


1. Pig butchering scams

Why now?



The victims in this situation are referred to as 'pigs' by the scammers who leverage fictitious identities, the guise of potential relationships, and elaborate storylines to 'fatten up' the victim into believing they are in trusted partnerships.”

Earlier this week, the Indian government brought home 549 citizens who had been deceived with fake job offers and forced into cybercrime activities in Southeast Asia. Many had been trafficked to scam centres operating in Myanmar, Thailand, Cambodia, and Laos.

The manner in which people are lured into doing such work is described as “Pig butchering scams”.

What does it have to do with pigs?

“Pig butchering” intends to convey how the potential victims are first “fattened up” before “slaughter”. Scammers approach them and make enticing offers – of a job,

a romantic relationship, or extraordinary amounts of money to be made through cryptocurrency or other investments.

Initially, the offer seems real and some returns are given in the case of monetary scams. This builds trust but eventually, the scammer asks the victim to click on malicious links or record objectionable photos or videos that are later used to blackmail them.

In the recent case, the victims claimed they were approached by a placement agency, which offered data entry operator jobs and good salary packages. They accepted the offer letter, but got shocked after reaching the place where they were forced to commit online fraud by their employers. In many cases, scammers seize their victims’ passports and ID cards to prevent their escape.

Indians Stuck

According to data from the Indian Cyber Crime Coordination Centre (I4C), a division under the MHA, about 45% of the cybercrimes targeted at India originate from the Southeast Asia region. As on March 28, 2024, more than 5,000 Indians are suspected of being stuck in Cambodia and forced to carry out cyber fraud.

Relevance: GS Prelims & Mains Paper III; Internal Security

Source: Indian Express

2. Why did real money gaming industry come out with a code of ethics?

Why in News?

The real money gaming industry's (RMG) main industry organisations — the Federation of Indian Fantasy Sports (FIFS), the E-Gaming Federation (EGF) and the All India Gaming Federation (AIGF) — all signed a code of ethics earlier this week, setting out standards for RMG firms to conduct business ethically and transparently.

RMG industry

KEY GUIDELINES UNDER THE CODE OF ETHICS

- **Age-Gating and KYC Compliance:** Platforms must implement strict age-verification mechanisms to prevent minors from accessing real-money games.
- **User Protection Measures:** Operators must offer players the ability to self-exclude, set spending limits, and receive regular gaming activity notifications.
- **Ethical Advertising Practices:** All promotions must be transparent and must not mislead users with exaggerated claims.

The RMG industry represents firms like Dream11, PokerBaazi and others who offer games where users can risk money they either lose or win returns on. While many countries would classify the firms as gambling operators, the Indian judiciary has repeatedly upheld games where there are a "preponderance of skill," such as poker, where players can benefit better from playing a game well than those who don't, are not classified as gambling.

As such, these firms are hard to regulate for States though under the Constitution, "betting and gambling" is a State subject. In Andhra Pradesh and Telangana, the industry is fighting a ban on fantasy sports in particular. Fantasy sports services entice player to create own teams in an app with real world

player performance impacting outcomes on the apps. This is somewhat distinct from sports betting, where real world teams are directly wagered upon.

Large Revenues

The RMG industry is very valuable, and has clocked \$3.8 billion revenue in FY2023-24, as per venture capital firm Lumikai. As the cost of providing the service is far cheaper than operating a RMG house, the theoretical returns on this industry are massive. However, the industry has seen a slowdown in growth since a 28% GST rate was applied in 2023 to deposits players make with these platforms.

Why have these firms put out a code of ethics?

While the RMG industry thwarted several legal challenges from States seeking to ban poker and rummy apps — such as in Tamil Nadu — the efforts by State authorities continue. Moreover, Since the Union government's own rules on the RMG industry are yet to be implemented, RMG firms are under pressure to independently demonstrate a sense of responsibility, one industry executive said. Similar codes of conduct have been published before by the industry. For instance, AIGF put out its own charter for games of skill in 2022.

Even the OTT streaming industry, under the aegis of the Internet and Mobile Association of India (IAMAI), put out similar codes of ethics before the government chose to regulate them through the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.

Further signals of legitimacy are incredibly important to the industry right now. The RMG industry expressed particular concern about competition from offshore gambling websites which use mule accounts in India and constantly shift domain names to evade capture and blocking. These firms are growing far faster than domestic players, one executive said, because they neither charge the 28% GST nor they comply with ID verification requirements.

