VOLUME 1 | ISSUE 25 | MAY 2026

# THE WORLDONOMICS TIMES

EMPOWERING COMMUNITIES • ENABLING ENTERPRISES • ENRICHING NATION


## INSIDE THIS ISSUE



### INNOVATIVE SOLUTIONS

Ideas that drive meaningful change and growth.

### SUSTAINABLE FUTURES

Building a better tomorrow through responsible innovation.

### STRONGER TOGETHER

Collaboration that creates lasting impact and value.

### EMPOWERING NATION

Strengthening India through inclusive entrepreneurship and enterprise.

May 2026

EMPOWERING IDEAS. BUILDING TOMORROW.


THE WORLDONOMICS TIMES
www.worldonomics.in


THE WORLDONOMICS TIMES
www.worldonomics.in


THE WORLDONOMICS TIMES
www.worldonomics.in


THE WORLDONOMICS TIMES
www.worldonomics.in


THE WORLDONOMICS TIMES
www.worldonomics.in


THE WORLDONOMICS TIMES
Innovation, Wealth, and Global Shifts. Focus on the future of business, tech, and changing cultural landscapes.
www.worldonomics.in


THE WORLDONOMICS TIMES
CAREER COUNSELLING PROGRAM BY CMA SANDEEP KUMAR AND TEAM THE WORLDONOMICS TIMES
www.worldonomics.in

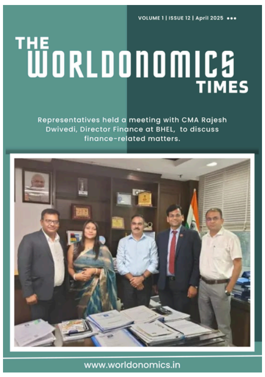

THE WORLDONOMICS TIMES
THE RANCHI PRESS CLUB
Dr. Ravindra Kumar Rai, President (Working), Jharkhand State BJP and Shri Samir Oraon, National President Tribe Wings BJP at Viksit Bharat Youth Summit 2025, Ranchi
www.worldonomics.in

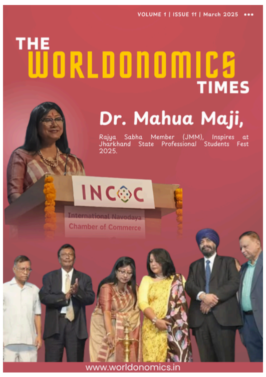

THE WORLDONOMICS TIMES
SIP
www.worldonomics.in


THE WORLDONOMICS TIMES
Rethinking Credit Assessment: Why SMEs are Stuck Behind the Credit Wall
www.worldonomics.in


THE WORLDONOMICS TIMES
Shri Joshit Ranjan Sikidar
Prosperity's Promise: Economic Growth Starts with Human Development
www.worldonomics.in

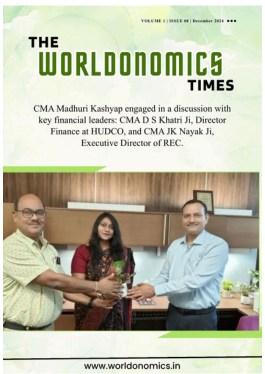

THE WORLDONOMICS TIMES
CS Dhananjay Shukla
Auditing in the Digital Age: Transforming Assurance and Compliance

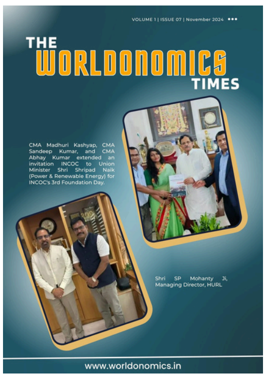

THE WORLDONOMICS TIMES
Representatives held a meeting with CMA Rajesh Dwivedi, Director Finance at BHEL, to discuss finance-related matters.
www.worldonomics.in

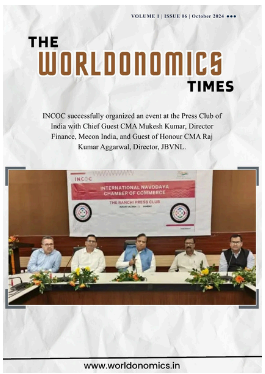

THE WORLDONOMICS TIMES
Dr. Mahua Maji,
INCOC
www.worldonomics.in


THE WORLDONOMICS TIMES
CA Anju Thakur Ji, Executive Director, HUDCO
www.worldonomics.in


THE WORLDONOMICS TIMES
www.worldonomics.in


THE WORLDONOMICS TIMES
CMA Madhuri Kashyap engaged in a discussion with key financial leaders: CMA D S Khatri Ji, Director Finance at HUDCO, and CMA JK Nayak Ji, Executive Director of REC.
www.worldonomics.in


THE WORLDONOMICS TIMES
www.worldonomics.in


THE WORLDONOMICS TIMES
INCOC successfully organized an event at the Press Club of India with Chief Guest CMA Mukesh Kumar, Director Finance, Mecon India, and Guest of Honour CMA Raj Kumar Aggarwal, Director, JBVNL.
www.worldonomics.in


THE WORLDONOMICS TIMES
www.worldonomics.in


INCOC
International Navodaya
Chamber of Commerce


THE RANCHI PRESS CLUB
AUGUST 24, 2025
Chief Guest:
Dr. Ravindra Kumar Rai
State President (Working)
BJP Jharkhand
RNATIONAL NAVODAYA
OF COMMERCE

# THE WORLDONOMICS TIMES

**PUBLISHED BY**

**INTERNATIONAL NAVODAYA CHAMBER OF COMMERCE**

**Established in 2021**
Volume 1 | Issue 25 | May 2026 | Knowledge Box



**The Worldonomics Times**
30/26A, Street No. 9
Vishwas Nagar, Delhi 110032
**Mobile: +91 8506060506**

www.youtube.com/@worldonomicstimes
www.instagram.com/worldonomicstimes
www.fb.com/worldonomicstimes
www.linkedin.com/in/incocin
www.twitter.com/incocin

**Email Us**
For Circulation, sponsorship and inquiry
info@incoc.in

**Website**
www.worldonomics.in
MRP: ₹ 190
Delhi Legal Jurisdiction

THE WORLDONOMICS TIMES
INSIGHT • ANALYSIS • IMPACT
EDITORIAL
MAY 2026

# EMPOWERING ENTERPRISES. BUILDING THE FUTURE.

**SANDEEP KUMAR**
(FCMA, CA)
**Editor-in-Chief**
**The Worldonomics Times**

As we step into May 2026, the global economy stands at a defining crossroads—shaped by technology, geopolitics, sustainability imperatives, and the relentless spirit of entrepreneurship. In this dynamic environment, resilience, agility, and collaboration have become the most valuable currencies.

At The Worldonomics Times, we continue our mission to decode these complexities and deliver insights that empower decision-makers, business leaders, and changemakers to navigate uncertainty with clarity and purpose.

### MSMEs: The Lifeline of Growth

Our cover feature this month highlights the transformative impact of government-led initiatives for MSMEs—ranging from credit-linked capital subsidies and marketing assistance to single-point registration, credit rating support, and vendor development programmes. These initiatives are not just policy measures; they are catalysts for entrepreneurship, innovation, and inclusive economic growth.

MSMEs employ millions, drive exports, foster innovation, and strengthen local economies. With the right support ecosystem, they can unlock India's true potential and position our nation as a global manufacturing and innovation hub.

### Innovation, Sustainability & Global Collaboration

The future belongs to those who innovate responsibly, adopt sustainable practices, and build purposeful partnerships. From green transitions and digital transformation to global trade realignments and workforce evolution, the opportunities are immense for those ready to adapt and lead.

In this issue, we bring you expert perspectives, in-depth analysis, and inspiring stories from across industries and regions—stories of vision, perseverance, and impact.

### Our Commitment

We remain committed to journalistic integrity, thoughtful analysis, and insightful storytelling that informs, inspires, and empowers. Our goal is simple—to be your trusted companion in understanding the world of business, economy, policy, and innovation.

### A Shared Journey Towards Progress

Progress is never a solo journey—it is built through ideas, collaboration, and collective action. Whether you are an entrepreneur, investor, policymaker, academic, or a young aspiring professional, you have a role to play in shaping a prosperous and equitable future.

Let us continue to build bridges, share knowledge, and create value that transcends boundaries.

> *"The world is changing fast. Those who learn fast, adapt fast, and act with purpose, will lead the future."*

### In This Issue

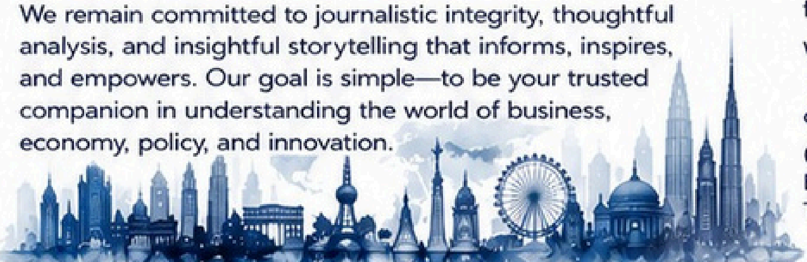
- Empowering MSMEs through government support schemes
- Global economic trends and outlook
- Innovation, technology & digital transformation
- Sustainability and the green economy
- Leadership, strategy & business excellence
- Inspiring stories of entrepreneurs and changemakers

I thank our readers, contributors, and partners for being an integral part of our journey.

Here's to new ideas, meaningful impact, and a future filled with possibilities.

Warm regards,

*Sandeep Kumar*
(FCMA, CA)
Editor-in-Chief
The Worldonomics Times



## INTERNATIONAL NAVODAYA CHAMBER OF COMMERCE


### DELHI HEAD OFFICE

Alankrit Society, A-31, Plot A1,
Vishwas Nagar, New Delhi-110032

info@incoc.in

+91 8506060306 / 8506060506

### JHARKHAND STATE OFFICE

Shop No. 8, Balaji Corporate Park,
North Upar Bazar, Ranchi - 834001

jharkhand@incoc.in

+91 9257157192 / 9934012264



SANDEEP KUMAR (FCMA, CA)
National President


CA SANGAM AGGARWAL
National Vice President


CMA MANOJ KUMAR SINGH
State Head - Jharkhand


RAJ KISHORE SAHU
Member State Team

www.incoc.in

## TABLE OF CONTENTS PAGE NUMBER

# National SC-ST Hub: Empowering Inclusive Entrepreneurship and Strengthening India's Economic Growth

## Introduction

India's journey towards becoming a developed nation requires the participation of every section of society in economic growth and entrepreneurship. While significant progress has been made in industrial development and business promotion, historically marginalized communities, particularly Scheduled Castes (SCs) and Scheduled Tribes (STs), have often faced barriers in accessing business opportunities, finance, technology, and markets.

To address these challenges and create a more inclusive entrepreneurial ecosystem, the Government of India launched the **National SC-ST Hub (NSSH)** under the Ministry of Micro, Small and Medium Enterprises (MSME). The initiative aims to empower SC and ST entrepreneurs by facilitating their participation in public procurement, strengthening their business capabilities, and integrating them into mainstream economic activities.

The National SC-ST Hub is not merely a welfare initiative; it is a strategic economic intervention designed to unlock the entrepreneurial potential of millions of citizens, generate employment, reduce economic disparities, and contribute to India's vision of inclusive and sustainable growth.

## Background and Need for the National SC-ST Hub

Despite constitutional safeguards and various development programs, SC and ST communities have traditionally encountered challenges in business development due to:

- Limited access to institutional finance.
- Lack of awareness about government schemes.
- Inadequate market linkages.
- Insufficient technical and managerial skills.
- Difficulty in obtaining certifications and quality standards.
- Limited participation in government procurement opportunities.

According to government data, a significant percentage of SC and ST-owned enterprises operate at the micro level with restricted access to growth opportunities. While entrepreneurship can serve as a powerful tool for socio-economic upliftment, systemic barriers often prevent businesses from scaling up.

Recognizing these challenges, the Government of India introduced the National SC-ST Hub in 2016 to create a comprehensive support mechanism for SC/ST entrepreneurs and facilitate their participation in the country's economic development.

## Vision and Objectives of the National SC-ST Hub

The National SC-ST Hub has been established with a clear vision of promoting inclusive entrepreneurship and enabling SC/ST-owned enterprises to become competitive participants in domestic and global markets.

**The major objectives include:**

**1. Enhancing Participation in Public Procurement**

The Government of India has mandated that Central Public Sector Enterprises (CPSEs) procure at least 4% of their annual purchases from SC/ST-owned Micro and Small Enterprises (MSEs). The National SC-ST Hub assists entrepreneurs in taking advantage of these procurement opportunities.

**2. Capacity Building**

The scheme provides training, mentoring, skill development, and entrepreneurship development programs to improve managerial and technical competencies among SC/ST entrepreneurs.

**3. Market Access Support**

The Hub facilitates participation in trade fairs, exhibitions, buyer-seller meets, vendor development programs, and e-marketplace platforms to help entrepreneurs expand their market reach.

**4. Financial Facilitation**

Access to finance remains one of the biggest challenges for emerging entrepreneurs. The NSSH assists businesses in understanding and availing credit facilities through banks and financial institutions.

**5. Technology and Quality Upgradation**

The initiative encourages enterprises to adopt modern technologies, quality standards, and certification systems that enhance competitiveness and productivity.

**6. Strengthening Entrepreneurial Ecosystem**

The Hub works with government departments, industry associations, educational institutions, and business organizations to create a supportive ecosystem for SC/ST entrepreneurship.

## Key Components of the National SC-ST Hub

The success of the National SC-ST Hub lies in its multi-dimensional approach. Rather than focusing on a single aspect of entrepreneurship, the program addresses the entire business development cycle.

## Vendor Development Programs

Vendor Development Programs (VDPs) are organized across the country to connect SC/ST entrepreneurs with government buyers and large corporations. These programs help enterprises understand procurement requirements and explore business opportunities.

## Entrepreneurship Development Programs

Training sessions are conducted to improve entrepreneurial capabilities, business planning, financial management, marketing strategies, and compliance knowledge.

## Credit Facilitation

The Hub collaborates with banks and financial institutions to facilitate access to credit and promote awareness about schemes such as:

- Stand-Up India
- PMEGP
- CGTMSE
- Mudra Loans
- MSME Credit Schemes

## Digital Empowerment

In the era of digital transformation, businesses must leverage technology to remain competitive. The National SC-ST Hub supports entrepreneurs in adopting digital tools, online procurement platforms, and e-commerce channels.

## Certification Support

Many government and corporate procurement processes require quality certifications. The Hub assists entrepreneurs in obtaining certifications such as:

- ISO Certification
- Quality Management Standards
- Product Certifications
- Industry-Specific Accreditations

## Impact on Inclusive Economic Development

The National SC-ST Hub contributes significantly to India's economic and social development goals.

## Promoting Social Equity

By enabling greater participation of marginalized communities in entrepreneurship, the scheme promotes economic justice and social inclusion.


## Employment Generation

Successful enterprises create direct and indirect employment opportunities. Expansion of SC/ST-owned businesses contributes to local economic development and livelihood generation.

## Reducing Regional Disparities

Many SC/ST entrepreneurs are located in rural and semi-urban regions. Their growth supports balanced regional development and reduces migration pressures.

## Encouraging Wealth Creation

Entrepreneurship creates assets, income, and wealth. Supporting SC/ST business owners contributes to broader wealth distribution across society.

## Strengthening MSME Sector

The MSME sector is the backbone of India's economy. Greater participation from SC/ST enterprises enhances diversity, competitiveness, and resilience within the sector.

## Role of Public Procurement in Empowerment

Public procurement represents a substantial market opportunity for MSMEs. Government departments and public sector undertakings collectively purchase goods and services worth thousands of crores annually.

The Public Procurement Policy mandates that 25% of annual procurement by Central Ministries and CPSEs should be from Micro and Small Enterprises, with a specific target of 4% from SC/ST-owned enterprises.

The National SC-ST Hub helps entrepreneurs:

- Register their enterprises.
- Understand tender procedures.
- Participate in GeM (Government e-Marketplace).
- Meet quality and compliance requirements.
- Connect with procurement agencies.

This procurement support transforms government spending into a powerful instrument for social and economic empowerment.

## Challenges Faced by SC/ST Entrepreneurs

Despite the progress made through the National SC-ST Hub, several challenges remain.

### Limited Awareness

Many entrepreneurs are still unaware of available government support programs and procurement opportunities.

### Financial Constraints

Access to collateral-free and affordable credit remains a concern for many businesses.

### Market Competition

Competing with established firms often requires advanced technology, branding, and marketing capabilities.

### Skill Gaps

Entrepreneurs may require continuous upskilling in areas such as digital marketing, financial management, export procedures, and business strategy.

### Infrastructure Constraints

Businesses operating in remote regions may face challenges related to transportation, logistics, and digital connectivity.

Addressing these challenges requires continued collaboration among government agencies, financial institutions, industry bodies, educational institutions, and business associations.

## The Way Forward

The future of the National SC-ST Hub lies in expanding its reach and deepening its impact.

Key areas for future focus include:

### Strengthening Digital Integration

Greater use of digital platforms can help entrepreneurs access information, finance, markets, and training more efficiently.

### Promoting Startup Culture

Special initiatives should encourage SC/ST youth to participate in innovation-driven entrepreneurship and startup ecosystems.

### Enhancing Export Readiness

Supporting export-oriented enterprises can help entrepreneurs access global markets and improve competitiveness.

### Industry-Academia Collaboration

Partnerships with universities, professional institutions, and industry associations can strengthen entrepreneurial education and mentorship.

### Private Sector Participation

Large corporations can play a vital role by integrating SC/ST enterprises into their supply chains and procurement networks.

## Role of Professional Bodies and Chambers of Commerce

Organizations such as chambers of commerce, professional institutes, and industry associations have an important role in complementing government initiatives.

These organizations can:

- Conduct entrepreneurship awareness programs.
- Organize mentorship sessions.
- Facilitate networking opportunities.
- Support business incubation.
- Promote financial literacy.
- Connect entrepreneurs with industry experts.

The involvement of organizations such as the International Navodaya Chamber of Commerce (INCOC) can further strengthen outreach efforts and create new opportunities for aspiring entrepreneurs across India.

## Conclusion

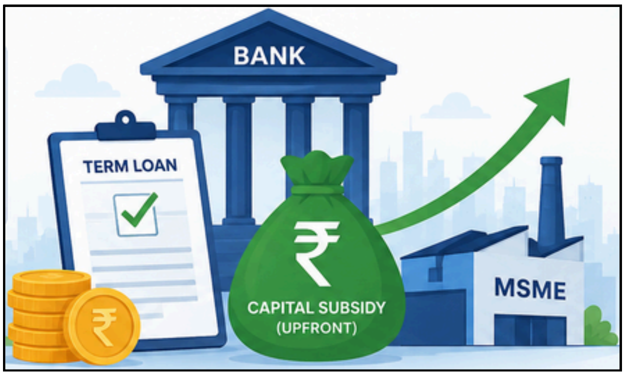
The National SC-ST Hub represents a transformative step toward building a more inclusive and equitable economy. By supporting entrepreneurship among Scheduled Castes and Scheduled Tribes, the initiative addresses historical inequalities while unlocking immense economic potential.

The program goes beyond financial assistance; it empowers individuals with knowledge, skills, market access, technology support, and business opportunities. As India advances toward becoming a global economic powerhouse, the success of SC/ST entrepreneurs will be a critical component of sustainable and inclusive development.

A truly developed nation is one where every citizen has the opportunity to participate in economic progress. The National SC-ST Hub embodies this vision by creating pathways for entrepreneurship, innovation, employment generation, and social transformation.

Through continued policy support, institutional collaboration, and active participation from industry and civil society, the National SC-ST Hub can become a model of inclusive economic development and a catalyst for empowering future generations of entrepreneurs across India.

## 1. Special Credit Linked Capital Subsidy Scheme (SCLCSS): Empowering SC/ST Entrepreneurs Through Technology and Modernization




## Introduction

India's economic growth story is closely linked with the development of its Micro, Small and Medium Enterprises (MSME) sector. MSMEs contribute significantly to employment generation, industrial production, exports, and regional development. However, a major challenge faced by many small enterprises is the lack of access to modern technology and advanced machinery due to financial constraints.

Recognizing this challenge, the Ministry of Micro, Small and Medium Enterprises (MSME), Government of India, introduced the Special Credit Linked Capital Subsidy Scheme (SCLCSS) under the National Scheduled Caste and Scheduled Tribe Hub (NSSH). The scheme aims to facilitate technology upgradation and encourage entrepreneurship among Scheduled Caste (SC) and Scheduled Tribe (ST) communities by providing substantial capital subsidies for the purchase of plant, machinery, and equipment.

The SCLCSS represents a significant step towards inclusive economic development by enabling SC/ST entrepreneurs to adopt modern technologies, improve productivity, and compete effectively in both domestic and global markets.

## Understanding the SCLCSS

The Special Credit Linked Capital Subsidy Scheme (SCLCSS) is a dedicated component of the National SC-ST Hub Scheme. It provides a capital subsidy of 25% on institutional finance up to ₹1 crore for the procurement of plant and machinery or technology upgradation, subject to a maximum subsidy limit of ₹25 lakh.

Unlike conventional loan schemes, SCLCSS is not a direct loan programme. Instead, it is a subsidy-linked initiative where entrepreneurs obtain a term loan from an eligible lending institution and subsequently receive a subsidy from the Government of India.

The primary objective is to ease access to modern technology and enhance the participation of SC/ST entrepreneurs in public procurement and industrial development.

## Objectives of the Scheme

The SCLCSS has been designed with multiple developmental objectives:

### 1. Promoting Technology Upgradation

Many MSMEs continue to operate with outdated machinery that affects productivity and product quality. The scheme encourages enterprises to adopt modern equipment and advanced manufacturing technologies.

### 2. Supporting New Enterprises

The subsidy reduces the financial burden on aspiring SC/ST entrepreneurs who wish to establish new manufacturing or service enterprises.

### 3. Expanding Existing Businesses

Existing enterprises can use the scheme to modernize operations, diversify production, and increase capacity.

### 4. Enhancing Competitiveness

Technology-enabled enterprises can compete more effectively in government procurement, domestic markets, and export sectors.

### 5. Inclusive Economic Development

The scheme contributes to the broader objective of promoting entrepreneurship and wealth creation among historically underrepresented communities.

## Key Features of SCLCSS

The attractiveness of the scheme lies in its simple yet impactful design.

## Capital Subsidy

The scheme provides:

- 25% capital subsidy on institutional finance.
- Maximum eligible loan amount: ₹1 crore.
- Maximum subsidy amount: ₹25 lakh.

## Coverage of Manufacturing and Service Sectors

Initially focused on manufacturing enterprises, the scheme now covers both manufacturing and service sector MSMEs, expanding its reach significantly.

## Technology Neutral Approach

Unlike earlier technology-specific subsidy schemes, SCLCSS does not impose sector-specific restrictions on technology upgradation, allowing entrepreneurs to choose machinery that best suits their business requirements.

## Credit Linked Assistance

The subsidy is linked to institutional finance, ensuring that projects undergo proper appraisal by banks and financial institutions before receiving support.

## Eligibility Criteria

To ensure that the benefits reach the intended beneficiaries, specific eligibility conditions have been prescribed.

Eligible entities include:

- Sole Proprietorship Firms
- Partnership Firms
- Cooperative Societies
- Private Limited Companies
- Public Limited Companies
- Other Micro and Small Enterprises owned by SC/ST entrepreneurs engaged in manufacturing or service activities.

The enterprise must possess valid Udyam Registration and should have availed a term loan from an eligible lending institution for the purchase of plant, machinery, or equipment.

## Scope of Assistance

The scheme covers:

- Purchase of new plant and machinery.
- Acquisition of modern equipment.
- Technology upgradation projects.
- Capacity expansion initiatives.
- Modernization and diversification activities.
- Service-sector equipment purchases.

This broad scope makes SCLCSS relevant for enterprises operating across a wide range of industries, including engineering, food processing, textiles, healthcare services, logistics, digital services, and manufacturing.

## How the Subsidy Works

The subsidy mechanism is straightforward.

Suppose an SC/ST entrepreneur establishes a manufacturing unit and obtains a term loan of ₹80 lakh for machinery procurement.

- Eligible loan amount: ₹80 lakh
- Subsidy rate: 25%
- Subsidy amount: ₹20 lakh

Similarly, if an entrepreneur avails a term loan of ₹1 crore, the subsidy will be ₹25 lakh, which is the maximum permissible subsidy under the scheme.

This significantly reduces the effective project cost and improves project viability.

## Application Process

The application process is integrated with the banking system.

**Step 1: Obtain Term Loan**

The entrepreneur approaches a Prime Lending Institution (PLI), such as a commercial bank or financial institution, for a term loan to purchase plant and machinery.

**Step 2: Project Appraisal**

The lending institution evaluates the project and sanctions the loan.

**Step 3: Submission of Documents**

The applicant submits the required documents, including:

- Udyam Registration Certificate
- Caste Certificate
- Loan sanction documents
- Machinery quotations and invoices
- Business registration documents
- KYC documents

**Step 4: Claim Processing**

The lending institution uploads the subsidy claim through the designated online portal.

**Step 5: Subsidy Release**

The subsidy is processed through designated nodal agencies such as SIDBI and NABARD and released according to the prescribed guidelines.

## Impact on SC/ST Entrepreneurship

One of the most significant contributions of SCLCSS is its role in fostering entrepreneurship among SC/ST communities.

Historically, entrepreneurs from these communities have faced challenges such as:

- Limited access to finance.
- Lack of collateral.
- Lower technology adoption.
- Reduced market access.
- Limited participation in public procurement.

The subsidy helps bridge these gaps by lowering capital investment requirements and encouraging modernization.

Technology-enabled enterprises often experience:

- Higher productivity.
- Better product quality.
- Reduced operational costs.
- Improved energy efficiency.
- Enhanced market competitiveness.

## Performance of the Scheme

The performance of SCLCSS demonstrates growing acceptance among entrepreneurs.

According to official data available through the Ministry of MSME, thousands of SC/ST entrepreneurs have benefited from the scheme since its introduction. More than 2,800 beneficiaries have received subsidies exceeding ₹328 crore under the programme over recent years.

The increasing number of beneficiaries reflects rising awareness and the growing need for technology upgradation among MSMEs.

## Contribution to Public Procurement

The Government of India has established procurement targets for public sector enterprises and government departments to procure goods and services from SC/ST-owned enterprises.

However, participation in public procurement often requires:

- Quality compliance.
- Modern manufacturing capabilities.
- Adequate production capacity.
- Competitive pricing.

SCLCSS directly supports these requirements by enabling enterprises to invest in modern machinery and improve operational capabilities. This enhances their ability to participate successfully in government tenders and procurement programmes.

## Challenges and Areas for Improvement

Despite its benefits, several challenges remain.

### Limited Awareness

Many eligible entrepreneurs remain unaware of the scheme's provisions and benefits.

### Documentation Requirements

Small entrepreneurs often face difficulties in preparing documentation and project reports.

### Banking Delays

Processing timelines may vary across lending institutions, resulting in delays.

### Need for Professional Guidance

Many entrepreneurs require assistance from consultants, industry associations, and business development organizations to navigate the application process.

Addressing these challenges through awareness campaigns, digital facilitation, and handholding support can significantly increase the scheme's reach.

## Role of Industry Associations

Industry bodies, chambers of commerce, professional institutes, and entrepreneurship promotion organizations can play a crucial role in expanding the impact of SCLCSS.

Organizations can assist by:

- Conducting awareness programmes.
- Organizing vendor development workshops.
- Helping entrepreneurs prepare project reports.
- Facilitating interactions with banks.
- Promoting technology adoption.

Such collaborative efforts can strengthen the MSME ecosystem and improve the effectiveness of government interventions.

## Future Outlook

India is moving rapidly toward becoming a global manufacturing and innovation hub under initiatives such as Make in India, Digital India, Startup India, and Atmanirbhar Bharat.

In this evolving landscape, technology adoption is no longer optional—it is essential for survival and growth.

The SCLCSS provides a timely and effective mechanism for ensuring that SC/ST entrepreneurs are not left behind in this transformation. By reducing the cost of modernization and enabling access to advanced machinery, the scheme promotes inclusive industrial growth and strengthens the competitiveness of Indian MSMEs.

As awareness increases and implementation mechanisms continue to improve, the scheme is expected to benefit a larger number of entrepreneurs across manufacturing and service sectors.

## Conclusion

The Special Credit Linked Capital Subsidy Scheme (SCLCSS) is more than a financial assistance programme; it is an instrument of social and economic empowerment. By offering a 25% capital subsidy on institutional finance up to ₹1 crore, with a subsidy cap of ₹25 lakh, the scheme enables SC/ST entrepreneurs to modernize operations, adopt new technologies, and expand their businesses.

Through technology upgradation, enhanced productivity, and increased participation in public procurement, SCLCSS contributes to building a stronger, more inclusive MSME ecosystem. As India advances toward becoming a developed economy, initiatives like SCLCSS will continue to play a vital role in ensuring that growth opportunities are accessible to all sections of society.

The success of the scheme ultimately lies not only in the subsidies distributed but in the sustainable enterprises, employment opportunities, and entrepreneurial aspirations it helps create across the nation.

This version is suitable for publication in The Worldonomics Times and can be further formatted with author details, editor's note, and references if required.

## 2. Special Marketing Assistance Scheme (SMAS): Empowering SC/ST Enterprises Through Market Access and Business Promotion

### Introduction

The success of any business depends not only on its ability to manufacture quality products or deliver efficient services but also on its capacity to access markets, build customer relationships, and establish a strong business presence. For Micro, Small and Medium Enterprises (MSMEs), especially those owned by entrepreneurs belonging to Scheduled Castes (SCs) and Scheduled Tribes (STs), market access often remains one of the biggest challenges.

Despite possessing innovative ideas, quality products, and entrepreneurial spirit, many SC/ST-owned enterprises struggle to expand their market reach due to limited exposure, inadequate networking opportunities, and financial constraints associated with marketing activities. Recognizing these challenges, the Ministry of Micro, Small and Medium Enterprises (MSME), Government of India, introduced the Special Marketing Assistance Scheme (SMAS) under the National Scheduled Caste and Scheduled Tribe Hub (NSSH).

The Special Marketing Assistance Scheme is designed to provide financial and institutional support to SC/ST entrepreneurs for participation in domestic and international exhibitions, trade fairs, buyer-seller meets, vendor development programmes, workshops, seminars, and other marketing initiatives. The scheme aims to enhance visibility, create business opportunities, and facilitate integration of SC/ST enterprises into mainstream economic activities.

In today's highly competitive business environment, marketing is no longer an optional activity—it is a strategic necessity. The SMAS serves as a powerful tool to ensure that deserving entrepreneurs receive the exposure and support necessary to compete effectively in national and global markets.

### Understanding the Special Marketing Assistance Scheme

The Special Marketing Assistance Scheme is one of the important interventions under the National SC-ST Hub programme. It seeks to bridge the gap between production capabilities and market opportunities by providing support for promotional and marketing activities.

The scheme assists eligible SC/ST-owned MSMEs in participating in various business promotion events that enable them to showcase products, interact with buyers, explore partnerships, understand market trends, and generate sales opportunities.

Through this initiative, the Government aims to create a level playing field for entrepreneurs from marginalized communities by reducing the financial burden associated with participation in marketing events.

The scheme also complements the Government's broader objectives of inclusive growth, entrepreneurship promotion, employment generation, and increased participation of SC/ST enterprises in public procurement and industrial development.


### Objectives of the Scheme

The Special Marketing Assistance Scheme has been designed with several important objectives:

### Promoting Market Access

One of the primary objectives is to provide market exposure to SC/ST entrepreneurs and help them connect with potential customers, distributors, wholesalers, retailers, exporters, and procurement agencies.

### Enhancing Business Visibility

Participation in exhibitions and trade fairs enables enterprises to showcase their products and services before a larger audience, thereby improving brand recognition and market presence.

### Supporting Public Procurement Participation

The scheme assists enterprises in understanding procurement requirements and interacting directly with Central Public Sector Enterprises (CPSEs), government departments, and institutional buyers.

### Encouraging Entrepreneurship

Marketing support motivates entrepreneurs to expand their businesses and explore new opportunities in domestic and international markets.

### Facilitating Business Networking

The scheme provides platforms where entrepreneurs can establish professional relationships with industry leaders, investors, consultants, suppliers, and customers.

### Promoting Inclusive Economic Development

By strengthening the market capabilities of SC/ST enterprises, the scheme contributes to social and economic empowerment.

### Importance of Marketing for MSMEs

Marketing is often one of the most neglected aspects of small business management.

Many entrepreneurs focus heavily on production while allocating limited resources to promotion and customer acquisition.

However, even the best products cannot succeed without adequate market visibility.

For MSMEs, effective marketing helps:

- Increase sales and revenue.
- Expand customer base.
- Improve brand awareness.
- Enter new markets.
- Build customer trust.
- Understand market trends.
- Strengthen competitiveness.
- Develop export opportunities.

Unfortunately, participation in exhibitions, trade fairs, and international business events can be expensive for small enterprises. Costs related to stall rentals, transportation, accommodation, logistics, promotional materials, and travel often discourage participation.

The Special Marketing Assistance Scheme addresses this challenge by reducing financial barriers and enabling entrepreneurs to access valuable marketing platforms.

## Key Components of SMAS

The scheme provides support for a variety of marketing and promotional activities.

**1. Participation in Domestic Exhibitions**

Domestic exhibitions offer opportunities for enterprises to display their products and services before a wide audience.

Benefits include:

- Direct interaction with customers.
- Lead generation.
- Product demonstrations.
- Dealer appointments.
- Market feedback.

Participation in such exhibitions helps entrepreneurs understand customer preferences and improve their offerings accordingly.

**2. Participation in International Trade Fairs**

International exhibitions provide exposure to global markets and export opportunities.

These events enable entrepreneurs to:

- Explore overseas markets.
- Meet international buyers.
- Understand export requirements.
- Identify business partners.
- Learn global industry trends.

International participation is particularly valuable for enterprises seeking to diversify their revenue streams through exports.

**3. Vendor Development Programmes (VDPs)**

Vendor Development Programmes are organized to facilitate interaction between MSMEs and large buyers, including government departments and CPSEs.

These programmes help enterprises:

- Understand procurement policies.
- Learn tendering procedures.
- Meet procurement officials.
- Explore vendor registration opportunities.
- Build long-term supply relationships.

Vendor development initiatives play a crucial role in improving the participation of SC/ST enterprises in government procurement.

**4. Buyer-Seller Meets**

Buyer-Seller Meets provide structured networking opportunities where entrepreneurs can directly interact with prospective buyers.

Such meetings often result in:

- Business enquiries.
- Distribution agreements.
- Supply contracts.
- Strategic partnerships.
- Market expansion opportunities.

**5. Workshops and Seminars**

The scheme supports participation in workshops, seminars, and business conferences that provide knowledge and awareness regarding:

- Marketing strategies.
- Branding.
- Export procedures.
- Digital marketing.
- Government procurement.
- Business development.

These events help entrepreneurs improve their marketing capabilities and business management skills.

**6. Product Promotion Activities**

The scheme also facilitates activities aimed at promoting products and services through various platforms and industry events.

Such promotional initiatives contribute significantly to business growth and market penetration.

## Eligibility Criteria

The Special Marketing Assistance Scheme primarily targets SC/ST-owned MSMEs.

Eligible enterprises generally include:

- Proprietorship firms.
- Partnership firms.
- Private limited companies.
- Public limited companies.
- Cooperative enterprises.
- Registered MSMEs owned by SC/ST entrepreneurs.

Applicants are generally required to possess:

- Valid Udyam Registration.
- SC/ST ownership documentation.
- Necessary business registrations.
- Compliance with scheme guidelines.

The objective is to ensure that the benefits reach genuine entrepreneurs who require marketing support.

## Benefits of Participation in Exhibitions and Trade Fairs

Participation in exhibitions offers numerous advantages beyond immediate sales.

### Customer Interaction

Entrepreneurs receive direct feedback from customers regarding product quality, design, pricing, and features.

### Competitor Analysis

Trade fairs provide opportunities to study competitor products and understand industry trends.

### Product Launches

Businesses can introduce new products to targeted audiences.

### Brand Building

Regular participation enhances brand credibility and visibility.

### Business Expansion

Exhibitions frequently lead to new dealership appointments, franchise opportunities, and strategic alliances.

### Knowledge Enhancement

Entrepreneurs gain valuable insights into emerging technologies, consumer preferences, and market developments.

## Contribution to Government Procurement

The Government of India has established a procurement target whereby Central Ministries, Departments, and Public Sector Enterprises are encouraged to procure at least 4% of their annual purchases from SC/ST-owned Micro and Small Enterprises.

However, many enterprises are unable to participate due to lack of awareness and market connectivity.

Through Vendor Development Programmes and Buyer-Seller Meets, the Special Marketing Assistance Scheme bridges this gap by connecting entrepreneurs directly with procurement agencies.

As a result, enterprises gain access to procurement opportunities that can provide stable and long-term business growth.

## Promoting Export Readiness

International exhibitions and trade fairs serve as gateways to global markets.

Participation in such events helps enterprises:

- Understand international quality standards.
- Learn export documentation procedures.
- Build relationships with foreign buyers.
- Explore international distribution channels.
- Gain exposure to global market trends.

For many small enterprises, international exhibitions represent the first step toward becoming export-oriented businesses.

The scheme therefore contributes not only to enterprise growth but also to India's export promotion objectives.

## Economic Impact of the Scheme

The Special Marketing Assistance Scheme generates significant economic benefits at multiple levels.

### Enterprise Growth

Marketing exposure helps businesses increase sales and expand operations.

### Employment Generation

Growing enterprises create additional employment opportunities.

### Industrial Development

Enhanced market access encourages production expansion and industrial investment.

### Inclusive Growth

The scheme promotes entrepreneurship among socially disadvantaged communities.

### Regional Development

Participation by enterprises from smaller towns and rural areas supports balanced economic development.

### Export Promotion

International market exposure contributes to foreign exchange earnings and export growth.


## Challenges Faced by SC/ST Entrepreneurs

Despite the availability of support mechanisms, several challenges continue to affect market participation.

### Limited Awareness

Many entrepreneurs remain unaware of available marketing assistance programmes.

### Financial Constraints

Even with support, some enterprises face difficulties in managing working capital and travel expenses.

### Lack of Marketing Skills

Many small business owners possess technical expertise but require professional marketing knowledge.

### Limited Digital Presence

In today's digital economy, businesses need strong online visibility alongside traditional marketing efforts.

### Competition from Larger Firms

Small enterprises often struggle to compete with established brands that possess larger marketing budgets.

Addressing these challenges requires continuous awareness, capacity building, and mentorship initiatives.

## Role of Industry Associations and Chambers of Commerce

Industry associations and chambers of commerce can significantly strengthen the impact of the Special Marketing Assistance Scheme.

Organizations such as trade bodies, professional institutes, entrepreneurship development centres, and business chambers can:

- Conduct awareness programmes.
- Facilitate entrepreneur participation.
- Organize business networking events.
- Assist with registration and documentation.
- Provide mentoring and advisory services.
- Promote collaboration among enterprises.

These institutions act as important intermediaries between government support programmes and entrepreneurs.


## Future Opportunities

The future of marketing is increasingly digital. While physical exhibitions and trade fairs remain important, enterprises must also embrace:

- E-commerce platforms.
- Digital marketing.
- Social media branding.
- Online B2B marketplaces.
- Virtual exhibitions.
- Digital procurement platforms.

The integration of traditional and digital marketing strategies can significantly enhance the effectiveness of marketing assistance programmes.

Going forward, the Special Marketing Assistance Scheme can play a transformative role by combining physical market access with digital business development initiatives.

## Conclusion

The Special Marketing Assistance Scheme (SMAS) under the National SC-ST Hub is a visionary initiative that addresses one of the most critical challenges faced by SC/ST-owned MSMEs—market access. By supporting participation in domestic and international exhibitions, trade fairs, vendor development programmes, buyer-seller meets, workshops, seminars, and promotional activities, the scheme empowers entrepreneurs to showcase their capabilities, connect with potential buyers, and expand their business horizons.

In an increasingly competitive global economy, market visibility and networking are essential for sustainable growth. The Special Marketing Assistance Scheme not only reduces financial barriers to participation but also creates pathways for entrepreneurship, innovation, procurement participation, export promotion, and economic empowerment.

As India continues its journey toward becoming a globally competitive and inclusive economy, initiatives such as SMAS will remain vital instruments for strengthening the MSME ecosystem and ensuring that entrepreneurs from every section of society have an equal opportunity to succeed. Through enhanced market access, stronger business connections, and increased visibility, the scheme is helping transform entrepreneurial aspirations into sustainable business success stories across the nation.

## 3. Single Point Registration Scheme (SPRS): Opening Government Procurement Opportunities for MSMEs and SC/ST Entrepreneurs

### Introduction

Government procurement is one of the largest and most reliable markets available to businesses in India. Every year, Central Ministries, Government Departments, Public Sector Undertakings (PSUs), Defence Organizations, Railways, and other public sector entities procure goods and services worth several lakh crore rupees. For Micro, Small and Medium Enterprises (MSMEs), participation in government procurement can provide stable business opportunities, assured payments, enhanced credibility, and long-term growth.

However, many small enterprises face significant challenges in accessing government tenders. Complex registration procedures, lack of awareness, documentation requirements, and financial constraints often prevent MSMEs from participating effectively in public procurement. These challenges are even more pronounced for enterprises owned by Scheduled Castes (SCs) and Scheduled Tribes (STs), which may have limited resources and market exposure.

To address these barriers and encourage greater participation of MSMEs in government procurement, the Government of India introduced the Single Point Registration Scheme (SPRS) through the National Small Industries Corporation (NSIC). Under the National Scheduled Caste and Scheduled Tribe Hub (NSSH), special support is provided to SC/ST-owned enterprises to obtain registration under SPRS and access government procurement opportunities.

The Single Point Registration Scheme serves as a gateway for MSMEs to participate in public procurement by simplifying registration procedures and providing various benefits in government tenders. It is an important instrument for promoting entrepreneurship, inclusive economic development, and increased participation of SC/ST enterprises in government business.

### Understanding the Single Point Registration Scheme

The Single Point Registration Scheme (SPRS) is a procurement support initiative implemented by the National Small Industries Corporation (NSIC) under the Ministry of MSME, Government of India.

