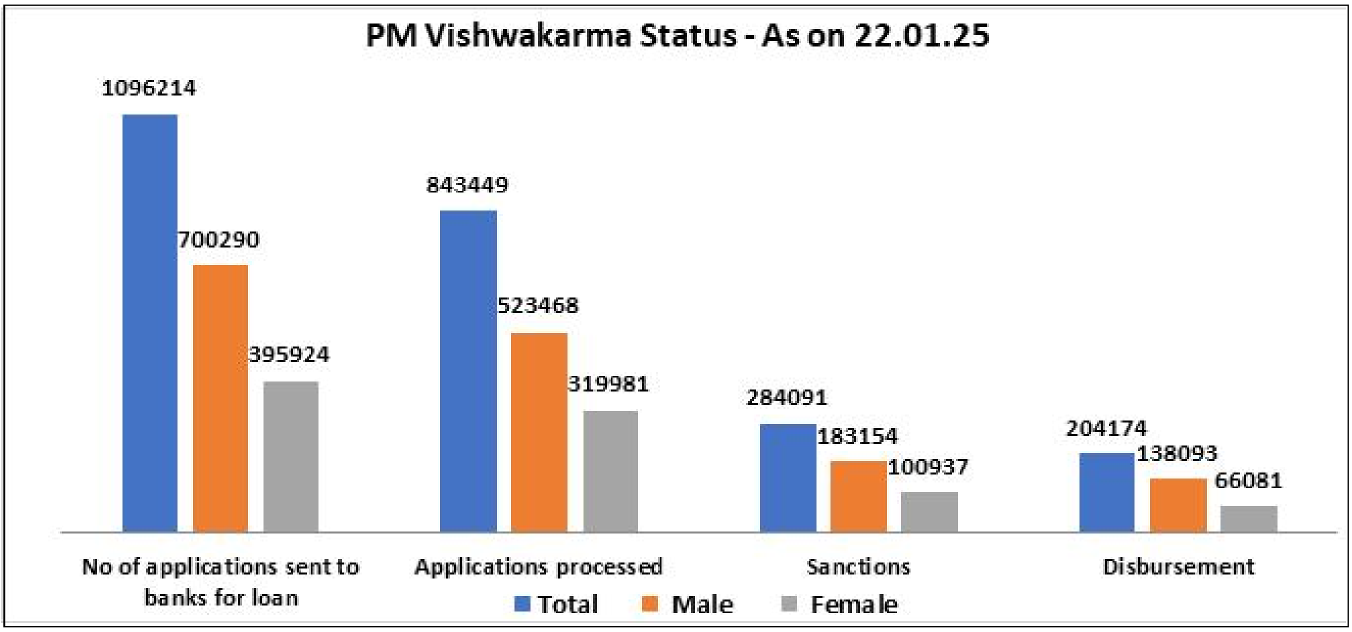


6.6 PM Vishwakarma Scheme

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 22.01.25, 8.43 lakh applications have been processed by banks of which 2.84 lakh loans have been sanctioned by banks.

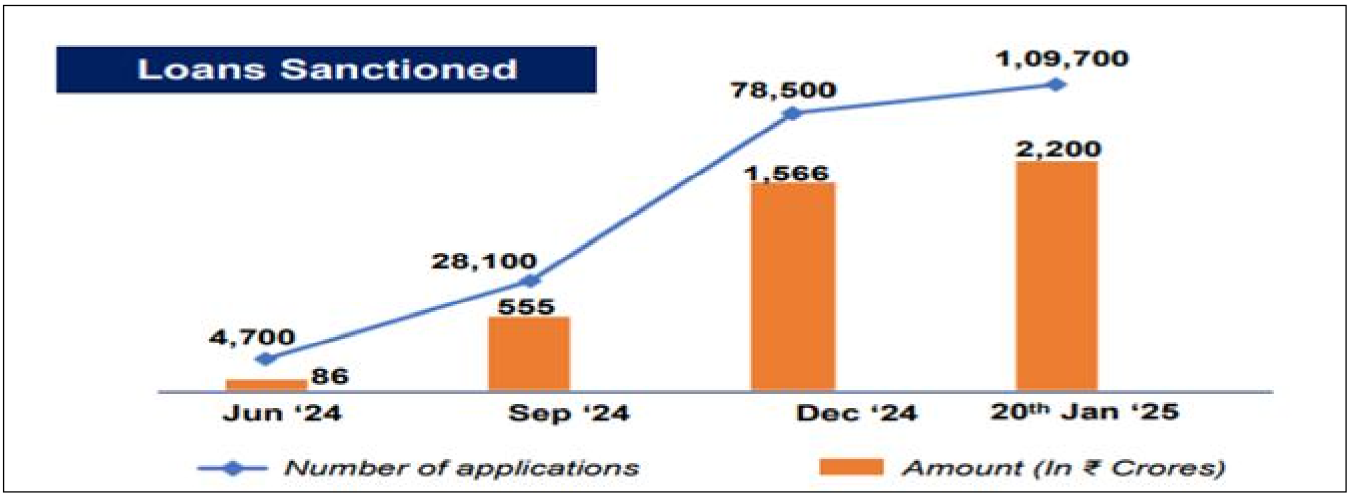


6.7 PM Surya Ghar Muft Bijlee Yojana:

- 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.
- The Scheme was introduced for installation of rooftop solar (RTS) plants in one crore households with an overall outlay of ₹ 75,021 crores by FY 2026-27.
- Under the scheme, subsidy upto Rs. 78,000/- is provided to beneficiaries installation of RTS upto 3 KW. Systems above 3 KW can be installed with subsidy capped at Rs 78,000/-.
- All buildings under central government shall deploy RTS in mission mode to achieve saturation by 2025. No Central Financial Assistance (CFA) will be provided for Government institutions.

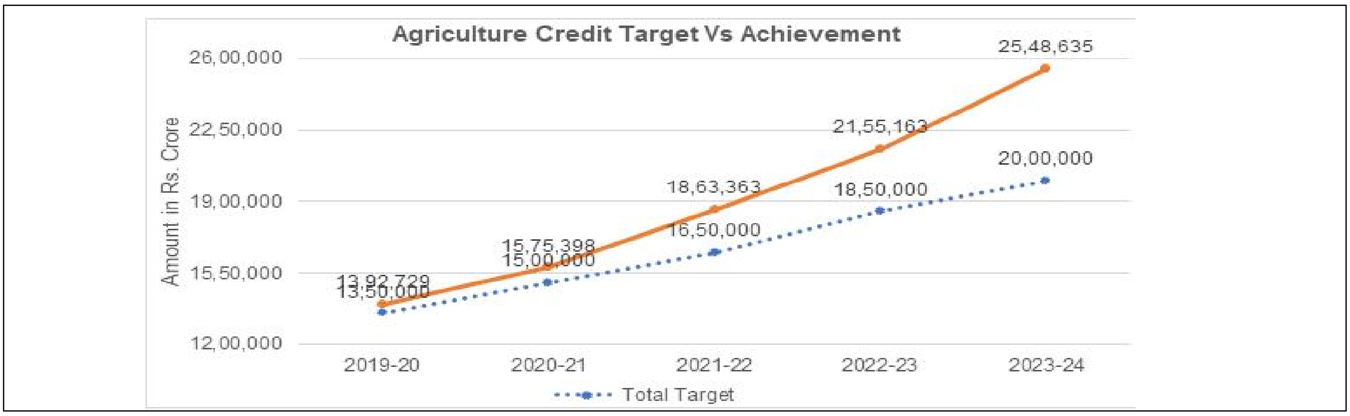
Progress of Loans under the Scheme:

- Indian Banks Association (IBA) in consultation with Sate Bank of India (Nodal bank for PMSGMBY) and other major banks has devised a model Loan scheme.
- 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 by Scheduled Commercial Banks, Regional Rural Banks (RRBs) and Cooperative Banks. Year wise position of target and achievement under agricultural credit flow for the last six years and the current year given below indicates the sustained trend of actual disbursement, surpassing the incremental annual targets year after year. As against the annual target of Rs.20.00 lakh crore for 2023-24, agriculture credit disbursement stood at Rs.25.48 lakh crore, registering 127% achievement. In 2019-20 the disbursement was Rs. 13.92 lakh crore thus achieving a CAGR growth of 12.85% in 5 years. Agriculture credit target for year 2024- 25 has been set at Rs. 27.50 lakh crore with a sub-target of Rs. 4.20 lakh crore for Animal Husbandry, Dairying and Fisheries farmer. As on 31 October 2024, Rs.13.67 lakh crore was disbursed (Provisional) against the target of Rs.27.50 lakh crore, registering 50% achievement. The Agriculture Credit Achievement vis-à-vis Target has increased over last five year as under :-



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.

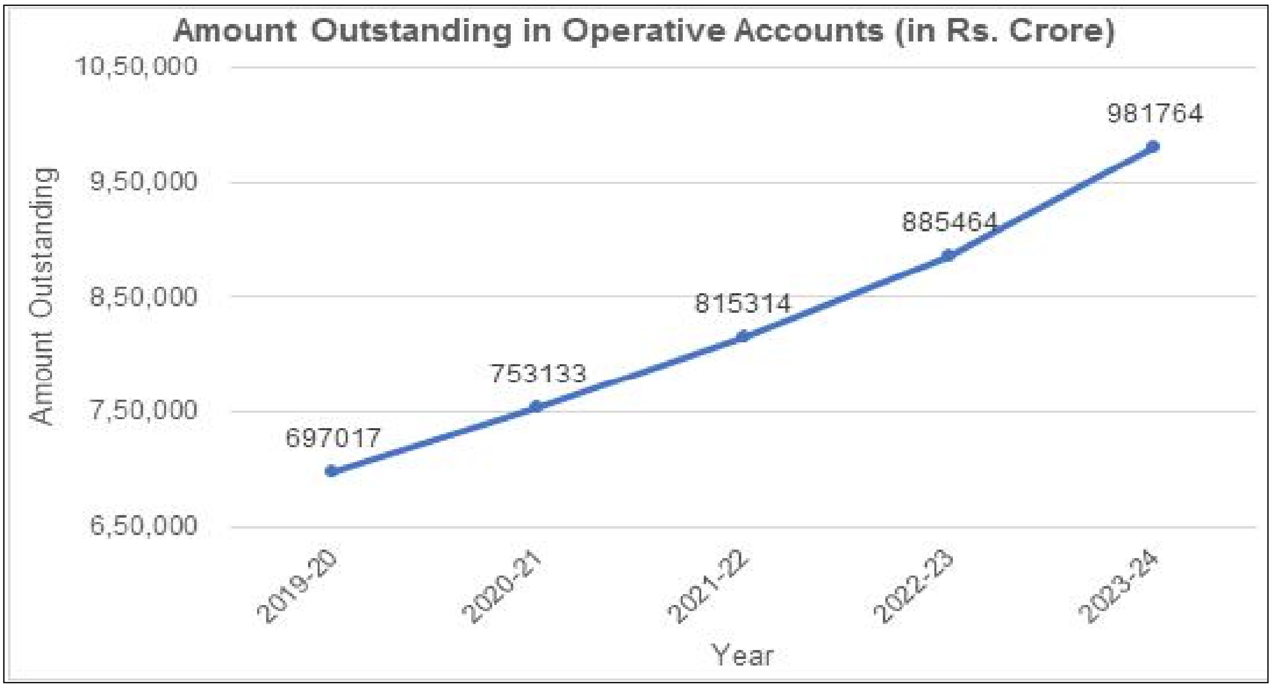
GoI has approved interest subvention @1.5% on short term loans for agriculture and allied activities which is available on an overall limit of Rs.3 lakh per annum and subject to a maximum sub-limit of Rs.2 lakh per farmer involved in allied activities related to Animal Husbandry, Dairy, Fisheries, Bee Keeping etc. within the prescribed limit of Rs.3.00 lakh availed through Kisan Credit Card (KCC). 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 has initiated a drive in Mission Mode from February 2020 for saturating all PM-KISAN beneficiaries with Kisan Credit Card (KCC). This will help all such farmers to get short term loan for crop & animal/fish rearing at a maximum interest of 4% on timely repayment. Over 5.57 crore farmers have been covered under the ongoing KCC saturation drive effective from February, 2020 with sanctioned credit limit of about Rs.7.12 lakh crore as on 22.11.2024. At present (as on 30.09.2024), there are 7.72 crore operative KCC accounts with a total outstanding loan of Rs.9.99 lakh crore.

While ensuring convenient and cost-effective credit delivery to farmers, the ongoing campaign will be instrumental in driving the rural economy and further accelerating agricultural production and allied activities, besides enhancing the income level of farmers.

The facility of KCC has also been extended to animal husbandry and fisheries farmers in year 2019 to help them meet their working capital needs. Further, in order to cover animal husbandry and fisheries farmers, under KCC, 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 up to 31st March 2024. The campaign has been restarted from 15th September 2024 up to 31st March 2025. As on 15.11.2024 a total 38,57,972 KCCs have been sanctioned to Animal Husbandry, Dairy and Fisheries farmers under this campaign. 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.

7.2.1 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 Rs.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 Rs. 2,000 crores in 1995-96 to Rs. 35,000 crores in 2024-25.

The cumulative funding commitment, as on 30 November 2024 to 30 States/UTs stood at Rs. 5,72,216 crore (including Bharat Nirman) against which Rs. 4,51,999 crore have been disbursed as on 30 November 2024. 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.

7.2.2 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 30 November 2024, sanctions have been accorded by NABARD under LTIF to the tune of Rs. 71,883 crores against 99 projects identified. Further, loan amount of Rs.11,218 crores have been sanctioned for the Polavaram Irrigation project, Rs.1,379 crores for North Koel Reservoir Project, Rs. 485 crores for Shahpur Kandi Dam and Rs. 826 crores for Relining of Sirhind and Rajasthan Feeder under LTIF, totaling the cumulative sanctions under LTIF to Rs. 85,791 crores. The cumulative amount released against sanction of 99 identified projects stood at Rs. 50,024 crores. Similarly, for Polavaram Irrigation project, North Koel Reservoir Project and Shahpur kandi Dam Project, cumulative releases stood at Rs.10,650 crores, Rs.721 crores and Rs. 207 crores respectively, totaling the cumulative releases under LTIF to Rs. 61,603 crores.

7.2.3 Micro Irrigation Fund (MIF)

Micro Irrigation Fund with a corpus of Rs.5,000 crore has been operationalized from 2019-20 in NABARD with an objective to facilitate State Govts. Efforts in mobilizing additional resources for expanding coverage under micro irrigation and incentivizing its adoption beyond provisions of PMKSY-PDMC. The MoA & FW, GoI has conveyed the continuation and augmentation of the MIF by another Rs.5000 Crore for 15th Finance Commission period. The cumulative sanction and release under MIF as on 30 November 2024 stood at Rs.4,719 crores and Rs. 3,639 crores respectively. This will facilitate expanding micro irrigation to an area of 21 lakh ha. involving 16 lakh farmers.

7.2.4 Short Term Cooperative Rural Credit STCRC (Refinance) Fund

STCRC (Refinance) Fund was set up in NABARD in 2008-09 with an initial corpus of Rs.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 bank at an interest rate of 4.5 % per annum for crop loans up to Rs.3.00 lakh disbursed by cooperative banks at an interest rate of 7% per annum to ultimate borrowers. An allocation of Rs.25,000 crores has been made for the STCRC (Refinance) Fund during 2024-25. As on 30.11.2024, Rs.12,489.52 crores have been utilised out of STCRC (Refinance) Fund during 2024-25.

