

NATIONAL ASSESSMENT AND ACCREDITATION COUNCIL (NAAC)

A recent report by the office of the Comptroller and Auditor General (CAG) pointed out glaring discrepancies in the assessment and accreditation of higher education institutions by the National Assessment and Accreditation Council (NAAC).



About National Assessment and Accreditation Council (NAAC):

- NAAC was established in 1994 as an autonomous institution of the University Grants Commission (UGC).
- **Head Quarter: Bengaluru.**
- **Function: Evaluation, assessment, and accreditation of Higher Education Institutions (HEIs) in the country.**
- **Assessment is a performance evaluation of an institution** and its units and is accomplished through a process based on self-study and peer review using defined criteria.
- **Accreditation refers to the certification given by NAAC, which is valid for a period of five years.**
- **The ratings of institutions range from A++ to C.** If an institution is graded D, it means it is not accredited.
- At present, the Assessment and Accreditation by NAAC is **done on a voluntary basis.**
- **Composition:**
 - It functions through its **General Council (GC) and Executive Committee (EC)**, comprising educational administrators, policymakers, and senior academicians from a cross-section of the 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 is advised by the advisory and consultative committees** constituted from time to time.

Key Facts about University Grants Commission (UGC):

- It came into existence on 28th December 1953 and became a **statutory Organization of the Government of India by an Act of Parliament in 1956.**
- **Objective:** Coordination, determination, and **maintenance of standards of teaching, examination, and research in university education.**
- UGC **provides recognition to universities** in India and **disburses funds** to such recognized universities and colleges.

SODIUM INTAKE

According to the WHO Global Report on Sodium Intake, **Reduction two million deaths can be prevented by 2025 and seven million by 2030 if policies recommended by the World Health Organization to reduce sodium intake are implemented,**



Key Highlights of the report:

- Of the 194 WHO member states, 55 per cent have implemented sodium reduction policies and other measures through mandatory and voluntary approaches.
- The **global average salt intake** is estimated to be **10.8 grams per day**, more than double the WHO recommendation of fewer **than 5 grams of salt per day (one teaspoon).**
- **Bread and bread products** are the most targeted food category for sodium reduction across the implemented reformulation policies in member states.
- This was followed by **meat, poultry, game or fish, ready-made** and convenience foods and composite dishes and savoury snacks.
- Key salt reduction measures will generate an extra year of healthy life for a cost that falls below the average annual income or gross domestic product per person.

What is Sodium?

- Sodium (Na) is a chemical element of **the alkali metal group**(Group 1) of the periodic table.
- It is a very soft **silvery-white metal.**

- It is the most common alkali metal and the sixth most abundant element on Earth, comprising 2.8 per cent of Earth's crust.
 - It shows an **exploding reaction with water**.
 - It occurs abundantly in nature in compounds, especially common salt—sodium chloride (NaCl)—which forms the mineral halite and constitutes about 80 per cent of the dissolved constituents of seawater.
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SUBHASH CHANDRA BOSE AAPDA PRABANDHAN PURASKAR 2023

Prime Minister of India recently felicitated awardees of the Subhash Chandra Bose Aapda Prabandhan Puraskar during the 3rd Session of the National Platform for Disaster Risk Reduction (NPDRR).



About Subhash Chandra Bose Aapda Prabandhan Puraskar:

- It is an award to recognize and honour the invaluable contribution and selfless service rendered by **individuals and organizations** in India in the field of disaster management.
 - **Eligibility :**
 - Only **Indian nationals and Indian institutions** are eligible to apply for the award.
 - **Institutions, voluntary organisations, corporate entities**, academic/research institutions, response/ uniformed forces or any other institution may apply as an institution for the award.
 - The candidate for the award must have worked in the area of Disaster Management like Prevention, Mitigation, Preparedness, Rescue, Response, Relief, Rehabilitation, Research/ Innovations or Early Warning related work in India.
 - The award is **announced every year on 23rd January**, the birth anniversary of Netaji Subhash Chandra Bose.
 - The award carries a cash prize of Rs. 51 lakh and a certificate in the case of an institution and Rs. 5 lakh and a certificate in the case of an individual.
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MSME COMPETITIVE (LEAN) SCHEME

Recently, the Union Minister for MSME launched the MSME Competitive (LEAN) Scheme.