The scheme enables eligible Micro and Small Enterprises (MSEs) to register with NSIC and obtain recognition for participating in government procurement tenders issued by Central Ministries, Departments, Public Sector Enterprises, and various government organizations.

The objective of the scheme is to facilitate easier access to government procurement markets while reducing administrative and financial burdens on MSMEs.

Once registered, enterprises receive a Single Point Registration Certificate that allows them to avail various procurement-related benefits provided under the Public Procurement Policy for Micro and Small Enterprises.

For SC/ST entrepreneurs, the scheme becomes even more significant because the Government has mandated that a minimum of 4% of annual procurement by Central Public Sector Enterprises should be sourced from SC/ST-owned MSEs.

### Importance of Government Procurement

Government procurement represents one of the largest business opportunities available to MSMEs.

Unlike private markets, government procurement offers:

- Large and recurring demand.
- Transparent tendering processes.
- Assured business opportunities.
- Better credibility and reputation.
- Opportunities for long-term contracts.
- Timely payments under prescribed mechanisms.
- Nationwide market access.

For many MSMEs, securing a government contract can significantly improve financial stability and support business expansion.

Government procurement also helps enterprises:

- Increase production capacity.
- Generate employment.
- Improve product quality.
- Enhance operational efficiency.
- Strengthen market reputation.

Recognizing these benefits, the Government has developed procurement policies aimed at promoting MSME participation.

### Objectives of SPRS

The Single Point Registration Scheme has several important objectives.

### Facilitating MSME Participation

The primary objective is to simplify the process of participation in government tenders and procurement programmes.

## Supporting SC/ST Entrepreneurs

The scheme promotes inclusion by encouraging greater participation of SC/ST-owned enterprises in public procurement.

## Reducing Entry Barriers

Registration under SPRS eliminates several procedural obstacles that discourage small businesses from participating in tenders.

## Strengthening Public Procurement

The scheme helps government agencies identify qualified MSME suppliers and promotes competition in procurement processes.

## Enhancing Economic Growth

By creating business opportunities for small enterprises, the scheme contributes to employment generation and industrial development.

## Key Benefits of SPRS Registration

The attractiveness of the Single Point Registration Scheme lies in the numerous benefits available to registered enterprises.

## Exemption from Earnest Money Deposit (EMD)

One of the most significant benefits is exemption from payment of Earnest Money Deposit in eligible government tenders.

For small enterprises, EMD requirements often block working capital and create financial difficulties. Exemption from EMD improves liquidity and enables participation in multiple tenders simultaneously.

## Free Access to Tender Opportunities

Registered enterprises receive information about government procurement opportunities, helping them identify suitable tenders.

## Recognition by Government Buyers

Registration enhances the credibility of enterprises and facilitates acceptance by government procurement agencies.

## Participation in Procurement Programmes

Registered MSMEs can actively participate in procurement programmes organized by various government entities.

## Preference Under MSME Procurement Policy

The Public Procurement Policy provides specific benefits and support measures for Micro and Small Enterprises.

## Increased Business Opportunities

Registration improves visibility among government buyers and increases the likelihood of obtaining contracts.

## Eligibility for Registration

The scheme is available to eligible Micro and Small Enterprises engaged in manufacturing or service activities.

Eligible entities include:

- Proprietorship firms.
- Partnership firms.
- Private limited companies.
- Public limited companies.
- Cooperative societies.
- Other registered Micro and Small Enterprises.

The enterprise must possess valid Udyam Registration and demonstrate operational capability for the products or services offered.

For SC/ST enterprises, ownership and control should be with members of Scheduled Castes or Scheduled Tribes to avail special support under the National SC-ST Hub.


## Registration Process

The registration process under SPRS has been designed to be systematic and transparent.

**Step 1: Application Submission**

The enterprise submits an application to NSIC along with the required documents.

**Step 2: Document Verification**

The submitted documents are examined for eligibility and compliance.

**Step 3: Technical Inspection**

Where applicable, technical inspection of manufacturing facilities may be conducted to assess production capability and quality systems.

**Step 4: Evaluation**

NSIC evaluates the enterprise's financial, technical, and operational capabilities.

**Step 5: Registration Certificate**

Upon successful evaluation, a Single Point Registration Certificate is issued.

The certificate specifies:

- Products manufactured.
- Services offered.
- Monetary limit of registration.
- Validity period.

The registered enterprise can thereafter participate in eligible government tenders and avail the associated benefits.

## Documents Required

Typically, the following documents may be required:

- Udyam Registration Certificate.
- PAN Card.
- GST Registration.
- Business registration documents.
- Financial statements.
- Banker's report.
- Product details.
- Quality certification, if applicable.
- SC/ST ownership proof (for special category benefits).

Proper documentation ensures smooth processing of applications.

## Public Procurement Policy and SPRS

The Single Point Registration Scheme works closely with the Public Procurement Policy for Micro and Small Enterprises.

The policy requires Central Ministries, Departments, and Public Sector Enterprises to procure a prescribed percentage of their annual purchases from MSEs.

Within this framework, special emphasis is placed on procurement from SC/ST-owned enterprises.

The policy has significantly increased opportunities for registered enterprises and strengthened the role of MSMEs in government supply chains.

## Role in Promoting SC/ST Entrepreneurship

The Government has recognized that access to markets is as important as access to finance.

Many SC/ST entrepreneurs possess technical skills and business capabilities but lack opportunities to reach institutional buyers.

The SPRS addresses this challenge by:

- Simplifying tender participation.
- Enhancing credibility.
- Improving visibility.
- Reducing financial barriers.
- Facilitating interaction with government buyers.

These benefits contribute directly to enterprise growth and economic empowerment.

## Impact on MSME Growth

Government contracts often provide predictable revenue streams that enable enterprises to invest in expansion and modernization.

Participation in procurement programmes helps enterprises:

- Increase production.
- Upgrade technology.
- Improve quality standards.
- Generate employment.
- Expand market reach.

Many successful MSMEs have used government procurement as a foundation for sustained business growth.

## Vendor Development Programmes and SPRS

The National SC-ST Hub and NSIC regularly organize Vendor Development Programmes (VDPs) to support registered enterprises.

These programmes provide opportunities to:

- Meet procurement officials.
- Understand tender requirements.
- Learn bidding procedures.
- Explore procurement opportunities.
- Develop business relationships.

Vendor Development Programmes play a crucial role in maximizing the benefits of SPRS registration.

## Contribution to Inclusive Growth

Inclusive growth requires participation of all sections of society in economic development.

The Single Point Registration Scheme contributes to inclusive growth by:

- Promoting entrepreneurship among marginalized communities.
- Supporting economic self-reliance.
- Encouraging business ownership.
- Facilitating wealth creation.
- Reducing social and economic disparities.

Through increased procurement opportunities, the scheme helps create sustainable enterprises and employment opportunities.

## Challenges Faced by Enterprises

Despite the benefits of SPRS, certain challenges continue to exist.

## Limited Awareness

Many MSMEs remain unaware of registration benefits and procurement opportunities.

## Tender Complexity

Government tenders often involve technical and procedural requirements that may appear challenging to new entrepreneurs.

## Capacity Constraints

Some enterprises struggle to meet large-volume procurement requirements.

## Quality Compliance

Government buyers often require adherence to specific quality standards and certifications.

## Digital Procurement Systems

The increasing use of e-procurement platforms requires digital literacy and technological readiness.

Addressing these challenges through training and handholding support is essential for maximizing participation.

## Role of Industry Associations and Chambers

Industry associations, chambers of commerce, and professional bodies can play a critical role in promoting SPRS.

They can assist entrepreneurs through:

- Awareness programmes.
- Procurement workshops.
- Tender guidance sessions.
- Documentation support.
- Vendor development activities.
- Capacity building initiatives.

Organizations such as business chambers and entrepreneurship development institutions can significantly increase awareness and utilization of the scheme.

## Future Outlook

India's public procurement ecosystem is rapidly becoming more transparent, technology-driven, and inclusive.

Digital procurement platforms, online tendering systems, and policy support for MSMEs are creating new opportunities for small businesses.

The Government's focus on:

- Atmanirbhar Bharat.
- Make in India.
- Startup India.
- Digital India.
- Public Procurement Policy.

is expected to further strengthen the role of MSMEs in government procurement.

As awareness increases and more enterprises obtain registration under SPRS, participation of SC/ST entrepreneurs in government procurement is expected to rise substantially.

The scheme will continue to serve as an important tool for achieving inclusive industrial growth and economic empowerment.

## Conclusion

The Single Point Registration Scheme (SPRS) is one of the most important procurement facilitation initiatives available to Micro and Small Enterprises in India. By simplifying registration procedures and providing valuable benefits such as exemption from Earnest Money Deposit, enhanced visibility, and access to government procurement opportunities, the scheme creates a pathway for MSMEs to participate effectively in public sector purchasing programmes.

For SC/ST entrepreneurs, SPRS serves as a powerful instrument of economic empowerment. It supports inclusion in government procurement, encourages entrepreneurship, strengthens business sustainability, and contributes to wealth creation within historically underrepresented communities.

As India continues its journey toward becoming a globally competitive and self-reliant economy, the Single Point Registration Scheme will remain a cornerstone of MSME development and public procurement reform. By connecting enterprises with government buyers and reducing barriers to market access, the scheme is helping transform small businesses into engines of growth, innovation, employment, and inclusive national development.

# 4. Performance & Credit Rating Scheme (PCRS): Strengthening MSME Credibility, Creditworthiness, and Growth

## Introduction

Micro, Small and Medium Enterprises (MSMEs) are the backbone of the Indian economy. They contribute significantly to employment generation, industrial output, exports, innovation, and regional development. Despite their immense contribution, one of the most persistent challenges faced by MSMEs is access to timely and affordable finance. Financial institutions often perceive small enterprises as high-risk borrowers due to limited financial information, lack of collateral, and inadequate credit history.

In today's competitive business environment, credibility and transparency have become essential factors in securing finance, attracting customers, participating in government procurement, and establishing business partnerships.

Banks, investors, suppliers, and procurement agencies increasingly rely on objective assessments of a company's financial health and operational performance before making business decisions.

To address this challenge, the Ministry of Micro, Small and Medium Enterprises (MSME), Government of India, introduced the **Performance & Credit Rating Scheme (PCRS).** Under the National Scheduled Caste and Scheduled Tribe Hub (NSSH), special support is provided to SC/ST-owned enterprises for obtaining credit ratings from recognized rating agencies.

The scheme provides financial assistance to eligible enterprises for obtaining independent performance and credit ratings, thereby improving their bankability, market reputation, and business opportunities. By encouraging transparency and professional evaluation, the scheme helps MSMEs strengthen their position in the financial ecosystem and build long-term business sustainability.

## Understanding the Performance & Credit Rating Scheme

The Performance & Credit Rating Scheme is a Government-supported initiative aimed at encouraging MSMEs to obtain ratings from accredited credit rating agencies.

The scheme recognizes that many MSMEs are unable or unwilling to obtain professional credit ratings due to the associated costs. Consequently, they miss opportunities to improve their credibility with lenders, customers, suppliers, and government procurement agencies.

To overcome this barrier, the Government provides financial assistance to MSMEs for obtaining performance and credit ratings from recognized agencies.

The rating process evaluates various aspects of an enterprise, including:

- Financial strength.
- Creditworthiness.
- Operational efficiency.
- Management quality.
- Business sustainability.
- Market position.
- Repayment capacity.
- Growth potential.

The resulting rating provides an objective assessment of the enterprise's business performance and credit profile.

## Importance of Credit Ratings for MSMEs

Credit ratings are no longer relevant only for large corporations. In the modern financial environment, even small businesses benefit significantly from independent credit assessments.

A credit rating serves as a report card of an enterprise's financial and operational health. It provides confidence to stakeholders and facilitates informed decision-making.


For MSMEs, a credit rating offers multiple advantages:

- Improved access to bank finance.
- Better loan negotiation power.
- Enhanced business credibility.
- Increased customer confidence.
- Stronger supplier relationships.
- Better procurement opportunities.
- Greater investor interest.
- Enhanced market reputation.

A favorable rating demonstrates that an enterprise follows sound financial practices and possesses the capacity to meet its obligations.

## Objectives of PCRS

The Performance & Credit Rating Scheme has been designed to achieve several strategic objectives.

### Improving Access to Finance

One of the primary objectives is to help MSMEs secure easier and more affordable access to institutional credit.

### Enhancing Transparency

The scheme promotes transparency by encouraging enterprises to undergo professional evaluation.

### Strengthening Market Credibility

An independent rating enhances trust among customers, suppliers, investors, and procurement agencies.

### Supporting SC/ST Entrepreneurs

Special assistance under the National SC-ST Hub helps entrepreneurs from Scheduled Castes and Scheduled Tribes improve their financial profile and competitiveness.

### Encouraging Professional Financial Management

The rating process motivates enterprises to maintain proper financial records and adopt better governance practices.

### Promoting Sustainable Growth

By identifying strengths and weaknesses, ratings help enterprises improve performance and achieve long-term growth.

## How Performance and Credit Ratings Work

A performance and credit rating is conducted by a recognized rating agency after a comprehensive evaluation of the enterprise.

The assessment typically includes:

**Financial Analysis**

Review of:

- Balance sheets.
- Profit and loss statements.
- Cash flow statements.
- Debt obligations.
- Working capital management.

## Operational Assessment

Evaluation of:

- Production capacity.
- Quality systems.
- Technology adoption.
- Operational efficiency.
- Business processes.

## Management Evaluation

Assessment of:

- Leadership capabilities.
- Experience of promoters.
- Governance practices.
- Strategic planning.

## Market Analysis

Examination of:

- Industry position.
- Customer base.
- Competition.
- Market prospects.

Based on these factors, a rating score is assigned, indicating the overall financial and operational strength of the enterprise.

## Financial Assistance Under the Scheme

The Government provides financial support to reduce the cost burden associated with obtaining ratings.

For SC/ST-owned MSMEs, assistance is available under the National SC-ST Hub framework, making it easier for entrepreneurs to obtain professional assessments.

The subsidy encourages greater participation in the rating process and enables small enterprises to benefit from services that might otherwise be considered expensive.

The assistance covers part of the fee charged by accredited rating agencies, thereby reducing out-of-pocket expenditure for entrepreneurs.

## Benefits of PCRS for MSMEs

The scheme offers a wide range of direct and indirect benefits.

**Improved Bankability**

Banks rely heavily on risk assessment before sanctioning loans.

A favorable rating:

- Enhances lender confidence.
- Reduces perceived risk.
- Improves loan approval prospects.
- Facilitates faster credit decisions.

Many financial institutions consider ratings while evaluating loan applications.

## Better Access to Working Capital

Enterprises with strong ratings often find it easier to secure working capital facilities, overdrafts, and term loans.

## Enhanced Market Credibility

Customers and suppliers prefer dealing with businesses that have demonstrated financial stability and operational capability.

A positive rating serves as an independent endorsement of business performance.

## Competitive Advantage

In a crowded marketplace, rated enterprises enjoy a competitive edge over unrated businesses.

The rating differentiates the enterprise and strengthens its market positioning.

## Improved Supplier Relationships

Suppliers may offer better credit terms to businesses with strong ratings because they perceive lower payment risk.

## Increased Procurement Opportunities

Government departments, public sector enterprises, and large corporations often prefer suppliers with demonstrated credibility.

Ratings can strengthen the enterprise's profile during procurement evaluations.


## Importance for SC/ST Entrepreneurs

Entrepreneurs belonging to Scheduled Castes and Scheduled Tribes often face additional barriers in accessing finance and market opportunities.

Common challenges include:

- Limited collateral.
- Lack of established credit history.
- Lower market visibility.
- Limited access to professional advisory services.
- Perceived business risks.

The Performance & Credit Rating Scheme helps overcome these barriers by providing an objective assessment of business capability.

Rather than relying solely on collateral or historical relationships, lenders and buyers can evaluate enterprises based on professional ratings.

This creates a more equitable environment for SC/ST entrepreneurs and supports inclusive economic growth.

## Impact on Financial Inclusion

Financial inclusion is not merely about opening bank accounts; it is about ensuring access to affordable and adequate financial services.

The PCRS contributes significantly to financial inclusion by:

- Improving credit access.
- Reducing information asymmetry.
- Enhancing financial transparency.
- Building trust between lenders and borrowers.
- Encouraging formalization of enterprises.

As more enterprises obtain ratings, the overall efficiency of credit markets improves.

## Encouraging Better Financial Discipline

One of the most valuable outcomes of the rating process is improved financial discipline.

To obtain favorable ratings, enterprises often focus on:

- Maintaining accurate records.
- Improving cash flow management.
- Reducing debt burdens.
- Strengthening internal controls.
- Enhancing operational efficiency.

The rating process therefore acts as a catalyst for better business management practices.


## Role in Government Procurement

Government procurement policies increasingly emphasize transparency, quality, and supplier capability.

Credit ratings can strengthen an enterprise's standing when participating in procurement programmes.

For SC/ST-owned MSMEs seeking opportunities under procurement initiatives, a strong rating enhances credibility and demonstrates organizational capability.

This is particularly important in sectors involving large contracts and long-term supply commitments.

## Building Investor Confidence

Apart from banks, investors also seek reliable information before making investment decisions.

A professional rating provides investors with:

- Independent business assessment.
- Financial risk analysis.
- Growth potential evaluation.
- Operational performance indicators.

As India's startup and MSME ecosystem expands, ratings can play a crucial role in attracting equity investment and strategic partnerships.

## Contribution to Enterprise Growth

Businesses that understand their strengths and weaknesses are better positioned for growth.

The rating process provides valuable insights regarding:

- Financial performance.
- Operational bottlenecks.
- Market risks.
- Governance improvements.
- Strategic opportunities.

Many enterprises use rating reports as roadmaps for future development and business planning.

## Challenges Faced by MSMEs

Despite the benefits, several challenges continue to affect adoption of credit ratings.

## Lack of Awareness

Many entrepreneurs remain unaware of the scheme and its benefits.

## Cost Concerns

Without government support, rating fees may discourage participation by smaller enterprises.

## Documentation Issues

The rating process requires proper financial records and documentation, which some enterprises may find difficult to maintain.

## Perception Barriers

Some entrepreneurs incorrectly assume that ratings are relevant only for large corporations.

Continuous awareness and capacity-building initiatives are therefore essential.

## Role of Rating Agencies

Recognized rating agencies play a critical role in the success of the scheme.

They provide:

- Independent evaluations.
- Objective assessments.
- Industry benchmarking.
- Performance analysis.
- Improvement recommendations.

The credibility of the rating process depends on professional, transparent, and impartial assessments.

## Role of Industry Associations and Chambers

Business associations, chambers of commerce, and professional bodies can help expand the reach of PCRS.

They can contribute through:

- Awareness campaigns.
- Financial literacy programmes.
- Credit rating workshops.
- Advisory services.
- Business mentoring initiatives.

Organizations such as the International Navodaya Chamber of Commerce (INCOC), trade associations, and entrepreneurship development institutions can play an important role in educating MSMEs about the benefits of credit ratings.

## Future Outlook

India's MSME sector is becoming increasingly integrated with digital finance, e-commerce, formal lending systems, and global supply chains.

In such an environment, transparency and credibility are becoming critical business assets.

The future will likely witness:

- Greater reliance on credit ratings.
- Increased use of data-driven lending.
- Expansion of digital credit assessment models.
- Higher demand for financial transparency.
- Improved integration with procurement platforms.

The Performance & Credit Rating Scheme is therefore well-positioned to support MSMEs in adapting to the evolving business landscape.

## Conclusion

The Performance & Credit Rating Scheme (PCRS) is a transformative initiative that strengthens the financial and operational credibility of Micro, Small and Medium Enterprises. By providing financial assistance for obtaining independent credit ratings, the scheme helps enterprises improve bankability, enhance market reputation, attract business opportunities, and strengthen stakeholder confidence.

For SC/ST-owned enterprises, the scheme serves as an important instrument of empowerment by reducing barriers to finance and creating greater access to markets and procurement opportunities. Through improved transparency, stronger governance, and better financial management, the scheme supports sustainable business growth and long-term competitiveness.

As India continues to build a robust, inclusive, and globally competitive MSME ecosystem, the Performance & Credit Rating Scheme will play an increasingly important role in helping enterprises gain the credibility and confidence needed to succeed. By transforming information into trust and trust into opportunity, the scheme contributes significantly to entrepreneurship development, financial inclusion, and economic progress across the nation.


## 5. Capacity Building & Entrepreneurship Development Programmes: Building the Next Generation of SC/ST Entrepreneurs and Business Leaders

### Introduction

Entrepreneurship has emerged as one of the most powerful drivers of economic growth, innovation, employment generation, and social transformation. Across the world, successful entrepreneurs have not only created wealth for themselves but have also generated opportunities for millions of people through new businesses, industries, and innovations. In India, the Micro, Small and Medium Enterprises (MSME) sector is widely recognized as the backbone of the economy, contributing significantly to GDP, exports, manufacturing output, and job creation.

However, entrepreneurship is not merely about having a business idea or access to capital. Successful entrepreneurship requires knowledge, skills, confidence, leadership abilities, market understanding, financial literacy, and strategic decision-making. Many aspiring entrepreneurs, particularly those belonging to Scheduled Castes (SCs) and Scheduled Tribes (STs), often face challenges in acquiring these essential competencies.

Recognizing the importance of human capital development, the Government of India has incorporated **Capacity Building & Entrepreneurship Development Programmes** as a key component of the **National Scheduled Caste and Scheduled Tribe Hub (NSSH).** These programmes focus on entrepreneurship training, skill development, mentoring, business management education, leadership development, and enterprise support services to empower SC/ST entrepreneurs.

The objective is clear: to transform aspiring entrepreneurs into successful business owners and enable existing enterprises to grow sustainably in a competitive marketplace.

## Understanding Capacity Building and Entrepreneurship Development

Capacity building refers to the process of strengthening the abilities, skills, knowledge, and resources required by individuals and organizations to achieve their objectives effectively.

In the context of entrepreneurship, capacity building includes:

- Entrepreneurial training.
- Business management education.
- Financial literacy.
- Leadership development.
- Marketing skills.
- Digital competency.
- Industry-specific technical training.
- Mentorship and guidance.

Entrepreneurship development programmes aim to create an ecosystem where individuals are equipped with the knowledge and confidence required to start, manage, and expand enterprises.

Under the National SC-ST Hub, these programmes play a crucial role in promoting entrepreneurship among communities that have historically faced economic and social disadvantages.

## Why Entrepreneurship Development Matters

Many people possess innovative ideas and business aspirations but lack the practical knowledge needed to transform those ideas into successful enterprises.

Common challenges faced by first-generation entrepreneurs include:

- Lack of business planning skills.
- Limited knowledge of government schemes.
- Difficulty in accessing finance.
- Poor understanding of market dynamics.
- Limited networking opportunities.
- Weak financial management.
- Lack of confidence in dealing with institutions.

Entrepreneurship development programmes address these gaps by providing structured learning and practical exposure.

Rather than focusing solely on financial assistance, these initiatives help build entrepreneurial capability, which is essential for long-term success.

## Objectives of Capacity Building Programmes

The Capacity Building & Entrepreneurship Development Programmes under the National SC-ST Hub have multiple objectives.

### Promoting Entrepreneurship

The primary objective is to encourage individuals from SC/ST communities to consider entrepreneurship as a viable career option.

### Enhancing Business Skills

Training programmes equip participants with essential business knowledge and management skills.

### Supporting Enterprise Creation

The programmes help aspiring entrepreneurs understand the process of establishing and operating businesses.

### Improving Business Sustainability

Existing entrepreneurs learn techniques to improve profitability, productivity, and competitiveness.

### Strengthening Leadership

Participants develop leadership and decision-making capabilities necessary for enterprise growth.

### Facilitating Economic Empowerment

The programmes contribute to income generation, self-employment, and economic inclusion.

## Entrepreneurship Training Programmes

Entrepreneurship training forms the foundation of these initiatives.

The training typically covers:

### Business Idea Generation

Participants learn how to identify business opportunities and evaluate market demand.

### Business Planning

Entrepreneurs are trained in preparing business plans, feasibility studies, and project reports.

### Enterprise Registration

Training includes guidance on:

- Udyam Registration.
- GST registration.
- PAN and tax compliance.
- Licensing requirements.
- Legal structures for businesses.

### Financial Management

Participants gain knowledge regarding:

- Budgeting.
- Cash flow management.
- Working capital planning.
- Cost control.
- Profitability analysis.

## Marketing and Sales

Training focuses on:

- Branding.
- Customer acquisition.
- Market research.
- Digital marketing.
- Sales strategies.

These programmes help participants build a strong foundation for business success.

## Skill Development Initiatives

Skills are among the most valuable assets for any entrepreneur.

The Capacity Building Programme emphasizes both technical and managerial skill development.

## Technical Skills

Industry-specific training helps entrepreneurs improve production quality and efficiency.

Examples include:

- Manufacturing processes.
- Food processing techniques.
- Quality control.
- Packaging technologies.
- Digital technologies.
- Service delivery standards.

## Soft Skills

Entrepreneurs are also trained in:

- Communication.
- Negotiation.
- Team management.
- Conflict resolution.
- Presentation skills.
- Networking.

These competencies significantly enhance business effectiveness.

## Business Management Programmes

Many enterprises fail not because of poor products but because of weak management practices.

Business management programmes therefore focus on:

## Strategic Planning

Participants learn how to set goals, formulate strategies, and monitor performance.

## Human Resource Management

Topics include:

- Recruitment.
- Employee retention.
- Workforce development.
- Performance management.

## Operations Management

Entrepreneurs are trained to improve efficiency, productivity, and resource utilization.

## Risk Management

Understanding and managing business risks is critical for sustainability.

## Compliance Management

Training covers regulatory compliance, taxation, labour laws, and governance requirements.

Strong management capabilities increase the probability of long-term business success.

## Mentorship: The Missing Link in Entrepreneurship

One of the most valuable components of entrepreneurship development is mentorship.

Mentorship provides entrepreneurs with access to experienced professionals who can guide them through business challenges.

A mentor can help entrepreneurs:

- Avoid common mistakes.
- Improve decision-making.
- Expand professional networks.
- Identify growth opportunities.
- Access markets and finance.
- Build confidence.

Many successful entrepreneurs attribute a significant part of their growth to mentoring relationships.

For first-generation entrepreneurs, mentorship often serves as a bridge between theoretical knowledge and practical implementation.

## Role of Capacity Building in SC/ST Entrepreneurship

Entrepreneurs from SC/ST communities frequently encounter unique challenges, including:

- Limited access to professional networks.
- Lack of family business background.
- Limited exposure to business opportunities.
- Lower awareness of government schemes.
- Difficulty accessing institutional support.

Capacity-building programmes help overcome these barriers by creating opportunities for learning, exposure, and networking.

By empowering entrepreneurs with knowledge and confidence, the programmes contribute to social and economic inclusion.

## Financial Literacy and Credit Readiness

Financial literacy is a critical aspect of entrepreneurship development.

Many entrepreneurs struggle with financial management due to inadequate understanding of accounting, banking, and finance.

Training programmes address areas such as:

- Bookkeeping.
- Financial statements.
- Credit management.
- Loan applications.
- Banking procedures.
- Investment planning.

Improved financial literacy enhances the ability of entrepreneurs to access institutional finance and manage business growth effectively.

## Digital Empowerment and Modern Entrepreneurship

The digital revolution has transformed the way businesses operate.

Today's entrepreneurs must understand:

- E-commerce platforms.
- Social media marketing.
- Digital payments.
- Online customer engagement.
- Cloud-based business tools.
- Artificial intelligence applications.

Capacity-building programmes increasingly incorporate digital literacy components to prepare entrepreneurs for the modern economy.

Digital adoption improves efficiency, market reach, and competitiveness.

## Market Linkages and Networking

Entrepreneurship development extends beyond classroom training.

Participants are often connected with:

- Industry experts.
- Successful entrepreneurs.
- Financial institutions.
- Government departments.
- Procurement agencies.
- Business associations.

Networking opportunities enable entrepreneurs to establish valuable business relationships and access new markets.

Professional networks often play a decisive role in enterprise growth.

## Women Entrepreneurship Development

Special efforts are being made to encourage women entrepreneurs from SC/ST communities.

Women-focused programmes emphasize:

- Financial independence.
- Leadership development.
- Home-based enterprise opportunities.
- Digital business models.
- Self-help group integration.
- Market access support.

Women entrepreneurs contribute significantly to household income, community development, and economic growth.

Encouraging female entrepreneurship creates broader social impact.


## Impact on Employment Generation

Entrepreneurship development programmes have a multiplier effect on employment.

When entrepreneurs establish successful businesses:

- New jobs are created.
- Local economies are strengthened.
- Supply chains expand.
- Innovation increases.
- Regional development accelerates.

Every successful enterprise has the potential to become a source of livelihood for multiple families.

Thus, entrepreneurship promotion directly contributes to national employment objectives.

## Contribution to Economic Inclusion

Economic inclusion means ensuring that all sections of society have access to opportunities for growth and prosperity.

Capacity-building programmes contribute to inclusion by:

- Promoting self-employment.
- Supporting enterprise ownership.
- Enhancing income generation.
- Reducing economic disparities.
- Strengthening social mobility.

These outcomes align closely with India's broader goals of inclusive and sustainable development.

## Challenges in Entrepreneurship Development

Despite significant progress, several challenges remain.

### Awareness Gap

Many potential entrepreneurs are unaware of available programmes and opportunities.

### Resource Constraints

Some participants face financial and logistical barriers to attending training programmes.

### Mentorship Shortage

The demand for experienced mentors often exceeds availability.

### Technology Adoption

Many entrepreneurs require additional support to embrace digital technologies.

## Market Competition

Increasing competition requires continuous skill upgrading and innovation.

Addressing these challenges requires collaboration among government agencies, educational institutions, industry bodies, and business associations.

## Role of Educational Institutions and Industry Bodies

Universities, professional institutes, chambers of commerce, and entrepreneurship development organizations can play an important role in strengthening capacity-building initiatives.

Their contributions may include:

- Conducting training programmes.
- Organizing workshops and seminars.
- Facilitating mentorship networks.
- Providing incubation support.
- Promoting innovation and startups.
- Creating entrepreneurship ecosystems.

Organizations such as the International Navodaya Chamber of Commerce (INCOC), MSME associations, and professional institutions can significantly enhance outreach and impact.

## Future Outlook

India is rapidly emerging as one of the world's largest startup and entrepreneurial ecosystems.

Government initiatives such as:

- Startup India.
- Make in India.
- Digital India.
- Atmanirbhar Bharat.
- National SC-ST Hub.

are creating unprecedented opportunities for aspiring entrepreneurs.

The future will require entrepreneurs who are:

- Technologically skilled.
- Financially literate.
- Globally competitive.
- Innovation-driven.
- Sustainability-focused.

Capacity Building & Entrepreneurship Development Programmes will therefore become even more important in preparing entrepreneurs for the challenges and opportunities of the future economy.

## Conclusion

Capacity Building & Entrepreneurship Development Programmes under the National SC-ST Hub represent one of the most impactful investments in human capital and economic empowerment. By providing entrepreneurship training, skill development, mentoring, financial literacy, leadership development, and business management education, these programmes equip aspiring and existing entrepreneurs with the knowledge and confidence needed to succeed.

For SC/ST communities, these initiatives create pathways to self-employment, enterprise ownership, economic independence, and social mobility. More importantly, they help transform entrepreneurial aspirations into sustainable businesses capable of generating employment, innovation, and economic growth.

As India advances toward becoming a developed and globally competitive economy, entrepreneurship will remain a key driver of progress. Capacity-building initiatives ensure that entrepreneurs from every section of society are prepared to participate in and contribute to this transformation. Through education, mentoring, skill development, and empowerment, these programmes are building not just enterprises but also the future business leaders of India.

# 6. Vendor Development Programmes (VDPs): Connecting SC/ST Enterprises with Government Procurement and Business Opportunities

## Introduction

Government procurement is one of the most powerful tools for economic development and industrial growth. Every year, Central Public Sector Enterprises (CPSEs), Government Departments, Ministries, Railways, Defence establishments, and other public institutions procure goods and services worth several lakh crore rupees. These procurement activities create enormous opportunities for Micro, Small and Medium Enterprises (MSMEs) to expand their businesses, generate employment, and contribute to national development.

However, many MSMEs, particularly those owned by Scheduled Castes (SCs) and Scheduled Tribes (STs), often face challenges in accessing these procurement opportunities. Lack of awareness about tendering procedures, limited interaction with procurement officials, inadequate understanding of procurement requirements, and restricted business networks frequently prevent capable enterprises from participating effectively in government supply chains.

To address these challenges, the Government of India has introduced **Vendor Development Programmes (VDPs)** under the **National Scheduled Caste and Scheduled Tribe Hub (NSSH).**

These programmes create structured platforms for direct interaction between SC/ST entrepreneurs, CPSEs, Government Departments, procurement agencies, and large corporate buyers.

Vendor Development Programmes serve as bridges between suppliers and buyers. They provide opportunities for entrepreneurs to understand procurement processes, showcase their capabilities, explore business opportunities, and become part of government and corporate supply chains.

As India moves towards inclusive economic growth and self-reliance, Vendor Development Programmes have emerged as a crucial instrument for empowering SC/ST entrepreneurs and strengthening the MSME ecosystem.

## Understanding Vendor Development Programmes

Vendor Development Programmes are organized events designed to facilitate direct engagement between procurement agencies and prospective suppliers.

The primary objective is to connect MSMEs with institutional buyers and provide information regarding procurement opportunities, supplier registration processes, tendering systems, quality requirements, and government policies.

These programmes bring together:

- Central Public Sector Enterprises (CPSEs).
- Government Ministries and Departments.
- Public Sector Undertakings.
- Railways.
- Defence procurement agencies.
- Large private sector buyers.
- MSMEs and startups.
- Industry associations.
- Financial institutions.
- Technical support organizations.

By creating a common platform, Vendor Development Programmes help enterprises gain visibility and establish relationships with major buyers.

## The Need for Vendor Development

Many MSMEs possess the capability to supply quality products and services but remain unaware of procurement opportunities available in the public and private sectors.

Common challenges faced by entrepreneurs include:

- Limited knowledge of procurement procedures.
- Lack of awareness regarding upcoming tenders.
- Difficulty understanding buyer requirements.
- Limited networking opportunities.
- Inadequate exposure to procurement policies.
- Challenges in vendor registration.
- Lack of confidence in dealing with large organizations.

Vendor Development Programmes address these challenges by providing direct access to procurement officials and decision-makers.

These interactions reduce information gaps and create opportunities that may otherwise remain inaccessible to small enterprises.

## Objectives of Vendor Development Programmes

The Vendor Development Programme initiative has several important objectives.

### Promoting MSME Participation

The primary goal is to increase the participation of MSMEs in government and institutional procurement.

### Supporting SC/ST Entrepreneurs

The programmes specifically encourage enterprises owned by Scheduled Castes and Scheduled Tribes to participate in procurement opportunities.

### Facilitating Buyer-Seller Interaction

Direct engagement between buyers and suppliers promotes transparency and trust.

### Enhancing Procurement Awareness

Entrepreneurs gain knowledge regarding procurement policies, procedures, and opportunities.

### Strengthening Supply Chains

The programmes help procurement agencies identify capable suppliers and diversify their vendor base.

### Encouraging Inclusive Growth

By promoting supplier diversity, Vendor Development Programmes contribute to social and economic inclusion.

## Vendor Development Programmes Under the National SC-ST Hub

The National SC-ST Hub was established to promote entrepreneurship among SC/ST communities and improve their participation in public procurement.

One of its key objectives is to support the Government's mandate that Central Public Sector Enterprises procure at least 4% of their annual purchases from SC/ST-owned Micro and Small Enterprises.

Vendor Development Programmes play a crucial role in achieving this objective by:

- Identifying capable suppliers.
- Creating awareness regarding procurement opportunities.
- Facilitating supplier registration.
- Providing procurement-related guidance.
- Building relationships between buyers and entrepreneurs.

The programmes help translate policy objectives into practical business opportunities.

## Key Activities Conducted During VDPs

Vendor Development Programmes typically include a range of activities designed to educate, connect, and support entrepreneurs.

## Procurement Presentations

Procurement officials from CPSEs and Government Departments provide information regarding:

- Procurement requirements.
- Product categories.
- Vendor registration procedures.
- Tendering processes.
- Quality standards.

These presentations help entrepreneurs understand buyer expectations.

## Buyer-Seller Meets

Direct interaction sessions allow entrepreneurs to meet procurement officials and discuss business opportunities.

Such meetings often result in:

- Vendor registration opportunities.
- Business enquiries.
- Product evaluations.
- Future procurement discussions.

## Product Display and Exhibition

Many Vendor Development Programmes include exhibition areas where enterprises can showcase their products and services.

This helps procurement agencies identify suitable suppliers and assess product quality.

## Policy Awareness Sessions

Entrepreneurs receive information regarding:

- Public Procurement Policy.
- MSME support schemes.
- Government incentives.
- Registration procedures.
- Digital procurement platforms.

## Networking Opportunities

Participants can interact with:

- Industry experts.
- Financial institutions.
- Consultants.
- Successful entrepreneurs.
- Procurement professionals.

Networking often leads to valuable business collaborations.

## Benefits for SC/ST Entrepreneurs

Vendor Development Programmes offer numerous benefits to entrepreneurs.

## Access to Procurement Opportunities

Participants gain first-hand information regarding procurement requirements and upcoming opportunities.

## Increased Visibility

Entrepreneurs can directly showcase their products and services to major buyers.

## Enhanced Business Credibility

Interaction with government agencies and large organizations improves business reputation and credibility.

## Better Understanding of Buyer Expectations

Entrepreneurs learn about quality standards, delivery requirements, certifications, and compliance expectations.

## Supplier Registration Support

Many procurement agencies assist enterprises in understanding vendor registration procedures.

## Market Expansion

Participation often leads to new customers and long-term business relationships.

## Importance of CPSE Participation

Central Public Sector Enterprises are among the largest buyers in India.

Major CPSEs procure products and services across sectors such as:

- Engineering.
- Construction.
- Power.
- Oil and gas.
- Telecommunications.
- Transportation.
- Infrastructure.
- Information technology.

Their participation in Vendor Development Programmes provides MSMEs with access to substantial business opportunities.

By interacting directly with procurement teams, entrepreneurs gain valuable insights into procurement planning and supplier expectations.

## Role of Government Departments

Government Departments and Ministries procure a wide range of goods and services for public administration and development programmes.

Vendor Development Programmes help entrepreneurs understand:

- Procurement portals.
- GeM (Government e-Marketplace).
- Tender documentation.
- Eligibility requirements.
- Compliance obligations.

This knowledge significantly improves procurement readiness.

## Government e-Marketplace (GeM) and Vendor Development

The Government e-Marketplace has transformed public procurement in India by creating a transparent and technology-driven platform.

Vendor Development Programmes frequently include training on:

- GeM registration.
- Product listing.
- Bid participation.
- Order management.
- Digital transactions.

GeM has created new opportunities for MSMEs by simplifying access to government buyers.

For SC/ST entrepreneurs, understanding GeM operations is essential for participating effectively in public procurement.

## Contribution to Supplier Diversity

Supplier diversity has become an important objective for governments and corporations worldwide.

Vendor Development Programmes support supplier diversity by encouraging procurement from:

- SC/ST-owned enterprises.
- Women-owned businesses.
- Rural enterprises.
- Startups.
- Small manufacturers.

A diverse supplier base promotes competition, innovation, and inclusive growth.

## Impact on Enterprise Growth

Participation in Vendor Development Programmes often results in significant business benefits.

Enterprises may experience:

- Increased sales.
- New contracts.
- Expanded customer base.
- Improved production capacity.
- Enhanced quality standards.
- Greater market recognition.

Government procurement contracts frequently provide stable and long-term revenue streams, enabling businesses to invest in growth and expansion.

## Employment Generation and Economic Development

When enterprises secure procurement contracts, the benefits extend beyond the business itself.

Additional business opportunities lead to:

- Job creation.
- Increased production.
- Local economic development.
- Higher incomes.
- Enhanced industrial activity.

Vendor Development Programmes therefore contribute directly to employment generation and economic empowerment.

## Challenges Faced by Entrepreneurs

Despite their benefits, several challenges remain.

### Limited Awareness

Many entrepreneurs are still unaware of Vendor Development Programmes and procurement opportunities.

### Quality Compliance

Government buyers often require adherence to strict quality and certification standards.

### Production Capacity

Small enterprises may struggle to meet large procurement requirements.

### Tender Complexity

Procurement documentation can appear complicated to first-time participants.

### Technology Adoption

Digital procurement platforms require technical knowledge and digital literacy.

Addressing these challenges through training and mentoring is essential.


## Role of Industry Associations and Chambers of Commerce

Industry associations, professional bodies, and chambers of commerce can play a significant role in strengthening Vendor Development Programmes.

They can support entrepreneurs through:

- Awareness campaigns.
- Procurement workshops.
- Buyer-seller networking events.
- Capacity-building programmes.
- Tender assistance services.

Organizations such as the International Navodaya Chamber of Commerce (INCOC), industry associations, and professional institutes can act as valuable facilitators between buyers and suppliers.

## Future Outlook

India's procurement ecosystem is evolving rapidly with increasing emphasis on:

- Digital procurement.
- Transparency.
- Supplier diversity.
- Local manufacturing.
- Self-reliance.
- Inclusive growth.

Government initiatives such as:

- Atmanirbhar Bharat.
- Make in India.
- Startup India.
- Public Procurement Policy.
- National SC-ST Hub.

are expected to create substantial opportunities for MSMEs.

Vendor Development Programmes will continue to play a central role in preparing enterprises to participate effectively in these opportunities.

The future will likely witness greater integration of physical and virtual buyer-seller interactions, expanded use of digital procurement platforms, and stronger support mechanisms for supplier development.

## Conclusion

Vendor Development Programmes (VDPs) are among the most effective tools for connecting MSMEs, particularly SC/ST-owned enterprises, with procurement opportunities offered by CPSEs, Government Departments, and large corporate buyers.

By facilitating direct interaction between buyers and suppliers, these programmes help bridge information gaps, strengthen business relationships, and create pathways for enterprise growth.

