



THE TIMES OF INDIA

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TODAY'S EDITION

Trace the journey of tax collection in India, as an expert simplifies tax in 'Money Matters' **PAGE 2**



Take a virtual tour of Vijayawada, known for its rich heritage and economic significance, through the lens of a young traveller **PAGE 3**

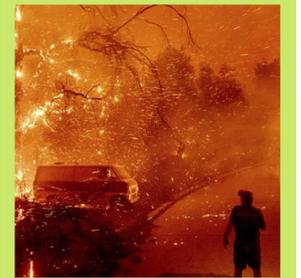


South Africa out-smart NZ to draw two-match series **PAGE 4**



STUDENT EDITION
WEDNESDAY, MARCH 2, 2022

UN CLIMATE REPORT: 'ATLAS OF HUMAN SUFFERING' WORSE, BIGGER



Deadly with extreme weather now, climate change is about to get worse. It is all set to make the world sicker, hungrier, poorer, gloomier and way more dangerous in the next 18 years with an "unavoidable" increase in risks, a

Today's children who may still be alive in the year 2100 are going to experience four times more climate extremes than they do now even with only a few more tenths of a degree of warming over today's heat. But if temperatures increase nearly 2 more degrees Celsius from now (3.4 degrees Fahrenheit) they would feel five times the floods, storms, drought and heat waves

new United Nations science report says. The UN Intergovernmental Panel on Climate Change report said if human-caused global warming isn't limited to just another couple tenths of a degree, an Earth now struck regularly by deadly heat, fires, floods and drought in future decades will degrade in 127 ways with some being "potentially irreversible."

The report lists mounting dangers to people, plants, animals, ecosystems and economies, with people at risk and potential damages amounting to trillions of dollars. The report highlights people being displaced from homes; places becoming uninhabitable; the number of species dwindling; coral disappearing, ice shrinking and rising, and increasingly oxygen-depleted and acidic oceans

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UKRAINE CRISIS

PRESSURE MOUNTS ON RUSSIA FROM ALL SIDES

- 1** FIFA and UEFA suspended Russia from all competitions until further notice. The move makes it likely that Russia will be excluded from this year's World Cup and the women's Euro 2020 tournament
- 2** Disney and Warner Bros will pause theatrical movie releases in Russia, becoming the first Hollywood studio to weigh in publicly on the matter



3 Twitter labels tweets from Russian state media outlets to limit the publications' reach on its platform

RUSSIA BROADENS ITS OFFENSIVE



64-KM-LONG RUSSIAN ARMY CONVOY SPOTTED NORTH OF KYIV: It seems Moscow is preparing to launch a new military push imminently. A huge Russian military convoy stretching some 40 miles was spotted by a US satellite imaging company just north of the Ukrainian capital Kyiv, which has already repulsed several assaults.

■ A set of mysterious symbols have emerged on various buildings in Kyiv, sparking fears that Russian saboteurs may be marking out targets for a major aerial assault. **Red and orange crosshairs have been painted onto various structures in the capital, including several high-rise buildings, with certain symbols only visible under UV light, the report said**

RUSSIA BANS ALL RESIDENTS FROM TRANSFERRING MONEY ABROAD IN RESPONSE TO WESTERN SANCTIONS: Vladimir Putin has ordered a ban on foreign exchange loans and transfers by Russian residents to outside of the country, the Kremlin said

■ Bans flights by airlines from 36 countries, including Britain and Germany

■ Russian troops have been advancing slowly on the capital city of nearly 3 million people.

UN unloads on isolated Russia for Ukraine invasion

Russia stood almost isolated at the United Nations on Monday as member states unloaded on Moscow for its invasion of Ukraine. The UN Secretary General Antonio Guterres himself berated Russia for its actions, calling its decision to put its nuclear arsenal on higher alert a "chilling development". Urging Moscow to pull back its troops,

Guterres said Russia's nuclear posturing was "simply inconceivable", adding "nothing can justify the use of nuclear weapons". Meanwhile, the International Criminal Court's chief prosecutor said he plans to open an investigation "as rapidly as possible" into possible war crimes and crimes against humanity in Ukraine — both alleged crimes committed before the Russian invasion, but also any new crimes that either side might have committed since the invasion started.

