

# KSG: NEWSPAPER CRUX

13<sup>TH</sup> AUGUST 2022

## NEWSPAPER HIGHLIGHT

The Social Justice and Empowerment Ministry launched the 'SMILE75' initiative for comprehensive rehabilitation of persons engaged in begging in 75 identified municipalities as a part of the celebrations of 75 years of Independence, a Ministry statement said. The initiative is part of the Social Justice Ministry's ongoing SMILE project (Support for Marginalised Individuals for Livelihood and Enterprise) for which ₹100 crore has been allocated till 2025-2026.

Ongole breed of cattle had remained indispensable for all farm operations for centuries in Prakasam district of Andhra Pradesh in view of their draught power. However, over a period, the average farmer dumped the world famous bulls which thrive between Musi and Gundalakamma rivers in Prakasam district and gradually went for machines, including tractors, for all farm operations leaving the task of nurturing the bulls to progressive farmers and racing enthusiasts.

Soldiers from the U.S., Indonesia and Australia joined a live fire drill on Friday, part of annual joint combat exercises on Sumatra island amid growing Chinese maritime activity in the Indo-Pacific region. More than 5,000 personnel from the U.S., Indonesia, Australia, Japan and Singapore are participating in the Super Garuda Shield exercises, making them the largest since they began in 2009.

The Ministry of Social Justice and Empowerment (MoSJ&E) is now preparing to undertake a nationwide survey to enumerate all people engaged in hazardous cleaning of sewers and septic tanks, an activity that has led to at least 351 deaths since 2017. Drawing a distinction between this work and manual scavenging, the Ministry insisted that the practice of manual scavenging no longer takes place in the country as all manual scavengers had been accounted for and enrolled into the rehabilitation scheme.

India called for "restraint" over Taiwan and cautioned against "any unilateral action to change the status quo", while maintaining that its position on the 'One China' policy has been "well known and consistent" that doesn't need any reiteration.

## DIGITAL LENDING NORMS

1.The Reserve Bank of India (RBI) unveiled a regulatory framework to make digital lending safe in the backdrop of its gaining traction. The framework is focused on the digital lending ecosystem comprising RBI Regulated Entities (REs) and the Lending Service Providers (LSPs). LSPs are engaged by Regulated Entities to extend various permissible credit facilitation services.

2.Norms - All loan disbursements and repayments are required to be executed only between the borrower's bank accounts and the RE, without any intervention from LSP or any third party. Any fees or charges, payable to LSPs in the credit intermediation process shall be paid directly by RE and not by the borrower. A standardized Key Fact Statement (KFS) must be provided to the borrower before executing the loan contract.

3.Annual Percentage Rate (APR), an all-inclusive cost of digital loans is required to be disclosed to the borrowers. It should also form part of KFS. It prohibits automatic increases in credit limits without the explicit consent of the borrower. It prescribes a cooling-off period during which the borrowers can exit digital loans by paying the principal and the proportionate APR without any penalty, which shall be provided as part of the loan contract.

4.Digital lending increased 12 times between 2017 and 2020, with personal loans leading the way, followed by SME loans - RBI's working group on digital lending Grievance Redressal - LSPs engaged by REs should have a suitable nodal grievance redressal officer to deal with FinTech/digital lending-related complaints. Such a grievance redressal officer should also deal with complaints against their respective Digital Lending Applications (DLAs).

5.Data Privacy - Data collected by DLAs should be need-based, should have clear audit trails, and should be only done with the prior explicit consent of the borrower. Borrowers could be provided an option to accept or deny the consent for the use of specific data, including an option to revoke previously granted consent, and an option to delete the data collected from borrowers by the DLAs/LSPs.

6.Any lending sourced through DLAs is required to be reported to Credit Information Companies (CICs) by REs irrespective of its nature or tenor. All new digital lending products extended by REs over merchant platforms involving short-term credit or deferred payments are required to be reported to CICs by the REs.

## GLOBAL EMPLOYMENT TRENDS FOR YOUTH 2022 REPORT

1.The report is released by the International Labour Organisation which highlighted the deterioration of Youth employment in India. Unemployment scenario - India experienced severe working-hour and employment losses in 2020 and 2021. Indian youth employment deteriorated in 2021 compared to 2020. The recovery in youth employment is still lagging globally, confirming that COVID-19 has hurt young people more than any other age group.

2.Youngsters in the age group of 15-24 years experienced a much higher percentage loss in employment than adults since early 2020. The youth employment participation rate in 2021 declined by 0.9% points relative to the 2020 time period. The report warns that the unemployment rate of young people in the Asia and Pacific region is projected to reach 14.9% in 2022, the same as the global average.

3.Women unemployment - India has a very low youth female labor market participation and Indian young women experienced larger relative employment losses than young men in 2021 and 2022. Young Indian men account for 16% of young men in the global labor market, while the corresponding share for young Indian women is just 5%.

4.Domestic work is a highly informal sector in India, wages are extremely low, and young women and girls are vulnerable to verbal and physical abuse and sexual exploitation. "The total global number of unemployed youth is estimated to reach 73

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India's retail inflation slipped below the 7% mark for the first time since April, easing to 6.71% in July, aided by a moderation in food prices inflation to 6.75%, the lowest in five months. This is the seventh month in a row that the pace of price rise has been over the upper tolerance limit of 6% pursued by the central bank's monetary policy committee. While inflation in edible oils, meat and fish, and vegetables relented in July, price rise in fruits and eggs accelerated, and cereals inflation hit a multiyear high of 6.9%.

