

[OUR TAKE]

Laying a road map for India

The kernel of the PM's vision for India on its centenary was evident in his I-Day speech

Since he first took office in 2014, Narendra Modi has keenly focussed on his place in history and building his legacy to become one of India's most consequential prime ministers (PM). To this end, from his first year in power, he has sought to infuse his speeches with elements that rise above mundane everyday governance and instead seek buy-in of the country's founders achieved during the Independence movement. The PM's Independence Day addresses have been a key vehicle of this mission — from the beginning of social movements such as the Swachh Bharat mission and the seeding of his flagship Beti Padhao Beti Bachao mission, to the launch of mega welfare projects such as Ujjwala or Jal Jeevan. Even his big political instruments — a crusade against corruption or fighting against dynasty politics — have always found pride of place in his speeches.

Modi's Ith Independence Day speech hinted that these ideas were all pieces of the bigger picture that the PM wants to sketch, of a developed India in 2047. This was the policy cornerstone of the 98-minute speech, his longest yet, and the PM painstakingly unfurled the various aspects of his vision for a Viksit Bharat — a financial powerhouse respected by the globe, the third-largest economy driven by the enterprise of its vast young population, a country propelled by technological advancement and scientific innovation, a country not sullied by corruption, crimes against women or dynastic politics, a country where reforms were not hindered by populism, where empathetic governance ensured the upliftment of marginalised sections and where glory in sports and global competitions was not an aberration. Beyond the contemporaneous concerns voiced in his speech — more medical college seats, turmoil in the neighbourhood and the impact of his welfare schemes — the kernel of his vision for India on its centenary was evident.

Modi projected confidence, focussing on his historic third term. He stressed on continuity of vision, despite the fact that economic distress and anxiety among marginalised communities had whittled his government's mandate and emerged the Opposition. He was careful to tailor various facets of his vision to various groups — women, the young, farmers, poor people, weaker castes — but not all aspects were without controversy. Two of his biggest asks, that of a uniform civil code to subsume the maze of personal codes that govern matters ranging from marriage to birth and inheritance, and for simultaneous elections to replace the chaotic poll calendar of India, will generate significant debate and legitimate concerns. Still, the early blueprint of India's centennial future was clear in his speech.

UAPA no exception to the rule on bail

Time and again, the Supreme Court (SC) has pronounced that bail is the rule and jail the exception. But Tuesday's ruling, that this holds true for special statutes such as the Unlawful Activities (Prevention) Act, or UAPA, is of special import. Not because the apex court reiterated its protection of the personal liberty of citizens, but because in ruling so, it implicitly outlined how the law lends itself to special misuse.

The fact is that the UAPA, which was meant to be an anti-terror law, has been crafted in such a way that conditions that ordinarily merit grant of bail do not suffice. Its provisions have been criticised for long for making bail very difficult. In February this year, the SC, in another matter where it denied granting bail to an accused under UAPA, held that the provisions of the law were "severely restrictive", with the law laying down a "low standard" for rejecting bail, of the court being satisfied that "prima facie" the accusations against a person are true.

At the core of this is the fact that UAPA has been used to deliver "process as punishment" to not just terror-implicated persons but also those whose political ideologies have not aligned with ruling dispensations, with Father Stan Swamy's death as an undertrial being one of the most glaring examples. The SC had, in 2016, ruled that bail under UAPA would need to be weighed against the swiftness of trial and the length of incarceration of an accused. Taken together, SC's pronouncements underline the draconian nature of the law. It is time this is addressed by the legislature of a mature democracy.

OPINION

DGCA grounded by graft, incompetence

What India needs is not one DGCA trying to regulate everything and failing, but two new aviation regulatory bodies: A safety regulator fully independent of the ministry of civil aviation, and a passenger regulatory authority

Events of 2023 involving India's aviation safety regulator, the Directorate General of Civil Aviation (DGCA), left many in the sector convinced that the rot in this organisation runs so deep that it might be in the country's interest to start on a new slate. In fact, with two new slates but more on this later.

To elaborate, after a series of crashes at flying school Redbird, an elaborate racket involving a top DGCA official came to light. On November 22, 2023, the ministry of civil aviation (MoCA) suspended Anil Gill, a director in DGCA, by order from the President, while directing an enquiry into his misdeeds during his tenure. Prior to this, on October 27, a total of six officials, including Gill, were transferred overnight after a case of corruption involving them came to light.

The story begins eight years before these events. In June 2015, Captain Anil Gill, a pilot who had served as an instructor for flying schools in Haryana, applied for the position of deputy

director of flying training in the DGCA and got the job. Soon after he established himself in his post, he allegedly set up two companies, each with three or four directors, all members of his extended family. In a blatant case of conflict of interest, these two companies acquired old trainer aircraft at throwaway prices and leased them at exorbitant rates to Redbird, a flying training school in Kamaoka. Post the crashes, all these connections came to light and it was further revealed that the rates at which the aircraft were leased to the flying academy exceeded the purchase price of the plane! Not only was Gill exploiting his position as deputy director to his and his family's advantage, he was also favouring Redbird, the school he was in cahoots with, over other players in the sector. Without going into the details — the whole episode can only be encapsulated in a short book — suffice to say that further investigations by the DGCA

revealed enough evidence of connivance and malpractice. Action against Gill and those complicit was swift. A smaller incident, again in 2023, caused a few ripples in the DGCA. The DGCA terminated the services of a chief flight operations inspector, who was on deputation from Air India, overnight and with no clear explanation. Much speculation accompanied the termination and there is still no clarity on why it was required.

Readers should note here that the DGCA has never been completely free of allegations of corruption, incompetence, or a combination of the two. In

2012, the government sacked the then director general of civil aviation, EK Bharat Bhushan, for, in fact, being diligent in his duties and asking errant airlines to pay their dues to employees; his argument was that unremunerated and stressed staff in the airlines could be a safety hazard. The sacking was wrongful, and many condemned the action both at the time and subsequently. Still, very little was done at a systemic level to ensure it doesn't happen again. DGCA officials now treat airlines with kid gloves, fearing for their own jobs and seniority.

No matter which government has been in power, this regulatory body has been wracked by allegations of corruption, nepotism and collusion. In addition, the regulator's inability and incompetence in taking corrective action post air-related incidents and accidents has come under scrutiny from time to time. In January 2024, the United States (US) Federal Aviation Administration

downgraded India's safety ranking, which then prevented Indian carriers from adding flights to the US. This was upgraded only in April 2025. Much of the DGCA's inability to cope has been due to factors outside its control, but the brunt of it has been borne by pilots and smaller operators such as flying schools — those who lack the bigger scheduled airlines invariably carry. Almost all through its history, there have been allegations of DGCA officials being in cahoots with the larger airlines in the country and acting at the behest of these. Pilots and other stakeholders have almost always alleged that



Much of DGCA's inability to cope is due to factors outside its control

there's a lot of petty corruption too. If allegations of petty corruption have always plagued the regulator, so have those of incompetence. A vehement and exacting critic of the regulatory body — which became statutory in 2020 — former IndiGo vice president Shaakti Lamba who has, in previous interviews, argued that the DGCA is in a time warp and voiced many concerns echoed by the industry as a whole, on the functioning, composition, effectiveness and competence of the organisation.

A lot has changed since then. The DGCA is on Twitter, has an official email and has digitised its functioning to almost 75-80%, according to officials in the agency. Many argue that it has vastly improved the functioning. With air traffic hitting new heights, the regulator has been very short staffed and to address this, the government recently approved the hiring of 400 new staffers, taking the strength from 1,000 to 1,400. Although the complaint of the industry has been that the DGCA remains filled with officials with scant knowledge of aviation and aircraft, it is also a fact that getting into the DGCA is difficult and many of the staffers hold engineering and other degrees from premier institutions.

Under pressure to perform and at least outwardly show change, the last two director generals have acted with alacrity in some instances, taking the sector totally by surprise. A recent

instance was when Gill was removed from duty within hours of the corruption case coming to light and action against him was initiated soon after. Swift action, alacrity and transparency are words that have been alien to the regulator since the word 'go'.

But what India may really need is not one regulator, but two new aviation regulatory bodies: A safety regulator that focuses on just this aspect and that is fully independent of the ministry of civil aviation, an independent civil aviation authority (CAA) like in many countries and jurisdictions, and a passenger regulatory authority (PRA). With more Indians taking to the air and with no one looking closely at the interests of passengers, the DGCA is pulled into finding a solution or managing everything from rising fares to passenger misbehaviour to delays or any transgressions by the operators. It has become the nation's favourite punching bag for all the ills afflicting this space, which is a safety threat in itself since the body in charge of keeping flying incident and accident-free is perennially distracted by matters unrelated to it.

The structure, shape and design of both the new regulators, safety and passenger, needs to be carefully thought out and designed.

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Emerging dimensions of caste politics in India

The discourse on the politics of caste in India seems stuck in the binary of supporting or opposing caste-based reservations. There is no middle space here. Why does the discourse leave no room for genuine debate? First, caste remains the primary marker in India, shaping the opportunities that a person receives or is denied in life in multiple ways. Despite 70-plus years of Scheduled Caste (SC) and Scheduled Tribe (ST) reservation and 30-plus years of Other Backward Classes (OBC) reservation, these communities remain under-represented in every field. The reserved seats in government jobs and educational institutions do not get filled. And, even when present in legislatures in accordance with the Constitution's mandate, these communities are under-represented in ministerial positions and rarely get important portfolios. That India needs an affirmative action architecture to empower its historically marginalised communities is thus a no-brainer. However, believing that reservation in the only solution indicates a poverty of imagination on this question.

Second, reservation can only provide the desired result when there are effective laws to protect the reserved categories from discrimination, policies to economically improve their life chances, and political discourse that increasingly reduces social prejudices (among and within various caste groups). It may also produce some negative externalities, as might have happened in India, in which, within caste-group inequalities are higher than between-caste-group inequalities, worsening over the past few decades. Research by Shuren Joshi, Nishtha Kochhar, and Vijayendra Rao finds that in Bihar, inequality is largely driven by variation "within jatis".

A decomposition analysis shows that the levels of economic inequality between the general categories and SCs are lower than between inequalities within the groups. Thus, we need a census that records the educational and economic status of each jati, not just broad caste groups. However, this exercise must also consider what we plan to do with such granular data, and how we plan to resolve inconsistencies with the popular perception that the data might throw up. The politics of social justice needs to be married with a conversation on economic inequalities.

Third, the OBC reservations marked the end of the first phase of reservation politics in post-independent India. However, within its womb, it carried the seeds of later mobilisations. The demand for the sub-categorisation of beneficiaries within each category (reflected in the recent Supreme Court verdict upholding such sub-categories), dominant agrarian communities to be included within reserved categories, and politics around excluding the creamy layer of the OBCs (and now the Supreme Court's observation on the

exclusion of creamy layer for SC and ST reservation) are the markers of the second phase. The third phase of reservation politics has already begun with up-to-date benefits to economically weaker sections (EWS) and political mobilisation around conducting a caste census. In some ways, the mobilisation around social groups in India is a result of political competition on two nodes — the first along the axis of Hindu reservation in higher education and that of region-specific caste identity. And political entrepreneurs will continue to exploit these dominant cleavages as meta-narratives to mobilise the electorate. Every round of successful mobilisation on one axis is likely to produce counter-narratives.

Fourth, the two largest national parties have had a rather ambiguous relationship with the question of caste while they both rhetorically advocate in favour of social justice politics. It was only during the Mandal moment of the 1990s that they realised there was no running away from the caste question. The Congress, despite extending the benefits of reservation in higher education to OBCs in 2006, did not win any new segments of supporters within the community. The party's social coalition across the Hindi heartland significantly eroded with the rise of the Bharatiya Janata Party (BJP) since 2014. Now that the party, under Rahul Gandhi, is aggressively advocating for the caste census, it is also partying for Congress detractors to ask the party to act on the caste survey conducted by the Siddaramiah government in Karnataka. Is the party willing to intellectually and organisationally mobilise resources on this, or is it merely a rhetorical strategy to corner the BJP?

Fifth, the ruling BJP finds itself in the same position as the opposition in Karnataka at the moment. By organisationally tapping into the aspirational tendencies within certain OBC, SC, and ST communities, the party's social engineering policies helped it to gain traction in the 1990s across North India. The rise of Narendra Modi on the national stage helped it make serious inroads among these communities. But, in 2024, the party suffered serious losses among these groups, especially in Uttar Pradesh. The upcoming assembly elections in four states indicate whether the party's social coalition is intact or the unraveling has begun.

There are indeed some electoral risks for the BJP with the emerging political discourse on the caste question. But as the party in power, it has an opportunity to set the agenda of this conversation rather than just react to it. The dice has been rolled; politically, it is now the BJP's turn to bite the bullet. The Congress's ambivalent position in the 1990s on OBC reservations and its aftermath is a good lesson to remember.

A new politics on caste is knocking our doors, so, as a society, it is time for an intellectually open conversation on caste, and what must be done to accommodate various concerns. We must move beyond binaries and virtuosity signalling, as it will have nothing but disastrous consequences.

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DHANAJAYA Y CHANDRACHUD I
CHIEF JUSTICE OF INDIA

It is very easy to take freedom and liberty for granted but it is important to understand past stories to remind us how important these things are

Imposing on questions of faith will get China nowhere

These days, one often hears that China may choose the next Dalai Lama. Alarming as it may sound to many around the globe, my answer is invariably and emphatically: it does not matter. For the Tibetan people, it does not matter if China chooses its own Dalai Lama. Just as with the Chinese-appointed Panchen Lama, a Chinese-appointed Dalai Lama will only cause embarrassment for China. Despite Beijing's all-out efforts to promote their Panchen Lama as an authentic spiritual leader, the Tibetan people have firmly and who heartily refused to offer him even a modicum of obedience.

Unlike the Panchen Lama's case, where the real Panchen Lama along with his entire family have "disappeared", when that critical time eventually dawned upon us, the world will have another Dalai Lama, born in a free country, recognised in accordance with Tibetan religious traditions and customs, and chosen as per the clear instructions left behind by the current Dalai Lama.

Despite China's complete occupation of Tibet since the Dalai Lama's escape into exile in 1959, it still lacks legitimacy for its rule over Tibet. It does not matter if other countries recognise Tibet as a part of China. Since the Dalai Lama has been historically the supreme temporal and spiritual head of Tibet, if China can somehow arrogate to itself the right to recognise and choose the next Dalai Lama, selecting a docile one, it would help legitimise its rule over Tibet. This is inherently flawed.

Tibetans revere the Dalai Lama as the emanation of Avalokitesvara, the bodhisattva of compassion and the patron saint of Tibet. He is the ultimate symbol of Tibet as a nation and its people. The process of search and recognition of a reincarnation may seem complex and intricate to outsiders, it's important to note that since 1911, the Dalai Lama has been reincarnated 13 times. The institution of the Dalai Lama, in stark contrast to the People's Republic of China established only in 1949, is ancient and experienced enough to manage all potential future scenarios.

It is very briefly set the basic straight on the issue of reincarnation. The following excerpt from the present Dalai Lama's interview to TIME in 2004 should offer some insight: "The institution of the Dalai Lama, and whether it should continue or not, is up to the Tibetan people. If they feel it is not relevant, then it will cease and there will be no 15th Dalai

Lama. But if die today, I think they will want another Dalai Lama. The purpose of reincarnation is to fulfill the previous [incarnation's] life task. My life is outside Tibet, therefore, my reincarnation will logically be found outside. But then, the next question: Will the Chinese accept this or not? China will not accept. The Chinese government must probably wait until another Dalai Lama, as at did with the Panchen Lama. Then there will be two Dalai Lamas: one, the Dalai Lama of the Tibetan heart, and one that is officially appointed."

The mind-boggling conspiracy such a situation presents for Beijing was highlighted back in 2013 by a professor at the Party School of the Central Committee of the Chinese Communist Party in Beijing. In an interview with Asia Weekly, professor Jin Wei noted that treating the Dalai Lama as an "enemy" alienated all six million Tibetans who revere him as "the living Buddha." She said, "The Dalai Lama is the key to the issue of Tibet," and recommended that China should resume its stalled dialogue with him. According to Jin Wei, China's ultimate goal should be to avoid an embarrassing situation that would force the Dalai Lama to renounce his belief that if China would control the selection of the next Dalai Lama's reincarnation, the party would gain the goodwill of all Tibetans and weaken the Tibetan independence forces working outside the country. Unfortunately, both then and now, good sense has yet to prevail in China.

The system of reincarnation, unique to Tibetan Buddhism, is a purely religious matter rooted entirely in people's faith. No force can impose faith upon people. And in matters of faith, there is no room for compromise, flexibility, or doubt: Either people believe someone is the reincarnation, or they don't; there are no maybes.

The United States, through various legislative acts concerning Tibet, has sent a clear and strong message to China that it stands firmly in solidarity with the Tibetan people. It is high time for other countries to step up and clarify their stance on whether the Tibetan people have the right to religious belief and the freedom to choose their own religious leaders, thereby helping prevent China from creating an embarrassing situation for itself.

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Dengue control: the unrealised promise of Wolbachia-infected mosquitoes

Reducing mosquito-borne illnesses through proven interventions has an immense potential to reduce the burden on our health systems and productivity. We must resurrect and fund innovative vector control programmes across India to combat the Aedes-borne triple epidemic of dengue, chikungunya and Zika

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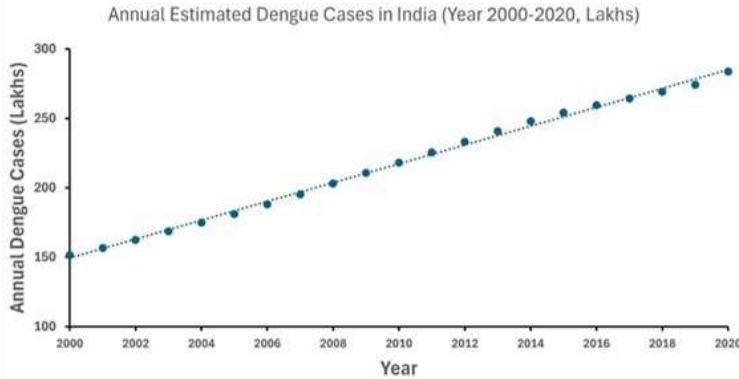
Dengue, a familiar threat in India, imposes a tremendous burden on the economy, estimated at around ₹28,300 crore in direct costs per year and 5.68 lakh years of young life lost annually. Existing vector control strategies, including insecticides and community education, have achieved only modest success. Clinical trials have yet to define the safety and efficacy of India's two dengue vaccine candidates and unearthen effective antiviral agents. Given that a female Aedes mosquito transmits dengue, chikungunya, and Zika, biological vector control methods appear cost-effective, but mixed results limit their use.

