Monthly Policy Review

January 2025

Highlights of this Issue

Budget Session of Parliament commences on January 31 (p. 2)

The Budget Session of Parliament commenced on January 31. The session is scheduled to have 27 sitting days, and end on April 4, 2025.

President addresses joint sitting of Parliament (p.2)

The President outlined the major policy achievements and objectives of the government in her address. These covered sectors such as governance, agriculture, and health.

Economic Survey 2024-25 released (p.2)

The Survey has estimated real GDP growth of 6.3%-6.8% in 2025-26, expected to be supported by sustained investments, improvement in consumer confidence, rural demand, and pick-up in corporate wages.

GDP estimated to grow by 6.4% in 2024-25(p. 3)

India's GDP is estimated to grow by 6.4% in 2024-25 (at constant prices), as per the first advance estimates released by the Ministry of Statistics and Programme Implementation.

Cabinet approves Eighth Pay Commission for central government employees (p.3)

The Union Cabinet approved the constitution of the Eighth Central Pay Commission for central government employees. The term of recommendations of the Seventh Pay Commission will conclude in 2026.

Consumer Price Index inflation was 5.6% in the third quarter of 2024-25 (p. 3)

CPI inflation was 5.4% in the third quarter last year, while it was 4.2% in the second quarter of 2024-25. Food inflation in the third quarter of 2024-25 was 9.4%.

UGC issues Draft Regulations for appointment of faculty and VC in HEIs (p. 4)

The Draft Regulations allow appointing a VC from amongst persons from the industry. They also allow recruiting assistant professor from amongst persons with only a master's degree in engineering.

Supreme Court strikes down domicile reservation in PG medical courses (p. 5)

The judgment mandates that domicile-based reservations violate fundamental right to equality before law. It ruled that PG medical admissions must be based on merit.

JPC submits report on the Waqf (Amendment) Bill, 2024 (p. 5)

Recommended changes include: (i) providing that waqf by user will be invalid prospectively, and (ii) replacing the collector, responsible for identifying government property, with another officer chosen by state government.

Ministry invites comments on Draft Digital Personal Data Protection Rules, 2025 (p. 6)

The Digital Personal Data Protection Act, 2023 grants the government authority to establish rules. The Rules contains provisions related to data fiduciary obligations, consent management, and breach notifications.

Aadhaar Authentication for Good Governance Rules, 2020 amended (p. 6)

Aadhaar authentication may also be used for the purpose of promoting ease of living of residents and enabling better access to services. Non-government entities may also use Aadhaar authentication for specified purposes.

February 3, 2025

PRS Legislative Research ▪ Institute for Policy Research Studies
3rd Floor, Gandharva Mahavidyalaya ▪ 212, Deen Dayal Upadhyaya Marg ▪ New Delhi – 110002
Tel: (011) 43434035-36, 23234801-02 ▪ www.prsindia.org

Parliament

Parliament's Budget Session commences

Atri Prasad Rout (atri@prsindia.org)

The Budget Session of Parliament commenced on January 31, 2025.[1] The session will have 27 sitting days over two phases. The first phase will be held from January 31, 2025 to February 13, 2025, followed by a recess. The second phase will be held from March 10, 2025 to April 4, 2025.

The President addressed both Houses of the Parliament on January 31, 2025. The Economic Survey 2024-25 was also tabled on the same day. The Union Budget 2025-26 will be presented on February 1, 2025.

President addresses joint sitting of Parliament

Vaishali Dhariwal (vaishali@prsindia.org)

The President of India, Ms Droupadi Murmu, addressed a joint sitting of both Houses of Parliament.[2] She outlined the major policy achievements and objectives of the government in her address. Key highlights of the address include:

- **Governance:** The government has repealed more than 1,500 obsolete laws. Over 40,000 regulations have been simplified or reduced and 3,500 provisions have been decriminalised. In the past two years, the government has provided 10 lakh permanent government jobs. The Eighth Pay Commission has been constituted. It will substantially increase salary for government employees in the coming years.
- **Agriculture:** Under the PM Kisan Samman Nidhi scheme, Rs 41,000 crore has been disbursed to crores of farmers in recent months. MSPs for Kharif and Rabi crops have increased. Over the past decade, procurement of rice, wheat, pulses, oilseeds, and coarse grains has tripled. In 2023-24, India achieved a record production of 332 million tons of foodgrains. India is now the largest producer of milk, pulses, and spices.
- **Health:** Maternal and infant mortality rates have improved. Cases of TB have reduced. Under Ayushman Bharat, six crore senior citizens aged 70 years and above will receive health insurance cover of five lakh rupees annually. Jan Aushadhi Kendras, offering medicines at 80% concessional rates, have led to savings of over Rs 30,000 crore. 75,000 new seats in medical colleges will be created over the next five years.

For a summary of the President's Address, see here. For a note on the progress of announcements made in the previous year's Address, see here.