Total Refinance disbursed by NABARD to Co-operative Banks amounts to Rs. 1,46,775.21 crores. At the same time the Total No. of KCC issued by Co-op Banks stands at 3.30 Crores with total outstanding amount of Rs. 2,15,011.66 crores.

7.2.5 Short Term Regional Rural Bank STRRB (Refinance) Fund

STRRB (Refinance) Fund was set up with an allocation of Rs.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 Rs.3.00 lakh disbursed by RRBs at an interest rate of 7% per annum to ultimate borrowers. The allocation under STRRB Fund was at Rs.7,000 crores during 2024-25. As on 30.11.2024, Rs. 3,496.66 crores have been utilised out of STRRB (Refinance) Fund during 2024-25.

Total Refinance disbursed by NABARD to RRBs amounts to Rs. 52,283.70 crores. At the same time the Total No. of KCCs issued by RRBs stands at 1.46 Crores with total outstanding amount of Rs. 1,97,095.28 crores.

7.2.6 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 Rs.8,000 crores fund under LTRCF during FY 2024-25. However, department has received Rs.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 Rs.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 for maintaining adequate flow of resources to those segments of the economy which have higher employment potential and also 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

(i) With this background, RBI has framed the Priority Sector Lending (PSL) guidelines to facilitate the flow of credit to these segments from banking system.

(ii) As per the existing guidelines, 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.

(iii) Further, 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) and Urban Cooperative bank (UCBs). UCBs will achieve this target in phased manner by 2025-26. Within overall PSL, following sub-targets have been assigned to banks as percent to Adjusted Net Bank Credit (ANBC) or Credit Equivalent of Off-Balance sheet Exposures (CEOBE), whichever is higher.

Sub-targets:

Agriculture	18%; out of which a target of 10% is prescribed for Small and Marginal Farmers (SMFs)
Micro Enterprises	7.5 %
Advances to Weaker Sections	12 % for SCBs & 15% for RRBs

(iv) The performance of Scheduled Commercial Banks (SCBs) and Regional Rural banks (RRBs) in achievement of priority sector lending targets in the last three years is given as follows:

(₹crore)

Financial Year	Public Sector Banks	Private Sector Banks	Foreign Banks	Regional Rural Banks#
2020-21	24,16,750 (41.06)	14,33,674 (40.62)	1,99,969 (41.02)	2,38,636 (98.61)
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 (As on Sept. 30, 2024)	35,24,241 (42.77)	27,33,204 (45.08)	2,60,090 (42.11)	2,87,097 (84.14)

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 shows a growth in credit in absolute terms by all bank groups. Public Sector Banks (PSBs), Private Sector Banks (PVBs), Foreign Banks (FBs) have continued to achieve the prescribed PSL target of 40 per cent in the last three years.

(v) In view of the increasing importance of non-conventional and renewable sources of energy and in order to give further impetus to this segment, 'Renewable Energy' has been introduced as a separate category under the priority sector with bank loans up to a limit of ₹30 crore.

(vi) Some new sectors have been included under PSL: Bank finance to start-ups for loans up to Rs 50 crore and Loans for setting up Compressed Bio Gas (CBG) plants are examples.

(vii) For establishing health infrastructure under "Ayushman Bharat", a Social Infrastructure credit limit up to ₹10 crore comes under PSL. Education Loans upto ₹20 lakh are also considered as eligible for priority sector lending.

(viii) To address regional disparities, districts will be ranked based on per capita priority sector credit flow, with incentives for areas with lower credit flow and disincentives for those with higher flow. From FY 2024-25, districts with lower per capita PSL (less than ₹9,000) will receive a higher weight (125%) for incremental credit, while those with higher per capita PSL (greater than ₹42,000) will have a lower weight (90%).

(ix) To ensure continuous flow of credit to priority sector, the compliance of banks is being monitored by RBI on 'quarterly' basis. Further, Banks having any shortfall in lending to priority sector shall be allocated amounts of contribution to the Rural Infrastructure Development Fund (RIDF) established with NABARD and other funds with 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 a Model Educational Loan Scheme and circulated it 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 last revision of the Model Educational Loan Scheme was undertaken during the year 2022. 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 Rs. 7.50 lakhs (in case of loans that are eligible for Central Sector Interest Subsidy Schemes (CSIS) and/or Credit Guarantee coverage extended under the `Credit Guarantee Fund Scheme for Education Loan' (CGFSEL).

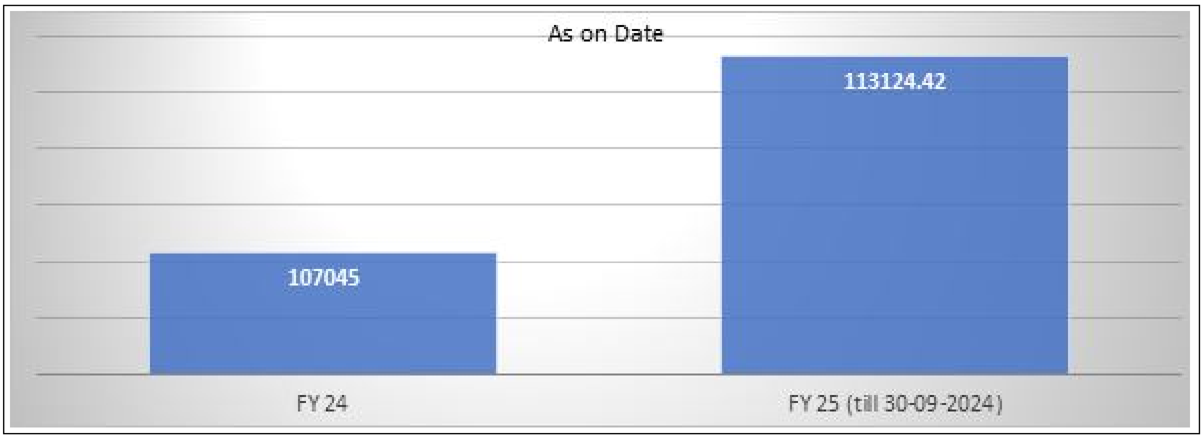
iii. No Margin for loans up to Rs. 4 lakhs.

iv. Moratorium period is allowed upto study period plus one year in all cases.

v. Repayment period (after moratorium) is available upto 15 years for all loans.

8.1.1 Performance of Education Loans

As informed by PSBs, the total outstanding education loans of Public Sector Banks (PSBs) as on 31th March, 2024 stood at Rs. 1,04,402 crores and as on 30th September, 2024 stood at Rs. 1,13,124.42 crores.



Graph 1: Performance of educational loan

8.1.2 Vidya Lakshmi Portal

Vidya Lakshmi Portal is a first of its kind portal providing single window for Students to access information, submit application and track their applications for Education Loans provided by Banks. The Portal has following features:

i. Information about Educational Loan Schemes of Banks;

ii. Facility for students to apply to multiple Banks through a common application;

iii. Facility for Banks to download students' loan applications and upload loan processing status;

iv. Facility for students to track the status of submitted application

8.1.3 Pradhan Mantri Vidyalaxmi (PM-Vidyalaxmi) Scheme

Cabinet on 06.11.2024 has approved PM Vidyalaxmi scheme which will enable 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 (QHEIs) 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 being developed to ensure overall implementation and monitoring of the scheme.

The scheme also provides for 3% interest subvention on loans up to Rs. 10 lakh to a maximum of one lakh needy students in a year, where annual family income is less than Rs. 8 lakhs. Loan amounts up to ₹ 7.5 lakhs will also be provided 75% credit guarantee by the Government of India, through NCGTC, so that banks shall expand their coverage.

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 per cent to 74 per cent with certain conditions in the terms of Indian ownership and control.

New entrants in the insurance industry

Since the opening up 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 three (73) insurers as on March 31, 2024 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, 2024, there are 26 Life insurers including one in Public Sector, 25 general insurers including four in public sector, two specialized insurers in Public Sector, five Stand-Alone Health Insurers (SAHI) and 12 reinsurers including one in Public Sector

Registered Insurers and Reinsurers (As on 31.03.2024)

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**	**11**	**12**
Total	**8**	**65**	**73**

Source: IRDAI

9.4 Insurance related Social Security Schemes:

Apart from the two Social Security Schemes, Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY), an insurance scheme viz PMVVY caters to requirements of citizens above 60 years of age.

9.4.1 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 Rs 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 a total number of 8.56 lakh subscribers (No. of Policies 1117816) have benefited under the scheme as on March 2024
- The Scheme was valid up to 31st March 2023

9.5 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 2023-24 the General & health insurance companies have covered 57 crore lives under 2.68 crore health insurance policies. Personal Accident Insurance covered a total of 165.05 crore number of lives (including PMSBY, PMJDY and IRCTC e-ticket passengers) and 74.96 lakh lives were covered under Travel Insurance policies.

The cumulative enrolments as on December 2024 under Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) is 22.29 crore and Pradhan Mantri Suraksha Bima Yojana (PMSBY) is 48.56 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 (2023-24)	Malaysia (2023-24)	Thailand (2023-24)	China(2023-24)
Insurance Penetration (%)	2.7	3.7 (Life:2.8 % Non-Life:1%)	5.2	5.3	3.9
Insurance Density (US$)	11.5	95 (Life:70 & Non-Life: 25)	590	384	508

Source: Swiss Re, Sigma Report on World Insurance 3/2024

Globally insurance penetration and density in 2023-24 were 2.9 per cent and USD 361 for the life segment and 4.2 per cent and USD 528 for the non-life segment respectively. In 2023-24, the insurance density in India increased from 92 in 2022-23 to 95 in 2023-24

The insurance penetration of Life Insurance sector in India is reduced from 3.0 per cent in 2022-23 to 2.8 per cent in 2023-24 and the same for Non-Life Insurance sector remained at 1 per cent in both these years. As such, India's overall insurance penetration reduced to 3.7 per cent in 2023-24 from the level of 4 per cent in 2022-23

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 Rs.8.3 lakh crore during 2023-24 as against Rs.7.83 lakh crore in the previous financial year, registering a growth of 6.06 per cent. The private sector life insurers have clocked a growth of 15.05 per cent in premium, while the public sector life insurer recorded 0.23 per cent growth in premium. Life Insurance Corporation of India LIC is the only life insurer underwriting business outside of India and collected a total premium of Rs 476.25 crore during 2023-24.

New business premium underwritten for Life Insurance Industry 2023-24

	Market Share	New Premium Underwritten*	Total New Business Premium	Growth from 2022-23
LIC	58.99%	Rs.2.23 lakh Crore	Rs. 3.78 Lakh Crore	1.93%
Private Insurers	41.01%	Rs.1.56 lakh Crore		

**New premium underwritten refers to the total amount of premium collected from new policies issued within a specific period*

Source: IRDAI

Total Premium of Life Insurers (Crore) in FY 2023-24

Sector	Premium
Public Sector	4.76 lakh crore
Private Sector	3.54 lakh crore
Total	8.30 lakh crore

Source: IRDAI

General insurance industry including Health Insurance Business

The general insurance industry (including standalone health insurers) underwrote total direct premium of Rs. 2.90 lakh crore in India for the year 2023-24 as against Rs.2.57 lakh crore in 2022-23, registering a growth rate of 12.76 per cent as against 16.40 per cent growth rate recorded in the previous year. The public sector general insurers (including specialised insurers) together contributed to 35.03 per cent of the market share while the private sector general insurers contributed to the remaining 64.9 per cent

Sector	Premium (Rs crore) for 2023-24	Growth from 2022-23
PSU	90,252.13	8.8 %
Private General Insurers	1,55,090.19	17.55 %
Private Standalone Health Insurers (SAHI)	33,119.30	26.20 %
Specialized Insurers	11,211.34	(-29.12) %
Industry Total	2,89,683.22	12.76%

Source: IRDAI Annual Report

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 40.28 percent (38.02 percent in 2022-23) of the total premium. Health Insurance Segment reported growth of 19.49 percent (21.32 percent growth in 2022-23) with the premium amounting to Rs 97,633 crore from 80,502 crore in 2021-22

During the year 2023-24, the non-life insurance sector reported an aggregate profit of Rs 10,119 crore compared to a net loss of 2,566 crore in 2022-23. The Profit after Tax for public sector companies was Rs. 157 crore as against loss of Rs 10,607 crore in 2022-23, private sector general insurers had profit after tax of 5,983 crore as against Rs. 4,665 crore in 2022-23. Specialized insurers was at Rs. 3,063 crore as against Rs. 2,930 crore in 2022-23 and the standalone health insurers was at Rs 915 crore as against Rs. 447 crore in 2022-23

9.6 Investments of the Insurance sector:

Insurers have been mandated to follow the pattern of investment, as required under IRDAI (investment) Regulations, 2016. As on 31.03.2024, the investments made by the insurance industry stood at Rs. 67.57 lakh crore as against Rs. 60.04 lakh crore as on 31.03.2023 registering a growth of 12.54 percent. The share of life Insurers stood at 91 per cent and that of Public Sector insurers stood at 69 percent for the period of 2023-24.

	Insurance Sector (2022-23)	Insurance Sector (2023-24	Life Insurers (2023-24)	Public sector Insurers (2023-24)
Total investments	60.04 Lakh crore	67.57 Lakh Crore	91.90% of total investment	69.46% of total investments

9.7 Rural and Social Sector Business

The (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015 stipulated targets of business from rural and social sectors to be fulfilled by insurers on an annual basis. In terms of these regulations, insurers are required to fulfil year wise business target prescribed (A) in terms of percentage of social sector lives computed on the total business; and (B) in terms of percentage of number of policies for life insurers and gross premium written direct, for general and standalone health insurers, from rural areas. As per Notification dated 16.10.2002 titled Insurance Regulatory and Development Authority (Obligation of Insurers to Rural Social Sectors) Regulations,2002 Social Sector includes unorganized sector, informal sector, economically vulnerable or backward classes and other categories of persons, both in rural and urban area.

All the life insurers* including LIC have fulfilled their rural sector obligations for the year 2023-24. The data is tabulated as below:

	Life Insurance Companies	Private Life Insurance Companies	LIC
Rural Sector Obligations	122.70 lakh policies (42.05%)	28.91% of total policies	47.72% of total policies
Total lives covered under Social sector.	6.66 crore (22.75%)	26.88% of total policies	5.73% of total policies

(*M/s Sahara India Life Insurance Co. Ltd. is not considered for this obligation as it was directed by IRDAI not to underwrite new business as per the IRDAI order dated June 23, 2017.

During FY 2023-24, all 25 general insurers (excluding Specialized and Stand-Alone Health Insurers) have fulfilled their social sector obligations. All general insurers (excluding Specialized and Stand-Alone Health Insurers) underwrote a premium of Rs. 40,857 crore in the rural sector in FY 2023-24. Public sector and private sector insurers underwrote 21 per cent and 79 per cent respectively of total gross premium procured in the rural sector.

The seven SAHI insurers procured Rs 4,712 crores premium in rural sector constituting 14.23 per cent of gross premium procured by them in the year 2023-24 and have covered 59.32 lakh lives under social sector i.e., 6.73 per cent of total lives covered in the previous year.