Under the National SC-ST Hub, Vendor Development Programmes play a vital role in promoting supplier diversity, enhancing procurement participation, and achieving the Government's objective of increasing procurement from SC/ST-owned enterprises. Through awareness, networking, training, and business matchmaking, these programmes empower entrepreneurs to become active participants in India's expanding procurement ecosystem.

As India moves toward becoming a globally competitive, self-reliant, and inclusive economy, Vendor Development Programmes will continue to serve as catalysts for entrepreneurship, employment generation, industrial development, and economic empowerment. By transforming procurement opportunities into business success stories, VDPs are helping build a stronger and more inclusive entrepreneurial landscape for the nation.


## 7. Market Linkage & Procurement Support: Connecting SC/ST Enterprises with Government Buyers and Digital Marketplaces

## Introduction

The success of any enterprise depends not only on its ability to produce quality goods or deliver efficient services but also on its capacity to access markets and secure customers. For Micro, Small and Medium Enterprises (MSMEs), especially those owned by Scheduled Castes (SCs) and Scheduled Tribes (STs), obtaining access to sustainable markets often remains one of the most significant challenges. Many entrepreneurs possess the skills, innovation, and determination to succeed but struggle to find buyers, understand procurement systems, or connect with institutional customers.

Recognizing this challenge, the Government of India has incorporated **Market Linkage & Procurement Support** as a key component of the **National Scheduled Caste and Scheduled Tribe Hub (NSSH).** The initiative is designed to help SC/ST-owned enterprises connect with Government buyers, Central Public Sector Enterprises (CPSEs), public procurement agencies, large corporations, and digital e-marketplaces.

Market linkage support plays a crucial role in transforming entrepreneurs into successful business owners. While financial assistance and skill development are important, sustainable growth ultimately depends on the ability of enterprises to sell their products and services. By creating pathways to markets and procurement opportunities, the Government seeks to empower SC/ST entrepreneurs and promote inclusive economic development.

In today's increasingly competitive and digital economy, market access is often the difference between business survival and business success. Market Linkage & Procurement Support programmes ensure that deserving entrepreneurs have the opportunity to participate in India's growing procurement ecosystem and digital marketplace economy.

## Understanding Market Linkage & Procurement Support

Market linkage refers to the process of connecting producers and service providers with potential buyers and customers. Procurement support involves facilitating participation in purchasing systems operated by government departments, public sector enterprises, and large organizations.

Under the National SC-ST Hub, these initiatives are designed to:

- Increase visibility of SC/ST-owned enterprises.
- Connect businesses with government buyers.
- Facilitate participation in procurement programmes.
- Promote supplier diversity.
- Support registration on digital marketplaces.
- Strengthen business networks.
- Create long-term market opportunities.

The objective is not merely to provide temporary assistance but to establish sustainable commercial relationships that support long-term business growth.


## Why Market Access Matters

Many enterprises fail not because of poor products or inadequate production capacity but because they are unable to find reliable customers.

Common challenges faced by SC/ST entrepreneurs include:

- Limited market exposure.
- Lack of business networks.
- Difficulty reaching institutional buyers.
- Limited awareness of procurement opportunities.
- Challenges in digital marketing.
- Limited understanding of procurement procedures.
- High costs of business promotion.

Without access to markets, even financially strong businesses may struggle to survive.

Market Linkage & Procurement Support addresses these barriers by creating structured pathways that connect enterprises directly with buyers and procurement agencies.

## Objectives of Market Linkage & Procurement Support

The programme has several strategic objectives.

### Promoting Inclusive Procurement

One of the primary objectives is to increase the participation of SC/ST-owned enterprises in public procurement.

### Expanding Market Access

The programme helps enterprises access new markets beyond their local geographic boundaries.

### Strengthening Business Sustainability

Reliable customers and procurement contracts provide stable revenue streams that support long-term growth.

### Supporting Government Procurement Targets

The initiative contributes to achieving procurement targets established for SC/ST-owned Micro and Small Enterprises.

### Enhancing Competitiveness

Market exposure encourages enterprises to improve product quality, efficiency, and innovation.

### Encouraging Digital Integration

Support for e-marketplaces helps entrepreneurs embrace digital business opportunities.

## Government Procurement: A Massive Opportunity

Government procurement represents one of the largest markets in India.

Every year, Central Ministries, Government Departments, Railways, Defence organizations, Public Sector Undertakings, and autonomous bodies procure goods and services worth several lakh crore rupees.

Procurement categories include:

- Office supplies.
- Industrial equipment.
- Engineering products.
- Information technology services.
- Consultancy services.
- Construction materials.
- Healthcare products.
- Transportation services.
- Professional services.

For MSMEs, government procurement offers several advantages:

- Large and recurring demand.
- Transparent procedures.
- Credible customers.
- Stable business opportunities.
- Timely payment mechanisms.
- Long-term contracts.

Participation in government procurement can significantly transform the growth trajectory of a small enterprise.

## The National SC-ST Hub and Procurement Inclusion

The National SC-ST Hub was launched with the objective of promoting entrepreneurship among SC/ST communities and increasing their participation in public procurement.

The Government has mandated that Central Public Sector Enterprises procure at least 4% of their annual purchases from SC/ST-owned Micro and Small Enterprises.

Despite this policy support, many entrepreneurs remain unable to access procurement opportunities due to information gaps and procedural challenges.

Market Linkage & Procurement Support initiatives help bridge this gap by connecting entrepreneurs directly with procurement agencies and buyers.

## Connecting with Government Buyers

A key feature of the programme is facilitating direct interaction between enterprises and government buyers.

This support includes:

## Buyer-Seller Meets

These events bring entrepreneurs and procurement officials together on a common platform.

Entrepreneurs gain opportunities to:

- Present products and services.
- Understand procurement requirements.
- Explore supplier registration.
- Build business relationships.

## Vendor Development Programmes

Vendor Development Programmes help enterprises learn about procurement processes and engage directly with CPSEs and Government Departments.

## Procurement Awareness Sessions

Workshops and seminars educate entrepreneurs regarding:

- Tender procedures.
- Bid preparation.
- Procurement policies.
- Quality requirements.
- Digital procurement platforms.

These interactions increase procurement readiness and confidence.


## Government e-Marketplace (GeM): Transforming Procurement

The Government e-Marketplace has revolutionized public procurement in India.

GeM is a digital platform that enables government buyers to procure goods and services online in a transparent and efficient manner.

For SC/ST enterprises, GeM provides unprecedented opportunities to reach government customers without geographical limitations.

The platform enables entrepreneurs to:

- Register as sellers.
- List products and services.
- Participate in bids.
- Receive orders online.
- Track transactions digitally.

Market Linkage & Procurement Support initiatives frequently assist entrepreneurs in onboarding and effectively utilizing the GeM platform.

## Benefits of GeM Participation

Participation in GeM offers several advantages.

## Nationwide Market Access

Enterprises can reach government buyers across India.

## Reduced Marketing Costs

Digital visibility reduces dependence on traditional marketing methods.

## Transparent Procurement

The platform promotes fairness and transparency.

## Ease of Participation

Small enterprises can participate without extensive physical infrastructure.

## Digital Business Growth

The platform encourages adoption of digital business practices.

For many SC/ST entrepreneurs, GeM serves as a gateway to national markets.

## Supplier Diversity and Inclusive Procurement

Supplier diversity has become an important objective globally.

Organizations increasingly recognize the value of procuring from diverse supplier groups.

Supplier diversity offers benefits such as:

- Increased competition.
- Greater innovation.
- Expanded supplier base.
- Inclusive economic growth.
- Social equity.

Market Linkage & Procurement Support contributes to supplier diversity by promoting participation of SC/ST-owned enterprises in procurement ecosystems.

## Support for Corporate Procurement

While government procurement is a major focus, the programme also encourages connections with large private sector buyers.

Large corporations often seek reliable suppliers for:

- Manufacturing inputs.
- Services.
- Logistics.
- Technology solutions.
- Professional services.

Market linkage initiatives help entrepreneurs establish relationships with corporate procurement teams and supply chain managers.

These relationships often lead to long-term business opportunities.

## Capacity Building for Procurement Readiness

Market access requires more than product availability.

Enterprises must be procurement-ready.

The programme therefore supports capacity building in areas such as:

## Tender Participation

Training on reading and responding to tenders.

## Documentation

Guidance regarding:

- Registrations.
- Certifications.
- Compliance requirements.
- Technical documentation.

## Quality Standards

Support for meeting buyer expectations regarding quality and performance.

## Pricing Strategies

Training on competitive pricing and cost management.

These initiatives improve the ability of enterprises to secure contracts successfully.

## Digital Market Linkages Beyond Government Procurement

The digital economy has created new opportunities for market expansion.

Entrepreneurs can now access customers through:

- E-commerce platforms.
- B2B marketplaces.
- Online procurement systems.
- Digital marketing channels.
- Social commerce platforms.

Market linkage programmes increasingly encourage entrepreneurs to leverage digital tools and online platforms to expand market reach.

Digital integration is becoming essential for long-term competitiveness.

## Benefits for SC/ST Entrepreneurs

Market Linkage & Procurement Support delivers significant benefits.

## Increased Sales Opportunities

Enterprises gain access to a larger customer base.

## Enhanced Business Visibility

Participation in procurement platforms improves market presence.

## Stronger Business Networks

Entrepreneurs establish relationships with buyers, suppliers, and industry stakeholders.

## Improved Revenue Stability

Procurement contracts often provide recurring business opportunities.

## Business Expansion

Market access enables scaling of operations and investment in growth.

## Greater Economic Empowerment

Sustainable business opportunities contribute to financial independence and wealth creation.

## Economic Impact of Market Linkage Support

The benefits of market linkage extend beyond individual enterprises.

Successful market integration contributes to:

- Employment generation.
- Industrial growth.
- Local economic development.
- Export readiness.
- Innovation promotion.
- Supply chain diversification.

When small enterprises grow, they create broader economic benefits for communities and regions.

## Challenges in Market Linkage

Despite significant progress, several challenges remain.

### Awareness Deficit

Many entrepreneurs remain unaware of available procurement opportunities.

### Quality Compliance

Meeting institutional buyer requirements can be demanding.

### Digital Literacy Gaps

Some enterprises require support in adopting digital procurement systems.

### Competition

Government and corporate procurement markets are highly competitive.

### Capacity Constraints

Small enterprises may face challenges in fulfilling large orders.

Continuous mentoring, training, and support are therefore essential.

## Role of Industry Associations and Chambers of Commerce

Business associations and chambers of commerce can significantly enhance market linkage efforts.

Their contributions may include:

- Organizing buyer-seller meets.
- Conducting procurement awareness programmes.
- Facilitating networking opportunities.
- Supporting GeM registration.
- Providing business mentoring.

Organizations such as the International Navodaya Chamber of Commerce (INCOC), trade associations, and entrepreneurship development institutions can act as important facilitators between buyers and entrepreneurs.

## Future Outlook

India's procurement ecosystem is undergoing rapid transformation through digitalization, transparency, and supplier inclusion.

Government initiatives such as:

- Digital India.
- Atmanirbhar Bharat.
- Make in India.
- Startup India.
- Public Procurement Policy.
- National SC-ST Hub.

are creating new opportunities for entrepreneurs.

The future will likely witness:

- Greater use of digital procurement platforms.
- Increased supplier diversity initiatives.
- Expansion of e-marketplaces.
- Stronger buyer-seller ecosystems.
- Enhanced support for underrepresented entrepreneurs.

Market Linkage & Procurement Support will remain a critical component of this transformation.

## Conclusion

Market Linkage & Procurement Support under the National SC-ST Hub is a transformative initiative aimed at addressing one of the most critical challenges faced by entrepreneurs—access to markets. By connecting SC/ST-owned enterprises with Government buyers, CPSEs, procurement agencies, corporate purchasers, and digital e-marketplaces, the programme creates pathways for sustainable business growth and economic empowerment.

Through procurement awareness, buyer-seller interactions, GeM onboarding, capacity building, and supplier development initiatives, the programme helps entrepreneurs convert capabilities into commercial success. More importantly, it supports the Government's vision of inclusive growth by ensuring that entrepreneurship opportunities are accessible to historically underrepresented communities.

As India advances toward becoming a globally competitive, digitally connected, and self-reliant economy, market access will continue to be a decisive factor in business success. Market Linkage & Procurement Support programmes ensure that SC/ST entrepreneurs are not merely participants in this transformation but active contributors to the nation's economic progress, innovation, and development.

## 8. Awareness Programmes, Workshops & Conclaves: Empowering SC/ST Entrepreneurs Through Knowledge, Networking, and Opportunity

### Introduction

Knowledge is one of the most powerful resources for economic growth and entrepreneurial success. While access to finance, technology, infrastructure, and markets are critical for business development, entrepreneurs can only benefit from these opportunities if they are aware of them. Across India, numerous government schemes, financial assistance programmes, procurement opportunities, skill development initiatives, and business support mechanisms have been introduced to strengthen the Micro, Small and Medium Enterprises (MSME) sector. However, a significant challenge remains—the gap between the availability of these opportunities and awareness among potential beneficiaries.

For entrepreneurs belonging to Scheduled Castes (SCs) and Scheduled Tribes (STs), this information gap often becomes a major obstacle to growth. Many aspiring and existing entrepreneurs remain unaware of the schemes, incentives, procurement policies, funding opportunities, and support services specifically designed for their benefit. Recognizing this challenge, the Government of India has incorporated **Awareness Programmes, Workshops, and Conclaves** as an important component of the **National Scheduled Caste and Scheduled Tribe Hub (NSSH).**

These initiatives serve as platforms for information dissemination, capacity building, networking, and business promotion. They help entrepreneurs understand government policies, connect with institutions, interact with industry experts, explore procurement opportunities, and learn best practices in business management.

Awareness programmes are often the first step in an entrepreneur's journey from aspiration to achievement. By creating informed and empowered entrepreneurs, these initiatives contribute significantly to inclusive economic development and entrepreneurship promotion.

### Understanding Awareness Programmes, Workshops & Conclaves

Awareness Programmes, Workshops, and Conclaves are structured events designed to educate, inform, and engage entrepreneurs, startups, MSMEs, professionals, students, and industry stakeholders.

These events may be organized at:

- National level.
- State level.
- District level.
- Institutional level.
- Industry-specific level.

The programmes bring together participants from government, industry, academia, financial institutions, and entrepreneurship ecosystems.

The primary objective is to ensure that entrepreneurs receive timely information regarding opportunities available for business growth and development.

Topics generally covered include:

- Government schemes.
- MSME policies.
- Public procurement opportunities.
- Startup support programmes.
- Credit facilities.
- Technology upgradation.
- Market development.
- Export promotion.
- Digital transformation.
- Business management.

Such initiatives create awareness while simultaneously building confidence and motivation among participants.

### Importance of Awareness in Entrepreneurship Development

Entrepreneurship is not merely about starting a business. It involves continuous learning, adaptation, and strategic decision-making.

Many entrepreneurs fail to benefit from available opportunities simply because they are unaware of them.

Common information gaps include:

- Lack of knowledge about government incentives.
- Unawareness regarding funding options.
- Limited understanding of procurement systems.
- Poor familiarity with regulatory requirements.
- Inadequate exposure to market opportunities.
- Lack of networking platforms.

Awareness programmes bridge these gaps by bringing relevant information directly to entrepreneurs.

An informed entrepreneur is better equipped to:

- Access finance.
- Expand markets.
- Improve productivity.
- Adopt technology.
- Participate in procurement programmes.
- Manage risks effectively.

Therefore, awareness serves as the foundation for successful entrepreneurship.

## Objectives of Awareness Programmes

The Government's awareness initiatives are designed to achieve several objectives.

### Disseminating Information

The foremost objective is to ensure that entrepreneurs are informed about available schemes, incentives, and opportunities.

### Promoting Entrepreneurship

Awareness programmes encourage individuals to consider entrepreneurship as a viable career path.

### Enhancing Participation

The programmes increase participation in government support initiatives.

### Building Confidence

Knowledge and exposure improve entrepreneurial confidence and decision-making capabilities.

### Strengthening Institutional Linkages

Participants learn how to engage with government departments, financial institutions, and procurement agencies.

### Supporting Inclusive Development

The programmes ensure that opportunities reach entrepreneurs from all sections of society, particularly SC/ST communities.

## Awareness of Government Schemes

India offers a wide range of schemes to support MSMEs and entrepreneurs.

Many awareness programmes focus on educating participants about initiatives such as:

- Credit support schemes.
- Technology upgradation programmes.
- Procurement facilitation schemes.
- Skill development initiatives.
- Startup support programmes.
- Export promotion schemes.
- Digitalization support programmes.
- Entrepreneurship development programmes.

Detailed explanations of eligibility criteria, application procedures, benefits, and implementation mechanisms help entrepreneurs take informed decisions.

Awareness often serves as the first step toward scheme utilization.

## Procurement Awareness Initiatives

Government procurement represents one of the largest business opportunities available to MSMEs.

However, many entrepreneurs remain unfamiliar with procurement systems and tendering procedures.

Workshops and conclaves therefore focus extensively on:

- Public Procurement Policy.
- Government e-Marketplace (GeM).
- Tender participation.
- Vendor registration.
- Supplier diversity initiatives.
- Procurement opportunities in CPSEs.
- Quality and compliance requirements.

Procurement awareness programmes help entrepreneurs understand how to become suppliers to government agencies and large organizations.

These initiatives play a crucial role in increasing participation of SC/ST-owned enterprises in public procurement.

## Workshops: Learning Through Interaction

Unlike traditional seminars, workshops emphasize active participation and practical learning.

Workshops often include:

- Case studies.
- Group discussions.
- Demonstrations.
- Problem-solving exercises.
- Business simulations.
- Interactive sessions.

Participants can directly engage with experts and seek clarification regarding specific business challenges.

Workshop themes may include:

### Business Planning

Participants learn how to prepare business plans, project reports, and growth strategies.

### Financial Management

Training focuses on budgeting, accounting, taxation, and cash-flow management.

### Marketing and Branding

Entrepreneurs learn customer acquisition, digital marketing, and brand-building techniques.

### Technology Adoption

Workshops encourage the use of modern technologies and digital tools.

### Export Readiness

Participants receive guidance regarding export opportunities and international business practices.

Interactive learning significantly improves retention and practical application of knowledge.

## Conclaves: Building Entrepreneurial Ecosystems

Conclaves are larger events that bring together diverse stakeholders from government, industry, academia, finance, and entrepreneurship.

These events provide a platform for:

- Policy discussions.
- Knowledge sharing.
- Networking.
- Business matchmaking.
- Thought leadership.
- Industry collaboration.

Entrepreneurship conclaves often feature:

- Keynote addresses.
- Panel discussions.
- Success stories.
- Award ceremonies.
- Exhibition areas.
- Buyer-seller meetings.

Conclaves help create a vibrant entrepreneurial ecosystem where participants can learn from experienced professionals and industry leaders.


## Role of Industry Experts and Mentors

One of the major strengths of awareness programmes is access to experts.

Participants often interact with:

- Successful entrepreneurs.
- Industry leaders.
- Government officials.
- Financial experts.
- Chartered Accountants.
- Cost Accountants.
- Company Secretaries.
- Consultants.
- Academicians.

These interactions provide practical insights that are often unavailable through conventional learning methods.

Mentors can guide entrepreneurs regarding:

- Business strategy.
- Compliance management.
- Financial planning.
- Market development.
- Growth opportunities.

Such guidance can significantly accelerate entrepreneurial success.

## Promoting Financial Literacy

Financial literacy remains a critical challenge for many entrepreneurs.

Awareness programmes help participants understand:

- Banking systems.
- Credit facilities.
- Loan applications.
- Credit ratings.
- Working capital management.
- Investment planning.
- Financial discipline.

Improved financial literacy enhances the ability of entrepreneurs to access institutional finance and manage business growth effectively.

## Digital Awareness and Technology Adoption

The digital economy has transformed the way businesses operate.

Modern awareness programmes increasingly focus on:

- E-commerce.
- Digital payments.
- Social media marketing.
- Cloud computing.
- Artificial intelligence.
- Cybersecurity.
- Online procurement platforms.

Digital awareness enables entrepreneurs to remain competitive in an increasingly technology-driven marketplace.

The Government's Digital India initiative has further increased the importance of digital literacy among entrepreneurs.

## Supporting SC/ST Entrepreneurship

Entrepreneurs from SC/ST communities often face challenges such as:

- Limited exposure to business ecosystems.
- Lack of professional networks.
- Inadequate awareness of opportunities.
- Restricted access to advisory services.

Awareness programmes specifically designed for SC/ST entrepreneurs help overcome these barriers.

By providing information, mentorship, and networking opportunities, these initiatives contribute to economic empowerment and social inclusion.

The National SC-ST Hub places strong emphasis on awareness creation as a foundation for entrepreneurship development.

## Business Networking Opportunities

One of the most valuable outcomes of workshops and conclaves is networking.

Participants can connect with:

- Potential customers.
- Procurement agencies.
- Investors.

- Industry experts.
- Business partners.
- Mentors.
- Government officials.

Business relationships often emerge from these interactions and lead to future collaborations, partnerships, and opportunities.

Networking helps entrepreneurs expand their professional horizons and gain access to new markets.

## Impact on Enterprise Growth

Awareness initiatives generate long-term benefits for businesses.

Participants often experience:

- Improved decision-making.
- Increased scheme utilization.
- Better access to finance.
- Enhanced procurement participation.
- Stronger business networks.
- Improved competitiveness.
- Higher productivity.

These outcomes contribute directly to enterprise growth and sustainability.

## Contribution to Economic Development

Awareness programmes create broader economic benefits.

By promoting entrepreneurship and business development, they contribute to:

- Employment generation.
- Industrial growth.
- Innovation.
- Financial inclusion.
- Regional development.
- Social empowerment.

Informed entrepreneurs are more likely to establish successful enterprises that contribute to local and national economic progress.

## Role of Industry Associations and Chambers of Commerce

Industry associations, professional institutes, and chambers of commerce play a crucial role in organizing awareness programmes.

Organizations such as the International Navodaya Chamber of Commerce, trade bodies, MSME associations, and professional institutions can:

- Organize seminars and conferences.
- Conduct entrepreneurship workshops.
- Facilitate networking events.
- Promote government schemes.
- Connect entrepreneurs with experts and institutions.

Such organizations act as important bridges between policymakers and entrepreneurs.

## Future Outlook

As India moves toward becoming a developed economy, the need for entrepreneurial awareness and knowledge dissemination will continue to grow.

Future awareness initiatives are expected to focus on:

- Digital entrepreneurship.
- Green and sustainable businesses.
- Startup ecosystems.
- Global market opportunities.
- Innovation and technology adoption.
- Artificial intelligence and automation.
- Export competitiveness.

Hybrid models combining physical events and digital platforms will further expand outreach and accessibility.

## Conclusion

Awareness Programmes, Workshops, and Conclaves under the National SC-ST Hub represent a critical pillar of entrepreneurship development and economic empowerment. By disseminating information regarding government schemes, procurement opportunities, financial support, technology adoption, and business development strategies, these initiatives help entrepreneurs make informed decisions and access growth opportunities.

For SC/ST entrepreneurs, awareness programmes serve as gateways to knowledge, networks, markets, and institutional support. They bridge information gaps, build confidence, encourage participation, and strengthen entrepreneurial capabilities. More importantly, they ensure that government initiatives reach the intended beneficiaries and create meaningful economic impact.

As India's entrepreneurial ecosystem continues to expand, awareness creation will remain essential for inclusive and sustainable development. Through workshops, conclaves, seminars, and outreach programmes, entrepreneurs are not only gaining information—they are gaining the knowledge, confidence, and connections necessary to build successful enterprises and contribute to the nation's economic progress.


# 9. Technology & Quality Improvement Support: Empowering SC/ST Enterprises Through Innovation, Certification, and Competitiveness

## Introduction

In today's rapidly evolving global economy, technology and quality have become the defining factors of business success. Enterprises are no longer competing merely on price; they are competing on innovation, productivity, efficiency, reliability, and adherence to quality standards.

Customers, government buyers, large corporations, and international markets increasingly demand products and services that meet recognized quality benchmarks and incorporate modern technology.

For Micro, Small and Medium Enterprises (MSMEs), particularly those owned by Scheduled Castes (SCs) and Scheduled Tribes (STs), technology adoption and quality certification often present significant challenges. Limited financial resources, inadequate technical knowledge, lack of awareness regarding certification systems, and restricted access to testing facilities can hinder growth and competitiveness.

Recognizing these challenges, the Government of India has incorporated **Technology & Quality Improvement Support** as an important component of the **National Scheduled Caste and Scheduled Tribe Hub (NSSH).** The initiative focuses on assisting SC/ST-owned enterprises in adopting modern technologies, obtaining quality certifications, accessing testing facilities, improving manufacturing processes, and enhancing overall business competitiveness.

Technology and quality improvement are not merely operational upgrades; they are strategic investments that enable enterprises to access larger markets, participate in government procurement, strengthen customer confidence, and compete effectively in domestic and international markets.

As India strives to become a global manufacturing and innovation hub, empowering MSMEs with technology and quality support has become essential for achieving sustainable and inclusive economic growth.

## Understanding Technology & Quality Improvement Support

Technology & Quality Improvement Support encompasses a range of interventions designed to enhance the technical capabilities and quality standards of enterprises.

The programme typically supports:

- Technology modernization.
- Process improvement.
- Product testing.
- Quality certification.
- Standardization.
- Innovation adoption.
- Productivity enhancement.
- Compliance with national and international standards.

The objective is to help enterprises improve their products, services, and operational efficiency while ensuring compliance with customer and regulatory requirements.

For SC/ST-owned enterprises, these interventions help bridge technological gaps and create a level playing field in competitive markets.

## Why Technology Matters for MSMEs

Technology is one of the most important drivers of productivity and competitiveness.

Modern technologies enable businesses to:

- Improve production efficiency.
- Reduce operational costs.
- Enhance product quality.
- Increase production capacity.
- Improve customer satisfaction.
- Minimize wastage.
- Accelerate innovation.
- Expand market reach.

In an increasingly digital and automated economy, enterprises that fail to adopt modern technologies risk losing competitiveness.

Technology adoption helps MSMEs transition from traditional business models to more efficient and scalable operations.

For small enterprises, even modest technological improvements can generate significant productivity gains.


## Importance of Quality in Business Growth

Quality is no longer optional in today's marketplace.

Customers, procurement agencies, exporters, and investors increasingly evaluate businesses based on quality standards and compliance.

High-quality products and services contribute to:

- Customer satisfaction.
- Brand reputation.
- Market acceptance.
- Reduced defects.
- Lower operational costs.
- Increased sales.
- Better profitability.

Quality assurance also reduces business risks and strengthens long-term sustainability.

For enterprises seeking government procurement opportunities, quality compliance is often a mandatory requirement.

## Objectives of Technology & Quality Improvement Support

The programme has several important objectives.

### Promoting Technology Adoption

Encouraging enterprises to modernize operations and adopt innovative technologies.

## Improving Product Quality

Supporting businesses in enhancing product performance and reliability.

## Strengthening Competitiveness

Helping enterprises compete effectively in domestic and international markets.

## Facilitating Certification

Assisting businesses in obtaining recognized quality certifications.

## Supporting Procurement Readiness

Ensuring enterprises meet quality standards required by government and corporate buyers.

## Encouraging Innovation

Promoting continuous improvement and technological advancement.

## Technology Upgradation for MSMEs

Technology upgradation involves replacing outdated equipment, systems, and processes with modern alternatives.

Examples include:

## Manufacturing Automation

Automation improves efficiency, consistency, and productivity.

Benefits include:

- Faster production.
- Reduced errors.
- Lower labour costs.
- Improved quality control.

## Digital Technologies

Adoption of digital tools such as:

- Enterprise Resource Planning (ERP).
- Inventory management systems.
- Accounting software.
- Customer relationship management systems.

These technologies improve operational efficiency and decision-making.

## Energy-Efficient Technologies

Modern equipment often consumes less energy and reduces operating costs.

Energy-efficient technologies contribute to sustainability while improving profitability.

## Industry 4.0 Technologies

Advanced technologies such as:

- Artificial Intelligence (AI).
- Internet of Things (IoT).
- Data analytics.
- Smart manufacturing.

are increasingly becoming relevant even for MSMEs.

## Testing Facilities and Product Validation

Testing is a critical component of quality assurance.

Testing facilities help enterprises evaluate:

- Product performance.
- Durability.
- Safety.
- Reliability.
- Compliance with standards.

Testing enables manufacturers to identify defects and improve product quality before market introduction.

Many government-supported laboratories and testing centers provide services that help MSMEs verify product compliance.

Testing is particularly important for enterprises participating in government procurement and export markets.

## Quality Certification: Building Trust and Credibility

Quality certifications serve as formal recognition that products, services, or processes meet specified standards.

Certification provides confidence to customers, buyers, and regulators.

Common certification systems include:

## ISO Certifications

International standards covering:

- Quality management.
- Environmental management.
- Information security.
- Occupational health and safety.

## Product Certifications

Specific certifications demonstrating compliance with industry standards.

## Sector-Specific Certifications

Industries such as food processing, healthcare, engineering, and electronics often require specialized certifications.

Certification enhances credibility and strengthens market acceptance.

## Benefits of Quality Certification

Obtaining quality certifications offers numerous advantages.

## Increased Customer Confidence

Customers prefer certified products because they indicate reliability and consistency.

## Improved Market Access

Many procurement agencies and corporate buyers require certified suppliers.

## Enhanced Business Reputation

Certification strengthens brand image and credibility.

## Better Process Control

Certification often encourages systematic business management practices.

## Export Opportunities

International buyers frequently require compliance with recognized standards.

## Competitive Advantage

Certified enterprises often enjoy stronger market positioning than non-certified competitors.

## Role in Government Procurement

Government departments and Public Sector Enterprises emphasize quality and compliance in procurement decisions.

Technology and quality improvement support helps enterprises:

- Meet procurement specifications.
- Satisfy quality requirements.
- Demonstrate technical capability.
- Improve supplier credibility.

For SC/ST-owned enterprises seeking participation in public procurement, quality certification can significantly enhance competitiveness.

The Government's procurement policies increasingly encourage supplier quality assurance and standardization.

## Technology Support for SC/ST Entrepreneurs

Entrepreneurs from SC/ST communities often face unique challenges in technology adoption.

These may include:

- Limited financial resources.
- Inadequate technical knowledge.
- Lack of awareness regarding available technologies.
- Restricted access to advisory services.
- Limited exposure to innovation ecosystems.

Technology support initiatives help overcome these barriers through training, guidance, financial assistance, and institutional support.

The objective is to ensure that enterprises are not disadvantaged due to technological limitations.

## Innovation as a Growth Driver

Innovation is essential for long-term competitiveness.

Innovation may involve:

- New products.
- Improved processes.
- Better packaging.
- Digital solutions.
- Business model improvements.

Technology and quality improvement programmes encourage enterprises to embrace innovation and continuously improve operations.

Innovative enterprises are often more resilient and better positioned to adapt to changing market conditions.


## Capacity Building and Technical Training

Technology adoption requires skilled human resources.

Therefore, technology support initiatives frequently include training programmes covering:

- Equipment operation.
- Quality management.
- Process improvement.
- Digital tools.
- Certification requirements.
- Industry standards.

Technical capacity building ensures that enterprises can effectively utilize upgraded technologies and maintain quality systems.

## Impact on Productivity and Efficiency

Technology adoption directly influences productivity.

Benefits include:

- Reduced production time.
- Lower wastage.
- Improved resource utilization.
- Better inventory control.
- Higher output quality.

Improved productivity strengthens profitability and business sustainability.

For small enterprises operating with limited resources, efficiency gains can significantly improve competitiveness.

## Supporting Export Competitiveness

International markets demand high-quality products and adherence to strict standards.

Technology and quality support help enterprises:

- Meet export requirements.
- Comply with international regulations.
- Improve product acceptance.
- Strengthen global competitiveness.

Certification and testing are often prerequisites for entering overseas markets.

Thus, technology and quality improvement contribute directly to export promotion.

## Economic Impact of Technology Upgradation

Technology modernization generates benefits that extend beyond individual enterprises.

Broader economic impacts include:

- Industrial modernization.
- Employment generation.
- Increased productivity.
- Enhanced innovation.
- Export growth.
- Improved manufacturing competitiveness.

A technologically strong MSME sector contributes significantly to national economic development.

## Challenges in Technology Adoption

Despite the benefits, several challenges remain.

### Financial Constraints

Technology upgrades often require significant investment.

### Awareness Gaps

Many entrepreneurs remain unaware of available support programmes.

### Skill Deficiencies

Technology adoption requires trained personnel.

### Resistance to Change

Some businesses hesitate to modify established processes.

### Certification Complexity

Obtaining certifications may appear complicated for first-time applicants.

Awareness, training, and financial assistance are therefore essential components of successful implementation.

## Role of Industry Associations and Professional Bodies

Industry associations, technical institutions, and chambers of commerce can play a vital role in promoting technology adoption and quality improvement.

They can support enterprises through:

- Awareness programmes.
- Technical workshops.
- Certification guidance.
- Technology demonstrations.
- Industry networking.

Organizations such as the International Navodaya Chamber of Commerce (INCOC), MSME associations, engineering institutions, and professional bodies can help bridge the gap between technology providers and entrepreneurs.

## Future Outlook

The future of business will be increasingly driven by technology, innovation, and quality excellence.

Emerging trends include:

- Artificial Intelligence.
- Smart manufacturing.
- Digital supply chains.
- Sustainable production.
- Green technologies.
- Data-driven decision making.

Enterprises that embrace these trends will be better positioned for long-term success.

Technology & Quality Improvement Support programmes will play a crucial role in preparing MSMEs, particularly SC/ST-owned enterprises, for this transformation.

## Conclusion

Technology & Quality Improvement Support under the National SC-ST Hub is a transformative initiative designed to strengthen the competitiveness, productivity, and sustainability of SC/ST-owned enterprises. By supporting technology adoption, testing, quality certification, process improvement, and innovation, the programme empowers entrepreneurs to meet modern market expectations and participate effectively in domestic and global value chains.

Quality and technology are no longer optional business considerations; they are strategic necessities for growth and survival. Through targeted support, training, certification assistance, and awareness initiatives, the programme helps enterprises overcome barriers and unlock new opportunities for expansion and profitability.

As India advances toward becoming a global manufacturing and innovation leader, technology-enabled and quality-driven MSMEs will play a central role in economic growth. By empowering entrepreneurs with the tools, knowledge, and confidence to innovate and excel, Technology & Quality Improvement Support contributes significantly to entrepreneurship development, industrial competitiveness, and inclusive national progress.


## 10. Information & Facilitation Support: Empowering SC/ST Entrepreneurs Through Guidance, Connectivity, and Access to Opportunities

### Introduction

Entrepreneurship is widely recognized as a key driver of economic growth, employment generation, innovation, and social development. Across India, the Government has introduced numerous schemes, policies, incentives, and support mechanisms to promote Micro, Small and Medium Enterprises (MSMEs) and encourage entrepreneurship among all sections of society. However, despite the availability of these opportunities, many aspiring and existing entrepreneurs face challenges in accessing them due to lack of information, procedural complexities, and limited institutional guidance.

For entrepreneurs belonging to Scheduled Castes (SCs) and Scheduled Tribes (STs), these challenges can be even more pronounced. Many first-generation entrepreneurs are unaware of the various government schemes, registration procedures, procurement opportunities, financial assistance programmes, technology support initiatives, and market development platforms available for their benefit. In many cases, opportunities remain underutilized simply because potential beneficiaries do not know where to begin or whom to approach.

Recognizing this critical gap, the Government of India has incorporated **Information & Facilitation Support** as a key component of the **National Scheduled Caste and Scheduled Tribe Hub (NSSH).** This initiative aims to provide comprehensive guidance and assistance to SC/ST entrepreneurs regarding finance, procurement, registrations, certifications, business development services, and various MSME schemes.

Information and facilitation support acts as a bridge between government initiatives and entrepreneurs. It ensures that businesses are not only aware of available opportunities but are also capable of accessing and utilizing them effectively. By simplifying processes and providing handholding support, the programme contributes significantly to entrepreneurship development, economic empowerment, and inclusive growth.

### Understanding Information & Facilitation Support

Information & Facilitation Support refers to a structured system of guidance, advisory services, awareness creation, and handholding assistance designed to help entrepreneurs navigate the business ecosystem.

The support mechanism typically covers:

- Government schemes and incentives.
- MSME registrations.
- Financial assistance programmes.
- Procurement opportunities.
- Technology support initiatives.
- Quality certification schemes.
- Market linkage programmes.
- Business development services.
- Regulatory compliance requirements.

The objective is to ensure that entrepreneurs receive timely and accurate information, enabling them to make informed decisions and access available support systems.

For SC/ST-owned enterprises, facilitation services help overcome information barriers and improve participation in entrepreneurship development programmes.

### The Importance of Information in Entrepreneurship

Information is often described as the foundation of successful decision-making.

An entrepreneur's ability to access and utilize information can influence:

- Business planning.
- Investment decisions.
- Market expansion.
- Financial management.
- Technology adoption.
- Regulatory compliance.
- Risk management.

Many business failures occur not because of a lack of capability but because entrepreneurs are unaware of available resources and opportunities.

Information support empowers entrepreneurs to:

- Identify suitable schemes.
- Access funding opportunities.
- Understand compliance requirements.
- Connect with buyers.
- Adopt best business practices.

Thus, information serves as a critical enabler of enterprise growth and sustainability.

### Objectives of Information & Facilitation Support

The programme is designed to achieve multiple objectives.

### Creating Awareness

The primary objective is to increase awareness regarding government schemes and support mechanisms.

## Simplifying Access

Facilitation services help entrepreneurs navigate complex procedures and application processes.

## Promoting Entrepreneurship

Guidance and support encourage individuals to establish and expand businesses.

## Enhancing Utilization of Schemes

Many government programmes remain underutilized due to lack of awareness. Facilitation services improve uptake and effectiveness.

## Supporting Inclusive Growth

The initiative ensures that SC/ST entrepreneurs can access the same opportunities available to other sections of society.

## Strengthening Institutional Linkages

Entrepreneurs are connected with financial institutions, procurement agencies, technical organizations, and business support providers.

## Guidance on MSME Registrations

Registration is often the first step in formalizing a business.

Information & Facilitation Support helps entrepreneurs understand and complete essential registrations such as:

## Udyam Registration

Udyam Registration provides official recognition as an MSME and enables access to various government benefits.

## GST Registration

Entrepreneurs receive guidance regarding Goods and Services Tax registration and compliance.

## PAN and Tax Registrations

Assistance is provided regarding tax-related registrations and procedures.

## GeM Registration

Entrepreneurs are guided on registration as sellers on the Government e-Marketplace (GeM).

## NSIC Registration

Support is available for schemes such as the Single Point Registration Scheme (SPRS).

Formal registration strengthens business credibility and improves access to government support programmes.

## Financial Assistance Guidance

Access to finance remains one of the biggest challenges faced by MSMEs.

Information & Facilitation Support helps entrepreneurs identify suitable financing options and understand application procedures.

Areas covered include:

## Bank Loans

Guidance regarding:

- Term loans.
- Working capital finance.
- Cash credit facilities.
- Overdraft facilities.


## Government Credit Schemes

Entrepreneurs receive information regarding various government-supported credit programmes.

## Credit Guarantee Mechanisms

Awareness is created regarding collateral-free lending opportunities.

## Subsidy Schemes

Facilitation support helps entrepreneurs access capital subsidies and financial assistance programmes.

## Venture Capital and Startup Funding

Emerging enterprises receive information regarding investment opportunities and startup support initiatives.

Improved awareness enhances access to institutional finance and strengthens business growth.

## Procurement Facilitation Support

Government procurement represents a significant business opportunity for MSMEs.

However, many entrepreneurs find procurement procedures complex and difficult to navigate.

Information & Facilitation Support assists entrepreneurs in understanding:

- Public Procurement Policy.
- Tender participation.
- Vendor registration.
- Supplier diversity programmes.
- Procurement opportunities in CPSEs.
- Government e-Marketplace operations.

This support improves procurement readiness and encourages participation in institutional purchasing programmes.

## Government e-Marketplace (GeM) Support

The Government e-Marketplace has transformed public procurement by creating a transparent and technology-driven platform.

Facilitation services help entrepreneurs:

- Register as sellers.
- Upload product catalogs.
- Participate in bids.
- Manage online orders.
- Understand digital procurement procedures.

GeM participation enables SC/ST enterprises to access government buyers across India and expand market reach.

## Guidance on MSME Schemes

The Government of India operates numerous schemes for MSME development.

Information support ensures that entrepreneurs understand the objectives, eligibility criteria, and benefits of these programmes.

Examples include:

- Technology upgradation schemes.
- Credit support programmes.
- Market development initiatives.
- Entrepreneurship development programmes.
- Quality certification assistance.
- Export promotion schemes.
- Skill development programmes.

Facilitators help entrepreneurs identify schemes most relevant to their business needs.

## Technology and Innovation Support

Technology adoption is increasingly important for business competitiveness.

Information & Facilitation Support helps enterprises understand:

- Technology modernization opportunities.
- Digital transformation initiatives.
- Automation solutions.
- Innovation support programmes.
- Research and development assistance.

Entrepreneurs receive guidance regarding available technology support mechanisms and implementation strategies.

## Quality Certification Assistance

Quality certification enhances business credibility and market acceptance.

Facilitation services provide guidance regarding:

- ISO certifications.
- Product testing.
- Quality standards.
- Certification procedures.
- Compliance requirements.

Certified enterprises often enjoy improved market access and procurement opportunities.


## Market Linkage and Business Development Support

Business growth ultimately depends on market access.

Information & Facilitation Support helps entrepreneurs connect with:

- Government buyers.
- Corporate procurement teams.
- Industry associations.
- Trade fairs and exhibitions.
- Digital marketplaces.
- Export promotion agencies.

These connections create opportunities for sales growth and business expansion.

## Capacity Building and Skill Development

Facilitation services often include referrals to training programmes and skill development initiatives.

Entrepreneurs receive information regarding:

- Entrepreneurship development programmes.
- Business management training.
- Financial literacy workshops.
- Marketing and branding sessions.
- Digital skills training.

Continuous learning strengthens business performance and competitiveness.

## Role of Facilitation Centres

Facilitation centres serve as one-stop support platforms for entrepreneurs.