OPERATION GANGA IN FULL SWING; INDIA CALLS FOR CESSATION OF VIOLENCE

- PM Modi on Tuesday called on the Indian Air Force (IAF) to join the evacuation efforts. Indian Air Force is likely to deploy several C-17 aircraft as part of Operation Ganga
- India has issued a new advisory, asking its citizens to leave Kyiv urgently on Tuesday, as a student from Karnataka was killed in shelling in Kharkiv
- Over 9,000 Indian nationals brought out of Ukraine while a considerable number are now in safer areas, said MEA
- An Air India Express flight carrying 182 students stranded in the war-hit Ukraine reached Mumbai on Tuesday morning as part of the Operation Ganga evacuation process, officials



said. The eighth Operation Ganga flight reached New Delhi from Budapest.

- New Delhi to help people from neighbouring countries stuck in Ukraine. Government said that the visit of four senior ministers as the government's special envoys to various nations will energise the evacuation efforts. It also sent humanitarian assistance to Ukraine
- Meanwhile, at the UN India has said that it was deeply concerned over the deteriorating situation in Ukraine and reiterated its call for immediate cessation of violence and end to hostilities, saying all differences can only be bridged through honest, sincere and sustained dialogue

The cost of operating a two-way evacuation flight will be more than ₹ 1.10 crore and the amount will go up depending on the duration of the flights. The airline is operating the services with a wide-body Boeing 787 plane, better known as Dreamliner, from neighbouring countries of conflict-ridden Ukraine, including Romania and Hungary. The total cost will include expenses related to crew, fuel, navigation, landing and parking charges. The government is not charging people for the evacuation flights. Some state governments have also announced that they will bear the expenses of people from their respective states who are returning from Ukraine. The Dreamliner has more than 250 seats



MEDVEDEV DETHRONES DJOKOVIC TO BECOME WORLD NO 1



Daniil Medvedev on Monday became the 27th player to reach No 1 in the ATP Rankings. The 26-year-old (8,615 points) surpasses Serbian Novak Djokovic (8,465), who has held the top spot in men's tennis for a record 361 total weeks. Medvedev is the third Russian to achieve the feat, joining Yevgeny Kafelnikov and Marat Safin. Kafelnikov spent six weeks atop the ATP Rankings and Safin was in the top spot for nine weeks.

- Medvedev is the first player outside the 'Big Four' of Djokovic, Roger Federer, Rafael Nadal and Andy Murray to hold the top spot in 18 years, three weeks and six days, since Andy Roddick on 1 February 2004
- The last time there was a new World No 1 was more than five years ago, when Murray made it there on November 7, 2016

Masks no longer mandatory for travellers in private car: Delhi govt

A day after the Delhi Disaster Management Authority (DDMA) meeting, the Delhi government issued an order on Saturday stating that wearing masks for all travellers travelling in a private car in the national capital is no longer mandatory. Earlier, the Delhi government had exempted the single drivers from wearing masks while driving, however, the government revised the order recently and now all the people travelling in the private car have been given exemption.



India's market regulator gets its first woman chief

The government has appointed Madhabi Puri Buch as the new chairperson of the Securities and Exchange Board of India (SEBI). Buch is the former head of ICICI Securities and served on the SEBI board between 2017 and 2021...