Economy

Shrusti Singh (shrusti@prsindia.org)

Economic Survey 2024-25 tabled in Parliament

The Finance Minister, Ms. Nirmala Sitharaman tabled the Economic Survey 2024-25 on January 31, 2025 in Parliament.[3] Key highlights of the Survey include:

- **Gross Domestic Product (GDP):** The Economic Survey has estimated real GDP growth between 6.3% to 6.8% in 2025-26. In 2024-25, India's real GDP is estimated to grow by 6.4%. To become a developed nation by 2047, India would require sustained economic growth of around 8% every year for at least a decade. Sustained investments, improvement in consumer confidence, and pick-up in corporate wages will be important for supporting growth. Rural demand and anticipated decrease in food inflation is expected to provide an upside to near-term growth. Risks to growth include possible commodity price shocks and elevated trade and geopolitical uncertainties.
- **Inflation:** Retail inflation decreased from 5.4% in 2023-24 to 4.9% in 2024-25 (April-December) driven by a reduction in input prices. Food inflation increased from 7.5% in 2023-24 to 8.4% in 2024-25 (April-December), primarily driven by commodities such as vegetables and pulses. This can be attributed to supply chain disruptions and reduced harvest of some food items. The Survey noted that declining prices of imported commodities can be favourable for India's domestic inflation.
- **Agriculture and allied activities:** Agriculture sector has recorded an annual average growth rate of 5% between 2016-17 and 2022-23. The sector grew at 3.5% in the second quarter of 2024-25. Sustained growth in the sector has been supported by remunerative prices, improved access to institutional credit, enhancement in productivity, and crop diversification. Agricultural income has increased by 5.2% annually over the past decade as compared to 6.2% for non-agricultural income.
- **Deregulation:** The Survey noted that deregulation is critical for MSMEs rather than large enterprises as the latter usually find a way around compliance. Regulations hurt the ability of businesses to start and grow over time, and increase the cost of operational decisions. Faster economic growth would need central and state governments to implement reforms that allow small and medium enterprises to operate efficiently. Areas for deregulation include: (i) land, (ii) labour, (iii) transport, and (iv) logistics.

For a summary of the Survey, please see here.

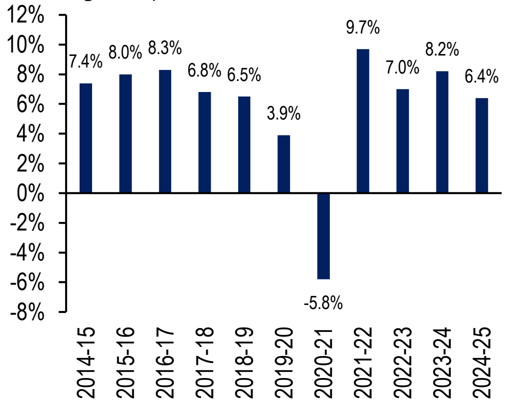
Macroeconomic Development

Tushar Chakrabarty (tushar@prsindia.org)

India's GDP estimated to grow by 6.4% in 2024-25

India's GDP is estimated to grow by 6.4% in 2024-25 (at constant prices), as per the first advance estimates released by the Ministry of Statistics and Programme Implementation.[4] GDP growth in 2024-25 is estimated to be lower than in 2023-24 (8.2%).

Figure 1: Annual GDP growth rate (at constant 2011-12 prices)



Sources: MoSPI; PRS.

GDP across sectors is measured in terms of gross value added (GVA). In 2024-25, public services is estimated to register the highest growth (9.1%), followed by construction (8.6%), and financial services (7.3%).

Table 1: Annual sectoral growth (at constant 2011-12 prices)

Sector	2022-23	2023-24	2024-25
Agriculture	4.7%	1.4%	3.8%
Mining	1.9%	7.1%	2.9%
Manufacturing	-2.2%	9.9%	5.3%
Electricity	9.4%	7.5%	6.8%
Construction	9.4%	9.9%	8.6%
Trade	12.0%	6.4%	5.8%
Financial Services	9.1%	8.4%	7.3%
Public Services	8.9%	7.8%	9.1%
GVA	6.7%	7.2%	6.4%
GDP	7.0%	8.2%	6.4%

Sources: MoSPI; PRS.

Cabinet approves Eighth Central Pay Commission for central government employees

The Union Cabinet approved the constitution of the Eighth Central Pay Commission for central government employees.[5,6] The term of recommendations of the Seventh Pay Commission will conclude in 2026.

