

GST Council sticks to its plan to collect 28% tax on online gaming

Vikas Dhoot
NEW DELHI

The GST Council on Wednesday blinked a little on technicalities and kept the door open for a review down the road, but stuck to its earlier decision to impose a 28% levy on the full face value of bets placed on online gaming, casinos and horse racing, with an eye on implementing it from October 1.

Finance Minister Nirmala Sitharaman, who chaired the Council's meeting, said the Centre would now strive to amend the Goods and Services Tax (GST) law in Parliament's current session itself to enable the implementation of the levy, despite dissent from Sikkim and Goa over the modalities of the tax for casino users.

Tamil Nadu Finance Minister Thangam Thennarasu raised concerns about the levy's impact on the State-wide ban on online



Nirmala Sitharaman speaks after the meeting. PTI

gaming, which Ms. Sitharaman said would be addressed in the language of the new norms to explicitly state that the tax cannot be levied where a ban is in place.

The Delhi government's representative sought a fresh review for the online gaming sector, but most other States leaned towards sticking to the Council's decision last month, which had been taken after three years of deliberations, Ms. Sitharaman said after the virtual meeting.

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GST Council retains 28% tax on online gaming

The online gaming industry, which had termed the Council's decision a death knell endangering billions of dollars of investments and thousands of jobs in the sunrise sector, remained anxious but appreciated a critical clarification on the valuation rules for the 28% levy, which were approved by the Council on Wednesday.

Simply put, if someone enters a casino by buying chips worth ₹1,000, plays a round and wins ₹300, the tax will not be levied on ₹1,300, but on the entry amount of ₹1,000 alone, Ms. Sitharaman explained. In a joint statement, the E Gaming Federation and Federation of Indian Fantasy Sports welcomed this, as it would address their concerns of "repeat taxation".

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Village for Irula families rebuilt in Thirukazhukundram



Ministers Udhayanidhi Stalin, T.M. Anbarasan and other dignitaries at the event in Thirukazhukundram on Wednesday. M. SRINATH

The Hindu Bureau
CHENNAI

A rebuilt village for an Irula community was inaugurated by Minister for Youth Welfare and Sports Development Udhayanidhi Stalin and Minister for Rural, Cottage and Small Industries and Slum Clearance Board T.M. Anbarasan on Wednesday. Mr. Udhayanidhi visited a house and handed over the keys to its new owner.

The Nallamai Rama-

nathan Kuyilkuppam Nagar in Thirukazhukundram is a project of the Rotary Club of Madras Central and contains 63 houses. Gas and water connections have been provided as well. The project's total cost is ₹7.5 crore, out of which project chairman Abirami Ramanathan's contribution is ₹4 crore with other Rotarians contributing the remaining amount.

"Owning a house is a dream for everyone. It isn't

just 63 houses I see, but 63 families and their descendants that will benefit from this project undertaken by the club," said Mr. Udhayanidhi. Mr. Anbarasan appreciated the efforts of Mr. Ramanathan.

G. Viswanathan, founder and chancellor, VIT University, was present and requested Mr. Ramanathan to support higher education projects. The inauguration was also attended by Rahul Nath, Collector, Chengalpattu.

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Tamil Nadu's FDI inflows dropped by 27.7% to \$2.17 billion in 2022-23

Sanjay Vijayakumar
CHENNAI

Tamil Nadu's Foreign Direct Investment (FDI) inflows declined 27.7% to about \$2.17 billion in the financial year 2022-23 from \$3 billion in 2021-22, as per data shared in Parliament. Many other key States, except Gujarat, also saw a decline during this period.

India's FDI inflows as a whole declined 16.34% to \$70.97 billion in 2022-23 from \$84.84 billion in 2021-22, as per the provisional figures from the Reserve Bank of India. Union Minister of State for Commerce and Industry, Som Parkash, said in a written reply to a question in the Rajya Sabha on July 21.

As per the data, Maharashtra saw a 4.08% decline in FDI inflows to \$14.81 billion in 2022-23 from \$15.44 billion in 2021-22, while Karnataka witnessed a 52.74% drop to \$10.43 billion from \$22.07 billion during the same period. Delhi saw a fall of 8.05% in FDI inflows to \$7.53 billion in 2022-23 from \$8.19 billion in 2021-22. Gujarat, however, saw its FDI inflows jump 74.4% to \$4.71 billion in 2022-23 from \$2.70 billion in 2021-22.

Tamil Nadu's FDI inflows had increased 30.4% to about \$3 billion in 2021-22 from \$2.3 billion in 2020-21, while Gujarat's had fallen to \$2.70 billion from \$21.89 billion in the same period.