In the past three years, 90 cases of seizure of elephant tusks/ivory have been reported in India along with 29 cases of poaching of elephants. The data were shared by the Ministry of Environment, Forest and Climate Change (MOEFCC) in the Lok Sabha on August 8. The highest number of cases of elephant tusk seizure was reported in 2021 with 42 cases, and incidents of poaching were the highest in the year 2021 with 14 incidents having been reported throughout the country.

With tur dal prices surging since mid July and reports coming in of some traders creating artificial supply squeeze by restricting sales, the Centre has invoked the Essential Commodities Act of 1955 to ask States to monitor and verify the stocks available with such traders.

While thousands of disabled, Scheduled Castes (SC) and Other Backward Classes (OBC) Ph.d scholars have not received their national fellowships since April, the University Grants Commission (UGC) has told the Union Social Justice and Empowerment Ministry that it will not continue processing the fellowships, according to letters sent by it.

In a major relief for bank loan defaulters, the Reserve Bank of India (RBI), taking into account certain recent developments including growing incidences of 'unacceptable practices' followed by recovery agents, has issued additional instructions to regulated entities (REs) by extending the scope of the guidelines and limiting the hours for calling borrowers on phone for recovery of overdue loans. Any acts to humiliate publicly or intrude upon the privacy of the debtor's family members and friends and calling the borrower before 8 a.m.

million in 2022, a slight improvement from 2021 (75 million), but still six million above the pre-pandemic level of 2019" MGNREGA - It has played an important role in providing paid employment, particularly for women. Its focus on natural resources, such as land, water, and trees provided adaptation benefits in carbon sequestration techniques.

5. Online education - Only 8% of school-going children in rural areas and 23% in urban areas had adequate access to online education. School closures that lasted 18 months not only prevented new learning but also led to the phenomenon of "learning regression", that is, children forgetting what they had learned earlier.

6. The report highlighted that in India, 92% of children on average lost at least one foundational ability in language and 82% lost at least one foundational ability in mathematics. Teachers in non-state schools are often paid significantly less than those in state schools. Teachers in low-fee private schools in India, Kenya, Nigeria, and Pakistan are paid between one-eighth and one-half of what their counterparts in the state sector receive.

## PENINSULAR ROCK AGAMA

1. The study of rock agama gives insights into urbanization and conservation. The Peninsular Rock Agama (Psammophilus dorsalis) which is a type of garden lizard has a strong presence in southern India. It is also known by the name South Indian rock agama and is found on rocky hills in South India. 2. Habitat loss and other such features of urbanization have affected the presence of animals in urban centers. This lizard is a large animal, strikingly colored in orange and black. They do not generate their own body heat, so they need to seek warmth from external sources like a warm rock or a sunny spot on the wall.

3. They are found mainly in rocky places and warm spots. They are important in ecology from different aspects, they can indicate which parts of the city are warming, and their numbers show how the food web is changing. These lizards eat insects and are in turn eaten by raptors, snakes, and dogs, they cannot live in places where there are no insects.

4. **The rock agama is a species that is dependent on rocky scrub habitats which are being converted into buildings and plantations.** Smaller fauna and flora could be key indicators of the health of the ecosystem and need to be preserved.

## CHIT FUND

1. Recently, rates of GST on the chit funds have been raised from the earlier 12% to 18%. This may raise the borrowing cost and benefits out of the chit fund. About Chit Fund A chit fund is a close-ended group lending scheme. It is called 'Chit Fund' as a piece of paper is used for writing a bid amount, known as a chit.

2. Status: It doesn't fall under the jurisdiction of the RBI but is a legal entity, registered with and regulated by, the state governments under the Chit Funds Act of 1982. Functioning: Each member contributes their share to the pool (fixed sum) and the lump-sum amount is given to the one-two win's the bid or who is in need (but has to pay extra).

3. **Chit funds are the Indian versions of Rotating Savings and Credit Associations found across the globe. Benefits: Closed groups and known members make default highly unlikely.** A chit fund is a unique hybrid instrument that makes an individual a saver/lender instead of a borrower. Provide cheaper money in case of need or emergency.

4. Credit for informal workers: Professional chit funds have served a segment of the Indian population that do not have stable income streams, proof of regular income, or collateral.

5. Ponzi Scheme: A Ponzi scheme is a form of fraud that lures investors and pays profits to earlier investors with funds from more recent investors. The scheme leads victims to believe that profits are coming from product sales or other means, and they remain unaware that other investors are the source of funds. Unregulated Deposit Schemes Act 2019: It bans unregulated deposit schemes, other than deposits taken in the ordinary course of business, and protects the interest of depositors.

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and after 7 p.m. could be construed as harassment and intimidation, the RBI said.

Hundreds of Tamil mothers on Friday took out a rally in Sri Lanka's northern Kilinochchi district to mark 2,000 days of their relentless struggle, seeking truth and justice for their loved ones forcibly disappeared during and after the civil war.

India's industrial output grew 12.3% year on year in June, moderating from 19.6% this May, led by a 16.4% uptick in electricity and 12.5% growth in manufacturing. Mining activity grew 7.5% in the month. The Index of Industrial Production (IIP), however, grew only 0.14% over May 2022, with manufacturing being the only sector to report a sequential uptick in output in June, rising 1.34%.

Five Chinese state owned companies, including oil giant Sinopec and China Life Insurance, said on Friday they would delist from the New York Stock Exchange, amid economic and diplomatic tensions with the United States.

## TRANS-HIMALAYAN NETWORK

1.China and Nepal have agreed to build the so-called Trans-Himalayan Multi-Dimensional Connectivity Network, The network, under China's Belt and Road initiative, will involve the building of railways and communication networks.

2.Other networks: The BCIM economic corridor aims to connect Kolkata with Kunming, the capital of the Yunnan province through Myanmar and Bangladesh. It envisages the formation of a thriving economic belt, focusing on cross-border transport, energy and telecommunication networks.