

ECONOMY**Part 2****TAXATION****GST**

- Goods and Services Tax is an Indirect Tax which has replaced many Indirect Taxes in India. The Act came into effect on 1st July 2017; Goods & Services Tax Law in India is a comprehensive, multi-stage, destination-based tax that is levied on every value addition.
- There are 3 taxes applicable under this system: CGST, SGST & IGST.
- The GST council is the key decision-making body that will take all important decisions regarding the GST. It will be a joint forum for the Centre and the States. It consists of the following members, the Union Finance Minister, will be the Chairperson. As a member, the Union Minister of State will be in charge of Revenue of Finance. The Minister in charge of finance or taxation or any other Minister nominated by each State government, as members.
- It is mandatory to pass on the benefit due to a reduction in the rate of tax or from an input tax credit to the consumer by way of commensurate reduction in prices. It provides for the establishment of National Anti-profiteering Authority in order to ensure its compliance
- eWay Bill is an Electronic Way bill for movement of goods to be generated on the eWay Bill Portal. A GST registered person cannot transport goods in a vehicle whose value exceeds Rs. 50,000 (Single Invoice/bill/delivery challan) without an e-way bill

Goods and Services Tax Network (GSTN)

- GSTN was recently converted into a 100% government entity, to secure the tax based information of the Indian tax payers.
- The GSTN is a not for profit company under the Company Act, 2013.
- It was formed to provide IT infrastructure and services to the Central and State governments, tax payers and other stakeholders.
- The 100% government ownership will be equally distributed among the center (50%) and the states (50%).

Angel Tax

- Government has amended the rules of angel tax to address the concerns raised by startups about taxation of angel funds.
- It was introduced in 2012 for keeping money laundering in check.
- It is a 30% tax that is levied on the funding received by startups from an Angel investor.
- However, this 30% tax is levied when startups receive angel funding at a valuation higher than its 'fair market value'.
- It is counted as income to the company and is taxed.
- Angel funds refer to a money pool created by high net worth individuals or companies (generally called as angel investors), for investing in business startups.
- They invest at very early-stage of businesses where other institutional investors such as venture capital funds or private equity funds hesitate to invest.
- Fair value of the investment after angel investors make investment, are determined by the tax authorities.

- Section 56(2) of the IT Act, 1956 allows taxation of funds to an entity if it is more than the fair limit.

Amended rules

- Government relaxed the norms under the definition of Start-Ups.
- The changes brought in are:
 - The investment limit of angel investors to seek exemption under the Income Tax Act, 1961 has been increased to Rs 25 crore from 10 Crore.
 - The changes are applicable to start-ups, recognised by DIPP

POEM – Place of Effective Management

- The Central Board of Direct Taxes issued final Notification under Income-tax Act, 1961, which provides tax consequences on a foreign company said to be resident in India due to its place of effective management being in India. This Notification is applicable from the financial year 2016.
- POEM is an internationally recognised test for determination of residence of a company incorporated in a foreign jurisdiction.
- Hence, it means a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance, made.

Long-Term Capital Gains Tax

- Long-Term Capital Gains Tax (LTCG) on securities has come into force.
- Budget 2018 had proposed to delete Section 10(38) of the Income-tax Act, 1961, which provided for an exemption from LTCG arising on sale of Equity Shares or Units of an Equity Oriented Mutual Fund on which Securities Transaction Tax (STT) is paid.
- Any profit from the sale of a capital asset is deemed as 'capital gains'.

'Grandfathering' Clause

- It was the exemption granted to investors who existed then or gains made by them before the new tax law came into force.
- The gains from shares or equity mutual funds made till January 31, 2018 were grandfathered / exempted. There was no LTCG tax on notional profit in shares till then.

Minimum Alternate Tax (MAT)

- The Central Board of Direct Taxes had announced to relax norms around levy of MAT for insolvent companies.
- MAT was effectively introduced in India by the Finance Act of 1987, under provisions of the Income Tax Act, 1961.
- This intended to facilitate the taxation of 'zero tax companies' i.e., those companies which show zero or negligible income to avoid tax.
- Under MAT, such companies are made liable to pay to the government, by deeming a certain percentage of their book profit as taxable income.
- MAT is applied when the taxable income calculated as per the normal provisions in the IT Act is found to be less than 18.5% of the book profits.

