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Development in Laws and Policies during Covid-19 Epidemic 2020

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ABSTRACT

The term “Epidemic” is derived from a Greek word “Epidemia” means “staying in one place, among the people”. This paper follows an investigative pattern of research as it explores the developments in laws and policies during the epidemic: Novel Coronavirus. Further it brings in suggestions to ease citizen’s life during this period. This paper also throws light on how Epidemic disease act, 1897 created with the aim to protect the common citizens during the outbreak of the dangerous disease or epidemic is the major law to govern the harassment, harm, healthcare and all other factors during this hardship.

Further it scrutinizes other laws and policies like Essential Commodities Act, 1955 where a number of important commodities have been removed from the list, Atmanirbhar bharat scheme where the basic definition of Micro, Small, Medium Enterprise has been amended, Foreign Direct Investment Policy and Labour Laws which has also changed enormously during this pandemic period.

Finally the authors conclude by saying that there is a need to strengthen panchayats, decrease crime against women that has boosted surely during this phase and the need to have cooperative federalism.

Keywords: Epidemic, Coronavirus, Commodities, Developments, Laws.

I. INTRODUCTION

The Covid-19 virus has proven to be deadly and contagious to the whole human race. It has been progressing throughout the nation and has turned into an epidemic. Epidemic is a term used to describe an issue that has spun out of control. This occurs when some infectious disease spreads quickly in a population within a location or a country. Epidemics spread in the population in a very short period of time and are generally highly communicable diseases. They can be bacterial, viral, or any other health events. The Coronavirus or Covid-19 is an infectious disease which is caused by SARS Cov 2. It had been first reported in Wuhan city of China, which was originated in a seafood market. It travelled from China and spread in a number of

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countries. This is a respiratory disease which causes pneumonia. It spreads through saliva droplets and also discharges from the nose when an infected person sneezes. The vaccine and treatment is not available as of now due to which it has impacted the socio economic conditions worldwide.

To stop this disease from taking any more lives and return back to normalcy, government has made development in several laws and policies like Epidemic disease act 1897, Essential commodities act 1955, dilution of labour laws and Atmanirbhar Bharat Abhiyaan which will be discussed below.

II. REVIEW OF LITERATURE

Relevant literature has been evaluated in accordance with the present paper. The term “Epidemic” is derived from a Greek word “Epidemia” means “staying in one place, among the people”.³ A list of epidemics took place in the World’s history leading to loss of lives in enormous numbers (World Atlas).⁴ The latest and most deadly epidemic is Covid-19.

Despite several years of research, it is unclear how to fight this disease and the public health experts fear that a vaccine won’t be sufficient to fight these disease. (Hindustan Times).⁵

Keeping the current situation in mind, the government of India made several developments in law to manage the crisis and deliver better outcomes for the citizens of India.

III. RESEARCH OBJECTIVE

Throughout the paper, an effort has been made to analyse the number of epidemics which has shaped our global health system, implications of current covid-19 related laws and policies in India, developments in legal system to curb the present pandemic and delivering effective solutions to combat the disease.

IV. RESEARCH METHODOLOGY

This paper investigates the developments made in laws and policies by using primary and secondary data throughout the paper. The primary data have been taken from legitimate government sources. Various acts like Epidemic disease act 1897, Essential commodities act

³ Epidemic. (n.d.). Retrieved August 18, 2020, from <https://www.dictionary.com/browse/epidemic>

⁴ North America and others, 'The 10 Worst Epidemics In History' (WorldAtlas, 2020) <[⁵ A vaccine for Covid-19 won't be enough to end the pandemic: Report. \(2020, May 14\). Retrieved August 18, 2020, from <https://www.hindustantimes.com/world-news/a-vaccine-for-covid-19-won-t-be-enough-to-end-the-pandemic-report/story-2BBwfEYM8pCq5cisFfB10N.html>](https://www.worldatlas.com/articles/the-10-worst-epidemics-in-history.html#:~:text=Plague%20of%20Justinian%20%28Byzantine%20Empire%2C%20541%20-%20750%29,this%20time%2C%20which%20was%20half%20the%20world%20population.></p></div><div data-bbox=)

1955 and a number of labour laws have been analyzed and scrutinized. Different policies like Foreign Direct Investment policy and Atmanirbhar policy have also been examined to throw light upon the recent pandemic. The secondary data include the report of centers for disease control and amendments which has been researched from prsindia, an independent organization and other secondary sources like legal journal and newspaper articles from Hindustan times, Indian Express and India Today etc.

