



PRS Capsule - May 2022

Key Highlights of PRS

- **Governance:**
 - [Prime Minister's Employment Generation Programme to continue during 2021-26.](#)
 - [Composition of the National Assisted Reproductive Technology and Surrogacy Board notified.](#)
 - [Amendments to the National Policy on Biofuels, 2018 approved](#)
 - [Supreme Court says GST Council's recommendations are not binding on center and states.](#)
- **Social Justice and Empowerment**
 - [Scheme launched to provide scholarship to children whose parents died due to Covid](#)
- **Environment**
 - [Special dispensation is made for grant of environmental clearance in case of expansion of coal mining projects.](#)

Governance

Extension of PMEGP

The Ministry of Micro, Small and Medium Enterprises has [approved the extension of the PMEGP](#) for five years till FY26.

What is the PMEGP Scheme?

- **Launch:**
 - The Government of India approved the introduction of a **credit linked subsidy programme** called [Prime Minister's Employment Generation Programme \(PMEGP\)](#) in **2008** for **generation of employment opportunities** through establishment of **micro enterprises** in rural as well as urban areas.
 - It allows entrepreneurs to set up factories or units.
- **Administration:**
 - It is a **central sector scheme** being administered by the **Ministry of Micro, Small and Medium Enterprises (MoMSME)**.
 - **Implementing Agency** at the National Level: [Khadi and Village Industries Commission \(KVIC\)](#).
 - It is a **statutory organization** under the administrative control of the **Ministry of MSME**.
- **Eligibility:**
 - Any individual above 18 years of age.
 - Only new projects/units are considered for sanction of loans.
 - Self-help groups that have not availed benefits under any other public scheme, societies, production co-operative societies, and charitable trusts.

What are the Key Changes Made in PMEGP?

- The **Ministry of Micro, Small and Medium Enterprises (MSME)** announced the continuation

of **Prime Minister's Employment Generation Programme (PMEGP)** for the **2021-26 period**.

- The Ministry noted that since the programme was launched, around **7.8 lakh micro enterprises** have been assisted with **subsidy of Rs 19,995 crore**.
- The programme has generated an estimated employment for around **64 lakh persons**.
- **The scheme will be implemented during 2021-26 with the following key changes:**
 - **Eligible projects:**
 - The maximum project cost eligible for support under the programme has been increased from **Rs 25 lakh to Rs 50 lakh** for manufacturing units.
 - For service units, this has been raised from **Rs 10 lakh to Rs 20 lakh**.
 - **Definition of rural areas:**
 - The definitions of rural areas have been modified. Under the previous guidelines, **any area classified as a village as per the revenue record of the state, irrespective of the population**, was considered a rural area.
 - As per the new guidelines, **areas falling under the jurisdiction of Panchayati Raj Institutions** will be considered rural areas.
 - **Higher subsidy for certain categories:**
 - **PMEGP** applicants under aspirational districts and transgenders will be treated as special category applicants, and they will be entitled for higher subsidy (10% higher in both urban and rural areas). The total estimated outlay under the scheme for the **2021-26** period is **Rs 13,554 crore**.

Composition of the National Assisted Reproductive Technology and Surrogacy Board

The Ministry of Health and Family Welfare [notified the composition of the National Assisted Reproductive Technology \(ART\) and Surrogacy Board](#), under the [Assisted Reproductive Technology \(Regulation\) Act, 2021](#), and the [Surrogacy \(Regulation\) Act, 2021](#).

What is Surrogacy?

- **About:**
 - Surrogacy is an arrangement in which a **woman (the surrogate)** agrees to **carry and give birth** to a child on behalf of another person or couple (the intended parent/s).
 - **A surrogate**, sometimes also called a **gestational carrier**, is a woman who **conceives, carries and gives birth to a child** for another person or couple (intended parent/s).
- **Altruistic surrogacy:**
 - It involves no monetary compensation to the surrogate mother other than the medical expenses and insurance coverage during the pregnancy.
- **Commercial surrogacy:**
 - It includes surrogacy or its related procedures undertaken for a monetary benefit or reward (in cash or kind) exceeding the basic medical expenses and insurance coverage.