Dividend Distribution Tax (DDT)

- Dividend Distribution Tax (DDT) was introduced in the Union Budget for 2018-2019

- It is levied on the amount of profits paid by the company in the form of dividends to its shareholders.

General Anti-Avoidance Rules (GAAR)

- GAAR has come into effect from April 1, 2017.
- GAAR was originally proposed in Direct Tax Code of 2009.
- It helps tax authorities decide whether a commercial entity has entered into an arrangement with another entity or a subsidiary of it to avoid paying taxes to the government.
- The entities take the advantages of the loopholes present in the tax structure.

MONETARY POLICY

External Benchmark

- RBI has asked banks to link floating interest rate on retail loans and loans given to SMEs to external benchmarks.
- The recommendation was made by an internal study group on working of Marginal Cost of Funds based Lending Rates (MCLR) of the RBI.
- The group analyzed that banks were slow to pass reduction in MCLR to the customers.
- According to it, the lending rates should be pegged to 4 external benchmarks:
 - Repo rate
 - 91-day treasury bill yield
 - 182-day treasury bill yield
 - Any other benchmark given by the Financial Benchmark India Private Ltd.
- While RBI had given options to banks to choose the external benchmark, most banks have chosen repo rate as the external benchmark.
- MCLR is the minimum interest rate, below which a bank is not permitted to lend.
- Spread refers to the difference in borrowing rates and lending rates of financial institutions.

Foreign exchange Swap

- Recently, RBI has decided to inject long-term liquidity into the system through foreign exchange swap arrangement.
- The swap is in the nature of a simple dollar-rupee exchange with the RBI.
- A bank shall sell U.S. dollars to the RBI, in turn the RBI will pay rupees to the participating banks at the current spot rate
- Simultaneously, the banks will agree to buy-back the same amount of dollars from the RBI after three years, the tenor of current auction.

The expected benefits of forex swap

- Increase liquidity in market
- Increase in RBI's foreign exchange reserves and
- Improve credit as it will put more money in the hands of banks.

GDP**GDP Back Data Series**

- NITI Aayog and Central Statistical Office (CSO) released back series data of GDP from 2005-06, using the new calculation method.
- In 2015 the government adopted a new methodology for the calculation of the GDP of the country for better estimate of economic activity, called the Gross Value Added (GVA).
- There was also a change in the base year used from 2004-05 to 2011-12.
- These changes posed problem for comparing the recent economic data with the data preceding 2011-12.
- Thus, the back series data provides for the earlier data calculated as per the new methodology, which makes comparison easier.

MCA-21 Database

- Mission Mode Project is the e-governance initiative of the Ministry of Corporate Affairs, launched in 2006.
- It is one of the 27 Mission Mode Projects of the National e-Governance Plan.

AGRICULTURE**Zero Budget Natural Farming**

- Natural farming is “do nothing farming”, according to Masanobu Fukuoka, a Japanese farmer who, in the 1970s, was a proponent of no-till, no chemical use in farming along with the dispersal of clay seed balls to propagate plants.

Fisheries and Aquaculture Infrastructure Development Fund

- CCEA approved the creation of special Fisheries and Aquaculture Infrastructure Development Fund.
- The fund will be a combination of money raised from the nodal loaning agencies, beneficiaries' contributions and budgetary support by the Government of India.
- NABARD, National Cooperatives Development Corporation (NCDC) and all scheduled banks have been recognized as the nodal loaning agencies.
- The fund will finance the states, UTs, cooperatives, individuals and entrepreneurs who are willing to invest in the fisheries sector.

Draft Policy on Mariculture

- Draft Policy on Mariculture has been formulated to ensure food and nutritional security of the nation.
- Development of mariculture zones by demarcating special areas in the sea- called the Mariculture Development Area.

Agricultural Census

- The Ministry of Agriculture released the 10th Agricultural Census 2015-16.
- The first census was conducted in 1970-71.
- It is conducted every 5 years by the NSSO, in three phases.
- The basic unit of data collection is operational land holding.

- Operational holding is defined as the land used wholly or partly for agricultural production and is operated as 1 unit operated by one person in terms of ownership.