THE FIRSTS

- She is the first woman to head the capital market regulatory body.
- Earlier, Buch was the first woman to be appointed as a whole-time member of SEBI as well as the first person from



the private sector to do so

- All members and chairman at SEBI before her were men from the public sector, Reserve Bank of India, or the Indian Administrative Service

THE TIMES OF INDIA

ONLINE TOI STUDENT EDITION

THEME FOR INTERNATIONAL WOMEN'S DAY 2022: #BREAKTHEBIAS

"She wasn't looking for a knight. She was looking for a sword." —Atticus

Come celebrate International Women's Day with us and our list of Wonder Women from India and the world

What to expect

Inspiring profiles

- Stories of courage, of women who thought differently, those who broke the glass ceiling, and those who challenged stereotypes

The Next Gen

- Along with established names, we bring you the change of guard, girls who are well on their way to become the icons of tomorrow

Our Poll

- Nearly 12k plus students and teachers took our poll to tell us their most inspiring women from all walks of life. We share the findings

Love is success

- How is it when one loves what they do. It changes the way they approach it. Featuring real-life stories of those who converted their passion into success

PLUS : Trivia | Voices | Icons and MORE

ONLINE

The celebrations continue online as we profile women and girls who are all set to #breakthebias

MARK YOUR DATE MARCH 8, 2022

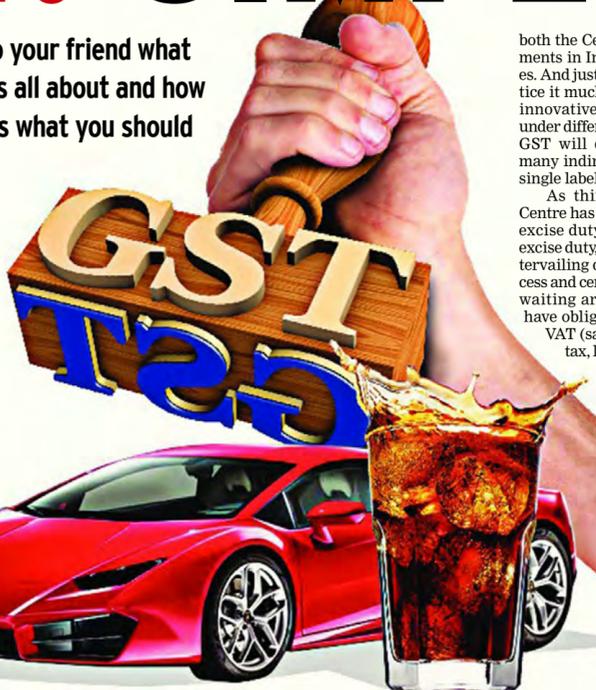
GST: SIMPLIFIED

If you were to explain to your friend what Goods and Service Tax is all about and how can one calculate, this is what you should be reading

It is weekend, and you wish to go to a pizza joint. You dig into your favourite mozzarella cheese chicken pizza, and you have to pay up ₹1,000 at the pizzeria. But wait, there is a long list of taxes added by the restaurant to your pizza. Let's say ₹56 as service tax, ₹2 as Krishi Kalyan Cess, ₹2 as Swachh Bharat Cess in addition to ₹20 as VAT that are included in the total cost.

The service tax (at 14 per cent on 40 per cent of bill value, plus two cesses of 0.5 per cent each) goes to the Centre for the restaurant services that you availed. The state extracts VAT for the pizza you consumed. So, what the Goods and Services Tax (GST) does is that it makes life simpler by unifying all these indirect taxes. It is noteworthy that the taxes won't disappear, it just combines everything to one.

We all know that



both the Central and State governments in India love indirect taxes. And just so that we don't notice it much, they label them innovatively and put them under different heads. What GST will do is to sweep many indirect taxes into a single label.

As things stand, the Centre has agreed to sweep excise duty and additional excise duty, service tax, countervailing duty, surcharge and cess and central sales tax into the waiting arms of GST. The states have obligingly agreed to give up VAT (sales tax), entertainment tax, luxury tax, taxes on gambling, octroi and entry taxes, cess and purchase tax. GST will thus replace all of these taxes.

Rates

In short, GST will simplify taxes on your purchases. But there will still be a Central GST and a State GST, and three or four GST rates to deal with. The rates are 0, 5, 12, 18 and 28 per cent depending on the services availed.

What the GST does is that it unifies all the indirect taxes. It is noteworthy that the taxes won't disappear, it just combines everything to one

How is GST collected?