Innovative vector control methods have been studied globally since 2009. This method employs a naturally occurring bacterium (Wolbachia) in fruit flies (*Drosophila melanogaster*) – many insect species in the wild host Wolbachia, but not the Aedes mosquito.

Wolbachia exhibits two facets of a symbiotic relationship (mutualism and parasitism) with the host insect. Scientists observed that Wolbachia provides resistance to viral infections in the fruit fly (mutualism) but can also impose a parasitic cost by shortening its life span and skewing insect populations toward a female majority. Resistance to viral infections could be due to direct competition between the virus and Wolbachia for the host cell's resources. This observation laid the foundation for studying Wolbachia-infected mosquitoes at the University of Queensland. In 2009, McMeniman used the wMelPop strain to reduce the lifespan of Aedes by half. In 2011, Walker and Johnson successfully used the wMel strain to promote viral resistance without reducing the mosquito's life span. The near-normal life span of the wMel mosquito allowed for more mating opportunities, rapidly establishing the bacterium in the study's mosquitoes. It soon became a promising candidate for blocking dengue transmission. The study was set for field trials and clinical studies, first in Australia and then across Oceania, Latin America, and Southeast Asia under the aegis of the World Mosquito Program.

Using wMel to combat dengue
Laboratory personnel mechanically transfer wMel to the cytoplasm, termed transinfection, and, after establishing successful lines, release them into urban areas. Countries have successfully used two strategies: population suppression and population replacement.

Singapore released infected male mosquitoes (males don't bite humans)



New cases of dengue per year in India (Lakhs, 2000-2020). Source: Institute for Health Metrics and Evaluation, Data Visualization Tool of the Global Burden of Disease Project, Accessed July 28, 2024

into its communities, covering 35% of households. When these males mate with uninfected females, they produce non-viable eggs ("cytoplasmic instability"), drastically reducing the Aedes population by 90%. Singapore estimated that people in the release areas are 77% less likely to have dengue infection.

Australia pioneered the population replacement strategy, releasing infected mosquitoes over population centres over 1-6 months. Mating between infected males and females, or uninfected males and infected females, produced viable wMel carrying offspring. The wMel-Aedes mosquitoes soon became dominant in the wild, with no new releases needed since 2017. Studies performed seven years after the initial releases show a stable wMel genome – a pre-requisite for continued success. Since then, Australia has reported successful outcomes in dengue control, nearing dengue elimination.

In 2021, a multi-national effort resulted in a pathbreaking randomised controlled trial (RCT) in Indonesia. RCTs are considered the gold standard for testing interventions. In this trial, investigators released wMel mosquitoes in 12 geographic regions, with 12 similar no-release areas. At the end of 3 years, people living in the mosquito deployment areas were approximately 77% less likely to contract dengue and 86% less likely to need hospitalisation.

The long-term impact of wMel releases into the ecosystem is unknown. However, Wolbachia naturally occurs within 60% of insect species and doesn't infect humans



Scientists do not classify wMel transinfection as genetic engineering because the process does not involve integrating the bacterium's genome into the host's genome

and vertebrate animals. Importantly, Aedes mosquitoes are a recent import into non-African ecosystems initiated by the slave trade and, in the last 50 years, accelerated by the combination of global trade, travel, and rapid urbanisation. Scientists do not classify wMel transinfection as genetic engineering because the process does not involve integrating the bacterium's genome into the host's genome.

wMel Programs in India
India currently does not have an active wMel mosquito release programme. On July 5, 2022, the Indian Council of Medical Research – Vector Control Research Center (ICMR-VCRC) provided an update about developing two colonies of Pudu-cherry wMel Aedes strains. The update mentioned successful studies since 2018 and pending government approvals. However, the ICMR-VCRC has not issued significant public updates since then. ICMR has recently reported that Wolbachia was found naturally in Aedes in NE India.

The magnitude of results in field trials

and the Indonesian trial highlight important implications for India. The wMel strategy could be highly cost-effective given its potential to reduce the burden of other emerging infections like Zika, Japanese encephalitis and chikungunya. wMel strategy also gains importance because we must rely on more than insecticides due to resistance, safety concerns and their limited effectiveness.

Ensuring appropriate public messaging about planned mosquito releases is essential. We can also learn valuable lessons from the experiences of mosquito releases in cities across 14 different countries. During the monsoon, the surge in similar febrile illnesses overwhelms our healthcare systems.

Reducing mosquito-borne illnesses through proven interventions has an immense potential to reduce the burden on our health systems and productivity. Exploring all possible interventions to ensure a healthy, productive young population and realising our demographic dividend is crucial. We must resurrect and fund innovative vector control programs across India to combat the Aedes-borne triple epidemic of dengue, chikungunya, and Zika.

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THE GIST

Vector control methods have been studied globally since 2009. This method employs the bacterium Wolbachia, which occurs naturally in fruit flies. Many insect species in the wild host Wolbachia, but not the Aedes mosquito

Infected male mosquitoes released by the Singapore authorities mated with uninfected females. They produced non-viable eggs, reducing Aedes population by 90%. Singapore estimates that people in release areas are 77% less likely to have dengue

The wMel strategy has potential in the Indian context because we must rely on more than insecticides due to resistance, safety concerns, and limited effectiveness

HUMERUS

ILLUSTRATION: SOLMAYADIP SINHA



'New strains behind COVID-19 resurgence'

Bindu Shajan Perappadan

Two strains, namely KP.1 and KP.2, are responsible for the recent surge in COVID-19 cases, Union Health Minister J. P. Nadda told the Lower House during a recent session of Parliament.

He elaborated that these strains evolved from the JN1 Omicron variant and are highly transmissible, causing symptoms that include fever, cold, cough, sore throat, body ache, and fatigue, which were generally not severe. There has been no associated increase in hospitalisations or severe cases reported. He admitted that the COVID-19 pandemic saw the emergence of various strains. He said that the Indian Council of Medical Research (ICMR) and the National Centre for Disease Control (NCDC) are monitoring the new strains.

According to data shared in Parliament, the Ministry said that, until August 5, the KP mutant strain had been reported from Maharashtra (417), West Bengal (157), Uttarhand (64), Rajasthan (48), and Gujarat (42). Until June 15, India had sequenced 336,892 SARS-CoV-2 viral genomes, out of which 301,451 were sequenced by the Indian SARS-CoV-2 Genome Sequencing (INSACOG).

The Minister said the government has taken measures to monitor the spread of new strains. "The NCDC has implemented the Integrated Disease Surveillance Program (IDSP) in all 36 States/UTs as



The new strains evolved from JN1 Omicron are highly transmissible. FILE PHOTO

part of the National Health Mission. The programme is responsible for the surveillance of 40-plus epidemic-prone diseases. A constant watch is maintained for emerging and re-emerging diseases. The Department of Health Research (DHR) has sanctioned 163 Viral Research and Diagnostic Laboratories (VRDLs) across India to improve virus detection and research," he said.

The House was also informed that the Central Government has launched the Pradhan Mantri-Ayushman Bharat Health Infrastructure Mission (PM-AHIM) to prepare the country for public health emergencies such as new and emerging disease outbreaks.

Disease surveillance
"Some of the key activities under this initiative directed towards preparedness against future pandemics include the establishment of critical care hospital blocks, the strengthening of the NCDC, establishment of regional NCDCs, setting up of a network of Bio-Safety

Level-3 (BSL-3) laboratories, strengthening of public health units at points of entry, establishment of Health Emergency Operation Centres, bio-security preparedness, and strengthening of pandemic research for One Health," said the Minister.

Additionally, the Central government says it has taken steps to ramp up testing and genomic surveillance capabilities to identify and track the spread of this new variant. The NCDC says that the INSACOG network conducts Whole Genomic Sequencing (WGS) for the timely detection of new SARS-CoV-2 variants.

INSACOG is a consortium of 67 laboratories and 400+ sentinel sites to monitor the genomic variations in the SARS-CoV-2. The NCDC acts as the lead agency for Indian SARS-CoV-2 Genomics Consortium (INSACOG). The IDSP is coordinating flow of samples from States to Regional Genome Sequencing Labs (RGLS) and providing feedback to States. The IDSP is also collating WGS results and reporting

them to states and UTs for necessary action along with key epidemiological inputs, the Ministry noted.

Preventive measures

Anil Bansal, a member of the Delhi Medical Council said SARS-CoV-2 will keep evolving and newer strains will emerge. "Hygiene, a high level of awareness, early detection, strict Central surveillance measures, keeping medical staff alerted about virulent strains, and keeping hospitals in a state of preparedness are the way forward. The public must also be alert and take particular care of vulnerable groups," he said.

Meanwhile, the Central government said States and Union Territories have been advised to ensure adequate testing including a higher number of RT-PCR tests, maintain a state of vigil and send positive samples for genomic sequencing to INSACOG laboratories.

"They have also been told to seek community support, including adherence to respiratory hygiene, while working alongside initiatives to ramp up testing and genomic surveillance," said the Minister.

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Freedom notes

India must make its governments more accountable to the people

Prime Minister Narendra Modi's first Independence Day speech in his third term in office — the eleventh since 2014 — sought to signal continuity and authority, particularly in the context of the fact that he is now leading a coalition government. He called for a uniform civil code, terming it a secular measure agnostic of religious faiths, 'one nation, one election', and increased safety of women against the backdrop of the sexual assault and murder of an on-duty doctor in Kolkata recently. Mr. Modi said there were attempts to destabilise the economy of the country, echoing the BJP's view on a recent report by U.S.-based short seller Hindenburg Research that has accused the head of stock market regulator SEBI of conflict of interest. Mr. Modi criticised the continuing trend of dynastic politics and suggested that one lakh first generation young leaders should enter electoral politics at various levels, and also expressed hope for peace being restored in Bangladesh. Reviewing his two terms in power, he claimed that India has made great strides in manufacturing, and in fighting corruption, and vowed to stay the course regardless of obstacles. The desirability of a uniform civil code, or more youngsters in politics or fighting corruption is not in question. But unfortunately, all these remain contentious issues, largely due to the government's partisan approach.

That Leader of the Opposition Rahul Gandhi was seated in a back row of the audience at Red Fort where Mr. Modi delivered his customary address is instructive. The government's explanation for this breach of precedent, that the seats in the front rows were given to members of this year's Olympic team, is hardly a reasonable one. The government needs to be less unilateral and more consultative if it is truly committed to advancing a unified national agenda in the seventy-eighth year of India. A uniform civil code in a country as diverse as India requires consensus building, and ending the opportunistic use of the issue to attack the Muslim community. The government cannot fight corruption by investigating only Opposition leaders and overlooking serious charges against functionaries such as the SEBI chief. Criticism of the government is not a conspiracy to destabilise the nation, and labelling it as such is appealing only to a diminishing group of people. Independence Day should be a good occasion as any other to remember that the nation is not the government, and certainly not synonymous with the party in power. The freedom is for keeping the government of the day accountable to the people through a political process.

Choppy waters

Trade outlook warrants timely decisions on export support schemes

India's goods exports suffered a blip last month after three months of growth that had triggered hope of a notable recovery from a patchy 2023-24 performance. July's merchandise shipments' tally of just under \$34 billion marks a 1.5% drop from 2023 levels, but is also the weakest number since November 2023 and the second worst since October 2022. Although 18 of India's top 30 export items clocked growth, including electronics (up 37.3%), ready-made garments (11.8%) and handicrafts (13.2%), there was a significant drag from the rest. Petroleum exports dropped 22.2%, while gems and jewellery fell 20.4%, chemicals slipped 12%, and curbs on some food exports continued to hurt. This was accompanied by a tangible 7.5% rise in the import bill, fuelled by a 17.4% surge in petroleum imports, and a significant rise in consumer demand-driven 'non-oil, non-gold' imports such as electronics, pulses and vegetable oils. Gold imports fell 10.7% in dollar terms, but have hovered in the \$3 billion-\$3.4 billion range since April. With the Union Budget slashing import duties, gold imports could spike further. Moreover, silver imports that have been rising exponentially, mainly due to concessional duties offered under a trade pact with the UAE, shot up almost 440% in July, and are almost 20% higher in the first four months of 2024-25.

Of course, the combination of shrinking exports and growing imports spiked the trade deficit by almost 24% to \$23.5 billion — a nine-month peak. Further upside risks remain, especially with domestic demand expected to hold up relative to the global demand for India's exports. The Commerce Ministry still appears sanguine and believes India will surpass last year's record export tally, factoring in robust services exports. But the outlook is uncertain, with existing and fresh geopolitical disruptions (Bangladesh) repeatedly flaring up, and freight cost surges making some exports unviable. A recent decline in commodity prices is another worry, especially with a decelerating Chinese economy, prompting its producers to flood global markets by undercutting prices. Global trade is expected to grow faster than 2023 but India must run harder to keep up, and actualise any gains. While the Centre's steps to tap new markets are laudable, it would do better to offer more certainty for exporters on the fate of official schemes to boost their competitiveness, before global festive orders come up for bidding. A duty remission scheme, RoFTEP, has been extended only till September 30, while an interest subsidy scheme capped in June for large players and ceases this month for smaller firms. Inter-ministerial parleys for their continuation and even expansion, must be expedited so that exporters have greater visibility over longer timelines to do their operational math rather than last-minute surprises.

An obstinate refusal to focus on welfare

The Union Budget has drawn stern criticism from several quarters of the populace for a variety of reasons. On the welfare front, the government has, yet again, failed to increase expenditure on critical welfare schemes that support the marginalised in the country. The government's obstinate refusal to focus on welfare is perplexing to say the least, in a country where, according to the government's own data, about 34% of the population survives on less than \$100 a day and over 81 crore people require free foodgrains to get by. The National Democratic Alliance (NDA) now, or NDA 3.0, appears to continue the trend the alliance set in its two previous terms by reducing welfare allocations — as shown in the analysis below based on Budget papers.

Key welfare schemes, an underfunding
Two of the government's biggest welfare schemes, the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and the National Food Security Act (NFSA) (Food Subsidy) have seen their Budget allocations continuously fall as a share of GDP since 2014-15, except for the COVID-19 pandemic years when the government had to rely on these two schemes to avert a major disaster. MGNREGA guarantees every rural household 100 days of employment whereas the Food Subsidy is responsible for providing free foodgrains to about two-thirds of the population.

The NFSA had an expenditure of 0.72% of GDP last year, whereas this year, it has fallen to 0.63% of GDP. A truly bizarre decision in a country where over 100 crore people cannot afford a healthy diet and where just about 50% have three meals a day.

Similarly, the allocated budget for MGNREGA this year is 0.26% of GDP as compared to the 0.29% allocated last year. As a share of GDP, these two schemes today have a 25% lesser combined Budget allocation than they did in 2014-15 when the NDA first assumed power. With stagnating rural real wages and systematic underfunding of MGNREGA, it is no wonder that rural distress is spiking across the country.

Vulnerable groups such as widows, the elderly, and disabled individuals below the poverty line too were ignored in the Budget. The National Social Assistance Programme, which provides



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The National Democratic Alliance, in its third term, appears to be continuing the trend it set earlier — reducing budgetary allocations for welfare

monetary support to the groups mentioned as well as families who have lost their breadwinner, saw no increase in its allocation in the Budget. Its Budget allocation this year is exactly the same as last year in nominal terms. Its expenditure as a share of GDP has halved since 2014-15, from 0.06% to 0.03%.

The scheme provides paltry pensions of ₹200 a month to the elderly and ₹300 a month to widows — an amount that has not increased since 2006 despite repeated requests from dozens of economists. Even at a poverty line of ₹30 a day, these vulnerable groups would be living at least 66% below the poverty line if left solely to the devices of the state.

Welfare and nutrition schemes

Recently, the Women and Child Development Minister admitted in Parliament that more than 50% of children under the age of five in India suffer from chronic malnutrition. Moreover, anaemia rates in Indian women and children are 20% and 15% higher, respectively, than the global average. Saksham Anganwadi and Poshan 2.0 is a welfare scheme which aims to tackle child malnutrition and hunger. The Anganwadi programme was merged with the Prime Minister's Overarching Scheme for Holistic Nourishment (POSHAN) Abhiyaan and a nutrition scheme for adolescent girls in 2021-22. However, even with additions, the Budget allocated for the same has declined by more than half since 2014-15 — from 0.13% of GDP then to 0.06% of GDP in the recent Budget.

To address malnutrition and hunger among school-going children, the government runs the mid-day meal (MDM) programme. The MDM programme covers about 12 crore children in the country. Despite the programme's many successes in increasing class attendance, and educational as well as nutritional outcomes, the funds meant for it have halved since 2014-15 as a share of GDP. Further, the Ministry of Finance rejected a plan for breakfast at school in 2021 citing a lack of funds despite the promise it has shown in Tamil Nadu.

In the face of acute malnutrition crisis facing our children, it is imperative that we increase the coverage of these programmes and provide more nutritious food to our children.

The share in GDP of central expenditure on education (primary and secondary) has also declined this year to 0.22% from 0.25% last year. Although primary education enrolment rates are high, we still have a long way to go when it comes to education quality and basic infrastructure among other things. Thus, it is concerning when education's share in GDP falls from 0.37% in 2014-15 to 0.22% today.