Guidelines on Operation Greens

- The Ministry of Food Processing Industries (MoFPI) has approved an operationalization strategy for Operation Greens.
- Operation Greens was announced in the budget 2018-19 with an outlay of Rs.500 crore to stabilize the supply of Tomato, Onion and Potato (TOP) crops, and to ensure the availability of TOP crops throughout the year, in every corner of the country and without any price volatility.
- It aims to promote Farmer Producer Organisations (FPOs), agricultural logistics, food processing facilities and professional management to ensure the availability of essential TOP crops.
- It is a Central Sector Scheme (CSS).

AGRI-Market Infrastructure Fund

- The creation of a Rs, 2,000 crore Agri- Market Infrastructure Fund (AMIF) aims to develop and upgrade rural agriculture markets.
- It will be created with NABARD.
- It will provide the state/ UT governments subsidized loans for their proposal for developing marketing infrastructure.

Tribals to get MSP for 50 minor forest produce

- Recently Tribal Affairs Ministry announced the revision of minimum support price (MSP) framework by 30 to 40% to 50 minor forest produce (MFP).
- The aim is to enable the tribals dependent on the forest to get a fair price for their produce.
- Ministry of Tribal Affairs, is the Nodal Ministry for implementation of the scheme.
- Tribal Cooperative Marketing Development Federation of India (TRIFED) acts as the Central Nodal Agency for implementation and monitoring of the scheme through State level implementing agencies.

Van Dhan Scheme

- Extension of this scheme to all tribal districts in the country has been announced.
- This programme promotes enterprise and marketing skills in tribals.

Friends of Tribe

- Launched by TRIFED for sourcing of Corporate Social Responsibility (CSR) funds from Public Sector Organisations.

Rural haats under Gramin Agricultural Markets (GrAM) Scheme

- The Center has identified rural haats for modernization and development of infrastructure under the GrAM in the first phase.
- The aim under GrAM is to modernize the infrastructure of 22,000 rural haats over 2-3 years.
- Under GrAM the physical infrastructure of the rural haats will be improved through MNREGA and the road linkages to the rural haats will be strengthened under the PMGSY.
- GrAMs will be linked to the e-NAM.
- It will also be outside the APMC Act regulation.

Studies/Reports

- **NABARD Report titled “Water Productivity Mapping of Major Indian Crops”** says the most stark differences between land and water productivity are seen in rice and sugarcane cultivation. Punjab reports the highest land productivity for rice, producing four tonnes per hectare. However, it only produces 0.22 kg of rice for every meter cube of irrigation water. Jharkhand and Chhattisgarh, on the other hand, produce 0.75 and 0.68 kg for the same amount of water. However, low irrigation coverage results in low land productivity in these States. Jharkhand has only 3% of its land under irrigation.
- If Indian farmers were to switch from growing rice and wheat to ‘alternative cereals,’ such as maize, sorghum, and millet, it could reduce the demand for irrigation water by 33%.
- **The NABARD All India Rural Financial Inclusion Survey 2016-17** says more than half the agricultural households in the country have outstanding debt. Only 48% of these are defined as agricultural households, which have at least one member self-employed in agriculture and which received more than ₹5,000 as value of produce from agricultural activities over the past year, whether they possessed any land or not. Agricultural households reporting any outstanding debt also had a higher debt liability compared with non-agricultural ones
- **School of Environmental Studies (SOES), Jadavpur University’s** recent publication reveals not only rise in arsenic contamination of paddy plants from ground water in West Bengal
- The study was carried out on two commonly consumed rice varieties — Minikit and Jaya — and the latter was found to be more resistant to arsenic
- **A NITI Aayog publication** on shifting cultivation which is particularly practised in the northeastern States, has recommended that the Ministry of Agriculture should take up a “mission on shifting cultivation” to ensure inter-ministerial convergence.
- Locally referred to as jhum cultivation, this practice is considered as an important mainstay of food production for a considerable population in northeast India in States like Arunachal Pradesh, Nagaland, Mizoram, Meghalaya, Tripura and Manipur.

Green Agriculture

- The Green Agriculture project synergises biodiversity conservation, agriculture production, and development

Cellular agriculture

- It focuses on the production of agriculture products from cell cultures using a combination of biotechnology, tissue engineering, molecular biology, and synthetic biology to create and design new methods of producing proteins, fats, and tissues that would otherwise come from traditional agriculture.

GST and Agriculture

- With the exemption on GST on storage and warehousing of agricultural produce, the new tax regime has reduced the tax burden on the farming sector and created an opportunity for farmers to sell the produce at the best available price in the Indian market without State barriers and reduce the imminent storage-related food loss, that goes a long way in helping realise the government’s vision to double farmer incomes.