Let's understand the trading chain. (see pictograph)

A MANUFACTURER is selling a watch. The cost of making the watch is ₹150 and he adds a profit of ₹50 and sells it to wholesaler at ₹200. Now, THE WHOLESALER sells it at ₹250 (₹200 + profit of ₹50) to the retailer. THE RETAILER, in turn, adds ₹50 and sells it at ₹300 to the consumer. Hence, every mediator is making a profit of ₹50 in this particular example. NOW AFTER GST OF 12% ON THE WATCH:

The manufacturer will collect 12% of 200 from the wholesaler,

TAX DIRECT TAX:

- What an individual or organisation pay on their income directly to the government
- It is based on ability to pay principle, which means higher-income groups pay more

INDIRECT TAX:

- What an individual pays for goods and services availed. For example, at restaurants, airlines, hotels, malls etc. It is the price of product + tax. He pays to the retailer, who pays to the government. Types of indirect taxes are: Excise Duty, Custom Duty, Octroi, Sales, Luxury Tax, Entertainment Tax and Value Added Tax
- With effect 1 July, 2017, all the above taxes have been combined to Goods and Service Tax under the plan "one nation, one market, one tax"



Zero per cent	5%	12%	18%	28%
Goods: Salt, milk, fruits	Goods: LPG, Sweets	Goods: Butter, Mobile, Jam	Goods: Perfume, computer etc	Goods: AC, Fridge, Tobacco
Services: Education, health	Service: Air Transport, Railways	Service: Guest house, Printing work etc	Service: Cinema, Currency etc	Service: Casino, Water park etc

which is ₹24 to give it to the government. The wholesaler will collect a GST of 12% of ₹250 from the retailer, which is ₹30. The wholesaler has already paid ₹24 to the manufacturer, so he will be paying ₹30 minus ₹24 = ₹6 to the government.

The retailer will collect a GST from the consumer, which is 12% of ₹300, which is ₹36 and as he has already paid ₹30 to the wholesaler, he will be paying ₹36 minus ₹30 = ₹6 to the government.

The total GST paid to the government is actually paid by

the consumer. Hence, the consumer will be paying ₹300 + (₹24+₹6+₹6) = ₹336 = ₹336

How will it be divided?

The GST on every transaction within a state is to be split equally into a Central GST and a state GST. When goods are shipped from one state to another, the Centre will collect an integrated GST from the seller which rolls both into one.

HISTORY OF TAX SYSTEM IN INDIA

Tax derived from Latin 'taxo'

The word 'tax' is derived from the Latin word taxare or taxo. It means 'to assess the worth of something'. Taxes are imposed by government for the use and service of the state. They are levied and collected by the state for the purchase or sale of merchandise or a service. Taxes provide revenue to the state, and is therefore, one of the most significant aspects of any system of administration by any form of government.

How it determines strength of economy

The strength of an economy depends upon how good the tax system is. A just tax system can propel the economic growth of a country and lead to its prosperity. This, in turn, makes its citizens happy and more productive. An efficient taxation policy leads to growth in GDP; it is considered sound if it performs allocative, distributional and stabilisation function in the economy.

Types of taxes

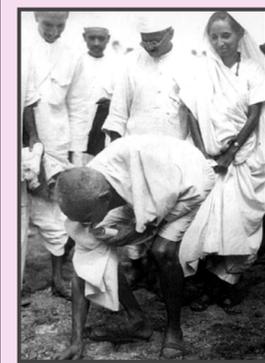
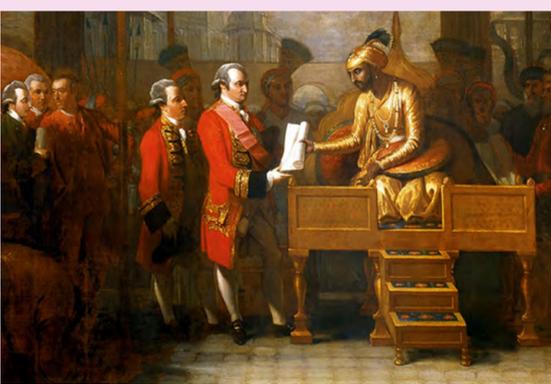
There are two types of taxes – direct and indirect. **DIRECT TAXES** are those that an entity remits to the government directly, and include income tax, property tax, etc. **INDIRECT TAXES** are those that an entity remits through third parties. Service tax is an example of indirect tax imposed by the government of India.

