

Household Consumption Expenditure Survey (HCES) 2022-23

- The **Household Consumption Expenditure Survey (HCES)** is conducted by the **National Sample Survey Office (NSSO)** to collect data on the consumption of goods and services by households in India. A factsheet with key highlights from the survey was released in February.
- **Key Findings**
 - **Gini Coefficient:** There was a decrease in the Gini coefficient, indicating reduced inequality in both rural and urban spending from 2011-12 to 2022-23. The Gini coefficient measures inequality, where zero represents perfect equality and one represents perfect inequality.
 - **Monthly Per Capita Consumption Expenditure (MPCE):** In 2022-23, the average estimated MPCE was Rs. 3,773 in rural India and Rs. 6,459 in urban India.
 - **Expenditure on Food:** The share of expenditure on food was 46% in rural areas and 39% in urban areas.
- **Utilisation of HCES Data**
 - **Consumption Patterns:** Helps in understanding household consumption patterns, living standards, and well-being.
 - **Economic Indicators:** Plays a key role in assessing GDP, poverty levels, and Consumer Price Inflation.
 - **Policy-Making and Analysis:** Provides essential indicators for planning, policy-making, and further statistical analysis by government organizations, academics, researchers, and scholars.
- **About the National Sample Survey Office (NSSO)**
 - **Leadership:** Headed by the Director General.
 - **Functions:** Conducts large-scale sample surveys on various socio-economic subjects and the Annual Survey of Industries (ASI).
 - **Establishment:** Operating since 1950 under the Ministry of Statistics and Programme Implementation.

Base Erosion And Profit Shifting (BEPS)

- The **16th meeting of the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS)** recently concluded.
 - This group is finalizing negotiations on Pillar One, and the Global Minimum Tax under Pillar Two is being implemented in countries worldwide.
- **About BEPS: Base Erosion and Profit Shifting (BEPS)** involves tax strategies used by multinational companies to exploit gaps in tax rules to avoid paying taxes.
 - **These tactics include:**
 - **Shifting Profits:** Moving profits to low or no-tax locations with minimal economic activity.
 - **Eroding Tax Bases:** Using deductible payments like interest or royalties to reduce taxable income.
- Developing countries, which rely more on Corporate Income Tax (CIT), are disproportionately affected by BEPS. This practice results in a loss of USD 100-240 billion annually, which is 4-10% of global CIT revenue.
- **OECD/G20 Inclusive Framework on BEPS**
 - This framework is a global initiative involving 147 countries and jurisdictions, including India, aimed at combating tax avoidance and promoting fair tax practices. Established in 2016, it introduced a Two-Pillar approach:
 - **Pillar One:** Reallocating part of the profits of the largest and most profitable multinational enterprises (MNEs) to countries where their consumers are located.
 - **Pillar Two:** Implementing a Global Minimum Corporate Tax (GMCT) of 15% for MNEs.
- **Significance of the Inclusive Framework**
 - **Fair Tax Systems:** Promotes fairness in global tax systems and combats tax avoidance.
 - **Strengthened International Tax Framework:** Adapts to evolving business models and the digital economy.
 - **Revenue Generation:** The GMCT is expected to generate up to USD 192 billion annually for both developed and developing countries.

TRISHNA Mission

- The **Indian Space Research Organisation (ISRO)** recently shared details about the **TRISHNA mission**, a joint project with the **French National Space Agency (CNES)**.
 - The mission focuses on high-resolution thermal infrared imaging for natural resource assessment.
- **About the TRISHNA Mission**
 - **Collaboration:** The mission is a joint effort between ISRO and CNES.
 - **Purpose:** It is designed to provide high-resolution monitoring of Earth's surface temperature, emissivity, and other variables. This data will help in surface energy budgeting on both regional and global scales.
- **Key Objectives:**
 - **Monitor Water and Energy:** Track energy and water budgets to understand water stress and usage.
 - **Water Quality:** Observe coastal and inland water quality and dynamics.
 - **Climate Impact:** Address water and food security issues, monitor evapotranspiration for better water management.
 - **Urban Heat Islands:** Assess urban heat, volcanic activity, geothermal resources, and glacier dynamics.
 - **Atmospheric Data:** Provide data on aerosol, water vapor, and cloud cover.
 - **Climate Indicators:** Track droughts, permafrost changes, and evapotranspiration rates.

Insolvency And Bankruptcy Board Of India (IBBI)

- The **Insolvency and Bankruptcy Board of India (IBBI)** has introduced new guidelines to simplify the appointment of **Insolvency Professionals (IPs)** as resolution professionals.
- **About IBBI**
 - **Statutory Body:** Formed under the Insolvency and Bankruptcy Code, 2016.
 - **Headquarters:** New Delhi.
 - **Ministry:** Ministry of Corporate Affairs.
- **Functions of IBBI**
 - **Regulatory Oversight:** Manages service providers in the insolvency ecosystem.
 - **Regulatory Framework:** Establishes rules for the insolvency and resolution processes for both corporations and individuals.
 - **Governance:** Operates under a Governing Board appointed by the Central Government.

