

# Education Sector Hotline

September 08, 2021

## THE 'ABC' OF ACADEMIC CREDIT TRANSFER IN INDIA: INDIA GIVES STUDENTS FLEXIBILITY IN HIGHER EDUCATION THROUGH ACADEMIC BANK OF CREDITS

- An Academic Bank of Credits will be set up where students can deposit, transfer and redeem credits earned through a variety of courses, including MOOCs
- Flexibility for students to experience diverse learning
- Students to have multiple entry and exit points in higher education, resulting in certificate, diploma, degree etc
- Synchronisation proposed for general and vocational / skill education

### INTRODUCTION

Continuing with the trend of fast-paced educational reforms, the University Grants Commission ("UGC") recently notified the UGC Establishment and Operation of Academic Bank of Credits in Higher Education) Regulations, 2021 ("Regulations")<sup>1</sup>. The Regulations *inter alia* provide for the establishment of an Academic Bank of Credits ("ABC") which will facilitate the recognition and transfer of credits earned by students, amongst various Higher Education Institutions ("HEI").

The aim of the Regulations is to enable students to "choose their own learning path to attain a Degree or Diploma or Post Graduate diploma or academic qualification, working on the principle of multiple entry-multiple exit ("MEE") as well as any-time, any-where, and any-level learning".

To supplement these Regulations, the UGC has also released guidelines on the implementation of MEE in Academic Programmes offered in HEIs ("Guidelines")<sup>2</sup>.

The Regulations and Guidelines are revolutionary in the context of how higher education in India has conventionally operated. The Regulations introduce learning flexibility and a system of earning and redeeming credits which, albeit prevalent in several other countries, evaded India.

In this hotline, we have analysed the key aspects of the Regulations and Guidelines and its impact for students, HEIs and the education sector in general.

### KEY HIGHLIGHTS OF THE REGULATIONS

#### What is the ABC?

The ABC<sup>3</sup> will be a national-level online facility established by the UGC with the approval of the Central Government. Its aim will be to promote flexibility of curriculum framework and interdisciplinary or multidisciplinary academic mobility of students across HEIs in India.

It will be established on the lines of the National Academic Depository ("NAD") which stores a student's academic documents, and will have a website<sup>4</sup> providing all details of the ABC scheme and its operational mechanism for the use of all stakeholders of higher education. It is proposed to function similar to a commercial bank with students as account-holders. The ABC will provide services such as credit<sup>5</sup> accumulation<sup>6</sup>, credit transfer<sup>7</sup>, and credit redemption<sup>8</sup> through the opening, closure and validation of academic bank accounts<sup>9</sup> ("ABA").

Students who pursue education as freelancers can also accumulate credits which can be deposited to student accounts.

Upon collection of a degree, diploma or certificate, these credits will be debited / deleted from the bank account. This will help a student to avail MEE options in HEIs, based on preference, convenience or necessity, and opt for a tailor-made degree and flexi-learning models.

The ABC will act as the body empowered by the Central Government / UGC to provide authenticated records of credits earned by students from registered HEIs. Nevertheless, the Regulations clarify that the ABC will not encroach upon the statutory powers of HEIs to award degrees and other academic qualifications.

#### Objectives

The primary objectives of the ABC and MEE system are *inter alia* to:

- promote student centricity with learner-friendly approach in higher education;

## Research Papers

### Taxing Offshore Indirect Transfers in India

February 28, 2025

### Unlocking Corporate Philanthropy

February 27, 2025

### Digital Health in India

February 26, 2025

## Research Articles

### Re-Evaluating Press Note 3 Of 2020: Should India's Land Borders Still Define Foreign Investment Boundaries?

February 04, 2025

### INDIA 2025: The Emerging Powerhouse for Private Equity and M&A Deals

January 15, 2025

### Key changes to Model Concession Agreements in the Road Sector

January 03, 2025

## Audio

### CCI's Deal Value Test

February 22, 2025

### Securities Market Regulator's Continued Quest Against "Unfiltered" Financial Advice

December 18, 2024

### Digital Lending - Part 1 - What's New with NBFC P2Ps

November 19, 2024

## NDA Connect

Connect with us at events, conferences and seminars.

## NDA Hotline

Click here to view Hotline archives.