What is Assisted Reproductive Technology (ART)?

- Assisted Reproductive Technology (ART) is used to treat infertility. It includes fertility treatments that handle both a **woman's egg** and a **man's sperm**. It works by removing **eggs** from a **woman's body** and mixing them with **sperm** to make **embryos**. The embryos are then put back in the woman's body.
- **In Vitro fertilization (IVF)** is the most common and effective type of **ART**.
- ART procedures sometimes use **donor eggs, donor sperm**, or previously **frozen embryos**. It may also involve a **surrogate carrier**.
- The **Ministry of Health and Family Welfare** notified the composition of the **National Assisted Reproductive Technology (ART) and Surrogacy Board**, under the **Assisted Reproductive Technology (Regulation) Act, 2021**, and the **Surrogacy (Regulation) Act, 2021**.

What are the Key Functions of the National Board?

- Advising the **Central Government on ART** related policy matters.

- Formulating a **code of conduct** and **standards for ART clinics** and **banks**.
- Overseeing various bodies to be constituted under the Bill.

Who will be the Members of the Board?

- Minister of Health and Family Welfare as **Chairperson**
- Secretary to the Department of Health Research as **Vice-Chairperson**
- Two members of the **Lok Sabha**
- One Joint Secretary each from the **Ministry of Women and Child Development** and the **Ministry of Law and Justice**.
- The **Director General of Health services**
- Nominated Chairpersons of State/UT boards on rotation basis
- Joint Secretary to the **Department of Health Research** as **member-secretary**

Amendments to the National Policy on Biofuels, 2018

The Union Cabinet approved the [amendments to the National Policy on Biofuels, 2018](#).

What are Biofuels?

- Any **hydrocarbon fuel** that is produced from **organic matter** in a short period of time (days, weeks, or even months) is considered a **biofuel**.
- **Biofuels** may be solid, liquid or gaseous in nature.
 - **Solid: Wood, dried plant material, and manure**
 - **Liquid: Bioethanol and Biodiesel**
 - **Gaseous: Biogas**
- These can be used to replace or can be used in addition to **diesel, petrol** or other **fossil fuels** for transport, stationary, portable and other applications.
 - Also, they can be used to generate heat and electricity.
- Some of the main reasons for shifting to biofuels are the rising prices of oil, emission of greenhouse gases from fossil fuels and the interest in obtaining fuel from agricultural crops for the benefit of farmers.

What are the Important Amendments Made?

- The **Union Cabinet** approved amendments to the **National Policy on Bio-fuels, 2018**.
 - The Policy aims at mainstreaming **biofuels** and envisions a central role for it in the **energy and transportation sectors** of the country in coming decades.
 - **The following amendments have been approved:**
 - Advancement of the target of **20% ethanol blending** in **petrol** from **2030 to 2025-26**.
 - Allowing more **feedstock for production** of **biofuels**.
 - Adding new members to the **National Biofuel Coordination Committee**.
 - Granting permission for export of biofuels in specific cases.
- Further, the amendments seek to promote the production of biofuels in the country, under the Make in India program.

What is the National Biofuel Coordination Committee?

- [National Biofuel Coordination Committee](#) was constituted under the **Chairmanship of Minister, Petroleum & Natural Gas (P&NG)** to provide overall **coordination, effective end-to-end implementation** and monitoring of **biofuel programme**.
- **NBCC** has members from **14** other ministries.

SC's Clarification on GST Council's Recommendations

The [Supreme Court clarified that the recommendations of the GST Council are not binding](#) on Parliament and state legislatures.

What is GST Council?

- It is a **constitutional body (Article 279A)** for making recommendations to the **Union and State Government** on issues related to **Goods and Services Tax**.
- The **GST Council** is chaired by the **Union Finance Minister** and other members are the Union State Minister of Revenue or Finance and Ministers in-charge of Finance or Taxation of all the States.
- It is considered as a **federal body** where both the center and the states get due representation.

