

07 January 2020: PIB Summary & Analysis

National Assessment and Accreditation Council (NAAC)

About the National Assessment and Accreditation Council (NAAC):

- The NAAC is an autonomous organisation that assesses and accredits institutions of higher education in India.
- It is funded by the University Grants Commission (UGC) and is an autonomous body under it.
- It was established in 1994 and is headquartered in Bengaluru.
- The mandate of the NAAC as reflected in its vision statement is in making quality assurance an integral part of the functioning of Higher Education Institutions (HEIs).
- The NAAC functions through its General Council (GC) and Executive Committee (EC) comprising educational administrators, policymakers and senior academicians from a cross-section of Indian higher education system.
- The Chairperson of the UGC is the President of the GC of the NAAC; the Chairperson of the EC is an eminent academician nominated by the President of GC (NAAC).
- The Director is the academic and administrative head of NAAC and is the member-secretary of both the GC and the EC.
- **NAAC's functions include:**
 - Periodic assessment and accreditation of institutions of higher education.
 - Stimulate the academic environment for the promotion of the quality of teaching-learning and research in higher education institutions.
 - Encourage self-evaluation, accountability, autonomy and innovations in higher education.
 - Undertake quality-related research studies, consultancy and training programmes.
 - Collaborate with other stakeholders of higher education for quality evaluation, promotion and sustenance.
- HEIs with a record of at least two batches of students graduated, or been in existence for six years, whichever is earlier, are eligible to apply for the process of Assessment and Accreditation (A&A) of NAAC.
- The NAAC accreditation does not cover distance education units of HEIs and offshore campuses.
- It also does not accredit institutions providing technical education (that is covered by the National Board of Accreditation (NBA), an organization established by the All India Council for Technical Education (AICTE)).

Context:

Vice President addressed the silver jubilee function of the NAAC.

Also read: [Higher Education Quality Mandate: RSTV – Big Picture](#).

Year End Review 2019 - Ministry of Agriculture, Cooperation and Farmers' Welfare

The major initiatives of the Ministry of Agriculture, Cooperation and Farmers' Welfare are mentioned below:

- Pradhan Mantri Kisan Maan Dhan Yojana (PM-KMY)

- Launched in September 2019.
 - It provides for the payment of a minimum pension of Rs.3000/- per month to the eligible small and marginal farmers on attaining the age of 60 years. Read more on [Pradhan Mantri Kisan Maan Dhan Yojana](#).
 - **Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)**
 - Launched in February 2019.
 - Read more on [Pradhan Mantri Kisan Samman Nidhi](#).
 - **e-NAM**
 - 421 new mandis have been approved for integration under the e-NAM.
 - Along with these, FPOs have also been on-boarded on e-NAM portal and they have started uploading their produce for trading.
 - More on [e-NAM](#).
 - **Soil Health Card**
 - 40 lakh Soil Health Cards have been distributed to farmers under the Model Village Project.
 - Under this scheme, farmers can know the major and minor nutrients available in their soils which will ensure judicious use of fertiliser application and reduce the cost of inputs and improve soil fertility.
 - A Soil Health Card is used to assess the current status of soil health and, when used over time, to determine changes in soil health that are affected by land management.
 - It displays soil health indicators and associated descriptive terms. The indicators are typically based on farmers' practical experience and knowledge of local natural resources.
 - The card lists soil health indicators that can be assessed without the aid of technical or laboratory equipment.
 - **CHC-Farm Machinery:** Read more on this on [PIB dated Sep 24, 2019](#) under the headline: “Two Agriculture Mobile Apps Launched”.
-

Micro Small and Medium Enterprises (MSME) sector

Context:

The Union Minister of Commerce and Industry & Railways had a meeting with MSME associations.

Details:

- Many issues pertaining to the MSME sector were put up for discussion with the Commerce and Industry Minister by MSMEs through the Confederation of Indian Industry (CII), Federation of Indian Chambers of Commerce and Industry (FICCI), the Associated Chambers of Commerce and Industry of India (ASSOCHAM), SME Chamber of India and PHD Chamber of Commerce and Industry.
- The most **important issues** that were discussed in the meeting included:
 - Problem faced by SME units in accessing credit from banks.
 - Delay in payments from Public Sector Units and Government departments.
 - Issue of GST refund.
 - Dearth of skilled manpower in the SME sector.
 - Issue of differing wages in states across the country.
- The [Small Industries Development Bank of India \(SIDBI\)](#) and the Credit Guarantee Funds Trust for Micro and Small Enterprises (CGTMSE) have been directed to set up a framework that will enable them to process loans to SME units faster and also provide insurance cover to the SME exporters.
- The SME sector manufacturers were also asked to produce high-quality goods following international standards so that exports from the SME sector may become a part of the global value

chain.

