

# NEWS TODAY

## 'State of Tax Justice 2024' Report Released by the Tax Justice Network

Report highlights tax losses to global tax abuse and provides assessment of global tax reforms.

### Key Observations of Report

- Countries are losing **US\$492 billion a year** to global tax abuse.
  - ⊕ Out of this, **two-third (US\$347.6 billion) is lost to multinational corporations shifting profit offshore** to underpay tax.
  - ⊕ Remaining one-third (US\$144.8 billion) is lost to **wealthy individuals hiding their wealth offshore**.
- **Nearly half the losses (43%)** are enabled by the eight countries (all OECD members) that remain opposed to a UN tax convention: Australia, Canada, Israel, Japan, New Zealand, South Korea, UK and US.
- Countries of **Global North lose largest amount of tax revenues** in absolute terms while countries of **Global South endure the deepest losses as a share of their tax revenues**.
  - ⊕ Such tax loss results in **foregone public services, increased inequalities** between countries, and limited domestic businesses.

### Policy recommendations

- Adopt a **UN tax convention**, which would establish **globally inclusive international tax rules**, combat cross-border tax evasion, and restore the potential for progressive national taxation.
  - ⊕ A UN framework convention on international tax cooperation will be **negotiated from 2025-2027**.
- **Having excess profits and wealth taxes** as it can reduce economic inequality, limit monopoly power, and ensure that those who benefit most from society contribute proportionately to the social good.

### Global Tax Reforms

- **Organisation for Economic Co-operation and Development's Global Minimum Tax (GMT)** policy which is about imposing a minimum effective rate of 15% on corporate profits.
- **OECD's Base Erosion and Profit Shifting (BEPS) Action Plan** equips governments with instruments to address tax avoidance.
- **OECD's Common Reporting Standard (CRS)** for automatic exchange of information about financial accounts.

## Global Wage Report (2024-25) released by International labour organization (ILO)

It provides detailed look at wage trends across the globe highlighting changes in wage inequality and real wage growth.

### Key Findings

- **Trends in wage growth**
  - ⊕ **Global:** After falling in 2022, **global real wage growth recovered in 2023**.
  - ⊕ **Regional:** Average wages are increasing faster in **Asia and the Pacific, Central and Western Asia, and Eastern Europe** compared to the rest of the world.
    - ◆ Around 9.5% of the Indian workers are low paid wage workers
- **Trends in labour income inequality**
  - ⊕ **Wage inequality:** Overall it has witnessed a declining trend globally.
    - ◆ However, it is **highest in low-income countries** and **lowest in high-income countries**.
  - ⊕ **Informal Economy:** Women and workers are overrepresented at the low end of the wage distribution.
    - ◆ Moreover, **informal employment has increased in absolute terms** due to insufficient formal job creation
- **Labour Productivity (1999-2024):** It has increased more rapidly in high-income countries than real wages.

### Way forward

- **Increased research:** Robust data and statistics should be used for measuring and estimating change in inequality.
- **National strategies to reduce wage inequality:** Wages should be set with consideration of economic factors as well as needs of workers and their families and should promote gender equality, equity and non-discrimination.
- **Redistribution of Income through system of taxes and social transfers:** It should be followed with policies promoting productivity, decent work and the formalization of the informal economy.

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## Janjatiya Gaurav Divas is being celebrated across the country

The day marks the **birth anniversary of Bhagwan Birsa Munda**, a tribal leader and freedom fighter,

- It is celebrated on **November 15<sup>th</sup>** to honor contributions of tribal communities in India's freedom struggle and **their role in preserving India's heritage.**

### Role of tribals in heritage preservation

#### ➤ Cultural Heritage

- ⊕ **Oral traditions and Storytelling:** "U Sier Lapalang" (The Stag of Lapalang) folktale among Khasi-Pnar - highlights reverence for nature.
- ⊕ **Carriers of rituals, festivals and ceremonies:** Eg. Hornbill Festival among Nagas aims to protect unique cultural diversity and rich traditions of Nagaland.
- ⊕ **Traditional crafts and art forms :**Eg. **Warli paintings** by Warli tribes showcases deep connection between humans and nature.
- ⊕ **Traditional Medicine:** E.g. Various plants are conserved and used as medicinal herbs for bone fracture, snake-bites, muscular pain, cure of fever, headache, and body swelling etc.

