

KEY FACTS ABOUT HAMPI

The third Sherpas meeting under India's G20 Presidency was recently held in Hampi.



About Hampi:

- **Location:** Traditionally known as Pampakshetra of Kishkindha, Hampi is located in central Karnataka on the banks of the Tungabhadra River.
- It is a UNESCO World Heritage Site.
- It is renowned for its historical and archaeological significance, as it was **once the capital of the Vijayanagara Empire**, one of the greatest Hindu empires in South India, **which thrived from the 14th to the 16th century.**
- **River:** The **Tungabhadra River** flows through Hampi.
- **Architecture:**
 - The site **boasts numerous grand temples, palaces, marketplaces,** and other structures.
 - Some of the prominent landmarks include the **Virupaksha Temple, Vittala Temple, Lotus Mahal, Queen's Bath, and Elephant Stables.**
 - **Temples of this city are noted for their large dimensions, florid ornamentation, bold and delicate carvings,** stately pillars, magnificent pavilions and a great wealth of iconographic and traditional depictions which include subjects from the Ramayana and the Mahabharata.

About Vittala Temple Complex:

- It is an iconic structure within Hampi, known for its **extraordinary architecture and the famous stone chariot.**
- It **dates back to the 15th century.** It was **built during the reign of King Devaraya II (1422 – 1446 A.D.),** one of the rulers of the Vijayanagara Empire.
- Several portions of the temple were **expanded and enhanced during the reign of Krishnadevaraya (1509 – 1529 A.D.),** the most famous ruler of the Vijayanagara dynasty.

- It is also known as Shri Vijaya Vitthala Temple. It is dedicated to Lord Vitthala, an incarnation of Lord Vishnu.
 - **Architecture:**
 - It is **built in the Dravidian style of architecture**. It has traits and features that are characteristic of typical south Indian temple architecture.
 - It is believed that the main shrine of the **temple originally had one enclosed Mantapa**. An open Mantapa was added to it in the year 1554 A.D.
 - The temple complex is a sprawling area that is **surrounded by high compound walls and three towering gateways**.
 - The temple complex **has many halls, shrines and pavilions located inside it**. Each of these structures is made of stone.
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WHAT IS WINDFALL TAX?

The Indian government recently reimposed a windfall tax on domestic petroleum crude.



About Windfall Tax:

- **What is it?** It is a **higher tax** levied by the government on **specific industries** when they experience **unexpected and above-average profits**.
 - **When is it imposed?**
 - When the government **notices a sudden increase in an industry's revenue**, they impose this tax.
 - However, **these revenues cannot be linked to anything the company actively pursued**, such as its **business strategy** or expansion.
 - Consequently, a **Windfall Tax is imposed on an industry's profits** when it experiences a **sharp increase in revenue due to unrelated external events**.
 - **Rationale behind the imposition of windfall tax:**
 - **Redistribution of unexpected gains**, when high prices benefit producers at the expense of consumers;
 - **To fund social welfare schemes;**
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- As a **supplementary revenue stream for the government**;
 - As a way for the Government to **narrow the country's widened trade deficit**;
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PM MODI'S STATE VISIT TO UAE

Why in news?

- After concluding his visit to France, the Prime Minister Modi departed for UAE and reached there on 15th of July.
- This was his fifth visit to the UAE since he assumed office in 2014.

India – UAE Bilateral Relationship

Political relations

- India and the UAE established diplomatic relations in 1972. Since then, their relationship has grown manifold.
- In January 2017, India and UAE signed a Comprehensive Strategic Partnership Agreement.
- The strong bilateral relations have received impetus from time-to-time with exchange of high-level visits from both sides.
- In February 2019, UAE invited India as the "**Guest of Honour**" to address the Inaugural Plenary of 46th Session of the Organisation of Islamic Cooperation.
- PM Modi paid his third visit to the UAE in August 2019. He was awarded the highest civilian award of UAE called '**Order of Zayed**'.
- Crown Prince of UAE visited India for the second time in January 2017 as the Chief Guest at India's Republic Day celebrations.
- The foundation stone laying ceremony for the first traditional Hindu Temple in Abu Dhabi was held in April 2019.
- In February 2022, PM Modi and Crown Prince of Abu Dhabi HH Sheikh Mohammed bin Zayed Al Nahyan held a Virtual Summit.
- Both the leaders issued a Joint Vision Statement – "**Advancing the India and UAE Comprehensive Strategic Partnership: New Frontiers, New Milestone**".
- **UAE is the guest country at G-20**, being held under India's presidency.