The only saving grace here seems to be the Budget allocation for health, which saw a slight increase. Since 2014-15, the share of the Budget allocated to the Health Ministry in terms of GDP has increased from 0.25% then to 0.28% this year. The increase, however, is far from enough in a country where out-of-pocket expenditure on health remains very high and pushes millions into poverty every year.

The Budget allocation for all the mentioned schemes/departments has gone down from 2.1% as a share of GDP in 2014-15 to just 1.53% this year. The fact that the same was nearly three times that in 2014-15 — 4.3% of GDP — in the COVID-19 pandemic year of 2020-21, underlines the vitality of these schemes.

According to one estimate, the government has forgone tax revenue of over ₹8 lakh crore since it slashed corporate tax rates in 2019. It appears that it is the poor and the vulnerable who have been sacrificed to accommodate the resulting reduction in fiscal space due to tax cuts.

It is no wonder then that India has a poor Human Development Index rank of 132, and that today it is more unequal than it was during British rule, according to a new report by the World Inequality Lab.

In contrast, the UPA era

If the NDA government is serious about its Viksit Bharat dreams then it must realise that the way to a developed society is through the stomachs and pens of its poorest citizens. No civilised society could be considered developed if a large portion of its population is unable to afford a life of dignity. Perhaps, the NDA government would do well to follow the example of the United Progressive Alliance governments which not only saw the introduction of new welfare schemes but also a steady increase in their Budget allocations over time.

Reshape the governance structures of AI companies

The modern corporate governance regimes in capitalistic and neo-capitalistic economies have traditionally favoured the theory of shareholder primacy. This means that in modern corporations, the objectives of profit generation and wealth creation for the shareholders and investors take primacy over other objectives of the business including the objective of public good. In contrast, there have been proponents of a stakeholder benefit approach of corporate governance, which seeks to maximise the benefits of all stakeholders.

In recent years, corporations with ostensibly alternative governance models, leaning towards stakeholder capitalism have become more common. Corporations are increasingly getting involved in products, technologies and services that cannot be driven solely on the objectives of profit making and have a greater social objective. Generative Artificial Intelligence (AI) is one such instance, where corporations are seeking alternative governance structures to balance the objectives of generating profit with that of greater social responsibility.

Data access issues

The development of AI technologies requires access to data, which may, in turn, accelerate the ability to utilise personal information to undermine privacy. For instance, Meta was asked to pause its plans to train its large language models using public content shared on Facebook and Instagram in the European region over concerns raised by the Irish privacy regulator. In addition to this, it has been noted that human prejudices may find their way into AI systems and lead to algorithmic biases with harmful results.

Recently, Amazon discontinued using a recruiting algorithm after it discovered that it was plagued with gender bias. Moreover, researchers at Princeton University conducted an experiment where they used AI software to analyse and link words and found that European names were perceived as more pleasing than their African-American counterparts. These examples



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The issue is important as social objectives are often subsumed by broader profit-driven goals

demonstrate how AI can perpetuate existing biases and create inequality with respect to opportunities, and access. It is important for the creators of AI to act responsibly towards all stakeholders.

These considerations have prompted several companies to alter their corporate governance structures. To counter the risks posed by AI advancements, OpenAI, and Anthropic, have resorted to structures with public good and developing responsible AI as core objectives leading to creation of public benefit corporations. For instance, Anthropic is governed by a structure called Long-Term Benefit Trust. This trust is composed of five financially disinterested members who have the authority to select and remove a portion of Anthropic's board. Similarly, OpenAI was incorporated as a non-profit, but it transitioned into a hybrid design by incorporating a capped profit-subsidary to support its capital intensive innovation.

Purpose versus profits

While these companies started out with alternative models, when there was a clash between the company's goals of purpose and its profit-generating machinery, the monetary interests won. OpenAI, the creator of ChatGPT, found itself embroiled in a corporate governance debacle last year when the non-profit board of the company fired the CEO of the company, Sam Altman, due to concerns about the rapid commercialisation of AI products at the cost of compromising user safety. The dismissal was strongly criticised by Microsoft, OpenAI's largest investor, which was supported by about 90% of the employees, holding employee stock options in OpenAI.

Consequently, Mr. Altman was reinstated, and the existing board was replaced. This debacle has raised questions on the viability of public benefit corporate structures in the technological industry, which rely on capital infusion from shareholders and investors with deep pockets, to fund research and innovations. Recently, there

are rumours that OpenAI may be considering a move to a for-profit governance structure.

In 1970, Milton Friedman famously asserted that businesses have a social responsibility to generate profits for their shareholders. From these recent events, it is evident that even in this new age of public benefits corporation, the purported public benefit may be nothing more than disguised profit seeking. Pursuing social interest at the cost of financial considerations may not be feasible merely through adopting creative governance structures. Rather, these governance structures further reinforce the shareholder primacy, especially in tech companies where even the employees hold stock-based incentives.

Workable strategy

The present accountability structure is based on appointing an independent board and adopting a social benefit objective for the business. These measures are not sufficiently strong to protect against this amoral drift, where the social objectives of a corporation are often subsumed by the broader profit-driven goals as the market enables unrestricted corporate control. Policymakers need to employ innovative methods of regulating corporations involved in developing AI-based products which balance these conflicting interests.

From a strictly economic perspective, this can be done by targeting three key areas: enhancing long-term profit gains of corporations from adopting a public benefit purpose; incentivising managerial compliance of such purposes, and reducing compliance costs of adopting such purposes. This would require framing ethical standards for the governance of AI product companies, along with providing adequate regulatory backing through reforms in corporate governance norms. With the increasing involvement of AI in multiple spheres of life, it is imminent that governance models promoting the ethical development of AI for generating profits need to be adopted.

LETTERS TO THE EDITOR

True independence

"The day a woman can walk freely on the roads at night, that day we can say that India has achieved independence," is a quote attributed to Mahatma Gandhi. But in today's India, there is hardly a single place and specific time where and when women are safe. That we celebrate 78 years of independence against the backdrop of brutal atrocities against women is distressing.

Alaka Rasagna,

Chodavaram, Andhra Pradesh

Going by data and reports, the state of women in India is a sorry one. It is time governments and the

authorities wake up and ensure that women are safe. There has to be severe punishment for crimes. The Mahatma's words must make political leaders ponder over the issue.

M.C. Vijay Shankar,

Chennai

I write this letter as a student who completed class 12 recently. While we rejoice in our nation's independence, it is essential to acknowledge the challenges that persist. Freedom is more than just the absence of colonial rule. It is the right to live without fear, to work and move freely in our land. It is disheartening that there are

individuals who act in ways that are inhumane; who disregard the basic dignity and rights of others. Let us commit to fostering a future where safety, equality and respect are not privileges, but the norm. Let us strive to raise future generations who will continue to build a country that lives up to the ideals enshrined in the Constitution. Let us ensure that the freedom we celebrate is not just symbolic, but a reality for every living being in this great land.

Keshika Elangovan,

Trinavelveli, Tamil Nadu

Creamy layer

There is much discussion on

introducing the creamy layer concept within Scheduled Castes (SC). It should not be forgotten that despite SCs retaining certain administrative positions, they are still far removed from social equality. Even today, honour killings, which are actually honor killings, take place. It would take a long time for persons in the lower rungs of society to reach higher positions. To think now in terms of the creamy layer would not be doing justice to SCs who are yet to achieve constitutional equality. The Keezhvenmani massacre (1968) and the Dharmapuri violence are not far from one's mind. Till

such time as we reach an egalitarian society, the question of introducing a creamy layer among the SC community should not arise.

N.G.R. Prasad,

Chennai

An appeal in vain

The unfortunate set of events that befell woman wrestler Vinesh Phogat would never have been encountered by her had she competed in her natural weight category. The convoluted methods she adopted to lose weight will take a toll on the athlete's health. One understands that attempts to compete in a lower weight category are

done to increase the athlete's 'winability factor'. But this essentially goes against the Olympic motto of playing fair to oneself as also to the opponent. As for Ms. Phogat being supported by all shades of opinion in the country, including politicians, it was a foregone conclusion that her appeal was up for failure. When medals are decided on the basis of split seconds, the scope for joint medals to be awarded was very remote.

S. Kamal,

Mysuru

Letters emailed to letters@thehindu.co.in must carry the full postal address.

Opinion

FRIDAY, AUGUST 16, 2024



● RESOLVE TO GROW
Prime Minister Narendra Modi
If 40 crore people can break the shackles of slavery to gain freedom, just imagine what can be achieved by the resolve of 140 crore people

Retro tax redux

After the telecom AGR shocker in 2019, the apex court has just resurrected the retrospective tax ghost

THE SUPREME COURT'S decision to allow states to seek royalty and tax dues from companies for mining activities from as far back as April 1, 2005, can easily be termed as a pyrrhic victory for the latter, just as it was for the Centre in the telecom adjusted gross revenue (AGR) case in October 2019. While the apex court's verdict in July overturning its own 1991 judgment to give states the right to levy royalty and tax on mineral-bearing land needs to be lauded for upholding the principles of federalism, the application of the same with retrospective effect takes away a lot of the sheen. The reason is simple: Any collection of dues from a long past date strains the finances of the companies concerned, creates further litigation, distorts the structure, and encourages authorities to mindlessly chase the model of revenue maximisation, all of which take a toll on economy and private investments.

The effects of the SC verdict in the AGR case, which billed telecom companies with dues worth ₹1.67 trillion for a 20-year period, is still being felt by the companies. Had the order not been tweaked two years later, followed by a government package, at least one company would have shut shop despite investing millions in the network. But it would be fair to say that in the AGR case the telcos were to be equally blamed because they had not provisioned for the amount despite knowing about the dispute and litigation. However, in the mining case, the companies cannot be blamed at all. In 1991, a seven-judge SC bench had ruled in an India Cement case that only the central government had the power to levy such royalty. Later in 2004, the apex court ruled in favour of the West Bengal government in its case against Kesoram Industries.

This means companies having mineral rights were totally in the right and were following the law of the land. If the SC has now overturned its own 1991 ruling and changed the law by agreeing with its 2004 order, why should the companies be penalised on a retrospective basis? It is correct that the apex court has acknowledged the financial impact and said that retrospective payment will come into effect from 2005, not 1991. It has also said that no penalty and interest should be charged and companies can pay in 12 instalments. However, with the industry estimating the dues to be around ₹1.5 trillion, the impact would be too high, with liability in some cases higher than the net worth of a company. Since mineral mining is a deregulated sector, miners will not be able to recover past costs from their consumers. But in a sector like power, tariffs may go up as power purchase agreements have a cost recovery mechanism.

One hopes just like the Centre in the case of AGR, the state governments concerned behave responsibly and don't turn extractive. The SC has said that it's the prerogative of state legislatures to determine whether to forego past dues. The Madhya Pradesh government has already declared its intention of not seeking past dues. The future course of action of states like Jharkhand, Odisha, Chhattisgarh, Madhya Pradesh, Karnataka, Andhra Pradesh, and Rajasthan will now be watched closely. Still, the issue of regulatory certainty, which includes judicial clarity, remains a big concern in India as far as private investment is concerned. Companies need tax certainty, not frequent disruptions by the governments as well as the judiciary.

● THROUGH THE LOOKING GLASS
FINANCING HIGHER RETAIL CAPEX IN A LOW GREENIUM WORLD WILL EASE GREEN TRANSITION

The green trifecta

THE GREEN TRANSITION is here to stay. As concerns on climate change increase and green technologies and products improve their economic viability, it is sparking growing adoption. Renewable energy (RE), including rooftop solar and electric vehicles (EVs), is gaining market share from its fossil counterparts. Climate change is increasing the requirement for cooling, especially in India.

Three trends stand out: (a) investment is being made at a household level (for a rooftop panel, EV, or an air conditioning device); (b) such investment is, by definition, upfront; (c) once the investment is made, the cost of operation is typically significantly lower than current costs.

Rise of household investments
As consumers transform into producers (producers and consumers simultaneously), households are at the forefront of making investments in green products.

The International Energy Agency (IEA), in its World Energy Investment 2024 report, noted, "The share of total energy investments made or decided by private households (if not necessarily financed by them directly) has doubled from 9% in 2015 to 18% today, thanks to the combined growth in rooftop solar installations, investments in buildings efficiency and electric vehicle purchases. For the moment, these investments are mainly made by wealthier households — and well-designed policies are essential to making clean energy technologies more accessible to all."

It is reasonable to expect that this trend of investing "behind the meter" (as it is called in the power industry) should gain strength. Customers are procuring various devices that are being used in the power sector (solar panels, smart and net metering, battery storage, etc.). This is true for transport and building efficiency too. As the IEA report notes, wealthy consumers

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are currently making these investments; public policy and finance are being used to support low-income households.

Importance of capex over opex
Another IEA report titled "Strategies for Affordable and Fair Clean Energy Transitions" noted that "...total end-use expenditure energy... amounted to USD \$8 trillion in 2023, reflecting the total energy delivery costs paid for by households and industrial consumers (USD 7 trillion in 2023) plus additional taxes, net of fossil fuel and clean energy subsidies (USD 1.1 trillion). In the STEPS (Sustainable Policies Scenario), end-use energy expenditure rises to USD 10 trillion in 2035. There is a modest increase in taxes raised from prices on CO2 and a decrease in fossil fuel subsidies, but the main driver of increased capital expenditure is additional investment to meet growing energy demand" (emphasis added).

While the overall expenditure on energy as a proportion of GDP does not materially change, the relative nature of spending does. Currently, just slightly less than half of the \$8 trillion is for capital recovery and financing costs; this proportion rises to almost two-thirds, especially under the Net Zero Emissions by 2050 scenario. The faster the world wants to achieve net zero, the higher is the proportion of the capital investment.

Currently, power or fuel costs are dependent on the cost dynamics of the

underlying commodity (coal, crude oil, etc.). Over time, the cost for the final consumer will be driven by the cost of capital in setting up the ecosystems of renewable power supply or EVs. Once capex on setting up these systems is sorted, the marginal operating cost, especially in a competitive market, can tend towards a very low number, if not zero. We see this trend in RE, and increasingly in EVs.

Making the capital recovery easy, certain, and viable will be a key determinant of capital flow for green transition.

Whither greenium?
Even as investment takes centre stage in the green transition, markets have consistently guided that there is no material, sustained green premium for financing such investments. We have

explored this earlier in these pages (bit.ly/333K4V). Recent green bond issuances by the government of India (which were either cancelled or partially subscribed at the expected lower yield) highlighted that it is challenging, even for sovereign issuers, to get any material greenium.

There is a thesis that in a world rolled by climate change, eventual returns may turn out to be low, driven by lower economic growth or more disruptive climate events. This posits that long-term asset owners and managers should take this eventually into account and be prepared to accept lower current returns on

their investments. However, it does not meet the test of the market currently.

This should not be surprising. We know that asset owners (sovereign wealth funds, pension funds, endowment funds, etc.) and managers of capital (fund managers of private equity, investment trusts, debt funds, etc.) are all bound by their respective fiduciary duties to get appropriate risk-adjusted return on their investments, which are tracked against current benchmarks and returns. This makes it almost impossible for them to expect lower returns from green investments.

Implications for green investments

In sum, the three trends indicate that households (including small business owners and operators) are expected to make larger green investments requiring the commitment of upfront capital that will anticipate to meet its return expectations.

Opportunities in green investments will identify from financing large renewable power farms and electric mobility original equipment manufacturers to consumer goods in these ecosystems. While public policy will have a role in making green choices more affordable, the best performing industries will be those which can reach economic viability via a mix of technological, scaling, and business process breakthroughs. The business model will change from charging customers a margin on the cost of input to charging for the cost of capital deployed. This will create opportunities for asset aggregation firms that can offer flexible, long-term lease options to customers. Such asset platforms can facilitate the transition by bringing in aggregation benefits for households as well as businesses large and small.

As the green transition becomes more mainstream, these trends will create a set of investment opportunities.

Views are personal

PM's I-Day speech: Many new beginnings

PM's I-Day speech reiterates lofty goals for 2047, but lacks a commensurate action plan; middle-income trap is real



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OF ALL STATEMENTS and exhortations by Prime Minister Narendra Modi while addressing the nation on the 78th Independence Day, the one with the most transformative potential for the country was his call for "national resources (to be) used for the common man". His 98-minute speech cannot be blamed for being short of visionary articulation. It also sought to demonstrate that in spite of the ruling alliance having to rely for majority on a couple of allies that don't necessarily subscribe to the Bharatiya Janata Party's ideological moorings, his third term will still be a "secular civil code", while calling the current set of civil laws admittedly "communal". Since both these objectives are politically contentious, securing the requisite legislative support for them would be hard; the prime minister's assertions in these respects, therefore, may only have the function of political messaging, and grandstanding for now.

For anything, these can't really be the immediate priorities for the country, which has lately been warned by World Bank researchers about being caught in a "middle-income trap", along with many of its peers, whose mean per capita income remained below a tenth of the US for the last half a century. To be sure, Modi dreams of making India a global manufacturing hub (a prophecy he had made it the past two, and so had his two immediate two predecessors), a "skill capital of the world", a "global education hub by promoting higher learning and research", a "global leader" in semiconductor and green hydrogen production, and so forth. Some of these aspirations are far removed from not just the current realities, but the potential changes the relevant (non-subsidive) policies being set out could bring about.

To cite one instance, while research and innovation are potent tools for India to correct the gross distortions in capital allocation it is suffering from, the country's R&D spend actually declined as a share of GDP over the last two decades to less than 0.7%. Worse, expenditure on education languishes at 3% of GDP, while the prescription has been to raise it to at least 6%. Modi's I-Day speech would have inspired more confidence if it included definitive action plans on these and multiple other pressing imperatives, including decentralised governance, and strengthening of institutions. Many would have expected the prime minister to state where the country stands now, in terms of some of his past pronouncements, like "doubling of farmers' (current) income".

