We have been witnessing several gullible customers being charged high interest rates, threatened and exploited by lending apps and fintech companies that are mushrooming in a space that remains unregulated. Thomas Franco, former AIBOC Gen Sec, says India has a very weak digital security and fraud detection system and digital frauds are increasing as per RBI. There are 600 unauthorised Fintech apps as per RBI. The RBI deputy governor, T Rabi Sankar, said this week that fintech companies quintessentially providing banking services like loans or payments are doing banking activity. Such entities, he stressed, need to be regulated in the same way as banks are. Well, it is high time.
The Mumbai dialogue on Safeguards policy framework for banks

The Mumbai dialogue on Safeguards policy for the lending practices of banks in development projects was held this week. It emphasised the need for a comprehensive environmental and social safeguards policy for financial institutions. This one-day consultation was attended by civil rights activists, experts and academicians. It focused on the environmental, social, and ethical impacts of investments in sectors like thermal power plants, dams and such mega projects that tend to have adverse impacts on livelihood and ecology. By mandating transparency of loan disbursal, impact assessments, and grievance redressal mechanisms, the policy should hold financial institutions responsible for their actions. They also emphasized the need for community consent, multi-stakeholder involvement through forums or boards, allowing diverse perspectives to be considered. Safeguards will help identify ongoing violations, establish clearances based on robust laws and guidelines, and prioritize mitigation measures. Ultimately, a well-implemented safeguards policy will promote accountability, and protect the interests of communities, ecosystems, and future generations.
Was the NCST Chairperson forced to resign for opposing the Nicobar Project?

The government seems adamant to clear the path to the 72,000 crore Great Nicobar Project, by any means despite the acute threat it poses to both the indigenous people and the unique biodiversity of the island. Mr. Harsh Chouhan, who as Chairperson of the National Commission for Scheduled Tribes (NCST), raised concerns about the project has sent his resignation to the President last month and it has been accepted. The opposition alleged that he was forced to resign for locking his horns with the government on Nicobar and in the myriad dilutions of forest laws in general. The NCST had recently initiated an independent inquiry into the dubious forest clearances that had been granted to the Great Nicobar Project to build a transhipment port, a township and an airport. The NCST cited violation of Forest Rights Act and also flagged that the project will significantly affect the rights of local tribespeople and that the NCST was not consulted.
The Karnataka state government has announced a significant move to provide insurance coverage to gig workers in its latest budget. Under the new initiative, gig workers will be eligible for an insurance cover of up to Rs 4 lakh (approximately $5,400 USD). This move aims to provide a safety net for the growing number of gig workers in the state who often face financial insecurity due to the nature of their work. The insurance cover will include benefits such as hospitalization expenses and accidental death and disability coverage. The new move fails to provide labour protection on the job to gig workers, nor defines penalties on employers. Gig work needs to come under the purview of labour laws.