REFORMS/LEGISLATIONS/POLICIES IN NEWS

The Insolvency and Bankruptcy Code

- The Supreme Court upheld the Insolvency and Bankruptcy Code (IBC) in its entirety, backing the government's efforts to deal with the bad-debt burden of banks.

Important points about Insolvency and Bankruptcy Code

- It attempts to consolidate, reorganize, and resolve insolvency of corporate persons, partnership firms and individuals in a time bound manner for maximisation of value of assets.

The institutional infrastructure

- Insolvency Professionals
- Information Utilities
- Adjudication and appellate bodies
- The Insolvency and Bankruptcy Board of India – Regulator

Classification of creditors

- Financial creditors: Who have extended a loan or financial credit to the debtor.
- Operational creditors (unsecured creditor): It refers to anyone who has provided goods or services and the payment for same is due from the corporate debtor.

Key features

- Allottees under a real estate project to be treated as financial creditors.
- During the insolvency resolution process, a committee consisting of financial creditors will be constituted for taking decisions (by voting) on the resolution process.
- The Code prohibits a person from being a resolution applicant if his account has been identified as NPA for more than a year.
- The Code also bars a guarantor of a defaulter from being an applicant.
- The ineligibility criteria for resolution applicants regarding NPAs and guarantors will not be applicable to persons applying for resolution of MSMEs.

Insolvency resolution process

- During a corporate insolvency resolution process, a committee consisting of all financial creditors is constituted to take decisions regarding the resolution process.
- These processes should be completed within 180 (extended to 270) days.
 - This committee may choose to: Resolve the debtor company, or Liquidate (sell) the debtor's assets to repay loans.
- In case of liquidation, secured creditors are paid first after payment of the resolution fees and other resolution costs.

National Mineral Policy 2019:

- Union Cabinet has recently approved the National Mineral Policy, 2019.
- The New National Mineral Policy will ensure more effective regulation of the mining sector and sustainable mining sector development.
- It focuses on Make in India initiative and Gender sensitivity in terms of the vision.

Salient features

- Introduction of Right of First Refusal for reconnaissance permit and prospecting license (RP/PL holders).
- Encouraging the private sector to take up exploration, and attract private investment through incentives
- Focuses on the use of coastal waterways and inland shipping for evacuation and transportation of minerals
- Introduces the concept of Inter-Generational Equity that deals with the well-being of present as well as future generations
- The 2019 Policy proposes to: Grant status of industry to mining activity to boost financing of mining for private sector and for acquisitions of mineral assets in other countries by private sector

National Policy on Electronics 2019

- The Union Cabinet has given its approval to the National Policy on Electronics 2019 (NPE 2019).
- It was proposed by the Ministry of Electronics and Information Technology (MeitY).
- The Policy envisions positioning India as a global hub for Electronics System Design and Manufacturing – (ESDM).

Main features

- Provide incentives and support for manufacturing of core electronic components and special incentives for mega projects which are extremely high-tech and entail huge investments.
- Create Sovereign Patent Fund (SPF) to promote the development and acquisition of IPs in ESDM sector.
- Special thrust on Fabless Chip Design Industry, Medical Electronic Devices Industry, Automotive Electronics Industry and Power Electronics for Mobility and Strategic Electronics Industry

International Financial Services Center Authority Bill

- Union Cabinet has approved the International Financial Services Centre (IFSC) Authority Bill, 2019.
- The Bill provides for the establishment of an authority to develop and regulate the financial services market in the International Financial Services Centres.
- The authority will consist of 9 members-Chairperson; four members to be nominated from RBI, SEBI, IRDAI and PFRDA; two members from amongst the officials of the Ministry of Finance; two members to be appointed on the recommendation of a Selection Committee.
- SEZ act provides for the establishment of an IFSC in India within an SEZ in India.
- Gujarat International Finance Tec-City Co. Ltd (GIFT) is the country's first IFSC.

Fugitive Economic Offenders Act

- Confiscation of properties of Vijay Malya were carried out under Fugitive Economic Offenders Act (FEOA)
- The Fugitive Economic Offenders Act, 2018 is an Act of the Parliament of India that seeks to confiscate properties and assets of economic offenders that evade prosecution by remaining outside the jurisdiction of Indian courts.

