



Daily current affairs

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Antidepressants may counter effects of brain ageing: study

- A commonly used antidepressant medication Prozac can counter some of the effects of brain ageing, such as sensory and cognitive decline, an MIT study suggests.
- The research published in the Journal of Neuroscience provides fresh evidence that the decline in the capacity of brain cells to change — called 'plasticity' — rather than a decline in total cell number, may underlie some of the sensory and cognitive declines associated with normal brain ageing.

Age-related decline

- Fluoxetine treatment in ageing mice can attenuate the age-related declines in interneuron structural and visual cortex functional plasticity suggests it could provide a therapeutic approach towards mitigation of sensory and cognitive deficits associated with ageing, provided it is initiated before network deterioration found in research.
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'Southern States outshine rest of India in mobile banking'-Eastern, southern States lead in Internet banking financial transactions, says BCG

- Southern States are outshining the rest of India in mobile banking adoption in savings accounts, according to a report by The Boston Consulting Group (BCG).
- The report was prepared in association with FICCI and Indian Banks' Association.
- Telangana tops the table with 10% of savings bank accounts having at least one mobile banking transaction in the last six months of FY18, according to the report.
- This is followed by Andhra Pradesh (6.30%), Karnataka (5.50%), Puducherry (5.80%), Tamil Nadu (5%) and Kerala (4.70%). The all-India average is 3.40%.
- Mobile banking activation stood at 21% for private banks and 3% for PSU banks for FY18, the consulting firm said in the report.

The theme of the report is **"Providing financial services to SMEs in an increasingly digital ecosystem."**

Credit registry: RBI Act may need tweak

The Reserve Bank of India Act, 1934, may need to be amended to facilitate the setting of a

public credit registry (PCR), RBI Deputy Governor Viral Acharya said.

- The PCR is planned as an extensive database of credit information for all credit products in the country from point of origination of credit to its termination
- Its main benefit would be to provide lenders with a 360 degree view of the borrower's outstanding credits and past performance.
- This would allow better screening at the time of providing credit and superior monitoring during the life of the borrowing.

Legal issues

- RBI is a statutory corporation that can only engage in those activities that are permitted by the RBI Act, or other relevant legislation
- RBI also performs certain promotional functions which is only limited to 'financial institutions' taking PCR out of the purview of a promotion under the Reserve Bank of India Act, 1934.

Other options

- Another option would be to promote an organization for a matter incidental to the functions of RBI — as part of the RBI Act or Banking Regulation Act, 1949.
- Collection of information, including credit information, from regulated entities is an important aspect of the RBI's regulatory and supervisory functions and hence such an activity could be done by setting up a subsidiary or a department.
- In October 2017, RBI had set up a high-level task force (HTF) chaired by Y.M. Deosthalee to review the availability of information on credit and assess the gaps.

"The HTF submitted its report on April 4, 2018, recommending that a PCR should be set up by the RBI in a phased and modular manner".