V. DISCUSSION AND FINDINGS

Major epidemics

Historically, a number of epidemics have left a broad impact on the population of the world.

1. Plague of Justinian – The first epidemic in history was Plague of Justinian which occurred in the period of Byzantine Empire during 541 – 542 AD and marked the decline of an empire. This occurred numerous times throughout the centuries and this epidemic recorded around 100 million deaths which was also the half of the world's population. This resulted in the highest loss of lives in the history of any epidemic⁶.
2. Black Plague of Europe –Also known as the 'Black Death', the plague travelled from Asia to Europe. This epidemic occurred during 1346 – 1350 AD and around 50 million people died from this plague⁷. It began in Asia and continued to spread rapidly throughout the world by rats covered with inflected flees. This also led to death of around 60% of Europe's population.
3. Human Immunodeficiency Virus/ Acquired Immunodeficiency Syndrome (HIV/AIDS):- HIV/ AIDS started in 1960 and continue to be the most long lasting epidemic as it is still exists. The world became aware of this epidemic in 1980. Till date, HIV/AIDS virus has caused around 39 million deaths. Treatment of this virus became available in 1987 and it is aggressive in Sub Saharan Africa with 69% of global infections. The main reason behind the spread of HIV/AIDS is little or no sex education and poor economic conditions.
4. Spanish Flu - This epidemic had occurred during 1918- 1920, and around 500 million people fell victims to this flu. Out of these, one – fifth died. The Spanish Flu spread

⁶ North America and others, 'The 10 Worst Epidemics In History' (WorldAtlas, 2020) <[⁷'The Black Death: The Greatest Catastrophe Ever | History Today' \(*Historytoday.com*, 2020\) <\[>\]\(https://www.historytoday.com/archive/black-death-greatest-catastrophe-ever\)](https://www.worldatlas.com/articles/the-10-worst-epidemics-in-history.html#:~:text=Plague%20of%20Justinian%20%28Byzantine%20Empire%2C%20541%20-%20750%29,this%20time%2C%20which%20was%20half%20the%20world%20population.></p></div><div data-bbox=)

was enhanced by cramped conditions of soldiers and poor nutrition that people were experiencing during World War 1⁸.

5. Modern Plague- This epidemic had occurred during 1894-1903 and had claimed approx. 10 million deaths.
6. Asian Flu - This epidemic had occurred during 1957-1958. The death recorded from this epidemic is estimated around 2 million⁹ and the virus that caused the pandemic was a blend of avian flu viruses.
7. Russian Flu - This plague had occurred during 1889-1890 and killed around 1 million people.¹⁰
8. Hong Kong Flu- This epidemic occurred during 1968- 1969 and killed approx.1 million people.¹¹

The Novel Corona Virus outbreak was declared as an epidemic in March 2020 by World Health Organization (WHO) because the virus was able to travel all over the world¹².

VI. DEVELOPMENTS IN LAW BECAUSE OF COVID-19-

Epidemic Disease Act, 1897

This is a colonial act which was enacted by the Britishers in the state of Bombay during the Plague of Justinian. This act was created with the aim to protect the common citizens during the outbreak of the dangerous disease or epidemic. The Act consists of four sections and aims to prevent the increase of the disease or epidemic.

Section 1 of the Act describes the title and extent of the Act.

Section 2 of the Act empowers Union Territories and States to make regulations to prevent the outbreak.

Section 3 of the Act provides with the penalties for not obeying any of the regulations made under the Act.

Section 4 of the Act deals with the protection of implementing officers under the Act.

⁸ (History.com, 2020) <<https://www.history.com/topics/world-war-i/1918-flu-pandemic>>

⁹ '1957 Flu Pandemic | Cause, History, Deaths, & Facts' (Encyclopedia Britannica, 2020) <<https://www.britannica.com/event/1957-flu-pandemic>>.

¹⁰ '5 Of The Worst Flu Outbreaks In Recent History | The Weather Channel' (The Weather Channel, 2020) <<https://weather.com/health/cold-flu/news/2020-01-31-5-worst-flu-outbreaks-in-recent-history>>.

¹¹ '1968 Pandemic (H3N2 Virus) | Pandemic Influenza (Flu) | CDC' (Cdc.gov, 2020) <<https://www.cdc.gov/flu/pandemic-resources/1968-pandemic.html>>.