#### ➤ Biodiversity Conservation

- ⊕ **Conservation of Protected Areas.** E.g **Soligas tribes in Biligiri Rangaswamy Temple (BRT) wildlife sanctuary (Karnataka)** uses traditional knowledge for conservation of forest ecology
- ⊕ **Sacred Natural Spaces:** Plants are conserved in their natural habitat by tribals due to magico-religious belief that they are habitat of god and goddess. **E.g. Mawphlang Sacred Forest** is protected by **Khasi** for >800 years for deity **Labasa**.
- ⊕ **Wildlife protection practices:** E.g **Bishnoi Tribes** protect animals such as **blackbuck, chinkara** etc

#### India's Initiatives

- **Support to Tribal Research Institutes (TRIs):** It promotes R&D on tribal languages, traditions, and medicinal practices
- **Tribal Cooperative Marketing Development Federation of India Limited (TRIFED):** It provides marketing services for tribal products
- **Pradhan Mantri Van Dhan Yojana:** It taps into traditional knowledge & skill sets of tribals by adding technology to convert the tribal wisdom into a viable economic activity

## Australia passes world-first law banning under-16s from social media

It will make **TikTok, Meta** etc liable for failures to prevent children under 16 from holding accounts and sets **social responsibility** on platforms to ensure the safety of children from social media addictions.

### Reasons for social media addiction among children?

- **Exploitation of the brain's reward circuits by Social Media:** It creates addictive loops that trigger continuous engagement through dopamine stimulation.
- **Lack of authentic emotional connections pushes** adolescents to social media as a substitute for genuine interpersonal relationships.

### Impact of Social media addiction

- **Screen Time Displacement:** Digital engagement replaces children's physical activities with online interactions.
  - ⊕ It may lead to **erosion of real-life relationships and social skills, FOMO(Fear Of Missing Out)**
- **Productivity Drain and academic consequences:** It disrupts activities such as school work, sports, study etc
- **Psychological Impact:** Constant exposure to idealized images achievement leads to unrealistic expectations.
  - ⊕ It may lead to instances of **cyberbullying, lack of self-esteem, focus and concentration**
- **Heath Impact:** It can adversely impact brain development and lead to depression, sleep problems, eating disorders.
- **Exposure to harmful Content:** such as suicide and self-harm and increased vulnerability to extreme viewpoints

### Negative effect of ban

- **May limit positive impacts of social media on children:** E.g. Digital Competence and Social Integration, Creative Expression and Collaborative Learning, Interest-Based Networking Opportunities etc.
- **May push children to unsafe places on Internet:** E.g. Dark Web

#### Alternative Approach to Ban Social Media

- **Age Restrictions by Social Media Platforms:** Like Meta, owner of Facebook and Instagram, which has a self-imposed minimum age of 13 years.
- **Integrate technology-based tools and applications:** to promote productive use of social media
- **Adopting Best Practices:** E.g. **Digital De-Addiction (D-DAD) centres of Kerala police** provide free counselling to kids with digital addiction.

## Ministry of Mines Launches First Ever Tranche of Auction of Mineral Blocks in Offshore Areas

It is a major step forward in exploring India's extensive offshore mineral resources within its Exclusive Economic Zone (EEZ).

### Key Details of the Offshore Mining Auction

- **Mineral Blocks:** Auction includes 13 mineral blocks spanning across the **Arabian Sea and Andaman Sea**.
- **Types of Mineral and corresponding Region:** Construction sand (**Off the coast of Kerala, Arabian Sea**), lime-mud (**Off the coast of Gujarat, Arabian Sea**) and polymetallic nodules and crusts (**Off Great Nicobar Islands, Andaman Sea**).

### Offshore Mining or Deep Sea Mining

- It is the process of **retrieving mineral deposits from the deep seabed**, at a depth of more than 200 meters.
  - ⊕ **Geological Survey of India (GSI)** has identified about **six lakh sq. kms of offshore area** having potential for offshore mining.

### Significance of Offshore Mining for India

- India's offshore mineral reserves include **gold, diamond, copper, nickel, cobalt, copper, manganese, and rare earth elements** essential for development.
- Offshore mining will **increase availability of minerals (Atmanirbharta in critical minerals), unlock India's blue economy and reduce dependence** on imports.
- These minerals are critical for **infrastructure development, high-tech manufacturing and green energy transition**.