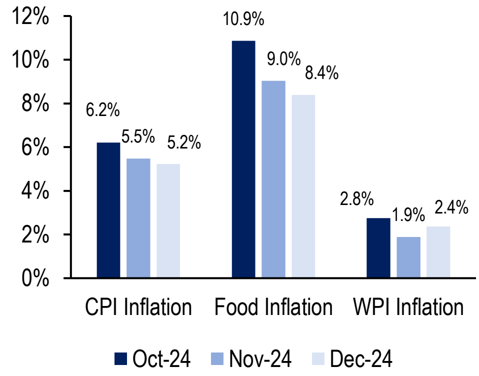
Consumer Price Index inflation was 5.6% in the third quarter of 2024-25

Consumer Price Index (CPI) inflation was 5.6% in the third quarter (October-December) of 2024-25.[7] This was marginally higher than the CPI inflation of 5.4% in the corresponding quarter last year, and 4.2% in the second quarter (July-September) of 2024-25.

Food inflation averaged 9.4% in the third quarter of 2024-25 which was higher than 8.3% in the corresponding quarter of 2023-24. Food inflation in the second quarter of 2024-25 was 6.8%.

Wholesale Price Index (WPI) inflation was 2.3% in the third quarter of 2024-25.[8] This was higher than WPI inflation of 0.3% in the corresponding quarter of 2023-24, and 1.8% in the second quarter of 2024-25.

Figure 2: Monthly inflation in Q3 of 2024-25 (% change, year-on-year)



Sources: MoSPI; Ministry of Commerce and Industry; PRS.

Finance

Tushar Chakrabarty (tushar@prsindia.org)

SEBI releases consultation paper on social stock exchange

The Securities and Exchange Board of India (SEBI) issued a consultation paper on reviewing the framework for social stock exchange.[9] Social stock exchange allows non-profit and for-profit social enterprises to raise funds. Key proposals include:

- **Not-for-profit organisations:** Currently, not-for-profit organisations (NPOs) are defined to include charitable trusts/societies/companies registered under: (i) the Indian Trusts Act, 1882, (ii) public trust law of a relevant state, (iii) the Societies Registration Act, 1860, or (iv) the Companies Act, 2013. SEBI noted that NPOs have various legal structures in addition to those listed above. It has been proposed to expand the list of permissible legal structures to include: (i) trusts under the Indian Registration Act, 1908, (ii) charitable societies under the society registration law in states, and (iii) companies registered under Companies Act, 1956 (which do not need to re-register under the Companies Act, 2013).

- **Social enterprises:** Enterprises undertaking certain activities can be classified as social enterprises. These include: (i) eradicating hunger and poverty, (ii) promoting education, (iii) ensuring environmental sustainability, and (iv) protecting national heritage. The list of eligible activities is proposed to be widened to include: (i) welfare of disadvantaged children, (ii) vocational skills, and (iii) research and development projects in science, technology, and engineering.
- **Registration:** The current framework allows not-for-profit organisations to register with a social stock exchange even if they do not raise funds through the same. SEBI noted that several organisations register with the exchange without raising funds or renewing their registration. SEBI has proposed to allow not-for-profit organisations to register with a social stock exchange for two years (or duration specified by SEBI) without raising funds.

Comments are invited by February 10, 2025.

SEBI issues consultation paper on small-ticket investment in mutual funds

The Securities and Exchange Board of India (SEBI) issued a consultation paper on promoting financial inclusion through sachetisation of investment in mutual fund schemes.[10] Mutual funds pool money from multiple investors and invest in equities, debt instruments, and commodities. To increase the reach of mutual funds to low-income groups, SEBI has proposed allowing periodic investment of Rs 250 into mutual funds. SEBI noted that industry participants have agreed to offer discounted rates on costs incurred for processing such transactions. Under the proposed framework, discounted rates offered by intermediaries will be limited to up to three investment plans of Rs 250 each for an investor.

Comments are invited by February 6, 2025.

Finance Ministry approves credit guarantee scheme for MSMEs

The Ministry of Finance approved a mutual credit guarantee scheme for micro, small, and medium enterprises (MSMEs).[11] Under the scheme, the National Credit Guarantee Trustee Company Limited will guarantee 60% of loans extended by certain financial institutions to MSMEs. These include scheduled commercial banks, non-banking financial companies, and all India financial institutions. Guarantee will be available for a loan of up to Rs 100 crore to an MSME for purchase of equipment/machinery.

For loans up to Rs 50 crore, repayment period will be up to eight years with a moratorium of up to two years on principal repayment. Loans exceeding Rs 50 crore can have longer repayment schedules and moratorium. The scheme will cover loans provided up to four years from the notification of scheme guidelines or till cumulative guarantee of seven lakh crore rupees is issued, whichever is earlier.