¹² 'The WHO Just Declared Coronavirus COVID-19 A Pandemic' (Time, 2020) <<https://time.com/5791661/who-coronavirus-pandemic-declaration/>>

Provisions of Epidemic Diseases Act 1897

- It gives power to Union Territories and State Government to make regulations for prevention of the epidemic outbreak.
- It gives power to State Governments to prescribe regulations of temporary nature which should be observed by public or by any class of person as it thinks fit to prevent the spread of dangerous diseases.
- The state can determine the manner in which expenses shall be met and by whom, including compensation if any.
- If an inspecting officer suspects anyone who has been infected by any epidemic then the state government can take measures and provide regulations for temporary accommodation in hospital and can prescribe regulations for inspection of a person travelling by railways or otherwise.
- This act provides with penalties for not obeying the regulations or order made under this Act. These penalties are according to Section 188 of the Indian Penal Code 1860, which talks about the Disobedience to order duly promulgated by public servant.
- This act also provides the legal protection to implementing officers under the Act.

Examples of implementation:-

- To prevent Swine Flu Epidemic 2009 in Pune, powers under Section 2 were used to open screening centers across the city, and swine flu was declared as a notifiable disease.¹³
- In year 2015, to prevent Dengue and Malaria in Chandigarh, the Act was implemented and the officers who were controlling were instructed to ensure the issuance of notices and to make challans of Rs. 500 to offenders.¹⁴
- To prevent Cholera disease in year 2018, district collector of Vadodra, Gujarat issued a notification under the act, declaring the village Khedkarmsiya in Waghodiais affected by Cholera after 31 people complained of being affected by this disease.¹⁵

¹³ 'Epidemic Disease Act | Triumphias' (*Triumphias*, 2020) <<https://triumphias.com/blog/epidemic-disease-act/>>

¹⁴ 'Yahoo Is Now A Part Of Verizon Media' (*In.news.yahoo.com*, 2020) <<https://in.news.yahoo.com/explained-epidemic-act-1897-govt-204136418.html>>

¹⁵ 'Yahoo Is Now A Part Of Verizon Media' (*In.news.yahoo.com*, 2020) <<https://in.news.yahoo.com/explained-epidemic-act-1897-govt-204136418.html>>

Criticism of Epidemic Disease Act 1897

This Act is being criticized for its potential of abusing. Practicing powers conferred by the act colonies officers would find plague cases in homes and among the passengers, with the forcible segregations, evacuation and demolitions of infected places.

In the year 1897, when the law was enforced, Bal Gangadhar Tilak, who was a freedom fighter, was punished with rigorous punishment of 18 months after his newspaper Kesari and Mahratta exposed imperial authorities for their handling of plague epidemic.¹⁶

Ordinance of Epidemic Disease Act

In the year 2020, Epidemic Disease (Amendment) Ordinance 2020 was declared. This ordinance has amended the Epidemic Act 1897. This act provides prevention from spread of epidemic diseases.

This ordinance is made to include protections for the healthcare workers, fighting the epidemic diseases and increase the power of central government to prevent the spread of dangerous epidemic disease. Ordinance has defined healthcare workers as a person who is at a high risk of contracting the dangerous epidemic disease while carrying out their duties regarding epidemic.¹⁷

These include clinical and public healthcare providers such as doctors and nurses, any person who has the power to take steps to prevent the outbreak of dangerous disease and any person who is designated by the State Government.

The following acts are included under act of violence committed against the healthcare workers

- Harassment which impacts on working and living conditions,
- Any type of harm, hurt, injury or danger to life,
- Hindrance in discharge of health care worker duties,
- Damaging the documents or property of healthcare personnel¹⁸

Property includes a clinical establishment, a quarantine facility, a mobile medical unit, or any other property in which the affected person has direct interest regarding epidemic.

Powers of Central Government - This Act tells that central government may administer

¹⁶ Explained: Govt Invokes Epidemic Diseases Act, 1897 To Fight Coronavirus; What Is It? (*The Indian Express*, 2020) <<https://indianexpress.com/article/explained/explained-what-is-the-epidemic-act-of-1897-govt-has-invoked-to-fight-coronavirus-6309925/>>.