The official line is India has nearly eliminated "extreme poverty", and that 248 million people moved out of "multidimensional poverty" in nine years to 2022-23 (an earlier UN report said 41.5 million Indian people exited such poverty in 15 years to 2019-21). These have been contested by many experts for lack of concrete data, and anecdotal evidence to the contrary. The prime minister should have initiated a credible estimation of India's poverty incidence, via house-to-house enumeration, and based on realistic "real income-based" yardsticks. Whether the PM's vision of Viksit Bharat (developed India) by 2047 could be achieved or not in technical terms (economists would say this is a tall order), the country would indeed need to urgently act on multiple fronts to raise economic productivity to higher levels. Policies must catalyse more efficient resource allocation among economic agents and development of human capital, as the much-touted demographic dividend needs to be amplified and harnessed before it fizzles out.

The Modi regime saw a cleansing of the banking system, proliferation of women self-help groups that helped weaken patriarchy, and emergence of a critical mass of global capability centres in India's geography working for big global firms. Even to build on these gains, and boost domestic demand, evening out the resources is vital. Unlike China during the last four decades of its rapid economic ascendancy, India can't expect much help from the external world for its planned strides, given the state of the world economy, and the geopolitical incertitude.

THE INDIAN BANKING, financial services and insurance (BFSI) sector is witnessing a long-pending session of change with emerging technologies causing disruption in operations and customer experience. Adopting cutting-edge technology to build operational resilience has become a necessity rather than a choice for banks. This is especially true for small and cooperative banks facing competition with fintech companies and struggling with faster transformation cycles, go-to-market strategies, and the ordinary consumer experience. A digital transformation for these banks is crucial to remain competitive, build resilience, and enhance the customer experience.

Critical emerging technologies are driving the digital transformation journey of this sector, with cloud computing leading from the front. Cloud-enabled services are transforming India's financial sector, enabling banks and fintech firms to deliver innovative solutions with ease, agility, and efficiency.

Why embrace cloud migration?

Cloud-enabled services empower banks to scale up business by redefining products, processes, technology infrastructure, and governance models. It helps them to scale up services by providing a range of benefits such as storage, computation prowess, operating across diverse applications, and contextualised offerings based on the requirements of the entity opting for cloud services. The integrated artificial intelligence/machine learning capabilities enable running advanced analytics and gather insights on large data sets that are traditionally kept in silos. The

cloud transformation journey encompasses technological upgrades, process automation, organisational restructuring, and product innovation, which ultimately help in reducing business risks and driving operational efficiencies. Given that the financial sector handles critical forms of data, the cybersecurity aspects and concerns about control over data also assume significant importance. The relationship between cloud service providers (CSPs) and financial entities is built on the principle of shared responsibility, where entities are responsible for security in the cloud, controlling and managing the security of their content, applications, systems, and networks. On the other hand, CSPs manage the security of the cloud to protect its infrastructure and services, maintain its operational performance, and meet relevant legal and regulatory requirements.

Migrating to the cloud

Migrating to the cloud entails the relocation of applications, data, infrastructure, security, and other objects to a cloud computing environment, often from a company's own location. In such a venture, the company decides to move its operations to the cloud to boost efficiency in scaling up services and operationalising new products, reduce security risks and, in most circumstances, lower operational costs. Migration is a journey that companies undertake, moving from simple tasks to gradually complex operations

as per their requirements and vision.

Companies must also make strategic choices between deployment models such as public, private, hybrid, and multi-cloud architectures and decide between different migration strategies based on the entities' contextual needs and aims. For instance, companies that wish to utilise the benefits of the cloud for their new solutions but prefer the stability of their legacy operations may opt for a partial migration strategy where only a select portion of services are migrated onto the cloud. Alternatively, other strategies, such as parallel and big-bang migration, involve gradual transition and moving entire infrastructures respectively. Ultimately, the decision on how to adopt and utilise the cloud rests entirely with the entities concerned.

Internationally, cloud-based financial services have brought about a sea of efficiencies

Catalysing adoption of cloud-based financial services
Governments and banking regulators have acknowledged the benefits of cloud services. This has boosted the adoption of these innovative operational models across the BFSI sector and is projected to be mainstreamed in due course. The Meghraj programme aimed at host government applications on the cloud. At the same time, the EASE (Enhanced Access and Service Excellence) reforms incentivised banks to integrate emerging technologies like cloud, thereby establishing the potential of the technology as a tool to revolutionise the domestic BFSI sector.

Indian banks such as Axis Bank, RBL

Bank, AU Small Finance Bank, and others have already utilised the cloud to improve their services, retain and onboard new customers, and scale up new services such as digital lending according to demand. Some, like Axis Bank, were also able to reduce customer onboarding time to below eight minutes, reducing friction between the service provider and customer effectively by utilising the agility that the cloud enables. Internationally, cloud-based financial services have brought about a sea of efficiencies in the case of Standard Chartered Bank and embodied stability in times of crisis for customers of PrivatBank of Ukraine, whose services were migrated to the cloud within two months even as the war threatened the reliability of local infrastructure. PayPal is another example where a company was able to ease information technology management and compliance through cloud adoption. These case studies establish the efficiency cloud solutions offer for the financial institutions, underlining the benefits of a potential transition at scale domestically and globally.

As digital transformation accelerates in financial services, cloud computing emerges as a potent enabler for resilience and future-readiness. With conducive policies, regulatory support, and a growing trust in the technology, cloud-based financial services can catalyse broad adoption, empowering Indian financial institutions to optimise efficiency and elevate customer services. While challenges remain, they will diminish over time as cloud technologies mature and become mainstream across the BFSI sector.

consumers, and the final consumers are the people using the goods and services. This is bound to increase inflationary pressures. The Centre, states, and all the other agencies demand their pound of flesh, while the real owners of the land like the Adavis get nothing. —Anthony Henriques, Maharashtra

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LETTERS TO THE EDITOR

India @78

Apreros of "The real freedom" (FE, August 15), as India stands as one of the world's emerging economies, it is facing stiff challenges. Its people live in a chaotic economy where climate change is a challenge. We're going through a period of disparities among states in the context of education, healthcare, and economic growth. As

the world moves towards a new industrial revolution relying on technologies such as 5G, the Internet of Things, artificial intelligence, robotics, and green technologies, India must build significant capabilities in these areas. India's freedom is meaningless without a constitutional order that governs a democratic system based on social justice, equality, and unity in diversity.

India's progress in the 21st century depends on following these values. —Sanjay Chopra, Mohali

Mining tax ripples

The retrospective mining tax as ruled by the Supreme Court is bound to hurt the mining firms which are already struggling with a host of environmental issues. However, this additional burden will be passed on to

Does India lack a sporting culture outside cricket?



A.B. Subbaiah
Former goalkeeper for India, two-time Olympian, and a three-time Asian Games medalist

PARLEY

The Paris Olympics just ended with India securing six medals — one silver and five bronze — to place 71st in the medals tally. The country's performance led to many questions about the need for a sporting culture. Was India's performance in the Olympics an outcome of its lack of sporting culture outside cricket? What more can be done? A.B. Subbaiah and Tejaswin Shankar discuss the question in a conversation moderated by Uthra Ganesan. Edited excerpts:

How would you compare India's performance with that of other countries?

Tejaswin Shankar: There was greater visibility of our athletes. I don't know if that is because the broadcasters decided to cover Indian sports more compared to previous years or because we were able to send more athletes to the Games this time. But there were more people in blue jerseys and that was good to see. In some events, it was really heartening to see some of our performances. It was sad that we lost a medal by a whisker here and there. In some other events, India's performance was really upsetting.

Dr. Subbaiah, many people say cricket has grown exponentially, while other sports have not grown to that extent in India. What do you think? We are not seeing good enough results in other sports.

A.B. Subbaiah: Yes, other Indian sports didn't make the changes that were required of them faster. In 1996 (Atlanta), Leander Paes got the first individual bronze medal after 1952 at the Olympics. That was big. Nowadays, we win 7-8 Olympic medals across different sports. This is happening because we began identifying younger talent and giving them support. It is not enough at all, but it is happening. The infrastructure and sports science are much better than it was during our time.

TS: As you said, results matter. Winning a medal is the goal and all our efforts are made towards that. From a sporting ecosystem standpoint, I feel we have come a long way since the London Olympics (2012) or the Rio Olympics (2016). There is a long way to go, however. People say, see how the U.S. has so many medalists, look at their GDP, their population, etc. But we also have to realise that they (the U.S.) have had more than 100 years of sporting history. During Adolf Hitler's time, (American athlete) Jesse Owens won many Olympic gold medals. So, history also matters. On the other hand, India has been funding many sports well only in



India celebrates its victory in the men's bronze medal match. GETTY IMAGES

the last 8-10 years. It is good to be critical about our performance because it fuels the hunger in our athletes and also pushes administrators to do better. After the London Olympics, everyone was happy that we won 6 medals. This time, we won 6 again, but people have been very critical. That is a sign of progress. At the same time, we need to cut ourselves some slack and not compare ourselves to China or the U.S. We will get there with time.

Do you agree that we are a one-sport nation that wakes up occasionally and demands results in other sports?

TS: If we were just a one-sport nation, nobody would even care about or fund other sports apart from cricket. So, clearly we are not. But yes, cricket gets a lot more attention, possibly because people like it. Even in the U.S., track and field does not get the same attention as, say, the NBA (National Basketball Association).

There is a lack of general awareness about other sports. For example, badminton is probably one of the most famous sports after cricket in India. People talk a lot about it. We have had heroes like P.V. Sindhu, Parupalli Kashyap, and Saina Nehwal. But people still don't know the basic rules of the game. When they start demanding results, it becomes challenging for the athletes because they are not used to such criticism or even such attention (when the Games are on). When they play at the Games and finish fourth, people are surprised and go through their whole biopdata. But more people need to get interested and involved in these sports outside of the Olympics cycle.

ABS: We are not a sporting nation. We have a huge population and many youngsters; some of them can be urged to take up sports. If we support them by providing good infrastructure, finances, nutrition, and scientific support staff, we can be at least in the top six or seven nations. Khelo India is a good concept because we have



When more parents and schools allow children to pursue sports, we will have more fun, there will be a higher chance of someone taking that fun to the next level, and some of those children becoming superstars.

TEJASWIN SHANKAR

games at the grassroots level, and we can identify people who are really talented. We need to continue to nurture them for a few more years at least. The government programme is where you need not worry about funding, but the system should be run professionally. Also, players can be produced through private academies. This time, we could have another four or five medals if we had good support staff.

Should we build a culture where people follow sports throughout the year?

TS: If you love sports, it shouldn't be because of the Olympics results or the star athletes competing in a sport. Take the example of the U.S. The reason they love sports is not because they have a Michael Phelps, but because when children in Class 8 or 9 play football matches, the whole city comes to watch. A Michael Phelps or LeBron James is not running around the field, only a bunch of children are. The passion for the sport supersedes the passion to watch a particular athlete.

In India, when more and more parents and school curricula allow children to play and pursue sports, we will have more fun as a general population, there will be a higher chance of someone taking that fun to the next level, and some of those children becoming superstars. The culture doesn't come from big players, it comes from small institutions. Such a culture also helps the population be healthy.

Also, there is no such thing as a genetic pool, of X being stronger than Y. If that was the case, many countries wouldn't have won medals.

What do you think cricket did right and other sports did not do between 1983 and now? India won the Olympic gold in 1980 in hockey and the Cricket World Cup in 1983. Then cricket went in a different direction.

ABS: A base was built for cricket. Former players were used to coach even the club teams. Infrastructure was provided in each district. We did not make any such attempt in other sports. We conducted our senior nationals, junior or sub-junior nationals in hockey but there was no proper selection committee. Earlier, people

used to make the cut at the last minute. We lost 30 years from 1980 to 2010 because of not revolutionising hockey. Even when we were doing badly, we never thought we have to change the system or bring in people (coaches and staff) from Holland, Germany, or Australia. When hockey required a different level of fitness, we never have done that. We trained hard, but we should have importance to recovery.

The government spends a lot of money on our athletes today, but the perception is that our success is despite the system, not because of it. How can we change this?

ABS: Once players get into the India camp, they get the best facilities. But they are supposed to get these when they are coming up in the Under-14 or Under-15 category. Bengaluru is such a big city, yet we have only one hockey ground there. Leave aside the SAI (Sports Authority of India) ground, that's for the national camp. We have hostels, but where is the infrastructure? Every big city has layouts but no sports complex or a sport arena or stadium.

Is a government or public sector job the only way to attract children to sports? Does it restrict the growth of a sports culture?

ABS: What is the option? Sportspeople are not taken care of after their sports career, they don't have any insurance or pension. Most of our senior players didn't earn much even though they were champions. Many did not get a good job. They suffered health-wise. Our government should treat all top athletes as professionals and provide some money so that they can start producing new champions instead of getting new jobs. When Sreejesh retired, he was immediately made junior India coach. Such people should not go out of the system because if they get a 10-year break and come back as coaches, the game changes by then.

TS: The system is not well oiled. I disagree that jobs should be provided to Khelo India kids or those who get a medal once or twice in the junior age group. I don't think giving them a job and financial security is the best way forward. Sports is important; it helps you find new perspective; it teaches you different life skills. But it is not a way to find a job. You should find a job through education. Getting a government job should not be the goal of playing a sport.



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NOTEBOOK

Covering a mass uprising

It is not easy to fully capture an organic protest that spirals into a mass uprising in real time

Meera Srinivasan

To say Bangladesh Prime Minister Sheikh Hasina's dramatic ouster shocked the region is an understatement. Few would have foreseen her firmly held power crumble the way it did, unable to withstand the fury and fortitude of students. Their protests offered reason for both intrigue and inspiration.

Reports from Bangladesh pointed to three crucial triggers in the mobilisation of students: when the High Court restored a controversial quota system in employment; then, when dozens of protesters were killed in the government's crackdown; and later, in response to Ms. Hasina's derogatory reference to the agitating students. By then, scores of citizens had joined them in solidarity.

It is not easy to fully capture an organic protest that spirals into a mass uprising in real time. As daily news reporters, we cover the most obvious elements of such mobilisations, based on statements, posters, and chants.

The scenes from Bangladesh reminded many of Sri Lanka in 2022, when the 'Janatha Aragalaya' (people's struggle) ousted President Gotabaya Rajapaksa. They took me back to March 2022. Citizens' street protests were gaining steam in Colombo amid long power cuts and shortage of essential supplies. The island's economy was crashing, and people were running out of patience. We saw the protests swell within weeks, but did not predict the staggering scenes that would unfold on July 9, of protesters storming the presidential palace. Mr. Gotabaya, too, fled the country and resigned.

Reporters are not expected to predict outcomes. Our job is to follow developments closely, by visiting the spot, talking to people, and following the government's response. It was important to understand who the protesters were and why they had taken to the streets. Each day offered some learning — about the expanding movement, the diversity of its participants, and their creative and collective effort to sustain it, while chanting "go home, Gota" relentlessly. Protesters,

mainly youth, occupied Colombo's sea-front, built a tent city, and stayed put.

Soon the agitations spread to different parts of the country. We could not be present at every protest site, but those of us tracking the story frequently exchanged notes with colleagues we trusted. This was especially important when incidents of violence were reported, like on March 31, 2022. Hundreds of angry protesters gathered outside Mr. Gotabaya's private residence, after a painful 13-hour-long power cut. Some, who were not part of the protesting group, set a bus on fire in what seemed a deliberate act to provoke violence. Photographers and videographers, as always, bore witness.

In April, fruit seller Chamida Lakshan who had stepped out to find petrol returned home dead. Police had opened fire "to control" the agitating crowd in Rambukkana town, some 100 km north-east of Colombo. The locals who had gathered for his funeral at his modest home were furious. Many said they were done with the Rajapakses.

On July 22, 2022, the military raided the seaside protest site in Colombo, assaulting the peaceful dissenters, barely 24 hours after President Ranil Wickremesinghe assumed charge. Some of us tried going to the spot after protesters alerted us, but police and army men barred us from entering the area that they had cordoned off. Luckily for us, BBC journalist Anbarasan Ethirajan was staying at a hotel within the restricted area and had rushed to the spot. His shaky visuals recorded amidst charging military men were all we had to understand the violent nature of the pre-dawn attack.

During the Aragalaya months, a combination of spot visits, interviews, colleagues' impressions, and credible social media updates (except when it was banned) helped us piece together a rapidly evolving story that had no coherent narrative or clear author. Sri Lanka's protests were both challenging and humbling for journalists. They underscored a crucial element of our work — listening.

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PICTURE OF THE WEEK

A relentless search



The people of Vaniyampuzha and Iruttukuthi off Munderi in Pothukal near Nilambur, a town in the Malappuram district of Kerala, search for victims of the Wayanad tragedy in the swollen Chaliyar river with their bamboo rafts. A fortnight ago, two deadly landslides in Wayanad's Meppady panchayat killed more than 230 people in the foothills. The search continues for the more than 130 people who are still missing continues. SAKER HUSSAIN

FROM THE ARCHIVES



FIFTY YEARS AGO AUGUST 16, 1974

Turks claim fall of port city of Cyprus in renewed fighting

Nicosia, Aug. 15: The Turkish-Cypriot Bayrak Radio announced today that the eastern Cyprus port of Famagusta had surrendered to attacking Turkish forces, a victory report that would mean Turkey has divided the island

into two parts along a 104-km "Atilla line". A United Nations spokesman, however, denied the claim.

A UPI correspondent in Nicosia reported fighting in the streets of Famagusta. (The "Atilla line" is named after Atilla, the Hun, and this ancient line represented the westernmost penetration of Europe by the Huns who came out of the part of Asia that now includes Turkey.)

Turkish forces have also claimed the fall of Greek Cypriot naval base of Boghaz, 16 kilometres north of Famagusta.

