

30 March 2020: PIB Summary & Analysis

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1. Benefits to Farmers

Context:

The government gives benefits to farmers on crop loan repayments due to Covid-19 lockdown.

Details:

- In the wake of the lockdown, the Government has extended the benefit of 2% Interest Subvention (IS) to banks and 3% Prompt Repayment Incentive (PRI) to all farmers up to 31st May, 2020 for all crop loans up to Rs.3 lakh given by banks which have become due or are becoming due between 1st March, 2020 and 31st May, 2020.
- Due to restrictions imposed on movement of people, many farmers are not able to travel to bank branches for payment of their short term crop loan dues.
- Moreover, due to restrictions on movement of people and difficulty in timely sale and receipt of payment of their produce, farmers may be facing difficulties in repayment of their short term crop loans falling due during this period.
- The Government is also providing concessional crop loans to farmers through banks with 2% p.a. interest subvention to banks and 3% additional benefit on timely repayment to farmers thus providing loans up to Rs.3 lakh at 4% p.a. interest on timely repayment.

2. Special Economic Zones (SEZs)

Context:

Relaxations provided on compliances to be met by units/developers/co-developers of SEZs.

Details:

- In view of the sudden outbreak of the COVID-19 pandemic and the nation-wide lock-down, most government offices are closed and a few involved in emergency services etc., are functioning with skeletal staff.
- The Department of Commerce has therefore decided to provide suitable relaxations on compliances to be met by units/developers/co-developers of Special Economic Zones (SEZs).
- Such compliances to which the relaxations will apply, include:
 - Requirement to file Quarterly Progress Report (QPR) attested by Independent Chartered Engineers by Developers/Co-developers.
 - SOFTEX form to be filed by IT/ITES units.
 - Filing of Annual Performance Reports (APR) by SEZ units.
 - Extension of Letter of Approvals (LoA) which may expire, in the cases of:
 - Developers/co-developers who are in the process of developing and operationalising the SEZ;
 - Units which are likely to complete their 5 year block for NFE assessment;
 - Units which are yet to commence operations.
 - Development Commissioners of SEZs have been directed to ensure that no hardship is caused to Developers/Co-Developer/Units and no punitive action is taken in cases where any compliance is not met during this period impacted by the above disruption.

To know more about [Special Economic Zones \(SEZs\)](#), click on the linked article.

3. Ministry of Corporate Affairs

Context:

The Ministry of Corporate Affairs introduces the “Companies Fresh Start Scheme, 2020” and revised the “LLP Settlement Scheme, 2020” to provide relief to law-abiding companies and Limited Liability Partnerships (LLPs) in the wake of COVID 19.

Details:

- The two schemes aim to provide a first of its kind opportunity to both companies and LLPs to make good any filing related defaults, irrespective of the duration of default, and make a fresh start as a fully compliant entity.
- The Fresh Start scheme and the modified LLP Settlement Scheme incentivise compliance and reduce compliance burden during this COVID-19 health crisis.
- Both the schemes incorporate a one-time waiver of additional filing fees for delayed filings by the companies or LLPs with the Registrar of Companies during the currency of the Schemes, i.e. during the period starting from 1st April, 2020 and ending on 30th September, 2020.

- The Schemes, apart from giving longer timelines for corporates to comply with various filing requirements under the [Companies Act 2013](#) and LLP Act, 2008, significantly reduce the related financial burden on them, especially for those with long standing defaults, thereby giving them an opportunity to make a “fresh start”.
- Both the Schemes also contain provisions for giving immunity from penal proceedings, including against imposition of penalties for late submissions and also provide additional time for filing appeals before the concerned Regional Directors against imposition of penalties, if already imposed.
- However, the immunity is only against delayed filings in MCA21 and not against any substantive violation of law.

4. IBBI amends CIRP Regulations

Context:

IBBI amends CIRP Regulations to provide relief in corporate insolvency resolution process due to COVID-19 outbreak.

Details:

- To address the difficulty faced by the lockdown due to COVID-19, the **Insolvency and Bankruptcy Board of India (IBBI)** amended the CIRP (corporate insolvency resolution process) Regulations to provide that the period of lockdown imposed by the Central Government in the wake of COVID-19 outbreak shall not be counted for the purposes of the time-line for any activity that could not be completed due to the lockdown, in relation to a corporate insolvency resolution process. This would, however, be subject to the overall time-limit provided in the Code.

About the IBBI:

- The IBBI was formed in 2016 under the IBC.
- It is the regulator responsible for overseeing the insolvency proceedings.
- It is responsible for the implementation of the IBC that consolidates and amends the laws relating to reorganization and insolvency resolution of corporate persons, partnership firms and individuals.
- It has regulatory oversight over:
 - Insolvency Professionals
 - Insolvency Professional Agencies
 - Insolvency Professional Entities
 - Information Utilities
- It frames and enforces rules for:
 - Corporate insolvency resolution
 - Corporate liquidation

- Individual insolvency resolution
- Individual bankruptcy

To know more about the [Insolvency and Bankruptcy Code](#), click on the linked article.

5. Technology by Pune based Startup incubatee of Scitech Park to disinfect Maharashtra hospitals in Covid 19 fight

Context:

The technology has been developed under the NIDHI PRAYAS program initiated by the Department of Science and Technology (DST).

Details:

- - This technology offers an effective solution for India's fight against Covid 19 by reducing the viral load of infected areas within a room significantly within an hour.
 - DST has released Rs 1 crore to manufacture and scale up the product, and 1000 of them will soon be ready for installation in various hospitals in Maharashtra. JCLEAN WEATHER TECHNOLOGIES, a Pune based company, is manufacturing the product.
 - The negative ion generator titled **Scitech Airon**, which helps to control virus, bacteria, and fungal infections in a closed environment, could clean up the air and disinfect areas which are exposed to the infection through Covid 19 positive cases and suspects.
 - Hence it could ensure the wellbeing of the staff, doctors, and nurses who are working round the clock in the quarantine facilities by enhancing their disease resistance power and ability to fight the virus.
 - The product's usefulness in killing disease-causing viruses and bacteria has been scientifically tested by various globally renowned labs in different types of closed environments like houses, hospitals, schools, farms, industries, and so on.
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- **One hour of operation of the ion generator machine reduces viral load within a room by 99.7% depending on room size.**
 - How it works?
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 - The Scitech Airon ionizer machine generates negatively charged ions at approximately hundred million per 8 seconds (10 ions per sec).

- The negative ions generated by the ionizer form clusters around microparticles such as airborne mould, corona or influenza viruses, mite allergens, bacteria, pollens, dust and so on and render them inactive through a chemical reaction by creating highly reactive OH groups called hydroxyl radicals and H O which are highly reactive and known as atmospheric detergents.
- The detergent property generated by the ion generator helps in the breakdown of the outer protein of the allergens, viruses, and bacteria, which helps in controlling airborne diseases.
- It increases the body's resistance to infections and harmful environmental factors. This resistance could be helpful for the next 20-30 days outside the ion atmosphere.
- It also decomposes gaseous pollutants like Carbon Monoxide (1000 times more harmful than Carbon dioxide), Nitrogen dioxide, and Volatile Organic Compounds.
- The efficacy of the Ion generator has also been observed on different types of pathogens like the Influenza virus, Coxsackie virus, Polio virus, Human Corona virus, a range of allergens, bacteria, and fungi.
- It could also be useful against floating viruses in the air on public transport, train stations, or airports, or especially within a confined space like a plane cabin, house, hospital ward, and so on.

