



Daily Current Affairs

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National Consumer Day

Why in news?

Every Year 24th December is observed as National Consumer Day with a specific theme in India.

Highlights:

- This year the National Consumer Day is celebrated with the theme "Timely Disposal of Consumer Complaints".
- On this day the Consumer Protection Act, 1986 had received the assent of the president. The enactment of this Act is considered as a historic milestone in the consumer movement in the country.
- The Consumer Protection Act aims to provide consumers with effective safeguards against different types of exploitation such as defective goods, deficiency in services and unfair trade practices.
- This day provides an opportunity for individuals to highlight the importance of the consumer movement and the need to make every consumer more aware of their rights and responsibilities.
- This Act aims to provide consumers with effective safeguards against different types of exploitation such as defective goods, unsatisfactory services and unfair trade practices.
- It provides consumers with speedy and inexpensive redressal grievances mechanism and specific relief or award of compensation. It recognizes six of the eight rights of the consumer as provided in the UN charter.
- It envisages following rights of consumers (i) Right to Protection. (ii) Right of Information. (iii) Right of Choice. (iv) Right of Hearing. (v) Right of Redressal. (vi) Right of Education.

NPS Withdrawal Norms

Why in news?

The Pension Fund Regulatory and Development Authority (PFRDA) has changed the norms for withdrawal of National Pension System (NPS) subscribers.

Reason for 'Withdrawal Norms':

- Keeping in view the possibility of sudden financial needs of the subscribers, the requirement of minimum period under National Pension System (NPS) for availing the facility of partial withdrawal from the mandatory Tier-I account of the subscriber has been reduced from 10 years to 3 years from the date of joining w.e.f. 10th August, 2017.

Highlights:

- The minimum gap of 5 years between two partial withdrawals has also been removed w.e.f. 10th August, 2017.
- A subscriber is eligible for three partial withdrawals during the period of subscription under NPS, each withdrawal not exceeding twenty-five percent of the contributions made by the subscriber and excluding contributions made by the employer. There is, however, no restriction on withdrawals from the Tier-II account of the subscriber.
- The extent and purpose for which partial withdrawals from the Tier-I account under NPS are permissible are as under:

Purpose:

- for higher education and marriage of his or her children including a legally adopted child;
- for the purchase or construction of a residential house or flat in his or her own name or in a joint name with his or her legally wedded spouse. In case, the subscriber already owns either individually or in the joint name a residential house or flat, other than ancestral

property, no withdrawal under these regulations shall be permitted;

- for treatment of specified illnesses: if the subscriber, his legally wedded spouse, children, including a legally adopted child or dependent parents suffer from any specified illness, which shall comprise of hospitalization and treatment in respect of the following diseases:

1. Cancer;
 2. Kidney Failure (End Stage Renal Failure);
 3. Primary Pulmonary Arterial Hypertension;
 4. Multiple Sclerosis;
 5. Major Organ Transplant
 6. Coronary Artery Bypass Graft;
 7. Aorta Graft Surgery;
 8. Heart Valve Surgery;
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10. Stroke;
 11. Myocardial Infarction;
 12. Coma;
 13. Total blindness;
 14. Paralysis;
 15. Accident of serious/ life threatening nature.
 16. Any other critical illness of a life threatening nature as stipulated in the circulars, guidelines or notifications issued by the Authority from time to time.
- Towards meeting the expenses by subscriber for skill development/re-skilling or for any other self-development activities.
 - Towards meeting the expenses by subscriber for establishment of own venture or any start-ups.
 - To meet medical & incidental expenses arising out of disability or incapacitation suffered.

Limits:

- The subscriber should have been in the National Pension System at least for a period of three years from the date of his or her joining;
- The subscriber shall be permitted to withdraw accumulations not exceeding twenty-five per cent of the contributions made by him or her and standing to his or her credit in his or her individual pension account, as on the date of application for withdrawal;

New Settlement Rules of SEBI

Why in news?

SEBI has introduced the SEBI (Settlement Proceedings) Regulations, 2018 that have been notified on 30.11.2018 and will come into effect from 01.01.2019. On the date of commencement of these Regulations the existing SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 shall stand repealed.

- In pursuit of the objectives of SEBI (to protect the interests of investors in securities and to promote the development of and to regulate the securities market), as new challenges arise it is important to have a convergence or integration of the quasi-judicial processes within SEBI with the alternate dispute resolution process, to bring forth a more effective harmonized scheme to operate without any conflict and delay.

Background:

- The SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 introduced a mathematical and transparent system of calculating the settlement amount.
- However over a period of time it was noticed that there was a need for revision due to changes in securities laws, new products and increase in settlement amounts.
- SEBI constituted a High Level Committee under the Chairmanship of Retd. Justice A. R. Dave (Supreme Court of India) to examine the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 and comprehensively re-work the regulations after taking into account developments in domestic and foreign jurisdictions.
- The SEBI (Settlement Proceedings) Regulations, 2018 provide a more effective mechanism, the essential concomitants of a legal proceeding, without compromising on deterrence or providing equitable remedies to the affected investors.

