



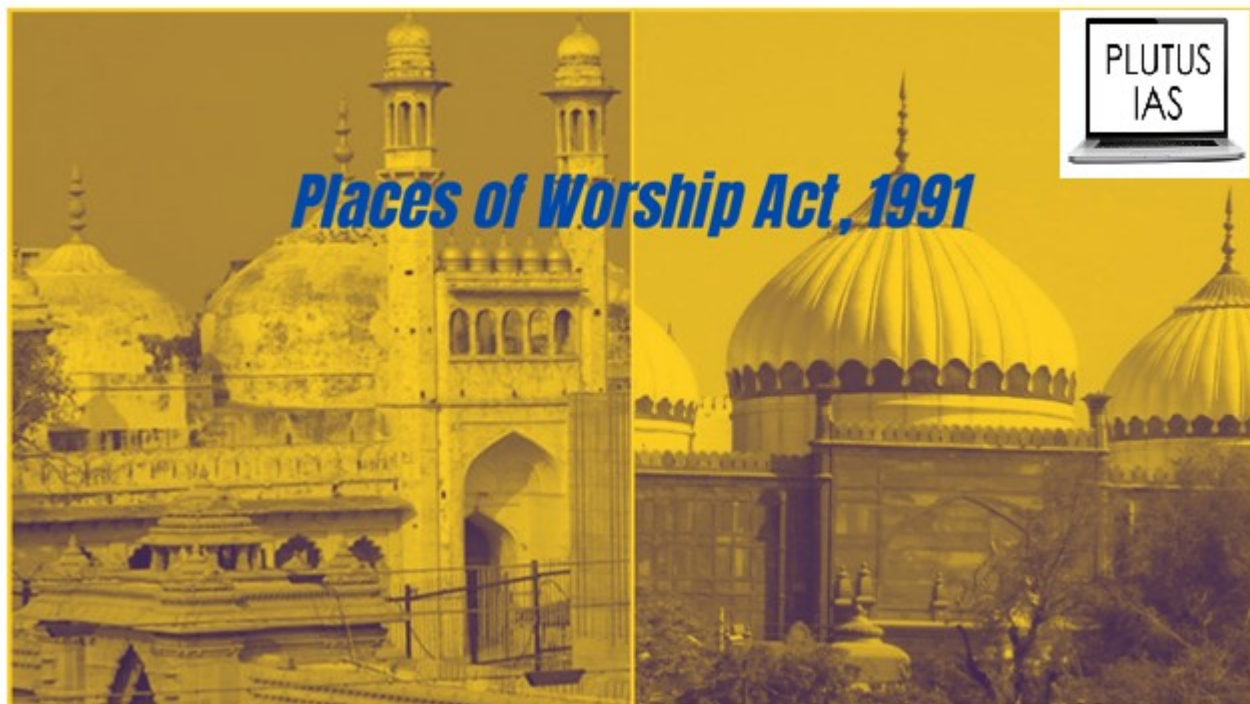
Date - 15 July 2023

PLACES OF WORSHIP ACT

This article covers "Daily Current Affairs" and the topic details "Places of Worship Act". The topic "Places of Worship Act" has relevance in the Governance section of the UPSC CSE exam.

For Prelims:

About the Places of Worship Act?



For Mains:

- *GS 2: Governance*
- *Criticism?*
- *Supreme Court's Stance?*
- *Way Forward?*

Why in the news?

The Supreme Court of India has adjourned the case regarding the validity of the Places of Worship Act of 1991, allowing the Centre until October 31, 2023, to clarify its stand on the matter.

What is the Places of Worship Act?

The Places of Worship Act, 1991, was enacted with the objective of preserving the status and religious character of places of worship as they existed on August 15, 1947. The Act prohibits the conversion of any place of worship, ensuring that their religious identity remains unchanged.



Major Provisions of the Act:

- **Prohibition of Conversion:** Prevents the conversion of a place of worship from one religious denomination to another or within the same denomination.
- **Maintenance of Religious Character:** Ensures that the religious identity of a place of worship remains the same as it was on August 15, 1947.
- **Abatement of Pending Cases:** Terminates ongoing legal proceedings concerning the conversion of a place of worship's religious character before August 15, 1947, and prohibits new cases.
- **Exceptions to the Act:** Excludes ancient and historical monuments, archaeological sites, and remains covered by the Ancient Monuments and Archaeological Sites and Remains Act, 1958. It also excludes cases already settled or resolved, and disputes resolved by mutual agreement or conversions before the Act's implementation.
- **Exclusion of Ayodhya Dispute:** The Act does not extend to the specific place of worship known as Ram Janmabhoomi-Babri Masjid in Ayodhya, including associated legal proceedings.