### Challenges in Offshore Mining

- Lack of private participation, requirement of highly skilled labour and capital, environmental challenges like habitat destruction, disruption of marine ecosystems etc.

#### Step Taken for Offshore Mining

- **National Geological Data Repository (NGDR) portal:** by GSI covering exploration data.
- **Deep Ocean Mission:** To explore and extract polymetallic nodules.
- **Offshore Areas (Existence of Mineral Resources) Rules, 2024:** defines the stages of exploration, classification of mineral resources and reserves etc.

## Unified Payments Interface (UPI) fraud cases surge by 85% in FY24: Ministry of Finance

Since 2022-23, UPI-related frauds have accounted for a cumulative loss of ~Rs 2,100 crore across 2.7 million reported incidents.

- Rise in UPI-related frauds **coincides with growth in number of UPI users and total transactions**.

### Rising Status of digital/UPI transaction and financial frauds

- In FY24, UPI processed **131.12 billion transactions with a total value of Rs 200 trillion**. Currently, UPI is used by over **400 million unique users** for real-time payments.
- **Rise of financial frauds by 166% in 2023-24** compared to 2022-23, as per RBI annual report.

### Challenges of digital transactions

- **Cyber-security:** Digital financial frauds accounted for a **staggering ₹1.25 lakh crore** over last three years as per **Indian Cybercrime Coordination Centre**.
- **Third party risks:** This can be risk from **Dominant Internet platforms or Digital banking solution providers**.
- **Digital Illiteracy:** 37.1% of urban population is able to use internet as compared to only 13% in rural areas.
- **Other Challenges:** Limited digital infrastructure. Interoperability issues etc.

### Initiatives for Preventing Cyber Frauds

- **Indian Cybercrime Coordination Centre (I4C):** Under MHA, to combat cybercrime
- **CERT-In:** national nodal agency for responding to computer security incidents.
- **PMGDISHA:** To usher in digital literacy in rural India.
- **Cyber Swachhta Kendra:** To create a secure cyber space by detecting botnet infections.

#### Types of UPI Frauds

- **Phishing Attacks:** Most common fraud, Cyber attackers employ phishing emails, messages to lure users.
- **Malware Attacks:** Smartphones can be infected with **malicious software** that compromises UPI transactions.
- **Social Engineering Fraud:** Fraudsters exploit **users' trust, creating a sense of urgency or fear** to extract sensitive information.
- **Vishing or Voice Phishing:** Using **fake call pretending to be someone from bank officials or UPI service providers**.

## Also in News



### Global Engagement Scheme

The Ministry of Culture implements the "Global Engagement Scheme" to promote India's rich cultural heritage across the globe.

#### About Global Engagement Scheme

- It was earlier known as 'Scheme for promotion of international cultural relations'
- **Global Engagement Scheme** has three components:
  - ⊕ **Festival of India (Fol)** is organized abroad to promote people to people connect and bilateral cultural contacts.
  - ⊕ **Grant in aid to Indo Foreign Friendship Cultural Societies Scheme.**
  - ⊕ **Contribution Grant** : Indian contribution towards membership of International Organizations like **ICROM, UNESCO, World Heritage Fund** and to facilitate Indian participation and hosting of international meetings.



### Digital Bharat Nidhi

The Minister of State for Communications provided details regarding Digital Bharat Nidhi to a question in Rajya Sabha.

#### About Digital Bharat Nidhi

- Earlier, it was known as **Universal Service Obligation Fund (USOF)**
- **Establishment:** under the **Indian Telegraph (Amendment) Act, 2003** as per India's commitment under **Universal Service Obligation (USO)**
- **Mandate:** support universal service through promoting access and delivery of telecommunication service in underserved rural, remote and urban areas.
- **Department:** It is an attached office of the **Department of Telecommunications (DoT), Ministry of Communications**
- **Headed by:** Administrator, appointed by the Central Government



### SC Judgement on Religious Conversion

Apex Court has said **religious conversions undertaken solely to avail reservation benefits without genuine belief** amounted to a "fraud on the Constitution".

#### About Supreme Court(SC) Judgment:

- SC in **C. Selvarani Versus special secretary** observed that Every citizen has a right to practise and profess a religion of their choice as guaranteed under **Article 25 of Constitution**.
- Further If the purpose of conversion is largely to **derive the benefits of reservation but not with any actual belief** on other religion, same cannot be permitted.
- Court earlier In **Mohammad Sadique v. Darbara Singh Guru** upheld that a person can change his religion and faith **but not the caste**, to which he belongs, as caste has linkage to birth.