9.8 Micro insurance

Micro insurance being a low price-high volume business, its success and sustainability depends mainly on keeping the transaction costs down. IRDAI (Obligations of insurers to Rural and Social sectors) 2015 promulgated under Section 32B and 32C of the Insurance Act, 1938 stipulate obligations of insurers in respect of rural and social sector, which has also contributed substantially to the development and promotion of micro insurance products in India.

Initially, Micro Insurance Regulations were notified in the year 2005 and upon review, IRDAI notified IRDAI (Micro Insurance) Regulations, 2015 permitting several more entities like RBI regulated NBFC-MFIs, District Cooperative Banks, Regional Rural Banks, Urban Co-operative Banks, Business Correspondents (BCs), Primary Agricultural Cooperative Societies (PACs) and other cooperative societies to be appointed as Micro Insurance agents facilitating better penetration of Micro Insurance business. The Regulations also included additional policy holder protection measures.

In micro-insurance-life, the individual new business premium for the year 2023-24 was Rs. 152.57 crore through 3.41 lakh new policies and the Group new business premium amounted to Rs. 10,707.82 crore covering 1,783.92 lakh lives. There were 1,01,848 micro insurance agents attached to life insurers at the end of FY 2023-24. Total number of general insurance policies issued by Micro Insurance Agents (excluding of Standalone health insurers) were 23,746 in the year 2023-24.

IRDAI has permitted Pradhan Mantri Fasal Bima Yojana (PMFBY) covering non-loanee farmers, to be solicited and marketed by Micro Insurance Agents under IRDAI (Micro Insurance) Regulations, 2015. Further, general insurance policies issued to Micro, Small and Medium Enterprises as classified in MSMED Act, 2006 under various lines of general insurance business will also qualify as general Micro Insurance business up to premium of Rs.10,000 per annum per MSME.

9.9 Initiatives/Steps taken by DFS:

1. This department has been continuously reviewing the performance of PSGICs. As a result, the total aggregate losses amounting to Rs 10,607 Cr in FY 2022-23 were improved to a profit of Rs 157 Cr in 2023-24.
2. 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 4 and 5 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 crore.
3. 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.
4. 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.
5. 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 Rs 480 crore (Approx.) has been contributed by Insurance companies in "account for insured vehicles" as on December 2024.
6. 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.
7. This Department had collaborated with NDMA, reinsurers and leading insurance companies for industry wide consultation for promoting the use of "Insurance" as a key risk mitigation measure for risks posed by climate change. Deliberations on Alternate

Sources of Funding for Disaster Risk Financing (DRF) were also held, wherein Asian Development Bank and World Bank briefed about Catastrophe Bonds and Contingent Lines of Credit.

8. Central Government vide notifications dated 30.4.2024 notified the Wage Revision for the employees of LIC effective from 1.8.2022.

9. Enhancement of employers' contribution to NPS from existing 10% to 14% of Basic Pay and dearness allowance to LIC employees covered under NPS.

10. Amendments in the Insurance Regulatory and Development Authority (Salary and Allowances payable to, and other terms and conditions of service of Chairperson and other members), Rules 2000: revision of salary of Chairperson and Whole-time members of IRDAI.

11. Consequent upon upgradation of the position of General Manager & Director (GMD) to Executive Director (ED) vide ACC approved guidelines dated 21.12.2023, three in position GMDs have been upgraded to ED and nine EDs have been appointed in Public Sector General Insurance Companies.

10 Pension Sector

10.1 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 1st January, 2004, and has also been rolled out for all citizens with effect from 1st 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. At exit on superannuation, subscriber would be mandatorily required to invest at least 40% of the pension wealth in Tier-I to purchase an annuity from an Insurance Company regulated by the Insurance Regulatory and Development Authority of India (IRDAI) and a maximum of 60% of the accumulated corpus is given to the subscriber in one lump-sum. If the subscriber exits before superannuation or 60 years of age, he/ she has to invest at least 80% of the accumulated balance to purchase an annuity and the remaining 20% can be withdrawn as lump sum. Some features of NPS are listed below:

a. Architecture of NPS:

NPS architecture consists of Points of Presence (PoPs) and aggregators 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 Managers (PFMs) for generating and maximizing returns on investments of subscribers, Custodian to take care of the assets purchased by the Fund managers and NPS Trust which holds the assets of subscribers for their benefit and oversees the investment operations.

b. Withdrawal under NPS

Subscribers can withdraw up to 25% of their own contributions at any time before exit from NPS Tier-I after minimum of 3 years from the date of joining, for a maximum of three times during the entire tenure of subscription for certain specified purposes.

c. Tax Benefits under NPS:

- In addition to the deduction of ₹1.50 lakhs allowed under section 80 CCD (1), an additional tax deduction of ₹50,000/- under section 80CCD 1(B) of the Income Tax Act, 1961, for contributions to NPS.
- The employee can claim deduction for employer's contribution up to 14% of salary under Section 80CCD (2) of the Income Tax Act. The employers can also claim deduction of the same under Section 36(i) (iv) (a) of the Income Tax Act.
- Amount utilized for purchase of annuity plan and lump-sum withdrawal on exit is exempted tax under Section 80CCD (5) and Section 10(12A) of the Income Tax Act, 1961 respectively.
- Interim/ Partial Withdrawal from NPS Tier I up to 25% of the contributions made by NPS subscriber is also tax free.
- Contribution by the Central Government employees under Tier-II Tax Saver Account of NPS is covered under Section 80 C of the Income Tax Act, 1961, for deduction up to ₹1.50 lakh with a lock- in period of 3 years.

d. Freedom of choice for selection of Pension Funds and pattern of investment to Government employees

- Choice of Pension Fund: Subscribers are allowed to choose any one of the pension funds including Private sector pension funds. They can change their option once in a year.
- Choice- of Investment pattern: The Government employees choose to either invest 100% of the funds in Government securities (Scheme G) or in

Conservative Life Cycle Fund with maximum exposure to equity capped at 25% at the age of 35 years and tapering off thereafter (LC-25), or

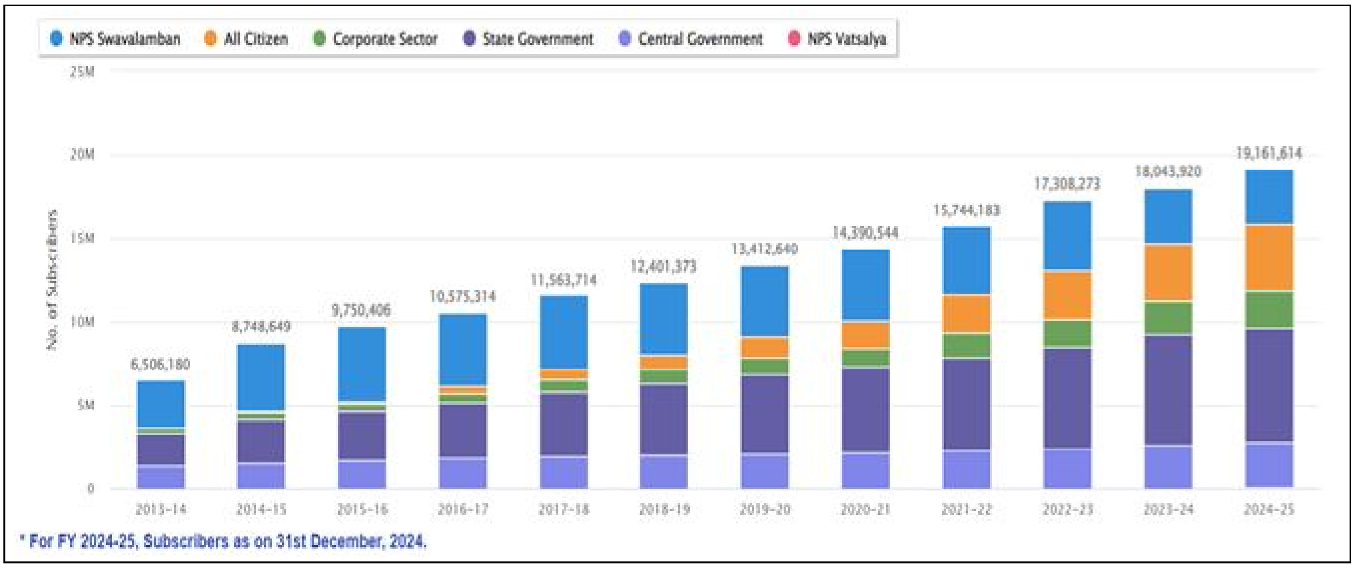
Moderate Life Cycle Fund with maximum exposure to equity capped at 50% at the age of 35 years and tapering off thereafter (LC-50).

The status of NPS as on 31st October, 2024, is as under:

Sector		Number of subscribers	Asset under Management (Rs in Cr.)
Central Government		26,79,623	3,61,216
State Government		67,80,644	6,63,429
Non-Govt Sector	Corporate	21,70,791	1,98,812
	All Citizen Model	39,38,762	68,080
NPS Lite* (discontinued)		33,44,225	5,932
Total		**1,89,14,045**	**12,97,469**

*(No fresh registration permitted w.e.f. 1st April, 2015)

NPS Subscriber Base:



Source: NPS Trust

New Initiatives under NPS

- A new Life Cycle Fund namely Balanced Life Cycle Fund (BLC) was launched on 01st October, 2024. Equity allocation up to 50% is maintained until the age of 45. This is currently available to subscribers in the private sector (All-Citizen Model and Corporate).

- Same Day Investment of NPS contributions (T+0) received by Trustee Bank. Earlier, NPS contributions received by the Trustee Bank were invested on the next settlement day (T+1), however, from 1st July , 2024, NPS contributions received by the Trustee Bank are invested on the same day.

- To facilitate easier contribution, an additional channel for the NPS contribution has been introduced on Bharat Bill Payment System (BBPS), using multiple payment applications such as BHIM, PhonePe, PayTM etc.

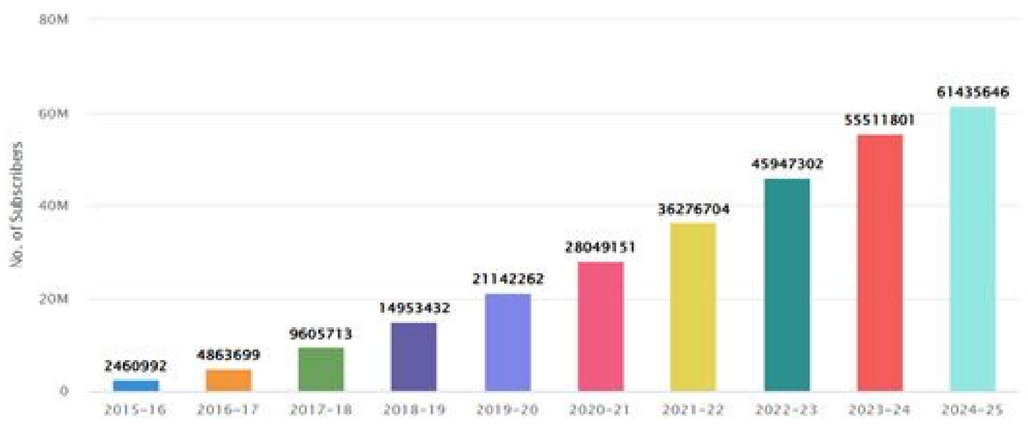
10.2 NPS- Vatsalya Scheme

NPS Vatsalya Scheme, announced by the Hon'ble Finance Minister in the Union Budget of FY 2024-25, was launched on 18th September, 2024. The scheme is designed for parents/guardians to contribute, a minimum of Rs. 1000 per annum with no ceiling on maximum contribution, for minor subscriber. On attaining the age of majority, the account of the subscriber can be seamlessly converted into NPS account. All minors who are citizens of India, are eligible to participate in the scheme, on a voluntary basis. As on 1st December, 2024, a total of 70,561 subscribers have been enrolled under the scheme.

10.3 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 Rs.1000 per month, Rs. 2000 per month, Rs. 3000 per month, Rs. 4000 per month or Rs. 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 29th November, 2024, the number of enrolments under APY is more than 7.15 crore with an AUM of Rs. 41,882 crores.



* For FY 2024-25, Subscribers as on 31st December, 2024.

Source: NPS Trust

10.4 Major measures/steps undertaken to increase coverage under the Schemes:

National Pension System

- Engaging with Fintech companies to increase penetration through online mode and with Regional Rural Banks (RRBs) to focus on the rural areas.
- Regular conferences are being organized on NPS in association with trade bodies.
- ENRICH ELEVATE ENROL - TRIPLE "E" and NPS Diwas campaigns were organized to encourage and honor the efforts of PoP officials who significantly contribute to NPS expansion.
- Publicity and media campaigns are being run by PFRDA through electronic media, print media, and social media.
- PFRDA organized Symposium on 'Atmanirbhar Pensioned Society for a Viksit Bharat' in collaboration with IIM Lucknow on 22nd June, 2024, at Noida Campus of IIM Lucknow, to engage with all the stakeholders and eminent experts to come out with policy suggestions, and an action plan.

Atal Pension Yojana

- Physical APY outreach program and townhall meetings are organised all over India.
- Zonal strategy review meetings are conducted at New Delhi, Mumbai, Kolkata and Chennai with APY-SPs and SLBC Convenors, to discuss strategies for the promotion and outreach of APY.
- Performance review meetings were conducted with the Nodal Officers of APY Service Providers (Banks and DoP) and SLBCs/UTLBCs on a regular basis.
- APY Subscribers Information Brochure is made available online in 13 vernacular languages A single-page flyer on APY is also made available in English and 22 Indian languages included in the Eight Schedule of the Constitution.
- Periodic advertisements are published in print, electronic, and social media.
- Virtual capacity building programs for Banking Correspondents (BCs) and field staff of Banks, Self Help Group (SHG) members, bank-sakhis of State Rural Livelihoods Missions (SRLMs) organised to propagate APY.
- Engagement with various Ministries of Government of India, National Centre for Financial Education (NCFE), National Bank for Agriculture and Rural Development (NABARD), National Rural Livelihood Mission (NRLM), and SRLM to spread awareness and coverage of APY.
- Online channels such as e-APY, net-banking, mobile app and bank's web-portal, activated for easy online onboarding.
- APY Help Desk and Chatbot at Protean - CRA are operational for assisting APY subscribers.
- QR Codes for APY User services, APY Transactional services, APY Information services, APY Podcast/ Videos, APY Call Centre are available for creating awareness.

10.5 Steps undertaken for Financial Literacy and Awareness creation

- PFRDA is imparting training, through an empaneled agency, to existing subscribers as well as general public, on the pension schemes regulated/ administered by the PFRDA.
- The "Retirement Planner Scheme" - an initiative which aims at creating awareness about retirement planning, pension schemes regulated/administered by the PFRDA.

10.6 Initiatives for improving delivery of services and ensuring 'inclusive growth'

Vide Gazette Notification dated 16.08.2024, this Department has issued the Accessibility Standards and Guidelines (For creating infrastructure for persons with disabilities) for PFRDA-regulated intermediaries.

11. Financial Institutions

11.1 National Housing Bank (NHB)

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 31.12.2024, an amount of ₹20,000 crore (₹10,000 Crore under Tranche-I & II each) 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 31.12.2024, the Bank has sanctioned ₹ 6,882.85 crore under UIDF.