¹⁷ 'The Epidemic Diseases (Amendment) Ordinance, 2020' (*PRsIndia*, 2020) <<https://www.prsindia.org/billtrack/epidemic-diseases-amendment-ordinance-2020>>

¹⁸ 'The Epidemic Diseases (Amendment) Ordinance, 2020' (*PRsIndia*, 2020) <<https://www.prsindia.org/billtrack/epidemic-diseases-amendment-ordinance-2020>>

- Checking of any ships and vessels whenever arriving at any port,
- Arrest of any person who is intending to travel from any port during the outbreak.

The Ordinance of the Act increases the powers of central government to inspect any bus, train, ship, vehicle, goods, vessel, or aircraft arriving or leaving from any port. Furthermore, Central Government may regulate arrest of anybody who is intending to travel by any of these means.

Protection for healthcare workers and damage to the property - Ordinance specify that no person can

- Commit any act of violence or abet any act of violence against any health care service personnel.
- Abet or damage any property during an epidemic. Breach of this provision is punishable, that is imprisonment between three to five years and fine between Fifty thousand and two lakh rupees.

If violence committed on healthcare personnel causes a severe harm, then victim can compound the offence with the permission of the court.

Any person who is committing this offence will be punishable with imprisonment between six months and seven years, also paying fine between one lakh rupees and five lakh rupees. These offences are non bailable and cognizable¹⁹.

Compensation is given to the health care personnel by the persons who are convicted for causing hurt to them under the Ordinance. Such compensation will be decided by the court. If loss or damage is caused to the property then compensation paid to the victim will be twice of the amount of fair market value of the lost or damaged property, as decided by the Court. If the convicted person fails or is not able to pay the compensation to the health care personnel then compensation will be recovered as an arrear of land revenue under Revenue Recovery Act 1890.

Cases which are registered under this ordinance will be investigated or checked by the police officer who should not be below the rank of Inspector. Investigation of the case should be done within 30 days from filing of First Information Report.

Trial or inquiry of the case should be done within one year. If it is not done within one year then judge must give the reasons for the delay and then extend the time period but time period can't be extended for more than six months at a time. While prosecuting any person for causing

¹⁹ 'The Epidemic Diseases (Amendment) Ordinance, 2020' (*PRSIIndia*, 2020) <<https://www.prsindia.org/billtrack/epidemic-diseases-amendment-ordinance-2020>>

the grievous hurt to any healthcare personnel, the court will presume that person guilty of offence, unless the contrary is proved²⁰.

During COVID 19 outbreak, people of certain abstinence have caused harm or injuries to health workers which have destroyed the morale of health care personnel's. The morale of the healthcare personnel's will be increased with this ordinance. Also, the provisions of this ordinance will reduce the morale of the criminals.

The world has been facing different epidemics for centuries. The Epidemics Disease Act is a great step towards tackling these epidemics. The government comes up with new provisions and amendments according to the changing needs. The recent ordinance of Epidemic Disease Act is one such example, the health care service personnel needed a protection during the Covid-19 outbreak which has been given by the ordinance. However, it is essential to focus more on the enforcement part.

Essential Commodities Act, 1955

Essential Commodities Act was enacted in 1955. The government has since used it to control the production, procurement and distribution of a whole host of goods it deems 'necessary' to make them available to customers at fair prices. Drugs, fertilizers, pulses and edible oils, and petroleum products are included on the list of items under the Act. As and when the need arises, the Center can include new commodities and remove them from the list once the situation improves. The Act also allows the government to fix the maximum retail price (MRP) of any packaged product which it declares to be a "essential commodity."

How it works?

1. If the Center finds that a certain commodity is in short supply and its price is spiking, it may for a specified period notify stock holding limits on it.
2. On this notice, States act to define limits and take measures to ensure that they are adhered to.
3. Someone who sells or deals in a product, whether it is wholesalers, manufacturers or even importers, is prohibited from keeping it in excess of a certain volume.
4. However, a State can opt not to impose any restrictions. But once it does, traders must sell any stocks held beyond the mandated quantity into the market immediately.

²⁰ The Epidemic Diseases (Amendment) Ordinance, 2020' (*PRsIndia*, 2020) <<https://www.prsindia.org/billtrack/epidemic-diseases-amendment-ordinance-2020>>

In several places around the world, including India, the coronavirus pandemic has wreaked havoc buying masks and hand sanitizers. Under the Essential Commodities Act, Government brings masks and hand sanitizers which was removed again in July 2020²¹. The order of the government came in the wake of reports of shortage of these commodities, a sudden and sharp spike in their prices, and manufacturers alleged hoarding of stocks.²²

Under the Essential Commodities Act, the Central Government's powers were already delegated by orders to the States during the period 1972 to 1978. Therefore the States / UTs may take action against the offenders.