About MSME (LEAN) Scheme:

- The scheme attempt to improve quality, productivity & performance, and capability to change the mindsets of MSME manufacturers and transform them into world-class manufacturers.
- **Objective:** Through the LEAN journey, MSMEs can reduce wastages substantially, increase productivity, improve quality, work safely, expand their markets, and finally become competitive and profitable.
- Under the scheme, MSMEs will implement LEAN **manufacturing tools like 5S, Kaizen, KANBAN, Visual workplace, Poka Yoka** etc under the able guidance of trained and competent LEAN Consultants to attain LEAN levels like Basic, Intermediate and Advanced.
- **Government support**
 - The government will **contribute 90% of the implementation cost** for handholding and consultancy fees.
 - There will be an additional contribution of **5% for the MSMEs** which are part of SFURTI clusters, owned by Women/SC/ST and located in the Northeast region.
 - There will be an **additional contribution of 5% for MSMEs** which are registered through Industry Associations/ Overall Equipment Manufacturing (OEM) organizations after completing all levels.

WHAT ARE VIRTUAL DIGITAL ASSETS (VDA)?



The Finance Ministry recently brought out a notification placing all transactions involving virtual digital assets under the purview of the Prevention of Money Laundering Act (PMLA).

About Virtual Digital Assets (VDA):

- According to the **Income tax act**, 'virtual digital asset' refers to any information, code, number, or token (not being Indian currency or foreign currency) generated through **cryptographic means** or otherwise and can be called by whatever name.
- It can be **transferred, stored, or traded electronically**.
- The definition of VDA also **specifically includes a non-fungible token**, i.e., NFT, or any other token of similar nature, by whatever name is called.

What are Non-fungible tokens (NFTs)?

- NFTs are assets that have been tokenized via a blockchain.
- They are assigned unique identification codes and metadata that distinguish them from other tokens.
- NFTs can be traded and exchanged for money, cryptocurrencies, or other NFTs.
- NFTs can represent digital or real-world items like artwork and real estate. They can also represent individuals' identities, property rights, and more.

IAF INDUCTING IN-HOUSE SYSTEM TO IDENTIFY FRIENDLY FORCES IN COMBAT

Why in News?

- The Indian armed forces are in the process of inducting a homegrown innovation along the country's northern and eastern borders which will help commanders identify friendly forces in a joint battlespace.

About Vayulink System:

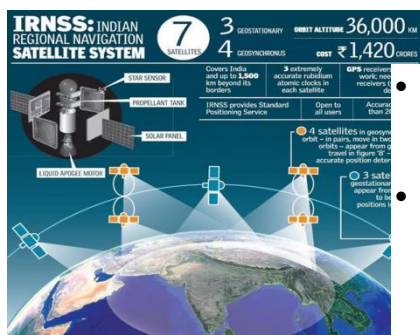
- Vayulink is a data link communication system developed by the Indian Air Force (IAF).
- The Vayulink system was showcased by the IAF at the **Aero India 2023** show in Bengaluru recently.
- It uses the Indian Regional Navigation Satellite System (**IRNSS**), also known as **NAVIC**, to send radio communication to the base station when the signals are low.
- The important aspect of the Vayulink system is that it **prevents fratricide or friendly fire**.

- When installed in an aircraft, the system gives position of other aircrafts close by, encrypts traffic data over secured channel.
- When the planes are flying close to any friendly forces on grounds during a combat situation, the **aircraft display gives the position of such forces on the ground including tanks and troops beneath.**
- The Vayulink system **also prevents aircraft collision, provides better combat teaming and helps plan real-time basis** where multiple teams can get together and go towards the target coming from different areas.
- The Vayulink system can also **arm the pilot with real-time weather details before flying, thereby preventing accidents.**
- It would help pilots with jammer-proof uninterrupted communication with the base station.