Their functions include:

- Information dissemination.
- Application assistance.
- Documentation support.
- Referral services.
- Scheme guidance.
- Follow-up assistance.

Such centres simplify interactions with government agencies and support institutions.

For first-generation entrepreneurs, facilitation centres often become trusted partners in business development.

## Benefits for SC/ST Entrepreneurs

Information & Facilitation Support offers numerous advantages.

## Improved Awareness

Entrepreneurs become aware of opportunities previously unknown to them.

## Easier Access to Schemes

Guidance reduces procedural barriers and simplifies applications.

## Enhanced Confidence

Support services improve entrepreneurial confidence and decision-making.

## Better Resource Utilization

Businesses can access the most suitable programmes and incentives.

## Stronger Institutional Connections

Entrepreneurs develop relationships with support organizations and stakeholders.

## Increased Business Growth

Access to information leads to improved utilization of opportunities and stronger business performance.

## Contribution to Inclusive Economic Development

The programme contributes directly to inclusive growth by ensuring that information and opportunities reach underserved communities.

Its broader economic benefits include:

- Increased entrepreneurship.
- Employment generation.
- Financial inclusion.
- Enterprise formalization.
- Market participation.
- Economic empowerment.

By reducing information asymmetry, the programme creates a more equitable business environment.

## Challenges in Information Dissemination

Despite significant progress, several challenges remain.

## Awareness Gaps

Many entrepreneurs in rural and remote areas remain unaware of available services.

## Information Overload

The large number of schemes can sometimes create confusion.

## Digital Divide

Limited digital literacy may restrict access to online information.

## Language Barriers

Information may not always be available in local languages.

Continuous outreach and localized support mechanisms are therefore essential.

## Role of Industry Associations and Chambers of Commerce

Industry associations and chambers of commerce play an important role in extending information and facilitation support.

Organizations such as the International Navodaya Chamber of Commerce (INCOC), professional institutes, MSME associations, and entrepreneurship development organizations can:

- Conduct awareness programmes.
- Organize workshops and seminars.
- Facilitate networking opportunities.
- Provide mentoring and advisory services.
- Assist entrepreneurs in accessing government schemes.

Such organizations help bridge the gap between policy and implementation.


## Future Outlook

As India's entrepreneurial ecosystem becomes increasingly digital and interconnected, the importance of information and facilitation services will continue to grow.

Future developments may include:

- Digital facilitation platforms.
- AI-enabled advisory systems.
- Integrated entrepreneur support portals.
- Mobile-based guidance services.
- Virtual mentoring networks.
- Real-time scheme information systems.

These innovations will further improve accessibility and effectiveness.

## Conclusion

Information & Facilitation Support under the National SC-ST Hub is a vital initiative that empowers entrepreneurs by providing guidance, connectivity, and access to opportunities. By assisting SC/ST enterprises with finance, procurement, registrations, certifications, technology adoption, and MSME schemes, the programme helps entrepreneurs navigate the business ecosystem with confidence and clarity.

Information is often the first and most important step toward economic empowerment. When entrepreneurs understand available opportunities and receive the support needed to access them, they are better positioned to establish sustainable enterprises, create employment, and contribute to economic growth.

As India continues to strengthen its entrepreneurial ecosystem and promote inclusive development, Information & Facilitation Support will remain a cornerstone of empowerment for SC/ST entrepreneurs. By transforming information into action and opportunities into success, the programme plays a critical role in building a stronger, more inclusive, and prosperous economy.

**Sandeep Kumar (FCMA, CA)**

President - International Navodaya Chamber of Commerce

# Analysis of Notifications & Circulars – April 2026

**Income Tax, GST, Central Excise, Custom Duty, DGFT, SEBI, MCA, IBBI, RBI**
**(Click the Link for Notification/ Circular as issued)**


## A. Income Tax

**Income Tax Rules Notification 20/2026- Corrections due to Technical Errors:** The corrigendum corrects multiple clerical, typographical, and referencing errors in earlier notification dated 20th March 2026. The key changes include replacing incorrect section references with proper rule citations, standardizing terminology, correcting numbering formats, and removing redundant or erroneous entries. The updates also streamline compliance requirements, such as replacing 'PAN/Aadhaar' with 'PAN' and omitting Aadhaar related fields in certain forms.

(Link: Income Tax Notification 64/2026 Dated 10/04/2026)

**Income tax return Form U (ITR-U) Notification Corrigendum:** CBDT has issued a corrigendum to rectify errors in ITR forms notified vide notification 52/2026 dated 30th March 2026. The correction relates to formatting issue in Part A (General Information), ensuring that the phrase 'Wrong heads of income chosen' is presented as a separate line following 'Loss not reported correctly (in case of reduction of loss)'.

(Link: Income Tax Notification 63/2026 Dated 10/04/2026)

**Income tax return Form 7 (ITR-7) Notification Corrigendum:** CBDT has issued a corrigendum to rectify errors in ITR forms notified vide notification 50/2026 dated 30th March 2026. The corrections relates to Schedule I, Schedule CG, Schedule OS, Schedule CYLA, and Part B-TI. The key changes include interchanging greyed and blank cells for specific assessment years, deletion and omission of certain rows and sub rows, insertion of a new row relating to pass through income or loss under short term capital gains, and correction of references to schedule totals.

(Link: Income Tax Notification 62/2026 Dated 10/04/2026)

**Income tax return Form 6 (ITR-6) Notification Corrigendum**: CBDT has issued a corrigendum to rectify errors in ITR forms notified vide notification 49/2026 dated 30th March 2026. The corrections include substituting incorrect words, figures, and references across sections such as Balance Sheet (Part A-BS), Profit & Loss (Part A-P&L), Schedule BP, Schedule CG, Schedule 112A, Schedule 115AD, Schedule UD, and Schedule MATC.

(Link: Income Tax Notification 61/2026 Dated 10/04/2026)

**Income tax return Form 5 (ITR-5) Notification Corrigendum:** CBDT has issued a corrigendum to rectify errors in ITR forms notified vide notification 48/2026 dated 30th March 2026. In Schedule CG, row A8 has been amended to correctly reflect the computation formula by replacing '(A8a A8b + A8c)' with '(A8a + A8b + A8c)', thereby ensuring mathematical clarity and accurate aggregation of values. In Schedule UD, incorrect cross-references under columns (4) and (5) have been corrected by substituting '(3xvi of BFLA)' and '(4xvi of BFLA)' with '(3xv of BFLA)' and '(4xv of BFLA)'.

(Link: Income Tax Notification 60/2026 Dated 10/04/2026)

**Income tax return Form 3 (ITR-3) Notification Corrigendum:** CBDT has issued a corrigendum to rectify errors in ITR forms notified vide notification 47/2026 dated 30th March 2026. The corrections relate to Schedule CG (Capital Gains) and Schedule OS (Other Sources). In Schedule CG, Part B, a formatting inconsistency in row 9, sub-row a(iii), has been rectified by replacing 'i. Total (ic + ii)' with 'Total (ic + ii)' to ensure clarity.

(Link: Income Tax Notification 59/2026 Dated 10/04/2026)

**Income tax return Form 2 (ITR-2) Notification Corrigendum:** CBDT has issued a corrigendum to rectify errors in ITR forms notified vide notification 46/2026 dated 30th March 2026. The key corrections include revising figure references in Schedule CG, correcting marginal headings, omitting redundant columns in Schedules 112A and 115AD, and rectifying typographical errors in Schedule OS and Schedule CFL.

(Link: Income Tax Notification 58/2026 Dated 10/04/2026)

**Income tax return Form 1 and 4 (ITR-1 & ITR-4) Notification Corrigendum:** CBDT has issued a corrigendum to rectify errors in ITR forms notified vide notification 45/2026 dated 30th March 2026. In ITR-1, Schedule-IT has been substituted to provide a structured format for reporting advance tax and self-assessment tax payments, including fields such as BSR code, date of deposit, challan serial number, and tax paid. In ITR-4, amendments have been made in Part B under 'Gross Total Income', specifically within the salary schedule, where sub-row numbering has been corrected and a typographical error has been rectified.

(Link: Income Tax Notification 57/2026 Dated 10/04/2026)


**Memorandum of Understanding (MoU) between India and Japan for assistance in the collection of taxes under DTAA:** The MoU establishes a framework for cooperation in tax recovery between the two countries. Indian authorities can now seek and provide assistance to Japan for tax recovery in eligible cases.

(Link: Income Tax Notification 56/2026 Dated 31/03/2026)

**SC, No TDS on Reinsurance Payments as Brokers not Permanent Establishment:** Case of PCIT vs Cholamandalam MS General Insurance Company Ltd, SC Judgement Dated 6th April 2026. The apex court confirms that reinsurance premiums paid to non-resident reinsurers are not taxable in India (no TDS), foreign brokers do not constitute a Permanent Establishment (PE), and insurance companies are not liable for Minimum Alternate Tax (MAT) under Section 115JB.

(Link: SC Judgement Dated 06/04/2026)

**SC, No TCS on Compounding Fees as Illegal Mining lacks Legal Contract or Licence:** Case of DCIT (TDS) vs District Mining Officer, SC Judgement Dated 2nd April 2026. The apex court affirmed HC ruling that Tax Collected at Source (TCS) under Section 206C(1C), is not applicable on compounding fees collected from illegal mining activities.

(Link: SC Judgement Dated 02/04/2026)

**SC Upholds Non-Taxability of Online Platform Income due to Failure of 'Make Available' Test:** Case of CIT (International Taxation) vs Coursera Inc, SC Judgement Dated 1st April 2026. The apex court held that income earned by the US based Coursera from its online learning platform is not taxable as Fees for Technical Services (FTS/FIS) in India. The court confirmed that respondent services failed the 'make available' test under the India-USA Double Taxation Avoidance Agreement (DTAA).

(Link: SC Judgement Dated 01/04/2026)

**HC, Interest on deposits linked to business setup was capital receipt and not taxable as Income From Other Sources:** Case of VNG Automotive Private Limited vs ACIT, HC Delhi Judgement Dated 10th April 2026. HC held that interest earned on funds borrowed for setting up a business, and temporarily parked in deposits, is not taxable as 'income from other sources' but should be capitalized and set off against pre-operative expenses.

(Link: HC Delhi Judgement Dated 10/04/2026)

**HC, Condonation denial invalid as CBDT Circular cannot be Applied Restrictively:** Case of Vrg Electronics Pvt Ltd vs PCIT, HC Delhi Judgement Dated 9st April 2026. High Court ruled that CBDT Circular 11/2024 regarding the condonation of delays (under Section 119(2)(b)) applies to all genuine cases, regardless of the Assessment Year. The court quashed the PCIT order, finding that an accountant lapse causing a delay in filing Form 10-IC constitutes a genuine hardship, not a reason to deny tax benefits. It held that circulars meant for mitigating genuine hardship cannot be restricted to specific years.

(Link: HC Delhi Judgement Dated 09/04/2026)

**HC, Buyback not taxable as Property Acquisition due to Share Extinguishment:** Case of PCIT vs Globe Capital markets Ltd, HC Delhi Judgement Dated 7th April 2026. HC held that buy-back of shares results in reduction of share capital and extinguishment of the shares. It considered that once the shares are bought back, they cease to exist and are not retained as assets. Therefore, the concept of 'acquisition of property' does not apply in such cases. It held that treating such transactions as generating deemed income is legally untenable.

(Link: HC Delhi Judgement Dated 07/04/2026)

**HC Seeks CBDT clarification on Tax on Partner Remuneration:** Case of Rajeev Sawhney vs Assessment Unit, HC Delhi Judgement Dated 1st April 2026. The petitioner contended that the partnership firm had already paid tax on these amounts, and therefore, taxing them again in the hands of the partner was not justified. It was argued that the Assessing Officer relied on Section 10(2A) Explanation and Section 28(v) of the Income Tax Act, 1961 without considering the proviso and its implications. The court directed the Central Board of Direct Taxes (CBDT) to examine the issue and issue an appropriate clarification.

(Link: HC Delhi Judgement Dated 01/04/2026)

**HC, Interest not taxable due to Direct Nexus with Real Estate Project:** Case of PCIT vs Brahma Center Development Pvt Ltd, HC Delhi Judgement Dated 23rd September 2025. HC held that interest earned on fixed deposits (FDRs) created from project-linked funds (foreign direct investment/loans) is a capital receipt, not taxable as 'income from other sources'. The court found the interest had a direct, inseparable nexus to the real estate project, permitting it to be adjusted against project costs.

(Link: HC Delhi Judgement Dated 23/09/2025)

## B. GST

**Extension of due date of March GSTR-3B to 21st April 2026:** The notification extends the due date for furnishing the return in FORM GSTR-3B for the month of March 2026. The registered persons required to furnish returns under section 39(1) read with rule 61(1)(i), can now file the return up to 21st April 2026. The extension applies to the relevant class of taxpayers obligated to file monthly returns under the provisions.

(Link: CGST Notification 01/2026 dated 21/04/2026)

**Harmonisation of GST Classification Framework for Non-Alcoholic Beverages:** The notification seek to align GST tariff references with revised customs tariff classifications and provide greater clarity in the taxation framework applicable to fruit juice-based drinks, milk-based beverages, caffeinated beverages and other non-alcoholic drinks classified under tariff heading 2202. Changes relate to the classification of these goods across Schedule I (5%) and Schedule III (40%).

(Link: CGST Notification 01/2026 (Rate), IGST Notification 01/2026 (Rate), UTGST Notification 01/2026 (Rate) all Dated 30/04/2026)

**GSTN Advisory on Introduction of IMS Offline Tool:** The Invoice Management System (IMS) was introduced on the GST portal from the October 2024 tax period enabling the taxpayers to take actions on invoices uploaded by their suppliers through GSTR-1, GSTR-1A, or IFF, including accepting, rejecting, or keeping such records pending in the system. An IMS Offline Tool has now been introduced in the GST system. It is based on MS excel making it easy to use by the taxpayers and it enables them to undertake actions on both individual as well as bulk invoices in an efficient manner.

(Link: GSTN Advisory Dated 21/04/2026, Tutorial Attachment)

**GSTN Advisory on Re-computation of Interest under Table 5.1 of GSTR3B:** The advisory relates to incorrect system calculated interest auto-populated in Table 5.1 of GSTR-3B for February 2026 period due to a technical glitch. The taxpayers have been provided an option to recompute interest using the 'RE-COMPUTE INTEREST' feature in Table 5.1. The revised interest is reflected in the system generated GSTR3B. Taxpayers are advised to verify the updated values and manually edit the auto-populated figures accordingly, ensuring that the declared interest is not less than the recomputed amount.

(Link: GSTN Advisory Dated 16/04/2026, Tutorial Attachment)

**GSTN, Advisory on Pre-deposit Percentage in the GST Portal:** While filing an appeal in Form APL-01 on the GST portal, the pre-deposit percentage is auto-populated as 10% in accordance with Section 107(6) of the CGST Act, and was previously non-editable. It has now made the pre-deposit field editable at the time of filing the appeal, so as to allows taxpayers to modify the pre-deposit percentage as applicable to their specific case and calculate and pay the required amount accordingly.

(Link: GSTN Advisory Dated 10/04/2026)

**GSTN Advisory, Clarifications on Appeal Rights due to incorrect NIL demand in Adjudication Orders:** The GSTN has issued a clarification addressing difficulties faced by taxpayers in filing appeals on the GST portal where adjudication orders reflect a "NIL" demand despite disputes on tax liability. This issue arises when taxpayers make voluntary payments at the Show Cause Notice (SCN) stage without admitting liability, and the adjudicating authority treats such payments as full discharge without determining the actual liability. GSTN clarified that such payments do not amount to acceptance of liability and taxpayers retain the right to appeal. As a remedy, taxpayers are advised to seek a rectification order from the adjudicating authority to reflect the correct demand, after which appeals can be filed within prescribed timelines.

(Link: GSTN Advisory Dated 03/04/2026)

**AAAR, ITC Denied on Lease Rentals as Land Used for Factory Construction:** Case of Agratas Energy Storage Solutions Pvt Ltd, AAAR Gujarat Ruling Dated 4th April 2026. The appellate authority upheld that the applicant cannot claim Input Tax Credit on GST paid for annual land lease rentals used for factory construction. It ruled that ITC is blocked under Section 17(5)(d) of the CGST Act, as the lease is considered part of construction.

(Link: AAAR Gujarat Ruling Dated 04/04/2026)

**AAAR, Geomembranes are Textile Goods Under Chapter 59:** Case of Deputy Commissioner Central GST vs Shree Ambica Geotex Pvt Ltd, AAAR Gujarat Ruling Dated 2nd April 2026. AAAR held that the geomembranes manufactured by the respondent are correctly classifiable under HSN 5911 as textile products used for technical purposes.

(Link: AAAR Gujarat Ruling Dated 02/04/2026)

**AAAR, ITC Denied on Leasehold Rights as Linked to Construction of Immovable Property:** Case of Inox Air Products Pvt Ltd, AAAR Tamil Nadu Ruling Dated 18th March 2026. AAAR upheld the denial of ITC on GST paid for the transfer of leasehold rights, concluding that the transaction was linked to construction of an immovable property on the appellant own account and thus fell within the blocked credit provisions.

(Link: AAAR Tamil Nadu Ruling Dated 18/03/2026)

**AAR, ITC Allowed as Machinery Foundation qualifies as Plant & Machinery:** Case of Cadila Pharmaceuticals Limited, AAR Gujarat Ruling Dated 1st April 2026. AAR ruled that the applicant is eligible to avail ITC on input services used for construction of such foundation and structural support within the factory premises, as they are used for plant and machinery involved in manufacturing activities.

(Link: AAR Gujarat Ruling Dated 01/04/2026)

**AAR, ITC Allowed on Foundation & structural support work for Plant & Machinery:** Case of CPL Pharmaceuticals Private Limited, AAR Gujarat Ruling Dated 1st April 2026. AAR ruled that the applicant is eligible to avail ITC on input services used for construction of foundation and structural support for plant and machinery used in manufacturing.

(Link: AAR Gujarat Ruling Dated 01/04/2026)

**AAR, No GST on NSDC Digital Marketing Courses falling under Skill Development Scheme:** Case of ASDM Institute Private Limited, AAR Gujarat Ruling Dated 1st April 2026. The applicant is engaged in providing digital marketing training courses as part of the Government's Skill India initiative. AAR ruled that the applicant is eligible for GST exemption on its training services, subject to the treatment of the intervening period in accordance with the circular.

(Link: AAR Gujarat Ruling Dated 01/04/2026)

**AAR, Biodegradable nature of bags is outside scope, GST rate depends on Classification:** Case of Sunita Kohli, AAR Rajasthan Ruling Dated 27th March 2026. AAR clarified that determining if a product is 'biodegradable' falls outside its scope. The bags, if made from polymer or composite plastic are classified under chapter 39, and if made from paper are classified under chapter 48. This classification is independent of whether material is biodegradable or not. AAR held that if the bags are biodegradable, the benefit of entry 319 schedule I would be available and GST @ 5% will be applicable.

(Link: AAR Rajasthan Ruling Dated 27/03/2026)

**AAR, Online Coaching not OIDAR as Human Intervention Dominates Service:** Case of Allen Career Institute Private Limited, AAR Rajasthan Ruling Dated 25th March 2026. AAR clarified that online coaching services provided by the party do not qualify as "Online Information and Database Access or Retrieval" (OIDAR) services because human intervention remains the dominant component. The sessions involve real-time faculty interaction and guidance.

(Link: AAR Rajasthan Ruling Dated 25/03/2026)

**AAR, GST applicable on Capital Contribution of Leasehold Property due to Supply of Service:** Case of Aryapride Hotel and convention Private Limited, AAR Odisha Ruling Dated 18th March 2026. AAR held that the contribution of developed leasehold land and constructed structure to the LLP constitutes a taxable supply of service and is not covered under the exclusion for sale of immovable property.

(Link: AAR Odisha Ruling Dated 18/03/2026)

**AAR, Biodiesel Blend classification due to Petroleum Content Threshold Rule:** Case of MII Energy Transition Pvt Ltd, AAR Karnataka Ruling Dated 16th March 2026. AAR held that B20 (20% biodiesel, 80% HSD) is classified under tariff item 27102020 as a diesel fuel blend (B6 to B20). B30 (30% biodiesel, 70% HSD) is classified under sub-heading 271020 but under the residual tariff item 27102090 due to absence of a specific entry. For blends B40, B50, B60, and B70, where petroleum content is below 70%, classification is held under Heading 3826, specifically tariff item 38260000.

(Link: AAR Karnataka Ruling Dated 16/03/2026)


**AAR, GST Exemption allowed on Pure Labour Services for Single Residential Units:** Case of House Construct Infra (Krishnappa Gangadhar), AAR Karnataka Ruling Dated 16th March 2026. AAR held that the services provided by the applicant satisfied all the conditions prescribed under entry No. 11 of notification 12/2017. Accordingly, such services were held to be exempt from GST, subject to the condition that they continue to qualify as pure labour contracts for original works relating to single standalone residential units and are not part of any residential complex.

(Link: AAR Karnataka Ruling Dated 16/03/2026)

**AAR, GST Payable on Emergency Training Courses as not Charitable Activities:** Case of Jeeva Raksha Trust, AAR Karnataka Ruling Dated 16th March 2026. AAR ruled that activities carried out b the applicant are classifiable under 'Commercial Training and Coaching Services', and are liable to GST at rate of 18%.

(Link: AAR Karnataka Ruling Dated 16/03/2026)

**AAR, GST Exemption allowed on Exam Paper Printing as it Relates to Conduct of Examination:** Case of Codeword Process and Printers, AAR Karnataka Ruling Dated 16th March 2026. AAR ruled that the printing of examination question papers supplied to universities is exempt from GST, as it constitutes a service relating to the conduct of examinations by an educational institution.

(Link: AAR Karnataka Ruling Dated 16/03/2026)

**AAR, Water Charges Taxable as part of RWA Services due to Composite Supply:** Case of Prestige North West Country Owners Association, AAR Karnataka Ruling Dated 16th March 2026.

AAR held that the supply of water by the association is part of the services rendered by the association. Such services are taxable under SAC 999598 at the rate of 18% GST, subject to the threshold conditions.

(Link: AAR Karnataka Ruling Dated 16/03/2026)

**AAR, GST not applicable on Bank Rebates as No Supply Involved:** Case of John Distilleries Pvt Ltd, AAR Karnataka Ruling Dated 16th March 2026. AAR held that the rebates arisen from the corporate cars arrangement with the bank are merely transactions in money. Sch rebates represent a monetary adjustment by the bank based on corporate card usage and do not involve any supply of goods or services. Therefore, such rebates are not liable to GST.

(Link: AAR Karnataka Ruling Dated 16/03/2026)

**AAR, GST on Pooja Oil fixed at 5% due to classification as Inedible Vegetable Oil Mixture:** Case of Sapna Hitech private Limited, AAR Maharashtra Ruling Dated 27th February 2026. AAR held that 'Pooja Oil', an inedible mixture of various vegetable oils, is classified under Chapter Heading 1518 of the GST tariff. It is covered under entry number 96 of Schedule I of tax rate notification, attracting GST @ 5%.

(Link: AAR Maharashtra Ruling Dated 27/02/2026)

**AAR, GST on Canteen charges as salary deduction Qualifies as Consideration:** Case of Carraro India Pvt Ltd, AAR Maharashtra Ruling Dated 27th February 2026. AAR held ruled that GST applies to the nominal amounts deducted from employee salaries for canteen services. It held that such deductions qualify as consideration for services, rendering them subject to GST.

(Link: AAR Maharashtra Ruling Dated 27/02/2026)


**AAR, Employee Facility recoveries taxable, Notice Pay not taxable Under GST:** Case of Sigma Electric Manufacturing Corporation Pvt Ltd, AAR Maharashtra Ruling Dated 27th February 2026. AAR ruled that recoveries made from employees for canteen and transport facilities provided by the company are taxable under GST. It also ruled that notice pay recovered from an employee who leaves without serving the full notice period is not subject to GST.

(Link: AAR Maharashtra Ruling Dated 27/02/2026)

**AAR, Printing treated as Service when Content Not Owned:** Case of Maharashtra State Bureau of Textbook Production & Curriculum Research, AAR Maharashtra Ruling Dated 27th February 2026. AAR ruled that since the content is not owned by the applicant and is supplied by the customer, the supply of such printed books would amount to supply of printing services and chargeable to GST @ 18%.

(Link: AAR Maharashtra Ruling Dated 27/02/2026)

**AAR, Crushing & Sizing of Limestone not Manufacture as no new Product Emerges:** Case of Bisra Stone Lime Company Limited, AAR Odisha Ruling Dated 30th January 2026. AAR held that the processes of crushing, screening, and sizing do not result in manufacture, as there is no emergence of a new product with distinct name, character, and use. The activity remains a service in the nature of job work.

(Link: AAR Odisha Ruling Dated 30/01/2026)

**HC, Parallel GST Proceedings by Centre & State on Same Issue Barred:** Case of HM Steels Limited vs Joint Commissioner, HC Himachal Judgement Dated 9th April 2026. HC held that Goods and Services Tax (GST) authorities should coordinate with each other to prevent duplicate or parallel proceedings on the identical subject matter. The Court mentioned that Section 6(2)(b stops parallel adjudication, but summons or investigation steps do not indicate the start of proceedings. It stated that an investigation, such as a summons, can continue. It mentioned that if one authority begins proceedings, another authority could not start parallel adjudication.

(Link: HC Himachal Judgement Dated 09/04/2026)

**HC, GST Refund Allowed on Scrap as it qualifies as Manufactured Good Under Scheme:** Case of Vijay Steel Industries vs UT of Jammu & Kashmir, HC J&K Judgement Dated 8th April 2026. HC ruled that MS Scrap generated during TMT/CTD bar manufacturing is eligible for GST reimbursement under the state industrial policy. The court rejected the tax department refusal to reimburse taxes on scrap, holding that it is a direct residue of the specified manufacturing process.

(Link: HC J&K Judgement Dated 08/04/2026)

**HC, Contractor entitled to GST Rate Increase refund due to Statutory Price Adjustment Clause:** Case of NG Gadhiya vs State of Rajasthan, HC Rajasthan Judgement Dated 25th March 2026. HC directed refund of an additional 6% GST to a contractor, deeming the state corporation denial of this benefit 'arbitrary and discriminatory'. The contractors are entitled to reimbursement for increased tax liability arising from contract amendments or rate changes.

(Link: HC Rajasthan Judgement Dated 25/03/2026)


## C. Central Excise

**Excise duty on exports of diesel will be Rs. 23 per litre (SAED as Rs. 23 and RIC as Nil), exports of ATF Rs. 33 per litre (SAED only) and Nil duty on exports of petrol:** Export levies [Special Additional Excise Duty (SAED)/Road and Infrastructure Cess (RIC)] on the exports of petrol, diesel and aviation turbine fuel (ATF) were introduced with effect from 27th March, 2026 so as to ensure domestic availability of petroleum products by disincentivising exports in the backdrop of the West Asia crises. The rates are being revised on a fortnightly basis. The rates notified for the fortnight beginning 1st May, 2026 prescribes, the rate of duty on exports of diesel as Rs. 23 per litre (SAED - Rs. 23 and RIC - Nil). Further, the rate of duty on exports of ATF will be Rs. 33 per litre (SAED only). The rate of duty on exports of Petrol continues to remain Nil. There is no change in the existing excise duty rates on petrol and diesel cleared for domestic consumption.

(Link: Central Excise Notification 19/2026 (T), 20/2026 (T), and 20/2026 (T) all Dated 30/04/2026)

**Road and Infrastructure Cess (RIC) on Diesel Exports increased to Rs 31.5 per Litre:** The notification amends earlier notification 11/2026 dated 26th March 2026 relating to Road and Infrastructure Cess on exports of high speed diesel oil outside India. The entry in relevant column has been substituted with 'Rs. 31.5 per litre' (earlier Rs 9.5 per litre).

(Link: Central Excise Notification 18/2026 (T) Dated 11/04/2026)

**Special Additional Excise Duty (SAED) on ATF Exports increased to Rs 42 per Litre:** The notification amends earlier notification 08/2026 dated 26th March 2026 relating to Special Additional Excise Duty on exports of Aviation Turbine Fuel (ATF) outside India. The entry in relevant column has been substituted with 'Rs. 42 per litre' (earlier Rs 29.5 per litre).

(Link: Central Excise Notification 17/2026 (T) Dated 11/04/2026)

**Special Additional Excise Duty (SAED) on Diesel Exports increased to Rs 24 per Litre:** The notification amends earlier notification 06/2026 dated 26th March 2026 relating to Special Additional Excise Duty on exports of high speed diesel oil outside India. The entry in relevant column has been substituted with 'Rs. 24 per litre' (earlier Rs 12 per litre).

(Link: Central Excise Notification 16/2026 (T) Dated 11/04/2026)

**Road and Infrastructure Cess (RIC) on Diesel increased to Rs 36 per Litre:** The notification amends the Sixth Schedule to the Finance Act 2018, for revising the tariff rate of Road and Infrastructure Cess applicable to high speed diesel oil. The entry in relevant column has been substituted with 'Rs. 36 per litre'

(Link: Central Excise Notification 15/2026 (T) Dated 11/04/2026)

**Special Additional Excise Duty (SAED) on Diesel increased to Rs 24 per Litre:** The notification amends the Eighth Schedule to the Finance Act 2002, for revising the tariff rate of Special Additional Excise Duty on high speed diesel oil. The entry in relevant column has been substituted with 'Rs. 24 per litre'.

(Link: Central Excise Notification 14/2026 (T) Dated 11/04/2026)

**SC, Excise Duty exemption notifications based on "Intended Use" must be Liberally Construed in Assessee Favour:** Case of Rashtriya Chemical & Fertilizers Ltd vs Commissioner of Central Excise and Service Tax, SC Judgement Dated 24th March 2026. The apex court that excise duty exemption on Naphtha, intended for fertilizer production, applies even if part of it is indirectly used for other activities within an integrated plant.

(Link: SC Judgement Dated 24/03/2026)

## D. Custom Duty

**Amendments in various customs notifications for rationalisation and alignment of tariff classifications:** The notification amends a wide range of earlier notifications issued between 2004 and 2026, covering sectors such as electronic components, beverages, railway equipment, industrial chemicals, leather products, machinery parts, air-conditioning equipment, paper products, and food preparations. These amendments have been carried out with the objective of updating tariff entries, streamlining customs classification references, and ensuring consistency across exemption notifications and duty schedules.

(Link: Customs Notification 14/2026 (T) Dated 30/04/2026)

**Exemption of AIDC on Ammonium Nitrate till June 2026:** The Central Government has reduced the effective AIDC rate on Ammonium Nitrate (tariff item 3102 30 00) to 'Nil', and it will remain valid until 30th June 2026.

(Link: Customs Notification 13/2026 (T) Dated 01/04/2026)

**Customs Duty waived on specified Petrochemicals Products till June 2026:** The basic customs duty (BCD) has been exempted on import of goods listed in the Table annexed to the notification, covering various chemicals, petrochemicals, and polymer products classified under specified tariff headings of the Customs Tariff Act. These include substances such as anhydrous ammonia, toluene, styrene, methanol, isopropyl alcohol, ammonium nitrate, among others.

(Link: Customs Notification 12/2026 (T) Dated 01/04/2026)

**Fixation of Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver:** CBDT notified the Tariff Values of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver, which shall come into force w.e.f. 1st May 2026. The tariff value for crude palm oil is set at USD 1202 per metric ton, while gold and silver have tariff values of USD 1456 per 10 grams and USD 2360 per kilogram, respectively. The tariff value for areca nuts is fixed at USD 9155 per metric ton.

(Link: Customs Notification 42/2026 (NT) Dated 30/04/2026)

**Duty Drawback Rate revised for Gold jewellery & Silver Jewellery/Articles:** The notification amends earlier notification 77/2023 dated 20th October 2023, revising the All Industry Rates (AIR) of duty drawback for specified gold and silver jewellery and articles. It substitutes the existing drawback rates for tariff items 711301, 711302, and 711401 under Chapter 71 with updated figures.

(Link: Customs Notification 41/2026 (NT) Dated 24/04/2026)

**Hirnoda (Jaipur) notified for Import Export Handling:** The notification amends earlier notification No. 12/97 dated 2nd April 1997, by adding a new customs location at Village Hirnoda, Jaipur, designated for the unloading of imported goods and loading of export goods, or specified classes. It also makes a technical correction by renumbering 'Kishangarh' from item (x) to (xi) in the table relating to Rajasthan.

(Link: Customs Notification 40/2026 (NT) Dated 23/04/2026)

**De-notification of ICD at Coimbatore (Thudiyalur), Tamil Nadu:** The notification amends earlier notification No. 12/97 dated 2nd April 1997, and removes a previously notified customs related entry point at Coimbatore (Thudiyalur), Tamil Nadu.

(Link: Customs Notification 39/2026 (NT) Dated 20/04/2026)

**Common Adjudicating Authority appointed in case of Control Components India:** The Notification appoints Principal Commissioner/Commissioner of Customs (Air Cargo), Chennai-VII Commissionerate, as Common Adjudicating Authority for adjudication of multiple show cause notices issued by different officers across Chennai and Bengaluru, to Control Components India Private Limited.

(Link: Customs Notification 38/2026 (NT) Dated 16/04/2026)

**Fixation of Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver:** CBDT notified the Tariff Values of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver, which shall come into force w.e.f. 16th April 2026. The tariff value for crude palm oil is set at USD 1195 per metric ton, while gold and silver have tariff values of USD 1544 per 10 grams and USD 2509 per kilogram, respectively. The tariff value for areca nuts is fixed at USD 9155 per metric ton.

(Link: Customs Notification 37/2026 (NT) Dated 15/04/2026)

**Panoli Port in Bharuch, Gujarat notified for Import-Export Handling:** The notification updates the list of notified customs areas, by inserting a new entry for Panoli in Bharuch district. It is authorized for the unloading of imported goods and the loading of export goods, including any specified class of such goods.

(Link: Customs Notification 36/2926 (NT) Dated 06/04/2026)

**Fixation of Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver:** CBDT notified the Tariff Values of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver, which shall come into force w.e.f. 3rd April 2026. The tariff value for crude palm oil is set at USD 1141 per metric ton, while gold and silver have tariff values of USD 1526 per 10 grams and USD 2427 per kilogram, respectively. The tariff value for areca nuts is fixed at USD 7020 per metric ton.

(Link: Customs Notification 35/2926 (NT) Dated 02/04/2026)


**Anti-Dumping Duty (ADD) notifications aligned with Revised Tariff Classification:** The notification align various Anti-Dumping Duty notifications issued between 2021 and 2025, with revised tariff classifications incorporated in the First Schedule of the Customs Tariff Act.

(Link: Customs Notification 06/2026 (ADD) Dated 30/04/2026)

**Anti-Dumping Duty, Lithograde Aluminium Coils of Width 1150 mm Excluded:** The original duty was imposed on imports of certain flat rolled aluminium products from China in 2021. Subsequently, pursuant to directions of the Delhi High Court and revised findings issued in December 2025, 'Lithograde Aluminium Coils of width above 1150 mm' were excluded from the scope of the product under consideration. The notification has now formally been amended to incorporate this exclusion.

(Link: Customs Notification 05/2026 (ADD) Dated 17/04/2026)

**Producer Name updated in Anti-Dumping Duty (ADD) notification on DGTR Advice:** The notification amends earlier notification 15/2023 dated 22nd December 2023 to change the name of producer 'Bystronic (Shenzhen) Laser Technology Co. Ltd' to 'DNE LASER (Guangdong) Co. Ltd'.

(Link: Customs Notification 04/2026 (ADD) Dated 08/04/2026)

**Revision in Countervailing Duty (CVD) Notification for SAW Line Pipes Following Changes in Customs Tariff Classification:** The notification revises tariff classifications relating to longitudinally submerged arc welded (SAW) iron and steel pipes used in oil and gas pipeline infrastructure. The earlier tariff item 7305 11 29, covering non-galvanised longitudinally submerged arc welded pipes and tubes of iron or steel, has been substituted with tariff items 73051141 (clad, plated or coated longitudinally submerged arc welded line pipes of iron or steel having an external diameter exceeding 406.4 mm, commonly used in oil and gas transmission pipelines) and 73051149 (other longitudinally welded tubes and pipes of iron or steel with an external diameter exceeding 406.4 mm).

(Link: Customs Notification 01/2026 (CVD) Dated 30/04/2026)

**Export Cargo re-entry due to Hormuz Strait disruption, Procedures Simplified:** The circular addresses operational challenges due to maritime disruptions caused by the closure of the Strait of Hormuz, where cargo discharged at intermediate ports such as Sri Lanka, is brought back without reaching its destination. It mandates filing of a fresh Shipping Arrival Manifest (SAM), verification of container and seal integrity, and permits offloading without filing a Bill of Entry where seals are intact. Shipping Bills are to be cancelled through the EDI system, and 'back to town' procedures may be followed. In cases of tampered seals, 100% examination and re-import procedures apply.

(Link: Customs Circular 21/2026 Dated 15/04/2026)

**RoDTEP and RoSCTL Benefits allowed on Full FOB Value Subject to 12.5 % Limit:** The circular clarifies the treatment of remission or rebate under RoDTEP and RoSCTL schemes in cases of short realisation of export proceeds. It was stated that, similar to duty drawback provisions, benefits under these schemes can be granted on the full Free on Board (FOB) value without deducting agency commission and foreign bank charges, provided such deductions do not exceed 12.5% of the FOB value.

(Link: Customs Circular 20/2026 Dated 10/04/2026)

**LEO Cancellation allowed due to Strait of Hormuz disruption for SEZ Export Cargo:** The circular simplifies procedure for handling export cargo originating from Special Economic Zones (SEZs) affected by disruption in maritime routes due to closure of the Strait of Hormuz. It clarified that exporters may request cancellation of Let Export Order (LEO) or Shipping Bill at the originating SEZ, after which customs at the gateway port may permit movement of cargo for return or re-routing without requiring it to be sent back to the SEZ.

(Link: Customs Circular 19/2026 Dated 10/04/2026)

**Faceless Assessment for SEZ to DTA Clearances for Concessional Duty Benefit:** The circular mandates that Bills of Entry filed for goods manufactured by Special Economic Zone (SEZ) units and cleared to the Domestic Tariff Area (DTA) under concessional duty rates, shall be assessed under the faceless assessment system to ensure uniformity, transparency, and efficiency. These consignments will also be routed through the Risk Management System (RMS) for automated allocation to officers.

(Link: Customs Circular 18/2026 Dated 01/04/2026)

**Drawback allowed for re-export of duty paid on goods supplied by SEZ to DTA:** The audit findings had noted that some field formations denied drawback by not treating, SEZ to DTA clearances, as imports. The Section 30 of the SEZ Act, which provides that such clearances attract customs duties, and that SEZ is treated as foreign territory for trade purposes. The movement of goods from SEZ to DTA qualifies as import. Since Section 74 allows drawback on re-export of duty paid imported goods that are identifiable, it has been clarified that such goods are eligible for drawback.

(Link: Customs Instructions 06/2026 Dated 27/04/2026)

**Instructions for time bound processing of RoDTEP and RoSCTL scrolls:** The compliance audit highlighted significant lag in generating scrolls and disbursing benefits, causing hardship to exporters. The CBIC mandates strict adherence to a time bound framework, aligning with earlier Instructions, which requires duty drawback credits to be processed within three days.

The directive of three-day timeline is also extended for the generation of scrolls under both RoDTEP and RoSCTL schemes.

(Link: Customs Instructions 05/2026 Dated 23/04/2026)

**Addition of Five Food Import Ports under FSSAI Framework:** The instruction modifies earlier instruction 31/2025 dated 3rd November 2025,, based on notifications dated 6th January 2026 and 9th April 2026 issued by the Food Safety and Standards Authority of India (FSSAI). The five additional Points of Entry for food imports have been notified, increasing the total number to 171. These include ICD Dhirpur (Haryana), Electronic SEZ Park Gandhinagar (Gujarat), ICD Naya Raipur (Chhattisgarh), ICD Dahej (Gujarat), and ICD Varnama (Gujarat).

(Link: Customs Instructions 04/2026 Dated 20/04/2026)

## E. Directorate General of Foreign Trade (DGFT)

**RoDTEP Schedule amended due to Alignment with Customs Tariff Changes under Finance Act:** The notification aligns the RoDTEP framework with changes introduced in the First Schedule of the Customs Tariff Act, through the Finance Act 2026. As part of the revision, 142 tariff lines have been added, 50 tariff lines deleted, and descriptions of 2 tariff lines modified at the 8-digit level. Updated HS codes along with applicable RoDTEP rates and value caps have been made available on the DGFT portal.

(Link: DGFT Notification 15/2026 Dated 30/04/2026)

**Extension in MIP Condition of specific items under Chapter 48 (Paper and Paper Boards):** The Notification extends the Minimum Import Price (MIP) condition on specified items under Chapter 48 of ITC (HS), till 30th September 2026. The extension applies to imports of Virgin Multi-layer Paper Board (VPB) under specified ITC (HS) codes. The MIP remains fixed at INR 67,220 per metric tonne based on Cost, Insurance, and Freight (CIF) value.

(Link: DGFT Notification 14/2026 Dated 30/04/2026)

**Wheat Export remain Prohibited but allowed 25 LMT Relaxation Quota:** The notification introduces a limited relaxation by permitting export of an additional 25 Lakh Metric Tonnes (LMT) of wheat, subject to modalities to be specified through a separate public notice by DGFT. The existing policy conditions shall remain applicable, which include allowing exports based on permissions granted by the Government of India to other countries to meet their food security requirement.

(Link: DGFT Notification 13/2026 Dated 27/04/2026)

**Baryte Export Policy amended, Grade A & B Restricted, Grade CDW remains Free:** The notification amends the export policy for Baryte (Natural Barium Sulphate) by shifting high-grade baryte into the 'Restricted' category. The Grade A (specific gravity ≥ 4.2) and Grade B (specific gravity between 4.10–4.20), which were previously freely exportable, now require prior authorisation or licensing from DGFT. However, Grade CDW (specific gravity < 4.0) continues to remain freely exportable without any licensing requirement. It applies across various forms of baryte, including lumps, powder, and other variants.