In the proposed amendments, essential substances such as cereals, pulses, oilseeds, edible oils, onion, and potatoes are excluded from the Essential Commodities Act²³. This is done because:-

- It would remove the concerns of undue regulatory interference on private investors in their business operations.
- The freedom to produce, hold, move, distribute and supply will result in economies of scale being harnessed, and will attract direct private / foreign investment into the agricultural sector.
- It will help drive up investment in cold storage and food supply chain modernization.

Dilution of Labour Laws

At a time when everyone expects an early end to the global pandemic's health and economic crisis, the interests of workers are once again being sacrificed. Given the extraordinary economic impact of corona virus, the relaxations of labour law were appreciated by various industrial bodies. Certain states grant exemptions from the legal provisions.

On one hand, the industry tried to ensure that the regulation variations would allow businesses to work and thus create more employment. On the other hand, social experts said the decision could further aggravate the crisis for those worst affected.

²¹ 'Explained: What Is An 'Essential Commodity'? Why Has Govt Declared Masks, Hand Sanitisers 'Essential' Commodities?' (*The Indian Express*, 2020) <<https://indianexpress.com/article/explained/explained-essential-commodity-face-masks-hand-sanitisers-6313916/>>.

²² 'What Is An 'Essential Commodity'? – Civildaily' (*Civildaily.com*, 2020) <<https://www.civildaily.com/news/what-is-an-essential-commodity/>>.

²³ 'Essential Commodities Act(ECA) – Pratham IAS - IAS,IPS,UPSC - India'S Best Learning Platform' (*Pratham IAS - IAS,IPS,UPSC - India's best learning platform*, 2020) <<https://www.prathamias.com/essential-commodities-acteca/>>

However, by granting sweeping exemptions from legal provisions aimed at protecting labourers and employees in factories, industries and other establishments, it is a moral and preserve on the part of some States to address this need.²⁴

Ordinance by states to suspend all labour laws:

- Madhya Pradesh has embarked on a program to improve business and industry by enabling units to run without many of the provisions of the Factories Act to increase operating hours to 12 hours, instead of 8 hours and up to 72 hours a week. It appears like the State has used Section 5 of the Act, which provides for three months to be suspended from its rules, in the expectation that the centre would sanction such exemption for at least a thousand days²⁵. Nevertheless, this exception may only be given during a 'public emergency' and is described in a restricted way as a security threat due to war or external aggression.
- Uttar Pradesh has issued an ordinance repealing all labour laws for three years, with the exception of a few related to the abolition of child and bonded labour, woman staff, construction workers and wage payments in addition to workers' insurance for injuries while on service.²⁶

Atmanirbhar Bharat

After the Covid-19 pandemic, India's government introduced Atmanirbhar Bharat Abhiyan, in which Rs. 20 lakh crore economic relief programs is declared to achieve self-reliance and help of India's pandemic-stricken economy. The Government has taken many initiatives to make India self-reliant, according to their five-year plans. But during the period of covid 19, the present government has recognized the value of being self-reliant in each sector. The essential commodities such as PPE, check kits, masks etc. are imported from other countries by India and though the saras civ 2 is very infectious in nature. Here atmanirbhar or self-reliance does not imply isolationism, or the idea of globalization being strengthened. It means relying on one's own capacities and efforts²⁷. The self-reliance will inject a self confidence among people

²⁴ 'Insights Into Editorial: Contempt For Labour: On Dilution Of Labour Laws - INSIGHTSIAS' (*INSIGHTSIAS*, 2020) <<https://www.insightsonindia.com/2020/05/13/insights-into-editorial-contempt-for-labour-on-dilution-of-labour-laws/>>

²⁵ 'Coronavirus Pandemic | MP Amends Labour Laws To Give More Flexibility To Companies: Report' (*Moneycontrol*, 2020) <<https://www.moneycontrol.com/news/business/economy/coronavirus-pandemic-mp-amends-labour-laws-to-give-more-flexibility-to-companies-report-5235351.html>>.