National Housing Bank (NHB) is an officer-oriented development financial institution with staff strength of 241 officials (as on December 31, 2024) with diversified educational background. NHB operates through its Headquarter located at New Delhi and Regional Offices spread across the country. As of December 2024, the Bank has 17 Regional Offices situated at Ahmedabad, Bengaluru, Bhopal, Bhubaneshwar, Chandigarh, Chennai, Delhi, Guwahati, Hyderabad, Jaipur, Kolkata, Lucknow, Mumbai, Patna, Raipur, Ranchi and Trivandrum.

11.1.2 Refinancing

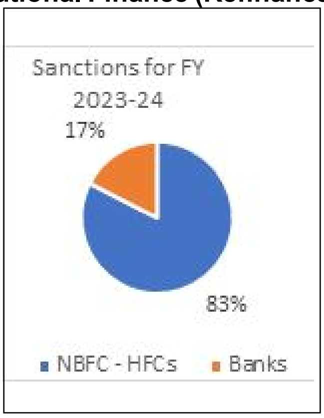
Till 31.12.2024, National Housing Bank has disbursed cumulative refinance of ₹ 4.04 lakh crore, out of which ₹ 52,447.80 crores have been disbursed under Affordable Housing Fund. The details of refinance activities undertaken by NHB during FY 2023-24 and FY2024-25 (till 31.12.2024) are as below:

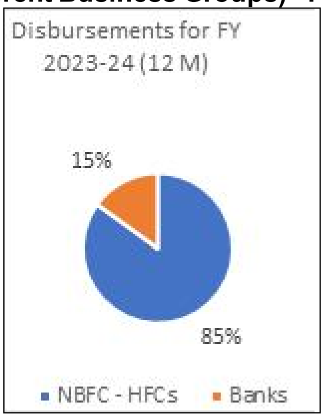
(₹Crores)

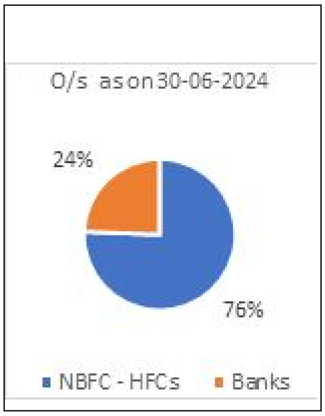
	FY2023-24 (01.07.2023 – 30.06.2024)			FY2024-25 (01.07.2024 – till 31.12.2024)		
Business Groups	**Sanction**	**Disbursement**	**Outstanding as on 30-06-2024**	**Sanction**	**Disbursement***	**Outstanding as on 31-12-2024**
Institutional Finance (Refinance) -NBFC (HFCs)	29,458	27,244	77,292	21,753	13,261	80,961
Institutional Finance (Refinance) -Banks	6,212	4,841	24,911	5,010	600	22,119
Total	**35,670**	**32,085**	**1,02,204**	**26,763**	**13,861**	**1,03,080**

**figure includes disbursement from carried forwarded limit of last financial year.*

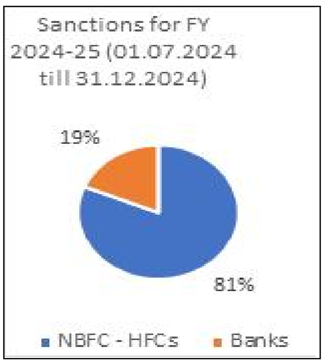
Institutional Finance (Refinance to different Business Groups) - FY 2023-24

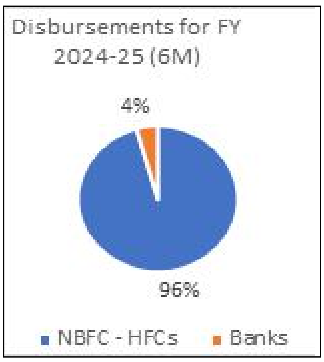


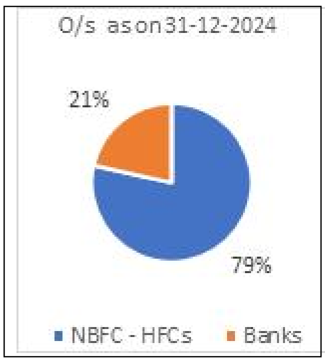




Institutional Finance (Refinance to different Business Groups) FY 2024-25 (Till 31.12.2024)







11.1.3. Financial Highlights

- Bank posted a Net Profit of ₹ 909 crore for the Half Year (HY) ended December 2024 (July-December) with ROA of 1.61%, Return on NOF of 13.44% and Capital Adequacy Ratio (CRAR) of 40.57% as on 31.12.2024.
- Gross NPA ratio of the Bank stood at 0.62% as on 31.12.2024.

11.1.4. Projections/estimates for the period from 01-01-2025 to 30-06-2025

- Bank has disbursed a cumulative amount of ₹ 13,861 crores till 31.12.2024 during the current financial year (July, 2024 - June, 2025).
- Bank has projected refinance sanctions of ₹ 45,000 crores and disbursements of ₹40,000 crores during FY 2024-25 (July-June).

11.2 Small Industries Development Bank of India (SIDBI)

Small Industries Development Bank of India (SIDBI) was established under an Act of Parliament in 1990. SIDBI is the Principal Financial Institution engaged in Promotion, Financing & Development of the Micro, Small and Medium Enterprises (MSME) sector and in coordinating the functions of various Institutions engaged in similar activities.

SIDBI extends financial assistance to MSMEs by way of (a) Direct Finance through its branch network as also in partnership with other Institutions and (b) Indirect Finance/Refinance through Banks (including Small Finance Banks), NBFCs, MFIs and other institutions by extending refinance/ resource support assistance against MSME portfolio of such institutions. Apart from the above, 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 for Start-ups, etc.

SIDBI through its network of subsidiaries/ associates viz. MUDRA Ltd., SIDBI Venture Capital Ltd, CGTMSE continues to make targeted interventions like venture capital investment, credit guarantee in the MSME ecosystem.

11.2.1 Financial Highlights

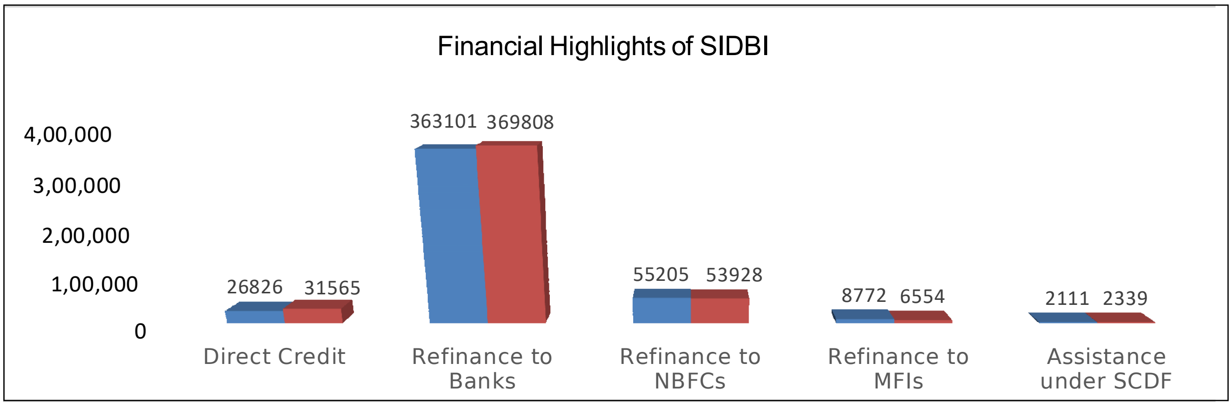
Amount in Crore

Business Groups	FY 2024	FY 2025 (as on 31.12.2024)
	Outstanding	**Outstanding**
Direct Credit	26,826	31,566
Refinance to Banks	3,63,101	3,69,809
Refinance to NBFCs	55,205	53,933
Refinance to MFIs	8,772	6,554
Assistance under Cluster Development Fund	2,111	2,339
Total	**4,56,015**	**4,64,201**

Charts comparing financial data as on FY 2024 (as on 31/03/2024) and FY 2025 (as on 31/12/2024)

Net Profit: The Net profit of the bank increased by 20% to Rs 4,026 crore in FY2024.

Asset base: Total Assets increased by 30% to Rs 5,22,521 crore in FY2024.



11.2.2 Initiatives:

- The new Initiatives of SIDBI for the MSME Sector include end-to-end digitization of its Direct Credit operations, launch of Express loan product (a straight through process for quick in-principle sanction without any paper work), launching of an NBFC Growth Accelerator Programme (NGAP) for capacity building of smaller/lower-rated NBFCs, establishing smart clusters through energy efficiency (EE) workshops and energy audits in MSMEs using Energy Service Companies (ESCOs) under GRiT (Green Inclusivity) project, Udyam Assist Platform etc.
- SIDBI's service coverage to MSME Clusters: As announced by Hon'ble FM in the Budget, out of the 24 new Branch Offices proposed to be opened in the current FY, SIDBI has already expanded its physical presence by opening 22 new branch offices. The remaining 2 branches shall be opened before March 31, 2025. After the opening of all 24 Branch offices, SIDBI's reach will extend to 168 out of 242 major clusters.
- Fund of Funds Scheme (FFS): FFS contributes to the corpus of SEBI registered Category I and II Alternative Investment Funds (AIFs). These AIFs in turn are required to invest at least twice the contribution made under FFS in 'startups' as defined by the Government of India gazette notification. As on 31st December 2024, as against the corpus of ₹10,000 crores, SIDBI has committed a cumulative amount of ₹11,687.70 crore to 151 AIFs from the FFS. The scheme has helped catalyse raising of more than Rs 80,000 crores of capital by the AIFs that have been supported under it. While FFS is largely focused on startups in early / early growth stage, it is encouraging to note that 22 of the supported startups are classified as "Unicorns" out of the 117 Unicorns in the country.
- Udyam Assist Platform (MSME Formalisation): SIDBI has been authorised as Implementing Agency for the Udyam Assist Platform (UAP) envisaged as a digital platform for the Udyam registration of Informal Micro Enterprises (Micro Enterprises not covered under the GST ecosystem). Till December 31, 2024, 2.52 crore Informal Micro Enterprises (IMEs) were registered on UAP through 209 Designated Agencies.
- SIDBI's Prayaas scheme which provides unsecured assistance of ₹50,000 - ₹5,00,000 to Informal Micro Enterprises (IMEs) through a phygital journey, has so far facilitated over 2.84 lakh IMEs in rural /semi-urban areas with cumulative credit of ₹5,208 crore. Over 85% of these were women beneficiaries. SIDBI has also started lending to individual women members of SHGs in the SRLM structure.
- During the year, the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) reached a significant milestone of approving #1 crore guarantees in its 25th year.

11.2.3 GST Sahay Project-

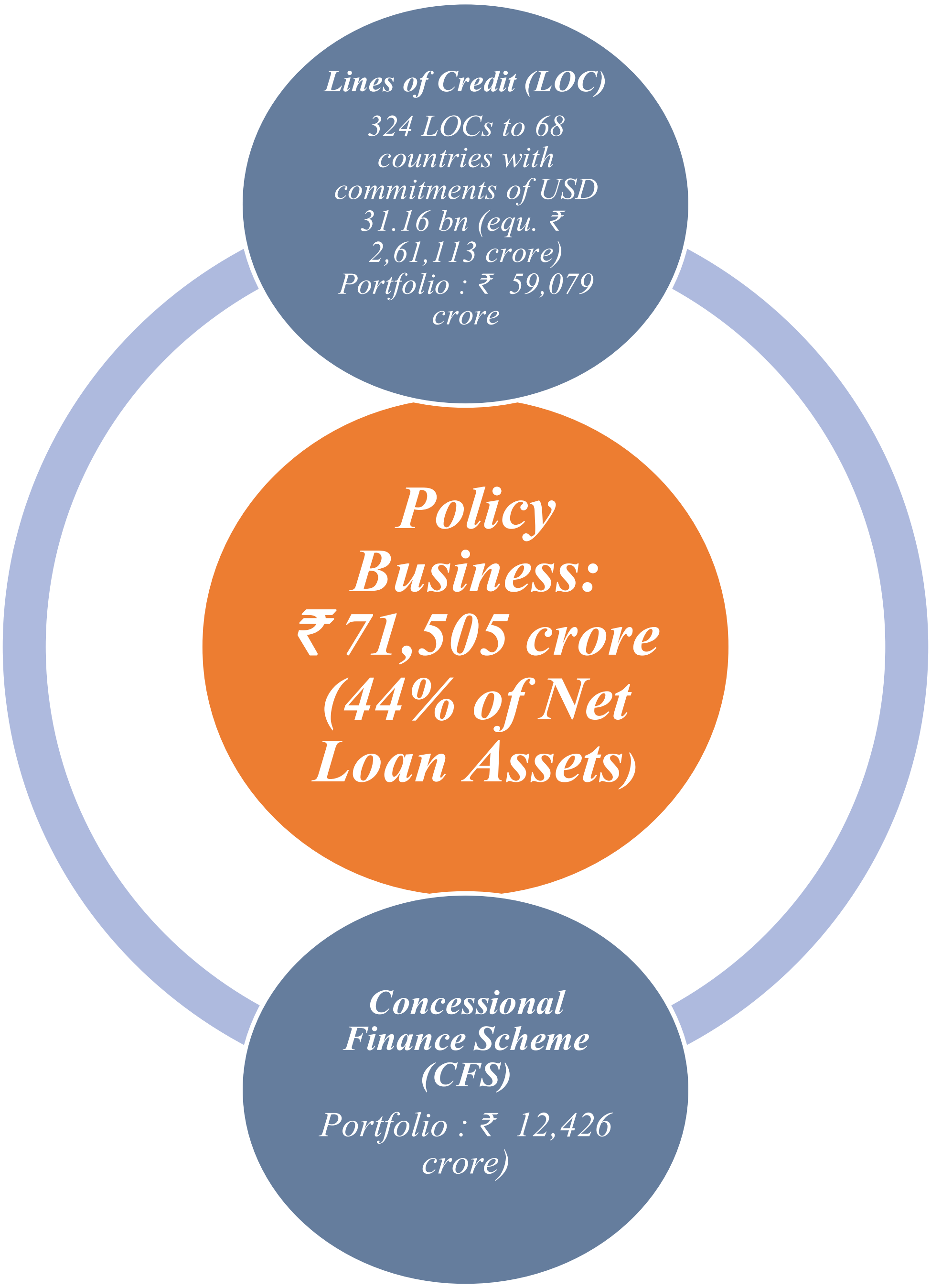
SIDBI, in association with Online PSB Loans Ltd (OPL) and iSPIRT, has developed a reference GST Sahay App using the Open Credit Enhancement Network (OCEN) and Account Aggregator (AA) frameworks for providing 'on tap' invoice-based financing (cash flow based) for small value credit to micro enterprises. The app journey is paperless and covers the entire credit life cycle from origination to repayment. It uses trade information from 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. Lenders who have rolled out pilot products based on GST Sahay app includes HDFC Bank, some Small Finance Banks & NBFCs. Other major banks i.e. SBI & PNB are also in the process to rollout the product.

11.3 Export - Import Bank of India (Exim Bank)

Exim Bank was established as a statutory, apex financial institution in 1982 under an Act of the Parliament of India, 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.