A tighter financial environment and a string of financial crises in global markets in general, and in developing markets in particular, may have triggered a fall in FDI inflows, Mr. Parkash said. He also cited the economic crisis due to

Investment tracker

Key States in the country, barring Gujarat, have seen a drop in Foreign Direct Investment

How States fare in terms of FDI inflows

State	2022-23*	2021-22*	% change
Tamil Nadu	2.17	3	-27.7
Maharashtra	14.81	15.44	-4.08
Gujarat	4.71	2.70	74.4
Karnataka	10.43	22.07	-52.7
Delhi	7.53	8.19	-8.05

*Amount in USD billion, rounded off

Source: Data shared in Parliament

Trends in fresh investments into Tamil Nadu over the past five years

Year	Total investment (in ₹ crore)	Share of private investment (%)	Share of total investment (%)	Rank
FY2023	1,73,494.34	75.20	4.69	8
FY2022	1,72,974.93	87.89	8.98	3
FY2021	1,02,652.14	68.76	9.57	2
FY2020	47,832.95	28.52	4.41	9
FY2019	61,920.42	34.39	3.67	12

Source: Projects Today

the Russia-Ukraine conflict among the reasons for the decline. "Post-pandemic, countries have adopted various protectionist measures to decrease reliance on other countries and to protect their own domestic industries. This could also possibly be affecting investor sentiments," he added.

FDI took a hit worldwide in FY2023, and India had faced a similar trend. Post-COVID-19, the competition among State governments to lure FDI and private investments led to fluctuations in their capital expenditure rankings, said Shashikant Hegde, director and CEO of Projects Today, an investment monitoring firm.

Fresh investments

As per data shared by the firm, Tamil Nadu's fresh investments increased to ₹1,73,494.34 crore in FY2023 from ₹1,72,974.93 crore in FY2022, with share of private investment

at 75.20%.

Tamil Nadu, despite witnessing an increase in total fresh investments in FY2021, FY2022 and FY2023, saw its share in total investments decline from 9.57% in FY2021 to 4.69% in FY2023. Consequently, the State's ranking slipped from No. 2 in FY2021 to No. 8 in FY2023, Mr. Hedge said. In FY2023, private capital expenditure saw an astonishing 90% year-on-year growth, but it was not distributed evenly across sectors, he said.

The capital expenditure was concentrated in specific industries such as green hydrogen, semi-conductors, pumped hydel projects and electric vehicles, among others, Mr. Hedge said. Most of these projects were super-mega size, with each project requiring an investment commitment of ₹5,000 crore or more, he added.

The competition to secure these prestigious pro-

jects was fierce, and only a few States emerged successful. Andhra Pradesh, Karnataka and Gujarat dominated the scene, and accounted for 52.10% of the total private fresh investments announced in FY2023. As the battle for such projects heats up, States can expect even more intense competition in the years to come, Mr. Hedge said.

In light of this challenging environment, mega projects like Greenko Energies' ₹7,622.43-crore pumped hydel power project; Volthills' ₹4,771.56-crore hydel power project; and Pacifica's ₹2,000-crore real estate project hold great promise for Tamil Nadu, he said.

Foxconn's decision to set up a ₹1,600 crore electronics components project in Tamil Nadu adds to the State's potential to attract more mega private and foreign projects, Mr. Hedge said.

Bellie, of *The Elephant Whisperers* fame, is first woman caretaker in Theppakadu camp

The Hindu Bureau
CHENNAI

The Tamil Nadu government on Wednesday appointed Bellie, of *The Elephant Whisperers* fame, as the first permanent woman elephant caretaker in the Theppakadu Elephant Camp.

Ms. Bellie and her husband Bomman were the two human protagonists showcased in the Oscar award-winning documentary. Ms. Bellie has been a temporary caretaker, and in recognition of her dedicated service to the suc-



New role: Chief Minister M.K. Stalin handing over the appointment order to Bellie at the Secretariat. SPECIAL ARRANGEMENT

cessful rehabilitation of orphaned elephant calves, the government has decided to appoint her as the first permanent woman elephant caretaker, ac-

cording to a press release.

At the Secretariat, Chief Minister M.K. Stalin handed over the appointment order to Ms. Bellie. Forest Minister M. Mathiventhan;

Chief Secretary Shiv Das Meena; and Supriya Sahu, Additional Chief Secretary, Environment, Climate Change and Forests, were present.

"Bellie has become the first woman to be appointed as a permanent elephant caretaker for her selfless and dedicated service in saving precious elephant calves at Theppakadu Elephant Camp. What an icon she has become. Bomman and Bellie are truly inspiring. Thank you Chief Minister M.K. Stalin," Ms. Sahu said in a social media post.