## Video

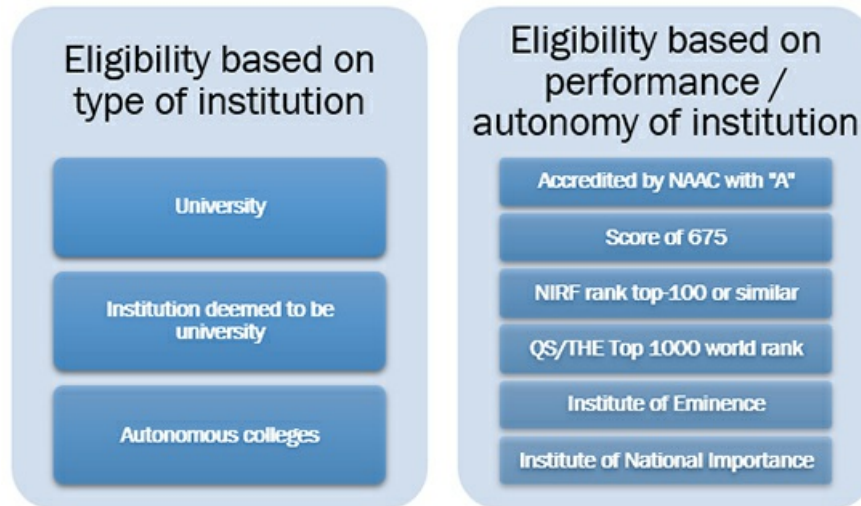
### SIAC 2025 Rules: Key changes & Implications

February 18, 2025

### How Cross Border M&A Will Shape

- promote a more inter-disciplinary approach;
- enable students to select the best courses to suit their aptitude and quest for knowledge;
- permit students to choose a pace and associated logistics and costs for their studies;
- allow students to tailor their degrees or make specific specialisations;
- enable MEE for students to complete their degrees as per their time preferences, providing mobility across various disciplines and HEIs for degree, diploma or certificate programme or course work for the Ph.D. programme;
- facilitate lifelong learning amongst all, including informal students;
- help students acquire the right foundations and building blocks to pursue their life goals;
- curtail dropouts and improve Gross Enrolment Ratio.

#### Registration and eligibility



*Dual eligibility criteria for the ABC scheme wherein the HEI must fulfil at least one of the criteria in each column*

The Regulations apply to universities, institutions deemed-to-be-universities and autonomous colleges.<sup>10</sup> In order for an HEI to be part of the ABC scheme, the ABC has to register such HEIs as per the Regulations and ensure that ABAs are opened and credits are verified and transferred. Only such HEIs which fulfil the following criteria are eligible to be registered with the ABC under the Regulations:

- accredited by either National Assessment and Accreditation Council with minimum 'A' Grade or by National Board of Accreditation for at least three programme(s) with a minimum score of 675 individually<sup>11</sup>;
- ranked in top 100 by the National Institutional Ranking Framework (NIRF) or a similar Assessment and Accreditation body to be established by the Indian Government from time to time;
- appearing in top 1000 world ranking of Quacquarelli Symonds (QS)/ Times Higher Education (THE);
- recognised as an Institution of Eminence; or
- recognised as an Institution of National Importance.

Additionally, the HEIs will be first required to obtain approval from their respective statutory authorities to apply for registration.

Therefore, there is a fairly strict eligibility criteria which has been prescribed, which will both (i) ensure that the quality of HEIs offering flexible credits and MEE options is high; and (ii) there is a further incentive for HEIs to be accredited or highly ranked.

#### Functioning of the ABC

When a registered HEI awards credits to students, the ABC will deposit the same in the individual Academic Bank Account ("ABA") of the student. The validity of the credits will be as per UGC guidelines and norms. The credits will be credited directly from the HEI, and the ABC is not permitted to accept any documents from students.

#### ABC to be inclusive of all courses

ABC is meant to be all-encompassing in terms of types of education programmes. It includes all higher education programmes coming under the purview of the UGC, the All India Council for Technical Education, and the National Council for Teacher Education.

Courses undergone by the students through the online modes through National Schemes like SWAYAM, NPTEL, V-Lab etc. or of any specified university, shall also be considered for credit transfer and credit accumulation.

ABC is also meant to be inclusive for all types of modes, and would include various existing and futuristic teaching-learning models. It may also include credits obtained in assessments for theory or practicals, if the same are offered as separate credit courses.

Further, credits obtained under skill courses from registered HEIs which offer vocational degree, diploma or certificate programmes are also eligible for accrual and redemption of credits through the ABC.

In addition to the choice-based courses to be undertaken by the student as a part of the specific higher education

programme in the HEI, students can also take additional courses of their aptitude, beyond the curriculum prescribed for the degree programme, and accrue credits in their respective ABA. HEIs have been given the flexibility to recognize such credits, even though they were earned for courses which weren't part of the prescribed course curriculum.