- Economic offences with a value of more than Rs 100 crores, which are listed in the schedule of the Fugitive Economic Offenders Act, come under the purview of this law.
- As per the Act, a Special Court under the Prevention of Money Laundering Act, 2002 has to declare a person as a Fugitive Economic Offender.
- Upon declaration, properties of the FEO may be confiscated by the central government.

Real Estate (Regulation and Development) Act in 2016

- The Real Estate (Regulation and Development) Act, 2016 is an Act of the Parliament which seeks to protect home-buyers as well as help boost investments in the real estate industry.
- The Act establishes Real Estate Regulatory Authority (RERA) in each state for regulation of the real estate sector and also acts as an adjudicating body for speedy dispute redressal.
- The act makes it mandatory for all builders who are developing a project where the land exceeds 500 square metre to register with RERA before launching or even advertising their project.
- The developers need to keep 70% of the money collected from a buyer in escrow account to meet the construction cost of the project.

Corporate governance

- Corporate governance is the system of rules, practices and processes by which a firm is directed and controlled.
- Corporate governance essentially involves balancing the interests of a company's many stakeholders, such as shareholders, management, customers, suppliers, financiers, government and the community.

GLOBAL ECONOMY

Currency War

- When nations allow their currency to weaken appreciably or devalue them to gain competitive edge over rival nations, it is known as Currency war.
- If other countries react by devaluing their respective currencies to retain competitiveness, this could lead to instability in markets.
- Devaluation: policy tool to reduce the value of a currency, relative to other currencies, in a fixed exchange rate.
- This is different from depreciation where currency decreases due to market forces.
- Reasons for devaluation:
 - To boost exports
 - To shrink a trade deficit
 - To reduce the debt servicing burden

Blockchain Bond

- The World Bank launched world's first blockchain bond named Bond – I
- Bond - I will be created, allocated, transferred and managed by using blockchain technology.

- Bond - I stands for Blockchain Offered New Debt Instrument as well as a reference to Australia's famous Bondi beach in Sydney.
- Bond-I is Ethereum blockchain bond dominated in Australian dollars.
- Funds raised from this bond will go towards sustainable development initiatives.
- World Bank has chosen Commonwealth Bank of Australia as a sole arranger for this bond.
- Maturity period of bond is two-year

Generalized System of Preferences (GSP)

- GSP withdrawal by U.S. likely to affect India's plastics exports according chairman to Plastic Export Promotion Council, Plexconcil.
- This decision of U.S comes in the backdrop of issues like
 - India's new rules on e-commerce that affected firms such as Amazon and Walmart
 - Data localisation rules which forced foreign companies to store their data locally
 - Price controls on medical devices (Cardiac stents)
 - Tariff on ICT products such as smart watches and high end mobile phones
 - Lack of greater market access for the US dairy industry
 - Trade imbalance between India and the US.

GSP

- It is a preferential tariff system extended by developed countries to developing countries which allows zero tariff imports from developing countries.
- The primary objective of GSP is to give development support to poor countries by promoting exports from them into the developed countries.
- The GSP of US provides preferential duty-free entry for up to 4,800 products from 129 designated countries.
- According to World Bank data, India is currently the largest beneficiary of the GSP programme.

DISINVESTMENT

Disinvestment

- In the case of Public Sector Undertakings, disinvestment means Government selling/ diluting its stake (share) in PSUs in which it has a majority holding.
- Disinvestment is carried out as a budgetary exercise, under which the government announces yearly targets for disinvestment for selected PSUs.
- In April 2016, the Department of Disinvestment (under Ministry of Finance) was renamed as Department of Investment and Public Asset Management (DIPAM).
- Disinvestment have touched ₹85,000 crore for financial year 2018, which is more than the target set by the government. The target for new financial year has been set at Rs 90,000 crore.
- The government reached its disinvestment target after it raised Rs 14,500 crore after state-run Power Finance Corporation (PFC) acquired shares of Rural Electrification Corporation (REC).
- Further, it earned up to Rs 9,500 crore from the fifth tranche of CPSE ETF.

CPSE Exchange Traded Fund

- It is a fund created by the government to sell its shares in PSUs.

Exchange Traded Funds (ETF)

- These are index funds that are listed and traded on stock exchanges just like regular shares.
- The ETF is aimed at helping speed up the government's disinvestment programme.

