

# **UPSC Daily Current Affairs | Prelim Bits 21-06-2020**

## IBC

- Insolvency and Bankruptcy Code, 2016 was enacted for reorganization and insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner for maximization of the value of assets.
- The Ecosystem of IBC is based on
- 1. **Adjudicating authority (AA) -** would be the National Company Law Tribunal (NCLT) for corporate insolvency.
  - It will entertain or dispose of any insolvency application, approve/ reject resolution plans, decide in respect of claims or matters of law/ facts thereof.
- 2. **Debt Recovery Tribunal (DRT)** has jurisdiction over individuals and partnership firms other than Limited Liability Partnerships.
- 3. **The Insolvency and Bankruptcy Board of India (IBBI)** apex body for promoting transparency & governance in the administration of the IBC.
  - It will be involved in setting up the infrastructure and accrediting IPs (Insolvency Professionals (IPs) & IUs (Information Utilities).

### Waterfall Mechanism under IBC

- Section 53 of IBC deals with the waterfall mechanism, which gives priority to secured financial creditors over unsecured financial creditors.
- The mechanism says that if a company is being liquidated, these secured financial creditors must be first paid the full extent of their admitted claim, before any sale proceedings are distributed to any other unsecured creditor.
- The top most priority, however, is given to costs related to the liquidation process and dues of workmen of the corporate debtor.
- The dues of the workmen include all their salaries, provident, pension, retirement and gratuity fund, as well as any other funds maintained for the welfare of the workmen.

### **Types of creditors**

- Secured creditor is generally a bank or other asset-based lender that holds a fixed or floating charge over a business asset or assets.
- When a business becomes insolvent, sale of the specific asset over which security is held provides repayment for this category of creditor.

- **Unsecured creditor** is an individual or institution that lends money without obtaining specified assets as collateral.
- This poses a higher risk to the creditor because it will have nothing to fall back if the borrower default on the loan.

## **Atal Innovation Mission**

- Atal Innovation Mission (AIM) is under NITI Aayog.
- It is mandated to create an umbrella structure to oversee innovation ecosystem of the country and revolutionizing the innovation eco-system.
- It shall have two core functions -
- 1. <u>Entrepreneurship promotion through Self-Employment and Talent Utilization</u> (<u>SETU</u>), wherein innovators would be supported and mentored to become successful entrepreneurs.
- 2. <u>Innovation promotion</u> to provide a platform where innovative ideas are generated.
- Recently Coal India Limited (CIL) has agreed to partner with AIM to support proactively the flagship mission's innovation and entrepreneurship initiatives across the country.
- AIM has various innovation programs and entrepreneurial ecosystem building initiatives such as
- 1. Atal Tinkering Labs (ATL) at a school level,
- 2. Atal Incubation Centres (AIC) at institutional levels,
- 3. Atal Community Innovation Centres (ACIC) for Tier-2, Tier3 cities and rural India,
- 4. Atal New India Challenges (ANIC) at industry level
- 5. Applied Research and Innovation (ARISE) for stimulating innovations in the MSME industry.

# Asian Infrastructure Investment Bank

- The Asian Infrastructure Investment Bank (AIIB) is a multilateral development bank with a mission to improve social and economic outcomes in Asia.
- Its HQ is in Beijing, China.
- It is established by a multrilateral treaty AIIB Articles of Agreement.
- India joined AIIB in 2016 as a regional member of the Bank.
- Further, 14 of the G-20 nations are AIIB members including France, Germany, Italy and the United Kingdom.
- China is the largest shareholder in AIIB with a 26.06% voting power, followed by India with a 7.62% voting power.

- Recently, the AIIB has approved a \$750 million loan to India to strengthen the country's battle against the adverse impact of Covid-19 pandemic on poor and vulnerable households.
- The loan is co-financed by the AIIB and the Asian Development Bank.
- It aims to ensure economic resilience to prevent long-term damage to productive capacity, including human capital.

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# **Punjab Civil Service Board**

- Punjab government has constituted a three-member civil services board to decide on IAS transfers and postings in the state.
- The civil services board is headed by *Chief secretary of a state*.
- It has senior most additional chief secretary or chairman, Board of Revenue, Financial Commissioner or an officer of equivalent rank and status as member.
- In addition, it will have Principal Secretary or Secretary, Department of Personnel in the state government as member secretary.
- The board is mandated to decide on the transfer of a civil servant before completion of his or her fixed tenure.
- The rules mandate the civil services board to submit an annual report on January 1 to the central government about the date of the meetings held by them.
- In 2013, SC directed the Centre and the States to set up a civil services board to consider transfers and posting of bureaucrats among others.
- This is mainly to insulate the bureaucracy from political interference and to put an end to frequent transfers of civil servants by political bosses.
- As per rules, all states should have a civil services board to decide on transfers and postings of the bureaucrats.

### **Reverse Zoonosis**

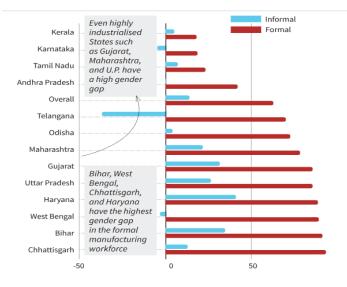
- Zoonosis is an infectious disease caused by a pathogen that has jumped from an animal to a human.
- When the pathogen is transmitted from human to animals, it is known as reverse zoonosis.
- The animal infected through the process may in turn re-transmit the infection to humans under some circumstances.
- Recently novel coronavirus SARS-CoV-2 has begun infecting minks farms in the Netherlands.
- It could largely have been transmitted through indirect routes such as through feed or bedding material, infectious droplets or by contaminated

dust from the bedding.

- Literature has shown that the phenomenon of reverse zoonosis can also happen in case of other pathogens such as resistant bacteria.
- This can add to the greater spread of bacterial infections in animals.
- It can also involve an increased use of antibiotics to treat or prevent such infections, eventually contributing to another slow pandemic of antimicrobial resistance.

## Minks

- Minks are small semi-aquatic mammals raised for their fur.
- Mink oil is used in some medical products and cosmetics, as well as to treat, preserve and waterproof leather.
- There are two extant species referred to as "mink" the American mink and the European mink.
- All European mink have a large white patch on their upper lip, whereas only some American mink have this marking, therefore, any mink without the patch is certainly of the American species.



Source: Indian Express, PIB, DTE