Code of ethics

Much of the newly released codes — similar to past commitments by the industry — resemble closely to initiatives already taken by large RMG firms to demonstrate legitimacy: these include disclosures on advertising, age restrictions, identity verification, self lock-out features, warnings when a player has been on the platform for too long, and so on.

The code also requires firms to identify “vulnerable” players and work to block them. Other requirements include making sure “that the claims of total prize money are truthful, verifiable and not exaggerated,” “not imply that playing in online games will help fulfil social obligations or solve personal or financial problems,” and “not suggest online gaming can aid escape from personal/ professional problems”.

The document comes into effect between 6–9 months from now, depending on the size of each firm.

Relevance: GS Prelims & Mains Paper II; Governance

Source: The Hindu

3. Actor Ranya Rao case: What laws govern import of gold into India

Introduction

A Special Court of Economic Offences in Bengaluru rejected the bail plea of Kannada actor Harshavardhini Ranya alias Ranya Rao, who was arrested for allegedly smuggling over 14 kilograms of gold on a flight from Dubai to Bengaluru earlier this month.

The DRI is investigating whether this was an isolated incident or a part of a series of gold-smuggling trips, noting that Rao travelled to Dubai frequently. The case has also raised questions on possible police involvement as local officers would escort Rao home from the airport after she returned from her frequent trips to Dubai.

Laws on gold smuggling in India

Until its repeal in 1990, the Gold (Control) Act, 1968, curbed gold imports and placed heavy restrictions on the acquisition, possession, and disposal of gold in India. However, with economic liberalisation in the 1990s, the government modified its approach, imposing an import duty on gold at the rate of Rs 250 for every 10 grams, leading to a boom in gold imports in the following years.

Now, gold imports are largely governed under the Customs Act, 1962, and by the Central Board of Indirect Taxes and Customs (CBIC). The customs duty for gold may differ depending on the amount of gold carried by a passenger and the duration spent abroad before traveling back to India, as per the Baggage Rules, 2016 (issued under the Customs Act).

Under these rules, a man residing abroad for over a year may carry up to 20 grams of jewellery duty free (with a value cap of Rs 50,000) and a woman may similarly carry up to 40 grams (with a cap of Rs 1 lakh). The CBIC also has specific guidelines for Indian passengers returning from Dubai after residing there for over six months, allowing them to carry up to 1 kg of gold as long as the applicable customs duty is paid.

The customs duty for gold is:

3% customs duty: for men carrying 20-50 grams of gold and women carrying 40-100 grams;

6% customs duty: for men carrying 50-100 grams and women carrying 100-200 grams;

10% customs duty: For men carrying over 100 grams and women carrying over 200 grams.

In 2003, the Supreme Court held that any article imported without complying with the relevant conditions or restrictions must be considered a "prohibited good". Such goods are liable to be confiscated under Section 111 and punished under Section 112 of the Customs Act. The punishment may include a fine of up to the value of the goods. Section 135 provides a punishment of up to 7 years imprisonment if the market price of the smuggled goods exceeds Rs. 1 lakh.

Smuggling is also punishable under Section 111 (Organised Crime) of the Bharatiya Nyaya Sanhita, 2023, which punishes "trafficking in...illicit goods" with imprisonment of at least five years, extendable to life imprisonment. The UAPA also carries the same punishment for smuggling as a "terrorist act" under Section 15 if it causes "damage to the monetary stability of India".

Ranya Rao's arrest



In a statement issued on March 5, the DRI said, "Acting on specific intelligence, DRI officers intercepted an Indian lady passenger aged around 33 years, who had arrived from Dubai to Bengaluru via Emirates flight on March 3, 2025. Upon examination, gold bars weighing 14.2 kg were found ingeniously concealed on (her) person".

The DRI claims Rao travelled to Dubai 27 times over six months. The DRI searched Rao's residence and according to their statement, "The search resulted in the seizure of gold jewellery worth Rs 2.06 crore and Indian currency amounting to Rs 2.67 crore", placing the total seizure in the case at Rs. 17.29 crore.

Rao used VIP channels to exit the Bengaluru airport whenever she arrived. A protocol official would escort her to the exit where local police would receive her and take her home, bypassing the extensive checks for regular passengers. Rao's stepfather, a senior IPS officer and DGP,

was linked to a robbery of a gold consignment from Kerala to Karnataka over a decade ago. He was later transferred, though no official action was taken against him.

On March 10, the Department of Personnel and Administrative Reforms in Karnataka ordered Additional Chief Secretary Gaurav Gupta to probe the alleged misuse of official privileges and protocol benefits by Rao, with her stepfather being the focus of the investigation.

Relevance: GS Prelims; Economics

Source: Indian Express

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