Exim Bank's Financial Programmes



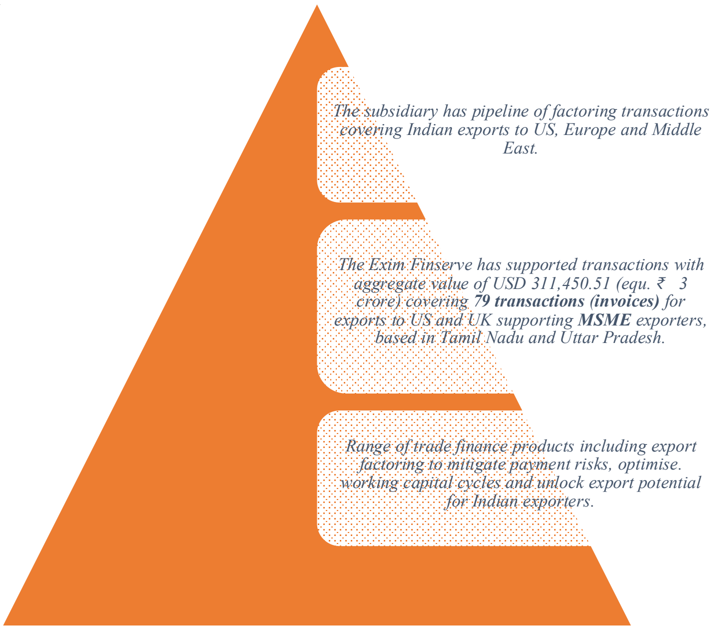
<u>Policy Business</u> (Data as on September 30, 2024) & Commercial Business:

A difference amount of ₹ 64484.46 crore is accounted by other programmes. The Bank's net loans and advances stood at ₹ 1,62,577 crore, while the non-fund portfolio of the Bank was at ₹ 14,594 crore. The total business portfolio of the Bank, which stood at ₹ 3,50,069 crore, is estimated at ₹ 3,75,000 crore as on March 31, 2025.

India Exim Finserve IFSC Pvt. Ltd.

- India Exim Finserve was inaugurated on August 8, 2023, in line with Budget Announcement 2023.
- the subsidiary is offering Factoring and Forfaiting of Receivables to Indian Exporters, Catering to Indian Corporates and MSMEs.

- As on September 30, 2024, the progress is as follows:



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:

a) IIFC(UK)

b) IIFCL Projects Limited (IPL)

c) 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).

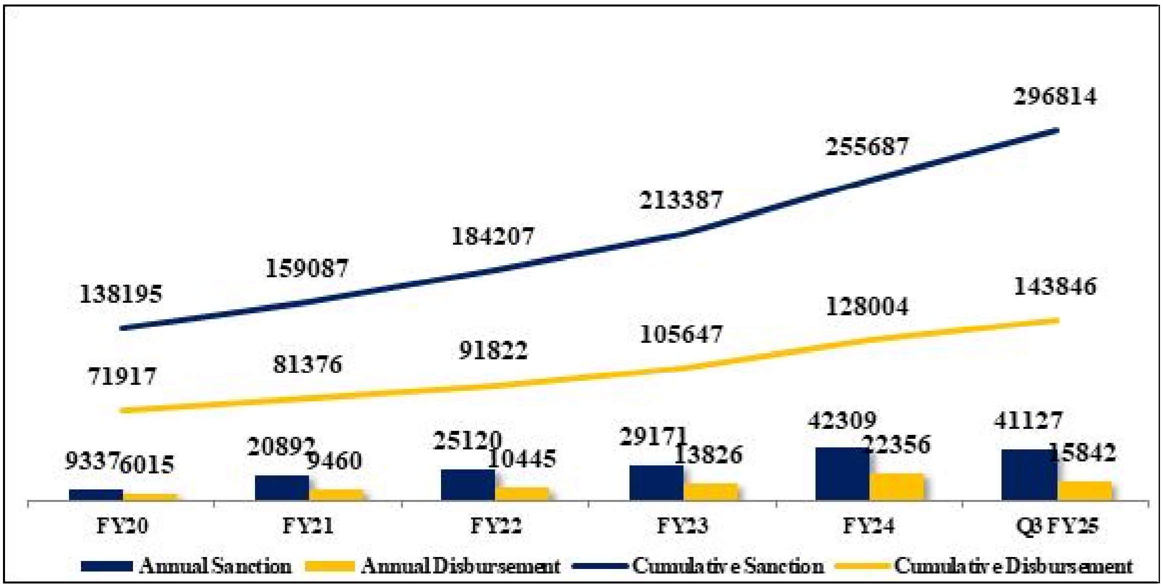


Fig.1 Sanctions and Disbursements as on 31st December 2024

On a standalone basis, as of 31st December, 2024, IIFCL has made cumulative gross sanctions of Rs. 2,96,814 crore to more than 805 projects under Direct Lending, Takeout Finance, Refinance Schemes, Invits, and investment in Bonds. This includes cumulative gross sanctions of Rs. 1,25,659 crore under direct lending. The company has made cumulative disbursements of Rs. 1,43,846 crore till 31st December, 2024. Since inception, 50% of IIFCL's business was done in last 4.75 years.

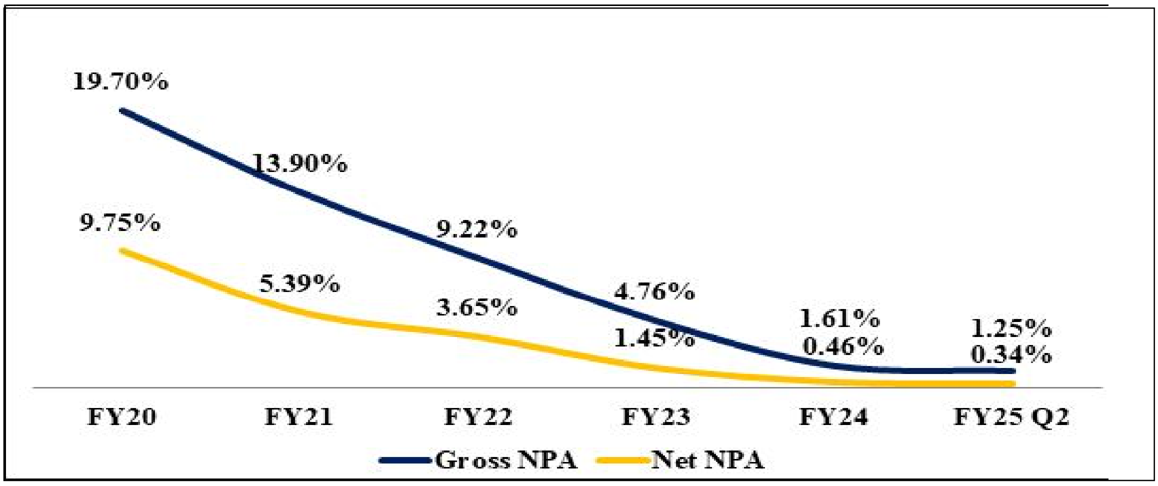


Fig.2 Non-Performing Assets as on 30th September 2024

IIFCL has continued to show declining trend in Non-Performing Assets (NPA) numbers and achieved a reduction in Gross NPA and Net NPA to 1.25% and 0.34%, respectively, as of 30th September, 2024, down from 1.61% and 0.46% as at 31st March, 2024.

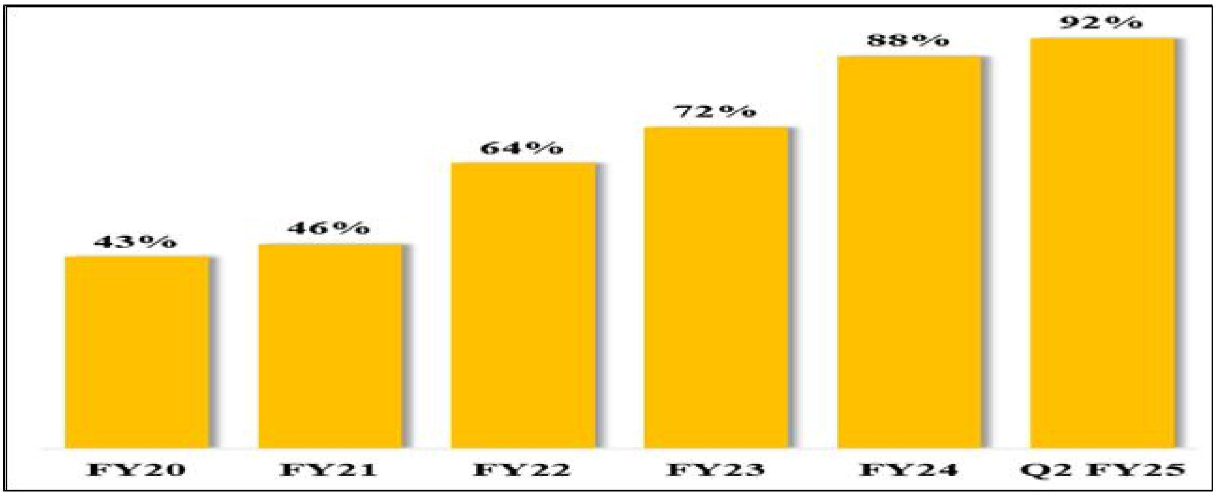


Fig.3 High Quality Assets (A, AA & AAA)

IIFCL's asset quality has improved significantly over last three years, with 92% of IIFCL's loan assets are of high quality (rated A, AA & AAA)

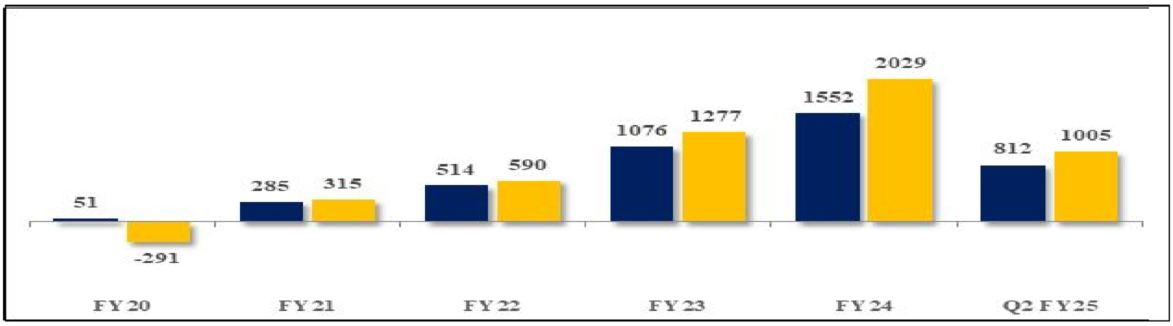


Fig.4 Profitability

IIFCL recorded an all-time high Profit after Tax (PAT) of ₹1,552 crore in FY 2023-24, which is about 44% increase over PAT of ₹1,076 crore in FY 2022-23 and a half-yearly PAT of ₹812 crore in FY 2024-25, which is expected to exceed the previous year's record profit.

Major Initiatives taken by IIFCL

- **Focussed Business Strategy:** IIFCL has taken its first ever initiative to strategically revamp its business plan through external consultation in order to improve the state of infrastructure in India.
- **Green and Sustainable Initiatives:** In its endeavours to promote green and sustainable financing, IIFCL has implemented Green Bond Framework, Sustainability & ESG Financing Framework and has also included Allied infra sectors such as EV, Green Hydrogen, etc, in its Credit Policy.
    - o **Climate Strategy 2030:** IIFCL has set the target to facilitate at least 50% of incremental lending of Rs.1 lakh crore towards green infra projects by 2030, to achieve reduction in lending for fossil fuel-based power plants over 2024, to achieve net zero Scope 1 and Scope 2 by 2030, and to maximize utilization of IIFCL's CSR spending towards green initiatives.
    - o **ESG Rating:** IIFCL has been assigned an ESG rating for the first time of 77 by ICRA ESG, reflecting IIFCL's commitment to integrate sustainability into its operating processes and governance, showcasing notable progress in its ESG journey.
- **Digital Initiatives:** IIFCL has been active on the digital front, with initiatives such as Advanced Infrastructure Project Monitoring System (AIPMS), which was introduced for the first time in the history of infrastructure sector in India. The AIPMS is envisaged as an effective tool for ensuring progress-linked disbursement in infrastructure projects with drone-based monitoring.

11.5 National Bank for Financing Infrastructure and Development

Genesis:

The National Bank for Financing Infrastructure and Development (NBID) had been established through an announcement made by Hon'ble Finance Minister in the Union Budget 2021-22 and is set up as an infrastructure focused Development Financial Institution (DFI) under the National Bank for Financing Infrastructure and Development Act 2021, (NBID Act) 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 and to carry on the business of financing infrastructure. The Institution has been set-up with both financial and developmental objective, as defined in its Act.

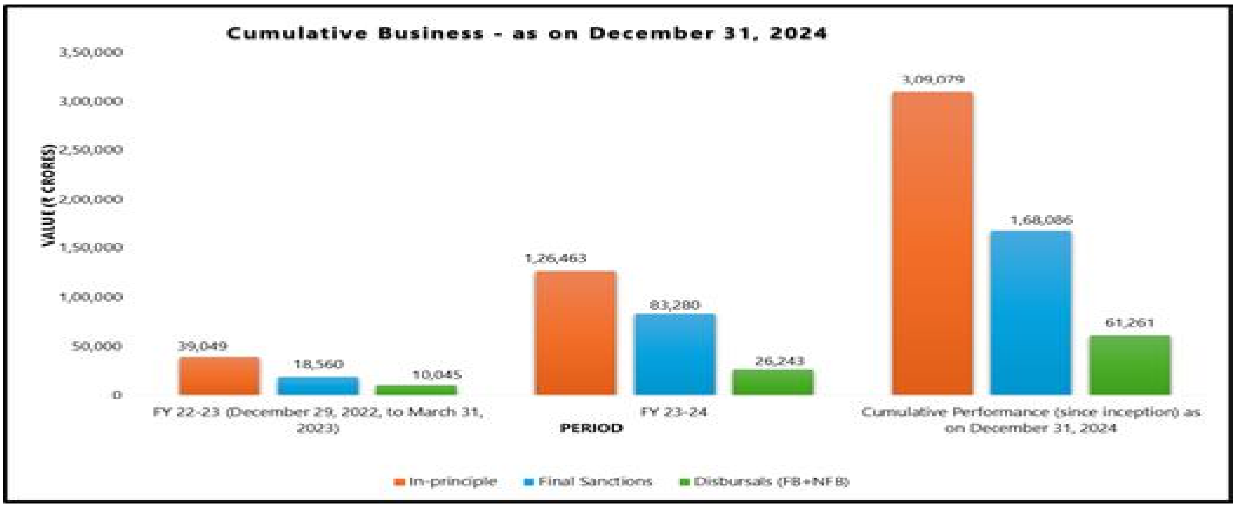
The Institution is supported with ₹ 20,000 crore of equity and ₹ 5,000 crore of grant from the Government of India (GoI). NBID was granted All India Financial Institution (AIFI) status by the RBI on March 8, 2022.

Business & Operations:

NBID commenced its business operations on December 29, 2022, with its first loan disbursement. The Institution reported Net Profit After Taxes of ₹ 1,046 crore for FY 2023, ₹ 1,602 crore for FY 2024 and received Highest AAA (stable) domestic rating from ICRA, CRISIL, CARE and India Ratings. The Institution has reported a net profit of ₹ 977 crore, for the first six months of FY 2025.