Criticism:

- **Bar on Judicial Review:** Critics argue that the Act prevents judicial review, undermining the checks and balances system and limiting the judiciary's role in protecting constitutional rights.
- **Arbitrary Retrospective Cutoff Date:** Critics argue that using August 15, 1947, as a cutoff date disregards historical injustices and denies redressal for encroachments before that date.
- **Violation of the Right to Religion:** Critics claim that the Act infringes upon the religious rights of certain communities by restricting their ability to reclaim and restore their places of worship.
- **Violation of Secularism:** Critics argue that the Act violates the principle of secularism and favors one community over others, undermining equal treatment of religions under the law.
- **Exclusion of Ayodhya Dispute:** The Act is criticized for excluding the land involved in the Ayodhya dispute, leading to concerns about differential treatment of religious sites.

Supreme Court's Stance:

- *The Supreme Court views the Places of Worship Act as a legislative intervention that upholds secularism and ensures equality among all religions.*
- *The Act enforces the constitutional obligation of the State to preserve places of worship for every religious community.*

Way Forward:

- *Conduct a comprehensive review of the Act to address criticisms and address any shortcomings.*
- *Ensure that the Act does not impede judicial review, allowing the judiciary to fulfill its role in safeguarding constitutional rights.*
- *Strike a balance between preserving the religious character of places of worship and respecting the rights of different communities.*
- *Facilitate public consultation and engagement to gather diverse perspectives, promote transparency, and ensure inclusivity in the decision-making process.*

Review the exclusion of specific sites, considering fairness, consistency, and the principles of equality and justice.

SOURCE:

<https://www.thehindu.com/news/national/validity-of-places-of-worship-act-sc-gives-centre-time-to-clarify-stand-adjourns-case-to-october-31/article67066721.ece>

Q.1 Which of the following is true regarding the Places of Worship Act?

1. *It was enacted to freeze the status of religious places of worship as they existed on August 15, 1947.*
2. *The Act allows for the conversion of a place of worship from one religious denomination to another.*
3. *It applies to ancient and historical monuments covered by the Ancient Monuments and Archaeological Sites and Remains Act, 1958.*
4. *The Act extends to the specific place of worship known as Ram Janmabhoomi-Babri Masjid in Ayodhya.*

Select the correct answer using the code given below:

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 1 and 3 only
- (d) 1, 2, and 4 only

ANSWER: C

Q.2 Consider the following criticism of the Places of Worship Act?

1. *The Act allows for judicial review, undermining the constitutional checks and balances.*
2. *The Act was enacted in 1947, which is considered an arbitrary retrospective cutoff date.*

Select the correct answer using the code given below:

- (a) 1 only
- (b) 2 only

(c) Both 1 and 2

(d) None of the above

ANSWER: B

Q.3 Critically analyze the provisions and implications of the Places of Worship Act, 1991, in preserving the religious character of places of worship in India. Discuss its impact on secularism, the right to religion, and the principle of equality under the law.

Rishabh

NEW TAX RULES FOR ONLINE GAMING

This article covers "Daily Current Affairs" and the topic details "New Tax Rules for Online Gaming". The topic "New Tax Rules for Online Gaming" has relevance in the "Indian Economy" section of the UPSC CSE exam.

For Prelims:

What are the new tax rules on online gambling?

For Mains:

GS3: Indian Economy and Government Budgeting

Why in the news?

During its meeting on July 11, the GST Council made the decision to impose a consistent 28 percent tax on the complete face value of online gaming, casinos, and horse-racing.



Current Rules:

- Currently, gaming companies pay a tax of 18 percent on platform fees for activities such as fantasy gaming platforms, which are considered games of skill.
- For example, let's assume the platform fee charged by the game for participating in a contest was 10% of the deposit. So, if Rs 100 was deposited, the platform earned Rs 10. With the previous 18% GST rate, the tax on the Rs 10 would be Rs 1.8.

New Rules:

- The Revenue Department's clarification that the tax rate for these categories should be 28 percent led to the decision made on Tuesday.
- The new structure will levy a 28% GST on the entire face value of the bet or consideration paid, rather than just the platform fee.
- This means that the GST on every Rs 100 deposited will be Rs 28, compared to the previous Rs 1.8.
- As a result, online games of skill will now have to pay around 15.6 times more GST under the new regime.
- The tax will be levied based on the following:
 - In the case of casinos, the tax will be applicable on the face value of the chips purchased.
 - For horse racing, the tax will be applied to the full value of the bets placed with the bookmaker or totalisator.
 - In the case of online gaming, the tax will be imposed on the full value of the bets placed.
- Proposed changes to the GST-related laws:
 - Inclusion of online gaming and horse racing as taxable actionable claims in Schedule III.
 - An actionable claim, as defined by the Central Goods and Services Tax Act, 2017, is considered goods for GST purposes.
 - Until now, lottery, betting, and gambling were categorised as actionable claims, and the forthcoming amendments will extend this classification to include horse racing and online gaming.