Characteristics

1 It is mandatory: since any form of tax is imposed by the government for the benefit of the country, it is required by law to pay taxes.

2 It is a contribution: Tax is a contribution made by citizens for the betterment of their country. The government of India provides basic healthcare, infrastructure, defence, etc. with the money collected from taxes.

3 It is for public benefit: The purpose of collecting taxes is for the benefit and upliftment of the society in general. Taxes are not supposed to favour specific individuals. Disaster maintenance and rescue is an important aspect of the money collected in the form of taxes.



tax. It is said that even before the Mauryas, tax was mentioned in Manu Smriti, one of the most ancient scriptures of India. The subsequent Mughal invaders brought with them their own taxation system. The infamous **JEZIA** was a tax imposed on the non-Islamic people of the land. **IN INDIA, IT WAS ABOLISHED BY AKBAR.**

The income tax as we know today was first introduced in India in 1860 by the British. It was introduced to compensate for the losses sustained by the government due to the rebellion of 1857.

The Income Tax Act was passed in India in 1886, and there have been constant revisions and refinements in the Act since then. After the first World War, a new Income Tax Act was passed, in 1918, again to counter the residual effects of economic devastation caused by the war. This income tax Act was in place till 1922, when it was replaced by another Act.

How does government tax the income

- Income from salary
- Income from business or profession
- Income from capital gains
- Income from property
- Income from other sources

After 40 years, and 15 years after India gained freedom from the British, the Income Tax Act was modified again. The current Income Tax Act has been adopted in 1961, and bought into force with effect from April 1, 1962.

History of Taxation in India

A formal tax system was in existence in India since the time of MAURYA DYNASTY. The higher class of citizens contributed 1/6th of their income as

TAX TALES



By Elizabeth Thomas
Chief Mentor,
Tale Tellers,
Training the teachers with Tale Tellers Jr, Elizabeth comes in with over 10 years experience in human resource management. She also has a rich industry experience in the banking sector

While my 9-year-old son told me, "Let's make burgers at home for dinner tonight, mom," I got a quick idea, why not try to teach him the concept of GST and taxation in a simple way? As a teacher, I always believe that for holistic skills in children, a basic understanding of taxation is very important. It not only makes them financially wise, but a responsible citizen too.

IF DAD IS CENTRAL GOVT AND MOM IS STATE GOVT...

Let's try this at home and make dad, the central government and mom, the state government. Let's make kids assume that all apartments are states.

CGST AND SGST - Make the kid play a businessman and manufacture or let's say make 5 burgers using all the ingredients in his factory. He sells his burger, (with profit and tax), to his sister who stays in his house (within the state). Now, the little sister pays tax to dad (central government) and mom (state government), who in turn use that for the overall development of the family. This is how GST functions.



LET'S LAY DOWN 3 EASY STEPS TO HELP KIDS UNDERSTAND THE CONCEPTS OF TAX

Who is government?

1 Casually, over a conversation bring in the word government and make them understand what a government is and why it exists? Please keep your political views away as our objective is only to get them familiarised with the overall concept of governance

Teaching them on the go

2 While family outings make them take notice about the road, the street lights etc, let them know who pays for all this. Make them understand how the government facilitates these services for public and therefore, as responsible citizens, why we need to pay taxes

Making them play the family tax game

3 Introduce them to the 'family tax' game where everyone contributes to the tax box from their income or even pocket money and thereby, setting up a small corpus that can be used for family outings, dinners, and other family activities.