- On the issue of delayed payments, the Minister examined the possibility of big companies making full payment to SMEs against delivery so that the working capital of SME units is not blocked.
- In order to mainstream the **8 million Indian women who have started and are running their own businesses**, the Minister directed that the Government e-Marketplace may handhold the women-led SMEs and on-board these enterprises on the GeM portal.
 - Read more on the Government e-Marketplace on [PIB dated Dec 4, 2019](#).

Brief about the MSME sector:

- The MSME sector in India employs over 100 million people.
- It accounts for 45% of the manufacturing output and more than 40% of the country's exports.
- With 63.4 million units throughout the country, MSMEs contribute around 6.11% of the manufacturing GDP and 24.63% of the GDP from service activities.

Insolvency and Bankruptcy Board of India (Liquidation Process) (Amendment) Regulations, 2020

Context:

The **Insolvency and Bankruptcy Board of India (IBBI)** amended the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

What are the amendments (effective from 6th Jan 2020)?

- The amendment clarifies that a person, who is not eligible under the [Insolvency & Bankruptcy Code \(IBC\)](#) to submit a resolution plan for insolvency resolution of the corporate debtor, shall not be a party in any manner to a compromise or arrangement of the corporate debtor under section 230 of the [Companies Act, 2013](#).
- It also clarifies that a secured creditor cannot sell or transfer an asset, which is subject to security interest, to any person, who is not eligible under the Code to submit a resolution plan for insolvency resolution of the corporate debtor.
- The amendment provides that a secured creditor, who proceeds to realise its security interest, shall contribute its share of the insolvency resolution process cost, liquidation process cost and workmen's dues, within 90 days of the liquidation commencement date.
- It shall also pay excess of realised value of the asset, which is subject to security interest, over the amount of its claims admitted, within 180 days of the liquidation commencement date.
- Where the secured creditor fails to pay such amounts to the Liquidator within 90 days or 180 days, as the case may be, the asset shall become part of Liquidation Estate.
- The amendment provides that a Liquidator shall deposit the amount of unclaimed dividends, if any, and undistributed proceeds, if any, in a liquidation process along with any income earned thereon into the Corporate Liquidation Account before he submits an application for dissolution of the corporate debtor.
- It also provides a process for a stakeholder to seek withdrawal from the Corporate Liquidation Account.

About the Insolvency and Bankruptcy Board of India (IBBI):

- The IBBI was formed in 2016 under the IBC.
- It is the regulator responsible for overseeing the insolvency proceedings.

- It is responsible for implementation of the IBC that consolidates and amends the laws relating to reorganization and insolvency resolution of corporate persons, partnership firms and individuals.
 - It has regulatory oversight over:
 - Insolvency Professionals
 - Insolvency Professional Agencies
 - Insolvency Professional Entities
 - Information Utilities
 - It frames and enforces rules for:
 - Corporate insolvency resolution
 - Corporate liquidation
 - Individual insolvency resolution
 - Individual bankruptcy
-

2nd National GST Conference

Context:

The 2nd National GST Conference was held for streamlining the GST system.

Details:

- The 2nd National GST Conference of the Commissioners of State Tax and Chief Commissioners of Central Tax was held under the chairmanship of the Revenue Secretary, Ministry of Finance.
- The conference focused on streamlining the GST system and plugging revenue leakages.
- This was the 2nd edition of the all India conference where both tax administrations came together formally to build synergy and to share their knowledge and best practices with intent to bring about uniformity in tax administrations.

Measured decided for action in the Conference:

- To constitute a Committee of Centre and State officers to examine and implement quick measures in a given time frame to **curb fraudulent refund claims** including the inverted tax structure refund claims and evasion of GST.
- Considering fraudulent IGST refund claims, it was explored to link foreign exchange remittances with IGST refunds for risky and new exporters.
- All major cases of fake Input Tax Credit, export/import fraud and fraudulent refunds shall also be compulsorily investigated by the Income Tax Department.
- MoU would be signed among the Central Board of Direct Taxes (CBDT), the Central Board of Indirect Taxes (CBIC) and GSTN to exchange data through API, from CBDT to GSTN and CBIC and vice-versa. It was decided that this data should be shared on a quarterly basis, instead of being shared on a yearly basis.
- To explore access to banking transactions (including bank account details) by GST system, in consultation with RBI and [NPCI](https://byjus.com/npci/).
- To share data of cases involving evasion and fraudulent refund detected by CBIC with CBDT and vice versa, so that proper profiling of these fraudsters could be done.
- It was also suggested to provide a single bank account for foreign remittance receipt and refund disbursement.
- A self-assessment declaration to be prescribed by suitable amendments in GSTR Forms in case of closure of businesses.

- To undertake verification of unmatched input tax credit availed by taxpayers.
-

Central Vigilance Commission

Context:

There has been a steep reduction in the pendency of vigilance complaints.

To know more about the [Central Vigilance Commission](#), click on the linked article.