(Link: DGFT Notification 12/2026 Dated 17/04/2026)

**RELIEF Scheme expanded to Egypt & Jordan amid Logistics Disruptions:** The Resilience & Logistics Intervention for Export Facilitation (RELIEF) scheme under the Export Promotion Mission (EPM) has been expanded to include Egypt and Jordan, in the list of eligible export destinations. The scheme provide support to exporters facing ongoing global logistics disruptions.

(Link: DGFT Notification 11/2026 Dated 17/04/2026)

**Import Restriction on Glufosinate, Minimum CIF Value Condition:** The notification amends the import policy for Glufosinate and its salts under chapter 38 of ITC. Though it retains the 'Free' import status but introduces a condition restricting imports where the combined CIF value and applicable anti-dumping duty is below Rs 1,154 per kilogram. The restriction will remain in force for six months from the date of notification.

(Link: DGFT Notification 10/2026 Dated 13/04/2026)

**Extension of validity of Minimum Export Price (MEP) on export of Natural Honey:** The export policy for natural honey (ITC HS Code 04090000) continues to remain "Free," but subject to an MEP of USD 1400 per metric ton (FOB). Earlier, this condition of MEP was applicable until 31st March 2026, it has now been extended until 31st December 2026.

(Link: DGFT Notification 09/2026 Dated 10/04/2026)

**Export Policy for Feathers & Skins revised in Line with EU/UK Norms:** While the export of feathers, skins, and related products remains 'Free', a new Policy Condition has been introduced, imposing additional compliance requirements aligned with EU/UK regulations. Exporters must obtain a consignment wise Veterinary or Shipment Clearance Certificate issued by CAPEXIL, detailing exporter and plant information.

(Link: DGFT Notification 08/2026 Dated 10/04/2026)

**EIC Inspection Requirement for Rice Exports to Select European Countries:** The notification mandates that exports of both Basmati and Non-Basmati rice to EU Member States and specified European countries, namely the United Kingdom, Iceland, Liechtenstein, Norway, and Switzerland must be accompanied by a Certificate of Inspection issued by the Export Inspection Council (EIC) or Export Inspection Agency (EIA). However, exports to other European countries are exempt from this requirement.

(Link: DGFT Notification 07/2026 Dated 10/04/2026)

**Description of HS Code 73181500 aligned with description under Customs Tariff:** The DGFT has amended the description of HS Code 73181500 in Appendix-4R and Appendix-4RE of the RoDTEP Schedule under the FTP. The earlier description, limited to 'screw for use in manufacture of cellular mobile phone', has been revised to a broader classification, i.e., 'other screws and bolts, whether or not with their nuts or washers'.

(Link: DGFT Notification 06/2026 Dated 09/04/2026)

**Certificates of Origin (CoO) Issuance mandated with Invoice matching for Verification:** The amendment clarifies that Certificates of Origin (CoO) for exports from India can only be issued by authorized agencies, following prescribed procedures. Additionally, exporters holding Importer Exporter Code (IEC) must use identical invoice numbers in both CoOs and Shipping Bills to enable automated verification. The Approved Exporter Scheme continues as an optional system, allowing eligible manufacturer exporters with status holder recognition to self-certify origin of goods.

(Link: DGFT Notification 05/2026 Dated 07/04/2026)

**Export Policy 'Restricted' for Wood Pellet & Briquette:** The DGFT has amended the export policy, reclassified wood pellets from 'Prohibited' to 'Restricted' and wood briquettes from 'Free' to 'Restricted'. The exports of both items are now allowed only under a Restricted Export Authorization, subject to prescribed conditions.

(Link: DGFT Notification 04/2026 Dated 06/04/2026)

**Amendment in Import Policy and conditions of items under Chapter 71 of ITC:** Several items including gold and silver related articles, platinum products, and precious metal goods have been shifted from 'Free' to 'Restricted' import status, subject to newly introduced policy condition. It, however, exempts imports by Export Oriented Units (EOUs), Special Economic Zones (SEZs), and export-linked schemes, provided such goods are not diverted to the Domestic Tariff Area.

(Link: DGFT Notification 03/2026 Dated 02/04/2026)

**Amendment in Import Policy of items covered under CTH 7113 under Chapter 71 of ITC:** The notification revises several categories of jewellery made of precious metals, including gold, silver, platinum, and studded variants, from 'Free' to 'Restricted' import status. These restrictions apply regardless of prior contracts, letters of credit, advance payments, or shipment status, and the benefit of transitional arrangements has been expressly denied.

(Link: DGFT Notification 02/2026 Dated 01/04/2026)

**Supply of essential commodities to the Republic of Maldives during FY 2026-27:** The notification allows export of items such as eggs, rice, wheat flour, sugar, onions, potatoes, dal, stone aggregate, and river sand within prescribed quantity limits, while exempting these exports from any existing or future restrictions. However, exports of restricted or prohibited items are permitted only through six designated customs ports.

(Link: DGFT Notification 01/2026 Dated 01/04/2026)

**Clarifications regarding eligibility to expand RELIEF Scheme Benefits for New ECGC Policies:** The circular relates to Resilience & Logistics Intervention for Export Facilitation (RELIEF) scheme. It clarifies that exporters obtaining a new Export Credit Guarantee Corporation Whole Turnover Policy on or after 16th March 2026, are eligible for benefits under Component II, which aims to promote credit insurance coverage for exports to affected Gulf and West Asia regions.

(Link: DGFT Policy Circular 01/2026 Dated 15/04/2026)

**New Rules for Wheat Export Allocation and Application Process:** The export authorizations must be applied online between 1st May and 10th May 2026 by IEC holders and will remain valid for six months, with possible extensions on a case by case basis. Allocations are to be recommended by a Special Exim Facilitation Committee (SEFC) based on eligibility criteria such as export turnover, minimum quantity applied for, and supporting documents. Of the total 25 LMT quota, 18 LMT is reserved for large exporters, 5 LMT for state trading entities and cooperatives, and 2 LMT for MSMEs.

(Link: DGFT Public Notice 05/2026 Dated 30/04/2026)

**List of Authorized Banks updated for Gold and Silver Import:** The Public Notice amends Appendix 4B of the Handbook of Procedures under the Foreign Trade Policy. It updates the list of banks (total 15 banks) including major public and private sector banks as well as select foreign banks, authorized by the Reserve Bank of India to import gold and silver. during 1st April 2026 to 31st March 2029.


It also lists two banks authorized to import only gold during the same period.

(Link: DGFT Public Notice 04/2026 Dated 17/04/2026)

**TRQ Application deadline extended for India Mauritius CECPA & India Nepal Treaty:** The DGFT has extended the deadline for submission of online applications for Tariff Rate Quota (TRQ) allocations for FY 2026–27, till 25th April 2026. The extension applies to specified goods under India–Mauritius Comprehensive Economic Cooperation and Partnership Agreement (CECPA) and India–Nepal Treaty, as listed in Appendix-2A of FTP.

(Link: DGFT Public Notice 03/2026 Dated 10/04/2026)

**Applications invited for Calcined & Raw Petroleum Coke Import Quotas:** The DGFT has notified the procedure for allocation of import quantities of Calcined Petroleum Coke (CPC) for the aluminium industry and Raw Petroleum Coke (RPC) for CPC manufacturing units for FY 2026-27. The allocation follows directions of the Commission for Air Quality Management (CAQM), prescribing annual limits of 0.8 million MT for CPC and 1.9 million MT for RPC. Applications must be submitted online by 20th April 2026 and will be evaluated case-by-case by the Exim Facilitation Committee. The authorisations will remain valid till 31st March 2027.

(Link: DGFT Public Notice 02/2026 Dated 10/04/2026)

**Certificates of Origin (CoO) issuance only through Designated Electronic Platform by Authorised Agencies:** The amendment mandates that all authorised agencies must accept applications and issue Certificates of Origin exclusively through the designated electronic platform specified by DGFT. It specifies that the list of authorised agencies for issuing CoOs will be as notified in Appendices 2B, 2C, 2D, and 2E.

(Link: DGFT Public Notice 01/2026 Dated 07/04/2026)

**Instructions regarding Issuance/Extension of Validity of Post Export EPCG Scrips, Activation of Online Module:** The Trade introduces an online module for issuance, re-issuance, and extension of validity of Post Export EPCG duty credit scrips. It addresses difficulties faced by exporters in utilizing manually issued scrips by enabling electronic generation and seamless data exchange with ICEGATE. It covers scenarios including pending authorization closure, non-transmission or expiry of generated scrips, and cases where manual scrips were issued or not generated.

(Link: DGFT Trade Notice 02/2026 Dated 21/04/2026)

**Interest Subvention extended to Chapter 72 (Iron and Steel Products) Goods for MSEs:** The Trade Notice extends interest subvention benefits under the Export Promotion Mission by to Chapter 72 (iron and steel products). These benefits are strictly limited to Micro and Small Enterprises (MSEs), while Medium Enterprises are expressly excluded from eligibility for these newly added tariff lines.

(Link: DGFT Trade Notice 01/2026 Dated 20/04/2026)

**Special drive for expeditious issuance of EODCs under Advance Authorisation (AA) and EPCG Schemes:** DGFT has extended its special drive for expedited issuance of Export Obligation Discharge Certificates (EODCs) under Advance Authorisation (AA) and Export Promotion Capital Goods (EPCG) schemes until 31st May 2026.

(Link: DGFT Trade Notice 34/2026 Dated 01/04/2026)

## F. Securities and Exchange Board of India (SEBI)

**Amendments to SEBI Alternative Investment Funds (AIF) Regulations:** The key changes include reduction of minimum threshold mentioned in Regulation 10(c) from 'two lakh' to 'one thousand'. The Regulation 29 has been modified to allow distribution of proceeds subject to conditions specified by SEBI from time to time. A new sub-regulation (10A) has been inserted, which enables classification of an Alternative Investment Fund as an 'inoperative fund', subject to prescribed conditions.

(Link: SEBI Notification Dated 16/04/2026)

**Amendments to SEBI Real Estate Investment Trusts (REIT) Regulations:** The Credit Risk threshold for REIT Investments has been reduced. The key changes include a reduction in the minimum required credit risk value from 12 to 10 in Regulation 2(1)(ta) and 18(5)(i). The eligibility criteria have been expanded by including 'Class B-I' instruments alongside 'Class A-I' within the potential risk class matrix.

(Link: SEBI Notification Dated 16/04/2026)

**Amendments to SEBI Infrastructure Investment Trusts (InvIT) Regulations:** The amendments revise definitions of liquid assets by including units of liquid mutual funds with a minimum credit risk value of 10 and specific risk classifications.

The changes relating to Special Purpose Vehicles (SPVs) clarify their status, including continued classification even after termination of concession agreements, subject to specified conditions. For PPP projects, exemptions are provided where holding structures are restricted by agreements or regulations. Investment norms are also updated by lowering the credit risk threshold from 12 to 10 and expanding permissible categories.

(Link: SEBI Notification Dated 16/04/2026)

**Amendments to SEBI Intermediaries Regulations:** The amended provisions defines 'days' as calendar days unless specified otherwise. The disqualification provisions are replaced with broader 'events' and expands the scope to include convictions for economic offences or securities law violations. It removes automatic time based disqualifications and shortens certain regulatory timelines, such as reducing the restriction period from one year to six months.

(Link: SEBI Notification Dated 15/04/2026)

**Fast-Track Mechanism for Processing of Placement Memorandum of AIFs:** SEBI has introduced a fast-track mechanism for processing Private Placement Memoranda (PPMs) of Alternative Investment Funds (AIFs). Under the revised framework, AIFs (excluding Large Value Funds for Accredited Investors) can launch schemes and circulate PPMs after 30 days of filing with SEBI, unless advised otherwise. For first-time schemes, launch is permitted after registration or 30 days from filing, whichever is later. The circular mandates specific filing requirements, including due diligence certificates and declarations, and introduces a strict timeline for first close within 12 months.

(Link: SEBI Circular Dated 30/04/2026)

**Operationalisation of Past Risk and Return Verification Agency (PaRRVA):** SEBI has operationalised the Past Risk and Return Verification Agency (PaRRVA) framework. CARE Ratings Limited has been recognised as PaRRVA, with National Stock Exchange of India Limited acting as the data centre. The framework mandates that regulated entities must enrol with PaRRVA within three months to continue communicating certified past performance, failing which such communication will be prohibited. Further, after two years, only PaRRVA verified performance metrics may be disclosed, disallowing reliance on pre-operational data.

(Link: SEBI Circular Dated 29/04/2026)

**Extension of compliance timeline by Debenture Trustees (DTs) for carrying out activities outside SEBI Purview:** The circular extends the timeline for DTs to comply with Regulation 9C introduced under the SEBI Debenture Trustees Regulations. It required DTs to segregate non-SEBI regulated activities into separate business units within six months from the notification. SEBI has now granted an additional six-month extension. Accordingly, the revised deadline for compliance is now 27th October 2026.

(Link: SEBI Circular Dated 28/04/2026)

**Framework for net settlement of funds for transactions done by Foreign Portfolio Investors (FPIs) in Cash Market:** As per existing provisions, FPIs were required to settle transactions on a gross basis due to restrictions on intra-day trading, leading to higher liquidity needs, increased funding costs, and operational inefficiencies. SEBI has now, allowed netting of funds for 'outright transactions', defined as either only purchase or only sale in a security within a settlement cycle. Transactions involving both buy and sell positions will continue to be settled on a gross basis. The circular clarifies that securities settlement remains gross between FPIs and custodians, and statutory levies like STT and stamp duty remain unchanged.

(Link: SEBI Circular Dated 24/04/2026)

**Review of Norms for registration of NPO on SSE and minimum subscription for issuance of Zero Coupon Zero Principal Instruments:** The circular has relaxed key regulatory requirements under the Social Stock Exchange (SSE) framework to boost participation by Not-for-Profit Organizations (NPOs). The registration validity for NPOs on SSE has been extended from two years to three years, even if they do not raise funds during this period. The minimum subscription threshold for issuance of Zero Coupon Zero Principal (ZCZP) Instruments has been reduced from 75% to 50%, provided exchanges ensure via due diligence that partial funding remains viable and aligned with stated objectives.

(Link: SEBI Circular Dated 15/04/2026)

**NISM Certification for Social Impact Assessors:** The circular specify certification requirements for Social Impact Assessors under ICDR Regulations. It mandates that such assessors must qualify the 'NISM Series XXIII – Social Impact Assessors Certification Examination' conducted by the National Institute of Securities Markets and hold a valid certificate. For renewal, assessors are required either to reappear for the same certification examination or complete the 'NISM Series XXIII – Social Impact Assessors Certification eCPE Program'.

(Link: SEBI Circular Dated 13/04/2026)

**Non-Transferable Tag introduced for Pledged Shares:** The circular streamline the lock-in mechanism for pledged shares under the SEBI ICDR Regulations. It allows specified securities, where lock-in cannot be created in the traditional manner, to be marked as 'non-transferable' by depositories during the lock-in period.

(Link: SEBI Circular Dated 08/04/2026)

**Observation Letter Validity for Public Issues extended due to Geopolitical Tensions:** The circular grants one time relaxation regarding the validity of its observation letters under the SEBI ICDR Regulations. Normally, public issues must be opened within 12 or 18 months from the date of such observations. Considering geopolitical challenges, the validity of observation letters expiring between 1st April 2026 and 30th September 2026, has been extended up to 30th September 2026.

(Link: SEBI Circular Dated 07/04/2026)

**SEBI Grants Minimum Public Shareholding (MPS) compliance relief due to Market Volatility Impact:** The circular grants a one-time relaxation from penal provisions under the SEBI Master Circular, relating to non-compliance with Minimum Public Shareholding (MPS) requirements. SEBI directed recognised stock exchanges and depositories not to initiate or continue penal actions, such as fines or freezing of promoter shareholding, for listed entities whose compliance deadlines fall between 1st April 2026 and 30th September 2026.

(Link: SEBI Circular Dated 07/04/2026)

## G. Ministry of Corporate Affairs (MCA)

**Amendments to Companies Registration Offices and Fees Rules:** The notification revise the fee structure for filing Form DIR-3 KYC Web under Rule 12A of the Companies (Appointment and Qualification of Directors) Rules 2014. The amendment introduces a tiered fee system: There is no fee is payable if the form is filed within the prescribed timeline, while a fee of Rs 5,000 applies for delayed filings or reactivation of Director Identification Numbers (DIN). Additionally, a fee of Rs 500 is levied for each subsequent filing made to update or change KYC details.

(Link: MCA Notification Dated 21/04/2026)

**FAQs on Companies Compliance Facilitation Scheme, 2026 (CCFS-2026):** MCA has issued FAQs on CCFS- 2026. The scheme enables companies to file overdue annual returns and financial statements by paying reduced additional fees. It also facilitates companies to opt for dormant status or proceed for strike off, wherever applicable.

(Link: MCA FAQs Dated 22/04/2026)

**MCA Advisory on Resolving the 'DSC Not Registered with Director DIN' Error during DIR-3 KYC Web Filing:** MCA clarified that directors must ensure correct DSC registration against their DIN and use the same DSC while filing. If not registered, the DSC must be linked before proceeding. It also allows updating email via mobile OTP and suggests raising a service request if both email and mobile are inactive or technical issues persist. It emphasizes proactive verification of DSC linkage to avoid filing disruptions, penalties, or DIN deactivation.

(Link: MCA Advisory Dated 16/04/2026)


## H. Insolvency and Bankruptcy Board of India (IBBI)

**Insolvency and Bankruptcy Code (Amendment) Act 2026:** The IBC Amendment Act clarifies key definitions such as 'security interest', 'service provider', and 'avoidance transaction', and expands the scope of fraudulent and wrongful trading. It streamlines admission of insolvency applications by mandating strict timelines and limiting grounds for rejection once default is established. It also strengthens the role of information utilities, making recorded defaults sufficient evidence. The law introduces clearer provisions on withdrawal of applications, restricting it before constitution of the committee of creditors or after invitation of resolution plans.

-- It introduces creditor-initiated insolvency resolution process, allowing financial creditors to directly trigger insolvency with prior approvals, thereby expediting proceedings. The committee of creditors is given enhanced supervisory powers during liquidation, including the ability to replace liquidators. New provisions address asset transfers of guarantors, group insolvency frameworks, and preservation of licenses post resolution.

(Link: IBC Amendment Act 2026 Dated 06/04/2026)

**Valuation Standards for the purpose of valuation conducted under IBC:** The IBBI has notified the adoption of International Valuation Standards (IVS) for all valuations conducted under the Insolvency and Bankruptcy Code (IBC). It applies across various processes including corporate insolvency resolution, liquidation, voluntary liquidation, pre-pack insolvency, and bankruptcy of personal guarantors.

(Link: IBBI Circular Dated 01/04/2026)

**SC, Appeal by Suspended Director in Corporate Debtor Name not Maintainable Post CIRP:** Case of Nitendra Kumar Tomar vs Unox SPA, SC Judgement Dated 10th April 2026. The apex court ruled that a suspended director cannot file an appeal in the name of the corporate debtor after a Company Insolvency Resolution Process (CIRP) begins. Such an appeal is 'wholly incompetent' and cannot be cured by amendments after the limitation period.

(Link: SC Judgement Dated 10/04/2026)

**SC Dismissed Insolvency Plea as prior dispute established through Correspondence & Records:** Case of GLS Films Industries Private Limited vs Chemical Suppliers India Private Limited, SC Judgement Dated 9th April 2026. The apex court set aside an NCLAT order, ruling that a genuine, pre-existing dispute regarding invoice reconciliation and defective supply barred insolvency proceedings under Section 9 of the IBC.

(Link: SC Judgement Dated 09/04/2026)

**SC, Cooperative Society can only submit Resolution Plan for Corporate Debtor in Same Line of Business:** Case of Nirmal Ujjwal Credit Coop Society Ltd vs Ravi Sethia, SC Judgement Dated 9th April 2026. The apex court held that section 64(d) of the Multi-State Cooperative Societies Act, restricts investment only to entities in the same line of business. Accordingly, Multi-State Cooperative Society is ineligible to submit resolution plan for corporate debtor which does not operate in same line of business.

(Link: SC Judgement Dated 09/04/2026)

**SC Upholds Quashing of reopening Tax Notice due to IBC Clean Slate Doctrine:** Case of ACIT vs AMW Auto Components Ltd, SC Judgement Dated 13th March 2026. The apex court upheld the quashing of tax reassessment notices, reinforcing the 'Clean Slate Doctrine' under the Insolvency and Bankruptcy Code (IBC). The ruling confirms that once a resolution plan is approved, tax authorities cannot reopen assessments or issue notices for previous, extinguished liabilities.

(Link: SC Judgement Dated 13/03/2026)

**NCLAT, Insolvency Plea under section 95 filed during Interim Moratorium was Void Ab Initio:** Case of Sushant Chhabra vs Catalyst Trusteeship Ltd, NCLAT Delhi Judgement Dated 27th March 2026. The appellate tribunal held that an insolvency application filed against a personal guarantor while an interim moratorium is already in effect is legally non-existent (void from start).

(Link: NCLAT Delhi Judgement Dated 27/03/2026)

**IBBI, Insolvency Professional (IP) Mr. Vishal Ghisulal suspension for two years due to failure to verify Wilful Defaulter Status:** The Committee found that a revised resolution plan submitted after the applicant was declared a wilful defaulter, constituted a fresh plan, requiring eligibility assessment at that stage. IP failed to verify and disclose this disqualification, leading to wrongful consideration and approval of an ineligible plan, causing delays and prejudice to the insolvency process. DC suspends the registration of IP for two years.

(Link: IBBI DC Order Dated 22/04/26)

## I. Reserve Bank of India (RBI)

**RBI Conduct of Government Business by Agency Banks (ABs) Payment of Agency Commission and Oversight Directions 2026:** The directions governs conduct of Government business by Agency Banks (ABs), covering appointment, commission payment, reporting, and oversight. These clearly define transactions eligible for agency commission (like government receipts and payments) and exclude items such as prefunded schemes, bank's own tax payments, and certain financial transactions. Updated commission rates apply (Rs 40 for physical receipts, Rs 12 for e- receipts, Rs 80 for pension payments, and 7 paise per Rs 100 for other payments). Strict timelines for reporting, claim submission (within 60 days), and data uploads are mandated.

(Link: RBI Directions 400/2026 Dated 30/04/2026)

**RBI Disbursement of Government Pension by Agency Banks (ABs) Directions 2026:** The directions regulate pension payments by authorized banks acting on behalf of Central and State Governments. Banks are required to implement government orders promptly, credit pensions based on instructions from Pension Sanctioning Authorities, and address excess payments by refunding amounts depending on whether the error lies with the bank or the government. Specific procedures are prescribed to assist elderly, sick, or incapacitated pensioners in accessing funds.

The Directions mandate issuance of acknowledgements for life certificates, promote digital submission through "Jeevan Pramaan," and require improved customer service, grievance redressal mechanisms, and compensation for delays.

(Link: RBI Directions 399/2026 Dated 30/04/2026)

**RBI Commercial Banks Asset Classification, Provisioning and Income Recognition Directions 2026:** The directions introduce a forward-looking Expected Credit Loss (ECL) framework alongside existing NPA norms, supported by a three stage classification approach based on credit risk changes. Banks must adopt the Effective Interest Rate (EIR) method and compute provisions using probability based models incorporating macroeconomic factors. NPAs continue to be defined primarily by a 90 day overdue rule, with borrower level classification and detailed norms for special cases such as agriculture, guarantees, and consortium lending. Prudential provisioning floors are prescribed across loan categories to ensure minimum loss coverage.

(Link: RBI Directions 398/2026 Dated 27/04/2026)

**RBI Commercial Banks Capital Charge for Credit Risk Standardised Approach Directions 2026:** The directions implement the Basel III framework for calculating risk-weighted assets in a more consistent and risk sensitive manner. These mandate the Standardised Approach for assessing credit risk across banking book exposures, covering sovereigns, banks, corporates, MSMEs, retail, real estate, and off-balance sheet items. The framework prescribes detailed risk weights based on external credit ratings, exposure types, and collateral, while emphasizing due diligence, alignment with internal risk assessment, and prudent valuation norms.

(Link: RBI Directions 397/2026 Dated 27/04/2026)

**RBI issued Digital Payments, E-mandate Framework:** The Digital Payments E-mandate Framework 2026, consolidates earlier circulars and introducing minor changes. The directions apply to all payment system providers and participants handling recurring transactions through cards, UPI, and PPIs, including domestic and cross-border payments. The framework mandates one time registration of e-mandates with additional factor authentication (AFA), along with facilities for modification or withdrawal. It requires pre-transaction notifications at least 24 hours before debit and post-transaction alerts with detailed information. Recurring transactions up to Rs 15,000 can be processed without AFA, while specific payments like insurance and mutual funds have a higher limit of Rs 1 lakh.

(Link: RBI Directions 396/2026 Dated 21/04/2026)

**Master Direction– Facility for Exchange of Notes and Coins:** The updated directions mandate all bank branches to provide free and non-discriminatory service for exchange of notes ad coins to the public. Banks must accept soiled, mutilated, and imperfect notes, as well as coins of valid denominations, and ensure adequate availability of cash through ATMs. These clarify definitions of defective notes, procedures for their adjudication, and timelines for their exchange or credit.

(Link: RBI Master Directions 395/2026 Dated 01/04/2026)

**Master Direction on Counterfeit Notes- Detection, Reporting and Monitoring:** The banks and RBI offices are authorised to impound counterfeit notes, which must not be returned or credited to customers. Mandatory machine-based verification is required for all notes received, and counterfeit notes must be stamped, recorded, and acknowledged through receipts. Reporting obligations are stringent, small cases are reported monthly, while larger instances require immediate FIR filing with police. Banks must install detection device and maintain CCTV surveillance.

(Link: RBI aster Directions 394/2026 Dated 01/04/2026)

**Master Direction on Incentives for Currency Distribution and Exchange and Penalties for Deficiency in Service:** It introduces financial incentives for banks to establish and maintain currency chest (CC) infrastructure, exchange soiled and mutilated notes, and distribute coins, including additional benefits for rural and remote areas. It also prescribes strict penalties for deficiencies such as refusal to exchange notes, non-availability of coins, ATM cash-outs, counterfeit note circulation, reporting errors, and operational lapses in CCs.

(Link: RBI aster Directions 393/2026 Dated 01/04/2026)

**Amendments to Directions- Relief Measures in areas affected by Natural Calamities:** RBI has issued a series of directions for commercial banks, small finance banks, local area banks, cooperative banks, NBFCs, and All India Financial Institutions. A bank need not wait for receipt of a formal request from a borrower and may decide to suo-moto implement a resolution plan for the impacted borrowers, The relief measures may include rescheduling of payments, moratoriums, conversion of interest dues into a separate credit facility, or additional financing.

Borrowers will have an opt-out window of up to 135 days from the date of disaster declaration. The eligibility is restricted to standard accounts not overdue by more than 30 days at the time of the calamity. Such accounts can retain their standard classification upon resolution, and those slipping into NPA between the calamity and implementation may be upgraded to standard. The central bank has retained a 5% additional provisioning requirement and expanded the definition of natural calamities to include events recognised under the State Disaster Response Fund and National Disaster Response Fund.

-- RBI Resolution of Stressed Assets Directions:

(Link: RBI Circular 44/2026, 48/2026, 52/2026, 56/2026, 60/2026, 64/2026, 68/2026, and 72/2026, all Dated 29/04/2026)

-- RBI Income Recognition, Assets Classification and Provisioning Directions:

(Link: RBI Circular 45/2026, 49/2026, 53/2026, 57/2026, 61/2026, 65/2026, 69/2026, and 73/2026, all Dated 29/04/2026)

-- RBI Responsible Business Conduct Directions:

(Link: RBI Circular 46/2026, 50/2026, 54/2026, 58/2026, 62/2026, 66/2026, 70/2026, 74/2026, all Dated 29/04/2026)

-- RBI Credit Risk Management Directions:

(Link: RBI Circular 47/2026, 51/2026, 55/2026, 59/2026, 63/2026, 67/2026, 71/2026, 75/2026, all Dated 29/04/2026)

-- RBI Relief Measures in Areas Affected by Natural Calamities Repeal Directions:

(Link: RBI Circular 76/2026, and 77/2026 both Dated 29/04/2026)


**Amendment to RBI NBFC Registration, Exemptions and Framework for Scale Based Regulation Directions:** The amendment introduces clear categorisation of NBFCs into Type I (not availing public funds and without customer interface) and Type II entities, along with recognition of 'Unregistered Type I NBFCs'. NBFCs meeting specified conditions,, such as asset size below Rs 1,000 crore, no public funds, and no customer interface, are exempted from registration requirements under Sections 45IA and 45IC, with an option for voluntary deregistration. The framework mandates strict disclosures, board resolutions, and auditor certifications to ensure compliance. Entities exceeding thresholds or changing business models must seek registration.

(Link: RBI Circular 43/2026 Dated 29/04/2026)

**Updates on UNSC Sanctions List Under UAPA Compliance:** MEA has informed about the UNSC amendments on its Taliban Sanctions List of individuals and entities, which are subject to the assets freeze, travel ban and arms embargo. Regulated Entities (REs) are advised to take note for necessary compliance in terms of Master Directions on KYC.

(Link: RBI Circular 42/2026 Dated 29/04/2026)

**Amendments to Directions- Lending Norms for Urban Co-operative Banks (UCBs):** Under the revised framework, UCBs are permitted to maintain aggregate unsecured loans up to 20% of their total advances. Unsecured loans up to Rs 50,000 per borrower, classified under the priority sector, will be excluded from this ceiling for UCBs compliant with eligibility criteria for business authorisation (ECBA). RBI has also specified borrower level caps on unsecured lending within this overall limit, fixing ceilings at Rs 5 lakh for Tier 1 banks, Rs 7.5 lakh for Tier 2 banks, and Rs 10 lakh for Tier 3 and Tier 4 UCBs. The loans to nominal members for purchase of consumer durables have been capped at Rs 2.5 lakh per borrower.

-- In the housing segment, Tier 3 and Tier 4 UCBs are allowed to determine loan tenor and moratorium periods based on board approved policies. However, Tier 1 and Tier 2 banks will continue to be subject to a maximum housing loan tenure of 20 years, including a moratorium period of up to 24 months, which is permitted only for under-construction properties.

(Link: RBI Circular 39/2026, 40/2026, and 41/2026 all Dated 29/04/2026)

**Reporting instructions for Authorised Dealer Category-I Banks:** The circular requires Authorised Dealer Category-I banks to report all OTC foreign exchange derivative contracts involving INR undertaken globally by their related parties to the Trade Repository of CCIL. The existing reporting obligations have been expanded to include offshore related-party transactions, both deliverable and non-deliverable, while allowing exemptions for back-to-back trades and contracts below USD 1 million.

(Link: RBI Circular 38/2026 Dated 27/04/2026)

**RBI Access Criteria for Negotiated Dealing System–Order Matching (NDS-OM) Platform Directions:** The circular prescribe eligibility and procedural requirements for direct, indirect, and stock broker based access to the platform. The application forms for seeking access to NDS-OM platform are prescribed as part of the Directions.

(Link: RBI Circular 37/2026 Dated 27/04/2026)

**Amendments to Directions- Asset classification, Provisioning, and Income recognition:** A significant change is a shift from how banks recognise bad loans and set aside provisions. Banks will now move from the old 'incurred loss' model to a forward-looking Expected Credit Loss (ECL) model. The ECL model requires banks to build sufficient buffers on the basis of the likely losses an asset will incur. To measure ECL, banks should assess whether the credit risk on a financial instrument has increased significantly since initial recognition.

A bank shall recognise loss allowance using a 'three-stage' approach, based on changes in credit risk since initial recognition. The banks shall compute Stage 1 ECL using a 12-month Probability of Default (PD) and Stage 2 ECL using a lifetime PD. The new rules retain the definition of a non-performing asset (NPA), which defines it as a loan which has not been repaid for 90 days straight.

(Link: RBI Circular 23/2026, 24/2026, 25/2026, 26/2026, 27/2026, 28/2026, 29/2026, 30/2026, 31/2026, 32/2026, 33/2026, 34/2026, 35/2026 and 36/2026, all Dated 27/04/2026)

**Amendments to Directions- AgriSURE Fund included as a Permitted Financial Service for Banks:** The amendment adds 'AgriSURE– Agri Fund for Start Ups & Rural Enterprises' included as a Permitted Financial Service. This enables banks to participate in financing agricultural start-ups and rural enterprises as part of their permitted activities.

(Link: RBI Circular 15/2026, 16/2026, 17/2026, 18/2026, 19/2026, 20/2026, 21/2026, and 22/2026, all Dated 27/04/2026)

**INR Derivative deals with Related Parties restricted for Authorised Dealers:** The circular restricts Authorised Dealers from undertaking foreign exchange derivative contracts involving INR with related parties, except in limited cases. The exceptions include cancellation or rollover of existing contracts and back-to-back transactions with non-related non-resident users. The term 'related parties' will follow definitions under Ind AS 24, IAS 24, or equivalent standards.

(Link: RBI Circular 14/2026 Dated 20/04/2026)

**Updates on UNSC Sanctions List Under UAPA Compliance:** MEA has informed about the UNSC amendments on its ISIL (Da'esh) and Al-Qaida Sanctions List of individuals and entities, which are subject to the assets freeze, travel ban and arms embargo. Regulated Entities (REs) are advised to take note for necessary compliance in terms of Master Directions on KYC.

(Link: RBI Circular 13/2026 Dated 17/04/2026)

**Updates on UNSC Sanctions List Under UAPA Compliance:** MEA has informed about the UNSC amendments on its ISIL (Da'esh) and Al-Qaida Sanctions List of individuals and entities, which are subject to the assets freeze, travel ban and arms embargo. Regulated Entities (REs) are advised to take note for necessary compliance in terms of Master Directions on KYC.

(Link: RBI Circular 12/2026 Dated 15/04/2026)


**Amendments to RBI Non-Banking Financial Companies Branch Authorisation Directions:** The amendments permits NBFCs to open branches without prior RBI approval unless specifically restricted. However, conditions are imposed on deposit-taking NBFCs based on Net Owned Funds (NOF) and credit rating, i.e., entities with NOF above Rs 50 crore and AA rating or higher may expand nationwide, while others are restricted to their home state.

(Link: RBI Circular 11/2026 Dated 15/04/2026)

**Amendments to RBI Non Resident Investments in Debt Instruments Directions:** The updated circular consolidates various directions issued regarding investments by Non-Resident Indians (NRIs) in debt instruments. It also covers provisions relating to the use of such debt instruments as collateral for transactions in exchange traded derivative contracts on recognized stock exchanges in India.

(Link: RBI Circular 10/2026 Dated 10/04/2026)

**Assignment of Lead Bank Responsibility for new districts in Andhra Pradesh:** RBI has assigned Lead Bank responsibilities to Union Bank of India, for the two new districts, Polavaram and Markapuram, in the State of Andhra Pradesh.

(Link: RBI Circular 09/2026 Dated 10/04/2026)

**Guidelines to facilitate faster Cross Border inward Payments:** The directions focus on reducing delays at the beneficiary bank stage by streamlining processes. Banks are required to promptly notify customers upon receipt of inward payment messages and ensure faster reconciliation of nostro accounts, preferably on a near real time basis or within one hour intervals. They are also advised to credit funds on the same business day if received during foreign exchange market hours, or by the next business day otherwise, subject to regulatory compliance.

(Link: RBI Circular 08/2026 Dated 09/04/2026)

**Limits for investment in debt and sale of Credit Default Swaps by FPIs:** The circular specify limits for 2026-27 for Foreign Portfolio Investor (FPI) investments in debt instruments and sale of Credit Default Swaps (CDS).

The investment limits under the General Route remain unchanged at 6% for Government Securities (G-Secs), 2% for State Government Securities (SGSs), and 15% for corporate bonds. Incremental changes in G-Sec limits will continue to be equally divided between 'General' and 'Long-term' categories, while increases in SGS limits will be allocated entirely to the 'General' category. Investments in specified securities will continue under the Fully Accessible Route (FAR). Additionally, all investments under the Voluntary Retention Route (VRR) will now be subject to General Route limits. The aggregate CDS selling limit for FPIs is set at 5% of outstanding corporate bonds, amounting to Rs 3,30,464 crore.

(Link: RBI Circular 07/2026 Dated 06/04/2026)

**Floating Rate Savings Bonds, 2020 (Taxable) Operational Guidelines:** The updated guidelines governs issuance, servicing, interest payments, nomination, premature encashment, and redemption of Floating Rate Savings Bonds. These Bonds are issued in electronic form through authorised Receiving Offices (ROs) and credited to Bond Ledger Accounts (BLA). Applications may be submitted offline or online, with PAN or prescribed declarations, and KYC compliance is mandatory. Interest is linked to the National Savings Certificate (NSC) rate with a spread of 35 basis points and is reset semi-annually. The bonds have a tenure of seven years, with provisions for nomination, transfer on death, and premature encashment subject to conditions.

(Link: RBI Circular 06/2026 Dated 02/04/2026)

**Residents allowed to exchange INR at Airport Departure Forex Counters:** The amended instructions allows residents, in addition to non-residents, to exchange Indian Rupee (INR) notes at foreign exchange counters located in departure halls within Duty-Free Areas or Security Hold Areas beyond immigration or customs checkpoints. Previously, such facilities were primarily accessible to non-residents or subject to restrictions.

(Link: RBI Circular 05/2026 Dated 02/04/2026)

**Non-Deliverable INR Derivatives barred to Curb Forex Risk:** Authorised Dealers (ADs) are now prohibited from offering non-deliverable derivative contracts involving the Indian Rupee (INR) to both residents and non-residents. However, deliverable forex derivatives may still be offered for genuine hedging purposes, provided users do not maintain offsetting non-deliverable positions.

(Link: RBI Circular 04/2026 Dated 01/04/2026)

**PRAVAAH Portal made mandatory for Overseas Investment Submissions:** Under the new framework, the references related to Overseas Investment submitted by persons resident in India, will be processed at seven designated Regional Offices of the RBI, based on the Unique Identification Number (UIN) prefix of the foreign entity. Authorised Dealer Category I Banks are now required to submit references through the PRAVAAH portal to the respective Regional Office as per the prescribed mapping.

(Link: RBI Circular 03/2026 Dated 01/04/2026)

**Reporting under FEMA Guarantees Regulations:** The persons obligated to report guarantees must use specified forms, i.e., Form GRN Issue for issuance, Form GRN Modification for changes, and Form GRN Invocation for invocation, and submit them to authorised dealer banks. These banks are required to report such returns to RBI through the Centralised Information Management System (CIMS) within 30 days from the end of the relevant quarter. A unique Guarantee Transaction Number must be assigned for each issuance.

(Link: RBI Circular 02/2026 Dated 01/04/2026)

**Updates on UNSC Sanctions List Under UAPA Compliance:** MEA has informed about the UNSC amendments on its ISIL (Da'esh) and Al-Qaida Sanctions List of individuals and entities, which are subject to the assets freeze, travel ban and arms embargo. Regulated Entities (REs) are advised to take note for necessary compliance in terms of Master Directions on KYC.

(Link: RBI Circular 01/2026 Dated 01/04/2026)

**RBI cancels the Licence of Paytm Payments Bank Limited:** RBI has cancelled the banking licence of Paytm Payments Bank Limited on April 24, 2026, under Section 22(4) of the Banking Regulation Act. The bank is prohibited from carrying out banking activities and the RBI will initiate winding-up proceedings before the High Court. The action was taken on multiple grounds, including that the bank's affairs were conducted in a manner detrimental to depositors, its management was prejudicial to public interest, and it failed to comply with licensing conditions. Separately, One 97 Communications Limited clarified that it has no financial exposure or operational dependency on the bank, and its services continue unaffected.

(Link: RBI Press Release Dated 24/04/2026)


## J. Miscellaneous

**SC, Negligence of bank in presenting cheque within validity period is Deficiency in Service:** Case of Canara Bank vs Kavita Chowdhary, SC Judgement Dated 15th April 2026. The apex court held that negligence on part of bank in presentation of cheque within the validity period of cheque leads to 'deficiency in service' under the Consumer Protection Act. Accordingly, compensation entitled to be awarded to the consumer.

(Link: SC Judgement Dated 15/04/2026)

**SC, GDCL not authorised to sell asset of JUL without ownership rights, directs payment of dues of workers:** Case of Bhartiya Mazdoor Sangh vs State of UP, SC Judgement Dated 15th April 2026. The apex court affirmed that once a winding-up recommendation was made, the operating agency (GDCL) was merely a caretaker, not an owner, and had no authority to sell company assets without explicit court approval. The court set aside unauthorized transactions and directed verification and settlement of dues of the workers.

(Link: SC Judgement Dated 15/04/2026)

**SC, Pay Now, Not after Appeals, Enforces Immediate Indemnity:** Case of VPS Healthcare Private Limited vs Prabhat Kumar Srivastava, SC Judgement Dated 13th April 2026. The apex court held that liability under a consent award with indemnity clause can arise immediately once liability crystallises, and need not wait for final confirmation by the Highest Court of Appeal.

(Link: SC Judgement Dated 13/04/2026)

**SC, Partnership cannot be used to Mask Illegal Sub-Lease, Courts will Lift the Veil:** Case of MV Ramachandrasa vs Mahendra Watch Company, SC Judgement Dated 10th April 2026. The apex court held that a partnership arrangement cannot be used as a device to conceal an unlawful transfer of possession of tenanted premises. The court confirmed that if a tenant leaves and a third party takes exclusive possession, a presumption of illegal sub-letting arises. While tenants are permitted to enter into partnerships, such arrangements must be genuine and should not result in parting with legal possession or control.

(Link: SC Judgement Dated 10/04/2026)

**SC, No personal hearing mandatory by banks before classifying Borrower Account as Fraud: Case** of State Bank of India vs Amit Iron Pvt Ltd, SC Judgement Dated 7th April 2026. The apex court held that borrower does not possess any legal right to a personal hearing by banks before classifying their account as fraud account.

(Link: SC Judgement Dated 07/04/2026)

**SC, Termination valid, Blacklisting invalid, enforces strict Natural Justice:** Case of AKG Construction and Developers Pvt Ltd vs State of Jharkhand, SC Judgement Dated 2nd April 2026. The apex court upheld the termination of contract but set aside the blacklisting order, holding that blacklisting is not an automatic consequence of termination and requires independent application of mind and due process. It held that termination and blacklisting operate in different domains, i.e., termination affects existing contracts, while blacklisting impacts future business rights. Blacklisting carries serious civil consequences, including reputational damage and exclusion from govt contracts, and therefore, it requires stricter adherence to principles of natural justice.