Education

UGC issues draft regulations for appointment of faculty and VC in HEIs

Rutvik Upadhyaya (rutvik@prsindia.org)

The University Grants Commission (UGC) issued the "Draft UGC (Minimum Qualifications for Appointment and Promotion of Teachers and Academic Staff in Universities and Colleges and Measures for the Maintenance of Standards in Higher Education), Regulations, 2025".[12] These provide for the eligibility criteria for appointment of faculty and Vice-Chancellors (VCs) in Higher Educational Institutions (HEIs). The draft seeks to replace the 2018 Regulations on this subject.[13] Key features of include:

- **Appointment of VC:** The Vice Chancellor is the chief executive and academic head of a university.[14] As per the existing regulations, a VC must be appointed from persons with at least 10 years of experience: (i) as a professor, or (ii) at a senior position of a reputed research or academic administrative organisations. The draft Regulations add that he can also be appointed from persons with at least 10 years of experience at a senior level in industry, or public policy or administration, with a proven record of academic or scholarly contributions.
- Under existing regulations, the VC will be appointed from a panel of names prepared by a three to five-member search committee. The Visitor or Chancellor of the university will make this appointment. The search committee must not be connected to that university in any way. One member of the committee must be a nominee of the UGC Chairman. The draft Regulations provide that this committee will be constituted by the Chancellor/Visitor of a university. It will comprise of one nominee each of the: (i) Visitor/Chancellor, (ii) UGC Chairman, and (iii) apex body of a university. In certain states, the Chancellor of a state university is the Governor of that state.[15] The President of India appoints the Chancellor in central universities.[16]
- **Recruitment of Assistant Professors:** Under the 2018 Regulations, Assistant Professors directly

recruited into an HEI must: (i) possess a Master's degree and clear the National Eligibility Test (NET), or (ii) hold a Ph.D. The draft allows persons with only a master's degree in engineering to be directly recruited as Assistant Professor.

- **Recruitment on a contract basis:** Existing regulations allow recruiting faculty on a contract basis. However, contract faculty should not exceed 10% of the total faculty positions in an HEI. The draft Regulations do away with this limit. They provide that contract period of such faculty should not exceed six months.

Comments are invited until February 5, 2025.[17]

Supreme Court strikes down domicile-based reservations in PG medical admissions

Anmol Kohli (anmol@prsindia.org)

A three-judge bench of the Supreme Court held that residence-based reservation in post-graduate (PG) medical courses violated the fundamental right to equality (Article 14).[18] Currently, seats for PG medical courses are filled by: (i) NEET ranking, (ii) state quotas, and (iii) institutional preferences.

The Court was posed with the following questions: (i) whether residence-based reservations in PG courses is constitutionally permissible, (ii) if not, how must seats under state quota be filled, and (iii) if yes, what should be the share of state quota seats in all PG seats.

The Court held that the Constitution provides the right to seek admission in educational institutions across India. Differential treatment of students based on residence deters this right. However, domicile reservations are permissible in MBBS courses as they help address shortage of doctors in neglected regions. On the other hand, PG medical courses address the need for specialists and should thus enrol students based on marks and merit.

The Court ruled that all PG medical seats under state quotas should be filled based on performance in NEET. However, this will not apply to seats currently filled under state quota. The Court upheld the validity of seats filled through institutional preferences. These are seats granted to UG students of the same college. The Supreme Court stated that the share of such seats should be reasonable.

Minority Affairs

Rutvik Upadhyaya (rutvik@prsindia.org)

JPC submits report on the Waqf (Amendment) Bill, 2024

The Joint Parliamentary Committee on the Waqf (Amendment) Bill, 2024 (Chair: Mr. Jagdambika Pal) submitted its report in the Lok Sabha.[19,20] The Bill seeks to amend the Waqf Act, 1995.[21] The Act regulates waqf property in India. It defines waqf as the endowment of property for purposes considered religious, pious, or charitable under Muslim law. The key observations and recommendations of the Committee include:

- **Waqf-by-user:** Under the Act, waqf can be created through: (i) declaration, (ii) endowment at end of the line of succession, and (iii) recognition based on long term use of a property. Creation of waqf through use is termed waqf by user. The Bill removes waqf by user. The Committee noted that Bill raises ambiguities around whether existing waqf by user properties would cease to be waqf. It recommended providing that the removal of waqf-by-user will only apply prospectively.
- **Proof of practicing Islam:** The Act allows any person to create waqf. The Bill states that only a person practicing Islam for at least five years may declare a waqf. The Committee recommended adding that only persons showing or demonstrating that they have been practicing Islam for at least five years can create waqf.
- **Identification of government property:** The Bill states that government property declared as waqf will cease to be waqf. As per the Ministry of Minority Affairs, 5,973 government properties in 25 states were declared as waqf, as of September 2024. The Bill empowers the collector to determine the ownership of property and submit a report to the state government. The Committee noted several objections to the collector being given these powers. These included objections against the definition of a collector being wide enough to include officers equal to the deputy collector. It recommended replacing the collector with an officer above his rank, chosen by the state.

Composition of Waqf Tribunal: The Act provides for a Tribunal to adjudicate waqf related disputes. It consists of three members, one of whom is an expert in Muslim law. The Bill removes this expert from the Tribunal, and makes it a two-member body The Committee recommended including the expert in Muslim law to ensure that the Tribunal remains a three-member body.

