

## RBI's Modified Digital Lending Norms

### ❖ Context

➤ The Reserve Bank of India's (RBI) modified guidelines on digital lending came into effect from 01st December 2022.

### Key Highlights

- The new guidelines seek to **protect customers** from exorbitant interest rates by certain entities and also check unethical loan recovery practices.
- The guidelines had been issued in August 2022.
- The RBI had constituted a Working Group on digital lending including lending through online platforms and mobile applications (**WGDL**) on January 13, 2021.
- The guidelines are focused on the digital lending ecosystem of **RBI's Regulated Entities (REs) and Lending Service Providers (LSPs)** engaged by them.

### Major guidelines

- All **loan disbursements and repayments** are required to be executed only between the bank accounts of the borrower and the regulated entities (like banks and NBFCs) **without any pass-through/ pool account** of the Lending Service Providers (LSPs).
- Any **fees, charges, etc, payable to LSPs** in the credit intermediation process shall be **paid directly by RE** and not by the borrower.
- The cost disclosures have been standardised with a uniform **Key Fact Statement (KFS)**.
- An automatic increase in credit limit without explicit consent of the borrower is prohibited.

- REs will have to ensure that they and the LSPs engaged by them have a suitable **nodal grievance redressal officer**.
- Such grievance redressal officers shall also deal with complaints against their respective DLAs.
- DLAs will include apps of REs as well as operated by LSPs.

### Digital Lending Apps (DLAs)

- Digital Lending Apps (DLAs) refer to mobile and web-based applications with user interfaces that facilitate borrowing by a borrower from a digital lender.

### Key Fact Statement (KFS)

- It is a **digitally signed standardised document** detailing all the key details of the loan that must be **provided to the customer before the loan agreement is signed**.
- It will contain details like loan amount, total interest, insurance, processing & other charges, **APR**, amount to be paid by the borrower, cooling off period, loan tenor and grievance redressal information.

### Annual Percentage Rate (APR)

- It refers to the **yearly interest generated by a sum** that's charged to borrowers or paid to investors.
- It is **expressed as a percentage that represents the actual yearly cost of funds** over the term of a loan or income earned on an investment.
- This **includes any fees or additional costs** associated with the transaction but **does not take compounding into account**.
- It helps customers to compare the cost of funds across banks and NBFCs.

## Universal Flu Vaccine

### ❖ Context

➤ A new study has described the successful animal tests of a universal flu vaccine.

### Key Highlights

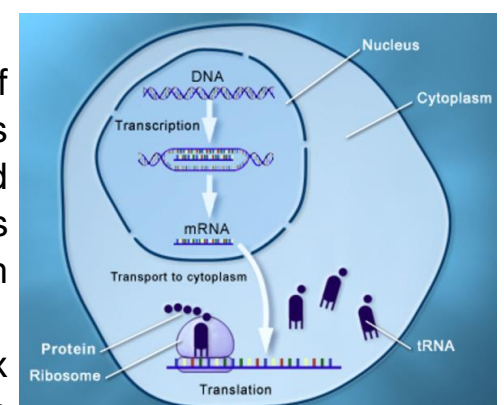
- The development of the vaccine is still in early stages — tested only in mice and ferrets.
- **A single dose of the vaccine can prepare the human body to fight every known strain of influenza.**
- The vaccine **would not replace annual flu shots** but would provide a shield against severe disease and death from potential pandemic threats.
- The experimental flu vaccine **relies on mRNA**.

### Background

- Current influenza vaccines protect against seasonal flu but would provide little protection against a new strain that may emerge as a pandemic threat.

### What is mRNA?

- **Transcription** is the process of making an RNA copy of a gene's DNA sequence. This copy, called **messenger RNA (mRNA)**, carries the gene's protein information encoded in DNA.
- In humans and other complex organisms, mRNA moves from the cell nucleus to the cell cytoplasm, where it is used for synthesising the encoded protein.



### mRNA and Vaccines

- Individuals who get an mRNA vaccine are **not exposed to the virus, nor can they become infected** with the virus by the vaccine.
- mRNA vaccines work by introducing a **small piece of a protein found on the virus's outer membrane**.
- By using this mRNA, cells can produce the viral protein.



- During the 2009 H1N1 swine flu pandemic, for example, the conventional vaccine offered little defence against the virus.
- But older adults who had been exposed to H1N1 strains in childhood developed only mild symptoms.
- Broadly, **there are 20 subgroups of influenza that each represents thousands of viruses.**
- **Current vaccines can target four subgroups at most.**
- But the experimental vaccine contains all 20, and it would be faster to produce.

- As part of a normal immune response, the immune system recognizes that the protein is foreign and produces antibodies.
- Once produced, antibodies remain in the body, even after the body has rid itself of the pathogen, so that the immune system can quickly respond if exposed again.

### Advantages of mRNA vaccine

- Conventional flu vaccines target only the specific viruses they are designed for.
- But **mRNA vaccines seem to produce antibodies that defend the body against a broader range of viruses** than those included.