A HUNDRED YEARS AGO AUGUST 16, 1924

Portuguese India

Bombay, Aug. 15: Mr. Roberts Brunto Dacosta, a lawyer journalist, President of the Commercial Association of Portuguese India and former member of the Goa Legislative Council, who returned this morning by the "S.S. Naldera" from Lisbon where he had gone as one of the special delegates of the Portuguese India to the Second Colonial Conference was interviewed by the Associated Press on arrival.

Dragon dollars

India should be careful about Chinese investment

Marking a major shift in policy, India appears inclined to relax both the entry of Chinese labour and capital into the country. According to a report in this newspaper, the Centre may reconsider the restrictions imposed on investment from China since April 2020 (allowed only with government approval, on a case by case basis), in the wake of the Galwan clash.

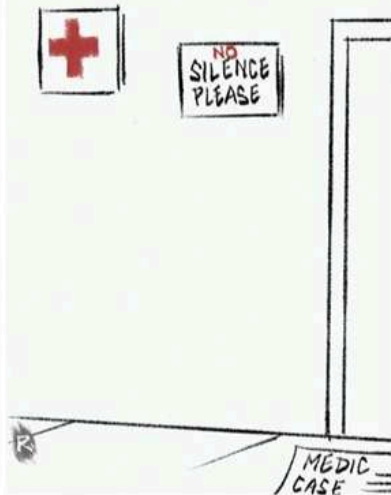
Meanwhile, a dedicated portal to expedite short-term visa applications of Chinese professionals has become operational this month to address the shortage of technicians in sectors under the production-linked incentive (PLI) scheme. These moves raise some concerns. The security issues arising out of the entry of Chinese professionals (even if for three or six months), especially into sensitive sectors, cannot be brushed aside. Just two years back, the Centre curtailed the operations of telecom major Huawei on security considerations. But even if the security risk is addressed by ruling out sensitive sectors, the entry of the Chinese workforce could hold up India's efforts at skilling unless if clauses are built into approvals for domestic talent to be trained by them. If Chinese professionals are to deal with immediate issues regarding machine installation and training in PLI sectors, it should be made clear to companies seeking these services that the visa relaxation will be phased out over, say two years — to make way for an Indian workforce. India should, therefore, be careful and selective in handing out these visas.

As for inviting Chinese FDI — just about \$4 billion has entered in two decades, accounting for less than one per cent of India's FDI stock — India must proceed realistically, and with caution. The Economic Survey has argued for allowing Chinese FDI in the hope that it would bring down India's over \$100 billion imports from China, besides turning India into a hub for exporting to US and Europe which is pursuing a 'China plus one' sourcing strategy. However, it should not be forgotten that China is plagued by overcapacities; the trade spat with the US is only making things worse for China. India's large market gives it a chance to export its electric vehicles and solar panels, besides the more familiar consumer items, rather than invest in producing them here — more so if tariffs are lowered. Trade experts have pointed out that while some investment has moved from China to ASEAN in recent years, Chinese imports into the region have risen as well. This is a complication best avoided. India should follow a nuanced approach of granting investment approvals after deep study of the impact that it would have on domestic industry and labour. If opening up is inevitable, it should be on terms favourable to India.

While there can be no denying India's dependence on China for intermediates, India can perhaps work out a FDI and PLI strategy that guarantees technology and skills transfer with local sourcing. That, in fact, was China's investment strategy.

POCKET

RAVISHANTH



POORNIMA VARMA

The Economic Survey (ES) of 2023-24 made a suggestion that food inflation could be ignored while targeting inflation. Monetary policy measures focus more on demand-side factors to curb prices, while supply-side factors predominantly drive food prices. Though the effectiveness of inflation targeting in containing inflation remains largely inconclusive, research findings, the suggestion to exclude food from inflation targeting has been met with scepticism from many economists. Can we exclude food items that constitute almost half the consumption basket from inflation targeting and worry only about the non-food inflation? Research shows that monetary policies of low and middle income economies should target headline inflation rather than only core inflation.

INFLATION TARGETING REGIME
The multi-indicator approach followed by the Reserve Bank of India before the inflation targeting regime came under criticism due to the co-existence of high inflation and poor growth rate, especially after the Global Financial Crisis of 2008.

Subsequently, India adopted flexible inflation targeting (FIT) in May 2016, following an amendment to the RBI Act. The RBI's target of consumer-price-index-based inflation is 4 per cent, with a tolerance band of 2 per cent on either side.

Currently, around 45 central banks worldwide have adopted the inflation targeting framework, with New Zealand being the first country to adopt it.

While experiences from countries such as Canada, New Zealand, Australia, Spain and the UK show that inflation remained within or close to the target range or rate, several other countries that did not follow an inflation targeting regime also experienced moderate inflation rates.

Empirical findings also show that higher exchange rates and world prices pass through to domestic prices, especially when domestic overall inflation and food inflation are high.

After dropping to 4.75 per cent in May from this year's peak of 5.10 per cent in January, India's retail inflation further jumped to 5.08 per cent in June. This was contrary to the expected rate of 4.80 per cent. The primary driver of this increase continues to be food inflation, which stands at 9.36 per cent.

In April, when overall inflation was 4.83 per cent, food inflation was 8.70 per cent. Food items constitute 39.06 per cent of the consumption basket, with a slightly higher weighting for rural (47.25 per cent) than for urban (29.62 per cent). Within this, cereals and cereal products have the highest weighting at



SUJATHA KUMAR VEDARA

'Inflation' shouldn't exclude food

REALITY CHECK. Research shows that monetary policies of low and middle income economies should target headline inflation, and not just core inflation

9.67 per cent, followed by milk and milk products at 6.61 per cent and vegetables at 6.04 per cent.

CONSUMPTION EXPENDITURE TRENDS

According to the Household Consumption Expenditure Survey (HCES) for 2022-23, food items continue to have a greater share in total household expenditure for both urban and rural households, though this share has declined in recent years.

On average, food consumption accounted for around 46.4 per cent of total monthly per-capita consumption expenditure (MPCE) in 2022-23 for rural India. The corresponding figure for urban population was 39.2 per cent.

In 2009-10, the figures for rural and urban populations were 57 per cent and 44.4 per cent, respectively. Not only did the share of food in total household expenditure decline, but there has been a compositional shift within the food consumption basket — from starchy cereals to animal and horticulture

What India probably needs to do is reconsider the weights in the CPI basket, and remove certain items, such as vegetables, from the focus of inflation targeting

products. The percentage share of cereals in average MPCE declined from 13.8 per cent in 2009-10 to 6.9 per cent in 2022-23 for rural population.

For urban population, the share dropped from 8.2 per cent to 4.5 per cent. The milk and milk products, eggs, fish, meat and vegetables constitute one of the highest shares among the food items in the MPCE.

Though there has been a compositional shift towards non-cereal items and a marginal decline in the share of food in MPCE, food expenditure still constitutes a major chunk of the food basket of both rural and urban populations.

WAY FORWARD

Although deploying short-term monetary policy tools, which largely focus on demand-side factors, may be counterproductive given that rising food prices are mainly due to supply-side factors, excluding the food items that constitute almost half of India's consumption basket is a cause for concern. In many countries such as Thailand, which has an inflation targeting regime, monetary and fiscal policies are well coordinated to tackle inflation.

Any surge in food prices may pose a threat to inflation targeting, as high food prices can lead to higher inflation expectations.

Current food inflation trends are less transitory as they tend to be persistently

high. Food is an important input in the production of several non-food items; therefore, an increase in food prices can also raise the prices of non-food items, putting the inflation targeting regime in jeopardy.

What India probably needs to do is reconsider the weights in the CPI basket, ensure the smoothing of supply-side shocks to regulate domestic food prices, and remove certain items, such as vegetables, from the focus of inflation targeting, since the vegetable prices are more volatile but transitory.

The current weightage of vegetables in the consumption basket is quite high at 6.04 per cent. Only cereals and cereal products (9.67 per cent) and milk and milk products (6.61 per cent) have higher weightage than vegetables in the consumption basket. The inflation rate for April 2024 also shows that vegetables exhibited the highest rate of inflation, 27.8 per cent.

This is followed by pulses and products, which highlight the excess domestic demand despite an import surge and a series of government interventions to boost domestic production.

Additionally, caution is required to tackle the impact of currency depreciation on exchange rate pass-through, especially for imported food items such as edible oils and pulses.

The writer is a faculty at IIM Ahmedabad. Views expressed are personal

Woes of MSMEs remain unaddressed

A focus on MSMEs as job creators is needed. Their problems with GST and credit need to be resolved

Chetana Chaudhuri
Sanjib Pohit

Recently, Arvind Panagariya, the Chairman of the Finance Commission, expressed his view that employment challenge is on account of the country not being able to generate employment in labour-intensive sectors.

The transition from agriculture to other sectors is slow in India. Besides, unlike other countries, the labour force in India is shifting from agriculture to services sector, rather than to manufacturing sector, the principal hub of jobs in other emerging/developing countries.

Indian manufacturing sector is characterised by the existence of a large informal sector, which operates with low capital. Despite this, these small manufacturing units, provide employment to a large section of population. But historically in India, unorganised sector, on an average, flared a lower growth of total factor productivity as compared to organised manufacturing sector.

Hence, higher growth is witnessed in capital-intensive industries rather than

labour-intensive industries, despite the latter's employment generation potential.

This is also reflected in the low share of labour intensive goods in India's export basket where India's competes with countries like Bangladesh and Vietnam. So, the right strategy would have been to concentrate on labour intensive manufacturing. But this has not happened in the past. Majority of the policy level reform initiatives focus on organised sector manufacturing. For example, PLI scheme is largely focused on capital intensive industries.

MSMEs AND JOBS

MSMEs are the backbone of labour intensive industries. According to PLFS 2022-23 data, 74.3 per cent of workers in non-agricultural sector are engaged in the informal sector. The contribution of the Micro, Small and Medium Enterprises (MSMEs) sector to overall GVA was 26.8 per cent in FY21 and its contribution to the manufacturing sector's GVA is 36 per cent (Economic Survey 2022-23).

MSME performance is dismal; they suffer from limited and costly access to finance. India's MSMEs tend to remain as MSMEs unlike in other countries



MSMEs... Need for help

where they mature into large companies. MSMEs often struggle to secure financing from traditional banks due to stringent lending criteria and a complex regulatory framework. Even when financing is available, the interest rates are very high. High cost of capital plagues MSMEs in India, affecting profitability, and hence, financial viability.

Moreover, GST is an added burden on the financial stress faced by the MSMEs. For instance, a study on New Zealand, suggests that nearly 60 per cent of the compliance costs of the GST fell on MSMEs. The benefit by these businesses is felt only over a long period of time if those firms survive.

In case of India, it is often found that MSMEs lack access to finance for working or fixed capital.

Thus, if GST indirectly leads to delay in receiving payments from their customers or receiving refunds from government in respect of input credit resulting from submission of GST returns, it would be fatal for the MSMEs. MSMEs often pay GST even if there is no receipt from the client — to avoid penal charges and other complications. To do so, MSMEs need to block a part of their working capital, which an MSME is always short of.

The GST system's efficacy depends on the timely compliance of all players in the chain, even from the government if it is a vendor. Of course, this lacuna also applies to medium and large firms, but because of their financial capacity, this is not a serious concern for them.

The Budget announced credit relief for MSMEs through a number of schemes. But these are not focused on changing the regulatory framework which can ease access to credit, and reduce compliance cost of GST.

The writers are at NCAER. Views expressed are personal

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Farm research reboot

With reference to 'Agricultural R & D needs a reboot' (August 15), the Budget prioritised agriculture. Agriculture research must be revamped, focusing on competitive funding, priority research areas, and impactful outcomes.

A comprehensive review of research planning, monitoring, and impact assessment is necessary, involving collaboration with international institutions, donor agencies, and private sector partners. To further strengthen agricultural research, integrating artificial intelligence and machine learning

can improve precision farming and decision-making. Developing climate-resilient crop and animal varieties, strengthening extension services, and promoting agroforestry and conservation agriculture practices can also enhance soil health, biodiversity, and farmer livelihoods.

Amarjeet Kumar
Harishchandra (Chennai)

Disclosure woes

With reference to the editorial 'Lifting the veil' (August 15), in the present wild goose chase for the shadow owners of FPIs, securing the granular data of the ultimate beneficiaries is

going to be complex, since most of the original investors either operate through P-Note route or through shell companies operating in tax-haven countries. Also, in case of a single FPI with assets under management covering large number of funds, segregating the cross-holdings of the promoter-investors across multiple layers in these funds, would be an uphill task for the regulator.

FPIs, being backbone of indirect investments in Indian companies and are the main pillar of stock market ecosystem, any deterrent regulatory measures, under the guise of

securing the critical data, are not desirable.

Sitaran Popuri
Bangalore

Tread with caution

Appros the news report 'Govt 'relooking' restrictions' on investments from China' (August 15), it is true that 'no nation has decoupled from China' and India also need not do so. However, given the border tensions, rising trade deficit, any reconsideration and lifting of restrictions on FDI needs to be carefully calibrated with caution. Easing of restrictions on FDI from

China may not exactly have the desired impact on manufacturing and value addition, but end up in establishment of mere assembling units. In addition, unbridled FDI from China could pose national security and data risk issues. In order to enhance our participation in the global supply value chains and to gain any advantage of China's policy, FDI policy can be liberalised in respect to other countries.

Our endeavour should be to increase exports to China and reduce trade deficit.
Kosaraju Chandramouli
Hyderabad

Buybacks and capital gains

There are ambiguities in the Budget proposals

M Meyyappan

Budget 2024-25 proposals go a long way in simplifying capital gains tax on most financial assets. The proposed 12.5 per cent rate of tax for long term capital gains (LTCG) on most financial assets held for more than one year is reasonable, even without indexation. It will generate a substantial revenue stream without aggravating the taxpayer.



BUYBACKS. More clarity needed on taxing capital gains

However some other related provisions are worrying and are likely to cause legal issues in the future. Most important is the treatment of capital gains in the case of buybacks.

Earlier, the tax was paid by the company and the proceeds were tax-free in the hands of the selling shareholder. This was inequitable. The tax burden fell on the continuing shareholder and the selling shareholder got tax-free proceeds. It is against the fundamental principles of economics and taxation, where taxes should be paid by the seller, if there is a gain. These rules existed because a large amount of tax was collected at a single point with minimal administrative issues.

This provision is being replaced by a proposal where the entire proceeds of shares sold in a buyback will be treated as dividends in the hands of the selling shareholders and taxed at their marginal rate. It further states that the cost of the shares will be treated as a capital loss and set off against future capital gains.

KEY ISSUES

There are many issues with this proposal. The sale of a capital asset is being treated as a revenue item and taxed as such, with no cost allowed to be set off against it. A buyback could be through two methods. One, by the tender offer method where there is full clarity of the buyer of the shares being offered in the buyback, in which case this proposal could apply, with tax being paid by the seller.

However, a buyback could also be done through open market purchases. Here it is not possible to differentiate whether the shares are being absorbed in the buyback or by another market participant. Hence the seller could sell his shares in the market and pay capital gains in the regular method.

The department would never be able to prove that the shares went to the buyback and hence

should be taxed as dividend. Result, in due course the buyback by the tender offer method will disappear and only buybacks through open market purchases will survive. All sellers will claim they have sold in the open market and not in the buyback. Pay capital gains at 12.5 per cent or 20 per cent and not as per the proposed provisions.

Another complication can arise when a company takeover occurs, where an open offer for usually 26 per cent has to be made to the public shareholders. Hopefully this will not be considered buyback, and normal capital gains tax will apply. A clarification is needed in this regard.

The issue of treating the cost of the shares as a capital loss to be set off against future gains, is difficult to digest. This is because the sale of a capital asset is treated as revenue and its underlying capital cost is not set off but carried forward to be set off against future capital gains. If for any reason there is no future capital gain, the assessee is hit hard.

It also needs to be clarified whether these 'dividends' will get the dividend pass through benefits.

Clarification is also needed as to whether the valuation date of January 31, 2018, continues. Summing up, the basic proposals of the capital gains taxation in the Budget are simple, clear and straightforward. They can be applied to an assessee whichever way the shares are sold — that is, in the open market, buyback or open offer. The tax liability can be easily ascertained and the assessee would pay it without a grudge.

If simplification and equity or fairness of our tax code is the objective, this is the way to go.

The writer is a chartered accountant

Is our household debt high or low?

COMPLEX ISSUE. The debt service ratio of Indian households could be higher than the official estimates. That is a concern



NIKHIL GUPTA

In this article on household finances, we have looked into various aspects of household debt. Household debt in India was 48 per cent of personal disposable income (PDI) in FY23, much lower than 80-100 per cent in the Western world, and as much as 100 per cent in China. As percentage of GDP, it was over 38 per cent in India, compared to 73 per cent in the US, 80 per cent in the UK, more than 100 per cent in Australia and 62 per cent in China. Is India's household debt high or low? What is the threshold level of household debt in India, beyond which it would turn unsustainable?

One of the most common and reliable ways to answer this question is to estimate debt service ratio (DSR) for Indian households, compare it with its counterparts in other nations and with its own past trends. DSR measures the proportion of income dedicated to meet loan-related obligations (principal and interest). So, a DSR of 10 per cent would mean that, on an average, a typical household spends 10 per cent of its income to meet its loan repayment dues. A higher DSR means higher debt repayment obligations, which tend to affect GDP growth adversely via the restricted ability of a household to grow its spending.

TWO KEY COMPONENTS

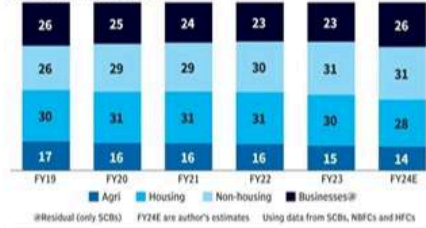
An estimation of DSR has two major components — residual maturity and effective interest rate. The lower the residual maturity and the higher the effective interest rate, the higher (and worse) the DSR will be and vice-versa. According to the Financial Stability Report of the Reserve Bank of India published in December 2023, DSR of Indian households is 6.7 per cent, which is not only comparable to other economies, but also very stable in the past few years.