HEIs can also take decisions with respect to the curriculum content, educational technologies to be used for the courses offered, course timing, continuous evaluation methods, attendance and novel methods of assessment.

### Synchronisation of general education with vocational / skill training

The all-encompassing nature of the ABC scheme is furthered by the Guidelines which provide possible pathways for synchronisation for general education and vocational education. Given the demand of a skilled workforce in the economy, this is bound to provide a boost to vocational and skill training since the same can be combined with more conventional education. The Guidelines propose the following to achieve the end:

- Different qualification levels to be quality assured and include experiential learning
- Recognition of prior / parallel learning as credits for formal certification
- National Skills Qualification Framework (NSQF) to be detailed further for each discipline, vocation and profession for syncing with general education
- Indian standards to be aligned with standards set by International Labour Organisation
- Introduction of vocational education classes from grade 9 in secondary education
- In higher education, skilling to be integrated with NSQF-aligned vocational courses and bachelor degree in vocational studies.

### Exit and entry possibilities for students

The flexibility provided to students to earn credits is not absolute, however. Student must earn at least 50% of the credits from the HEI which will be awarding the degree / diploma / certificate. Further, a student must also earn the required number of credits in the core subject area necessary for the award of the degree / diploma / certificate, as specified by the HEI in which the student is enrolled. A detailed list of entry and exit options available to students has also been provided under the Guidelines, based on the various levels in higher education.

The registered HEI will have the authority to prescribe requirement of credits as well as essential components of study for award of any degree, diploma or certificate, or the course work requirements for the Ph.D. programmes.

Given that each individual HEI may prescribe its own requirements, it would be important to ensure that HEIs come together to decide on common factors and requirements. Otherwise, it would be difficult for students to ascertain HEIs where they can continue a specific course or redeem credits earned by them in a separate HEI.

### Redemption of credits

Credits earned and deposited with ABC shall be valid for the purpose of redemption to a degree or diploma or post graduate diploma or certificate, depending on the extent of study completed by the student.

They need to be redeemed within the period specified by the credit awarding / credit accepting HEIs, but within a maximum time frame of 7 years.

Even credits earned by students beyond the prescribed curriculum of their respective programme may be recognised towards grant of a certificate or diploma.

The redemption of credits will be one-time and irrevocable, and once redeemed, the credits cannot be used for an additional degree, diploma or certificate.

### ***Expectations from registered HEIs***

#### Course requirements

Registered HEIs will be mandatorily required to admit students in individual courses, in addition to their full degree programmes. Further, HEIs will have the flexibility to offer a set of courses which are only for the purpose of the ABC scheme. Subject to the approval of any professional regulatory bodies, HEIs are also permitted to have additional / supernumerary seats for admitting students.

#### Amendments to ordinances / statutes

Since the ABC scheme will lead to a new form of recognition of credits and grant of degrees, diplomas, etc., registered HEIs have been empowered to amend their ordinances/statutes appropriately.

#### Fees

Registered HEIs have been given the flexibility to fix the course fee based on the number of credits of that course for which the student is enrolled.

#### Consequences of violation of Regulations

In case of non-compliance with the Regulations, the UGC is empowered to withdraw the registration of the HEI with the ABC and may also cease to provide grants to such HEI. The Regulations do not prescribe any further consequences of violation.

## **TAKEAWAYS**

What was promised under the National Education Policy in 2020, has now been delivered by the Indian Government within a year of release of NEP. With these Regulations, the Government has truly broken the shackles of rigid course the Indian education system has been grappling with, which provided little room for any flexibility of experimentation in learning whatsoever.

The Regulations open up tremendous opportunities for the students to experience multi-disciplinary learning. For example, the Covid-19 pandemic saw the numerous challenges regarding vaccine development, right from their

research and development, to logistics of delivery of overcoming regulations and vaccine reluctance. A pharmaceutical researcher, therefore, can possibly pursue certain courses in supply chain management, psychology, sociology and even law, in order to think holistically, and not a siloed manner. This can be done without having to invest considerable time, money and effort into each individual field of education. Student can now combine varied courses as part of their main qualifying exam!

The fact that the Regulations encourage credits earned through different futuristic modes of learning, as well as skill-based courses, theory or practical, adds the cherry on the cake as students don't have to depend on rote learning or a fixated method of study to earn credits.

The MEE options give students the flexibility to continue their learning journey over the years, and update their skill sets and qualifications based on credits accumulated by them.

The Regulations and Guidelines are new, but revolutionary in nature. It will be important for the UGC to popularise the concept of credit transfers. The UGC has already called upon HEIs to implement the ABC scheme at the earliest, so that students can benefit from this commendable move by the UGC.