The Institution successfully raised ₹ 19,516 crore through bonds in FY 2023 - 2024 with its maiden Bond Issuance in June 2023 and successfully listed on both stock exchanges - BSE and NSE. Further, in FY 2024-2025, during the half year ended September 2024, the institution had successfully raised ₹ 8,911 crore through bonds of which ₹ 3,911 crore had tenor of 20 years.

As of December 31, 2024, the Institution has accorded cumulative sanctions (since December 2022) of ~₹ 1,69,000 crore and cumulative disbursement of ~₹ 62,000 crore across sector such as Roads, Renewables, Power Generation, Railways, Transmission and Distribution, and Social Commercial Sectors amongst others and more than ~ 50% share of sanctions spread across long-term tenors ranging between 15-30 years. The institution projects to accord cumulative sanctions of ~ ₹ 2,00,000 crore and cumulative disbursements of ~ ₹ 94,000 crore by end of FY 2024-2025.



Major achievement towards Developmental Mandate:

i. The Institution is offering Transaction Advisory Services (TAS) with focus on Public-Private Partnerships (PPP) projects facilitating creation of bankable project pipeline.

ii. The Institution is taking steps for developing the ecosystem by creating a Data Repository for the infrastructure sector complementing the National Infrastructure Pipeline in collaboration with PM-Gati Shakti to crowd-in patient capital.

iii. NBID has also introduced a Programme based lending product for Urban Local Bodies (ULBs)/ Municipal Corporations for debt financing of Waste Management projects including Waste to Power, Waste to Biogas & Waste-water treatment.

iv. The Institution is being considered for accreditation with Green Climate Fund (GCF) to the Ministry of Environment, Forest and Climate Change (MoEFCC).

v. For crowding-in private capital, the Bank held maiden Infrastructure Conclave on September 12th, 2024 at Mumbai and co-hosted Infrastructure Financing Conference at London, U.K. on November 14th, 2024

vi. The Institution is also taking steps towards crowding in of investments through Blended / Concessional Finance structures and engagement with World Bank for development of Partial Credit Enhancement (PCE) product; MoU with International Finance Centre (IFC) for Co-Lending activities, LoI 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 with the Reserve Bank of India (RBI) as a Systemically Important Non-Deposit taking Non-Banking Finance Company (NBFC-ND-SI) and is also a notified Public Financial Institution under Section 2(72) of the Companies Act, 2013. IFCI became a Government Company in April 2015 and as on date (22-01-2025), the shareholding of GoI stands at 71.72% 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.

IFCI 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.

12 Special Court and Office of Custodian

12.1 Special Court

The Special Court (Trial of Offences Relating to Transactions in Securities) Act, 1992 came into force on 6.6.1992. The Act was necessitated by reasons of the unprecedented situation wherein very large amount of public monies had been siphoned off into private pockets. 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. These posts are renewed on a year-to-year basis by DFS, Ministry of Finance with the approval of the competent authority. As on 31st March 2024, a total number of pending matters in the Special Court is 79 which includes, Suits and Special Cases (Criminal) and 73 Civil and Criminal Appeals arising out of the orders passed by the Special Court are pending before the Hon'ble Supreme Court.

12.2 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 Delhi office handles the Administration and Establishment matters of both the offices of Custodian and also deals with Supreme Court cases. The Mumbai office mainly deals with the Court matters of the Special Court, which is presided over by a sitting Judge of Hon'ble Bombay High Court. Apart from that the Mumbai office also manages attached properties of notified persons involved in the Security Scam. 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 13,542 cases have been filed in the Special Court and 549 cases in Supreme Court, which have been defended/contested by the Custodian. 13,496 cases in Special Court and 488 cases in Supreme Court have been disposed of, leaving a balance of 46 cases in Special Court and 61 cases in Supreme Court to be disposed as on 31st December, 2024. As on 31st December, 2024, the total outstanding liabilities of notified parties were ₹ 42,117.77 crores as against recoverable assets amounting to ₹ 5074.92 crores. Till 31st December, 2024, ₹12,268.9 crores (approximately) has been recovered by the Custodian and out of these assets ₹ 7,193.98 crores have been distributed to the Income Tax Department, Banks and others as per the orders of the Special Court.

The status of de-notified parties as on 31.12.2024 is as under:

Total Notified Parties	De-Notified till date	Remaining Notified Parties	Remarks
70	29	41	Out of remaining 41 NPs, 27 NPs are family members of Late Harshad Mehta and their associate firms. Last Notification notifying Smt. Rasila Mehta (Mother of Harshad S Mehta) and Smt. Rina Mehta (Sister-in-law of HSM) was issued on 4 Jan 2007.Last party de-notified on 12th December, 2024 was Shri B.C.Dalal.

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 CPGRAMS (Centralised Public Grievance Redressal and Monitoring System), (an online web-based system), to resolve public grievances.

Department of Administrative Reforms and Public Grievances (DARPG) vide its Office Memorandum dated 23.08.2024 had reduced the timeline of redressal of grievance from 30 days to 21 days and the timelines for redressal of appeals remains unchanged to 30 days. Same was communicated to RBI/IRDAI/All PSBs/PSICs/FIs vide Department of Financial Services email dated 20.09.2024 for taking necessary action. Regular monitoring of adherence to timelines is done by Department of Financial Services.

In Department of Financial Services, a large number of grievances/complaints concerning Banking and Insurance Sectors are received directly from citizens, both online and by post. 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 concerned Public Sector Banks/Public Sector Insurance Companies (PSBs/PSICs) for its redressal within a maximum time limit of 21 days. These directions are followed by all organisations under the Department of Financial Services. Action taken reports are uploaded on the system and a scanned copy of the reply is provided to the complainant 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.

The Banks and Insurance Companies have grievance redressal mechanism in place and are 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 private banks and private 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.

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 also includes under its ambit Non-Scheduled Primary Co-operative Banks with a deposit size of Rs.50.00 crore and above. The scheme adopts "One Nation One Ombudsman mechanism". There are 17 Insurance Ombudsman set up by IRDAI. In case of banking there are 24 offices of RBI ombudsman. When the petitioners are not satisfied with the kind of disposal by the concerned Banks/Insurance Company, they can file their complaints with the Ombudsmen concerned for the settlement of their grievance through mediation and passing of awards.

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,3rdFloor, 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 2024-25 (up to 30.11.2024), 3886 RTI Applications and 27 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 Director, Under Secretary and Section Officer in the discharge of his functions.

15.1 Performance

a) 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.

b) 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.

c) Vigilance Section, DFS organised a training programme for CVOs of PSICs and officers of DFS through National Insurance Academy, Pune.

d) Vigilance Section also held many 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.

e) A Committee has been formed by IBA to suggest a vigilance manual or SOP to protect bonafide bankers from disproportionate action by Law Enforcement Agencies. Vigilance Section, DFS is providing necessary support to the Committee to assist banking fraternity.

f) 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 was observed from 28.10.2024 to 03.11.2024. Essay and slogan writing competitions, both in Hindi and English, were held to create awareness about vigilance rules in the Department. 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 Revamped e-auction portal

In 2018, Department of Financial Services, Ministry of Finance, suggested to create an e-Auction platform to capture and display complete details of properties mortgaged to banks which are to be auctioned under SARFAESI Act and to boost the sale value realized through bank e-auctions.

A common web portal https://ibapi.in (Indian Banks Auction Properties Information) after due testing by the member PSU banks was developed by Indian Bank (erstwhile Allahabad Bank). Subsequently MSTC Ltd., a PSU under the Ministry of Steel, was shortlisted for conducting property e-auctions with an integrated e-payment facility. The common e-auction platform for PSBs went live in December 2019 under the name of "e-Bikray". After consideration of challenges and concerns i.e. ease of transacting, enhancing the user experience, expanding the reach of the portal represented by Banks, it was decided to launch a revamped e-auction portal. In order to ensure that listing and auction of properties take place in a seamless manner, the revamped e-auction platform has been made operational as per the latest standards in the industry. This will result into increase in the pool of potential buyers and hence higher recoveries for banks. The portal has now been launched.

16.2. Revision in the DRT regulations

With a view to make processes more efficient in Debt Recovery Tribunals (DRTs) and also to make it uniform across DRTs, the regulations followed in the DRTs which were formulated in 2015 have been comprehensively revised after consulting the stakeholders. The revised DRT Regulation 2024 has been sent by DFS to all DRTs for adoption. The salient features of revised DRT Regulations 2024 are given as under:

i. Uniform procedure has been prescribed to be followed in DRTs. In order to reduce the time taken in wrapping up the proceedings in DRTs and thereby increasing efficiency of DRTs, maximum time limit for scrutiny has been reduced from seven days to three days, waiting period for service of summons for the second time (in instances where summons served at the first time are returned to the Tribunal) has been reduced from 15 days to 7 days. Provision has been made for immediate generation of RCs after final order from the Presiding Officer.

ii. Provision has been made for online application of Certified copy of the documents filed in DRTs. This will enhance ease of access to the applicant in accessing the documents.

iii. Provision for online inspection of the records of the cases filed in DRT on e-DRT system, has been enabled through amendments in regulation. The digitization of access to documents is likely to reduce the time taken in the complete adjudication process.

iv. Provision for furnishing a link to the defendant / respondents at the stage of summons itself to access the digitized copy of the Paper Book and other documents will surely curtail the time taken by the defendant /respondent in filing the reply to the Original Application The parties cannot complain anymore that they have not got complete paper book (hard copy).

v. Standard format of notice for substituted service to be published in the newspaper has been provided to standardize such notices.

vi. Format of summon has been aligned with the amendment carried out in the year 2016 in Section 19 of the RDB Act, 1993.

vii. E- scrutiny has been enabled through regulations wherein defects can be notified to the applicant through e mail/SMS. Further, the applicant can also remove the defects.

viii. New provision has been made for weeding out of the cases filed prior to notification dated 1.2.2023 relating to cases settled amicably between the parties and withdrawn from DRT by the Banks to economise on the storage space.

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 23 organisations/ banks/ regulator as Critical Information Infrastructure (CII) were notified as protected systems, of which 9 were noted during the year 2023 and 5 have been notified in October, 2024 further, notification is in progress for 10 more organisations identified as CIIs.

(b) Launch of new website and Security audit

The revamped website of the Department was launched on November, 2023 with improved user interface. The Web Application Security Audit of the new website, which is conducted annually, has been completed by Indian Computer Emergency Response Team (CERT-In) empanelled auditor and the certificate of the same was issued to this Department in December, 2023.

(c) 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.

(d) Compliance to Cyber Security guidelines

In order to augment the security posture of Ministries/ Departments and associated Government organizations, Indian Computer Emergency Response Team (CERTIn) released guidelines on Information security practices for Government entities on 30th June, 2023. This Department has proactively been implementing the measures stated in the guidelines.

(e) Measures to create cyber awareness

National Cyber Security Awareness Month (NCSAM) was observed during the month of October, 2024. 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 in which 33 officers participated.
- 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.
- 4 Cybersecurity Awareness sessions have been conducted for various sections in DFS during this month.in which 60 officials participated
- All staff were requested to attend online Cyber Awareness quiz by NCIIPC.
- DFS participated in the Table Top Exercise by CERT-In on 22.10.2024.
- quiz competition on Cyber Awareness was conducted for officials of DFS which was participated by 1124 officers.
- Cybersecurity Awareness session was delivered by Shri Sanjay Bahl, DG, CERT-In on 24.10.2024 which was participated by Senior level officials of DFS, RBI, IRDAI, PFRDA, PSBs, PSICs and PSFIs.

(f) 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 fifth edition of Global Fintech Fest, which was attended by Hon'ble Prime Minister. A meeting of Hon'ble Finance Minister was organized with Start-ups and Fintech ecosystem stakeholders, which was attended by Hon'ble Minister of State for Finance, various Ministries/Departments/ Organizations and Regulators. The department and Indian Cyber Crime Coordination Centre (I4C) jointly organised a half-day workshop with LEAs and Start-ups and Fintech ecosystem partners. Recently, DFS also held meeting with Fintech Ecosystem Partners to deliberate on the issues of the fintech partners and suggestions which would be useful in creating a robust Fintech ecosystem.

The Department also engages in a range of bilateral Fintech matters between India and several countries, including Singapore, the Philippines, the United Kingdom, Taiwan, 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". To raise awareness of officers of the department and banks, the section regularly organises Lecture/Knowledge Series on various subjects related to financial sector including Fintech and Cyber Security.

18. 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 Sections (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) and Pension Fund Regulatory and Development Authority (PFRDA) 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.

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 I & II respectively.

19. Audit Paras

A summary of Audit observations made available by the Office of C&AG pertaining to DFS is at Annexure-III

Annexure-I

Group-wise representation of Scheduled Castes, Scheduled Tribes, Other Backward Classes, Economically Weaker Section upto 30.11.2024

Group	Number of Employees (as on 31.12.2023)					Number of appointments/promotions made during the calender year 2024 (i.e. 01.01.2024 to 30.11.2024)														
						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	480816	88103	39899	127647	3949	15840	2437	1160	5100	1140	28555	4876	1943	7109	300	38	2	1	4	0
Group-B	24241	3820	1710	5689	684	805	146	153	193	65	53	10	6	11	0	0	0	0	0	0
Group-C	309625	54864	24377	81876	5433	14574	2408	1053	4590	1754	5857	1649	484	1232	34	681	169	72	148	1
Group-D (Excluding Safai Karamchari)	81966	24338	6287	21499	444	664	73	141	295	14	263	116	7	82	0	324	139	35	77	0
Group-D (Safai Karamcharies)	23813	11102	1730	6477	46	0	0	0	0	0	9	1	0	0	0	116	64	12	18	0
Total	920461	182227	74003	243188	10556	31883	5064	2507	10178	2973	34737	6652	2440	8434	334	1159	374	120	247	1

Sources: PSBs, PFIs, PSICs & Regulators

Annexure-II

Group-wise representation of Persons with Disablities up to 30.11.2024

Group	Number of Employees (as on 31.12.2023)					Number of appointments/promotions made during the calender year 2024 (i.e. 01.01.2024 to 30.11.2024)																		
						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	12694	3771	1280	7444	199	1069	297	299	218	255	381	129	73	143	36	528	123	144	114	147	582	200	81
Group-B	47	16	3	22	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Group-C	8396	2926	1047	4316	107	847	257	237	183	170	382	189	29	134	30	628	234	129	208	57	132	44	23
Group-D (Excluding Safai Karamchari)	1169	208	194	758	9	0	0	0	0	0	3	0	0	2	1	10	10	0	0	0	0	0	0
Group-D (Safai Karamchari es)	565	83	87	389	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	22871	7004	2611	12929	327	1916	554	536	401	425	766	318	102	279	67	1166	367	273	322	204	714	244	104

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.

Sources: PSBs, PFIs, PSICs & Regulators

ANNEXURE-III

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	01.04.2024 to 30.11.2024	1	Nil (as on 30.11.2024)	9 (as on 30.11.2024)	Nil (as on 30.11.2024)

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

#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 2023-24 has been laid in the both the Houses of the Parliament in December 2024.

