

### NEWSPAPER HIGHLIGHT

With fresh slippages in retail and MSME loans, the gross non-performing assets (GNPAs) of commercial banks are expected to exceed ₹10 lakh crore by March 2022, Assocham and Crisil said in a joint report. "NPAs are expected to rise to 8.59% by March 2022, driven by slippages in retail, micro, small and medium enterprise (MSME) accounts, besides some restructured assets," the entities said in the report.

The GST Council might consider taxing petrol, diesel and other petroleum products under the single national GST regime, a move that may require huge compromises by both Central and State governments on the revenues they collect by taxing these products.

The National Human Rights Commission (NHRC) on Tuesday said it had issued notices to the Delhi, Uttar Pradesh, Haryana and Rajasthan governments over complaints of industrial units and transportation being affected by the ongoing farmers' protest at the Delhi border. "Allegedly, transportation is also adversely impacted, causing commuters, patients, physically challenged people and senior citizens to suffer due to the heavy congestion on roads. There are also reports that people have to travel long distances to reach their destinations and barricades have been put on the borders.

Prime Minister Narendra Modi will visit the White House on September 24 to participate in a Quad leaders summit hosted by U.S. President Joe Biden. Mr. Modi will then travel to New York, where he will address the 76th session of the United Nations General Assembly (UNGA) on Saturday morning. The Quad meeting of Mr. Modi, Mr. Biden and the Prime Ministers of Japan and Australia Yoshihide Suga and Scott Morrison is the first in-person meeting of its kind at the White House.

The world is watching commitments on climate change made by all the "big emitters", said U.S. Special Presidential Envoy for Climate John Kerry. Mr. Kerry was making a pitch for India to announce a pledge to reduce emissions to "net zero" (carbonneutral) by 2050 — to ensure that global warming is held at 1.5

### NATIONAL FINANCIAL REPORTING AUTHORITY

1.As it seeks to enhance engagement with stakeholders, the National Financial Reporting Authority (NFRA) will set up a single stakeholders' advisory group as well as a research cell to support the group. Need for: A large majority of the respondents have expressed the urgent need for a settlement mechanism rather than a prolonged stand-alone law making process.

2.About NFRA-National Financial Reporting Authority (NFRA) was constituted on 1st October, 2018 under section 132 (1) of the Companies Act, 2013. Why was it needed-In the wake of accounting scams, a need was felt to establish an independent regulator for enforcement of auditing standards and ensuring the quality of audits so as to enhance investor and public confidence in financial disclosures of companies.

3.Composition-**The Companies Act requires the NFRA to have a chairperson who will be appointed by the Central Government and a maximum of 15 members.** Functions and Duties- Recommend accounting and auditing policies and standards to be adopted by companies for approval by the Central Government; Monitor and enforce compliance with accounting standards and auditing standards.

4.Powers-**It can probe listed companies and those unlisted public companies having paid-up capital of no less than Rs 500 crore or annual turnover of no less than Rs 1,000 crore.** It can investigate professional misconduct committed by members of the Institute of Chartered Accountants of India (ICAI) for prescribed class of body corporate or persons.

### INSOLVENCY AND BANKRUPTCY CODE(IBC)

1.The Supreme Court has said "judicial delay" was the main reason for the failure of the insolvency regime in India prior to the 2016 Insolvency and Bankruptcy Code (IBC), as it urged company law tribunals to "strictly adhere" to the timelines under the new law and clear pending resolution plans.

2.What's the issue-The IBC mandates a 330-day outer limit for conclusion of the corporate insolvency resolution process (CIRP). However, a parliamentary panel report published last month stated that more than 71% cases have been pending before the tribunals for over 180 days.

3.Reasons for delays: **The national company law appellate tribunal taking considerable time in admitting CIRPs. Multiplicity of litigation. Appeals to the NCLAT and the Supreme Court.** Impacts of such delays-Long delays in approving the resolution plan by the adjudicating authority (NCLT) affect the subsequent implementation of the plan. These delays, if systemic and frequent, will have an undeniable impact on the commercial assessment that the parties undertake during the course of the negotiation.

4.About the IBC: **The IBC was enacted in 2016, replacing a host of laws, with the aim to streamline and speed up the resolution process of failed businesses.** The Code also consolidates provisions of the current legislative framework to form a common forum for debtors and creditors of all classes to resolve insolvency.

5.The Code creates various institutions to facilitate resolution of insolvency. These are as follows: Insolvency Professionals. Insolvency Professional Agencies. Information Utilities. Adjudicating authorities: The National Companies Law Tribunal (NCLT); and the Debt Recovery Tribunal (DRT). Insolvency and Bankruptcy Board.

### BATTLE OF SARAGARHI

1.September 12 marks the 124th anniversary of the Battle of Saragarhi that has inspired a host of armies, books and films, both at home and abroad. What is the Battle of Saragarhi-The Battle of Saragarhi was fought on 12 September 1897. It is considered one of the finest last stands in the military history of the world. Twenty-one soldiers from British Army were pitted against over 8,000 Afridi and Orakzai tribals but they managed to hold the fort for seven hours. Though heavily outnumbered, the soldiers of 36th Sikhs platoon led by Havildar Ishar Singh, fought till their last breath, killing 200 tribals and injuring 600.

degrees Celsius — at the upcoming COP26 summit in the U.K. in November. However, the government said it does not consider the “net zero” goal its only priority at present. Mr. Kerry admitted that he had not received a firm pledge from New Delhi on the issue yet.

Formal negotiations for a proposed India-United Kingdom Free Trade Agreement (FTA) will begin on November 1, with an interim “early harvest” agreement to be completed by March 2022, the Union government said. The interim trade pact would involve early tariff or market access concessions on certain key “high priority products and services”, the Commerce and Industry Ministry said.