Need for Vayulink System:

- After the **Balakot air strikes in 2019**, the IAF had shot down its Mi-17 V5 helicopter at Budgam by mistake, killing six personnel on board.
- The helicopter's IFF (Identification of Friend or Foe) system was also switched off, which had led to gaps in communication between the helicopter crew and the ground forces.
- Also, the IFF can only be applicable to an aircraft and requires radars to function.
- On the other hand, Vayulink system can be carried by an aircraft, individual troops or armoured vehicles on ground.

About NavIC:



- NavIC, or Navigation with Indian Constellation, is also called the **Indian Regional Navigation Satellite System (IRNSS)**.
- It is an independent stand-alone navigation satellite system which comprises of 7 satellites. There are a total of 8 satellites however only 7 remain active
- It is developed by the **Indian Space Research Organisation (ISRO)**.
- NavIC was approved in 2006 at a cost of **USD 174 million**.
- It was expected to be completed by late 2011, but only became operational in 2018.

- NavIC covers the whole of India's landmass and up to **1,500 km** from its boundaries.

Benefits:

- Currently, NavIC is being used in –
 - Public vehicle tracking in India,
 - For providing emergency warning alerts to fishermen venturing into the deep sea where there is no terrestrial network connectivity, and
 - For tracking and providing information related to natural disasters.
- Enabling it in smartphones is the next step India is pushing for.

Other Navigation Systems:

- The **Global Positioning System (GPS)** is a satellite-based navigation system owned by the United States government and operated by the United States Space Force.
- The main difference between GPS and NavIC is the serviceable area covered by these systems.
 - GPS caters to users across the globe and its satellites circle the earth twice a day, while NavIC is currently for use in India and adjacent areas.
- Like GPS, there are four more navigation systems that have global coverage –
 - **Galileo** from the European Union,
 - **QZSS** by Japan,
 - Russia-owned **GLONASS** and
 - **Beidou** from China.

CRYPTO ASSETS UNDER PREVENTION OF MONEY LAUNDERING ACT

Why in news?

- Recently, the government issued a notification bringing transactions involving crypto assets under the Prevention of Money Laundering Act (PMLA).
- The Finance Ministry said the exchange between virtual digital assets and fiat currencies, exchange between one or more forms of virtual digital assets, and transfer of virtual digital assets, will fall under the purview of the PMLA Act.

What are cryptocurrencies?

- These are digital or virtual currencies in which encryption techniques are used to:
 - regulate the generation of their units and
 - verify the transfer of funds,
- These currencies operate independently of a central bank.

What are the opportunities presented by the growth of crypto ecosystem?

- Technological innovation is ushering in a new era that makes payments and other financial services cheaper, faster, more accessible.
 - It allows these services to flow across borders swiftly.
- Bank deposits can be transformed to **stable coins** that allow instant access to a vast array of financial products and allow instant currency conversion.
- **Decentralised finance** could become a platform for more innovative, inclusive, and transparent financial services.

What are the challenges posed by crypto assets?

- The rapid growth and increasing adoption of crypto assets also pose financial stability challenges as these are extremely volatile.
 - These are much more volatile than equities or commodities or even exchange rates. This volatility is introducing instability in the ecosystem.
- Challenges posed by the crypto ecosystem include
 - operational and financial integrity risks from crypto asset providers,
 - investor protection risks for crypto-assets,
 - inadequate reserves and disclosure for some stable coins.

What is the legal status of crypto in India?

- In the Union Budget last year, even though the government brought in a tax for cryptocurrencies, it did not proceed with framing regulations.
 - From April 2022, India introduced a 30 per cent income tax on gains made from cryptocurrencies.
 - In July 2022, rules regarding 1 per cent tax deducted at source on cryptocurrency came into effect.
- Earlier, the RBI had proposed a ban, that was set aside by the Supreme Court.

- In July 2022, flagging the RBI's concerns, Finance Minister told Parliament that international collaboration would be needed for any effective regulation or ban on cryptocurrency.

News summary: Crypto assets under Prevention of Money Laundering Act (PMLA)

- The gazette notification by the Finance Ministry brings cryptocurrency transactions within the ambit of PMLA.

What does this move mean for crypto?