²⁶ Somesh Jha, 'Covid-19 Crisis: UP Exempts Biz From All But 4 Labour Laws For 3 Years' (*Business-standard.com*, 2020) <https://www.business-standard.com/article/economy-policy/up-govt-to-exempt-businesses-from-all-but-three-labour-laws-for-3-years-120050701531_1.html>.

²⁷ 'Self-Reliance Is About Resilience And Decentralisation, Not Isolationism' (*The Indian Express*, 2020) <<https://indianexpress.com/article/opinion/columns/atmanirbhar-bharat-narendra-modi-covid-19-sanjeev->

by reducing the dependence on other countries.²⁸

Self-reliant is a nation growing process. It will contribute to a future of wealth. There are 5 pillars of self-reliance i.e., Economy:- Economy will take quantum jumps and not incremental changes; Infrastructure:- Government has concentrated on infrastructure that represents modern India. It will build work opportunities and help to solve the issue of unemployment; System:- Government will concentrate on technology system; Vibrant demographics:- India is one of the biggest demographic dividends helping our country's economy develop faster; Demand:- Government is centered on the full use of demand and domestic supply²⁹.

The 20 lakh crore package also covers the measures already announced by the RBI and the Ministry of Finance. It will be equal to 10 per cent of India's GDP³⁰. PM announced a new set of reforms focusing on land, labor, liquidity and legal frameworks to boost the concept of self-reliant India.³¹

The government has also decided to expand the definition of MSMEs, which will allow a greater number of companies to be classified as MSMEs and thus be able to take advantage of the benefits.

Micro enterprises would be those with up to Rs. 1 crore investments, and up to Rs. 5 crore turnovers. For small enterprises, the classification covers upto Rs. 10 crore in investment and 50 crore in turnover. Regarding medium enterprises, the expenditure cap for the manufacturing unit has been increased from Rs. 10 crore to Rs. 20 crore and quadrupled for services from Rs. 5 crore to Rs. 20 crore, in addition to the turnover requirement for both sectors of up to 100 crore.³²

Banks and NBFCs will provide up to 20 per cent of their outstanding credit to MSMEs through emergency lines of credit. These loan will have a 4 year tenor, a 12 month payment holiday on principal payments, and a cap on interest costs. Borrowers with an outstanding Rs. 25 crore and Rs . 100 crore turnover are eligible, which could help nearly to 45 lakh units resume

sanyal-6444642/>

²⁸ 'News – Civildaily' (*Civildaily.com*, 2020) <<https://www.civildaily.com/news/2020/05/14/>>.

²⁹ 'PM Modi Shares 5 Pillars That Will Make India Self-Reliant In Covid-19 Times' (*India Today*, 2020) <<https://www.indiatoday.in/india/story/pm-modi-speech-5-pillars-atm-nirbhar-india-self-reliance-covid-19-lock-down-1677293-2020-05-12>>

³⁰ 'Explained: Breaking Down Centre's Atmanirbhar Package' (*The Indian Express*, 2020) <<https://indianexpress.com/article/explained/atmanirbhar-package-full-break-up-of-rs-20-lakh-crore-nirmala-sitharaman-lockdown-6414044/>>

³¹ 'Atma Nirbhar Bharat: Details Of Rs 20 Lakh Crore Package' (*Your Profit*, 2020) <<https://www.yourprofit.in/atma-nirbhar-bharat-details-of-rs-20-lakh-crore-package/>>.

³² 'SME-NEWS' (*Smechamberofindia.com*, 2020) <https://www.smechamberofindia.com/read_more_news.php?id=1055>

business. Furthermore, borrowers would not be required to pay any fresh collateral and guarantee fee against these loans.³³

Stressed small companies whose loans are listed as Non Performing Asset (NPA) would be issued subordinate debt by banks against a partial credit guarantee provided by the government. The system will provide with Rs. 4000 crore as financing help to CGTMSE (Credit Guarantee Fund Trust for Micro and Small Enterprises)- which would help to facilitate Rs . 20,000 crore of subordinate debt to almost 2 lakh businesses enterprises.³⁴

Although a partial credit guarantee decreases the lenders credit danger, the effectiveness of this measure would rely on the appraisal.