INTERNATIONAL/NATIONAL ORGANISATIONS

Civil Aviation Research Organisation (CARO)

- Airports Authority of India (AAI) is going to set up state-of-the-art Civil Aviation Research Organization (CARO) at Hyderabad's Begumpet Airport.

International Civil Aviation Organization (ICAO)

- It is a UN specialized agency, established by States in 1944 to manage the administration and governance of the Convention on International Civil Aviation (Chicago Convention).
- ICAO works with the Convention's 192 Member States and industry groups to reach consensus on international civil aviation Standards and Recommended Practices (SARPs) and policies in support of a safe, efficient, secure, economically sustainable and environmentally responsible civil aviation sector.
- Emissions from international aviation are specifically excluded from the targets agreed under the Kyoto Protocol.

World Customs Organization

- The 80th session of the policy commission meeting of the World Customs Organization (WCO) was held in India.
- WCO was established in 1952 as the Customs Clearance Council (CCC).
- It is an independent, intergovernmental body aimed to enhance the efficiency and effectiveness of Customs Administration.
- It has more than 180 member countries and India is its member since 1971.
- India in 2018 became the vice-chair (regional head) of the Asia-Pacific region of the WCO for a period of 2 years.

Global Solar Council

- Solar Man of India Pranav R. Mehta became the first Indian to be appointed as the Chief of Global Solar Council from 1st January 2019.
- The Global Solar Council is an international non-profit association of national, regional and international associations in solar energy and the world's leading corporations.
- It has its headquarters in Washington DC.
- It was founded during the 2015 Paris Climate Conference.
- National Solar Energy Foundation is a founding member and the Indian representative at the Global Solar Council.

World Gold Council

- India with a current gold holding of 607 tonnes, has been ranked 11th in terms of gold holding, according to a recent report by the World Gold Council.
- Gold holding is central banks' total holding of gold as a percentage of their foreign exchange reserves.
- India is the largest consumer of gold.
- USA has ranked first in gold holding followed by Germany, International Monetary Fund (IMF), Italy and France.
- Among Asian countries, Mainland China (7) and Japan (9) have more gold reserves than India.

The World Gold Council

- It is the market development organisation for the gold industry.
- It is an association of the world's leading gold producers.
- The functions of World Gold Council are:
 - Developing policies and setting industry standards
 - Strengthening market infrastructure
 - Providing global gold market data
 - Enhancing new investment to gold
 - Supporting and advising central banks and sovereign wealth funds
 - Providing a platform for global dialogue on gold.

MISCELLANEOUS**Udyam Abhilasha**

- Small Industries Bank of India (SIDBI) organized a national level entrepreneurship awareness campaign called Udyam Abhilasha.
- It aimed at promoting entrepreneurship in the 115 aspirational districts identified by the NITI Aayog.
- It aims to create a cadre of 800 trainers who will train youth in these aspirational districts through digital medium, to take up entrepreneurship.
- The focus will be on women aspirants to encourage women entrepreneurship.
- The campaign will also assist interested aspirants to avail bank loans for setting up their own enterprise.
- The Transformation of Aspirational Districts programme aims to transform the chosen 115 districts, with at least one district in each state (except Goa).
- SIDBI was set up in 1990 under the Act of Indian Parliament to act as a principal financial institution for promotion, financing and development of MSMEs.

Nobel prize in Economics

- Nobel Prize in Economics 2018 was awarded to William D. Nordhaus and Paul M. Romer.
- It is also known as the SverigesRiksbank Prize in Economic Sciences.
- William D. Nordhaus was awarded "for integrating climate change into long-run macroeconomic analysis" Paul M. Romer was awarded "for integrating technological innovations into long-run macroeconomic analysis".
- Nobel Prize for Economics in 2018 was awarded for economic theories with direct political and practical implications.

National Council for Vocational Training and Education (NCVET)

- The Cabinet recently approved the merger of the National Council for Vocational Training and National Skill Development Agency into National Council for Vocational Education and Training (NCVET).
- National Council for Vocational Education and Training (NCVET):
- It will regulate and establish minimum standards for the functioning of entities engaged in vocational training and education.
- It will give recognition to awarding bodies, assessment bodies and skill related information providers.
- It will provide approval to the qualifications given by the awarding bodies and Sector Skills Councils.
- It will conduct research and help in information dissemination.
- It will act as a grievance redressal body.