Trade Relation

- India-UAE trade rose to USD 85 billion in 2022, making the **UAE India's third-largest trading partner for 2022-23** and **India's second-largest export destination**.
- **India is the UAE's second largest trading partner.**
- Both the countries are expecting to achieve the target of USD 100 billion in trade before the G-20 meeting in Delhi in September 2023.

Comprehensive Economic Partnership Agreement (CEPA) between India and UAE

- India-UAE CEPA was signed in February 2022 in New Delhi during the India-UAE Virtual Summit.
- In March 2022, India announced the unveiling of the CEPA with the UAE.
- It covers almost all the tariff lines dealt in by India (11,908 tariff lines) and the UAE (7581 tariff lines)

Investment

- Since the signing of CEPA, UAE has emerged as the **fourth largest investor** in India during 2022-23. It was seventh largest investor in 2021-22.
- In the last fiscal, FDI from the UAE to India jumped over three-fold to \$3.35 billion from \$1.03 billion in 2021-22.

NRI Remittances

- The annual remittances made by the large Indian community in UAE amount to more than US\$ 17.06 billion for year 2019.

Energy Cooperation

- In 2017, the Abu Dhabi National Oil Company (ADNOC) and the Indian Strategic Petroleum Reserves Ltd. (ISPRL) signed an MoU to establish a strategic crude oil reserve in the city of Mangalore (Karnataka).
- ADNOC is also involved in exploring the possibility of storing its crude oil at ISPRL's underground oil storage facility at Padur in Karnataka.
- A consortium led by ONGC including Indian Oil and Bharat Petro Resources, has been awarded a 10 per cent stake in the Lower Zakum Concession.

News Summary: PM Modi's State Visit to UAE

- Prime Minister Modi held talks with UAE President Sheikh Mohamed bin Zayed Al Nahyan to further deepen the multifaceted bilateral ties.
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PERSEVERANCE ROVER

Recently, the United States National Aeronautics and Space Administration's (NASA) Perseverance rover has discovered evidence of organic compounds in a Martian crater.



Key findings:

- The results reveal that Mars has a more **complex organic geochemical cycle** than previously thought, implying the existence of multiple reservoirs of potential organic molecules on the planet.
- The findings suggest that **water may have been a significant factor** in Mars's vast range of organic matter.
- A high possibility for past habitability exists at the rover's landing **site in Jezero Crater**.
- It has a variety of minerals, including carbonates, clays, and sulphates, due to its history as an old lake basin.
- Organic compounds and perhaps even traces of prehistoric life could be preserved by these minerals.
- The scientists used a first-of-its-kind instrument called the **Scanning Habitable Environments with Raman and Luminescence for Organics and Chemicals (SHERLOC)** to map the distribution of organic molecules and minerals on rock surfaces.

About Perseverance rover:

- It is **robotic explorer** to land on Mars as part of NASA's ongoing Mars 2020 Mission.
- **Main Job:** Seek **signs of ancient life and collect samples** of rock and regolith (broken rock and soil) for possible return to Earth.
- The rover will collect samples of rock and soil, encase them in tubes, and leave them on the planet's surface to be returned to Earth at a future date.
- **Launch:** It was launched on July 30, 2020 from Cape Canaveral, Florida.
- **Landing:** Successfully landed on the surface of **Mar's Jezero Crater** on Feb. 18, 2021.

- **Features:**
 - It is about the size of a car, but weighs only about 1,025 kilograms with all instruments on board.
 - **Power source:** Multi-Mission Radioisotope Thermoelectric Generator (MMRTG). Converts heat from the radioactive decay of plutonium into electricity.
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THE FOREST (CONSERVATION) AMENDMENT BILL: WHY IS THERE A CONTROVERSY ON THE BILL?

Why in News?

- The Forest (Conservation) Amendment Bill 2023 is likely to be tabled in the monsoon session of Parliament.

Forest Conservation Laws in India:

- **The Forest Conservation Act 1980** was enacted -
 - To protect India's forests and
 - Empowers the Central government to regulate the extraction of forest resources (from timber and bamboo to coal and minerals) by industries as well as forest-dwelling communities.
- **The Forest Rights Act 2006** protects the rights of tribals and forest-dwellers dependent on forests for their livelihood.
- **India's forest policy (1988)** prescribes a third of the country's geographical area to be under forests.