(Link: SC Judgement Dated 02/04/2026)

**SC, Generation Based Incentive is over and above tariff set by State Electricity Regulatory Commission:** Case of Southern Power Distribution Company of AP vs Green Infra Wind Solutions Ltd, SC Judgement Dated 25th March 2026. The apex court held that Generation Based Incentive is intended to be disbursed to GENCOs over and above the tariff set by State Electricity Regulatory Commission (SERC).

(Link: SC Judgement Dated 25/03/2026)

## Disclaimer:

The contents of this article are for informational purposes only. The user may refer to the relevant notification/ circular/ decisions issued by the respective authorities for specific interpretation and compliances related to a particular subject matter.

**CMA Yash Paul Bhola**

MBA, FCMA.
Former Director (Finance),
National Fertilizers Limited.

# Maximum Retail Price

## Introduction:

We the consumers come across the war of discount on MRP for white goods, groceries, medicines, auto components and all FMCG goods , garments etc. in different distribution channels like offer by giant retailer or shopping malls or on line e commerce site etc. Some giant retailers says 40% discount on MRP (trolley bags). Obviously we the consumers are afraid of selecting the actual platform say whether to buy from on line plat form or shopping mall or small shop located in our locality. In India under legal Metrology Packaged commodity rules 2011 and as amendment up to date if any all FMCG manufacturers are required to declare the MRP on their goods but discount on MRP are not banned by the competent authority.

**Present Legislation:** MRP in India is regulated by legal Metrology Act 2009. Primarily it was aimed at to cap on upper limit beyond which no trader is allowed to sell to the consumer. From my observation it reveals that the fixation of MRP originally made by the manufacturer or packer mislead the end consumer. The gap between printed MRP vs. actual offered MRP contains some discount which is based on hidden value addition by manufacturer and subsequently released to the consumers as marketing tool. This hidden value needs to clear to the controlling ministry and consumers also. Before every festival we notice several advertisement offering of heavy discount on MRP to allure the consumers so that they spend more.

**Observation of author:** It is observed that manufacturer first fix the MRP added with unwanted discount at high price which subsequently released to the end consumers stating that distribution channels are really selling at low MRP. This article tries to analyse this concept and expect govt. intervention.

**Objectives:** To make available uniform MRP for all packaged commodities pan India fixed by manufacturer based on cost of sales plus distribution cost including commission and applicable GST so that end consumers have belief that the MRP of his intended purchased item is authenticated and he is not asking for any discount but cash back may be offered by giant retailers or direct marketing companies'.

Further price difference between e-commerce site vs. shopping mall and small retailers ought to be minimized to create impression of authenticity in the buyers' mind.

## Channels used to distribute the packaged commodities:

There are two types of channels namely manufacturer to direct marketing company , manufacturer to distributor to whole sellers to retailers to ultimate consumers. The purpose of this concept that once the product is ready to sell, manufacturer ask the distributor to lift the material against payment as per T&C so that interest on working capital is minimized, rent of stock point can be lowered . Again some consumers prefers to buy from local small retailers which ought to be in this country can not enjoy the benefits of volume discount and their offered price to end consumer are always more in comparison to giant retailers price.

**Present Practice in fixing MRP:** At present there is no controlled mechanism to observe the fixation of MRP printed in the packaged item offered to sell with reference to local tax or GST etc. End consumers are in dark and even scared to understand the rate of tax charged in the MRP. It is the discretion of manufacturer who fixed the same depending upon consumers' behaviors. In fact department of consumers affairs under the ministry are worried about the campaign started by giant retailers regarding 50% / 60% discount on MRP (trolley bags). After the introduction of GST2.0 it is observed that MRP of a kitchen chimney offered for sale in Amazon or flip kart remains same and the consumers can not understand the impact of GST from 18% to 5%. GST network with drawn the concept of anti profiteering activities of producers. In fact price fixation mechanism is being felt by the ministry of consumers affairs as necessary in order to get the confidence of people of this country and uniform MRP through out pan India.


**Declaration of inflated MRP in e-commerce platform :** E- commerce platform mislead the end online consumers by putting inflated MRP and then offer discount.

As a result when a consumer compare price between on line and off line becomes confused.

**Presenting Uniform MRP to be maintained:** In order to have uniform retail price let me start with taxable value. In calculating taxable value distribution cost or commission payable to different whole sellers/ distribution and lastly retailers plus logistic expenses on average PAN India basis must be included to arrive at cost of sales. After arriving cost of sales it is required to decide the percentage of profit to add which may be 10/12 or maximum 15%. Hence after arriving taxable value which will applicable and will be considered as uniform taxable value the applicable GST to be added to arrive at uniform retail price payable by end consumer for consumption. So as per this procedure the manufacturer must disclose the taxable value on each package and applicable GST so that consumer may understand that the value of goods and its GST he is paying. Hence original valuation of packaged commodities can not be changed.

Now the issue of discount offered to distributor / whole sellers / direct marketing company / giant retailers and lastly small retailers by manufacturer which he has already included with MRP. In fact as per this article no trader may be giant retailer or small trader could not be allowed to offer discount on MRP. In other words MRP once fixed by manufacturer can not change or declare any discount on MRP. At present the practice of giant retailers like shopping mall procured the packaged commodities by availing volume discount which small retailers can not. Giant retailers sell the same product at less taxable value with lessor GST as against original MRP and its applicable GST and thereby govt. is getting less revenue from end consumers. So as per this article every manufacturer must disclose its taxable value and applicable GST on every package so that govt. is not loosing its revenue from end consumption and end consumer can get confidence that what price he is paying as a retail consumers equals to original MRP fixed by manufacturer. The fixation of MRP is the responsibility of producer. But no agency or audit procedure is available as per consumers' Act to verify the taxable value. The taxable value must be based on cost figure which will audited by govt. appointed agency who allows the manufacturer to add profit at a maximum of 15% or the agency may decide which may require for its sustainability in the business. So disclosure of taxable value in packaged commodities with the information of applicable GST must be made mandatory.

## Discount offered by Shopping Malls on MRP:

As stated in above that change in valuation by offering discount on MRP and applicable GST makes consumer confused on fixation of MRP. Educated consumer thinks that the MRP fixed was over valued and now reducing the price is a bad practice. Govt. is also getting less GST when giant traders offer discount on MRP.

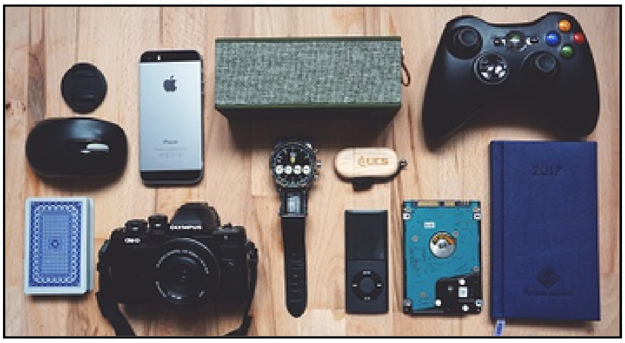

My question what authority the trader has to offer discount when it was the baby of original manufacturer.

## Action of giant Retailers and offering abnormal discount on MRP:

In India no body can sell the packaged commodity more than printed retail price on the contrary in every cases retailers are selling at below maximum retail price which is allowed. The question if above price is not allowed then why below price are allowed. Obviously it is confused that that how the MRP is fixed while above MRP are not allowed but below MRP allowed. Offering discount to the end consumer allows him to start bargaining. The consumers rush to the malls to enjoy discount which small retailers can not and ultimately lost the customer. The Ministry of consumers affairs know this and try to arrest the loopholes. The ministry should publish some formula or rules that every packaged commodity seller must follow in fixing MRP.

**Loss of Revenue :** Offering discount by giant retailers create anomaly in valuation for end consumption. The same product in packaged condition offered for retail sale valued once by manufacturer but giant retailers sale the same product at reduced valuation. The amount of GST collected while fixing MRP by manufacturer differs while offering discount on MRP by giant retailers. So different valuation for end consumer for the same product are followed and as a result govt. is losing revenue. Ministry of consumers' affairs must analyze this dual valuation for the same product consumed by end consumer.

**Desired action of ministry of consumers affair is needed:** In order to have authenticated and recognized method to fix MRP govt. must take some measures so that pan India same MRP are offered irrespective of giant or small retailers.



**Comparison with other consumers' goods:** If RBI can fix the interest on FD parked by general public with narrow difference in rates between banks then why not ministry of consumers' affairs frame a rule to fix MRP so that govt. can plan to collect GST on taxable value. So Ministry of consumers' affairs must have pivotal role and approach ICMAI in framing the rule for uniform MRP applicable with PAN India. If Electricity regulatory commission can interfere the fixing of energy price in India then why not consumer affairs ministry will ask the manufacturer to submit its proposal so that govt. must have data for consumer goods sold in this country.

ICMAI must approach govt. to allow to publish a paper on rule to fix MRP through out India at uniform price. Discount offered on MRP by giant retailers or malls is simple a method of under valuation of goods and such action caused losing of revenue from end consumers. In fixing energy price the regulatory commission allows cost incurred for the beneficial to the energy generation with allowable profit on capital employed then why not in consumer goods. What harms if the govt. knows the cost of production duly audited by professional agency recognized under the act of parliament. The action of govt. must take care of small traders to sustain in their business in this rule making process.

**Volume discount on MRP:** A manufacturer may sells his goods at less than MRP which he fixed before launch to a giant retailer. Once the taxable value is fixed then it can not be changed even by giant retailer to collect less GST from end consumption. Govt. must know the taxable value so that expected GST may be predicted by the authority and there by support in budget preparation. It should be the target of the govt. that every recognized sector can not sell its products by offering huge discount as per present practice so that confidence of consumers remains while buying the goods. The govt. must verify or supervise the difference of price offered to consumers by giant consumers and small retailers against the printed MRP which is fixed by manufacturer.

Any such discount must recognize in tax invoice but after taxable value as post sales discount which will not affect the original taxable value.

**Present Practice adopted:** The original idea of selling at MRP was intended to protect the consumers from being over charged. But the present practice is to sell at price lower than MRP by offering abnormal discount creates confusion with general consumers even doubt over compromised quality.

**Fixation of MRP:** The fixation of MRP should be made with cost of sales which includes factory cost plus administrative overhead incurred at office plus commission payable to distributor / whole sellers / retailers plus average freight cost to be calculated as per cost accounting standard for average transport cost incurred where the consumption takes place plus maximum allowable profit at the rate of 10 to 15% say 13% agreed by the manufacturer comparable to other similar products available in the market and verified by the agency of govt. In case of giant retailers discount to be offered on volume sales must not differ more than 10%. This can create confidence in the mind of the consumer while buying from small or big retailer. In fact fixation of MRP must be made on the basis of normal distribution not on the basis of volume sales.

**Ideal Situation :** Approved agency appointed by Govt. consented by original manufacturer certified MRP with declaration of taxable value with applicability of GST must be fixed till consumption by end consumers. Any discount offered by giant retailers must recognize the same separately as post sale discount in the tax invoice with out reducing MRP so that GST collected from consumers on the value fixed by original manufacturer which is certified by agency with the consent of producer since all action must support the investors for its sustainability in business.

## Suggestive Measures:

a) To frame national uniform maximum retail price frame work.

b) Ministry of consumers Affairs food and public distribution to issue rule in consultation with ICMAI and GST council.

c) To enact MRP Act to gain confidence in the mind of end consumers.

d) Applicable to all manufacturers or packaging company with threshold turn over limit.

e) To apply on e-commerce participants also along with all giant retailers.

f) To introduce national average logistic expenses following cost accounting standard on transport cost.

g) To regulate discount and pricing regulation in fixing MRP.

h) Policy on post sale discount to create more demand subject to consumers' financial ability.

i) Volume discount to regulate to large retailers with introduction of level playing field for small retailers.

j) To introduce compliance and audit mechanism and mandatory certification by agency who has authority on cost certification.

k) Departmental audit may also be introduced.

l) Maintenance of separate portal for all FMCG manufacturers.

m) Rate of GST must declare on the box to gain consumers' confidence.

## Billing pattern.

## Refer separate excel sheet

**Billing pattern:** Issue of tax invoice by manufacturer to distributor, distributor to whole seller , whole seller to retailer and finally retailer to end consumers. Billing to end consumer must disclose the taxable value matched with original taxable value decided by manufacturer.

| | Manufacturer to end consumer | | manufacturer to distributor |
|---|---|---|---|
| Particulars | | Particulars | |
| factory cost | xxxxxxx | MRP | 141.75 |
| add: adminitrative OH | xxxxxxx | less:GST | -6.75 |
| add: selling OH vide commission payable to distributor | | original taxable value | 135 |
| whole seller and retailer (10+8+5) | 23 | less: channel disctribution cost | -23 |
| add: average freight cost as distribution OH | xxxxxxx | taxable value for distributor | **112.00** |
| cost of sales | xxxxxxx | add: GST @5% | 5.60 |
| add: maximum profit @15% depending on competition | xxxxxxx | billing to distributor | **117.60** |
| taxable value for end consumer | **135** | | |
| add: applicable GST @5% | 6.75 | | |
| MRP applicable for all channels of distribution | | | |
| which can not changed by way of offering discount | **141.75** | | |
| note 1 : INR 10 for distributor, INR 8 for whole seller, | | | |
| and INR 5 for small retailer | | | |
| Note 2 : In case of giant retailers who sales directly to the | | Note 3 | |
| end consumers getting volume discount from | | Taxable value for distributor | 112.00 |
| manufacturer, calculation of taxable value applicable to | | Taxble value for whole seller | 122.00 |
| giant retailer will be different. | | Taxble value for retailer | 130.00 |
| | | Taxable value for consumer | 135.00 |

| | Distributor to whole seller | | whole seller to retailer | | Retailer to end consumer |
|---|---|---|---|---|---|
| Particulars | | Particulars | | Particulars | |
| MRP | 141.75 | MRP | 141.75 | MRP | 141.75 |
| Less : GST | -6.75 | Less : GST | -6.75 | Less GST | -6.75 |
| original taxable value | 135 | original taxable value | 135 | original taxable value for consumer | **135** |
| Less : discount | -13 | Less : discount | -5 | Add GST @5% | 6.75 |
| taxable value for whole seller | **122** | taxable value for retailer | **130** | billing to consumer | **141.75** |
| add: GST @5% | 6.10 | add: GST @5% | 6.50 | | |
| billing to whole seller | 128.10 | billing to retailer | **136.50** | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Note 4 | | | | | |
| Taxable value to giant retailer | 112.00 | | | | |
| considering no distributor , | | | | | |
| whole seller etc. while for | | | | | |
| regular retailer taxble value | 130.00 | | | | |

## Expectation from Govt:

a) Once taxable value is fixed by manufacturer can not disturb offering so called discount by big players while selling to consumers

b) GST will be charged based on taxable value as appeared on package at applicable rate fixed by govt.

c) Taxable value must certify by govt. recognize agency having expertise cost certification and expertise to differentiate between cost and expenses.

**Statutory Verification:** Weak monitoring by govt. agency particularly department of consumers' affairs and competition commission paves the way to manufacturer to fix inflated MRP so that distribution channels gets the scope to declare unsolicited discount to the buyers and try to convince the customers to believe in the offered price that they are forgoing. We are observing that taking recourse the provision of taxable value under GST Act the large retailers purchased with quantity discount and misuse the concept of taxable value which goes on reduced till the consumers consumed. So under present MRP fixation module manufacturer sets the inflated value and asks the distribution channels to offer discount who ultimately misuse the concept of taxable value and the consumers never know the actual taxable value.

## Conclusion :

Govt. must know the taxable value of offered products so that authority may compare with similar product available for consumption and lastly to dis allow the practice of offering discount and instead to verify the taxable value calculation supported by certification of agency.

The invisibility of GST inside MRP is not an accident but a deliberate design to choice that prioritized price simplicity over tax transparency. Visibility of GST payable by end consumers while fixing price introduced in the market for selling on the bottom of the package becomes necessary and change in valuation for different buyers starting from tiny size retailers to large scale retailers is to reviewed. However, as per section 15 of the CGST Act 2017 different valuation is possible for same product to different buyers so long it is a genuine transaction and transaction between unrelated buyer and seller on arm length pricing module. In Budget the ministry of finance allows CMA having significant experience to issue the certificate following safe harbor rules in international transaction particularly to calculate the cost of developing software which the author thinks as positive approach by Govt. The small traders and the consumers never knows the value of the product he is paying and also how much he is contributing to govt. revenue. Finally in MRP system multiple times valuation on same product allowable under GST Act and applicable to different stages of distribution to the end consumers creates confusion.

## Reference :

No reference papers consulted while preparing this article except some words or inputs taken from Perplexity AI

## Abstract :

MRP once fixed by manufacturers as applicable in packaged commodities reduced intentionally by the different traders makes confused the end consumers as seen in real life transactions. As a result confidence of consumers are decreasing gradually on MRP printed on the box. That is why consumers are asking discount always.

## Declaration :

Not send to any where to consider as senior member presently in practice.

**CMA Asim Saha**

Asim Saha is a qualified CMA (June 1990) with extensive experience across public and private sectors. He started his career in 1991 at Hindustan Antibiotics Limited and later worked with Usha Martin Group, Atlanta Limited, and Assam Petrochemicals Limited. He has also served as CFO of Agartala Smart City Limited and is currently associated with Bandyopadhyaya Bhaumik & Co., Kolkata, as a Team Leader. He has published articles in ICMAI's The Management Accountant magazine in 2013 and 2025.

# Understanding the National Pension System & NPS Vatsalya Scheme: Exit Rules, Benefits, and Real-Life Insights for Investors


## Introduction

The National Pension System (NPS) is a government-backed, retirement-focused investment scheme designed to build long-term wealth through disciplined savings. It is a defined contribution system that is low-cost, tax-efficient, flexible, and portable, making it a suitable option for individuals seeking financial security after retirement.

Launched in 2009, NPS is open to all Indian citizens, including NRIs, and allows investors to accumulate savings over time and receive a combination of lump-sum withdrawals and pension (annuity income) at retirement.

## NPS operates through two types of accounts:

- Tier I Account (Primary retirement account) – Mandatory with a minimum annual contribution of ₹6,000
- Tier II Account (Voluntary savings account) – Optional with flexible withdrawals

**Subscribers can choose between:**

- Active Choice – where they decide asset allocation
- Auto Choice – where allocation is done automatically based on age

The scheme offers exposure to multiple asset classes such as equity, corporate bonds, and government securities, enabling a balance between growth and stability. Historically, equity investments under NPS have delivered higher long-term returns, though with some volatility, while debt instruments have provided relatively stable returns.

**From a tax perspective, NPS offers attractive benefits:**

- Additional deduction of ₹50,000 under Section 80CCD(1B) over and above ₹1.5 lakh under Section 80C (under the old tax regime)
- Employer contributions are also eligible for deduction under Section 80CCD(2) (available under both old and new tax regimes)

At maturity, up to 60% of the corpus can be withdrawn tax-free, while the remaining portion is used to generate pension income. It is important to note that annuity income is taxable as per the individual's income tax slab.

Recently, the NPS Vatsalya Scheme was introduced to extend similar benefits to minors, enabling early financial planning for children. While both schemes offer attractive long-term benefits, it is important to clearly understand their exit rules, withdrawal conditions, and practical implications before investing.

## Who Can Open NPS Vatsalya?

The NPS Vatsalya Scheme can be opened in the name of a minor (child) and is managed by a parent or legal guardian. A minimum contribution of ₹250 is required to open an NPS Vatsalya account. Additionally, a minimum annual contribution of ₹250 is required to keep the account active. There is no upper limit on the maximum contribution.

## When is an NPS Vatsalya Account Converted to Regular NPS?

Upon attaining the age of 18, the subscriber has the option to either continue in the scheme for up to 3 years (i.e., until age 21) or transfer the entire accumulated corpus to a regular NPS account (under the All Citizen Model or any other applicable model) after completing the required KYC formalities.

If the subscriber does not exercise an option before age 21, the account is automatically transferred to a higher-equity scheme under the Moderate Life Cycle Fund (MLC). Thereafter, the account will be governed by the Pension Fund Regulatory and Development Authority (PFRDA) (Exits and Withdrawals under NPS) Regulations, 2015.

## Who Should Consider NPS / NPS Vatsalya?

- Individuals planning for retirement with discipline
- Salaried employees looking for additional tax benefits
- Parents wanting to build a long-term corpus for children
- Investors comfortable with long lock-in for higher compounding

## Who Should Avoid NPS investment?

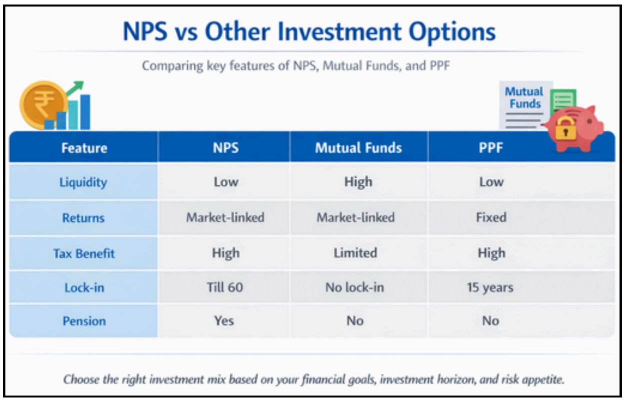
- Investors looking for short-term liquidity
- Those planning for education or marriage goals
- Individuals needing flexible withdrawals

NPS is best suited for long-term, disciplined investors focused on retirement planning and tax efficiency.

It is ideal for those who can stay invested until 60. However, it may not be suitable for individuals seeking liquidity, flexibility, or funds for short-term goals like education, marriage, or emergencies.

## NPS vs Other Investment Options

Before investing, it is important to compare NPS with other popular investment options such as mutual funds and PPF. Each option differs in terms of returns, liquidity, tax benefits, and purpose. Understanding these differences helps investors choose the right mix based on their financial goals, risk appetite, and time horizon.


NPS vs Other Investment Options

Comparing key features of NPS, Mutual Funds, and PPF

| Feature | NPS | Mutual Funds | PPF |
|---|---|---|---|
| Liquidity | Low | High | Low |
| Returns | Market-linked | Market-linked | Fixed |
| Tax Benefit | High | Limited | High |
| Lock-in | Till 60 | No lock-in | 15 years |
| Pension | Yes | No | No |

*Choose the right investment mix based on your financial goals, investment horizon, and risk appetite.*

Each investment option serves a distinct purpose, and the National Pension System (NPS) should ideally be viewed as a dedicated retirement tool within a diversified portfolio. All these investment options carry varying levels of risk and return potential. Based on your financial goals, investment horizon, corpus requirements, and risk appetite, you should choose the most appropriate combination of products.

## a)Early Exit

Both NPS Vatsalya and the regular NPS provide an early exit option, subject to specified conditions. In the case of regular NPS, earlier rules required a minimum contribution period of 5 years to be eligible for premature exit. However, as per recent regulatory updates notified by the Pension Fund Regulatory and Development Authority (PFRDA), the mandatory 5-year lock-in period for premature exit has been removed for the All Citizen Model (effective December 2025), thereby offering greater liquidity and flexibility to subscribers.

In contrast, under the NPS Vatsalya Scheme, early exit can be exercised once the child attains the age of 18. In both cases, upon early exit, up to 20% of the total corpus can be withdrawn as a lump sum, while the remaining 80% must be mandatorily utilized to purchase an annuity (pension plan), subject to applicable conditions. As per the latest PFRDA guidelines, if the total accumulated corpus is ₹8 lakh or less, the subscriber is allowed to withdraw 100% of the corpus without any annuity requirement.

For example, if a subscriber invests ₹1,000 per month under the NPS Vatsalya Scheme, the corpus at age 18 may grow to approximately ₹6,00,000, assuming an average annual return of 10%. Since the total corpus is below ₹8 lakh, the subscriber can withdraw the entire amount of ₹6,00,000 without purchasing an annuity.

To summarise, although recent amendments have improved flexibility—especially for smaller corpus sizes—early exit in both NPS and NPS Vatsalya generally leads to restricted liquidity, as a significant portion (up to 80%) is typically required to be allocated towards annuity. This reinforces that NPS is primarily designed as a long-term, retirement-oriented investment vehicle. Therefore, early exit should be considered only in exceptional situations.

## Partial Withdrawal (Without Closing the Account)

Under the National Pension System (NPS), partial withdrawal is permitted after the completion of at least 3 years from the date of account opening. A subscriber can withdraw up to a maximum of 25% of their own contributions (excluding employer contributions and investment gains), and not 25% of the total corpus at the time of withdrawal.

Such withdrawals are allowed only for specified purposes, including higher education, marriage, purchase/construction of a house, and medical treatment of specified illnesses. A maximum of three partial withdrawals is permitted during the entire tenure of the account. Importantly, the NPS account continues even after the withdrawal.

## Partial Withdrawal under NPS Vatsalya

Under the NPS Vatsalya Scheme, partial withdrawal provisions are structured based on the age of the subscriber:

- From age 0–18 years: A maximum of two withdrawals allowed
- From age 18–21 years: Two additional withdrawals allowed

The permitted purposes for partial withdrawal include:

- Education of the subscriber
- Treatment of specified illnesses
- Disability of 75% or more

Similar to regular NPS, partial withdrawal is allowed up to 25% of the subscriber's own contributions (excluding returns).


## Tax Treatment

Partial withdrawals up to 25% of own contributions are exempt from tax under Section 10(12BA) of the Income Tax Act. This exemption is available under both the old and new tax regimes, including cases where the amount is received by the parent or guardian on behalf of the minor under NPS Vatsalya.


## b) Exit & Withdrawal Options in NPS & NPS Vatsalya

Under the National Pension System (NPS), at the age of 60 (normal exit), a subscriber can withdraw up to 60% of the total corpus as a tax-free lump sum, while the remaining 40% must be used to purchase an annuity (pension).

As per recent guidelines, additional flexibility has been introduced, allowing withdrawal of up to 80% of the corpus.

However, only 60% remains tax-free, and any additional withdrawal (up to 20%) is taxable as per the applicable income tax slab. In such cases, the minimum annuity requirement reduces to 20%. From a financial planning perspective, the 60% lump sum + 40% annuity option remains the most balanced approach, providing both liquidity and stable retirement income.

Further, for non-government subscribers (All Citizen/Corporate), if the total corpus at normal exit is ₹8 lakh or less, 100% withdrawal is permitted, which is fully tax-free. If the corpus is between ₹8 lakh and ₹12 lakh, the subscriber can withdraw up to ₹6 lakh as a lump sum, and the balance can be allocated either towards annuity or a phased withdrawal option known as Systematic Unit Redemption (SUR), to be taken over a minimum period of six years. These provisions are applicable from December 2025, as per updates by the Pension Fund Regulatory and Development Authority (PFRDA).

### NPS Vatsalya – Exit Options

Under the NPS Vatsalya Scheme, exit is permitted between the ages of 18 and 21 years:

- If the total accumulated corpus is **below ₹8 lakh** → 100% withdrawal allowed (no annuity requirement)
- If the corpus is **₹8 lakh or above** → **Up to 80% can be withdrawn as a lump sum,** and at least 20% must be utilised for annuity purchase

### Risks & Limitations:

- Lock-in till age 60
- Mandatory annuity (low return ~5–7%)
- Limited liquidity (only 20% in early exit)
- Annuity income is taxable

NPS is a long-term retirement product with limited liquidity and mandatory annuity requirements. While it offers tax benefits and disciplined savings, investors must be comfortable with lock-in until retirement and relatively lower annuity returns. It is important to align NPS investments with long-term goals rather than short-term financial needs.

## Conclusion

NPS and NPS Vatsalya are powerful long-term retirement planning tools; however, they come with structured exit rules. While early exit is permitted, liquidity remains limited due to mandatory annuity requirements. That said, the ₹8 lakh relaxation rule provides meaningful flexibility for small investors.

From an intergenerational perspective, NPS Vatsalya can help build disciplined long-term wealth. For instance, a monthly investment of ₹1,500 starting at age 1 can grow to approximately ₹12.88 lakh by age 21 (assuming an average annual return of 10%). Even after annuitization, the resulting income can support long-term financial planning or be reinvested for future generations.

Thus, NPS Vatsalya not only supports retirement planning but also serves as a disciplined and structured approach to building intergenerational wealth—provided investors clearly understand its structure, benefits, and limitations.

## Disclaimer

The information contained in this document is for general informational purposes only and should not be construed as investment advice. While care has been taken to ensure accuracy, the author does not guarantee completeness or reliability. Investors are advised to consult their financial advisor before making any investment decisions.

**CMA (Dr.) R K Mohapatra**

CMA (Dr.) R. K. Mohapatra is the Founder of NextZen Wealth, a Certified Retirement Advisor, Financial Consultant, Editorial Board Member of The Worldonomics Times, and an "Eminent Author" awardee. He has over 34 years of experience in finance and accounting, specializing in wealth management, retirement planning, and tax advisory services.

# Indirect & Direct Taxes updates April 2026


## Indirect Taxes Updates

### GST Compliance Calendar – Returns to be filed in the M/O May, 2026

| GST Return Form Name | Filing Period | Due Dates in May 2026 |
|---|---|---|
| GSTR-1 (Outward return) | Monthly (April 2026) | 11th May 2026 |
| GSTR 3B (Tax summary return) | April 2026 | 20th May 2026 (In case Aggregate turnover more than Rs. 5 crore in the previous Year)<br>22nd / 24th May 2026 (in case Aggregate turnover less than or equal to Rs 5 crore in the previous financial year registered in X /Y category respectively. |
| GSTR 5A (online information & data access) | April 2026 | 20th May 2026 |
| GSTR 05 (by non-taxable resident persons ) | April 2026 | 20th May 2026 |
| GSTR 06 (ISD) | April 2026 | 13th April 2026 |
| GSTR 07 (TDS) | April 2026 | 10th May 2026 |
| GSTR 08 (TCS) | April 2026 | 10th May 2026 |

## Important News update

**The GSTN issued detailed Advisory for IMS Offline Tool on GST Portal** - The Invoice Management System (IMS) was introduced on the GST portal from the October 2024 tax period enabling the taxpayers to take actions on invoices uploaded by their suppliers through GSTR-1, GSTR-1A, or IFF, including accepting, rejecting, or keeping such records pending in the system.

To continuously enhance the taxpayer convenience and facilitate ease of compliance, an IMS Offline Tool has now been introduced in the GST system. said offline tool is based on MS excel making it easy to use by the taxpayers and it enables them to undertake actions on both individual as well as bulk invoices in an efficient manner. (**Advisory No. 658 dated 21st April, 2026**)

**No Double Tax Under GST: Madras High Court Quashes Section 76 Notice** - The Hon'ble Madras High Court in a landmark decision: tax cannot be demanded twice if it has already been paid. The judgment has played a pivotal role for businesses with multiple GST registrations. GAIL has two business verticals, namely transmission and trading, and each has its own GST registration.

A show cause notice was served by the tax department under Section 76 of the CGST Act claiming that the trading division collected tax from clients and failed to remit it. But GAIL proved that the total amount of tax had already been paid to the government through its transmission division. The dispute did not pertain to non-payment but to which GST registration had made the payment. The Court said Section 76 applies only when someone **collects tax but does not give it to the government.** In this case, the tax had already been paid to the government, so this section should not be used. The Court said Section 76 applies only when someone **collects tax but does not give it to the government.** In this case, the tax had already been paid to the government, so this section should not be used. The judgment reinforced that tax on the same transaction could not be imposed twice by authorities because of separate GST registrations. Double taxation which is not allowed would arise.


**GST Collections rise nearly 9% in March with gross mop up touching Rs 2 lakh crore** - The GST revenue data for March 2026 reflects strong growth in both gross and net collections, indicating continued economic momentum. Gross GST revenue increased to ₹2,00,064 crore, marking an 8.8% rise compared to March 2025, while annual collections also recorded an 8.3% growth. Domestic revenue grew moderately at 5.9%, whereas import-related GST collections showed a sharp increase of 17.8%, highlighting robust import activity. Net GST revenue after refunds stood at ₹1,77,990 crore, registering an 8.2% growth. Refunds also rose significantly, especially domestic refunds, indicating improved compliance and faster processing. State-wise data reveals varied growth trends, with major states like Maharashtra, Karnataka, and Telangana contributing significantly to overall collections. Tax collections are growing steadily, more people and businesses are following tax rules, and the GST system is becoming stronger and better managed. However, it also shows that different industries and regions in India are performing differently when it comes to paying taxes.

**GSTN Advisory on Re-Computation of Interest under Table 5.1 of GSTR-3B** – The GSTN issued an advisory regarding incorrect system-calculated interest auto-populated in Table 5.1 of GSTR-3B for March 2026 relating to the February 2026 period due to a technical glitch. The portal normally auto-calculates interest on delayed filing and carries it forward to the subsequent return period. However, in certain cases, the computation failed to account for the benefit of available cash balance in the Electronic Cash Ledger as per Rule 88B(1) of the CGST Rules, 2017. To address this issue, taxpayers have been provided an option to recompute interest using the "RE-COMPUTE INTEREST" feature in Table 5.1. The revised interest is reflected in the system-generated GSTR-3B PDF. Taxpayers are advised to verify the updated values and manually edit the auto-populated figures accordingly, ensuring that the declared interest is not less than the recomputed amount. **(Advisory on Re-Computation of Interest under Table 5.1 of GSTR-3B Dated 16th April 2026)**

**Pre-deposit Percentage in the GST Portal** - While filing an appeal in Form APL-01 on the GST portal, the pre-deposit percentage is auto-populated as 10% in accordance with Section 107(6) of the CGST Act, 2017, and was previously non-editable. Due to this restriction, taxpayers faced difficulties in cases where the pre-deposit had already been made through other means or where the demand amount was incorrectly reflected under the appropriate head.

To address these issues, GSTN has now made the pre-deposit field editable at the time of filing the appeal, from 6th April, 2026. This allows taxpayers to modify the pre-deposit percentage as applicable to their specific case and calculate and pay the required amount accordingly while submitting the appeal. The appellate authority will subsequently verify the correctness of the pre-deposit amount and the mode of payment during the adjudication of the appeal.

## Recent Circulars/ Notifications

**Government Extends Due Date for Filing GSTR-3B for March 2026** - The Ministry of Finance, Department of Revenue, through the Central Board of Indirect Taxes and Customs (CBIC), vide Notification has extended the due date for **furnishing the return in FORM GSTR-3B for the month of March 2026 till 21st April 2026.** The extension has been notified by the Commissioner in exercise of the powers conferred under sub-section (6) of section 39 of the Central Goods and Services Tax Act, 2017, on the recommendations of the GST Council, and is applicable to all registered persons required to file returns under sub-section (1) of section 39 read with clause (i) of sub-rule (1) of rule 61 of the CGST Rules, 2017. The notification shall come into force with effect from April 20, 2026, and has been issued under file number CBIC-20006/45/2025-GST, providing relief to taxpayers and facilitating smoother compliance. **(Notification No. 01/2026 – Central Tax dated 21st April 2026)**

**Tamil Nadu GST Dept Introduced Virtual Hearing Facility for GST Appeals under Section 107 of the TNGST Act** - The Government of Tamil Nadu, through the Commercial Taxes Department, has issued Circular, introducing comprehensive guidelines for conducting personal hearings in GST appeals through virtual mode.

Under the provisions of Section 107 of the Tamil Nadu Goods and Services Tax Act, 2017, read with the corresponding provisions of the Central GST Act, 2017 and Section 20 of the Integrated GST Act, appellate authorities have been conducting hearings physically and issuing orders in Form GST APL-04. However, considering the growing demand from taxpayers and their authorized representatives—including advocates and chartered accountants located across the country—for remote access to hearings, the Government has taken a proactive decision to enable virtual hearings via video conferencing. This initiative marks a significant step towards digitization and ease of compliance in tax administration. **(Circular No. 3/2026 dated 17th March 2026)**

**Maharashtra Notifies 30$^{th}$ June 30 2026 as Deadline for Filing Appeals Before GST Appellate Tribunal (GSTAT) for Pre - 1$^{st}$** April Orders - The Government of Maharashtra has issued a notification under Section 112 of the Maharashtra Goods and Services Tax (MGST) Act, 2017, prescribing timelines for filing appeals before the Goods and Services Tax Appellate Tribunal (GSTAT). The State Government, on the recommendations of the GST Council, has notified 30$^{th}$ June 2026 as the last date for filing appeals in cases where the order has been communicated to the appellant on or before 1$^{st}$ April 2026. This measure provides a one-time window for taxpayers to file pending appeals before the GST Appellate Tribunal in respect of earlier orders, thereby facilitating dispute resolution and ensuring procedural clarity. The notification has been issued by the Finance Department, Government of Maharashtra, under the authority of the Governor. **(Notification No. MGST-2026/C.R.11/Taxation-1 dated 24th March 2026)**

**Delhi Government Assigns Powers for GST Registration Cancellation under DGST Act** - The Government of National Capital Territory of Delhi, through the Department of Trade & Taxes (Policy & Research Branch), has issued an order assigning powers to officers for handling applications related to cancellation of GST registration under the provisions of the Delhi Goods and Services Tax (DGST) Act, 2017. In exercise of powers conferred under Section 5 read with Section 2(91) of the DGST Act, 2017, the Government has authorized designated officers to act as proper officers for specified functions. As per the order, Ward-level Proper Officers have been empowered to process applications for cancellation of registration filed by taxpayers under Section 29 of the Act, subject to prescribed conditions and supervisory approvals. The order introduces a clear approval framework based on the amount of Input Tax Credit (ITC) involved:

- **Cases exceeding ₹2.5 crore ITC:** Applications shall be decided only after prior approval of the concerned Zonal In-charge.
- **Cases up to ₹2.5 crore ITC:** Applications may be decided directly by the Proper Officer posted in the Ward.


This bifurcation ensures enhanced scrutiny in high-value cases while enabling quicker disposal of smaller cases. (Order vide File No. DTT-D011/33/2026-Policy-TT/144 dated 2nd April 2026)

## Important Cases

**Refund of Tax Paid Twice by Mistake Cannot Be Denied on Ground of Limitation under Section 54 of the GST Act -** The Hon'ble Orissa High Court Observed that, the record clearly demonstrated that the Petitioner had deposited tax liability twice, first through Credit Ledger on 8$^{th}$ February, 2021, and thereafter through Cash Ledger on 18$^{th}$ September, 2022, for the same transactions relating to FY 2019-20. The Proper Officer himself acknowledged in the impugned order that tax liability of ₹6,01,645 each under CGST and OGST had been discharged twice, which established the fact of excess payment. Retention of such excess amount by the State would be contrary to Article 265 of the Constitution of India, which mandates that no tax shall be levied or collected except by authority of law. Court held that, the rejection order dated 22$^{nd}$ October 2025 was unsustainable in law and liable to be quashed and directed that, the Petitioner may file a fresh refund application within two weeks, and the authority shall decide the same within seven days, failing which the refund shall carry interest at 6% per annum from the date of the original refund application till payment. **(Rajendra Narayan Mohanty v. Joint Commissioner of State Tax [W.P.(C) No. 2271 of 2026, order dated 12$^{th}$ February 2026])**

**ITC on Transfer of Leasehold Rights Without Construction, Not Barred Under Section 17(5)(d) -** The Hon'ble Gujarat High Court Observed that, the Respondent had not disputed that the Petitioner's business activity consisted only of acquiring leasehold rights in GIDC plots, undertaking sub-plotting and transferring leasehold rights of such sub-plots to purchasers. Section 17(5)(d) shows that the restriction on ITC applies to goods or services received for construction of immovable property. The Respondent had not established that the Petitioner had undertaken any construction activity whatsoever apart from transferring leasehold rights in the GIDC plot. Therefore Section 17(5)(d) would not even remotely apply to the Petitioner and the allegation of availing blocked credit reflected a complete non-application of mind by the Respondent authority.

The Respondent had not established any fraud, wilful misstatement or suppression of facts on the part of the Petitioner; on the contrary, the Petitioner had reversed the inadvertently utilised ITC through Form DRC-03 and had discharged the entire GST liability in cash. Consequently, the Court quashed and set aside the show cause notice dated 28th October 2025 issued under Section 74(1) of the CGST Act and directed the Respondent to unblock the ITC amounting to ₹98,11,678 lying in the electronic credit ledger within three weeks. **(Niket Bipinbhai Patel v. Assistant Commissioner (A.E.) CGST-Central Excise, Vadodara-II Commissionerate [R/Special Civil Application No. 18068 of 2025, order dated 10th February 2026])**


**Deposit of tax during search or investigation cannot be treated as 'voluntary payment'** - The Hon'ble Bombay High Court held that where a taxpayer alleges that tax was deposited during search or investigation due to coercion, the department is obligated to examine the complaint in terms of Clause 5 of the Central Government instructions dated 25th May 2022, and such payment made during investigation cannot automatically be treated as voluntary. The revenue ought to have addressed this aspect in its earlier replies and must explain the delay and failure to consider the complaint in accordance with the circular and directed that, further time was granted to the Respondents to file additional reply addressing these issues, and the matter was listed for further hearing on 6th March 2026. **(Modern Traders v. Deputy Commissioner/Joint Commissioner, Nagpur – II & Ors. [Writ Petition No. 4344 of 2025, order dated February 20, 2026])**

**Interest cannot be imposed in adjudication order, if not demanded/ quantified in Show Cause Notice** - The Hon'ble Allahabad High Court observed that, the show cause notice issued on 29th November 2024 did not quantify the amount of interest even though the interest liability related to the period 2020-21 which was known to the authorities at the time of issuance of the notice. Section 75(7) of the GST Act clearly provides that the amount of tax, interest and penalty demanded in the order shall not be in excess of the amount specified in the notice and no demand shall be confirmed on grounds other than those specified in the notice. failure to quantify the interest amount in the show cause notice would definitely be in contravention of Section 75(7) of the Act.