As per PE Survey 2023-24 there were 448 Central Public Sector Enterprises under the administrative control of various Ministries/ Departments as on 31.03.2024. Out of 448 CPSEs, 272 are in Operation of which 212 CPSEs showed profit during 2023-24. The Overall 'Net Profit' of operating CPSEs was 3.22 lakh crore in 2023-24 showing as increase of 47.42% over the previous year. The Contribution to the Central Exchequer by CPSEs increased from 4.58 lakh crore in 2022-23 to 4.85 lakh crore in 2023-24.

A comparison of performances of CPSEs during 2023-24 vis-a-vis the previous year i.e. 2022-23, 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 Independent (Non-Official) Directors: -

The presence of Independent (IDs) on the Boards of CPSEs is important for sound Corporate Governance as their constructive role is essential for smooth and transparent functioning of the company. The IDs play an important role in various committees of Boards viz. Audit Committee, Nomination & Remuneration Committee, CSR Committee etc.

The proposals for appointment of IDs on the Boards of CPSEs are initiated by the concerned Administrative Ministry which submits a panel of names to DPE with the approval of their competent authority. DPE places such proposals before the Search Committee, which presently consists of Secretary (DoPT) as Chairperson, Secretary (DPE), Secretary of the Administrative Ministry/ Department of the concerned CPSE and 2 non-official Members. The concerned Administrative Ministry/Department appoints the ID on the basis of recommendations of Search Committee after completing due formalities in this regard and after obtaining the approval of competent authority. The IDs are appointed for tenure of 3 years. Details of the qualifying standards for being eligible to be appointed as ID is 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. **During the year 2024-25, one CPSE, namely, Hindustan Aeronautics Limited was granted Maharatna status.**

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. **During the year 2024-25, Nine CPSEs, namely, National Fertilizers Limited, Central Warehousing Corporation, Housing & Urban Development Corporation Limited, Indian Renewable Energy Development Agency Limited, Mazagon Dock Shipbuilders Limited, Railtel Corporation of India Limited, Solar Energy Corporation of India (SECI) Ltd., NHPC Limited, SJVN Limited were granted Navratna status upto 30.11.2024.**

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.

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 are largely following 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 OMs 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 OMs 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 would be minimum period of five years for those who opted for a five-year periodicity and for 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 issued 'Uniformity in facilities available to women employees of CPSEs in line with similar facilities available to women employees of the Central Government' O.M. No. 6 (1)/2014-DPE (GM) dated 29.04.2024.

3.2.2. DPE has issued 'Consolidated & revised Guidelines regarding Vigilance Policy for CPSEs' O.M. dated 29th July, 2024.

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', 65 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) Chief Economic Advisor (Economic Affairs), (iii) D/o Expenditure, (iv) M/o Statistics and Programme Implementation, (v) NITI Aayog as the members, and (vi) Secretary/ representative of the Administrative Ministry 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 ≤ Score	Excellent
70 ≤ Score < 90	Very Good
50 ≤ Score < 70	Good
33 ≤ Score < 50	Fair
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 crore; or turnover of Rs. 1,000 crore; or net profit of Rs. 5 crore 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. The common theme prescribed for the FY 2024-25 is '**Health & Nutrition' and 'PM Internship scheme'**.

6.4 **DPE, with the support of UNICEF and SCOPE, organized CSR Conclave-2024 on 9th and 10th July, 2024 at Bharat Mandapam, New Delhi.** Parallel sessions on AMRCD, Culture & Heritage, CPSE-SPARROW and PE Survey were organized during the event. More than 900 participants comprising of DCs/ DMs and senior officers from Aspirational Districts, senior officers from Sectoral Ministries/Departments, CSR heads and executives from CPSEs and Implementing agencies participated in the CSR Conclave.

6.5 **DPE and UNICEF jointly organized the 3rd regional workshop on CSR with focus on Aspirational Districts of Jharkhand at Ranchi on 30th September and 1st October, 2024**. The workshop elicited good response from all stakeholders with more than 120 participants from Aspirational Districts (ADs) of Jharkhand, CSR Nodal officers of CPSEs, NITI Aayog, officers from Government of Jharkhand, Implementing agencies, etc.

6.6 **DPE and UNICEF jointly organized the 4th regional workshop on CSR with focus on Aspirational Districts of Chhattisgarh at Raipur on 24th and 25th October, 2024**. The workshop elicited good response from all stakeholders with 75 participants from Aspirational Districts (ADs) of Chhattisgarh, CSR Nodal officers of CPSEs, officers from Government of Chhattisgarh, Implementing agencies, DPE, UNICEF, etc.

7. Scheme for Research, Development, Consultancies and Re-orientation for Central Public Sector Enterprises (RDCR)

7.1.1 DPE has been implementing two central sector schemes: Research, Development, and Consultancy (RDC) since FY 2007-08, and Counselling, Retraining, and Redeployment (CRR) since FY 2001-02. Under the RDC scheme, DPE organizes conferences, seminars, training programs, and workshops for employees of Central Public Sector Enterprises (CPSEs) and State Level Public Enterprises (SLPEs) on topics like Corporate Governance, Regulatory Issues, Statutory Compliance, and Performance Improvement, in collaboration with leading academic institutions. It also conducts Orientation and Capacity Building Programs for the Board of Directors (BoDs) of CPSEs, and provides for consultancy and research studies on functional issues to help CPSEs meet national and international benchmarks. The CRR scheme is designed to facilitate re-skilling and reorientation for surplus employees of CPSEs, who were rationalized due to modernization, technology upgrades, or manpower restructuring, and opted for Voluntary Retirement Scheme (VRS) or Voluntary Separation Scheme (VSS). The scheme has benefited approximately 2 lakh individuals until FY 2023-24 and is currently implemented through National Skill Development Corporation (NSDC) and its training partners.

7.1.2 In line with the government's focus on streamlining schemes to enhance implementation and reduce overhead costs, both training-oriented schemes (CRR for separated employees and RDC for current employees) have been merged. The merged scheme, Research, Development, Consultancy & Reorientation (RDCR), ensures that the objectives of both the CRR and RDC schemes continue to be addressed and will be effective from the second half of FY 2024-25.

7.1.3 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.

7.1.4 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.

7.2.2 DPE has organised 5 training programmes during the year 2024-25 under the RDC Scheme in residential/non-residential mode through 4 institutes namely Indian Institute of Company Secretaries, National Productivity Council, Arun Jaitley National Institute of Financial Management and Art of Living. The topics of these programmes were Building Competencies for Personal Excellence, Developing HR Competencies for Excellence in PSUs, New Labour Codes for employers and professionals of CPSEs/SLPEs, Contract Management/Safeguards in tendering, Project Management, and Effective functioning of Boards of CPSEs.

7.2.3 Additionally, 3 orientation programmes for Board of Directors of CPSEs (1 for Government and 2 for Functional Directors of CPSEs) were organized during the year 2024-25 as per following details:

(i) **DPE, with the support of NEEPCO Limited organized residential orientation programme for capacity building of Government Directors of CPSEs on 17th and 18th September, 2024 at Shillong**. 15 Government Directors nominated on the Boards of various CPSEs participated in the programme in which sessions relating to Role of Government Directors, Improving effectiveness of Audit function in CPSEs, Transformative Board Leadership in CPSEs were taken by eminent Faculty. Presentation on DPE's online portals (AMRCD, CSR, MoU, SPARROW-CPSE, Survey) was also made during the orientation programme.

(ii) **DPE, with the support of Cochin Shipyard Limited organized residential orientation programme for capacity building of Functional Directors of CPSEs on 2nd and 3rd September, 2024 at Kochi**. 29 Functional Directors of various CPSEs participated in the programme in which sessions relating to Role of Directors for effective Board, Improving effectiveness of Audit function in CPSEs, Transformative Board Leadership, Collaborative leadership in Boards of CPSEs, Vigilance Administration in CPSEs, Arbitration & Mediation in CPSEs were taken by eminent Faculty.

(iii) **DPE, with the support of Power Grid Corporation of India Limited, organized residential orientation programme for capacity building of Functional Directors of CPSEs on 13th and 14th June, 2024 at Leh**. 27 Functional Directors from various CPSEs participated in the programme in which sessions relating to Improving effectiveness of Audit function in CPSEs, Transformative Board Leadership Succession Planning in CPSEs Challenges in Public Procurement, Arbitration & Mediation in CPSEs were taken by eminent Faculty. Presentation on DPE's online portals (AMRCD, CSR, MoU, SPARROW-CPSE, Survey) was also made during the orientation programme.

7.2.4 **DPE organized 1(one) residential training program for Company Secretaries of CPSEs on**

26th & 27th September, 2024 at Mysuru with the support of the Institute of Company Secretaries of India. 33 Company Secretaries of various CPSEs attended the program wherein issues relating to effective functioning of Boards of CPSEs and DPE online portals were discussed.

7.2.5 Statement of Scheme wise Expenditure for the year 2024-25 is enclosed at **Annexure-7**

8. National Land Monetization Corporation

8.1 National Land Monetization Corporation:

In pursuance of the Budget announcement, 2021 and based on the approval of the Cabinet on 09.03.2022 "National Land Monetization Corporation" (NLMC), as a 100% GoI owned company, has been incorporated on 03.06.2022 under the administrative control of Department of Public Enterprises, Ministry of Finance to carry out the monetization of non-core assets of CPSEs as well as other Government agencies. So far 16 assets with an approximate value of Rs.16 Crore have been transferred to NLMC.

8.2 Further, NLMC is also providing Consultancy Services to Bharat Sanchar Nigam Ltd. (BSNL), Mahanagar Telephone Nigam Ltd. (MTNL), ITI Ltd. and Rashtriya Ispat Nigam Ltd. (RINL) for monetization of their assets having value more than Rs.100 Crore.

8.3 Achievement: In respect of Monetization of properties of Rashtriya Ispat Nigam Ltd. (RINL) at Visakhapatnam, Andhra Pradesh, The Phase-1 E-auction was conducted on 14.03.2024 at 11:00 hrs. and the same yielded a cumulative transaction value amounting to Rs. 242.88 crores, reflecting 15.9% premium over the reserve price set at Rs. 209.5 crores. A total of 72 Plots/Blocks (measuring 29,267.79 Sq. yards) were bidded out of the total 130 Plots/Blocks (measuring 67,277.04 Sq. yards) put up for E-auction.

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 for Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs) and Others in the CPSEs

11.1 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.

11.2 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.

11.3 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.

11.4 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.

11.5 DPE has issued Presidential Directive on 11.3.1997 to 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.

11.6 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.

11.7 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.

11.8 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.

11.9 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 un-skilled posts are reserved for Ex-servicemen in CPSEs.

11.10 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.

11.11 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.

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. As more than 80% of the staff of this Department knows Hindi, the Department has been notified under rule 10(4) of the Official Language Rules, 1976.

12.2 Resolutions, notifications, notices, circulars, papers etc. to be laid on the Table of the both houses of Parliament have been issued bilingually during the year 2023-24. 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 To create awareness and expanding the use of Hindi as Official Language, Hindi Pakhwada was organized by the Department from 14th September, 2024 to 29th September, 2024. During the Hindi Pakhwada five competitions namely, Hindi Kavita Path, Bhasha Gyan, Hindi Nibandh, Hindi Shrutlekhan and Vaad-Vivad Path were organized for the officers and staff including officials on contract basis. Certificates and Rewards have been felicitated to successful employees on 17.10.2024.

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 and through GeM

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 Government e-Marketplace (GeM) which is hosted by Directorate General of Supplies & Disposals (DGS&D), is a paperless, cashless, & system-driven e-market place that enables procurement of common-use goods & services with minimal human interface. It is a dynamic, self-sustaining, & user-friendly portal for procurement by offices of various Government Ministries & Departments, CPSEs, & autonomous bodies of the Central Government. DGS&D has developed GeM with technical support of National e-Governance Division, Ministry of Electronics & Information Technology.

13.3 DPE has been engaging with the CPSEs to ensure that the CPSEs comply with the provisions relating to procurement from MSEs and enhance their procurement through GeM portal. In line with support measures announced by the Government for MSEs, procurement by CPSEs from MSEs during the year 2021-22 was around 32% as against the mandated 25% which increased to 35% during the year 2022-23. **During the financial year 2023-24, procurement by the CPSEs from MSEs is around 36.34%.**

13.4 Continuous engagement by DPE with stakeholders has ensured manifold increase in procurement by CPSEs from GeM from Rs. 7,035 crore in 2020-21 to Rs. 45,970 crore in 2021-22 and further to **Rs. 1,05,780 crore during the year 2022-23. During the financial year 2023-24, procurement by the CPSEs through GeM has further increased to Rs. 2,62,542 crore.**

13.5 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 register CPSEs on TReDS portal and to increase 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, a parameter with a weight of 5 marks on '*timely acceptance/ rejection of goods and services by the CPSEs through TReDS portal within stipulated time (15 days)*' has been introduced in the MoU framework for the year 2022-23. DPE has directed all CPSEs to include a clause/provision with reference to payment terms through TReDS platform in their standard tender document/notice inviting tenders for procurement. Financial Advisers of all administrative Ministries/Departments have also been requested to monitor usage of TReDS portal by the CPSEs under their administrative control.

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. **As per information available, 56,979 candidates of CPSEs have been covered in 14 tranches of Rozgar Mela held till December, 2024.**

14.2 Mission Karamyogi- All employees of DPE have been onboarded on Karamyogi 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. **81 employees of CPSEs (including YPs/YAs) have completed 2,152 courses on I-Got portal till 31st December, 2024.**

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.

15. Cyber Security Compliance Report

The status of Cyber Security Compliance in Department of Public Enterprises is as under: -

15.1 Cyber Security Process: - The Cyber Crisis Management Plan (CCMP) in the Department is in process. Business unit-wise network segmentation is in compliance 100% and IT Asset Inventory is being maintained.

15.2 Network Security Aspects: - There are 15 (fifteen) managed Switches (L2 & L3) in the department. All the switches have latest Firmware/IOS. MAC Binding is 100% compliant.

15.3 End-Point Security Aspects: - There are 137 (one hundred thirty-seven) Endpoints in the department. All endpoints are OS supported with updated patches; approved UEM and approved EDR.