- This means that Indian crypto exchanges will have to report any suspicious activity related to buying or selling of cryptocurrency to the Financial Intelligence Unit – India (FIU-IND).
 - FIU-IND is responsible for receiving, processing, analysing, and disseminating information related to suspicious financial transactions to law enforcement agencies and overseas FIUs.
- In its analysis, if the FIU-IND finds wrongdoing, it will **alert** the Enforcement Directorate (ED).
- Under the PMLA, the ED has discretionary powers to search and seize suspected property without any judicial permission.
- The measure is expected to aid investigative agencies in carrying out action against crypto firms.

Why is the government tightening the legislative grip on digital trade?

- **Vast unregulated space**
 - The value of all existing cryptocurrency is about \$804 billion as of January 3, 2023, according to cryptocurrency price-tracking site CoinMarketCap.com.
 - In India, according to a survey conducted by crypto exchange KuCoin, over 10 crore Indians have invested in cryptocurrencies.
- **Illegal use of cryptos**
 - Gradual regulations are being introduced to prevent misuse of crypto, such as money laundering.
 - ED and Income Tax Department are already probing several such money laundering cases against companies running cryptocurrency exchanges.
 - Nearly Rs 936 crore related to crypto currency has been attached or seized under PMLA, so far.

SILICON VALLEY BANK'S FAILURE: CAUSES AND IMPLICATIONS

Why in News?

- The California-based Silicon Valley Bank (SVB), a cornerstone of the US technology and startup industries, recently failed, making it the biggest bank failure since the 2008 financial crisis.

What is SVB and How Big is it?

<p>The 1983-founded California-based SVB focusses on serving Silicon Valley startups</p> <p>"IT PROVIDES MULTIPLE SERVICES TO VENTURE CAPITAL, PRIVATE EQUITY FIRMS IN ADDITION TO OFFERING PRIVATE BANKING SERVICES FOR HIGH NET-WORTH INDIVIDUALS"</p>	<p>SVB has business with nearly half of all the US venture-backed startups, and 44% of the US venture-backed tech, healthcare firms that went public last year</p> <p>As of December 31, SVB had \$212 billion in assets</p> <p>The bank's clients includes household names like Shopify, Pinterest, etc</p>
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What Implications might there be for India?

- The tech industry is the biggest customer of SVB with a **large number of Indian start-ups, especially in the SaaS** (software as a service) sector that services US clients, having accounts at the bank.

WHAT WENT WRONG AT SVB: A TIMELINE

- During the funding boom** of 2021, SVB amassed large deposits – \$189 billion in 2021, which later peaked to \$198 billion
- It later invested** heavily in bonds, which were being issued in a low-interest rate scenario. SVB's balance sheet for 2022-end showed \$91.3 billion of securities
- In 2022**, the US Federal Reserve started raising interest rates, which drove down the value of bond holdings issued at lower rates
- Rising interest rates** also led to venture capital firms cutting fewer and smaller cheques to startups triggering a funding winter
- As funding depleted**, deposits made by startups in institutions such as SVB also started declining, forcing the bank to sell securities at a loss to cover up
- On Wednesday**, SVB announced it had sold \$21 billion worth of bond assets at a loss of \$1.8 billion
- It also said** it was raising \$2.25 billion via a share sale



WHAT'S THE IMPACT?

Fearing insolvency, number of large investors like Coatue Management, Y Combinator, Peter Thiel's Founders Fund are advising their portfolio startups to withdraw deposits from SVB

SVB has urged its customers to not spread panic and withdraw money from the bank

- Aside from being a banking partner, SVB had also been an **important lender to several Indian start-ups** when the sector in India was starting to take shape around 2010-11.
- Among its most notable fundings was an investment of a total of \$1.7 million in One97 Communications, the parent company of Paytm. Other start-ups that had received funding from SVB include **Bluestone and Carwale**.
- While the impact of SVB's failure will be clear in coming days, many founders said that not being able to take out more than \$250,000 from their accounts will hit them hard.
- Amid a funding winter, where availability of funds for start-ups is dwindling, this could prove to be a **major roadblock, especially to young businesses**.