Key Facts of regulation:

- The Settlement process is an alternative enforcement process that is beneficial to the alleged defaulter, investors and the regulator. Settlement allows the enforcement proceedings to be finalized at the earliest without a long drawn litigation while ensuring that the investors' rights are protected. The SEBI (Settlement Proceedings) Regulations, 2018 inter alia provide the following:-
 - Disclosure related violations are settled after making the required disclosures;
 - Refund to investors is made wherever required in compliance with securities laws;
 - Investors are provided the required exit or purchase option in compliance with securities laws;
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Shell Companies

Why in news?

Recently Minister of State for Finance has given information about Action against Illegal Operations of Shell Companies.

Government Initiatives:

- Serious Fraud Investigation Office under the Ministry of Corporate Affairs has prepared comprehensive digital database of shell companies and their associates that were identified by various law enforcement agencies.
- Income Tax department has conducted investigations that led to detection of more than 1155 shell companies which were used as conduits by over 22,000 beneficiaries.
- Information sharing mechanism between various law enforcement agencies is implemented under the Regional Economic Intelligence Council (REIC) and Central Economic Intelligence Bureau (CEIB) forums.
- Ministry of corporate affairs has deregistered over 2.26 lakh

companies for various non-compliances and being inactive for long.

- Government has removed the exemption under Section 276CC of the Income Tax Act through Budget 2018-19. It provided that if a person with tax liability more than Rs. 3000 wilfully fails to furnish the return of income in due time, he shall be punishable with imprisonment and fine. The provision was being misused by around 3 lakh inactive companies showing nil income.
- Issue with Auditors: Role of auditors has also come under the scanner for alleged connivance in facilitating illegal transactions and not raising the red flag when such things came to the fore.
- The MCA is examining the recommendations of the 3-member expert panel on various issues related to audit firms headed by TERI chairman Ashok Chawla.

Recommendations of 'Task Force on Shell Companies':

- The task force has listed certain key parameters to determine if a company has been created to launder money or exploit regulatory arbitrage.
- It has recommended that MCA must look into the filings of financial statements of companies which had been misused to channel unaccounted cash after demonetisation.
- Further it has suggested keeping a watch on companies with abnormal increase or decrease in debts, or more than 10 per cent of bad debts written off, and the increase in investment in partnership firms by 100 per cent or more.

Samagra Shiksha Scheme

Why in news?

Recently Ministry of HRD has given information about Samagra Shiksha Scheme in lok sabha.

About Samagra Shiksha Scheme:

- Samagra Shiksha - an Integrated Scheme for School Education has been launched throughout the country as a Centrally Sponsored

Scheme with effect from the year 2018-19.

- This programme subsumes the three erstwhile Centrally Sponsored Schemes of Sarva Shiksha Abhiyan (SSA), Rashtriya Madhyamik Shiksha Abhiyan (RMSA) and Teacher Education (TE).
- It is an overarching programme for the school education sector extending from pre-school to class XII and aims to ensure inclusive and equitable quality education at all levels of school education.
- It envisages the 'school' as a continuum from pre-school, primary, upper primary, secondary to senior secondary levels. The States/UTs are assisted by the central government to implement the Samagra Shiksha as a programme for providing universal access and retention, bridging of gender and social category gaps in education and enhancement of learning level of children at all levels of school education.

The major interventions under the scheme are:

(i) Universal Access including Infrastructure Development and Retention;

(ii) Gender and Equity;

(iii) Inclusive Education;

(iv) Quality;

(v) Financial support for Teacher Salary;

(vi) Digital initiatives;

(vii) Entitlements under the Right of Children to Free and Compulsory Education (RTE) Act, 2009 including uniforms, textbooks etc.;

(viii) Pre-school Education;

(ix) Vocational Education;

(x) Sports and Physical Education;

(xi) Strengthening of Teacher Education and Training.

The major features of Samagra Shiksha are as under:-

- Annual Grant of Rs. 5,000 to Rs. 20,000/- per school for strengthening of Libraries.
 - Composite school grant increased from Rs. 14,500-50,000 to Rs. 25,000-1 Lakh and to be allocated on the basis of school enrolment.
 - Annual Grant for sports equipments at the cost of Rs. 5000 for Primary Schools, Rs. 10,000 for upper primary schools and up to Rs. 25,000 for secondary and senior secondary schools.
 - Allocation for children with Special Needs (CwSN) increased from Rs. 3,000 to Rs. 3,500 per child per annum including a stipend of Rs. 200 per month for CWSN girls to be provided from Classes I to XII - earlier it was only for classes IX to XII.
 - Allocation for uniforms enhanced from Rs. 400 to Rs. 600 per child per annum.
 - Allocation for textbooks enhanced from Rs. 150/250 to Rs. 250/400 per child per annum.
 - Upgradation of Kasturba Gandhi Balika Vidyalyayas (KGBVs) from Class 6-8 to Class 6-12.
 - Strengthening Teacher Education Institutions like SCERTs and DIETs to improve the quality of teachers with SCERT as the nodal institution for in-service and pre-service teacher training
 - Enhanced use of digital technology in education through smart classrooms, digital boards and DTH channels.
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