While some HEIs have already registered for this scheme, it will also be important for more HEIs to register themselves so that students can actually take benefit for it. A concerted approach of HEIs for transfers, and award of credits may also be helpful for students seeking transfers or pursuing different courses from the ones offered by the registered HEIs.

All in all, the ABC scheme is a highly facilitative and enabling— both HEIs and students can explore hitherto unexplored options and combinations of subjects which would lead to a truly holistic learning experience.

– Aniruddha Majumdar & Aarushi Jain

You can direct your queries or comments to the authors

---

<sup>1</sup> Regulations notified on July 28, 2021, and are available at the link [https://www.ugc.ac.in/pdfnews/9327451\\_Academic-Bank-of-Credits-in-Higher-Education.pdf](https://www.ugc.ac.in/pdfnews/9327451_Academic-Bank-of-Credits-in-Higher-Education.pdf) (last accessed on September 8, 2021)

<sup>2</sup> <https://www.ugc.ac.in/e-book/GL%20Multiple%20Entry%20Exit/mobile/index.html> (last accessed on September 8, 2021)

<sup>3</sup> Defined under the Regulations as “an academic service mechanism as a digital or virtual or online entity established by the Commission with the approval of the Central Government, to facilitate students to become its academic account holders, thereby paving the way for seamless student mobility between or within degree-granting Higher Educational Institutions through a formal system of credit recognition, credit accumulation, credit transfers and credit redemption to promote distributed and flexible teaching-learning”

<sup>4</sup> <https://www.abc.gov.in/> (last accessed on September 8, 2021)

<sup>5</sup> Defined under Regulation 2(h) of the Regulations as “the standard methodology of calculating one hour of theory or one hour of tutorial or two hours of laboratory work, per week for a duration of a semester (13-15 weeks) resulting in the award of one credit; which is awarded by a higher educational institution on which these regulations apply; and, Credits’ for internship shall be one credit per one week of internship, subject to a maximum of six credits”

<sup>6</sup> Defined under Regulation 2(i) of the Regulations as “the facility created by Academic Bank of Credits in the Academic Bank Account opened by students in order to transfer and consolidate the credits earned by them by undergoing Courses”.

<sup>7</sup> Defined under Regulation 2(l) of the Regulations as “the process of commuting the accrued credits in the Academic Bank Account of the students maintained in ABC for the purpose of fulfilling the credits requirements for the award of Degrees or Diplomas or Certificates or Course work for Ph.D. programme etc., by the registered degree-awarding Higher Educational Institutions”.

<sup>8</sup> Defined under Regulation 2(k) of the Regulations as “the process of commuting the accrued credits in the Academic Bank Account of the students maintained in ABC for the purpose of fulfilling the credits requirements for the award of Degrees or Diplomas or Certificates or Course work for Ph.D. programme etc., by the registered degree-awarding Higher Educational Institutions”.

<sup>9</sup> Defined under Regulation 2(b) of the Regulations as “an individual account with the Academic Bank of Credits opened and operated by a student, to which all academic credits earned by the Student from course(s) of study are deposited, recognised, maintained, accumulated, transferred, validated or redeemed for the purposes of the award of degree/diploma/certificates etc. by an awarding institution”.

<sup>10</sup> Defined under Regulation 2(d) of the Regulations as “any institution, whether known as such or by any other name, accorded with autonomous status by the Commission upon the recommendations of the affiliating university and the State Government concerned, by virtue of which it provides for a course or programme of study with academic and innovative flexibility for obtaining any qualification from a university; and which, in accordance with the Statutes and Ordinances of such university, is recognised as competent to provide for such course or programme of study and present students undergoing such course or programme of study for the examination leading to the award of such qualification”.

<sup>11</sup> If the number of programme(s) being run by the HEI is less than three, then each of the programmes should secure 675 or more marks.

## DISCLAIMER

The contents of this hotline should not be construed as legal opinion. View detailed disclaimer.

This Hotline provides general information existing at the time of preparation. The Hotline is intended as a news update and Nishith Desai Associates neither assumes nor accepts any responsibility for any loss arising to any person acting or refraining from acting as a result of any material contained in this Hotline. It is recommended that professional advice be taken based on the specific facts and circumstances. This Hotline does not substitute the need to refer to the original pronouncements.

This is not a Spam mail. You have received this mail because you have either requested for it or someone must have suggested your name. Since India has no anti-spamming law, we refer to the US directive, which states that a mail cannot be considered Spam if it contains the sender's contact information, which this mail does. In case this mail doesn't concern you, please unsubscribe from mailing list.