Information Technology

Nripendra Singh (nripendra@prsindia.org)

Ministry invites comments on Draft Digital Personal Data Protection Rules, 2025

The Digital Personal Data Protection Act, 2023 empowers the central government to make Rules on: (i) obligations of data fiduciaries, (ii) consent management, and (iii) the manner of intimating personal data breach to the Data Protection Board.[22] The Act does not apply to data processing: (i) by the government in the interest of national security or maintenance of public order and (ii) for research, archiving and statistical purposes. The Ministry has invited comments on the draft Digital Personal Data Protection Rules, 2025.[23,24] The key features of the Rules include:

- **Processing of children data**: Data fiduciaries must get verifiable consent from a child's parent before data processing. The parent's adulthood may be verified using: (i) reliable identity details available with the fiduciary, (ii) voluntarily provided information, or (iii) a mapped virtual token from an authorized entity. Healthcare professionals, educational institutions, and childcare providers are exempted from consent requirements to process data for specific purposes.
- **The Establishment of Board:** The Act establishes a Board to perform certain functions under it. The Rules specify that the Board will operate virtually. It shall consist of a chairperson and other members, appointed on the recommendations of a selection committee. The Board will handle registrations of consent managers, conduct inquiries, and take actions to protect data principals.
- **Data fiduciary obligations:** Significant data fiduciaries must conduct a data protection impact assessment and an audit every twelve months. They must also ensure that certain specified personal data and its related traffic data is not transferred outside of India. Data fiduciaries must give clear notice to data principals before processing their data. This notice must itemise data collected, explain the purpose of collection and the process for withdrawing consent. In case of a breach, they must inform the affected individuals quickly, notify the Board, and take corrective actions. Data must be discarded when no longer needed, unless required by law. Data principals should be notified before data is erased.

Comments are invited till February 18, 2025.

Amendments to the Aadhaar Authentication for Good Governance Rules, 2020 notified

The Ministry of Electronics and Information Technology notified amendments to the Aadhaar Authentication for Good Governance (Social Welfare, Innovation, Knowledge) Rules, 2020.[25,26] The Rules have been framed under the Aadhaar Act of 2016.[27] Key features of the amendments are:

- **Purposes for which Aadhaar authentication may be permitted:** Under the Rules, the central government may allow Aadhaar authentication for following specified purposes: (i) prevention of dissipation of social welfare benefits, (ii) usage of digital platforms to ensure good governance, and (iii) enablement of innovation and the spread of knowledge. The amendments add that the central government may also allow Aadhaar authentication for the purpose of 'promoting ease of living of residents and enabling better access to services for them'.
- **Requesting entities:** The Rules provide that a Department/Ministry of the central or state government may submit a proposal to the central government for using Aadhaar authentication. The central government refers this proposal to the Unique Identification Authority of India (UIDAI) for their recommendation whether to permit the requesting entity. Subsequently, the central government authorises the use.

  The amendments add that any other entity may also submit a proposal for using Aadhaar authentication. Such a proposal must be for the specified purposes, and in the interest of the State. The proposal must be submitted to the concerned Department. The concerned Department will then forward the proposal to the central government.

Environment

Vaishali Dhariwal (vaishali@prsindia.org)

Ministry notifies rules for management of waste generated from end-of life vehicles

The Ministry of Environment, Forest and Climate Change notified the Environment Protection (End-of-Life Vehicles) Rules, 2025.[28] These Rules have been issued under the Environment (Protection) Act, 1986 and will come into force from April 1, 2025.[29] End-of-life vehicles are those which are no longer registered or have been declared unfit.[30] These Rules will apply to producers of vehicles, vehicle owners, bulk consumers, and registered vehicle scrapping facilities. It will cover all vehicles except those used for agriculture. Key features include:

- **Responsibility of Producers:** Producers are required to fulfil the extended producer responsibility (EPR) obligations for the prescribed scrapping targets. Under EPR, producer will be responsible for scrapping of the End-of-Life vehicles. The Central Pollution Control Board (CPCB) will issue EPR certificates through an online portal. Starting from 2025-26, at least 8% of steel used in non-transport vehicles in 2005-2006 must be scrapped in an environmentally sound manner. For transport vehicles, the scrapping target is at least 8% of steel used in vehicles in 2010-11.
- **Responsibilities of producers, bulk users, and scrapping facilities:** A registered owner or bulk

consumer must deposit end-of-life vehicles within 180 days of them being not registered or declared unfit. Such vehicles must be deposited at the producer's designated sales outlet/collection centre or registered vehicle scrapping facility. Bulk consumers are those owning over 100 vehicles.

- **Environmental Compensation:** Producers, registered vehicle scrapping facilities, and bulk consumers must pay environmental compensation for damage to environment or public health. The CPCB will impose the compensation for obligations of producers while the State Pollution Control Boards will do the same for registered vehicle scrapping facilities and bulk consumers.