### 'EKLAVYA' Platform

Indian Army launches 'Eklavya' online digital platform for officers' training in line with its theme for 2024,i.e., "Year of Technology Absorption."

#### About Eklavya

- Developed under the aegis of **Headquarters Army Training Command with Army War College as the sponsor agency**.
- Developed through "**Bhaskaracharya National Institute of Space Applications and Geoinformatics**" (BISAG-N), Gandhinagar with support from **Directorate General of Information Systems**.
- **Benefits:** modernize professional military training, offering flexible and specialized education that decongests traditional courses



### Corporate Average Fuel Efficiency (CAFE) Norms

Centre is likely to impose penalties on some carmakers in violation of Corporate Average Fuel Efficiency (CAFE) norms.

#### About CAFE Norms

- These norms were first notified by the **Government in 2017**, under the **Energy Conservation Act, 2001**.
- Aim: mitigate fuel consumption by lowering CO<sub>2</sub> emissions, reduce oil dependency and air pollution.
- CAFE norms relate the **gasoline equivalent corporate average fuel consumption (in litres/100 km)** to the corporate average kerb weight of all the cars sold by any **original equipment manufacturer (OEM) in a fiscal year**.
- **Applicability:** for **petrol, diesel, liquefied petroleum gas, CNG, etc** with gross vehicle weight less than **3500kgs**.



### Koraga tribe

Koraga tribal community in Kerala is set to receive land titles under Operation Smile project.

#### About koraga tribe

- **Habitat:** It is one of the Particularly Vulnerable Tribal Groups found in Kasaragod district (Kerala) and Karnataka.
  - ⊖ PVTGs are identified by **the ministry of home affairs**. Currently there are **75 PVTGs communities**.
- **Status:** Accorded the status of scheduled Tribe under Presidential order 1956.
- **Traditional occupation:** Basket making
- **Language:** Speaking Tulu language but they have their independent language

#### About Operation Smile

- It has been **launched by the Kerala government** with the aim to rehabilitate, support homeless people.



### Jarawa tribe

Jarawa Tribe of Andaman & Nicobar Islands has been enrolled in Electoral Roll for first time.

#### About Jarawa tribe

- The Jarawa tribes with an **estimated population of 341 inhabit the Western coasts of South & Middle Andaman islands**.
- **Occupation:** They lead their normal life of hunting and gathering.
- This community is one of the **original inhabitants of Andaman and Nicobar Island**, others being Great Andamanese , Onge, Sentinelese and Shompen.



### k4 missile

India tests K-4 nuclear-capable ballistic missile from nuclear submarine INS Arighaat

#### About K-4 nuclear-capable ballistic missile

- **Type:** Nuclear-capable submarine-launched ballistic missile (SLBM)
  - ⊖ Designed to be launched from underwater platforms.
- **Developed By:** Defence Research and Development Organisation (DRDO).
- **Range :** 3,500 km
- **Significance:** India became part of a small group of nations having nuclear triad capability.
  - ⊖ Nuclear Triad means having the **capability of a nuclear strike from Land, Air, and Naval (Sea)**
- **INS Arighaat** is India's **second Ship Submersible Ballistic Nuclear (SSBN)** submarine, first being Arihant submarine.

## Personality in News



### Jyotirao Phule (1827 - 1890)

28th November marks the death anniversary of Jyotirao Phule.

#### About Jyotirao Phule

- **Birth:** Satara (Maharashtra)
- He, along with **Savitribai Phule**, worked as a social reformer, fighting against social evils like untouchability and promoting women's education

#### Major contributions

- With help of his wife, he started **the first school for girls in 1848 in Pune at Tatyasaheb Bhide's residence**.
- He founded **Satyashodhak Samaj(1873)** to propagate caste equality.
- Written various books like **Gulamgiri(slavery); Sarvajaneek Satyadharm**, etc.

#### Values

- Equality, Compassion, Leadership, etc.



AHMEDABAD



BENGALURU



BHOPAL



CHANDIGARH



DELHI



GUWAHATI



HYDERABAD



JAIPUR



JODHPUR



LUCKNOW



PRAYAGRAJ



PUNE



RANCHI