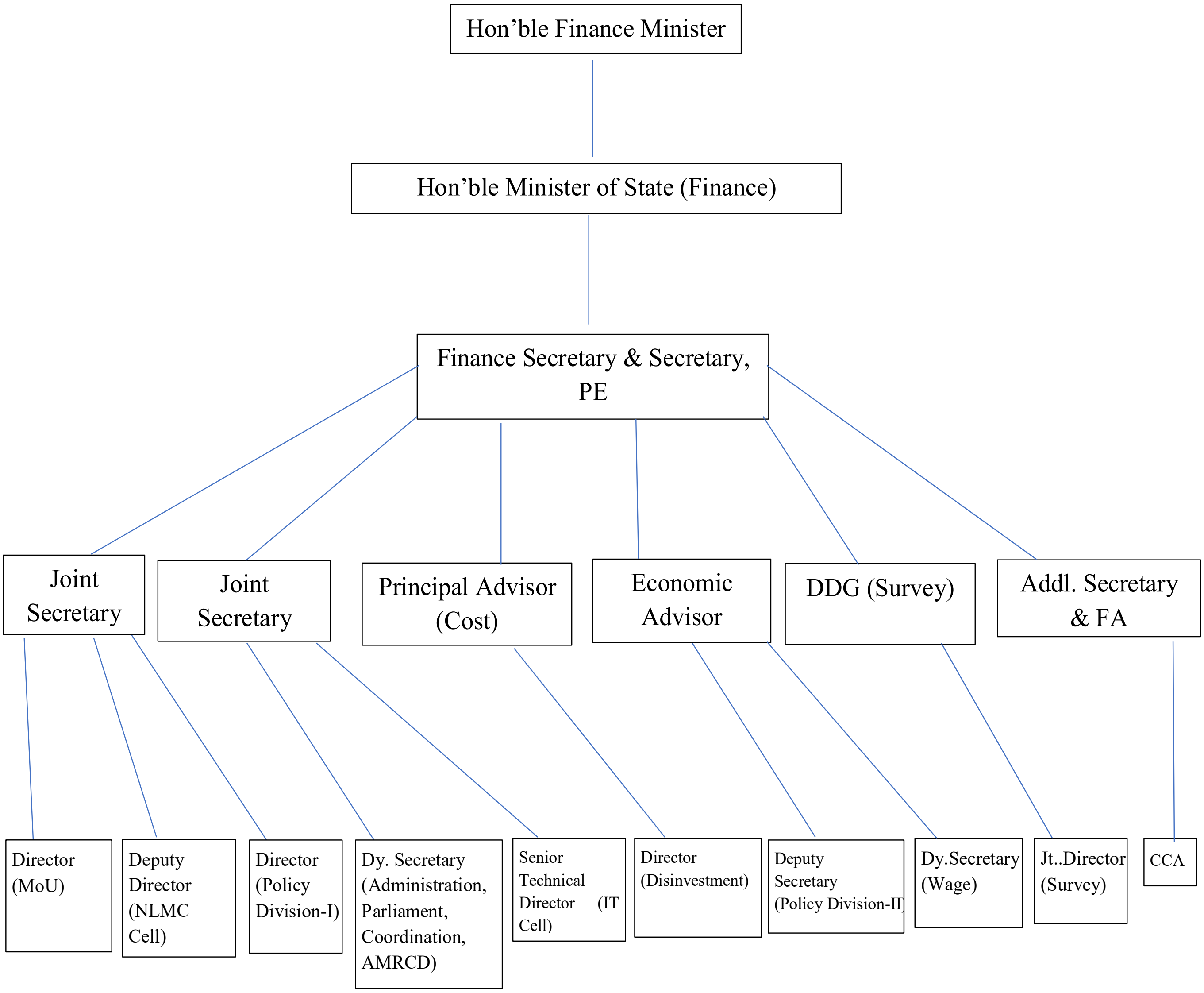
15.4 Application Security Aspects: - There are 6 (six) web applications with valid SSL Certificates in the department. 3 (Three) web application have been audited but their audit certificates have expired. All Web applications are GIGW/STQC certified and valid up to 4th May 2025.

15.5 Cyber Security Incidents: - No incident of Cyber Security or email phishing have been reported in the department.

Annexure-1

Department of Public Enterprises

Organogram



Annexure-2

Performance of CPSEs during Financial Year 2023-24

Sl. No.	Item/Indicator	2022-23 (₹ lakh Crore)	2023-24 (₹ lakh crore)	% Change
1.	Overall Net Profit [of Operating CPSEs]	2.18	3.22	47.42
2.	Net Profit of Profit making CPSEs [of Operating CPSEs]	2.47	3.43	38.66
3.	Net Loss of loss incurring CPSEs [of Operating CPSEs]	0.29	0.21	-27.39
4.	Total Gross Revenue [of Operating CPSEs]	37.86	36.08	-4.69
5.	Financial Investment [of all CPSEs]	25.81	27.71	7.35
6.	Capital employed [of all CPSEs]	38.52	42.74	10.95
7.	Net Worth [of all CPSEs]	17.41	19.95	14.57
8.	Dividend declared [of all CPSEs]	1.05	1.23	16.31
9.	Contribution to Central Exchequer [of all CPSEs]	4.58	4.85	5.96

Annexure-3

Eligibility Criteria for appointment as Non-Official (Independent) Directors on the Boards of CPSEs

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.

Annexure-4

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 in the following manner:

(i) The proposal for establishing financial joint ventures and subsidiary entities will be presented to the Board of the concerned CPSE.

(ii) The concerned administrative Ministry/ Department will obtain the concurrence of NITI Aayog for such proposals on a case to case basis and firm up its view on the proposals as the stakeholder for the Board's deliberations through its representative on the Board for appropriate decision.

(iii) The Government Directors will ensure that the views of the Government, being the majority shareholder, on such proposals are properly presented before the Board while a decision on such proposal is being taken. The decision for investment to set up financial joint ventures and subsidiary entities should only be taken by the Board when Government Directors are present in the board meeting.

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 in the following manner:

(i) The proposal for establishing financial joint ventures and subsidiary entities will be presented to the Board of the concerned CPSE.

(ii) The concerned administrative Ministry/ Department will obtain the concurrence of NITI Aayog for such proposals on a case-to-case basis and firm up its view on the proposals as the stakeholder for the Board's deliberations through its representative on the Board for appropriate decision.

(iii) The Government Directors will ensure that the views of the Government, being the majority shareholder, on such proposals are properly presented before the Board while a decision on such proposal is being taken. The decision for investment to set up financial joint ventures and subsidiary entities should only be taken by the Board when Government Directors are present in the board meeting.

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 conditionalities.

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 in the following manner:

(i) The proposal for establishing financial joint ventures and subsidiary entities will be presented to the Board of the concerned CPSE.

(ii) The concerned administrative Ministry/ Department will obtain the concurrence of NITI Aayog for such proposals on a case-to-case basis and firm up its view on the proposals as the stakeholder for the Board's deliberations through its representative on the Board for appropriate decision.

(iii) The Government Directors will ensure that the views of the Government, being the majority shareholder, on such proposals are properly presented before the Board while a decision on such proposal is being taken. The decision for investment to set up financial joint ventures and subsidiary entities should only be taken by the Board when Government Directors are present in the Board meeting.

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 conditionalities.

Annexure-5

List of Maharatna, Navratna & Miniratna 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

Miniratna I CPSEs

1. Airports Authority of India
2. Antrix Corporation Limited
3. Balmer Lawrie & Co. Limited
4. Bharat Coking Coal Limited
5. Bharat Dynamics Limited
6. BEML Limited
7. Bharat Sanchar Nigam Limited
8. Braithwaite & Company Limited
9. Bridge & Roof Company (India) Limited
10. Central Coalfields Limited
11. Central Electronics Limited
12. Central Mine Planning & Design Institute Limited
13. Chennai Petroleum Corporation Limited
14. Cochin Shipyard Limited
15. Cotton Corporation of India Ltd.
16. EDCIL (India) Limited
17. Garden Reach Shipbuilders & Engineers Limited
18. Grid Controller of India Limited (GRID-INDIA)
19. Goa Shipyard Limited
20. Hindustan Copper Limited
21. Hindustan Steelworks Construction Limited
22. HLL Lifecare Limited
23. Hindustan Paper Corporation Limited

24. HSCC (India) Limited
25. India Tourism Development Corporation Limited
26. Indian Rare Earths Limited
27. Indian Railway Catering & Tourism Corporation Limited
28. Indian Railway Finance Corporation Limited
29. India Trade Promotion Organization
30. KIOCL Limited
31. Mahanadi Coalfields Limited
32. MOIL Limited
33. Mangalore Refinery & Petrochemical Limited
34. Mineral Exploration Corporation Limited
35. Mishra Dhatu Nigam Limited
36. MMTC Limited
37. MSTC Limited
38. National Projects Construction Corporation Limited
39. National Small Industries Corporation Limited
40. National Seeds Corporation
41. Northern Coalfields Limited
42. North Eastern Electric Power Corporation Limited
43. Numaligarh Refinery Limited
44. Pawan Hans Helicopters Limited
45. Projects & Development India Limited
46. Security Printing and Minting Corporation of India Limited
47. South Eastern Coalfields Limited
48. Telecommunications Consultants India Limited
49. THDC India Limited
50. Western Coalfields Limited
51. WAPCOS Limited

Miniratna II CPSEs

1. Artificial Limbs Manufacturing Corporation of India
2. Bharat Pumps & Compressors Limited
3. Broadcast Engineering Consultants India Limited
4. Engineering Projects (India) Limited
5. FCI Aravali Gypsum & Minerals India Limited
6. Ferro Scrap Nigam Limited
7. HMT (International) Limited
8. Indian Medicines & Pharmaceuticals Corporation Limited
9. MECON Limited
10. National Film Development Corporation Limited
11. Rajasthan Electronics & Instruments Limited

Annexure-6

Schedule-wise List of Central Public Sector Enterprises

Schedule- A (77)

1. Airports Authority of India
2. Advanced Weapons and Equipment India Limited
3. Armoured Vehicles Nigam Limited
4. BEML Limited
5. Bharat Electronics Limited
6. Bharat Heavy Electricals Limited
7. Bharat Petroleum Corporation Limited
8. Bharat Sanchar Nigam Limited
9. Central Warehousing Corporation
10. Chennai Petroleum Corporation Limited
11. Coal India Limited
12. Cochin Ship Yard Ltd
13. Container Corporation of India Limited
14. Dedicated Freight Corridor Corporation of India Limited
15. Electronics Corporation of India Limited
16. Engineers India Limited
17. Fertilizers & Chemicals (Travancore) Limited
18. Food Corporation of India
19. GAIL (India) Limited
20. Garden Reach Shipbuilders & Engineers Limited
21. Heavy Engineering Corporation Limited
22. Hindustan Aeronautics Limited
23. Hindustan Copper Limited
24. Hindustan Paper Corporation Limited
25. Hindustan Petroleum Corporation Limited
26. HMT Limited
27. Housing & Urban Development Corporation Limited
28. I T I Limited
29. Indian Oil Corporation Limited
30. IRCON International Limited
31. Indian Railway Finance Corporation Limited
32. Indian Renewable Energy Development Corporation Limited.
33. Indian Railway Catering & Tourism Corporation Limited
34. Karmyogi Bharat
35. Konkan Railway Corporation Limited
36. KIOCL Limited
37. Mahanagar Telephone Nigam Limited
38. Mangalore Refinery & Petrochemicals Limited
39. Mazagon Dock Shipbuilders Limited
40. MECON Limited
41. MMTC Limited
42. MOIL Limited
43. Mumbai Railway Vikas Corporation Limited
44. Munitions India Limited
45. National Aluminium Company Limited
46. NBCC (India) Limited
47. National Fertilizers Limited
48. NewSpace India Limited
49. NHPC Limited
50. National Highways and Infrastructure Development Corporation Limited (NHIDCL)
51. NMDC Limited
52. National Textiles Corporation Limited
53. NTPC Limited
54. NLC India Limited
55. North Eastern Electric Power Corporation Limited
56. Numaligarh Refinery Limited
57. Oil & Natural Gas Corporation Limited
58. Oil India Limited

59. ONGC Videsh Limited
60. Power Finance Corporation Limited
61. Power Grid Corporation of India Limited
62. Power System Operation Corporation Limited
63. RITES Limited
64. RailTel Corporation of India Limited
65. Rail Vikas Nigam Limited
66. Rashtriya Chemicals and Fertilizers Limited
67. Rashtriya Ispat Nigam Limited
68. Rural Electrification Corporation Limited
69. SJVN Limited
70. Security Printing & Minting Corporation of India Limited
71. Shipping Corporation of India Limited
72. Solar Energy Corporation of India Limited
73. State Trading Corporation of India Limited
74. Steel Authority of India Limited
75. Telecommunications Consultants (India) Limited
76. THDC India Limited
77. Yantra India Limited

Schedule - B (65)

1. Andrew Yule & Company Limited
2. Air India Assets Holding Company Limited
3. Balmer Lawrie & Company Limited
4. Bharat Coking Coal Limited
5. Bharat Dynamics Limited
6. Bharat Gas Resources Limited
7. Bharat Petro Resources Limited
8. Bharat Pumps & Compressors Limited
9. Brahmaputa Crackers & Polymers Limited
10. Brahmaputra Valley Fertilizer Corporation Limited
11. Biotechnology Industry Research Assistance Council
12. Braithwaite & Company Limited
13. Bridge & Roof Company (India) Limited
14. British India Corporation Limited
15. Burn Standard Company Limited
16. Cement Corporation of India Limited
17. Central Coalfields Limited
18. Central Electronics Limited
19. Central Mine Planning & Design Institute Limited
20. Cotton Corporation of India Limited
21. Eastern Coalfields Limited
22. Engineering Projects (India) Limited
23. Fertilizer Corporation of India Limited
24. Gliders India Limited
25. Goa Shipyard Limited
26. Handicrafts & Handlooms Export Corporation Limited
27. Hindustan Cables Limited
28. Hindustan Fertilizer Corporation Limited
29. HLL Lifecare Limited
30. Hindustan Newsprints Limited
31. Hindustan Organic Chemicals Limited
32. Hindustan Shipyard Limited
33. Hindustan Steelworks Construction Company Limited
34. HMT (International) Limited
35. HMT Machine Tools Limited
36. HMT Watches Limited
37. India Optel Limited
38. India Tourism Development Corporation Limited
39. India Trade Promotion Organization
40. Indian Drugs & Pharmaceuticals Limited
41. Indian Rare Earths Limited
42. Instrumentation Limited
43. M S T C Limited.
44. Madras Fertilizers Limited
45. Mahanadi Coalfields Limited

46. Mineral Exploration Corporation Limited
47. Mishra Dhatu Nigam Limited
48. National Films Development Corporation
49. National Handloom Development Corporation Limited
50. National Jute Manufacturers Corporation Limited
51. National Projects Construction Corporation Limited
52. National Seeds Corporation Limited
53. National Small Industries Corporation Limited
54. Northern Coalfields Limited
55. Orissa Mineral Development Company Limited
56. PEC Limited
57. Pawan Hans Limited
58. Projects & Development India Limited
59. Scooters India Limited
60. South Eastern Coalfields Limited
61. SDCL
62. Troop Comforts Limited
63. Uranium Corporation of India Limited
64. W A P C O S Limited
65. Western Coalfields Limited

Schedule- C (46)

1. Andaman & Nicobar Islands Forest & Plantation Development Corporation Limited
2. Artificial Limbs Mfg. Corporation of India
3. Brithwaite 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 Chinar 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 Optronics Ltd

Annexure-7

Statement of Scheme-wise Expenditure
Department of Public Enterprises, Demand No. 33, 2024-25

Department of Public Enterprises (Grant No. 33)

Rs.Lakh

Sl. No.	Heads of Account	Scheme		
33 - Department of Public Enterprises		**2024-25**		
		BE	**RE**	**Exp. Upto 13.12.2024**
		2024-25	**2024-25**	**2024-25**
2852 Industries (Major Head)				
	CRR Scheme			
1	Professional & Special Services (28.00.28)	179.00	100.00	0.00
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	**200.00**	**121.00**	**0.00**
	27 -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	.75	0
4	Professional & Special Services (27.00.28)	448.00	448.00	127.69
5	Grants - in- Aid (27.00.31)	1.00	3.25	2.25
6	Contribution ICPE (27.00.32)	110.00	0.00	0
	RDC Scheme **NER** (02.00.31)	64.00	64.00	0
	Total RDC	**638.00**	**526.00**	**129.94**
GRAND TOTAL		**838.00**	**647.00**	**129.24**

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