The Court held that, the impugned order passed under Section 73(9) and the show cause notice are liable to be quashed and set aside. Directed that, the authorities are at liberty to issue a fresh show cause notice in accordance with law and proceed accordingly. **(M/s Sanjay Construction through Authorized Representative Shivendra Kumar v. State of Uttar Pradesh & Anr. [Writ Tax No. 161 of 2026, order dated 17th February 2026])**

**Refund of Pre-deposit in VAT to be made in cash in GST Regime u/s 142(6)** - The Hon'ble Madras High Court observed that the matter relating to the freight and pumping charges was already decided in favour of the Petitioner. Court noted that the petitioner had paid the pre-deposit through VAT input tax credit and complied with the High Court order. Court held that the pre-deposit amount must be refunded once the demand for tax is dropped under Section 142(6) as it clearly mandates refund in cash. After the implementation of GST, the ITC of VAT cannot be carried forward or adjusted. Quashed the department's refusal and directed refund within 30 days. **(Larsen and Toubro Ltd. v. Deputy Commissioner (ST)-II [W.P. Nos. 28371, 28375 and 28378 of 2021 dated September 26, 2024])**

**Uploading Orders Under 'Additional Notices and Orders' Tab is Not Proper Service** - The Hon'ble Calcutta High Court held that uploading notices and orders on the GST portal under the "Additional Notices and Orders" tab cannot be construed as proper service and violation of the mandatory hearing requirement under Section 75(4) of the GST Act renders the adjudication order susceptible to challenge. The Court directed that, since the Petitioner's bank accounts had been attached on the basis of the adjudication order, and recovery had been stayed, the GST authorities shall lift the attachment of the Petitioner's bank accounts. **(Ramkrishna Banerjee v. The Deputy Commissioner of State Tax, Srirampur Charge & Ors. [WPA 28002 of 2025, order dated 17th February 2026])**

**GST proceedings quashed as notices sent to old address, despite updated address in registration** - The Hon'ble Gujarat High Court observed that the Petitioner had already intimidated the change of address in 2017 and it was also reflected in Form GST REG – 6. Court Noted that all the Show Cause Notice ("SCN"), adjudication order and the appellate order were all sent to the old address even when the department has updated new records and failed to communicate and serve notices correctly. Improper service of notice violated the principles of natural justice and deprived the petitioner of a fair opportunity to defend the case. Without a proper service of notice, the proceedings cannot be sustained in law, therefore quashed the show cause notice, order-in-original and the appellate order. Court directed the department to initiate fresh proceedings in accordance with law within a period of twelve weeks from the date of receipt of this order. **(Sachde Roadlines v. Union of India [R/Special Civil Application No. 2515 of 2026 order dated 26th February 2026])**

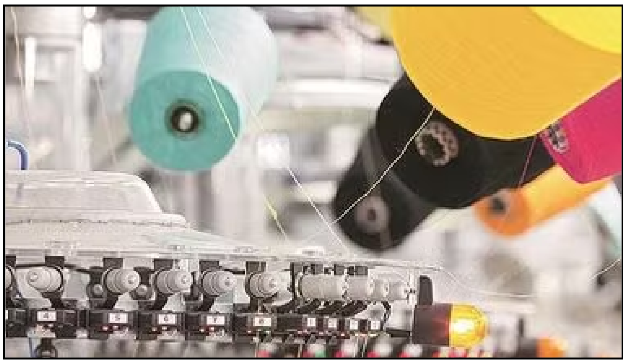
**Cross-Charge Mechanism Valid for Distribution of Common ITC Prior to 1st April 2025** - The Hon'ble Karnataka High Court Observed that, prior to the amendment effective 1st April 2025, the definition of 'ISD' under Section 2(61) of the CGST Act contained a specific bar/prohibition, due to which the Petitioner was unable to avail and distribute ITC of common services liable under reverse charge mechanism through ISD. The Petitioner transferred such ITC by raising invoices under Section 31 of the CGST Act, and the ITC was otherwise eligible under Sections 16 and 17 of the CGST Act. CBIC Circular dated 17th July 2023 clarifies that common ITC can be distributed either through ISD mechanism or by raising tax invoices under Section 31 of the CGST Act. The common ITC distributed by the Petitioner to its branch offices was in accordance with the said Circular and was therefore legally valid. The impugned order was passed in complete disregard of the binding Circular and is therefore illegal, arbitrary, and without jurisdiction or authority of law. Court directed that, the writ petition is allowed and the impugned Order-in-Original dated 24th January 2025 is quashed. **(M/s. Micro Labs Limited v. Joint Commissioner of Central GST & Ors. [WP No. 8409 of 2025, order dated 9th December 2025])**

## Notifications / Circulars

**CBIC Prescribes Procedure for Handling Return of Export Cargo Offloaded at Foreign Ports Amid Strait of Hormuz Disruption** - Central Board of Indirect Taxes & Customs has issued Circular to simplify the handling of export containers that were sent abroad but returned to India due to disruptions like issues in the Strait of Hormuz. The circular allows such containers to be offloaded without filing a Bill of Entry if seals are intact and documents match, based on filing of a Supplementary Arrival Manifest (SAM). Customs will verify seals and records, and if everything is in order, exporters can cancel Shipping Bills and Let Export Orders through the system and move goods back into the domestic market. However, if seals are tampered, full examination and re-import procedures will apply. The circular further directs field formations to ensure the recovery of export incentives, including IGST refunds and drawback benefits, wherever such incentives have already been disbursed. Authorities have been advised to handle such cases with due diligence, balancing trade facilitation with the need to safeguard government revenue. This is a temporary facilitation measure valid till 30 April 2026. **(Circular No. 21/2026-Customs dated 15th April 2026)**

**CBIC Issues Circular to Streamline Handling of SEZ Export Cargo Amid Maritime Disruptions Due to Strait of Hormuz Closure** - The Central Board of Indirect Taxes and Customs (CBIC) has issued Circular to facilitate handling of export cargo from SEZs affected by maritime disruptions, exporters can request cancellation of the LEO/Shipping Bill from the originating SEZ, after which Customs at the gateway port may allow the cargo to be returned or re-routed without sending it back to the SEZ, while ensuring proper accounting by the custodian. Such requests should be processed quickly through electronic communication to avoid delays. Cargo that was already loaded but returned will be handled as per earlier circulars, and authorities may permit de-stuffing, storage in bonded warehouses, and re-export based on fresh Shipping Bills and applicable legal provisions. The above facility along with relaxation timeline as indicated at para 10 of Circular No. 15/2026-Customs dated 27.03.2026 shall remain in force till 30.04.2026. Difficulties, if any, in implementation of this Circular may be brought to the notice of the Board immediately. **(Circular No. 19/2026-Customs dated 10th April 2026)**

**CBIC Warns Trade Stakeholders: Unauthorized Access, Commercial Sale, or Purchase of Customs-Related Electronic Data is Strictly Prohibited and Punishable Under Law** - The Central Board of Indirect Taxes & Customs (CBIC) has advised all trade stakeholders that unauthorized access, commercial sale, or purchase of Customs-related electronic data is strictly prohibited. Such activities constitute an offence punishable under the law. All stakeholders are urged to ensure compliance and refrain from engaging in any unauthorized data transactions.



**CBIC Issues Circular Clarifying Eligibility of RoDTEP and RoSCTL Benefits in Cases of Short Realisation of Export Proceeds** - The Central Board of Indirect Taxes and Customs has clarified that exporters can claim benefits under RoDTEP and RoSCTL on the full export value (FOB) without reducing agent commission or bank charges, as long as these costs do not exceed 12.5% of the FOB value; if they exceed, the extra amount must be deducted. It also says that if an exporter does not receive full payment from a buyer but gets compensation from Export Credit Guarantee Corporation of India, this will still be treated as payment received, provided the Reserve Bank of India allows the unpaid amount to be written off and proper proof is given, and in such cases, the export benefits will not be taken back. **(Circular No. 20/2026-Customs dated 10th April 2026)**

**Amendment in Sea Cargo Manifest and Transshipment Regulations, 2018 – Extension of Timeline to 30th June 2026 -** The Central Board of Indirect Taxes and Customs (CBIC) under the Ministry of Finance, has issued a new notification under the Customs Act, 1962 to update the Sea Cargo Manifest and Transshipment Regulations, 2018. The notification has been issued in exercise of powers conferred under the Customs Act, 1962, with the objective of streamlining procedural timelines in maritime cargo operations. This amendment, called the Sea Cargo Manifest and Transshipment (First Amendment) Regulations, 2026, mainly extends a compliance deadline—changing the date in a specific table (after Form XII, Serial No. 6) to 30 June 2026. In simple terms, businesses involved in shipping and cargo now get more time to meet certain rules. This step is meant to make processes smoother and support ease of doing business in the customs and logistics sector. **(Notification No. 31/2026–Customs (N.T.) dated 30th March 2026)**

- **Licence Revocation Set Aside Due to Lack of Evidence Linking Customs Broker to Fradulent Exports -** Case Name: Dutta Clearing Agent Pvt.Ltd Vs Commissioner of Customs (CESTAT Kolkata)
- **Commissioner Cannot Revoke G-Card Under CBLR; Penalty Reduced to ₹10,000: CESTAT Kolkata -** Case Name : Ganga Singh Vs Commissioner of Customs (Preventive) (CESTAT Kolkata)
- **Bombay HC Allows RoDTEP Benefit on Sugar Exports Despite 'Restricted' Policy, Orders Refund with Interest -** Case Name : Rika Global Impex Limited Vs Union of India And Ors (Bombay High Court)
- **Excise Duty Refund Denied Due to Excess Realisation Over FOB Value Triggering Unjust Enrichment** Case Name : Sesa Sterlite Ltd. Vs Commissioner of Customs (CESTAT Hyderabad)
- **Detenu doesn't possess right of being represented by counsel before Advisory Board** Case Name : Priyanka Sarkariya Vs Union of India & Anr. (Supreme Court of India)
- **Battery Components Classified as Parts Due to Essential Function -** Case Name : In re Navitasys India Private Limited (CAAR Delhi)
- **Automotive Brake System Classifiable as Accessory Due to Non-Essential Nature -** Case Name : HL Mando Anand India Pvt Ltd (CAAR Mumbai)
- **Interest on customs refund was not automatic depends on delay in processing -** Case Name : Jaina Marketing And Associates Vs Union of India And Ors (Delhi High Court)
- **Payment of Duty Under Protest Not Treated as Appealable Order -** Case Name : Ingram Micro India Pvt. Ltd. Vs Commissioner of Customs (CESTAT Mumbai)
- **Failure to furnish BOE cannot be sole basis to deny export entitlements -** Case Name : Holoflex Ltd & Anr Vs Union of India & Ors (Delhi High Court)


## Direct Taxes Updates

- **Transition from Form 15G/15H to Consolidated Form 121 for TDS-exempted Incomes.** Circular No: WSU/TDS Issues/E-772040/2026-27/11 Dated:-13/04/2026.

The circular issued by the Employees Provident Fund Organisation outlines the transition from Forms 15G and 15H to a unified Form 121 under the Income-tax Act, 2025, effective from April 1, 2026. Form 121 serves as a self-declaration for eligible resident taxpayers whose estimated total income results in nil tax liability, enabling them to avoid TDS on specified incomes such as interest, dividends, and PF withdrawals. While filing the form is optional, it must be submitted separately to each payer with mandatory PAN details. Payers are required to allot a Unique Identification Number (UIN) to each declaration, maintain records, and upload consolidated monthly statements, with reporting in quarterly TDS returns. Non-compliance may attract penalties. The new form simplifies compliance by merging earlier forms, introducing digital filing features, and standardizing reporting, thereby improving efficiency, transparency, and ease of tax administration for both taxpayers and deductor.

- **Income Tax Notification Corrected Due to Technical Errors in Rules & References. Notification No.** 64/2026-Income Tax [G.S.R. 286(E)] Dated :- 16/04/2026.

The corrigendum issued by the Ministry of Finance corrects multiple clerical, typographical, and referencing errors in an earlier income tax notification dated 20 March 2026. The amendments span numerous rules, notes, annexures, and verification sections, ensuring consistency in statutory language and accurate cross-referencing. Key changes include replacing incorrect section references with proper rule citations, standardizing terminology (such as substituting "section" with "rule" where applicable), correcting numbering formats, and removing redundant or erroneous entries. Several updates also streamline compliance requirements, such as replacing "PAN/Aadhaar" with "PAN" and omitting Aadhaar-related fields in certain forms. Additionally, formatting corrections in notes, annexures, and tabular data improve clarity and usability for taxpayers and professionals. Overall, the corrigendum does not introduce substantive legal changes but ensures technical accuracy, removes ambiguities, and enhances the integrity of the notification to facilitate proper interpretation and implementation.

- **CBDT Notifies India-Japan Tax Recovery Pact.** Notification No. 56/2026-Income Tax [S.O. 1715(E)] Dated:-02/04/2026.

The Ministry of Finance, Department of Revenue, through Notification No. 56/2026 dated 2 April 2026, has formally notified the Memorandum of Understanding (MoU) between India and Japan concerning assistance in the collection of taxes under Article 26A of the Double Taxation Avoidance Convention. The MoU, signed in Tokyo on 30 June 2025 and in New Delhi on 8 July 2025, establishes a framework for cooperation in tax recovery between the two countries. As per paragraph 21 of the MoU, its provisions apply to requests for tax collection made after the later date of signature, i.e., 8 July 2025. Exercising powers under section 90(1) of the Income-tax Act, 1961, the Central Government has given legal effect to the MoU in India. Consequently, Indian authorities can now seek and provide assistance to Japan for tax recovery in eligible cases post the specified date.

- **CBDT Amends Rule 10U to Protect Pre-2017 Investments from GAAR Applicability.** Notification No. 54/2026-Income Tax [G.S.R. 240(E)] Dated 01.04/2026.

The Central Board of Direct Taxes (CBDT), through Notification No. 54/2026 dated 31st March 2026, has amended Rule 10U of the Income-tax Rules, 1962 via the Income-tax (Tenth Amendment) Rules, 2026. The amendment clarifies the applicability of Chapter X-A (General Anti-Avoidance Rules – GAAR) concerning investments made before 1st April 2017. Specifically, it provides that any income arising from the transfer of such pre-2017 investments shall be excluded from the ambit of GAAR. Further, while GAAR provisions will apply to tax benefits arising on or after 1st April 2017 irrespective of when the arrangement was entered into, an explicit exception has been carved out for income derived from the transfer of grandfathered investments.

The explanatory memorandum reinforces that GAAR will not be invoked in such cases from the date of publication of the notification, thereby offering clarity and certainty to taxpayers holding legacy investments and ensuring protection of previously grandfathered transactions.


- **CBDT Notifies PAN CR-01 & CR-02 Forms to Simplify PAN Data Corrections.** Notification No. ADG(S)-1/PAN/M/3699/2026-AD-DD SYSTEMS 1-5 DELHI Dated:-01/04/2026.

The Central Board of Direct Taxes (CBDT), through the Directorate of Income-tax (Systems), has issued an order dated April 1, 2026, prescribing new forms and procedures for correction of Permanent Account Number (PAN) details under Rule 158(12) of the Income-tax Rules, 2026 read with Section 262(4) of the Income-tax Act, 2025. The order introduces two specific forms: PAN CR-01 for individuals and PAN CR-02 for non-individuals, to standardize the process of updating or correcting PAN data. These forms, along with detailed guidelines, are provided in Annexure-I and can be accessed in PDF format. Applicants may submit the forms either physically at PAN service centres managed by UTIITSL or Protean e-Gov, or electronically via their official websites. The notification aims to streamline and formalize PAN correction procedures, ensuring uniform compliance and ease of access. The new system becomes effective from April 1, 2026.

## Income Tax Compliance calendar – May 2026.

| | Things to remember |
|---|---|
| **Due Date** | **Particulars** |
| 07th May 2026. (Thursday) | -Due date for deposit of Tax deducted/collected for the month of April, 2026. However, all sum deducted/collected by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of a challan.<br>-Declaration under section 394(2) of the Income-tax Act 2025 to be made by a buyer for obtaining goods without collection of tax in the month of April, 2026. |
| 15th May 2026. (Thursday) | -Due date for furnishing statement by a recognised association in respect of transactions in which client codes have been modified after registering in the system for the month of April, 2026.<br>-Due date for issue of TDS Certificate for tax deducted under section 194-IA, 194-IB, 194M and (Income-tax Act, 1961) in the month of March, 2026.<br>-Quarterly statement of TCS deposited for the quarter ending March 31, 2026. |

| Things to remember | |
|---|---|
| **Due Date** | **Particulars** |
| | -Due date for furnishing of Form 24G (Income-tax Rules, 1962) by an office of the Government where TDS/TCS for the month of April, 2026 has been paid without the production of a challan.<br>-Monthly statement in prescribed Form by stock exchange in respect of transactions in which client codes been modified after registering in system for the month of April, 2026. |
| 30th May 2026 (Saturday) | -Issue of TCS certificates for the 4th Quarter of the Financial Year 2025-26.<br>-Challan-cum-statement of deduction of tax under section 393(1) of the Income-tax Act 2025 [Table Sl. No. 2(i), 3(i), 6(ii) & 8(vi) in the month of April, 2026.<br>-Furnishing of statement required under Section 285B (Income-tax Act 1961) for the previous year 2025-26. |
| 31th May 2026 (Sunday) | -Return of tax deduction from contributions paid by the trustees of an approved superannuation fund.<br>-Due date for furnishing of statement of financial transaction (in Form No. 61A) as required to be furnished under sub-section (1) of section 285BA (Income-tax Act, 1961) with respect to the financial year 2025-26.<br>-Due date for e-filing of annual statement of reportable accounts as required to be furnished under section 285BA(1)(k) (Income-tax Act, 1961) (in Form No. 61B) for calendar year 2025 by reporting financial institutions.<br>-Application in Form 9A (Income-tax Rules, 1962) for exercising the option available under Explanation to Section 11(1) (Income-tax Act 1961) to apply income of previous year in the next year or in future (if the assessee is required to submit return of income on or before July 31, 2026).<br>-Application for allotment of PAN where a person's total income exceeds the maximum amount not chargeable to income-tax during any Financial Year and no PAN has been allotted to him.<br>-Furnishing of the certificate from a Chartered Accountant specifying the amount invested in each year by the company or fund making application under Section 2(48) (Income-tax Act 1961) for notification of zero-coupon bond.<br>-Statement of donation in Form 10BD (Income-tax Rules, 1962) to be furnished by reporting person under Section 80G(5)(iii) or section Section 35(1A)(i) (Income-tax Act 1961) in respect of the financial year 2025-26<br>-Statement in Form no. 10 (Income-tax Rules, 1962) to be furnished to accumulate income for future application under Section 10(21) or Section 11(1) (Income-tax Act 1961) (if the assessee is required to submit return of income on or before July 31, 2026).<br>-Certificate of donation in Form no. 10BE (Income-tax Rules, 1962) as referred to in Section 80G(5)(ix) or Section 35(1A)(ii) (Income-tax Act 1961) to the donor specifying the amount of donation received during the financial year 2025-26.<br>-Quarterly statement of TDS deposited for the quarter ending March 31, 2026. |


- **ITAT Deletes PF/ESI Disallowance as Section 143(1) Adjustment Held Beyond Scope.** Case Name : R. K. & Company Manpower Pvt. Ltd. Vs DCIT (ITAT Delhi) Dated:-30/04/2026.
- **ITAT Quashes Section 271(1)(c Penalty as Unsigned SCN Held Void in Law.** Case Name : Dhiren Gopal Vs DCIT (ITAT Bangalore) Dated:-30/04/2026.
- **Section 11 Exemption Allowed as Property in Trustees' Names Held Not Beneficial to Them.** Case Name : ACIT (Exemptions) Vs Everwin Educational & Charitable Trust (ITAT Chennai) Dated:-30/04/2026.
- **TDS Default Not Applicable as Section 197 Certificate Covers Entire Assessment Year.** Case Name : CIT TDS Vs National Highways Authority of India (Madhya Pradesh High Court) Dated:-30/04/2026.
- **Pass-Through Costs Excluded From Transfer Pricing PLI as No Value Addition Was Performed: ITAT Mumbai.** Case Name : Unilever Industries Private Limited Vs ACIT (ITAT Mumbai) Dated:-29/04/2026.
- **Section 269ST Penalty Deleted as Seized Excel Sheets Did Not Prove Single Cash Transaction Above ₹2 Lakh.** Case Name : MSN Laboratories (P) Ltd Vs Additional CIT (ITAT Hyderabad) Dated:-29/04/2026.
- **Bogus Purchase Addition Deleted Because Material Movement, Site Records & Banking Proof Established Genuineness: ITAT.** Case Name : SPS Construction India Private Ltd. Vs DCIT (ITAT Chandigarh) Dated:-29/04/2026.

**CMA Rakesh Bhalla**

Former Vice President, ICMAI

# The Falling Rupee Against the Dollar: Why Should India Be Concerned?

## A Practical Look at How Currency Movement Impacts the Indian Economy

Over the last few years, one topic that has repeatedly made headlines in newspapers, television debates, and business discussions is the falling value of the Indian rupee against the US dollar. Every time the rupee touches a new low, experts begin discussing its consequences, markets react sharply, and people suddenly start asking an important question—why does the value of the dollar matter so much to India?

For many people, the exchange rate may seem like just another number discussed by economists or finance professionals. After all, if someone is not travelling abroad or dealing directly in foreign currency, why should it matter whether one dollar equals ₹85 or ₹95? On the surface, it may appear insignificant. However, when we look deeper, the answer becomes quite clear: the value of the rupee quietly affects almost every individual, business, and sector in the country.

The impact may not always be visible immediately, but it eventually reaches ordinary households in different forms—higher fuel prices, increasing transportation costs, expensive electronic goods, rising inflation, and even changes in employment and business profitability. In a country like India, where a significant portion of industrial requirements and energy needs depend on imports, currency fluctuations become far more important than most people realize.

Before understanding why a falling rupee creates concern, it is important to first understand what the term actually means. In simple words, rupee depreciation means that the Indian currency loses value compared to the US dollar. Suppose a few years ago, one dollar could be purchased for ₹75, but today the same dollar costs ₹95. This means India now needs more rupees to buy the same amount of dollars. In other words, the rupee has weakened.

At first, a difference of a few rupees may not sound alarming. But when we think about the scale at which India imports crude oil, machinery, electronic equipment, chemicals, and industrial goods, the effect becomes much larger. A small movement in exchange rates can translate into billions of additional costs for the economy.

One of the biggest reasons behind the weakening of the rupee is India's dependence on imports, particularly crude oil. India imports a major portion of the oil needed to run vehicles, industries, factories, and power systems. Since international oil trade mainly happens in dollars, India must purchase dollars to pay for these imports. Naturally, when demand for dollars rises, the dollar strengthens and the rupee experiences pressure.

Global economic developments also play an important role. There are times when the US economy becomes stronger or when interest rates in America rise. During such periods, global investors often move money away from emerging markets like India and shift investments toward the United States. As foreign investors withdraw money, demand for dollars increases, leading to further depreciation of the rupee.

However, the real concern begins when a weaker rupee starts affecting the everyday economy. Consider a simple example. Suppose crude oil costs $100 per barrel. If the exchange rate stands at ₹85 per dollar, India pays ₹8,500 for that barrel. But if the rupee weakens to ₹95 per dollar, the same barrel suddenly costs ₹9,500. The oil price has not changed, but India still ends up paying significantly more because of currency depreciation.

This additional cost does not stop at oil companies. It eventually travels through the economy. Fuel becomes expensive, transportation costs rise, businesses face higher expenses, and ultimately, consumers begin paying more for goods and services. In this way, the impact of a weak rupee slowly reaches the pocket of the common person, even if they have never purchased a dollar in their lives.

What makes this topic even more interesting is that a weak rupee is not entirely harmful. While some sectors suffer, others benefit significantly. Export-driven industries such as IT services, pharmaceuticals, and certain manufacturing businesses often gain because their earnings in dollars become more valuable when converted into rupees.

The real challenge, therefore, is maintaining balance. A moderate depreciation may support exports and improve competitiveness, but excessive weakness can increase inflation, widen trade deficits, and create economic uncertainty.

From a finance professional's perspective, I believe India should not fear temporary fluctuations in currency value, as they are part of normal economic cycles. However, maintaining a healthy balance remains important because long-term instability in the rupee can slow economic momentum and reduce purchasing power. Ultimately, a strong economy is not measured only by GDP growth, but also by how effectively it manages inflation, trade balance, and currency stability in an increasingly interconnected global world.

After understanding the impact of a weakening rupee, an important question arises: What should India do to reduce excessive dependence on the dollar and strengthen its currency over the long term? In my opinion, the solution does not lie in controlling exchange rates artificially but in strengthening the overall economy. A strong currency is usually the result of strong economic fundamentals.

One of the most important steps India can take is to reduce its dependence on imports, particularly crude oil. Since oil imports account for a significant portion of India's import bill, increasing investments in renewable energy, electric vehicles, and domestic energy production can help reduce the demand for dollars. Over time, this would ease pressure on the rupee.

Another key area is export growth. India needs to continue supporting sectors such as information technology, pharmaceuticals, manufacturing, and engineering services. Higher exports bring more foreign currency into the country, helping improve the trade balance and strengthening the rupee in the long run. Initiatives such as "Make in India" can play a crucial role in achieving this objective.

Attracting stable foreign investment is equally important. Investors prefer economies that offer policy stability, strong infrastructure, and ease of doing business. By creating a business-friendly environment, India can attract long-term investments that support economic growth and increase foreign exchange inflows.

Furthermore, maintaining controlled inflation is essential. A country with stable prices generally enjoys greater investor confidence and stronger currency performance. The Reserve Bank of India and the government must continue working together to maintain economic stability and protect purchasing power.

In conclusion, the future strength of the rupee will depend not only on global economic conditions but also on India's ability to enhance productivity, boost exports, reduce import dependence, and sustain high-quality economic growth.

**CMA Lakshman Singh Rajput**

Lakshman is a qualified Cost and Management Accountant (CMA) with a strong foundation in finance and corporate strategy. He has completed professional exposure in Investment Banking through Sparrow Advisory, where he worked on financial analysis, business understanding, and investment-related activities. He has gathered knowledge in capital markets, financial planning and financial decision-making.

# A Practical Guide for Chartered Accountants on Ethical Audit Acceptance


## Professional Ethics & Practice:

## The Retiring Auditor Protocol — What Every Chartered Accountant Must Know Before Accepting an Audit

In the course of professional practice, few obligations are as consistently misunderstood — and as frequently violated — as the requirement to communicate with the retiring auditor before accepting a new appointment. Yet this seemingly procedural step carries profound ethical weight, underpinned by the Code of Ethics and the Chartered Accountants Act, 1949.

This article walks through the key principles, procedural requirements, and practical realities of this obligation — one that every incoming auditor must observe without exception. Particular attention is given to two questions that arise most often in practice: what professional reasons justify declining an appointment, and what is the correct position when the previous auditor's fees remain unpaid?

## Why Communication Is Not Merely Courtesy

Many practitioners treat the communication with the retiring auditor as a formality — a professional courtesy extended out of collegial habit. That framing is incorrect, and the Council of ICAI has explicitly said so.

The underlying objective is threefold: to allow the incoming auditor to learn the reasons for the change, to safeguard his own professional interests, and to protect the legitimate interests of the public and the independence of the existing auditor. In short, the communication is a due-diligence tool, not a ceremonial gesture.

## The Legal Basis

The requirement flows from Clause (8) of Part I of the First Schedule to the Chartered Accountants Act, 1949. A Chartered Accountant who accepts a position previously held by another CA without first communicating in writing is in direct violation of this clause and risks being found guilty of professional misconduct.

There are no exceptions for informality, urgency, or prior telephonic intimation — the law requires written communication, and that standard is absolute.

## What Counts as Valid Communication?

This is where many practitioners err. The test is not whether communication was sent — it is whether there is positive evidence of delivery. A letter posted under a Certificate of Posting, for instance, does not meet this standard unless there is evidence the letter actually reached the addressee.

## Accepted modes of communication:

| Mode | Description |
|---|---|
| A. | Registered post with Acknowledgement Due |
| B. | Delivery by hand against a written acknowledgement |
| C. | Email to retiring auditor's ICAI-registered address or last known official email — valid only on receipt of acknowledgement from the retiring auditor |
| D. | UDIN generated on the UDIN portal (subject to separate Council guidelines) |

Importantly, email communication is now an accepted — but additional — mode. It does not replace earlier methods. And the email acknowledgement must come back from the retiring auditor; a read receipt is not sufficient. An SMS or a WhatsApp message, no matter how convenient, does not qualify.

If no acknowledgement is received from the email, it is not treated as valid communication. The incoming auditor must then resort to other accepted modes. Similarly, communication made verbally over the phone — even if followed up in writing — does not satisfy the requirement unless the written communication is delivered with positive evidence of receipt.

## Professional Reasons to Decline an Appointment — A Detailed Examination

The communication exercise is not a rubber stamp. There are three specific professional grounds recognised by the ICAI Council on which an incoming auditor should, or must, decline an appointment. Each ground carries distinct legal and ethical consequences, and a proper understanding of all three is essential to avoiding professional misconduct.

| Reason for Decline | Consequence / Obligation |
|---|---|
| Non-compliance with Sections 139 & 140, Companies Act, 2013 | Incoming auditor guilty of professional misconduct if appointment is accepted |
| Undisputed audit fees of the previous auditor remain unpaid | Incoming auditor must not accept the appointment until such fees are fully paid |
| Previous auditor issued a qualified report for valid and good reasons | Incoming auditor should decline; acceptance risks professional disrepute and undermines audit independence |

## Ground I: Qualified Audit Report by the Retiring Auditor

This is perhaps the most nuanced — and the most consequential — of the three grounds. When a retiring auditor has issued a qualified audit report, the incoming auditor faces a critical decision that goes well beyond procedure. It is a test of his independence, his professional judgment, and ultimately, his integrity.

The Council's position is clear: the incoming auditor may accept the audit if he is satisfied that the attitude of the retiring auditor was not proper and justified. If, on the other hand, he feels that the retiring auditor had qualified the report for good and valid reasons, he should refuse to accept the audit.

There is no written or unwritten rule which prevents an auditor from accepting an appointment where the previous auditor issued a qualified report. However, before accepting, he must ascertain the full facts of the case — and then exercise genuine professional judgment, not merely commercial convenience.

## Why This Ground Deserves the Most Careful Scrutiny

In practice, a client who has received an adverse or qualified audit opinion will naturally seek a replacement auditor. The pressure on the incoming auditor is therefore real and immediate. He may be offered the engagement at an attractive fee, or with assurances from the client that the qualification was unwarranted. None of this should influence his decision.

The incoming auditor must go beyond what the client tells him. He must independently ascertain:

- The specific nature of the qualification — whether it relates to non-disclosure, non-compliance with accounting standards, going concern issues, limitation of scope, or disagreement on accounting policies.
- Whether the matter qualified upon has since been resolved, or whether the underlying issue persists into the current year.
- Whether the qualification was raised consistently in prior years and was being suppressed by a change of auditor.
- Whether the retiring auditor communicated the qualification to management and those charged with governance before issuing it — which would indicate the matter was not trivial.

The Council has emphasised that nothing brings the profession to disrepute so much as the knowledge among the public that if an auditor is found to be 'inconvenient' by the client, he can readily be replaced by another who would not displease the client. This point, the Council notes, cannot be over-emphasised.

An incoming auditor who accepts an engagement knowing that the previous qualification was valid is, in substance, lending his name and credentials to a cover-up. The short-term gain of securing a new audit client is vastly outweighed by the long-term damage to professional credibility — both personal and institutional.

**Practical Guidance: How to Evaluate a Prior Qualified Report**

1. Obtain the full text of the qualified audit report — not just a client summary.
2. Review the specific paragraph of qualification and the financials to which it relates.
3. Request clarification from the retiring auditor on whether the underlying issue has been remedied.
4. If the qualification involved a disagreement on accounting treatment, assess independently whether the retiring auditor's position was technically sound.
5. If satisfied the qualification was unjustified, document your reasoning before accepting.
6. If any doubt remains, the safe and professional course is to decline.


## Ground II: Non-Payment of Undisputed Audit Fees

The second professional ground for declining an appointment is among the most frequently encountered in practice, and yet also among the most frequently overlooked. The rule is simple and unequivocal: where the undisputed audit fees for carrying out statutory audit under the Companies Act, 2013 or any other statute have not been paid, the incoming auditor must not accept the appointment unless such fees are first paid.

This requirement exists to protect the financial interests of the profession and to prevent clients from using auditor replacements as a mechanism to avoid paying legitimate audit fees. It is not a rule about sympathy for the retiring auditor — it is a rule about professional solidarity and the integrity of the audit process itself.

## What Are 'Undisputed' Audit Fees?

The Council has drawn an important and precise distinction here. Audit fees are considered 'undisputed' when they have been provided for in the accounts, and those accounts have been signed by both the auditor and the auditee. The provision for fees in signed accounts, along with any other expenses incurred by the auditor in connection with the audit, together constitute the undisputed amount.

**Definition: Undisputed Audit Fees (ICAI Council Position)**

The provision of audit fees made in accounts signed by both the auditor and the auditee, along with other expenses if any incurred by the auditor in connection with the audit, shall be considered as 'undisputed' audit fees.

This means: if the accounts are signed and fees are reflected therein, non-payment cannot later be characterised as a 'dispute' by the client.

The practical significance of this definition is considerable. A client who refuses to pay fees reflected in signed accounts cannot claim those fees are 'disputed' simply by raising a belated objection. The incoming auditor must, therefore, satisfy himself that the fees outstanding were indeed provided for in signed accounts before concluding whether the non-payment is a barrier to acceptance.

## The Exception: Sick Units

The Council has carved out a specific exception for sick units. Where a company has been declared a sick unit under the applicable statutory framework, the prohibition on acceptance in case of unpaid fees does not automatically apply with the same force. The rationale is straightforward: a sick unit may be financially incapable of clearing its dues, and denying it an auditor on that basis could prejudice creditors, employees, and other stakeholders who depend on audited financial statements.

However, even in the case of sick units, the incoming auditor should exercise caution and not treat this exception as a blanket permission. He should consider whether the non-payment is genuinely attributable to the financial distress of the entity, or whether it reflects a deliberate choice by promoters to avoid a payment obligation.

## The Incoming Auditor's Responsibilities Beyond His Own Appointment

The Council has gone further than merely prohibiting acceptance where fees are unpaid. It has directed that in respect of other dues — that is, fees that may be in dispute or amounts owed under circumstances that do not squarely fall within the 'undisputed' definition — the incoming auditor should, in appropriate circumstances, use his influence in favour of his predecessor to have the dispute as regards fees settled.

This is a significant and often-overlooked responsibility. It means the incoming auditor is not a passive bystander once the transition occurs. He has an active duty to facilitate, where possible, the resolution of financial disputes between the client and the outgoing auditor. His position of trust with the client gives him a degree of moral influence that the retired auditor, by definition, no longer enjoys.

In appropriate circumstances, the incoming auditor should use his influence in favour of his predecessor to have any dispute as regards audit fees settled. This duty of professional solidarity extends beyond the moment of appointment and reflects the collegial obligations that bind all members of the Institute.

## Why This Rule Matters for the Profession at Large

The requirement to withhold acceptance until unpaid fees are cleared serves a purpose far beyond the bilateral relationship between incoming and retiring auditors. It establishes, systemically, that audit appointments cannot be used as leverage against a professional's legitimate financial entitlements. If the rule did not exist, a client could routinely refuse to pay audit fees knowing that the threat of appointment termination — and the resulting ability to find a more compliant auditor — would eventually render the fee obligation meaningless.

Put plainly: the incoming auditor who accepts an appointment when fees to the retiring auditor are unpaid is, knowingly or unknowingly, enabling a client to treat professional audit fees as optional. This is damaging to the profession as a whole, not merely to the individual retiring auditor.

## When Time Is Against You: Government and Bank Appointments

In practice, government entities and banks often impose tight timelines that leave little room to await a reply from the retiring auditor. The Council has provided practical guidance: the incoming auditor may give a conditional acceptance, commence urgent work, and simultaneously communicate with the retiring auditor in the prescribed manner.

In the acceptance letter, the incoming auditor must make explicitly clear that the appointment is subject to any professional objections the retiring auditor may raise, and that the final acceptance will be decided after considering information received from the retiring auditor.

## The Duties of the Retiring Auditor

Communication is a two-way professional obligation. When approached by the incoming auditor, the retiring auditor must respond honestly and without ambiguity. Paragraph R 320.8 of Volume-I of the Code of Ethics makes this clear — the predecessor accountant is required to provide all information that, in his opinion, the proposed accountant needs before deciding whether to accept the engagement.

Stonewalling, selective disclosure, or evasive responses are not consistent with professional conduct. The retiring auditor who refuses to cooperate is not protecting himself — he is undermining the very framework that protects all practitioners.

## Scope: All Audits, All Contexts

Some practitioners mistakenly believe this requirement is limited to statutory audits of companies. It is not. The obligation applies uniformly across all forms of professional audit engagements:

- Statutory audit
- Tax audit
- GST audit
- Internal audit
- Concurrent audit
- Revenue audit
- Bank audits — including nationalised and cooperative banks
- Special audits conducted under the Income-tax Act

In the case of a special audit appointed by Income Tax Authorities under the Income-tax Act, 1961, the Council has directed that it would be healthy practice for the tax auditor to communicate with the member who conducted the statutory or tax audit, even where no explicit mandate exists.

## Periodic Review of Recurring Engagements

The obligation of due diligence does not end at appointment. As per Subsection R320.9 of Volume-I of the Code of Ethics, for recurring client engagements, a professional accountant shall periodically review whether to continue with the engagement.

Threats to compliance with the fundamental principles might arise after acceptance which, had they been known earlier, would have caused the accountant to decline the engagement. A self-interest threat arising from earnings manipulation or irregular balance sheet valuations is one such example. Vigilance must be ongoing, not one-time.

## Closing Thoughts

The profession's standing in public life depends on auditors being willing to ask hard questions before they accept engagements, not after. The retiring auditor communication is the first such question — and getting it right is both a legal obligation and a matter of professional self-respect.

The retiring auditor protocol is, at its core, a test of professional integrity. An auditor who shortcuts the communication process — whether through an informal phone call, an unacknowledged email, or a registered letter without acknowledgement due — is not simply making a procedural error. He is signalling that client convenience matters more to him than the independence and credibility of the audit process itself.

The two grounds examined in depth in this article — the qualified audit report and the unpaid audit fees — each present the incoming auditor with a choice between short-term gain and long-term professional integrity. In both cases, the right course is the harder one: to ask questions, verify facts, and if necessary, decline an engagement that compromises either the profession's standards or a colleague's legitimate financial entitlements.

Compliance is not difficult. What is difficult, sometimes, is resisting the pressure to begin work quickly when a new audit appointment is in hand. It is precisely in those moments that the quality of the professional is tested — and the right response is always the same: communicate first, verify thoroughly, accept only when satisfied.

## References & Statutory Basis

- Clause (8) of Part I, First Schedule — Chartered Accountants Act, 1949
- Clause (9) of Part I, First Schedule — Chartered Accountants Act, 1949
- Sections 139 & 140, Companies Act, 2013
- Volume-I & Volume-II, Code of Ethics — ICAI
- FAQs on Communication and Changes in Professional Appointments
- Paragraph R 320.8 & R320.9, Volume-I, Code of Ethics

## Disclaimer:

This article is intended solely for educational and informational purposes. While due care has been taken in preparing the content, the author does not accept any responsibility for any errors or omissions. Readers should independently verify applicable laws, regulations, and ICAI guidelines, including any professional updates, clarifications, or advisories issued by ICAI from time to time, and seek appropriate professional consultation before acting on any information contained herein.

[redacted]

**CA Ram Sahni**

[redacted]

# Impact of the New Income-tax Act, 2025 on the Economic Growth of India and the World


The New Income-tax Act / Income-tax Bill, 2025 is primarily a structural and administrative reform rather than a major tax-rate reform. Even though it does not significantly alter tax slabs or introduce dramatic new taxes, it can still have a substantial impact on:

- India's economic growth,
- Investment climate,
- Ease of doing business,
- Tax compliance culture,
- and International investor confidence.

Its impact may be indirect but economically meaningful over the long term.

## 1. Impact on India's Economic Growth

### A. Positive Impact on Ease of Doing Business

One of the biggest objectives of the new law is simplification.

The earlier Income-tax Act, 1961 had:

- Excessive amendments,
- Confusing provisos,
- Overlapping explanations,
- and Difficult interpretations.

The new Act:

- Simplifies drafting,
- Reorganizes provisions logically,
- Reduces cross-referencing,
- and Adopts the "Tax Year" concept.

**Economic Impact**

This improves:

- Business certainty,
- Tax predictability,
- and Compliance efficiency.

When businesses spend less time:

- Understanding law,
- Managing disputes,
- and Handling litigation,

they can focus more on:

- Expansion,
- Production,
- Employment,
- and Investment.

This improves India's business environment ranking globally.

### B. Reduction in Tax Litigation

India historically has one of the highest levels of tax litigation.

Large volumes of disputes arise because:

- Provisions are ambiguous,
- Interpretations differ,
- Section drafting is complicated.

The new Act attempts to reduce ambiguity.

**Economic Benefits**

Lower litigation means:

- Faster dispute resolution,
- Lower compliance cost,
- Reduced blockage of funds,
- Quicker tax certainty.

This helps:

- MSMEs,
- Startups,
- Multinational companies,
- Exporters,
- and Professionals.

Capital that would otherwise remain tied up in disputes becomes available for productive economic use.

### C. Better Tax Compliance and Higher Revenue

Simpler tax law usually increases voluntary compliance.

When taxpayers understand law more clearly:

- Return filing improves,
- Concealment reduces,
- Procedural mistakes decline.

**Impact on Government Revenue**

Higher compliance can:

- Broaden the tax base,
- Increase direct tax collections,
- Reduce black money circulation.

This gives the Government:

- More funds for infrastructure,
- Welfare schemes,
- Defense,
- Digital economy investments,
- and Industrial growth.

Improved tax revenue without increasing tax rates is economically beneficial.

### D. Digital Tax Administration & Formalization of Economy

The new Act strongly supports:

- Faceless assessments,
- Electronic notices,
- AI-based processing,
- Digital verification systems.

**Economic Impact**

This accelerates:

- Formalization of businesses,
- Digital record keeping,
- Banking transactions,
- Traceability of income.

A more formal economy leads to:

- Better credit access,
- Improved GDP reporting,
- Stronger financial systems,
- and Higher investor confidence.

India's long-term GDP growth benefits significantly from formalization.

## E. Increased Investor Confidence

Foreign investors often evaluate:

- Legal clarity,
- Tax stability,
- Administrative transparency.