Ministry notifies Rules regarding exploration and production operations in offshore areas

The Ministry has released the Offshore Areas Mineral Conservation and Development Rules, 2024.[31] The Offshore Areas Mineral (Development and Regulation) Act, 2002 empowers the central government to make Rules on the conditions to be followed during exploration and production operations in offshore areas.[32] Key features of the Rules include:

- **Requirement of plans:** Bidders selected for a composite licence (combination of exploration and production licence), must submit: (i) an exploration plan and (ii) a production plan before commencing the respective operations. The Controller General or an officer of the Indian Bureau of Mines will evaluate and approve these plans. An exploration plan must include: (i) licence area in latitudes and longitudes, (ii) details of the exploration programme, (iii) tentative timeline and (iv) details of vessels and machines used. A production plan must include: (i) specific area planned for production, (ii) details of the production programme, (iii) tentative five-year schedule and (iv) estimates of mine waste and their disposal.
- **Safety Measures:** Buffer zones of 15 seconds (distance unit) shall be created between adjacent mining blocks to ensure safety. No mining operations or waste disposal shall be carried out within one nautical mile from the low tide line of the seashore. Licencees must ensure: (i) soundness of machinery, (ii) appropriate qualifications of working individuals, (iii) adequate manpower and (iv) proper maintenance of vessels.
- **Safety and precautionary measures:** Licencees must conduct mining operations by taking adequate precautions against: (i) sedimentation on seabed, (ii) air pollution and (iii) damage to historical or archeological objects found offshore. Licencees must ensure offshore operations are conducted causing the least amount of damage to marine environment, plant and animal life.
- **Appeals:** Licencees may make appeals against orders of the approving authority to the central government. Appeals will have to be made within three months from the date of the order. The central government may conditionally accept appeals made after three months.
- **Penalties:** Contravention of certain Rules are punishable with imprisonment of up to five years or a fine between 50 lakh to one crore rupees or both. These include offences such as: (i) commencing exploration or production without approved plans, (ii) failure to comply with inspection of exploration or production operations, (iii) mining in 15 second barrier zone, (iv) failure to comply with pollution norms and (v) discharge of untreated waste into sea.

Information and Broadcasting

Nripendra Singh (nripendra@prsindia.org)

Ministry changes registration process for Local Cable Operators

The Ministry of Information and Broadcasting has amended the Cable Television Network Rules, 1994.[33] The amendment changes the procedure for registration of Local Cable Television Operators (LCOs). Key features include:

- **Registering authority**: Under the earlier Rules, LCOs had to register at the local head post office of the area in which the office of the LCO was situated.[34] The postmaster was the registering authority. The registration entitled LCOs to operate only in certain areas. Under the amended Rules, the registration will be conducted through an online portal.[33] The Ministry will be the registering authority. The registration entitles the LCO to operate throughout India.
- **Registration fee and validity period:** Under the earlier Rules, LCOs had to pay a registration fee of Rs 500. The registration would be valid for a year. Under the amended Rules, the registration fee has been increased to Rs 5,000. The validity period has been extended to five years.
- **Renewal of registration:** Under the earlier Rules, there was no lower limit on the duration for application of renewal. That is, LCOs could file applications for renewal any time before its expiry. Under the amended Rules, LCOs must apply for renewal at least 90 days before the expiry of their registration. Delayed applications submitted within the expiry date may be accepted based on the case.
- **Appeal against denial:** The earlier Rules did not have any provision to appeal against denial of registration or renewal. The amended Rules, allow LCOs to appeal against the denial of registration or renewal to the central government within 30 days

of receiving the denial notice. LCOs can make an appeal before the Under Secretary.

Commerce and Industry

Rutvik Upadhyaya (rutvik@prsindia.org)

Commerce Ministry introduces scheme allowing duty free import of diamonds

The Ministry of Commerce and Industry introduced the Diamond Imprest Authorisation Scheme.[35] The scheme will allow duty-free import of natural cut and polished diamonds of less than 1/4th carat. To be eligible for the scheme, beneficiaries must have exported at least: (i) USD 15 million worth cut and polished diamonds annually for the last three years, and (ii) USD 25 million worth goods annually.[36] They must also have filled Income Tax and GST returns for the last three years.[37] To avail duty free imports, beneficiaries must add at least 10% value to the imported diamonds before exporting.

The scheme aims to incentivise manufacturers to retain their operations in India. It also intends to enhance export competitiveness of Indian diamond manufacturers. The scheme will be implemented from April 1, 2025.