According to the RBI, the weighted average effective interest rate stood at 9.7 per cent in FY23 and the residual maturity of retail loans (from a survey of 12 major scheduled commercial banks, comprising about 80 per cent of the retail loan portfolio at the system level) was 12.7 years on the existing stock of debt. One, thus, does not need to worry excessively about the rising household debt in India, as DSR is contained.

This, however, is in stark contrast to our calculations of household DSR in India, which was published in a report titled 'How sustainable is India's household debt?' on October 4, 2023. According to

Constituents of household debt in India...

Details of household debt (% of total)



...suggest that household DSR has risen to 12% in FY24

Indian household debt service ratio (DSR) %



Source: Various national sources, RBI, CSO, MOPSE

our analysis, DSR for Indian households is 11-12 per cent (almost double of that estimated by the RBI), which is not only much higher compared to its counterparts in other major economies, but has also increased in the past years. The substantial difference between our and the RBI's estimates of household DSR emerges from the residual maturity (effective interest rates are similar). In stark contrast to the RBI's residual maturity of 12.7 years, our calculations suggested a residual maturity of only about 5.5 years. What explains this difference and what are its implications?

There are four parts in India's household debt — housing loans (including priority sector lending),

A higher debt service ratio means higher debt repayment obligations, which tend to affect GDP growth adversely via the restricted ability of a household to grow its spending

non-housing personal loans, agricultural loans and business loans. Of these four parts, housing loans, by far, would be the longest maturity loans. Of the total household debt totalling ₹102 trillion in FY23, housing loans were ₹29 trillion (banks and housing finance companies). It means housing loans account for less than 30 per cent of household total debt in India, which, when compared with other major economies, is among the lowest share. Even if one assumes a residual (not contracted) maturity of 12 years on the housing loan portfolio, the remaining household debt must have a residual maturity of around 13 years to make RBI's estimates credible. This looks impossible.

Agricultural loans, which account for about 15 per cent of household debt in India, are primarily short-term crop loans, with a maturity about one year. Similarly, business loans, which account for another 24-25 per cent of household debt in India, are also likely to be dominated by working capital loans (of 1-3 years), rather than long-term investment loans (which we expect to be a part of corporate loans). Of the remaining non-housing

personal loans, vehicle loans (including that of banks and non-banking finance companies, NBFCs) account for 9 per cent of household debt and education loans were less than 1 per cent of household debt. These loans are likely to have a residual maturity of 3-5 years, with the remaining non-housing personal loans (which include all unsecured and gold loans) falling into 1-3 years' maturity profile.

In short, this understanding suggests that around 30 per cent of household debt may have a residual maturity of 12 years, another 10-15 per cent is likely to have a residual maturity of say, 5 years, and the remaining 55-60 per cent may have a residual maturity of, say 2 years (i.e., 1-3 years). If so, the weighted average residual maturity of the entire household debt would be less than 5.5 years.

In fact, according to the RBI, only 22.5 per cent of banks' entire loan book (at ₹143 trillion in FY23) had a maturity of above 5 years in FY23, compared to 16-17 per cent a decade ago. With an effective interest rate of 9.7 years and weighted average residual maturity of 5.5 years, Indian household DSR would be around 12 per cent, instead of 6.7 per cent estimated by the RBI. Is this high or low?

REVERSE CALCULATION

This can be gauged by comparing a 11-12 per cent DSR for Indian households at ~50 per cent leverage ratio (debt-to-PDI), with 6-9 per cent household DSR in several advanced economies with much higher (almost double) leverage ratio. Household DSR in China with debt-to-income ratio of >100 per cent is estimated at 8.8 per cent. A few advanced economies, which have a household DSR of more than 10 per cent, have household debt at more than 175 per cent of income.

Doing reverse calculations, if we assume that DSR should not exceed 15 per cent, residual maturity increases to 6 years and effective interest rate reduces to 9 per cent over the next years, then the threshold level of household debt in India would be 67 per cent of PDI. At the current rate of the growth in household debt and PDI, this threshold level will be reached by the end of this decade, i.e., around FY30. This is, thus, not an immediate concern, but presents a potential threat, if it continues to grow at the same pace.

Overall, as we conclude this four-part series, households' financial position has weakened in India. And even though the headline debt-to-income ratio is low in India, it is not without its share of concerning trends.

The writer is Senior Group Vice-President - Institutional Research - Economist, Motilal Oswal Financial Services Ltd. He is the author of 'The Eight Per Cent Solution'

thehindubusinessline.

TWENTY YEARS AGO TODAY.

August 16, 2004

PM sets tone for reforms

The Prime Minister, Dr Manmohan Singh, outlined a seven-pronged growth plan for the economy to bring about reforms in the Government. The seven priority sectors identified for special attention are agriculture, water, education, healthcare, employment, urban renewal and infrastructure.

OBCC chief allays fears of GTB customers

With the erstwhile Global Trust Bank (GTB) coming under the fold of Oriental Bank of Commerce (OBC), the OBC top brass is busy boosting the morale of GTB staff and customers. The OBC Chairman, Mr BD Narang, said in a letter to GTB customers: "Since the total workforce of the erstwhile GTB comes aboard OBC, you will interact with the same personnel at its various service outlets."

Law soon to regulate clinical establishments

The Health Ministry is planning to come up with a legislation that will certify and set standards for clinical establishments. The Bill will have provisions for registration of hospitals, clinics and diagnostic centres. It will ensure standardisation of procedures and also push for accreditation of healthcare centres.

Keeping MSMEs safe — in the virtual world, too

Gautam Aggarwal

I imagine a small business owner logging in to her IT network one day to find out that all the data has been wiped clean — from transaction records, customer data to access controls. Along with severe revenue loss, such an event can potentially cause irreparable damage to reputation, leaving the young entrepreneur staring at business closure. As India's MSMEs (Micro, Small, and Medium Enterprises) sector embraces its 'new normal' of innovation powered by digital adoption for growth, it's important to protect it from cybercrimes.

According to the CyberPeace Foundation, about 43 per cent of all cyberattacks target small businesses

and start-ups in India. Per a report by cybersecurity firm Trellix, Indian MSMEs faced an average of 37 cybersecurity incidents per day, amounting to a loss of nearly 7 per cent in revenue last year. However, cybersecurity threats, such as data breaches, phishing, and ransomware, still rank low on the priority list of most MSMEs. This knowledge gap, along with the lack of dedicated IT and cybersecurity specialists and financial constraints, leaves them vulnerable.

These limitations also expose small businesses to legal tangents as they are not able to comply with key regulations, such as the Information Technology Act, 2000. The complexity of cybersecurity tools only aggravates the problem, with most small entrepreneurs lacking an in-depth



DIGITISATION. MSMEs need mentoring

understanding of both the tools, as well as the business requirements.

TAKING THE RIGHT STEPS

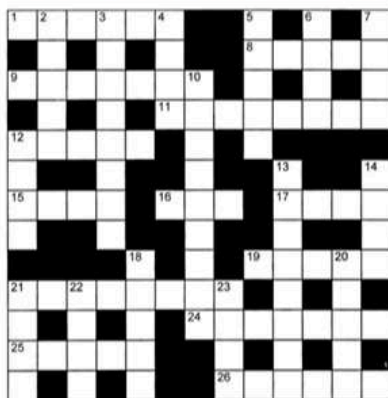
Securing a thriving sector with over 60 million companies can be a mammoth task. MSMEs' initiation into a secure cyber world has to start with awareness

programmes for employees across all levels. To bridge the gap in knowledge and resources, MSMEs can also look to engage with cybersecurity advisors, who offer tailored solutions, helping businesses address specific vulnerabilities. Secondly, implementing robust cybersecurity policies can be crucial for protecting MSMEs. These policies can cover data protection, access control, incident response, and password management, offering a detailed framework for employees.

Further, developing tool-kits with resources like guidelines and checklists can enable employees to adhere to best practices.

The writer is Division President, South Asia, Mastercard

BL TWO-WAY CROSSWORD 2505



EASY

ACROSS

- Animal related to polecat (6)
- Run off to escape the law (7)
- They go with the current (8)
- Took the oath (5)
- Hobbling, disabled (4)
- Place for theatre orchestra (3)
- White caustic earth (4)
- Piles up (5)
- Having vital power (8)
- Perruque (7)
- Be in contention with (5)
- Puts a match to (6)

DOWN

- Push through using arm joint (5)
- Wind instrument (8)
- Minister to, wait upon (4)
- Rappee (5)
- Go walking backpacking (4)
- Accordingly, in this way (4)
- Preparing a draft (7,2)
- Auction, reduced price time (4)
- Lying unconscious (8)
- Smaller amount (4)
- Square-bashing (5)
- Impress on paper (5)
- Make changes (4)
- To present (4)
- Water in a gas-trap (4)

NOT SO EASY

ACROSS

- Rummage around with hesitation in the ornamental woodwork (6)
- Sound horse makes one hears is negative (5)
- Run off with a rating, the second to be forsaken by the East (7)
- They moved aimlessly but created first Red revolution (8)
- Promised to be true, but used bad language to do so (5)
- Halt what is feeble as an excuse (4)
- Remove cherry stones quietly with it (3)
- It may be slaked with fruit (4)
- Makes a pile but gets out of shape (5)
- Six leave the Right: nothing American is so full of life (8)
- False hairpiece constructed of wire held by glutin (7)
- Stand against one staged by Sheridan (5)
- Clues sought among the lungs of an animal (6)

DOWN

- Joint that draws the Spanish to the East End of London (5)
- It may issue notes to man sitting over trial (8)
- Incline to look after one (4)
- Amusement is given up in science fiction, taken at a pinch (5)
- Take a walk in the country and come back in a week, I hear (4)
- So the USA finishes away (4)
- Making a draft when stopping the car (7,2)
- Stag-nights begin with beer at bargain time (4)
- Is not aware of fish returning in Spring right away (8)
- Not so much to go after international statesmen if not (4)
- March men up and down and turn it back with it (5)
- Use block capitals to create an impression (5)
- In Weller's way it is right not always to stay the same (4)
- Yield six in, for instance, returning it (4)
- A wafer a marine mammal might render watertight (4)

SOLUTION: BL TWO-WAY CROSSWORD 2504

ACROSS 1. Contentious 8. Argument 9. Lice 10. Bring 13. Thud 16. Idem 17. Goin 18. Gone 20. Scrap 24. Ache 25. Windward 26. Interpreter
DOWN 2. Orgy 3. Timer 4. Ninn 5. Owlet 6. Laughing-gas 7. Leading lady 11. Irons 12. Giver 14. Herd 15. Mean 19. Eject 21. Crisp 22. Addle 23. Make

We Dig Federalism, But Why Retro Tax?

Impact on mining cos, supply-side inflation

The Supreme Court's verdict on Wednesday enabling state governments to tax mining and related activities retrospectively with respect to transactions made after April 1, 2005, could have a far-reaching impact on input costs across the economic value chain and create stresses in federalism. The most affected area would be electricity; where the higher cost of mining coal would eventually feed into prices overall. If tariffs are deliberately suppressed for political reasons, as the historical record suggests, stress will grow in the power industry, affecting capacity building. Majority of the country's states are coal-deficient and will make a case for higher imports, thereby affecting the country's trade balance. Although most of these effects will show up over time, and can be mitigated with policy correction, retrospective tax on minerals could have a more immediate impact on the health of mining companies and supply-side inflation.

Corporate profitability is likely to be affected because of the large exposure of Indian companies to resources. The public sector is particularly vulnerable to retrospective minerals taxation, as are most of large private conglomerates that derive a bulk of their profits through resource extraction. Their ability to pass on prices is significant given the concentration of production of basic materials such as steel, aluminium and cement. Even with flexibility to pay accumulated tax demands in instalments, the outgo under this head will be considerable for core industries. Some of these costs will filter into the Centre's accelerated capex programme, tempering its ability to stimulate private investment.

Since federalism was the principle guiding the Supreme Court's judgment on allowing states to tax minerals in their territory, the immediate effects could have been mitigated by providing them the facility prospectively. The waiver on interest and penalties do not offer adequate cushion against economic shock. The immediate stock market reaction to the ruling does not seem exaggerated.

Off & Online Content, Apply Profit Motive

Gol's trying to introduce some element of self-regulation in online content creation. Since a very large part of the information we consume today is being created or processed by online creators, it's right in trying to plug the regulatory arbitrage between legacy and digital platforms. There should ideally be no difference in treatment of freedom of expression available offline and online, including attendant obligations. This would apply more critically to broadcast, especially when it can be done through social media by an individual. Persons broadcasting online for profit should be held to a higher threshold of accountability.

This is where things get complicated. The nature of online communication can very well transform personal opinion into a broadcast. Using the profit motive as a differentiator would allow a section of broadcast content online the wider liberty of freedom of expression. Would it then require a narrower reading of 'online freedom'? Or involve legal barriers to meet market demands. Neither approach is desirable. And applied on a population scale, self-regulation breaks down. Government overreach then becomes the most likely outcome.

The profit motive, however flawed, will have to serve online self-censorship. It works both for content creators as well as platforms that carry content. Tighter content benchmarks are easier established among platforms in their self-interest. Content created for profit will likewise require peer certification. For the rest, legal restrictions on freedom of expression are the best available defence. It is in Gol's interest to draw up the best terms for this social contract. Workable clauses will emerge from a continuous dialogue with content creators and technology providers.

JUST IN JEST

Careful of what social media pics you post - for national security reasons

When Yoga Pics Give You Nuclear Clues

Yoga diplomacy has been great for Indian soft power evangelism. But could the funky contortions have been overstretched to adversely affect India's hard power - specifically, helping to spill the beans on the whereabouts of the country's nuclear arsenal? Or rather, where some warheads are no longer located? India n-stuff, like for other nuclear nations, is scattered across air launched, land-based and sea-based nukes. For the third variety, submarines are the best storage sites. But India launched its first n-submarines only in 2016. Till then, two Sukanya-class patrol vessels, INS Suvarna and INS Subhadra, did the sea-based storage. Enter the picture, yoga.

In Feb this year, the Indian Navy posted a pic of people yoga-posing on board INS Subhadra. Boffins at Federation of American Scientists (FAS), a US non-profit that tracks movement of the world's nuclear arsenal, spotted the pic and noticed that Subhadra's deck no longer has missile stabilisers needed for launching nuclear missiles. This meant, FAS reckoned, that at least some Dhamush nuclear capable missiles had been shifted to submarines - and, more importantly, that INS Suvarna is currently without nuclear missiles-launching capability. The sort of info you'd hire a spy to get but you can now get by simply seeing publicity pics of people doing yoga on board an Indian Navy ship.

New Delhi should point out the crucial difference between being anti-Hasina and anti-India

In Concert for Bangladesh



Indrani Bagchi

The overthrow of Sheikh Hasina is neither a victory for Bangladesh's democracy nor its economy. Hasina presided over some great years for Bangladesh, putting it on the global map of star performers. But she disregarded growing anti-incumbency and popular dissatisfaction, particularly as the Bangladesh economy tanked in the wake of Covid and the Russia-Ukraine war.

Her authoritarian streak only worsened over the years as she surrounded herself with questionable advisers, opposition-free elections and venal policing. An anti-Hasina movement was waiting to happen. In India, an honest, brutal review is in order. But there was nothing wrong with India's approach to Bangladesh. In fact, it has been a textbook case of sub-regional integration that fetched rich dividends and enjoyed rare unanimity across the Indian political divide. The two countries sorted out the knottiest of boundary problems peacefully. In the past 15 years, Hasina's government rolled out ISI-sponsored terror groups targeting India, executed some of the worst leaders of al-Qaeda, HRJ and JMI, doing the world a service.

In a subsequent year when countries love to hate India, the two countries built connectivity, energy and power grids, and a deep strategic relationship to boot. In



Tune in, India

dia couldn't predict Hasina's fall. But, then, who foresaw the fall of the Soviet Union?

India should have insisted on better democratic practices in Bangladesh. Certainly, these elections without opposition participation was egregious. India's mantra in the neighbourhood has always been that New Delhi deals with whoever is in power. Because of the unique circumstances of Bangladesh's creation, India has been partial to Awami League. So, it was hardly a surprise that New Delhi placed its trust in Hasina rather than BNP-Jamaat. The last time Khaleda Zia was in power, terror mafias bloomed, not to speak of the horrific memory of bodies of BNP men strung up on bamboo poles.

Stability and return of law and order should be India's top ask from Dhaka's interim government. The Muhammad Yunus-led administration is certainly working on the optics. A multi-faith meeting at Dhakeshwari temple on Tuesday was important as Bangladeshis are being the brunt of attacks. As its core diplomatic message to Dhaka, India should point out the crucial difference

India should have insisted on better democratic practices in Bangladesh. Certainly, these elections without opposition participation was egregious

ence between being anti-Hasina and anti-India.

Geography and karma are inextricably linked. India and Bangladesh are more integrated today than ever before. From trading trade in agriculture and textiles to electricity and energy, this has grown to become a deeper relationship. It shouldn't be in anyone's interest to disrupt vital economic and fuel lifelines. But Bangladesh needs to get a grip on security and stability if trade and connections are to resume after over a month of economic activity coming almost to a standstill.

Second, India has to get tough on border security and infiltration. We need a bad cop act. India now has to worry about infiltration from both Myanmar and Bangladesh, with implications for domestic security in Manipur, Tripura, Assam and West Bengal. It may help to create an empowered joint force, which is today part of the interim government.

The Yunus government may grow closer to the US. That's a better option for India, which has worked together with the US in other countries in the region with success. India and Japan could team up again in Bangladesh - as well as the UAE and Saudi Arabia, neither of whom wants to see a return of extremist forces in Dhaka.

New Delhi will lose leverage in Dhaka for a while. A future relationship will depend on what Bangladesh wants. India will remain where India always was.