## India Cooling Action Plan (ICAP)

### ❖ Context

➤ The World Bank (WB) has released a report titled **"Climate Investment Opportunities in India's Cooling Sector"**.

### Key Highlights

- By 2030, over **160-200 million people across the country could be exposed to lethal heat waves annually.**
- Around **34 million people in India will face job losses** due to heat stress-related productivity decline.
- **Food loss** due to heat during transportation is **nearly \$13 billion annually.**
- **By 2037, the demand for cooling may be eight times more** than current levels leading to an **expected rise of 435% in annual greenhouse gas emissions** in the next two decades.
- The report proposes a roadmap to support ICAP's investments in **three sectors: building construction, cold chains, and refrigerants.**

### About ICAP

- Launched by the **Ministry of Environment, Forest & Climate Change** in 2019.
- Aim is to
  - Reduce **cooling demand** across sectors by 20% to 25% by 2037-38.
  - Reduce **refrigerant demand** by 25% to 30% by 2037-38.
  - Reduce **cooling energy requirements** by 25% to 40% by 2037-38.
  - Recognize "cooling and related areas" as a thrust area of research under the national S&T Programme.
  - Training and certification of 100,000 servicing sector technicians by 2022-23, synergizing with Skill India Mission.

- The Thematic Areas identified are as follows.
  - Space Cooling in Buildings
  - Cold-chain and Refrigeration
  - Transport Air-conditioning
  - Air-Conditioning and Refrigeration Servicing Sector
  - Refrigerant Demand and Indigenous Production
  - R&D and Production sector – Alternative Refrigerants

### Proposal of WB

- A **sustainable roadmap** for cooling that has potential to **reduce 300 million tonnes** of carbon dioxide annually by 2040.
- Keeping spaces cool using alternative and innovative energy-efficient technologies can open an **investment opportunity of \$1.6 trillion by 2040.**
- India's affordable housing programme, **Pradhan Mantri Awas Yojana (PMAY)**, can adopt climate-responsive cooling techniques on scale. It will ensure those at the bottom of the economic ladder are not disproportionately affected by rising temperatures.
- Enact a policy for **"District Cooling"** which could lead to the **consumption of 20-30% less power.**
- **District Cooling technologies** generate chilled water in a central plant which is then distributed to buildings via underground insulated pipes.

## News in Between the Lines

## Great Indian Bustard (GIB)



### ❖ Context

- Recently, the Supreme Court asked if a 'Project GIB', on the lines of 'Project Tiger', could be launched to protect the endangered bird Great Indian Bustard.

### ❖ Key Highlights

#### ➤ About

- It's **flagship grassland species**, representing the health of the grassland ecology.
- It is one of the **largest flying birds in the world**, and India's heaviest flying bird.
- The male bird weighs upto 12-15 kg and the female bird up to 5-8 kg.

#### ➤ Distribution & Population

- The Great Indian Bustard **found mainly in the Indian subcontinent**.
- Its population of about **150 in Rajasthan** accounts for 95% of its total world population.
- Less than 10 birds each in Gujarat, Maharashtra, Andhra Pradesh and Karnataka.

#### ➤ Threats

- Intensive agricultural practices, Laying of power lines and industrialisation, Poaching.

#### ➤ Conservation Status

- **Indian Wildlife (Protection) Act, 1972-** Schedule I
- **CITES-** Appendix I
- **IUCN Red List-** Critically Endangered.

#### ➤ Side Note

- The **captive breeding** of GIBs was taken up in the DNP through a project executed by the Dehradun-based Wildlife Institute of India in 2019.

## Jallikattu



### ❖ Context

- Recently, the Supreme Court said the **sport of jallikattu as such now might not be brutal but the "form" in which it was being held in Tamil Nadu might be cruel**.

### ❖ Key Highlights

- **Prevention of Cruelty to Animals (Tamil Nadu Amendment) Act of 2017** and **Prevention of Cruelty to Animals (Conduct of Jallikattu) Rules of 2017** have laid down procedures to protect the bulls from brutality.
- Violation of these rules would attract penal action.
- The procedures have to be supervised by the District Collector.

### ❖ About Jallikattu

- It is also **known as eruthazhuvuthal and mañcuvirattu**.
- It is a **bull-taming sport** and a **disputed traditional event** in which a bull is released into a crowd of people.
- **Multiple human participants attempt to grab the large hump** on the bull's back with both arms and hang on to it while the bull attempts to escape.
- Jallikattu is **typically practised in the Indian state of Tamil Nadu** as a part of Pongal celebrations on Mattu Pongal day, which occurs annually in January.



## Yudh Abhyas



### ❖ Context

- China has recently said that it was opposed to the joint Indo-US military exercises (Yudh Abhyas) that are being **held near the Line of Actual Control (LAC)**, revealed the latest report from the US Department of Defence.