Consumer Affairs

Tushar Chakrabarty (tushar@prsindia.org)

Consumer affairs department releases draft rules to synchronise time across India

The Department of Consumer Affairs released the draft Legal Metrology (Indian Standard Time) Rules, 2025.[38,39] The Department has undertaken a project to disseminate IST with millisecond to microsecond accuracy. Such precision is needed for sectors such as navigation, telecommunication, and deep space navigation. The Department observed that IST is not mandatorily adopted by all telecom and internet service providers. The draft rules provide that time in legal, administrative, and official documents will refer to IST, unless stated otherwise. IST will be the mandatory time reference across sectors such as commerce, transport, and financial operations. No person or entity will be allowed to use, display, or record time in a format other than IST for official or commercial purposes. Use of alternative timescales will be allowed for purposes such as astronomy, navigation, and scientific research with prior permission and subject to compliance with government directives.

[1] Bulletin Part-II, Rajya Sabha, January 17, 2025, https://sansad.in/getFile/UploadedFiles/TableOffice/Bulletin2/1712025/English/Bull_17012025.pdf?source=rscms.

[2] Address by the Hon'ble President of India Smt. Droupadi Murmu to Parliament, January 31, 2025, https://www.presidentofindia.gov.in/sites/default/files/2023-06/sp31012025eng.pdf.

[3] Economic Survey 2024-25, January 31, 2025, https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf.

[4] Press Note on First Advance Estimates of Gross Domestic Product for 2024-25, National Statistics Office, Ministry of Statistics and Programme Implementation, January 7, 2025, https://www.mospi.gov.in/sites/default/files/press_release/PR_NAD_07012025_0.pdf.

[5] PIB India, https://x.com/PIB_India/status/1879833525706539057.

[6] "8th Pay Commission for govt employees approved by Cabinet", Indian Express, as accessed on January 30, 2025, https://indianexpress.com/article/india/8th-pay-commission-govt-staffers-pensioners-9782164/.

[7] "Consumer Price Index Numbers on Base 2012=100 for Rural, Urban and Combined for the Month of December 2024", Press Information Bureau, Ministry of Statistics and Programme Implementation, January 13, 2025, https://pib.gov.in/PressReleasePage.aspx?PRID=2092477.

[8] "Index Numbers of Wholesale Price in India for the Month of December, 2024 (Base Year: 2011-12)", Press Information Bureau, Ministry of Commerce and Industry, January 14, 2025, https://pib.gov.in/PressReleasePage.aspx?PRID=2092706.

[9] Consultation Paper on Review of Framework for Social Stock Exchange, Securities and Exchange Board of India, January 20, 2025, https://www.sebi.gov.in/reports-and-statistics/reports/jan-2025/consultation-paper-on-review-of-framework-for-social-stock-exchange_91022.html.

[10] Consultation Paper on promoting financial inclusion through sachetisation of investment in mutual fund schemes, Securities and Exchange Board of India, January 22, 2025, https://www.sebi.gov.in/reports-and-statistics/reports/jan-2025/consultation-paper-on-promoting-financial-inclusion-through-sachetisation-of-investment-in-mutual-fund-schemes_91106.html.

[11] "Government Approves Mutual Credit Guarantee Scheme to Strengthen MSME Manufacturing Sector, fulfilling the budget announcement of 2024-25", Press Information Bureau, Ministry of Finance, January 29, 2025, https://pib.gov.in/PressReleasePage.aspx?PRID=2097455.

[12] "Draft UGC (Minimum Qualifications for Appointment and Promotion of Teachers and Academic Staff in Universities and Colleges and Measures for the Maintenance of Standards in Higher Education), Regulations, 2025", University Grants Commission, January 6, 2025, https://www.ugc.gov.in/pdfnews/3045759_Draft-Regulation-Minimum-Qualifications-for-Appointment-and-Promotion-of-Teachers-and-Academic-Staff-in-Universities-and-Colleges-and-Measures-for-the-Maintenance-of-Standards-in-HE-Regulations-2025.pdf.

[13] UGC Regulations On Minimum Qualifications For Appointment Of Teachers And Other Academic Staff In Universities And Colleges And Measures For The Maintenance Of Standards In Higher Education, 2018, University Grants Commission, July 18, 2018, https://www.ugc.gov.in/pdfnews/4033931_UGC-Regulation_min_Qualification_Jul2018.pdf.

[14] "Governance in Higher Education: Handbook for Vice Chancellors", University Grants Commission, https://www.ugc.gov.in/e-book/VC%20handbook_Complete.pdf.

[15] "UGC (Establishment of and Maintenance Of Standards In Private Universities) Regulations, 2003", University Grants Commission, https://www.ugc.gov.in/oldpdf/regulations/establishment_maintenance.pdf.

[16] The Central Universities Act, 2009, https://www.indiacode.nic.in/bitstream/123456789/2080/7/a2009-25.pdf.

[17] No. F. 6-1/2025, University Grants Commission, January 6, 2025, https://www.ugc.gov.in/pdfnews/7039866_UGC-Letter-Draft-Regulation-and-Guidelines.pdf.