Three other external players operate closely in Bangladesh - China, the US and Pakistan, the last two having teamed up on previous occasions. The US and Pakistan share a long-standing dislike for Hasina. She could have blunted the US dislike with a conciliatory magnanimity. And was, indeed, advised to do so by some of her officials. But Hasina's suspicion of the US got the better of her strategists.

India has no reason to be nice to her. Was there an 'Ek dhaka aur do' effort to push an organic protest over the edge? If there was, it succeeded spectacularly.

Bangladesh is not a secular nation.



New Delhi will lose leverage in Dhaka for a while. A future relationship will depend on what Bangladesh wants

Indians would do well to remember it. His soul has been forever at war between its Islamic and Bengali sensibilities. Hasina never was not secular. She just hated Pakistan's ISI and the terrorists, which suited India. She even evicted the extremist Hefaz-e-Islam to offset Jamaat, which is today part of the interim government.

The Yunus government may grow closer to the US. That's a better option for India, which has worked together with the US in other countries in the region with success. India and Japan could team up again in Bangladesh - as well as the UAE and Saudi Arabia, neither of whom wants to see a return of extremist forces in Dhaka. New Delhi will lose leverage in Dhaka for a while. A future relationship will depend on what Bangladesh wants. India will remain where India always was.

The writer is CEO, Ananta Aspen Centre

Licensed to Skill, Get the Jobs Done



Rajesh Shukla

36.8% of young Indians - about 11.3cr - are currently students, underscoring the crucial need for investment in educational infrastructure. The latest budget proposed substantial investments in educational facilities and vocational training programmes, with a focus on establishing partnerships with industries to tailor curricula to meet market demands.

This approach is intended to ensure that students acquire relevant skills for a competitive job market. There's also a concerted push to promote STEM education and digital literacy, equipping our young with tech competencies increasingly valued in today's job market.

Entrepreneurship is gaining traction as a viable career path, with 14.1% of young Indians (5.3cr) opting for self-employment. The budget addresses this trend by proposing additional startup incubators be established. These incubators will

provide mentorship, networking opportunities and access to resources crucial for new businesses to thrive. Also announced was access to credit being eased by simplifying loan applications and reducing financial barriers.

Salaried employment remains a significant component of the job market, engaged in such roles. The budget introduces measures to bolster this sector, including job-creation policies expected to generate new opportunities in both public and private sectors. Investments in infra projects and high-growth industries are anticipated to create new jobs, while fair labour practices aim to improve job security and working conditions.

Rural employment presents a critical challenge, with only 2.4% of young Indians (1cr) involved in agriculture. The budget proposed substantial investments in modern agricultural techniques and infra, including funding for advanced farming technologies, irrigation systems, and sustainable practices to boost productivity and income for farmers. Improving rural infrastructure is also a priority, with plans to enhance transportation, connectivity and public services.

Geographical disparities in employment, particularly the urban-

provide mentorship, networking opportunities and access to resources crucial for new businesses to thrive. Also announced was access to credit being eased by simplifying loan applications and reducing financial barriers.

A better fit

rural divide, have been addressed through balanced regional development. Promoting rural-based businesses and decentralising industries are strategies intended to alleviate rural pressures on urban centres and distribute economic benefits more equitably. Income support programmes will provide targeted financial assistance to low-income youths, while financial literacy initiatives are designed to help manage earnings effectively. Unemployment affects 6% of India's young (2.3cr). Job-creation initiatives through economic reforms and investments in high-growth sectors can help. Labour protection measures for domestic workers will ensure fair wages and social security benefits. Flexible work arrangements and support for homemakers entering the workforce were emphasised in the budget.

Several challenges need addressing. Ensuring the quality of train-

ing and alignment with industry needs is crucial. The disconnect between skills taught and those required by employers can be bridged through partnerships between training institutes and industry, along with real-time feedback mechanisms. Promoting flexible, modular education systems and investing in digital infrastructure, especially in rural areas, can improve access and adaptability.

Healthcare accessibility, including mental health services, poses another challenge. Expanding telemedicine and mobile health clinics, along with increasing funding for mental health services, can improve access and reduce stigma. Shortage of quality teachers impacts educational outcomes. Addressing this through teacher training, incentives and leveraging technology for professional development should be a priority. Addressing major interconnected challenges will require collaborative efforts from governments, educational institutions, businesses, communities and, crucially, the youth themselves. By working together, we can build a more resilient, sustainable solutions and establish a lasting environment where young Indians can thrive.

The writer is MD-CEO, PRICK

Under-Mining Its Own Precedent?



M C Govardhana Rangan

The law is what the courts say it is. But what business expects is consistency and predictability in judicial pronouncements based on precedents set by the highest court. Difficulty comes when the court's previous judgments are overruled, and the latest decisions are deemed retrospective.

In its latest ruling on the states' power to legislate on taxing mining activities when royalty is already paid for extracting minerals, the Supreme Court has ruled in favour of states. This is a reversal of its decision in the 'India Cements vs Tamil Nadu' case, which has been law since 1999.

and state-run ones by about 700 cr, according to industry estimates. The court may have reduced the blow by giving a breather of 12 years to collect the dues in a staggered manner and waiving interest and penalties. But, there are also serious and adverse implications of making an order retrospective.

Two aspects point to the necessity to apply the doctrine of prospective overruling: The court had taken 13 years to deliver its judgment on the appeal. Its overruling its decision in a similar dispute where it said royalty is a tax. It overruled such a decision in the past to avoid chaos and hardships.

It's established practice for industry and legal practitioners to follow precedent set by the highest court, especially when it was delivered by a 7-judge bench. This is not the first time the court has found fault with its previous rulings, and it won't be the last. One of the complaints in the petitions of its retrospective nature could have been avoided. Consistency is a virtue, especially when the stakes are high.

The latest ruling is also a fallout of the reading and misreading of a presumed 'typographical error' in the India Cements case, which the dissenting judge pointed out in this 'Axel Arva Development Authority vs Steel Authority of India' case. The ruling was 8:1 in favour of states. Dissenting Justice B V Nagarathna elaborated on how overruling India Cements judgment could be harmful in the first place, let alone retrospective application.

This would result in mineral development in the country in an uneven and haphazard manner and increase competition between the states and engage them into what has been termed by Louise Tillin in a 'race to the bottom' in a nationally sensitive market, she wrote. There would be unhealthy competition between the states to derive additional revenue and consequently, the steep.

The reversal of the previous order could also lead to double taxation. To compensate states for the loss of revenue from mining, Gol raised the royalty it levied on mining and distributed it to the states.

One of the complaints in the petitions is its inability to appreciate the time factor involved in decision-making. The matter has been winding through the system since 1999, and it was referred to a larger bench, equities will be balanced. If the state governments waive the outstanding interest accrued on the principal due to India Cements and the states, 'CJ B V Nagarathna' wrote in Wednesday's decision. This direction applies to all assesses, regardless of whether they have approached this court or the high courts, challenging the validity of the relevant statutes. If the court was magnanimous enough to recognise its role in taking time to come up with the ruling and ameliorate the burden by waiving interest and penalties, it was just a question of extending the same reasoning to make the ruling prospective. The liability with retrospective effect could have been less if its pace of delivering justice had been faster.

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THE SPEAKING TREE

Power of Sacred Spaces

DAAJI

In Vedic times, people focused on their inner connection with the divine. The ideas of temples and deities came into the picture, driven more by human tendencies towards materialism. The focus shifted from inner worship to external rituals. In today's fast-paced world, the idea of having a dedicated space for meditation or contemplation becomes even more relevant. But it's clearly something no place is inherently holier than another. It's about creating a kind of biological automation.

Think about it this way: when you step into your kitchen, your mind automatically associates the space with eating, and you might even feel a bit hungry, especially if it's mealtime. The same principle applies to having a dedicated space for meditation. When you consistently meditate in the same spot, your mind and body start to recognise the space as a cue to relax, focus and go inward.

A meditation space is any space that is calm and clean where you can tune into yourself. A sacred space is a place where meditation is that space where you can connect with our true nature, bringing balance and peace to our lives.

While some spiritual practices have become more ritualistic over time, their true purpose remains to guide us toward inner growth. At the end of the day, the most important spiritual space isn't a building or a place; it's our heart. So, why not create a little corner in our life - literally or figuratively - where we can retreat, reflect and reconnect with ourselves?

ALGO OF BLISSTECH

Putting On Perfume

There's a certain magic in the ritual of putting on perfume. It's not just a matter of adding a touch of fragrance to the vanity waiting to be uncorked. With a delicate spray or dab, you're instantly transported, as if opening a portal to a world of sensory delight.

The first notes that hit your nose are an invitation to indulge. Perhaps it's a burst of citrus, a hint of floral, or a whisper of something exotic and spicy. The scent unfolds on your skin, mingling with your own natural fragrance to create something uniquely yours.

This alchemy is a private joy, a subtle confidence booster that whispers to you all day long, reminding you of your own allure.

Perfume is more than just a scent - it's a statement, a silent yet powerful expression of who you are and who you want to be. It can evoke memories, set a mood or even change the course of your day. There's a pleasure in knowing that with just a spritz, you carry a bit of luxury with you.

Chat Room

I Truly Love My Independence

Azroop: How to Enjoy Independence by Indrani Hazra (Aug 15), patriotism, like love, is a many splendored thing, and different people have different ways of expressing their love for the motherland. Freedom from 'is the precursor of 'freedom to'. In the process of celebrating our political freedom, many other freedoms are sidelined. One must mention the P.N.'s Independence Day speech from the Red Fort. Here he elaborated the steps his government had taken to ensure India would be a developed nation in its 100th birthday. But the freedom most urgently needed is the one from those synthetic nation debates if the nation is to get its focus right.

ANTHONY HENRIQUES Mumbai

Road to Viksit Bharat

India will need continuous reforms at all levels

In his first address to the nation from the ramparts of the historic Red Fort after securing a third consecutive term, Prime Minister Narendra Modi dedicated significant time to the idea of transforming India into a developed country by 2047. Mr Modi discussed how the government had received ideas from across the country and was working on some of those suggestions to accelerate development. In fact, the idea of making India a developed nation by 2047 is being debated across the country. The government's think tank, NITI Aayog, recently published an approach paper, which noted, in simple terms, that for India to become a developed nation by 2047, its per capita income will need to increase by about eight times — at a much higher rate of growth than that seen in the past two decades.

There is little debate that the target is ambitious, and India will need significant reforms across all sectors. The government is also aware of the challenges, as reflected in the Prime Minister's speech. He highlighted several reforms the government had implemented in the past few years and emphasised the government's commitment to pursuing further reforms. It is worth noting that a significant amount of work will need to be done at the state level if India is to achieve higher levels of sustainable growth. In this context, Mr Modi urged state governments to establish clear policies, create land banks, and ensure good governance to attract investments. After all, investments are made in states and businesses have to deal with the state machinery on a day-to-day basis. He also urged all levels of government and departments to implement at least two reforms every year. Collectively, it will help improve both the ease of doing business and the ease of living in the country.

One of the critical elements in India's development journey will be its ability to use a young and growing workforce. This will require substantially improving the level of education and skills. The government introduced several measures in its latest Budget, for instance, but India needs a holistic approach to fill gaps. Ideas like "Design in India, Design for India" will depend on the quality of manpower. In this regard, Mr Modi did well to emphasise the use of the mother tongue in education. Young minds should not suffer because of language. The Prime Minister also emphasised improving the country's higher-education quality, so that students don't have to go abroad in large numbers. The highlight of the speech in this regard was the announcement of creating 75,000 additional medical college seats over the next five years. While attracting investment is important, improving the quality of the workforce will be crucial for driving India's growth over the coming decades.

Among other issues, Mr Modi touched upon "One Nation, One Election", and the Uniform Civil Code. Both ideas, arguably, have merits, but the country should only move forward after wider debate, consultation, and building broad consensus, something that Mr Modi also stressed in his address. Continuous elections in one part of the country or another indeed affect the overall policy environment and decision-making processes. However, moving to "One Nation, One Election" will not be easy. There are concerns and questions that must be addressed. Similarly, in the case of the Uniform Civil Code, it will be important to take all stakeholders on board. It must be noted that the government's focus should be on rapid economic growth, and it would do well to avoid issues that could hamper its ability to intervene in economic matters effectively.

Telemarketing calls

Trai's latest order must be implemented effectively

The Telecom Regulatory Authority of India (Trai) earlier this week issued an order with the aim to curb spam phone calls, including recorded voice messages. Spam or unsolicited calls from telemarketers have multiplied in recent months, violating mobile subscribers' privacy, with no redress in sight. While the telecom regulator and the government have tried to check unsolicited calls in the past through various mechanisms and legislation (the last one was the Telecom Commercial Communications Customer Preference Regulations, 2018), the implementation of the prescribed norms has always fallen short of what has been envisaged. Besides technology coming to the aid of the unregistered telemarketing entities in spamming consumers, telecom operators were often found to have taken a soft approach in dealing with the issue. The latest Trai order seeks to change that through a graded process by ordering the access provider (telecom operator) to disconnect for up to two years all telecom resources of any unregistered telemarketer found guilty of making commercial calls. Also, no other access provider will be allowed to onboard the errant telemarketer after a consumer complaint is found valid.

According to the Trai order, in case a complaint is related to an unregistered telemarketer, the originating access provider will issue a warning to the sender for its first violation. On the second instance, the sender shall be put under a usage cap for a period of six months, and on the third and subsequent instances, all telecom resources of the sender shall be disconnected for a period up to two years. Thereafter, the sender shall be blacklisted and no new telecom resources shall be allocated to it by any other access provider — this is a big takeaway from the order. Another moot point in the Trai directive is that all telecom resources of a spam caller will be disconnected, instead of disconnecting only a particular indicator. Trai has explained that enterprise customers often make commercial voice calls using session initiation protocol primary rate interface lines with hundreds of indicators; but action taken so far by access providers against enterprise customers has generally been limited to disconnecting a particular indicator, instead of all their telecom resources.

The size and scale of the spam universe can be gauged by industry estimates vetted by the telecom regulator. There were more than 1.2 million complaints in India against unregistered telemarketers in 2023, and in 2024 more than 790,000 complaints have been filed against such senders during the first half alone. Since the order is with immediate effect, it holds promise, but its effectiveness can be assessed only with time. Trai's mandate is to protect the interests of consumers of telecommunication services, apart from meeting other objectives, such as regulating the telecom services and laying down the standards of service quality to be provided by telecom companies. In that context, preventing spam communication, which is a cause for immense consumer stress, should have been a priority area for the regulator all these years. Now that a firm step has been taken, consumers should be able to lodge complaints easily without getting caught in bureaucratic hurdles. For that, Trai, the Department of Telecommunications, and access providers must be on the same page and play a proactive role.



ILLUSTRATION: BINAY SHARMA

Chinese investments will not benefit India

High cost of doing business and geopolitics limit opportunities

The Economic Survey 2024 suggested that India should welcome Chinese foreign direct investment (FDI) to boost manufacturing, increase exports, reduce imports from China, and strengthen its role in global value chains (GVC). Suppose India allows such investments — will the promised gains to manufacturing, exports, imports, and GVC actually happen?

Manufacturing: Let's understand the impact of Chinese investment on manufacturing with the example of Mr Yang (an imagined name), the CEO of a large Chinese firm making solar modules.

Mr Yang wants to manufacture solar modules in India and compares the costs at each production stage in China and India. The production process starts with obtaining quartz minerals and processing them into high-purity polysilicon ingots, which are then converted into polysilicon wafers. The wafers undergo chemical and laser treatments and silver sintering to create solar cells, which are finally assembled into solar modules.

Mr Yang's analysis shows that starting production in India from raw materials, such as quartz minerals, would be at least 40 per cent more expensive than in China. This cost difference reduces to 25 per cent if he uses imported polysilicon wafers and decreases to 3 per cent if he uses solar cells imported from China.

Despite his interest in India, Mr Yang finds that producing solar modules from raw materials is too costly. He might consider starting from the wafer stage if India offers additional support, like land and capital at concessional rates. Otherwise, he would likely use imported solar cells to produce solar modules, as many Indian firms currently do. This is similar to India's smartphone sector, which relies on imported subassemblies, and the electric vehicle (EV) battery industry, which depends on imported lithium cells. Most manufacturing happens abroad in both cases, and more than 85 per

cent of the components are imported.

The high-cost difference between India and China is partly due to India's higher cost of production inputs and China's subsidies for its firms. For example, in India, the capital cost for businesses is 9-10 per cent, compared to 4-5 per cent in China. Industrial electricity in India costs \$0.08 to \$0.10 per kWh, while in China, it's \$0.06 to \$0.08.

India has traditionally been strong in textiles, garments, leather, and footwear, mainly using local raw materials. However, the country is losing competitiveness to Bangladesh and Vietnam due to rising production costs and complex regulations. Producing goods in India from raw materials has also become unviable in many sectors because the Chinese government heavily supports local production. For example, Chinese solar companies get free land, electricity, interest-free loans, and subsidies covering 35-45 per cent of product costs. In comparison, firms making in India don't receive similar support, making it more expensive to produce goods from raw materials.

Without lowering production costs and simplifying regulations, foreign investment, including from China, can only result in superficial manufacturing that relies heavily on imports.

Exports: The Economic Survey 2024 mentioned Chinese FDI would strengthen the manufacturing sector and boost exports to the US and Europe, following the strategies of countries like Mexico, Vietnam, Taiwan, and Korea. However, this may not be easy.

In June this year, the US imposed import tariffs of up to 250 per cent on solar panels produced by Chinese companies in Cambodia, Malaysia, Thailand, and Vietnam. Then, in March, Donald Trump indicated he might escalate the trade war by targeting the Chinese



AJAY SRIVASTAVA

Group taxation regime for infrastructure

In a move that could redefine the landscape of infrastructure development in India, the government would do well to consider introducing a group taxation regime for the sector under the Income Tax Act, 1961. This format is already embraced by many of the world's economic powerhouses.