Complex tax systems discourage investment.

The new Act signals:

- Modernization,
- Predictable taxation,
- and Globally aligned drafting.

**Impact on FDI**

This may increase:

- Foreign Direct Investment (FDI),
- Private equity investments,
- Manufacturing investments,
- Global capability centers,
- and Startup funding.

Particularly important sectors:

- Electronics,
- Renewable energy,
- Semiconductors,
- Infrastructure,
- Fintech,
- AI and Digital economy.

## F. Support for Startups and Entrepreneurship

India has a rapidly growing startup ecosystem.

Complex tax compliance often creates:

- Legal uncertainty,
- Funding delays,
- Valuation disputes,
- Angel tax concerns

Simplified procedures and clearer provisions improve:

- Startup compliance,
- Investor confidence,
- Scalability.

This may increase:

- Innovation,
- Employment generation,
- Venture capital participation.

## G. Faster Economic Decision-Making

When tax law becomes simpler:

- Mergers,
- Acquisitions,
- Restructuring,
- International transactions

can be executed faster.

**Economic Outcome**

This improves:

- Capital mobility,
- Market efficiency,
- Industrial restructuring,
- Productivity.

Efficient allocation of capital directly supports GDP growth.

# 2. Sector-wise Impact on Indian Economy

## A. MSME Sector

**Positive Effects**

- Easier compliance,
- Reduced accounting complexity,
- Lower legal costs,
- Improved tax clarity.

MSMEs contribute significantly to:

- Employment,
- Exports,
- Manufacturing output.

Simplified taxation helps this sector grow faster.

### B. Manufacturing Sector

Stable and predictable taxation encourages:

- Plant expansion,
- Machinery investment,
- Export competitiveness.

This aligns with:

- Make in India,
- Production Linked Incentive (PLI) schemes,
- Manufacturing-led growth strategy.

### C. Technology & Digital Economy

The Act recognizes:

- Digital assets,
- Electronic systems,
- Data-based administration.

This modernizes tax governance for:

- Crypto taxation,
- Fintech,
- E-commerce,
- Online platforms.

### D. Financial Sector

Banks, NBFCs, insurance companies, and investment funds benefit from:

- Reduced interpretational disputes,
- Easier structuring,
- Better reporting systems.

This strengthens India's financial ecosystem.

## 3. Possible Negative or Challenging Economic Effects

### A. Transition Costs

In the short term:

- Businesses must relearn section references,
- ERP systems require updates,
- Software changes are needed,
- Professionals need retraining.

This temporarily increases compliance costs.

### B. Initial Increase in Litigation

Even though simplification is intended, initially:

- Courts may interpret new wording differently,
- Transitional disputes may arise.

Whenever major tax laws are rewritten, temporary uncertainty is common.

### C. Privacy Concerns and Investor Sentiment

Expanded digital access powers during tax investigations have raised concerns.

If investors perceive:

- Excessive surveillance,
- Aggressive enforcement,
- Misuse of powers,

It may negatively affect confidence.

Thus, implementation quality is extremely important.

### D. Revenue Pressure on Government

If simplification reduces aggressive tax positions or transitional gaps arise temporarily, shortterm revenue collection may fluctuate.

However, long-term compliance gains are expected to compensate.

## 4. Impact on Global Economy

India is one of the world's fastest-growing major economies.

Therefore, reforms in Indian tax administration influence:

- Global trade,
- Multinational investment flows,
- Supply chains,
- Emerging market confidence.

### A. India as a Global Investment Destination

A simplified tax law increases India's attractiveness relative to:

- China,
- Vietnam,
- Indonesia,
- Mexico.

Global corporations seeking supply chain diversification may prefer India if:

- Tax systems are predictable,
- Disputes reduce,
- Compliance becomes easier.

### B. Impact on Global Supply Chains

Large multinational corporations require:

- Tax certainty,
- Transfer pricing clarity,
- Stable compliance rules.

Improved tax systems help India integrate deeper into:

- Electronics manufacturing,
- Pharmaceuticals,
- Automotive supply chains,
- Digital services.

### C. Global Capital Flows

International funds evaluate:

- Tax transparency,
- Dispute resolution systems,
- Policy consistency.

A modernized tax law may attract:

- Sovereign wealth funds,
- Pension funds,
- Infrastructure investors,
- Venture capital.

This increases capital inflow into India.

## D. Influence on Emerging Economies

India's reform may become a model for other developing countries seeking:

- Simplified taxation,
- Digital compliance,
- Reduced litigation.

India could influence future tax modernization efforts globally.

## 5. Long-Term Macroeconomic Impact

## Potential Long-Term Benefits

**1. Higher GDP Growth**

Improved investment climate supports economic expansion.

**2. Increased Tax-to-GDP Ratio**

Better compliance broadens revenue base.

**3. More Employment**

Business expansion creates jobs.

**4. Stronger Formal Economy**

Digital tax administration increases formalization.

**5. Higher Foreign Investment**

Tax certainty attracts global investors.

**6. Improved Productivity**

Lower compliance burden improves operational efficiency.

## 6. Overall Economic Assessment

| Area | Likely Impact |
|---|---|
| Ease of Doing Business | Positive |
| Investor Confidence | Positive |
| Tax Compliance | Positive |
| Litigation | Likely Reduction |
| MSME Growth | Positive |
| Startup Ecosystem | Positive |
| Government Revenue | Positive in long term |
| Transition Cost | Negative in short term |
| Privacy Concerns | Potential Risk |

Global Investment Attractiveness Positive

## 7. Conclusion

The New Income-tax Act, 2025 is not merely a renumbering exercise; it represents a broader effort to modernize India's tax framework.

Its economic impact is expected to arise through:

- Simplification,
- Reduced litigation,
- Digital administration,
- Investor confidence,
- and Improved compliance.

For India, the reform can:

- Support long-term GDP growth,
- Attract global capital,
- Improve ease of doing business,
- and Strengthen the formal economy.

For the world economy, a more tax-efficient and investment-friendly India may:

- Become a stronger manufacturing hub,
- Attract multinational supply chains,
- and Play a larger role in global capital markets.

The actual success of the reform, however, will depend not only on the law itself, but also on:

- Implementation quality,
- Administrative fairness,
- Judicial consistency,
- and Stability of future amendments.

**Anandhan Hari**

# Sustainability in Schools: From Awareness to Action

## Why Sustainability in Schools Matters Today

Schools consume massive amounts of electricity — air-conditioning, lighting, labs, IT equipment, pumps, servers, and more. Yet in most institutions, utility bills are treated as **fixed, uncontrollable expenses.**

The reality is very different:

**Utility cost is one of the most controllable expenses in a school.**

From the attached solar report:

"A rooftop solar installation generates clean electricity directly from sunlight… every 100 kW of solar capacity saves over ₹10 lakh annually."

And the case study of MRIS shows:

"Together, the two campuses generate approximately 4,05,600 units of clean electricity annually, delivering savings of ₹32.45 lakhs every year."

This is sustainability with **measurable financial impact.**

But solar is only one part of the story.

True sustainability begins with **discipline, monitoring, and accountability.**

## The Real Problem: Wastage, Not Consumption

Most schools unintentionally waste 15–25% of their electricity because:

- No responsibility is assigned
- Lights, fans, ACs run in empty rooms
- Generator usage is unmonitored
- Fuel consumption is not tracked
- No preventive maintenance
- No awareness of cost impact
- No system to identify high-consumption zones

This is not an energy problem — it is a **management problem.**

## A Practical Sustainability Framework for Schools

Below is a structured, implementable system that any school can adopt.

**1. Utility Control Policy**

A written policy is the foundation.

Core rules:

- No equipment runs without need
- AC usage only under defined conditions
- Generator runs only during outages
- Classrooms must switch OFF before leaving

**2. Assign a Utility Incharge**

Without ownership, sustainability fails.

Responsibilities include:

- Monitoring electricity usage
- Tracking generator operation
- Reporting wastage

**3. Zone-Based Monitoring**

Divide the campus into zones:

- Classrooms
- Admin block
- Labs
- Hallways

Each zone gets a responsible person.

**4. Classroom Switch-Off Protocol**

The last teacher leaving ensures:

- Lights OFF
- Fans OFF
- AC OFF

This single habit reduces 10–12% of wastage.

**5. AC Usage Control System**

ACs are the biggest cost driver.

**Recommended AC Temperature Standards**

| Area | Temperature |
|---|---|
| Classrooms | 24–26°C |
| Offices | 24°C |
| Labs/Server Rooms | 20–22°C |
| Auditorium | 23–24°C |
| Corridors | Minimal or none |

Every **1°C increase saves ~6% electricity.**

Lowering AC to 18–20°C:

- Overloads compressors
- Reduces AC lifespan
- Increases electricity cost
- Causes uneven cooling

**6. Generator SOP**

Rules:

- Run only during outages
- Record start/end time
- Track fuel usage

**7. Fuel Tracking System**

Record:

- Fuel added
- Fuel used
- Consumption per hour

Mismatch = leakage or misuse.

**8. Meter Monitoring**

Daily/weekly readings help identify:

- Abnormal spikes
- High-consumption zones

**9. Equipment Usage Control**

Schedule usage for:

- Water pumps
- Computer labs
- Projectors

**10. Preventive Maintenance**

Faulty equipment = hidden wastage.

Routine checks:

- Wiring
- Switches
- AC filters
- Compressor health

## Solar Energy: The Most Powerful Sustainability Lever

From the attached report:

"The investment pays back in approximately 3–4 years… the school effectively uses electricity for free for the remaining 21+ years."

Solar is not just green — **it is financially strategic.**

For schools with unused rooftops, not installing solar is literally **leaving money on the table.**

## Incentives & Culture Building

To build a culture of sustainability:

- Share monthly utility reports
- Recognise teams that reduce consumption
- Reward campuses with significant savings
- Conduct awareness sessions for staff & students

A simple reward system can transform behaviour.

## Sustainability Is Not a Project — It Is a Discipline

When schools implement a structured system:

- Costs reduce
- Accountability increases
- Equipment lasts longer
- Students learn responsible habits
- The campus becomes environmentally conscious

And when combined with solar, the financial impact becomes extraordinary.

## Final Thought

Sustainability in schools is not about restrictions — it is about **smart management.**

It is about ensuring that every unit of electricity and every litre of fuel is **monitored, justified, and optimised.**

Schools that adopt this discipline don't just save money — **they set an example for the next generation.**

**CMA Achal Jain**

Finance Leader | Sustainability Advocate | School Operations Specialist

# Invisible Wounds: Emotional Neglect and Its Long-Term Impact on Decision-Making

## Introduction: The Pain No One Sees

Not all wounds bleed. Some remain buried beneath silence—unnoticed, unspoken, yet profoundly influential. Emotional neglect, often defined as the persistent failure to respond to a child's emotional needs, is one such invisible wound. Unlike physical abuse, it leaves no visible scars. Yet, its impact can be equally—if not more—damaging.

A child raised in an emotionally unavailable environment does not always grow up with memories of overt trauma. Instead, they grow up with something subtler: a chronic sense of emptiness, confusion about their own feelings, and an unrelenting need for validation from the outside world. Over time, this unmet need quietly shapes how they think, feel, and most importantly, how they make decisions.

This article explores the psychological, neurological, and social consequences of emotional neglect, and how it significantly influences decision-making across the lifespan.

## Understanding Emotional Neglect: Absence as Trauma

Emotional neglect is not about what happens to a child—it is about what does not happen.

When caregivers fail to provide emotional support, validation, or affection, children learn a powerful but dangerous lesson: their feelings do not matter. This absence disrupts the development of emotional awareness and self-worth.

Unlike other forms of trauma, emotional neglect is difficult to detect. A child may have food, education, and physical safety, yet still grow up emotionally deprived. Because there is no clear event to point to, many individuals fail to recognize it even in adulthood.

## The Science of Emotional Neglect: What Research Reveals

### 1. The ACEs Framework

One of the most influential studies in this field is the Adverse Childhood Experiences (ACEs) study. According to the Centers for Disease Control and Prevention, ACEs include various forms of abuse, neglect, and household dysfunction experienced during childhood.

- Emotional neglect is one of the **10 core ACE categories.**
- These experiences **are common across populations** and significantly affect long-term health and behaviour.

Research shows that individuals with higher ACE scores are far more likely to experience mental health issues, risky behaviours, and poor life outcomes.

In fact, adults with four or more ACEs are **12 times more likely to develop substance abuse problems or depression.**

### 2. Prevalence: How Common Is Emotional Neglect?

Contrary to common belief, emotional neglect is not rare.

- A 2026 study found that **31.6% of individuals reported experiencing emotional neglect** during childhood.
- In some populations, emotional neglect has been identified as **one of the most common forms of childhood adversity.**

This means nearly **1 in 3 children** may grow up feeling emotionally unsupported—an alarming statistic with far-reaching consequences.

### 3. Brain Development and "Toxic Stress"

Childhood is a critical period for brain development. Emotional neglect disrupts this process through what scientists call toxic stress.

- Chronic stress keeps the body in a prolonged "fight-or-flight" state.
- It affects key brain regions:
  - **Prefrontal cortex** (decision-making and reasoning)
  - **Amygdala** (emotional processing)
  - **Hippocampus** (memory and learning)

When these areas are compromised, individuals struggle with emotional regulation and rational decision-making.

**In simple terms:**

A neglected child's brain is wired more for survival than for stable judgment.

## The Psychological Impact: Growing Up Emotionally Unseen

### 1. The Development of Low Self-Worth

Children rely on caregivers to mirror their emotions. When this mirroring is absent, they begin to internalize a damaging belief:

"If no one responds to my feelings, maybe they are not important."

Over time, this leads to:

- Chronic self-doubt
- Low self-esteem
- Difficulty identifying emotions

### 2. The Validation Deficit

Emotionally neglected children often grow into adults who constantly seek external validation.

Why?

Because they were never taught how to validate themselves.

This creates a dependency on:

- Approval from peers
- Social media engagement
- Romantic relationships
- Authority figures

Their sense of worth becomes externally controlled, making them vulnerable to manipulation.

### 3. Attachment Patterns and Relationships

Emotional neglect disrupts attachment formation.

As adults, individuals may:

- Become overly dependent in relationships
- Fear abandonment
- Tolerate toxic or abusive dynamics

Research shows that childhood adversity increases the likelihood of **revictimization and unhealthy relational patterns.**

## Decision-Making Under the Influence of Emotional Neglect

The most critical consequence of emotional neglect lies in its subtle influence on decision-making.

### 1. Emotional vs Rational Decisions

Healthy decision-making requires a balance between emotion and logic. However, emotional neglect disrupts this balance.

- Some individuals become **overly emotional decision-makers,** driven by fear of rejection
- Others become **emotionally detached,** making impulsive or avoidant choices

### 2. Risk-Taking and Vulnerability

Studies show that individuals exposed to childhood adversity are more likely to engage in:

- Substance abuse
- Risky sexual behaviour
- Aggressive or impulsive actions

Why?

Because risk-taking often becomes a substitute for emotional fulfilment or a coping mechanism for internal emptiness.

### 3. Career and Life Choices

Emotional neglect also affects long-term decisions such as:

- Career selection
- Financial behaviour
- Social environments

Individuals may:

- Choose careers based on validation rather than passion
- Stay in unfulfilling jobs due to fear of rejection
- Avoid opportunities due to low self-confidence

### 4. The "Wrong Trap" Phenomenon

One of the most concerning outcomes is the tendency to fall into harmful environments or relationships.

A child who grows up feeling unseen often seeks recognition elsewhere—sometimes in dangerous places:

- Toxic friendships
- Manipulative partners
- Exploitative social groups

This is not a flaw in character. It is a predictable outcome of unmet emotional needs.

## Societal and Economic Implications

Emotional neglect is not just a personal issue—it is a societal concern.

**1. Economic Burden**

ACEs are linked to:

- Reduced productivity
- Increased healthcare costs
- Lower educational attainment

The Centers for Disease Control and Prevention highlights that adverse childhood experiences impact **health, opportunity, and economic stability across the lifespan.**

**2. Human Capital Development**

A society's progress depends on emotionally stable individuals capable of sound decision-making.

Emotional neglect undermines:

- Leadership potential
- Innovation
- Social cohesion

In this sense, emotional well-being is not just a psychological issue—it is an economic investment.

## Breaking the Cycle: Solutions and Interventions

The good news is that emotional neglect, though impactful, is not irreversible.

**1. Parenting and Awareness**

The first step is awareness.

Parents must understand that:

- Emotional presence is as important as physical provision
- Listening and validating emotions are essential

Simple actions like:

- Active listening
- Expressing empathy
- Encouraging emotional expression

can significantly reduce the risk of emotional neglect.

**2. Education System's Role**

Schools can act as secondary emotional support systems.

- Incorporating emotional intelligence education
- Providing counselling services
- Creating safe spaces for expression

can help bridge the emotional gap.

**3. Therapy and Healing**

For those already affected, healing is possible through:

- Cognitive Behavioural Therapy (CBT)
- Trauma-informed therapy
- Emotional awareness training

Therapy helps individuals:

- Recognize their emotional patterns
- Build self-validation
- Make healthier decisions

**4. Building Internal Validation**

The ultimate goal is to shift from external validation to internal self-worth.

This includes:

- Developing self-awareness
- Practicing self-compassion
- Setting healthy boundaries

## Conclusion: From Invisible Wounds to Visible Strength

Emotional neglect may be invisible, but its consequences are not.

It shapes how individuals see themselves, how they relate to others, and how they make decisions that define their lives. From risky behaviours to career choices, the ripple effects are profound and far-reaching.

Yet, there is hope.

By recognizing emotional neglect as a legitimate and serious issue, society can begin to address it—not just at the individual level, but collectively. Families, schools, and institutions all have a role to play in fostering emotionally supportive environments.

Because when a child's emotions are acknowledged, validated, and nurtured, they grow into adults who do not need to search for worth in the wrong places.

They carry it within themselves.

**CMA Sakshi Soni**

Sakshi Soni is a qualified Cost & Management Accountant (CMA) and M.Com (First Class Honours, 2024), currently working as a SAP Consultant at Accenture. She is NISM certified and has prior experience as a Fund Administrator Intern at HSBC. Her interests span global finance, technology, sustainability, spirituality, and responsible business transformation.

# Strengthening SEZs for Global Competitiveness & Growth

## Harmonizing Special Economic Zones with Modern Manufacturing Realities:

The Union Budget for 2026-27 was an important step in changing how India looks at trade and industry. As companies shift their global supply chains to include the "China Plus One" strategy, India is re-evaluating its Special Economic Zones (SEZs) as an important part of their plan for economic growth.

You could say that the original concept of SEZs was limited to basically being an island or free duty zone that was being used to produce goods for export. Now SEZs have basically been given a new designation to become "Dual-Market, Hubs". So, now you're creating this new type of hub that allows SEZs to not only access the global markets but also helps create opportunities for our own domestic businesses as well. so this is another big change, from just focusing on exports to creating an even more connected and stronger economy.

The SEZ Units will now have an opportunity to address both export and domestic markets more easily. The primary objective is to provide the SEZ Units with Flexible Operations, Remove Inefficiencies from the system, and attract Investment.

Now this change is occurring during a very interesting period. India is now the fourth-largest economy in the world, measured by nominal GDP. The SEZs played a quietly transformative role in the growth of the economy, and they will continue to provide an estimated ₹11.70 lakh crores worth of exports by the end of 2025.

When we talk about the new SEZ Policy, or SEZ 2.0, it means something larger than an updated policy; it represents a change to how India integrates Trading, Manufacturing, and Economic Resilience.

The new SEZ framework helps to link national competitiveness with self-reliance to help India take advantage of changes in the global Trading environment and creates a foundation or growth over the long term.


## The "Deemed Foreign" Legal Framework:

Let's dive into India's Special Economic Zones, or SEZs. The big idea here is what they call a "Deemed Foreign Territory," yeah, it's right there in the SEZ Act of 2005. It sounds odd at first, but it's actually pretty smart. SEZs are inside India, sure, but when it comes to customs, tariffs, and trade, the government treats them like they're outside the country. The whole point is to cut through India's usual web of rules so businesses can compete better on the world stage.

One of the main draws is tax neutrality. If you export from an SEZ, you skip a lot of the regular taxes that hit domestic businesses. That keeps costs down, which means Indian products aren't weighed down by extra charges that would tank their chances abroad.

SEZs get another advantage too: for customs, they're treated just like ports or airports. Companies can finish all their customs formalities right there, not at some far-off port. You cut way down on time and hassle, and the supply chain keeps moving without unnecessary stops.

Starting up in an SEZ is simpler as well. They run a single-window system, so whether you need permits, clearances, or paperwork, you don't have to bounce between different offices. Just one place, one process. It's a real time-saver for anyone eager to get up and run fast. At the end of the day, SEZs are set up to make business smoother and pull in more investment. That's basically the core of it.

## Specialization by Scale and Sector:

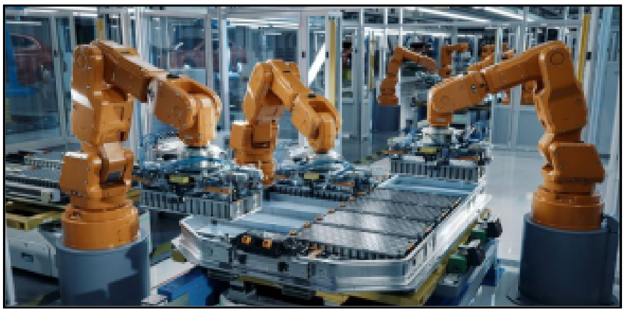
India's SEZ model doesn't believe in one-size-fits-all. It actually looks at what each industry needs and changes things up. Take semiconductor fabs, for example; they require something completely different from the giant, port-focused manufacturing parks you see elsewhere. This is where SEZs really stand out: they shape themselves around the demands of each sector, no matter the size.

Let's talk about the big players first, the multi-product SEZs. These are sprawling zones, covering at least 50 hectares, packed with all sorts of industries. They basically run like engines for the economy, bringing together manufacturing, logistics, and exports all in one spot. Mundra SEZ is the most well-known. It connects India's largest port straight to a range of factories, giving exports a serious boost.

But SEZs aren't always these huge, all-in-one setups. You'll find sector-specific zones too, built just for IT, pharmacists, or the gems and jewelry crowd. When companies from the same space gather, things pick up steam, and you get more innovation. Just look at SEEPZ. It helped turn Mumbai into a major hub for studded jewelry exports. Over in Noida, the SEZ pushed the city forward as a center for electronics and high-tech manufacturing, especially for North India.

As manufacturing evolves, so do the policies. The government has rolled out new rules meant for high-tech clusters like semiconductors and advanced electronics. Here, it's not about how much land you have, but how innovative your set-up is. They cut the land requirement from 50 hectares down to just 10 for these clusters. Now, you can have state-of-the-art spaces right in the middle of a city, or just outside it.

But SEZs in India aren't only about physical goods anymore. They're stretching into finance, too. Take GIFT City's International Financial Services Centre (IFSC), it's a bold step meant to put India on the financial world's radar. With things like zero capital gains tax and straightforward regulations, GIFT City is starting to attract offshore banks, fintech companies, and major capital market players. Honestly, it's pretty exciting to see this kind of change picking up speed.



## Incentives for Developers and Units:

Let's dive into why Special Economic Zones, or SEZs, are such a financial hot spot. The main reason? Their incentive setup. It really slashes both the upfront and ongoing costs. Take duty-free procurement, for example. If you're operating in an SEZ, you don't pay customs or excise duties zero on imports or even domestic purchases of raw materials, capital goods, or anything you need to keep things running. That's a serious way to cut down what you spend getting started and keeping production going.

Now, about taxes, there's the zero-rated GST under the IGST Act of 2017. Here's the deal: when supplies come from the Domestic Tariff Area into an SEZ, they're considered zero-rated. So SEZ units dodge the whole input tax mess. They keep their cash flowing, and best of all, they skip the headache of waiting around for tax refunds. It's just less red tape, and that's always a win.

But wait, there's more. Starting in the 2026–27 Union Budget, there's a new incentive called "plough-back." The old income tax holiday is gone, but now, if you put your export profits back into technology upgrades or research and development, you get a 50% tax credit. That's a solid reason to keep improving and pushing new ideas. All of this put together builds an environment where businesses can really take off and try new things.

## Administrative Governance:

Let's talk about how Special Economic Zones, or SEZs, run the show. They've got this one-stop-shop approach, which means investors aren't stuck shuffling forms from office to office. Getting things done stays simple and fast. There's a setup with three layers, and that really speeds up decisions and keeps communication clear, a lifesaver for anyone serious about getting business off the ground. Right at the top sits the Board of Approval, or BoA. The Commerce Secretary leads the group, and let's be honest, they hold the real power. They decide who can build an SEZ and make sure every project lines up with the country's bigger economic game plan. If they don't back it, nothing happens. Then there's the Development Commissioner, just a step below. Picture this role as the SEZ's chief, like the person who keeps the wheels turning.

The DC manages all the different units, sorts out customs, and acts as the go-to person for companies working inside the zone. Their job? They push things through, sort out problems before they even get big, and just keep the whole machine running smoothly. No pointless hold-ups, no fuss. That's the idea.

## SEZ vs. EOU: Strategic Selection:

If you're an exporter in India, picking between a Special Economic Zone (SEZ) and an Export Oriented Unit (EOU) isn't just a formality; it can totally change the way you run your business and even where you decide to set up shop. Let's talk about where you can operate. SEZs have strict boundaries: you need to be inside their zones to get all the tax breaks and benefits. EOUs don't box you in. You can set up almost anywhere next to your suppliers, out in a rural area, or even close to home if that suits you better. That kind of freedom is a lifesaver, especially if you're not tied to the big metros for your operations. Now, about taxes. Being an EOU means you pay GST up front when you buy stuff within India. Later, you claim it back as an input tax credit. You do get the money back, but until then, your cash is locked up, and you have to deal with extra paperwork. SEZs? They skip the headache. You aren't paying those taxes in the first place, so your cash flow stays solid, and you're not tangled in refund requests. But here's the real game-changer: the so-called "dual market" edge. With the changes rolled out in the 2026–27 Union Budget, SEZs can now sell in the Indian market and only pay duties on imported parts, not on the whole sale value. That's a big deal. This shift flips the script and gives SEZs a major advantage, especially if you want to reach customers both in India and abroad. More and more exporters see SEZs as the smarter choice because they just make sense if you want your products to be everywhere, not just outside the country.

## Practical Aspects: Budget 2026–27 Reforms:

The Union Budget 2026–27 shakes things up for Special Economic Zones (SEZs). The headline is the new "One-Time Concessional DTA Sales" rule.

With this, eligible manufacturing units can now sell some of their goods within India and pay reduced duties. This change means factories can use their capacity more efficiently, but SEZs don't lose their main focus on exports. There's more. The government has rolled out a new digital "Intimation System." No more running around with paperwork for customs stamps, SEZs can now handle recording and reporting transactions online, and the system checks everything automatically. That speeds things up, makes the rules less confusing, and honestly, running a business gets a whole lot simpler.

## Conclusion: The $7 Trillion Vision

The changes in the Union Budget 2026–27 mark a real turning point for India's SEZ policy. Instead of treating SEZs like isolated export hubs, the government is now pulling them right into the center of the national economy. Cutting down land requirements for high-tech industries and allowing easier domestic sales shows a clear intent to match SEZs with how manufacturing and markets actually work today.

This shift doesn't just tweak the rules; it transforms SEZs into vital parts of India's wider industrial and trade network. Paired with projects like the Dedicated Freight Corridors, these zones are on track to become major entry points connecting India to the world's supply chains.

Looking ahead, as India pursues its $7 trillion economic target, SEZs will do more than just boost exports. They'll fuel innovation, strengthen efficiency, and help build a more resilient industrial base for the whole country.

**CMA Amit Kumar Verma**

MSc in Accounting & Analytics

हाउसिंग एंड अर्बन डेवलपमेंट कॉर्पोरेशन लिमिटेड
(भारत सरकार का उपक्रम)
**Housing & Urban Development Corporation Limited**
(A Government of India Enterprise)

एम नागराज
निदेशक (कॉरपोरेट प्लानिंग)
**M. NAGARAJ**
Director (Corporate Planning)

## MESSAGE

Dear Shri Sandeep Kumar,

I extend my warmest congratulations to you on the impending launch of Global Finance and Economics Magazine: The Worldonomics Times on May 5th! This milestone marks the beginning of what promises to be an exciting journey in the realm of global finance and economics journalism.

As our world becomes increasingly interconnected, the need for a comprehensive and insightful resource in the field of finance and economics has never been greater. Your magazine's dedication to providing a platform for experts to share their insights is commendable and much needed in today's complex economic landscape.

I have no doubt that The Worldonomics Times will quickly establish itself as a key resource for policymakers, industry professionals, academics, and anyone with a keen interest in understanding the intricacies of global finance and economics. Your commitment to delivering high-quality, well-researched content will undoubtedly set a new standard in the industry.

I eagerly anticipate the inaugural issue and look forward to the valuable contributions and perspectives that The Worldonomics Times will bring to the forefront of economic discourse.

Once again, congratulations on this significant achievement, and I wish you all the best for a successful launch and a prosperous future ahead.

(CMA - M. NAGARAJ)

AN ISO 9001:2015 CERTIFIED COMPANY

CIN : L7489DL1970GOI005276
E-mail : dcp@hudco.org

Follow us on
@hudcolimited

एच.ई.सी.

ISO 9001:2008 Company

*Rajesh Kumar Dwivedi*
Director (Finance)

स्वच्छ भारत
एक कदम स्वच्छता की ओर

**Heavy Engineering Corporation Ltd.**
(A Govt. of India Enterprise)
P.O.- Dhurwa, Ranchi - 834 004 Jharkhand (India)
Phone : 0651-2401372, 2400575 (O)
Fax : 0651-2400574 (O)
Mob. : 9650572233
E-mail : dir_fin@hecltd.com

## MESSAGE

Dear Shri Sandeep Kumar,

I take this opportunity to heartily congratulate you on publishing "The Worldonomics Times", which I really feel is a hands-on treasure of useful information.

Today's world is rapidly changing and inter-woven with diverse complexities. In such a global environment, authentic and timely information is a powerful tool which I am sure will be always provided by "The worldonomics Times". I am sure, the adage that "*The Pen is mightier than the Sword*" will be once again be proven right with your magazine.

Congratulations, once again and my Best wishes for this wonderful knowledge endeavour!

(CMA Rajesh Kumar Dwivedi)

# BLESSING SUPPORT

## CMA Sanjay Jindal

**Director Finance | Engineers India Limited**

Dear Mr. Sandeep Kumar,
With the launch of The Worldonomics Times, professionals worldwide are poised to embark on a journey of enlightenment and empowerment. In today's fast-paced economic landscape, the need for up- to-date insights and innovative strategies is more crucial than ever. As Director (Finance), I recognize the significance of continuous learning and informed decision-making. This magazine promises to be a comprehensive resource, offering valuable insights and actionable strategies to navigate the challenges and opportunities ahead. The Worldonomics Times is not just a publication; it's a beacon of innovation in economic discourse. Through cutting-edge analysis, thought-provoking articles, and expert commentary, it will serve as a trusted companion for professionals across various sectors. Leveraging the latest technologies, the magazine ensures accessibility and engagement for all readers, regardless of background or expertise. Beyond economics, The Worldonomics Times will explore intersections of finance with technology, sustainability, and social responsibility. By fostering dialogue and collaboration across diverse fields, it will inspire innovative solutions to global challenges. I am proud to be associated with this initiative, and I extend my deepest gratitude to the editorial team, contributors, partners, and supporters who have worked tirelessly to bring this vision to life. I offer my sincerest blessings to all those who will embark on this journey of enlightenment and empowerment, fueling innovation and success in the ever-evolving world of economics. Impressive Initiative! Best Wishes to you and your team for resounding success on this fantastic effort.

## CMA Hrishikesh Kumar

**Executive Director (Finance) | NBCC (India) Limited**

Dear Shri Sandeep Kumar,
At the outset I would like to congratulate you for taking the initiative for publishing this magazine “The Worldonomics Times”. In this era of rapid changing economic environment vis-à-vis the pressure on business to sustain, the importance of seamless transfer of information and knowledge cannot be underestimated which I hope would be fulfilled by your magazine in future.I must say this is a great initiative by you and your team in this regard. All the est for your endeavor.

## CMA Yogendra Prasad Shukla

**Director Finance | HOCL - Hindustan Organic Chemicals Limited**

Dear CMA Sandeep Kumar Ji,
I extend my heartfelt congratulations on the launch of "The Worldonomics Times." Your dedication to providing a platform for insightful economic knowledge is truly commendable. In today's- paced economic, the significance of facilitating the smooth flow of information and wisdom cannot be overstated, and I am confident that your magazine will excel in meeting this crucial need. Your initiative, alongside your team, is truly praiseworthy, and I foresee "great success for “The Worldonomics Times" in the days ahead. Your commitment to empowering minds through economic understanding is inspiring. Best regards.

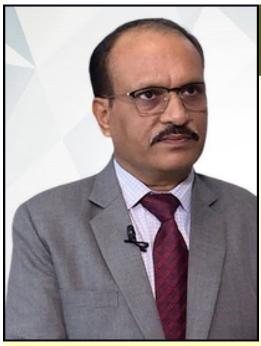
# BLESSING SUPPORT

## CMA Yash Paul Bhola

**Former Director (Finance)| NFL - National Fertilisers Limited**

Dear INCOC Team Members,

I congratulate and appreciate the efforts by one and all in bringing out Global Finance and Economics Magazine, "The Worldonomics Times". This milestone marks the beginning of an exciting journey in the realm of global finance and economics journalism. As our world becomes increasingly interconnected, and regulatory framework is fast getting changed and updated, the need for a comprehensive magazine in finance field cannot be over emphasised. This magazine is dedicated to providing a platform for periodical up-dation of the developments across the globe and experts to share their insights. It is intended to establish itself as a key resource for policymakers, industry professionals, academics, and anyone with a keen interest in understanding global finance and economics. Once again, I congratulate and wish you all the best for a successful launch of the magazine and a prosperous future ahead.



## CMA Gaurang Dixit

**Former Chairman-cum-Managing Director |**
**NSIC - National Small Industries Corporation**

Dear Shri Sandeep Kumar,

At the onset, I applaud the initiative of the 'International Navodaya Chamber of Commerce' to come out with a magazine 'The Worldonomics Times', which will provide the relevant information and knowledge to the all in this diverse global market. In the present complex business / economic scenario, the whole world market is like a field open for all players to play thereon. This global market is having abundant opportunities and to become a successful entrepreneur in such complex economic environment, the need for having relevant information and knowledge is of paramount significance. Your endeavour to come out with the magazine 'The Worldonomics Times' will certainly help to suffice this requirement. I must congratulate to you and your team for this endeavour. With best wishes.

## CMA R C Gupta

**Former Executive Director (Finance & Accounts)| GAIL (India) Ltd.**

Dear Shri Sandeep Ji,

I have gone through the May 2024 issue of The Worldonomics Times and found it very informative. My heartfelt congratulations on the launch of a world class magazine in the area of Cost Management, Financial Management, Financial Planning, Taxation and World Economic Affairs. The coverage in the magazine is very wide & excellent and is based on the theme of Global Perspective with Local Relevance, in-depth data driven journalism and accessibility of the magazine in print as well as digital formats. It will empower the readers with well researched articles for ready reference, decision making & knowledge enhancement. I wish all the best to you and your team of International Navodaya Chamber of Commerce (INCOC) for bringing the magazine on regular basis with full of information of world economic affairs for use by all professionals. With Best regards.

# BLESSING SUPPORT

## Shri Jyoti Prakash Gadia

**Managing Director | Resurgent India Limited**

Dear Sandeep Ji,

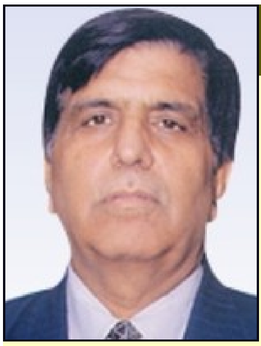
Congratulations on the launch of The Worldonomics Times! This new publication promises to be a vital resource in financial journalism and stands to reshape our grasp of global financial landscapes. The Worldonomics Times will undoubtedly be an indispensable source for thorough analyses, covering the nuanced intersections of global economics and market dynamics. Your magazine is uniquely positioned to serve the needs of business leaders, policymakers, and those with a keen interest in the complexities of global finance. We eagerly await the fresh perspectives and insights that The Worldonomics Times will bring to the complex world of global finance. Best wishes for your journey ahead!

## CMA Ramesh Kumar

**Chief General Manager | Power Grid Corporation Of India**

Dear Shri Sandeep Kumar,

With great pleasure we extend our good wishes on the launch of The Worldonomics Times. This publication is poised to become a cornerstone in the landscape of global finance and economics, offering deep insights and valuable perspectives. Your commitment to excellence in disseminating knowledge is not only commendable but vital in these complex economic times. We eagerly anticipate the success and influence your magazine will undoubtedly achieve. Warm regards.



## Shri BK Sabharwal

**Chairman, Capital and Commodity Market Committee, PHDCCI Ex-President CPAI, Ex-chairman FISE, Ex-Director |Delhi Stock Exchange**

Dear Sandeep Kumar,

Congratulations on the launch of The Worldonomics Times! Your dedication to global finance journalism is commendable. This milestone marks the beginning of an insightful journey. In our interconnected world, timely updates on regulatory changes are vital, and your magazine promises to fulfill this need. Dedicated to providing expert insights and periodic updates, it aims to become a key resource for policymakers, industry professionals, and academics. Your leadership in this initiative is inspiring. Here's to a successful launch and a prosperous future ahead. Best regards.

## CMA Vijay Kumar Agarwal

**GM (Finance) | ONGC Videsh**

Dear Shri Sandeep Ji,

It's my great pleasure to note "The Worldonomics Times" monthly magazine launching by "International Navodaya Chamber of Commerce (INCOC). The various Global Perspectives with relevant data have been covered which are relevant from our local perspective. The contents of magazine in coming days will be way forward in knowledge enhancement as well as for better understanding in correlating the global economics with local need. Congratulations CMA Sandeep ji & Team for such an initiative which will surely provide the tailored world economic information.


MSME LEADERSHIP


INCOC


INCOC
SUMMIT 2026
ORGANIZED BY
NATIONAL SC-ST HUB

# THE WORLDONOMICS TIMES

The Worldonomics Times is a monthly publication launched by the International Navodaya Chamber of Commerce (INCOC). Based in New Delhi, India, it serves as a specialized resource for global finance, economics, and business management.

The magazine released its premiere issue on May 5, 2024, and focuses on providing data-driven insights and expert analysis for business leaders, policymakers, and scholars.

## Key Features and Content

- **Focus Areas:** In-depth reporting on international trade, financial market shifts, macroeconomic theories, and environmental economics.
- **Format:** Available in both online (digital flipbooks) and print formats. It also features a dedicated mobile app for academic and professional learning.
- **Expert Contributors:** Articles are frequently authored by industry veterans, including Chartered Accountants (CAs), Cost & Management Accountants (CMAs), and financial consultants.
- **Mission:** To bridge the gap between complex economic theories and real-world business applications, particularly focusing on how global trends impact India's economic landscape.

## Why is The Worldonomics Times important?

The Worldonomics Times is important because it keeps people informed about what is happening in the world of economics, business, trade, and global markets. In today's fast-changing world, having the right economic information helps individuals, businesses, and governments make better decisions.

## It helps in:

- Understanding global and national economic trends
- Staying updated on trade, finance, and industry news
- Supporting business planning and investments
- Creating awareness about policies and market changes
- Encouraging educated and informed citizens

In simple words, Worldonomics Times connects people with the economic reality of the world and helps them grow, plan, and succeed.


## Publication Details:

| | |
|---|---|
| Frequency | : Monthly |
| Editor-in-Chief | : Sandeep Kumar (FCMA, CA) |
| Publisher | : International Navodaya Chamber of Commerce (INCOC) |
| Language | : English |
| Headquarters | : Vishwas Nagar, Delhi, India |

## Subscription Details:

| | |
|---|---|
| Yearly Subscription Charge for 1 Qty | : Rs. 2280 plus Shipping Charge Rs. 480 |
| Bank Details | : International Navodaya Chamber of Commerce |
| Current Account | : IDBI Bank |
| Account Number | : 0268102000021438 |
| IFSC | : IBKL0000268 |
| PAN | : AAGCI2318N |

# INCOC

# INTERNATIONAL NAVODAYA CHAMBER OF COMMERCE

CONNECT • COLLABORATE • GROW

## Empowering Business.
## Building Global Opportunities.

INCOC is a dynamic platform dedicated to promoting trade, industry, entrepreneurship and sustainable economic growth.
We bring together businesses, professionals and innovators to create stronger networks and lasting impact.


## WHAT WE DO

**BUSINESS NETWORKING**
Connecting members across industries, regions and borders.

**TRADE & INVESTMENT PROMOTION**
Facilitating trade, investment and global business collaborations.

**KNOWLEDGE & CAPACITY BUILDING**
Organizing seminars, workshops and training for business excellence.

**ADVOCACY & SUPPORT**
Representing member interests and supporting policy initiatives.

**GLOBAL PARTNERSHIPS**
Building international partnerships for sustainable growth.

## BENEFITS OF MEMBERSHIP

- Access to global & domestic business opportunities
- Strong business network & valuable connections
- Knowledge sharing & industry insights
- Collaboration, partnerships & joint ventures
- Brand visibility, credibility & recognition
- Growth support for startups, MSMEs & established businesses

INCOC is committed to fostering innovation, integrity and inclusive growth for a prosperous future.

**STRONGER NETWORKS.**
**GREATER IMPACT.**
**SUSTAINABLE TOMORROW.**

INCOC
CONNECT • COLLABORATE • GROW
EMPOWERING BUSINESS.
BUILDING GLOBAL OPPORTUNITIES.

INTERNATIONAL NAVODAYA CHAMBER OF COMMERCE


30/26A, Street No. 9, Vishwas Nagar, Delhi - 110032, India
+91 8506060506
info@incoc.in
www.incoc.in



ISSN 2582-9292
9 772582 929006 >


SCAN TO VISIT WWW.INCOC.IN

FOLLOW US ON www.fb.com/incocin www.instagram.com/incocin www.twitter.com/incocin www.linkedin.com/in/incocin