

Standing Committee Report Summary

The National Academic Depository Bill, 2011

- The Standing Committee on Human Resource Development submitted its 241st Report on 'The National Academic Depository Bill, 2011' on March 13, 2012. The Chairperson was Shri Oscar Fernandes.
- The Bill seeks to establish a national database of academic awards in electronic format, which can be verified and authenticated. The central government shall appoint a depository as the National Academic Depository (NAD) and maintain the national database. A depository has to be registered under the Securities and Exchange Board of India Act, 1992 (SEBI Act).
- Two security depositories were given pilot projects by the Central Board of Secondary Education. An Evaluation Report of the pilot projects is currently being prepared which would analyse the viability of securities depositories handling the work of an academic depository. The Committee advised the Ministry to study the report to ensure the viability of allowing security depositories to handle academic awards.
- The Committee advised that in order to avoid confusion, the Bill should specifically mention that it applies to all academic institutions.
- The Bill defines "academic award" as any certificate or degree or diploma granted by a school or higher educational institution. The Committee recommended that the definition include mark-sheets to avoid confusion.
- The Committee recommended that foreign boards and professional awards be included. These awards are given for recognized professional qualifications such as medical, engineering, architecture, nursing and chartered accountancy. Also, certificates related to performance in sports and other extra-curricular activities for which students get preference in admission should be included.
- The Committee stated that there is ambiguity about the supervisory mechanism for the NAD. It recommended that the Bill specify a regulatory authority for the NAD and the national database. The authority could include experts in education, information technology, finance and representatives of the Ministry of HRD. The regulatory framework could be on the lines of SEBI.
- The Committee suggested that the eligibility criteria for NAD be modified to engage experts in the higher education sector and those working in the IT sector.
- The Bill states that NAD shall register academic depository agents to assist in providing services. The Committee was of the view that all the services of NAD should not be delegated to agents, especially the core activities related to maintenance of data. Also, more stringent criteria should be prescribed for registration of agents by NAD.
- The Bill states that NAD may recover reasonable cost of training provided to academic institutions. The Committee recommended that the rate of training be prescribed through Rules.
- The Committee recommended that the seven days time limit given for verification/authentication of academic awards by NAD be reviewed after six months of commencement of the Act to see if it can be reduced.
- The Committee advised that academic awards of previous 10 years be mandatorily lodged after verification. This is necessary because such persons may still be in the job market and would benefit from such a service.
- The Bill lists various offences and penalties. For example, if any person, not authorized to do so, accesses the database, downloads or damages any data, introduces computer viruses, he shall pay a fine of upto Rs 1 crore. Such cases shall be adjudicated by the National Educational Tribunal. The Committee observed that the National and State Educational Tribunals are mandated to adjudicate disputes related higher educational institutions. Therefore, it recommended that this provision be reviewed since it will not be considered legally tenable. It also proposed that certain sections of the IT Act related to penalties and adjudication mechanism be included in the Bill.
- The Committee suggested that courts should take cognizance of an offence on a complaint made by an academic institution in addition to central or state government officers and officers in the depository.
- The Committee proposed that the government should provide some initial financial support for setting up NAD.
- The Committee recommended that the Bill be passed after incorporating the suggestions. It requested the Ministry to submit a note giving reasons for not incorporating certain amendments.

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