Prospective impacts on the Industry:

- **Increased costs for operators:** The 28% GST will be a major increase from the current rate of 18%. This is likely to lead to higher costs for online gambling operators, which could be passed on to consumers in the form of higher fees or lower winnings.
- **Reduced investment in the industry:** The high tax rate could make it less attractive for new operators to enter the market, and could also discourage existing operators from investing in new products and services.
- **Increased levels of illegal gambling:** As the cost of legal gambling increases, some people may be tempted to turn to illegal operators who do not charge taxes. This could have a number of negative consequences, including increased crime and corruption.
- Possibility of Job Loss due to reduced investments as the decision is likely to affect volumes and thus the viability of gaming companies.

Gaming in India:

In India, games are generally classified into two broad categories for differentiation purposes.

Games of Chance (Gambling)	Games of Skill (Gaming)
Games of chance encompass those games that are played randomly, primarily relying on luck.	Games of skill involve those games that require a person's prior knowledge or experience in playing. These games necessitate skills such as analytical decision-making, logical thinking, and capability.
These games can be played without prior knowledge or understanding, such as dice games or number picking.	Some games may even require initial training to increase one's chances of winning.
Participating in such games is considered illegal in India.	Most Indian states consider such games to be legal.

Online Game: The Indian government defines an online game as "a game that is offered over the Internet and can be accessed by a user through a computer or an intermediary."

Online Game Regulations:

- The Ministry of Electronics and IT (MeitY) had introduced fresh regulations aimed at safeguarding online gamers from harmful content and addiction in April 2023.

- To achieve this, a self-regulation model has been implemented for the online gaming sector, wherein Self-Regulatory Organizations (SROs) will assess and approve games that comply with the established rules for operation within the country.
- These updated rules for online gaming have been incorporated as an amendment to the IT Rules of 2021.

Goods and Services Tax (GST) Council:

- The Goods and Services Tax (GST) Council is a constitutional body responsible for making recommendations on issues related to the implementation of the Goods and Services Tax (GST) in India.
- The Council was set up by the Constitution (122nd Amendment) Act, 2017, and its first meeting was held on September 22-23, 2016.
- The GST Council is composed of the Union Finance Minister, the Minister of State for Finance, and the Chief Ministers of all the states and union territories.
- The Council takes decisions through a consensus-based approach.

Quorum	One-half of the total number of members
Majority	Three-fourths of the weighted votes of the members present and voting
States' Weightage	One-sixth of the total votes cast
Centre's Weightage	One-third of the total votes cast

Key functions of the GST Council:

- **Making recommendations on the GST rates:** The GST Council is responsible for making recommendations on the GST rates for various goods and services. The Council takes into account factors such as the revenue implications of the rates, the impact on consumers and businesses, and the need for uniformity across the country.
- **Determining the exemptions and thresholds:** The GST Council is also responsible for determining the exemptions and thresholds for the GST. Exemptions are items that are not subject to GST, while thresholds are the minimum turnover below which businesses are not required to register for GST.
- **Approving the GST laws:** The GST Council is responsible for approving the GST laws. These laws govern the implementation of the GST, including the rules on registration, filing of returns, and payment of taxes.

Sources:

Uniform 28% tax on online gaming: What the GST Council's decision says, its implications | Explained News, The Indian Express

Q1. With reference to Gaming Laws, consider the following statements:

1. The new rules on online gaming will levy a 28% GST on the platform fee rather than full face value of bets.
2. Game of chance requires initial training to increase one's chances of winning.
3. Games of skill are legal in most Indian states.

Which of the statements given above is/are correct?

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 3 only
- (d) 1, 2 and 3

Answer: (c)

Q2. Consider the following statements:

1. Goods and Services Tax (GST) Council is a statutory body.
2. It is headed by the Prime Minister with Chief Ministers of each state as members.
3. The Council takes decisions by a majority of not less than three-fourths of the weighted votes of the members present and voting.
4. The GST Council is responsible for approving the GST laws.

How many of the above mentioned statements are correct ?

- (a) Only one
- (b) Only two
- (c) Only three
- (d) All Four

Answer: (b)

Q3. What are the implications of the GST Council's decision to impose a 28% tax on online gaming and its potential impact on the industry?

Gaurav Nikumbh

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