[18] Civil Appeal No. 9289 of 2019, Supreme Court of India, January 29, 2025, https://api.sci.gov.in/supremecourt/2019/15961/15961_2019_4_1502_59041_Judgement_29-Jan-2025.pdf.

[19] Report of the Joint Committee on the Waqf (Amendment) Bill, 2024, Lok Sabha, January 30, 2025, https://sansad.in/getFile/lsscommittee/Joint%20Committee%20on%20the%20Waqf%20(Amendment)%20Bill,%202024/18_Joint_Committee_on_the_Waqf_(Amendment)_Bill_2024_1.pdf?source=loksabhadocs.

[20] Waqf (Amendment) Bill, 2024, https://prsindia.org/files/bills_acts/bills_parliament/2024/Waqf_(Amendment)_Bill_2024.pdf.

[21] Waqf Act, 1995, https://www.indiacode.nic.in/bitstream/123456789/15941/1/the_waqf_act%2C_1995.pdf.

[22] Digital Data Protection Act, 2023, https://www.meity.gov.in/writereaddata/files/Digital%20Personal%20Data%20Protection%20Act%202023.pdf.

[23] "Draft Digital Personal Data Protection Rules

", Press Information Bureau, Ministry of Electronics & Information Technology, January 5, 2025, https://pib.gov.in/PressReleasePage.aspx?PRID=2090271.

[24] G.S.R. 02(E), The Gazette of India, Ministry of Electronics & Information Technology, January 3, 2024, https://egazette.gov.in/WriteReadData/2025/259889.pdf.

[25] G.S.R. 88(E), The Gazette of India, Ministry of Electronics and Information Technology, January 31, 2025, https://egazette.gov.in/WriteReadData/2025/260652.pdf.

[26] The Aadhaar Authentication for Good Governance (Social Welfare, Innovation, Knowledge) Rules, 2020, https://uidai.gov.in/images/4_Aadhaar_Authentication_for_Good_Governance_Social_Welfare_Innovation_Knowledge_Rules_2020.pdf.

[27] The Aadhaar (Target Delivery of Financial and Other Subsidies, Benefits, and Services) Act, 2016, https://www.indiacode.nic.in/bitstream/123456789/2160/5/A2016-18.pdf.

[28] Environment Protection (End-of-Life Vehicles) Rules, 2025, https://www.moef.gov.in/storage/tender/1736828697.pdf.

[29] The Environment (Protection) Act, 1986, https://www.indiacode.nic.in/bitstream/123456789/6196/1/the_environment_protection_act%2C1986.pdf.

[30] Motor Vehicles (Registration and Functions of Vehicles Scrapping Facility) Rules, 2021, https://morth.nic.in/sites/default/files/notifications_document/GSR%20653.pdf.

[31] Offshore Areas Mineral Conservation Development Rules 2024, Ministry of Mines, https://egazette.gov.in/(S(tileqymlr23uif5tuymawm5r))/ViewPDF.aspx.

[32] The Offshore Areas Mineral (Development and Regulation) Act, 2002, https://www.indiacode.nic.in/bitstream/123456789/2040/6/a2003-17.pdf

[33] "Ministry of I&B introduces key amendments to the Cable Television Network Rules, 1994

", Press Information Bureau, Ministry of Information & Broadcasting, January 17, 2025, https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2093753.

[34] The Cable Television Networks Rules, 1994, https://thc.nic.in/Central%20Governmental%20Rules/Cable%20Television%20Networks%20Rules%201994.pdf.

[35] "Department of Commerce introduces Diamond Imprest Authorization Scheme to boost global competitiveness of diamond sector ", Ministry of Commerce and Industry, Press Information Bureau, January 21, 2025, https://www.pib.gov.in/PressReleasePage.aspx?PRID=2094862.

[36] "Frequently Asked Questions – The Status Holder Certificate System", Directorate General of Foreign Trade, as accessed on January 28, 2025 https://content.dgft.gov.in/Website/DGFT%20FAQs%20-%20Status%20Holder%20Certificate%20v1.0.pdf.

[37] Notification No. 53, "Introduction of New Scheme as 'Diamond Imprest Authorisation" under Chapter 4 of Foreign Trade Policy 2023, Ministry of Commerce and Industry, January 21, 2025, https://static.pib.gov.in/WriteReadData/specificdocs/documents/2025/jan/doc2025121487601.pdf.

[38] "Department of Consumer Affairs, Government of India notifies Draft Legal Metrology (Indian Standard Time) Rules, 2025 to Synchronize Time across India", Press Information Bureau, Ministry of Consumer Affairs, Food and Public Distribution, January 27, 2025, https://pib.gov.in/PressReleasePage.aspx?PRID=2096622.

[39] I-9/1/2025-W&M, Ministry of Consumer Affairs, Food and Public Distribution, January 15, 2025, https://consumeraffairs.nic.in/sites/default/files/file-uploads/latestnews/Draft%20Rules%20Time%20Dissemination.pdf.