CSC Signs MoU To Convert 10,000 FPOs Into CSCs

- A Memorandum of Understanding (MoU) was signed between **CSC Special Purpose Vehicle (SPV) and the Ministry of Agriculture & Farmer's Welfare** to transform **10,000 Farmer Producer Organizations (FPOs)** into **Common Service Centers (CSCs)**.
- **About FPOs**
 - FPOs are a type of Producer Organization formed by primary producers, such as farmers, and function as legal entities.
- **About CSCs**
 - **Services:** CSCs provide citizens access to various Government-to-Citizen (G2C) e-services by establishing physical service delivery infrastructure using Information and Communication Technology (ICT).
 - **Origins:** Originally part of the National e-Governance Plan, CSC 2.0 is now being implemented under the Digital India Mission.
 - **Current Reach:** There are currently 5.43 lakh operational CSCs.
 - **Nodal Ministry:** Ministry of Electronics and Information Technology.

RBI Permits Automatic Replenishment Of UPI Lite Wallet

- On June 8th, the Reserve Bank of India (RBI) proposed allowing customers to automatically replenish their UPI Lite wallets. This move aims to promote small-value digital payments.
- **About UPI Lite**
 - **Current Limits:** UPI Lite has a daily limit of ₹2,000 and an upper limit of ₹500 for a single payment.
 - **Simplified Version:** UPI Lite is a simplified version of the Unified Payments Interface (UPI), designed for small transactions.

RBI Forms Committee To Set Up Digital Payments Intelligence Platform

- The Reserve Bank of India (RBI) has formed a committee led by **A P Hota, former MD and CEO of the National Payments Corporation of India (NPCI)**, to explore the creation of a **Digital Payments Intelligence Platform** aimed at reducing payment fraud.
- **Key Details**
 - **Purpose:** To mitigate payment fraud risks.
 - **Committee's Task:** Examine various aspects of setting up the platform and provide recommendations within two months.
 - **Rising Fraud:** Domestic payment frauds increased by 70.64%, reaching ₹2,604 crore in the six months ending March 2024, compared to ₹1,526 crore in the same period last year. The number of fraud cases also rose from 11.5 lakh to 15.51 lakh.
- **Objective**
 - The initiative aims to address the significant rise in digital payment frauds and enhance the security of digital transactions.

RBI Approves Zurich Insurance's Acquisition of 70% Stake In Kotak General Insurance

- The Reserve Bank of India (RBI) has approved **Zurich Insurance Company's acquisition of a 70% stake in Kotak Mahindra General Insurance Company for ₹5,560 crore.**
 - This approval is an important milestone in the transaction. Kotak Mahindra Bank announced the RBI's approval in an exchange filing on June 5, confirming that all necessary approvals have been secured.
- In November 2023, Zurich Insurance Company revealed its plan to buy a 51% stake in Kotak Mahindra General Insurance through share purchase and capital infusion.
- The plan includes Zurich acquiring an additional 19% stake over the next three years, completing the ₹5,560 crore investment.

RBI Hikes Threshold For Bulk Fixed Deposit To Rs 3 Crore From Rs 2 Crore

- The Reserve Bank of India (RBI) has increased the threshold for bulk fixed deposits from **Rs 2 crore to Rs 3 crore.**
- This change is part of the RBI's strategy to improve liquidity management and ensure that deposit classifications meet current economic requirements.

SEBI Introduces Financial Penalties For Surveillance Lapses In Stock Markets

- **On June 6, 2024**, the Securities and Exchange Board of India (**SEBI**) introduced a framework for Financial Disincentives for Surveillance Related Lapses (**FDSRL**) for Market Infrastructure Institutions (**MIIs**), including stock exchanges, clearing corporations, and depositories, in case of surveillance-related lapses in the stock markets.
- **Key Points:**
 - **Penalty Provision:**
 - Penalties from Rs 1 lakh to Rs 1 crore for surveillance lapses.
 - Effective from July 1, 2024.
 - **Financial Disincentives:**
 - Based on MIIs' annual revenue and number of lapses.
 - **Market Surveillance:**
 - MIIs monitor trading, margining, settlement, demat transactions, and holdings.
 - Track intermediaries, seek trading rationales, and report suspicious activities.
 - **Categories of Lapses:**
 - Failures in decision implementation, surveillance activities, or reporting.
 - **Penalties by Turnover:**
 - <Rs 1000 crore: Rs 25 lakh, Rs 50 lakh, Rs 1 crore (1st, 2nd, 3rd instance).
 - Rs 300-1000 crore: Rs 5 lakh, Rs 10 lakh, Rs 20 lakh.
 - <Rs 300 crore: Rs 1 lakh, Rs 2 lakh, Rs 4 lakh.
 - **Penalty Deposit:** Penalties must be paid to SEBI's Investor Protection and Education Fund within 15 days.