Foreign Direct Investment Policy

Foreign Direct Investment means Investment of a party in one nation into a corporation or business in another nation. Foreign direct investment can be made either by expanding one's business into a foreign country or by becoming a company's owner in another country.³⁵

India's Foreign Direct Investment Policy

- A foreign direct investment (FDI) is an investment made by an entity based in one country in the form of a controlling ownership in a business in another country
- India's FDI policy provides automatic route for foreign investment in some sectors.
- Under the automatic route of manufacturing, oil and gas, greenfield airports, building, railway infrastructure etc., 100 per cent FDI is required.
- In other industries, FDI is enabled up to a certain level, say 26% or 49%, under the automatic route.
- The above applies to defense, broadcast and print media, aviation and other sectors.
- There's also a list of banned sectors like lottery, cigarettes, atomic energy where FDI is not allowed.

The government has announced amendments to the foreign direct investment (FDI) policy and has introduced the provision for prior clearance of investments from countries in which India

³³ Shipra Singh, 'INR 20 Lakh Crore Package: Emergency Credit For Msmes, PF Rate Reduced And Liquidity Boost To Nbfcs' (*Entrepreneur*, 2020) <<https://www.entrepreneur.com/article/350579>>.

³⁴ 'First Dose Is Liquidity: Msmes Get Mega Guarantee' (*The Indian Express*, 2020) <<https://indianexpress.com/article/business/economy/first-dose-is-liquidity-msmes-get-mega-guarantee-6408888/>>

³⁵ 'Foreign Direct Investment (FDI)' (*Investopedia*, 2020) <[© 2020. International Journal of Law Management & Humanities](https://www.investopedia.com/terms/f/fdi.asp#:~:text=A%20foreign%20direct%20investment%20%28FDI%29%20is%20an%20investment,acquires%20foreign%20business%20assets%20in%20a%20foreign%20company.>></p></div><div data-bbox=)

shares its land frontier. An entity of a country sharing a land border with India can now "only under the government route" invest in companies here. This also applies to "beneficial" owners—even if the investing company is not located in a neighboring country, if its owner is a citizen or resident of such a country, it would still be subject to these conditions.³⁶

The objective of this is to curb opportunistic takeovers, particularly from China, due to the Covid-19 pandemic.

VII. SUGGESTIONS

The government has taken some good steps to overcome the situation of coronavirus pandemic. But we have witnessed the instances where central government has taken more powers in their hands and President has used its ordinance power during this phase. At this point of time there is a need to have cooperative federalism. The centre should involve states to handle the pandemic. If centre and state will work together then the situation will definitely get better.

Various State Governments of India has diluted the Factories Act so that the economy can get back on track but on the other hand the exploitation of workers has increased and their social security is also impacted. For this, the exploitation of workers should be decreased by creating and implementing some strict regulations to minimise abuse of time and work of the labourers.

We have witnessed many instances where crime against women has increased due to Lockdown but the government hadn't taken strict action regarding this. There is a need to amend the Domestic Violence Act so where women who have faced Domestic Violence during Lockdown can easily file complaints online.

The government has taken many good step like Atmanirbhar Bharat Abhiyan to give a boost to the economy and make India self reliant. But India is lacking a physical infrastructure and there is a need to have a "political will" not only at the Union level but also at the State level.

Cooperative federalism and Competitive federalism can play a great role in this direction. The government should strengthen the Panchayati Raj Institutions, delegate some powers and funds to the Gram Panchayats and provide skills to the rural youth so that they can contribute to the self sufficient economy. It will promote inclusive growth of the country.

Masks (N-95) and Sanitizers should become mandatory again to ensure safety of every person. However, they should be provided at low cost.

Lastly, awareness, each person should be aware about the symptoms, help lines and treatment

³⁶ (2020) <<https://iasbaba.com/2020/05/fdi-policy-change-and-government-initiatives-all-india-radio-air-ias-upsc/>>

of Coronavirus so in future they know if they are sick or not and how to reach out for help.

VIII. CONCLUSION

The global pandemic is becoming highly dangerous day by day. People are succumbing to it. Laws and Policies are important component of our lives as it helps in maintaining peace and harmony.

The current developments in laws and policies have been helpful but there is definitely scope for improvement. The suggestions given above can assist the government in making lives easier for the citizens of India in combating Covid-19.

It is accurately said by Antonio Guterres, Secretary General of the United Nations, “We are in this together- and we will get through this, together”.³⁷

IX. REFERENCES

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³⁷ COVID-19: We will come through this together. (n.d.). Retrieved August 18, 2020, from <https://www.un.org/en/coronavirus/covid-19-we-will-come-through-together>