What are the Important Clarifications Given by the Supreme Court?

- The **Supreme Court** clarified that the recommendations of the **GST Council** are **not binding** on Parliament and state legislatures.
- The **Supreme Court** was hearing an appeal against an order by the **Gujarat High Court** in 2020.
 - The **High Court** had ruled against the levy of **Integrated Goods and Services Tax (IGST)** on **Indian importers** on the **ocean freight** paid by the foreign seller to a foreign shipping line.
- This tax was levied on a reverse charge basis (the recipient of goods or services becomes liable to pay the tax, instead of the producer).
- On the contention of the central government that recommendations of the **GST Council** are binding on the legislature and executive, the Supreme Court noted that the **GST Council** can only make recommendations.
- According to the Court, the constitutional provision relating to the **GST Council** does not suggest that these recommendations are binding.
 - Parliament and state legislatures have **'simultaneous power'** to legislate on **GST**. Hence making the recommendations binding would go against the idea of **fiscal federalism**.
 - With regards to the **levy of IGST**, the Supreme Court ruled that an Indian importer is liable to pay IGST on the composite supply of goods and transportation services.
 - However, the Court said that a separate levy on the provision of transportation services is violative of the **Central Goods and Services Tax Act, 2017**.

Social Justice and Empowerment

PM CARES Scheme for Children

The central government launched a **Central Sector Scheme** to provide **scholarship assistance** to certain children to continue their education. The scheme is known as **PM CARES Scheme for Children**.

What are the Key Features of the Scheme?

- The scheme is targeted at children who have lost their **parents (biological or adoptive) or legal guardian to COVID-19**.
- Under the scheme, scholarships will be disbursed to children through **direct benefit transfer**, from **Class I till Class XII**.
- The central government will provide scholarship allowance worth **Rs 20,000 per child per annum**.
- **This comprises:**
 - An annual academic allowance of **Rs 8,000** to cover the **school fees**, and the cost of books, uniform, shoes and other educational material.
 - A monthly allowance of **Rs 1,000**.

Environment

Environmental Clearance Rules for Coal Mining Projects

The Ministry of Environment, Forest and Climate Change amended the Environmental Clearance (EC) rules for expanding coal mining projects.

What is an Environmental Clearance?

- An [Environmental Impact Assessment \(EIA\)](#) report is prepared to get [Environmental Clearance \(EC\)](#) for a project.
- An application form with **EIA report, details of public hearing** and **NOC** is submitted for **environmental clearance** with the **Ministry of Environment, Forests and Climate Change (MoEFCC)** if the project falls under **Project A category** or the **state government** if the project falls under **Project B category**.
 - The documents submitted are then analyzed by an **Expert Appraisal Committee (EAC)** under the **Ministry of Environment Forest and Climate Change**.
 - Final Approval is provided by the **Ministry of Environment and Forests and Climate Change**.
 - In view of **domestic coal shortage**, the **Ministry of Environment, Forest and Climate Change** amended the **environmental clearance (EC) rules** for expanding **coal mining projects**.
 - In the case of capacity expansion from **40% to 50%**, projects require a **revised [Environmental Impact Assessment \(EIA\) report](#)** and fresh public consultation.

What are the Changes Made in the Rules?

- In view of **domestic coal shortage**, the **Ministry of Environment, Forest and Climate Change** amended the **environmental clearance (EC) rules** for expanding **coal mining projects**.
- They will be in force for **six months**.
- The Ministry issued guidelines for granting **environmental clearance** for expanding the capacity of existing projects (including coal mining projects) by up to **50%** in **April 2022**.
- The guidelines apply to projects which:
 - do not need additional land.
 - have conducted one at least one public hearing for the existing project capacity.
 - Will expand in at least three phases.
- In the case of capacity expansion from **40% to 50%** projects require a revised **environmental impact assessment (EIA) report** and fresh public consultation.
- Now, coal mining projects previously granted **EC** for expansion of capacity up to **40%** will be granted EC (without a revised EIA report and public consultation) to increase capacity up to 50%.