### ❖ Key Highlights

- The 18th edition of the India-US joint military exercise, called 'Yudh Abhyas,' is currently underway in Uttarakhand, around 100 km from the LAC.
- The previous edition of the exercise was conducted at Joint Base Elmendorf Richardson, Alaska (USA) in October 2021.
- Exercise Yudh Abhyas is **conducted annually between India and USA**.
- It **aims at exchanging best practices, Tactics, Techniques and Procedures** between the Armies of the two nations.
- US Army soldiers of 2nd Brigade of the 11th Airborne Division and Indian Army soldiers from the ASSAM Regiment will be participating in the exercise.
- The exercise will involve exchanges and practices on a wide spectrum of **combat skills** including combat engineering, **employment of UAS/Counter UAS techniques** and information operations.
- The joint exercise will also focus on **Humanitarian Assistance and Disaster Relief (HADR) operations**.

## Jaguar



### ❖ Context

- Recently, The **National Zoological Park** in New Delhi celebrated **International Jaguar Day** on November 29.

### ❖ Key Highlights

- International Jaguar Day was created to **raise awareness about the increasing threats facing the jaguar** and the critical conservation efforts ensuring its survival.

### ❖ About Jaguar

- Jaguars are the **only big cat in the Americas** and the **third biggest in the world after tigers and lions**.
- While many cats avoid water, **jaguars are great swimmers**, and have even been known to swim the Panama Canal.
- They **look a lot like leopards**, which live in Africa and Asia, but jaguars' spots are more complex and often have a dot in the center.
- **Scientific Name**- Panthera Onca
- **Diet**
  - Carnivore
- **Distribution**
  - Jaguars once roamed broadly from **central Argentina** all the way up to the **southwestern United States**.
  - Since the 1880s, they've **lost more than half their territory**.
  - Their main **stronghold** today is the **Amazon Basin**, though they still exist in smaller numbers through Central America as well.
- **Habitat**
  - They're typically found in **tropical rainforests** but also live in **savannas and grasslands**.
- **Threats**
  - Habitat fragmentation, illegal killing, poaching.
- **Conservation Status**
  - **IUCN Red List**- Near Threatened.
  - **CITES**- Appendix I

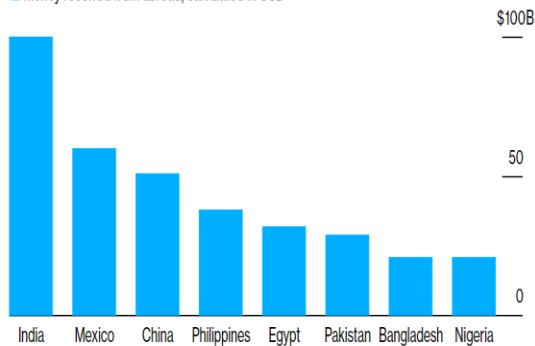


## Remittances to India

### World's Top Remittance Receivers

Estimate of money sent to low- and middle-income countries in 2022

■ Money received from abroad, calculated in USD



### ❖ Context

- Indians are set to receive **\$100bn in remittances** this year, according to a World Bank **Migration & Development Brief** report.

### ❖ Key highlights

- This is the **first time a single country has reached that number.**
- The increase was **led by wage rises and strong labour markets** in the US and other developed countries.
- Remittances are associated with improved health and social indicators.
- In recent years, **many Indians have moved to well-paid jobs in high-income countries**, such as the US, UK and Singapore - enabling them to send more money home.
- The **payments account for around 3% of India's gross domestic product (GDP).**
- While **India and Nepal have experienced an increase** in remittances, **other countries in South Asia have seen a decline.**
- With a share of 23%, the **US surpassed UAE** as the top source country in 2020-21.
- The **share from five Gulf countries**, including Saudi Arabia and the United Arab Emirates, **declined to 28%** in 2020-21 as compared to 2016-17.

### ❖ Cost of sending money in the world

- It costs **6% to send \$200**. The SDG target (10.c.1) is to **reach 3% by 2030**. The **SDG Goal 10** is to reduce inequality within and among countries.
- **Banks continue to be the costliest channel** for sending remittances.
- **Mobile operations remain the cheapest service provider** but they account for less than 1% of total transaction volumes.

## Ransomware



### ❖ Context

- Recently, e-services at the **All-India Institute of Medical Sciences (AIIMS)** were crippled by what is being suspected to be a ransomware attack.

### ❖ Key Highlights

- According to the Interpol's first-ever Global Crime Trend report presented at its 90th General Assembly meeting in Delhi this October, **ransomware was the second highest-ranking threat** after money laundering, at 66%.

### ❖ About Ransomware

- Ransomware is a **type of malicious software**, used by cyber criminals, to **infect a computer system** by blocking access to the stored data by encrypting the files.
- A ransom is then **demanded from the owner in exchange for the decryption key.**
- The malware may usually be **injected remotely by tricking the user into downloading it upon clicking an ostensibly safe web link** sent via email or other means, including hacking.
- It can **spread throughout the network** by exploiting existing vulnerabilities.
- Ransomware attacks can also be accompanied by **theft of sensitive data** for other sinister motives.

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