The Key Changes to the Act:

- **Inserting a 'preamble':** That underlines -
 - India's commitment to preserving forests, their biodiversity and tackling challenges from climate change and
 - Amending the name of the Act to **Van (Sanrakshan Evam Samvardhan) Adhiniyam (translated as Forest Conservation and Augmentation)** from the existing Forest (Conservation) Act.
- **The Act would only apply to:** Lands notified in any government record as 'forest' on or after 1980.
- **Exemptions:** The Act would not apply -

- If notified forest land was legally diverted between 1980 and 1996, for non-forest use.
- **To forest land situated 100 km away from international borders** and to be used for “strategic projects of national importance” or
- **To land ranging from 5-10 hectares for security and defence projects.**

Significance of these Amendments:

- **It will incentivise private parties** who want to develop plantations in degraded forests or restore tree patches.
- **Earlier**, a private plantation/ a reforested land that wasn't officially marked out as forest could be retrospectively earmarked, forcing the developer of such a plantation to lose rights associated with that patch.
- **This was an ‘impediment’ to India’s plans of developing a ‘carbon sink’** of three billion tonnes by 2030 in line with its commitments under the **Paris Agreement**.
- **It will stop States from apportioning forest tracts** meant for plantations to companies for mining operations.
- **It will craft new solutions beyond the Act’s original intent** of only keeping forests from being exploited for industrial uses and to aid reforestation.

The Government’s Response:

- **The Environment Ministry has submitted detailed explanations to the Committee**, trying to address concerns that have been raised.
- It emphasises that the new amendments **do not dilute the Godavarman judgement** and that there are **provisions in place to ensure that land will not be “misused.”**
- The proposed exemptions are not generic and would be restricted to “**specific linear projects of strategic importance**” identified by the Central government.
- **These exemptions wouldn’t be available to private entities.**

Will 28% GST on Online Gaming Affect its Growth?

Why in News?

- At the recently concluded 50th GST Council meeting, it was decided that **online gaming would be taxed at 28%** on the full-face value of the placed bets.

What is Online Gaming? What is the Real-Money Online Gaming Industry?

- The Ministry of Electronics and information Technology (MeitY) in its draft regulation has defined online game “as a game that is offered on the Internet and is accessible by a user through a computer resource or an intermediary.”
- Real money online games are where the user deposits cash or kind with the expectation of earning winnings on that deposit.
- These online gaming platforms can be fantasy, e-sports, or skill-based online gaming platforms.
- Cards-based games such as poker or rummy are also a part of it.

How will the Taxation Work?

- Gaming platforms charge an entry fee from the user to allow them to participate in a particular game.
- The platform operator deducts a certain amount of entry fee to run the game and the overall platform, known as the **Gross Gaming Revenue (GGR)**. The rest is transferred to the prize pool.
- For example, the entry fee is Rs 100 and the GGR is Rs 20.
- **Currently, online gaming platforms pay the government a GST of 18 per cent levied on the GGR.** This implied the operator would have to pay Rs 3.6 as taxes.
 - Besides this, TDS of 30 per cent is deducted on the winnings.
- However, **with the decision of taxing 28% on the entry fee itself (Rs 100), the taxation amount would be increased to Rs 28.**

What will be the Likely Impact of the High GST Rate?

- The high tax rate will make it more expensive for players to participate in online gaming.
 - A gamer will have to pay 28 per cent GST on the amount deposited to play the game.
 - Besides this, he will have to pay the platform fee and bear 30 per cent TDS on net winnings.

- This could lead to **players seeking out offshore or illegitimate platforms that do not charge GST**, or that charge a lower rate.
 - This would be a major setback for the legitimate online gaming industry in India, as it would allow these offshore and illegitimate platforms to gain an unfair advantage.
 - The Internet and Mobile Association of India (IAMAI) said that it is deeply concerned by the GST Council’s decision to levy 28 per cent GST on the full face-value of the consideration instead of just the platform fee.
 - The IAMA said that **net effect of this levy will result in an approximate 1,000 per cent increase in GST on the industry and will cause irreversible damage to the \$2.5 billion investments in the Indian online gaming start-up ecosystem.**
 - **Government’s Argument –**
 - The government is clear that this is a mechanism to discourage gambling specially by youngsters and thus the levy.
 - The government has stated that it would be making suitable amendments to include online gaming and horse racing in Schedule-III of the **Central Goods and Services Tax Act (2017)**, deeming them as taxable actionable claims.
 - This will bunch online gaming together with gambling.
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