Project Re-weave

- As part of its Project Re-weave, Microsoft recently announced the launch of new e-commerce platform called re-weave.in.
- It is aimed at bridging the gap between artisans and buyers online.

National Conclave on Technical Textile

- The National Conclave on Technical Textile was held in Mumbai, Maharashtra.
- Technical Textiles are materials and products manufactured primarily for technical purposes rather than aesthetic and decorative purposes.
- They can be either woven or non-woven, natural or synthetic or both.
- Applications:
 - Agrotech (fishing net), Meditech (Sanitary napkins), Buildtech (floor and wall coverings), Mobiletech (Airbags), Geotech (geonets), Protech (Bullet proof jackets), sportech (swimwear), Indutech (conveyer belt). Packtech (wrapping fabric).
- Of all the sectors, Packtech forms the largest share of Technical textiles.
- Government launched the Scheme for Growth and Development of Technical Textiles (SGDTT).
- Technology Mission on Technical Textiles (2010-2014) was launched to overcome the technical problems in the textile industry.
- All the machinery of technical textile industry is covered under the Technology Upgradation Fund Scheme (TUFS).

Department for Promotion of Industry and Internal Trade (DPIIT)

- The Department of Industrial Policy and Promotion (DIPP) has been renamed as the Department for Promotion of Industry and Internal Trade (DPIIT).
- DIPP was under the Ministry of Commerce and Industry.
- It was established in 1995 and reconstituted in the year 2000 with the merger of the Department of Industrial Development.
- It looked after external trade earlier, now the Department will also look over the subject of internal trade including retail trade, welfare of traders and their employees etc.
- This brings both internal and external trade under the Ministry of Commerce and Industry.
- Earlier matters related to internal trade were under the domain of the Ministry of Consumer Affairs.

IRDAI

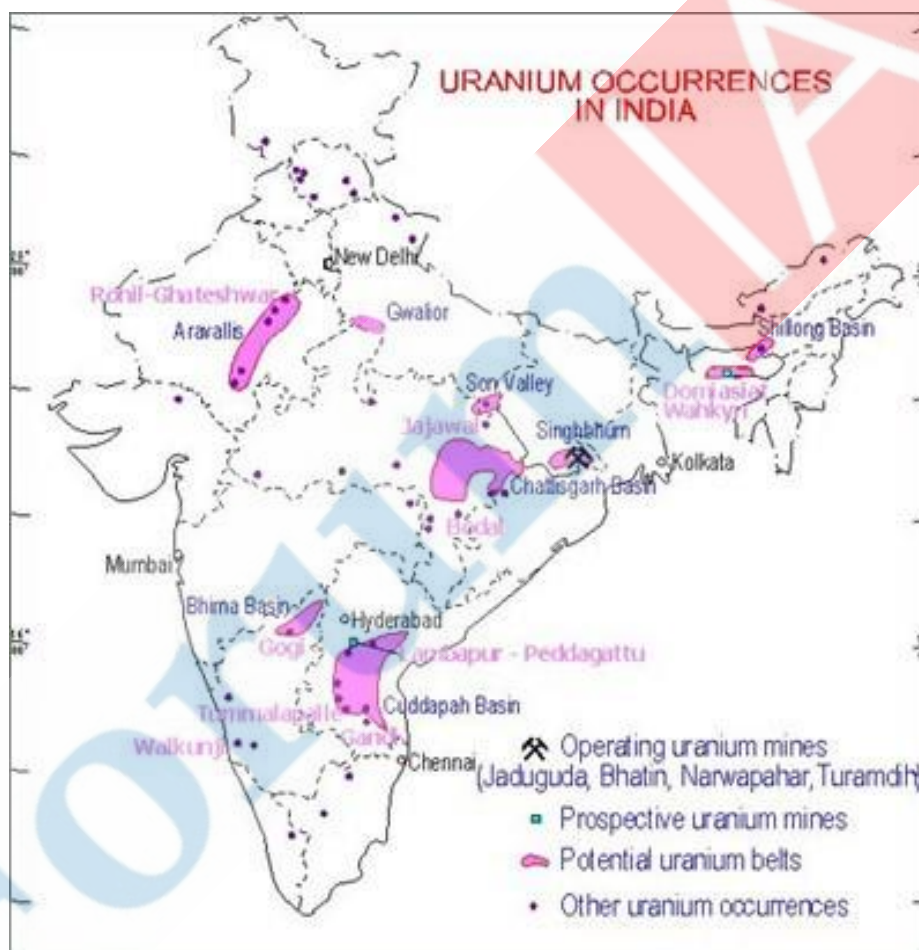
- The IRDAI is an autonomous, statutory body created by IRDA Act, 1999.
- It was created based on the recommendations of the Malhotra Committee.
- Its headquarters is in Hyderabad.