Ahead of the 50th anniversary of Meghalaya’s Statehood in 2022, the State Assembly has given an indigenous touch to the National Anthem. Speaker Metbah Lyngdoh had thought of giving ‘Jana Gana Mana’ a local flavour more than six months ago. The Anthem sung by non-Hindi speakers to the accompaniment of folk instruments would underline the country’s diversity.

China hit out at the upcoming summit of the leaders of the Quad — India, Australia, Japan and the United States — describing the group as a “close and exclusive clique” that was “doomed to fail”. “It is China’s consistent belief that any regional cooperation mechanism should follow the trend of peace and development, and help promote mutual trust and cooperation among regional countries rather than target a third party or undermine its interests.

The Union Council of Ministers met at the auditorium of the Rashtrapati Bhavan for what is being termed a “Chintan Shivir”, or brainstorming session, where Prime Minister Narendra Modi told the Ministers, many of whom are first timers, to stress simplicity in lifestyle, best practices of colleagues and time management.

The Navy has handed over a passenger variant Dornier (PVD) aircraft on lease to the Maritime Air Squadron of the National Coast Guard, Mauritius.

After a long delay, the Jammu and Kashmir government has decided to implement the Forest Rights Act, 2006, which will elevate the socio-economic status of a sizeable section of the 14 lakh population of tribals and nomadic communities, including GujjarBakerwals and GaddiSippis in the Union Territory.

2.Importance of Saragarhi-Saragarhi was the communication tower between Fort Lockhart and Fort Gulistan. The two forts in the rugged North West Frontier Province (NWFP), now in Pakistan, were built by Maharaja Ranjit Singh but renamed by the British. Saragarhi helped to link up the two important forts which housed a large number of British troops in the rugged terrain of NWFP.

3.The legacy-Making a departure from the tradition of not giving gallantry medals posthumously, Queen Victoria awarded the 21 dead soldiers — leaving out the non-combatant — of the 36th Sikh the Indian Order of Merit (comparable with the Victoria Cross) along with two ‘marabas’ (50 acres) and Rs 500 each. The British, who regained control over the fort after a few days, used burnt bricks of Saragarhi to build an obelisk for the martyrs. They also commissioned gurdwaras at Amritsar and Ferozepur in their honour.

#### INPUT TAX CREDIT

1.The Supreme Court has confirmed a Madras High Court judgment which upheld a fiscal formula included in the Central Goods and Service Tax Rules to execute refund of unutilised Input Tax Credit (ITC) accumulated on account of input services.

2.Background: The Madras HC had held last year that Section 54(3) of the Central Goods and Service Tax (CGST) Act – which allows for a refund of Input Tax Credit (ITC) where the accumulation is due to an inverted duty structure – does not infringe on Article 14 of the Constitution. It said that refund of tax paid on inputs and not input services was available under the inverted duty structure.

3.What is Input Tax Credit (ITC)? **It is the tax that a business pays on a purchase and that it can use to reduce its tax liability when it makes a sale. In simple terms, input credit means at the time of paying tax on output, you can reduce the tax you have already paid on inputs and pay the balance amount.**Exceptions-A business under composition scheme cannot avail of input tax credit. ITC cannot be claimed for personal use or for goods that are exempt.

4.Concerns over its misuse: There could be possibility of misuse of the provision by unscrupulous businesses by generating fake invoices just to claim tax credit. As much as 80% of the total GST liability is being settled by ITC and only 20% is deposited as cash. Under the present dispensation, there is no provision for real time matching of ITC claims with the taxes already paid by suppliers of inputs.

#### CLIMATE ACTION AND FINANCE MOBILIZATION DIALOGUE(CAFMD)

1.This was one of the main tracks of the U.S.-India Agenda 2030 Partnership that President Joe Biden and Prime Minister Narendra Modi announced at the Leaders Summit on Climate in April 2021. It was launched recently.

2.**It will provide both India and the United States an opportunity to renew the collaborations on climate change while also addressing the financial aspects.**

3.It will deliver climate finance primarily as grants and concessional finance, as envisaged under the Paris Agreement for strengthening the climate action.

#### SAMVATSARI

1.It is a festival celebrated by the Jain community, especially the Shwetambara sect. It is the last day of an eight-day observance of prayers called Paryushana Parva or Paryushana.

2.**It falls on Shukla Panchami each year in the Jain calendar month of Bhadrapada** (somewhere between the middle of August and September in the Gregorian calendar). 3.Samvatsari is also known as the Day of Forgiveness.

#### IMPACTS OF THAWING PERMAFROST

1.The latest IPCC report has warned that increasing global warming will result in reductions in Arctic permafrost. **Permafrost is defined as Ground (Soil, rock and any included ice or organic material) that remained at or below zero degree Celsius for at least 2 consecutive years.**

2.It is spread across an area of over 23 million square kms, covering about 15% of the land area of the globe.

3.Permafrost thawing will very rapidly impact the countries where roads/ buildings were constructed on permafrost. E.g.: Russian railways, Some roads in northwest Canada, etc If thawing begins, the organic material that is now entombed and

**The Supreme Court said it was not ready to reopen a debate on its judgments granting reservation in promotion in government jobs to Scheduled Castes and Scheduled Tribes. A Bench led by Justice L. Nageswara Rao reiterated the court's stand that it was up to the State governments to find ways and means of implementing the court's June 2018 judgment on the issue.**

frozen in the ground will become available for microbiota to break down.

**4.**In some environments, the biota will release carbon dioxide, and in others release methane which is about 25 to 30 times more potent as a greenhouse gas than carbon dioxide.