The functions of IRDA include

- Regulating the insurance industry and protects the customers
- Promotion of competition to enhance customer satisfaction
- Lowering premiums for ensuring the financial security of the insurance sector.

India's demand for Uranium

- A Parliamentary Panel has recommended that necessary steps must be taken to open new uranium mines to ensure sufficient amount of uranium in India.



Uranium mines in India

- A major portion of uranium for domestic production comes from the Jaduguda mines in Jharkhand.
- India imports uranium from Kazakhstan, Canada, France and Russia.
- Recently, India also signed a deal with Uzbekistan to get Uranium supply.
- In India, Uranium Corporation of India Ltd. (UCIL) under the Department of Atomic Energy, is the only organization responsible for mining and processing of uranium ore for commercial purposes.
- Uranium mined by the UCIL is used for weapons and civil nuclear programmes both, however, the imported uranium is used for civil purposes only.

India-US pact to ease U.S. firms' compliance

- India and the US have signed an Inter-Governmental Agreement for exchange of Country-by-Country (CbC) reports of multinational companies regarding income allocation and taxes paid to help check cross-border tax evasion.
- This is a key step in making India compliant with the Base Erosion and Profit Shifting (BEPS) Action 13 report of which India is an active participant.
- This agreement is significant as this agreement along with the Bilateral Competent Authority Arrangement would enable both the countries to exchange CbC reports filed by the ultimate parent entities of international groups in their respective jurisdictions pertaining to the financial year commencing on or after January 1, 2016
- It will also prevent the need for Indian subsidiary companies of the American multinational enterprises to do local filing of the CbC Reports, thereby reducing the compliance burden.
- India had already signed the Multilateral Competent Authority Agreement (MCAA) for exchange of CbC reports which has enabled exchange with 62 jurisdictions.

Multilateral Competent Authority Agreement

- It is a multilateral framework agreement that provides a standardised and efficient mechanism to facilitate the automatic exchange of information in accordance with the Standard for Automatic Exchange of Financial Information in Tax Matters.

Base Erosion and Profit Shifting

- It refers to the activities of multinational corporations to shift their profits from high tax jurisdictions to lower tax jurisdiction.
- This erodes the tax base of the high tax jurisdictions and deprives them of tax revenue.
- In order to combat this, many countries entered into agreements to share tax information with each other to enhance transparency and make such profit shifting that much harder.

GI tag

- The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, has recently awarded Geographical Indication (GI) to five varieties of Indian coffee.
- Geographical Indications (GI) is an Intellectual Property Right (IPR).
- It is a status accorded to a good which is unique to a particular region or area, and is originated from there.
- In India, the Geographical Indications of Goods (Registration and Protection) Act, 1999, along with the Geographical Indications of Goods (Registration and Protection) Rules, 2002 govern GI registrations and goods.
- These laws were introduced after the ratification of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).
- The five varieties of Indian coffee accorded GI tag are: a) Coorg Arabica coffee, b) Wayanaad Robusta coffee, c) Chikmagalur Arabica coffee, d) Araku Valley Arabica coffee, and e) Bababudangiris Arabica coffee.
- The Monsooned Malabar Robusta Coffee was the only variety awarded GI Tag earlier.
- Coffee cultivation is mainly done in the Southern States of India, the highest being in Karnataka followed by Kerala and Tamil Nadu.
- India is the only country in the world where the entire coffee cultivation is grown under shade, hand-picked and sun dried.

Other GI tags awarded recently

- Arecanut got its first GI tag for 'Sirsi Supari'
- Erode turmeric (Tamil Nadu)
- Marayur jaggery (Kerala)
- Darjeeling Tea is the first good to receive a GI Tag in India.
- The 'Controller-General of Patents, Designs and Trade Marks' appointed under the Trade Marks Act, 1999 is the Registrar of Geographical Indications.
- It directs and supervises the functioning of the Geographical Indications Registry (GIR).
- GIR facilitates the registration of GIs.