A company that produces biscuits, shoes and steel pipes can run each of these businesses as stand-alone divisions of the parent company; and from a taxation point of view, consolidate their profits and losses to arrive at a single assessable taxable value. Now consider an infrastructure player. Any medium-sized player will have 20 to 30 special purpose vehicles (SPVs), while larger players may have to contend with over 50 of them at any point of time. These SPVs are so called because they represent a stand-alone project. Infra developers operate across a variety of SPVs, encompassing a spectrum of operating contracts — from simple construction project to more complicated concession agreements, especially under public-private partnership dispensations.

Such concessions, or contracts, can become quite complicated, as concession-granting authorities, financiers and regulators insist on isolating each project as a separate legal entity with specific cash flows, loan liabilities, and deliverables. The difficulty is that with each SPV being a separate legal entity, every one of them has to file a separate income tax return. Moreover, infra companies prefer to operate with a portfolio approach, balancing the potential profits and losses of different projects over long time periods to give an overall acceptable return. But the "single SPV" status does not allow them to do so vis-à-vis taxation.

This practice, while serving various regulatory and financial purposes, has inadvertently become a double-edged sword, creating business inefficiencies and stunting growth in this capital-intensive sector. Companies operating across diverse domains, such as power, ports, and airports, are compelled to create separate SPVs under a group holding company for each venture, leading to a labyrinth of legal entities and

increased operational complexity. They find themselves caught in a web of compliances, incurring significant expenses and effort in filing tax returns for each SPV.

Sometimes, projects are stalled for years due to adversarial, regulatory, or political issues. Such projects result in sunk costs and a need for more working capital to be provided by the corporate group. The inability to offset losses from one business against profits from another within the same group creates tax inefficiencies and distortions. Financial difficulties, or a non-performing asset tag for one SPV, can impact the credit rating of the entire group, making it challenging to secure more funding. Thus, the benefits of a "portfolio approach" to managing a clutch of businesses are lost in this maze.

From an economic perspective, all SPVs are nothing but divisions of the same parent company, albeit operating through separate legal structures because of mandatory requirements. Thus, by introducing a consolidated group tax regime, the business can preserve the benefits of common managerial control and shared group resources attributable to a single economic unit.

The proposed group taxation regime aims to address these issues by allowing a group of wholly or majority-owned companies to file a consolidated tax return and be considered a single entity for tax purposes. Under the proposed regime, the parent entity would be responsible for filing the consolidated tax return. All Indian subsidiaries consolidated with the parent entity would be included in this return, ensuring consistency and comprehensive coverage. The consolidated accounts prepared for Indian entities following applicable accounting standards would serve as the basis for tax computation, with necessary adjustments made in line with income tax provisions. Intra-group transactions would be eliminated for tax return purposes, simplifying the overall process and reducing the potential for disputes. The taxable income or loss would be computed for each entity within the consolidated group and then combined to arrive at the group's overall income or loss.



VINAYAK CHATTERJEE

Between Nakba and Shoah



BOOK REVIEW
KANIKA DATTA

In 1956, eight years after the violent creation of the state of Israel, five-year-old Kal Bird overheard an American heiress in East Jerusalem proclaiming that she would give a million dollars to anyone who could solve the Arab-Israeli conflict. Excited, he told his father, America's vice-consul in the then Jordanian-controlled part of the city. "Daddy, we have to win this prize."

Almost seven decades later Kal Bird isn't closer to that jackpot. Neither, of course, is anyone else, whether politician or terrorist. Yet, in a post-October 7, 2023 introduction to *Crossing Mandelbaum Gate*, his reissued 2010 memoir, he reveals his Jewish parents-in-law, Holocaust survivors, *Crossing Mandelbaum Gate*

Palestinians will find peace someday. As filed in the co-author with the late Martin J. Sherwin of the Pulitzer Prize-winning *American Prometheus*, the biography of Robert Oppenheimer that formed the basis for the Oscar-winning movie *Oppenheimer*. In that book, Mr Bird was very much the historian. In this one, he is an unwriting artist in a consequential period of history from the Suez crisis to the 1967 war and the black September attacks of 1970. His memoir isn't a comprehensive history of the Arab-Israeli conflict nor even a spotted one. His "subversive intention" in writing this memoir is to posit the conundrum of identity, an issue that resonates around the world today as much as it did then. He asks, "How does one define national identity? By ethnicity or religious grounds?... And can there be a modern, secular definition of citizenship in the Middle East mosaic?"

Between his West Asian childhood and youth, when his grandfather was a hostage on an airliner hijacked by Palestinian terrorists, and his research into the lives of his Jewish parents-in-law, Holocaust survivors, *Crossing Mandelbaum Gate*

does not answer these questions fully either. Mandelbaum Gate refers to the heavily guarded crossing dividing East and West Jerusalem that Kal passed through to go school. Once part of a mansion owned by a Jewish merchant family that settled in Palestine in the late 19th century that later became the headquarters of the Haganah Jewish militia, and the scene of a rioting between Arabs and Jews in the late 1920s. It was later demolished.

His parents came from Eugene, Oregon, as small-town America as you can get. Among other things, his father reported on the activities of the Jordanian Hashemite monarchy. East Jerusalem was close the armistice line of 1949 and Jewish militias, and the scene of rioting, burning, church bells, the Muslim call to prayer, machine gun and sniper fire were the modern echoes. Speaking Arabic, Kal grew up in the multicultural milieu of pre-Israel Palestine, among Lebanese, Egyptians, Americans, Armenians, Arabs, Jews, Christians and Muslims.

In less than a year of writing, his parents found it difficult to sympathise

with the Zionist cause. Evacuating his home during the Suez crisis and then the 1967 war they understood the experience of displacement. As his mother wrote to a friend, "When I came out, my blue was undetermined, or if anything, slightly leaning towards the Israeli side, now I find it difficult to understand the refusal of the Israelis to regard themselves as the aggressor." She added, "If you lived in tents

...since 1948, seeing your home occupied by outsiders you might be better able to understand that sporadic isolated attempts to strike back are inevitable."

Later, tracing his parents-in-law's struggles in Nazi Germany, Mr Bird's views were somewhat leavened. "The Palestinians did not understand that Israel is a society deeply traumatised by the Shoah [catastrophe]... When Palestinians maim and kill in the name of resistance to the occupation, Israel's security restricts the Hitler," he writes. Yet

he recognised that the Israeli state was deeply flawed in conception. "Instead of creating a state... where its citizens can live a normal life like the citizens of... any other nation-state, Israel has become an ghetto where Jews are in fact less safe than Diaspora Jews."

This evocative coming-of-age memoir may provoke disagreement but it leaves readers with plenty to think about. As the First and Second Intifadas broke out, Mr Bird wonders why neither side produced a leader like Gandhi who understood the power of non-violence as a weapon of resistance. But Gandhi is a unique figure in history. In 2024, with the "synthetic relationship" between the Israeli right wing and Hamas weakening peace prospects, his book reminds us of at least two missed opportunities that, he thinks, could have ended the cycle of violence that benefits neither Israelis nor Palestinians, who

refer to the events of 1948 as "Nakba" (catastrophe). In 1972, King Hussein of Jordan proposed the creation of a "United Arab Kingdom" comprising a Palestinian state on the West Bank and the Hashemite state/region on the East Bank each autonomous within a federated structure with regional parliaments, an elected governor and with the capital in East Jerusalem. This was rejected by Israel as "fanciful" (to the relief of Yasser Arafat, unwilling to share power with Hussein) because it entailed giving up some captured territory.

Another solution in a one-page "citizens' charter" worked out by his childhood neighbour Sarf Nusselbeil, architect of the First Intifada, and Ami Ayalon, a former Israeli intelligence chief, it proposed a two-state solution based on the 1967 borders with Arabs and Israelis enjoying the right of return only within those territories. Jerusalem as a joint capital, a joint fund for rehabilitating displaced Palestinians and both sides renouncing all claims to each other's territories. The proposal garnered a quarter-million signatures from Israelis and slightly less from Palestinians. Unsurprisingly, it gained no traction beyond that.

The writer is founder, Global Trade Research Initiative

The writer is an infrastructure expert. He is also the founder and managing trustee of The Infraction Foundation. Divyanshu contributed to this piece

Text & Context

THE HINDU

NEWS IN NUMBERS

Afghan girls deprived of education after the Taliban takeover

1.4 million. When they took power in 2021, the Taliban banned education for girls above sixth grade. Afghanistan is the only country in the world with bans on female secondary and higher education. **PHI**

Number of housing projects currently stalled across India

2,000 These projects, which are spread across 42 cities, are mainly stalled due to financial mismanagement and lack of capabilities, according to PropEquity. **PHI**

The number of Palestinians killed in the Gaza Strip

40,005 Israel's attack has also wounded 92,401 people and displaced over 85% of the population from their homes, according to ministry in Gaza. **PHI**

The number of Russian settlements seized by Ukraine

82 Ukrainian troops have taken control of over a 1,000 square kilometres of Russia's Kursk region, Ukraine's top military chief said. This seizure marks the second week of the country's biggest cross-border attack. **AFP**

Value of unclaimed narcotics found on the Gujarat coast

30 in ₹ crore. This is the fourth incident this week of packets of unclaimed narcotics being recovered from the south of the Gujarat coastline. **PHI**

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Why did Japan's Prime Minister step down?

Since coming to office in October 2021, Kishida has struggled to overcome dire approval ratings. His party has been dogged by revelations of ties to the Korean-based Unification Church, as well as a political fundraising scandal uncovered last November

EXPLAINER

Craig Mark

In a surprise announcement, Japanese Prime Minister Fumio Kishida said on August 14 he would step down as leader of the ruling Liberal Democratic Party (LDP) next month, bringing his premiership to an early end.

Since coming to office in October 2021, Kishida has struggled to overcome dire approval ratings. The party has been dogged by revelations of ties to the Korean-based Unification Church in the wake of the assassination of former Prime Minister Shinzo Abe in July 2022, as well as a political fundraising scandal uncovered last November.

Kishida dissolved his own powerful faction in the party and pressured the largest conservative faction, formerly headed by Abe, to dissolve itself in the wake of the scandal. Up to 80 LDP members of the Diet (Japan's parliament) were implicated, and four cabinet ministers resigned. Public prosecutors investigating the scandal decided not to proceed with indictments against Kishida and seven other senior LDP figures, due to lack of evidence.

Just three months ago, Kishida vowed he would not step aside, instead pledging to push anti-corruption measures and other political reforms. To try to stem the damage, the LDP passed a bill in the Diet in June to reform the political funds control law, but the opposition called it inadequate.

The chief of the Maritime Self-Defence Force also resigned last month over allegations he mishandled national security information, making things even tougher for the Kishida government.

In a poll in late July, 74% of respondents said they did not want Kishida to stay on as party leader after the LDP leadership election in September. With his public unpopularity remaining entrenched, he was unlikely to receive the



Under pressure: Japanese PM Fumio Kishida addresses the press in Tokyo, on August 14. GETTY IMAGES

backing of a majority of LDP Diet members in next month's vote.

Widely considered a consistent foreign policy performer, Kishida had a series of strong diplomatic appearances in recent months. He attended NATO's 75th anniversary summit in Washington, followed by an official visit to Germany. He then returned to Tokyo to host the Pacific Island Leaders meeting last month. He had been due to embark on a tour of Central Asia last week, but cancelled the trip after a magnitude 7.1 earthquake struck Japan.

Rivals are already emerging
Kishida's rivals have already started to position themselves for next month's

leadership election – and to become Japan's next prime minister.

Shigeru Ishiba, a former defence minister and LDP secretary-general, regularly polls as the public's preferred candidate. He has already announced he will run, with the backing of Kishida's predecessor, Yoshihide Suga.

LDP Secretary-General Toshimitsu Motegi, who refused to dismantle his faction in the wake of the fundraising scandal, is also considered a potential contender. Digital Minister Taro Kono, one of Kishida's opponents in the 2021 leadership race, is another. Economic Security Minister Sanae Takaichi and Foreign Minister Yoko Kamikawa could also enter the contest. If either of them

won, Japan would have its first female prime minister.

Challenges remain

Whoever replaces Kishida in September will then have to restore the LDP's electoral fortunes before the next national election, due by October 2025. Key to this will be reintegrating Japan's sluggish growth, which has shown the relative failure of Kishida's "New Capitalism" policy to revive the economy.

The weak yen has boosted export earnings and profits for some of Japan's largest corporations, in addition to helping the tourism industry exceed pre-pandemic levels. But higher-priced imports have further dampened consumption among ordinary Japanese, particularly those on fixed incomes and irregular, low-paid, casual work. Japan's shrinking labour force also continues to exacerbate economic and social strains.

And just days ago, the decision by the Bank of Japan to raise interest rates to 0.25% triggered a wave of stock market volatility. The Nikkei index suffered its biggest drop since 1987, although it has largely recovered since then.

Despite Kishida's considerable efforts to boost Japan's alliances and a recent boost in defence spending, the country also faces an increasingly threatening security environment. This could become even more challenging if Donald Trump wins the U.S. presidency in November.

Despite the recent missteps and scandals, the LDP is still likely to return to power in the next election, given the ongoing weakness of the main opposition Constitutional Democratic Party.

The next prime minister could then decide to hold a snap election this year, taking advantage of a brief honeymoon period to exploit the disunity among the opposition parties. However, it will take a lot for any new leader to appeal to a Japanese public that is weary and jaded after years of political drama.

Craig Mark is Adjunct Lecturer, Faculty of Economics, Hosei University. This article was republished from The Conversation.

THE GIST

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▼ Despite Kishida's considerable efforts to boost Japan's alliances and a recent boost in defence spending, the country also faces an increasingly threatening security environment.

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How can traffic which causes air pollution be controlled?

What is the share of road transport with respect to India's CO2 emissions? Why has the vehicular scrapping policy not been effective in States like Karnataka and Maharashtra?

Lancelot Mark Pinto
Sreeparna Chattopadhyay

The story so far:

A recent report stated that India is home to 83 of the 100 most polluted cities in the world. Another report from the *British Medical Journal* estimated that air pollution led to the deaths of 2.1 million people in India, the second largest numbers after China. Over 99% of the population breathes air that is poorer than the recommended WHO standards.

How severe is air pollution?

The International Energy Associates estimates that 12% of India's CO2 emissions are due to road transport, of which the vast majority of Particulate Matter (PM) 2.5 emissions are due to heavy vehicles. PM2.5 comprises pollutants, which, by being microscopic can reach the deepest parts of our lungs, and spill over to blood, thereby causing a

range of respiratory and cardiovascular effects. Moreover, heavy vehicles contribute significantly to the emission of Nitrogen Oxide (NOx), capable of causing similar health effects. NOx contributes to the formation of ground-level ozone, worsening impacts on air quality and heat, which further fuels air pollution in urban contexts. Several studies have indicated that heavy vehicles contribute to about 60-70% of the total vehicular PM emissions and about 40-50% of the total NOx emissions in urban areas.

What are some of the measures taken to combat air pollution?

With the transport industry growing at 9.1% per annum, the Bureau of Energy Efficiency's (BEE) initiative in developing the draft Corporate Average Fuel Economy (CAFE) norms for cars in India is timely and laudable. The timelines to implement CAFE III from 2022-2032 and CAFE IV from 2032-2037 are practical. The commitment to shift from the

Modified India Driving Cycle (MIDC) to the World Light Duty Vehicle Testing Procedure (WLTP) from March 31, 2027, is excellent because the WLTP offers a more accurate and globally harmonised measure of a vehicle's actual fuel consumption and CO2 emissions. The proposed emissions target for CAFE III based on the WLTP at 91.7g CO2/km and for CAFE IV at 70g CO2/km is achievable. Such stringent CO2 targets are essential for driving innovation and encouraging the adoption of cleaner technologies. In the interest of the health of our planet and citizens, these targets should be made non-negotiable. However, the CAFE norms exclude emissions by heavy vehicles such as trucks, lorries, and other freight vehicles.

What more can be done?

The government introduced a vehicle scrapping policy to phase out old and polluting vehicles, including heavy vehicles in 2022. It mandates that

passenger vehicles older than 20 years and commercial vehicles older than 15 years must pass a "fitness and emissions test". If vehicles fail the mandatory tests, they are categorised as end-of-life vehicles, and will lose their registration certificate, and are recommended to be scrapped. Yet this policy is yet to take off in Karnataka for two reasons: there are only two scrapyards for the entire State and it is voluntary. Most older vehicles in Bangalore are not four-wheelers but older BMTCL buses, private vans, and heavy vehicles. Maharashtra is one among 21 States that have announced incentives such as discounts on road tax or on a new private vehicle purchase to encourage scrapping but this is yet to have far-reaching impacts on air pollution in the State. Policymakers must ensure that the guidelines do not remain exemplary in the letter alone.

Existing policies of the government to combat air pollution such as the testing of vehicles at regular intervals to ensure they are within emission limits, banning open garbage burning, and checking industrial emissions need to be implemented with the greatest stringency. While we welcome the government's efforts to curb air pollution, we also strongly suggest that mass transit is the only sustainable method of tackling air pollution in India. *Lancelot Mark Pinto is a pulmonologist at P. D. Hinduja Hospital, Mumbai and a public health policy advocate. Sreeparna Chattopadhyay is with TAPMI, Manipal Bangalore and is a medical anthropologist.*

THE GIST

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IN THE LIMELIGHT



A magical duo: A.R.Rahman with drummer Sivamani. FILE PHOTO

The genius of percussion in A.R. Rahman's 'Taal Se Taal Mila'

How the A.R. Rahman-Sivamani combination in 'Taal' put percussion on the musical map, as was witnessed in the recently-concluded Olympics 2024 held in Paris when the U.S. artistic swimming team took to the waters

Srinivasa Ramanujam

Support and music go hand in hand. In 2013, after India lifted the World Cup, M.S. Dhoni, one of the main architects of the triumphant team in the finals, went on record to talk about the most emotional moment in the finals. And that wasn't the exciting cricket or the steep run chase, but a song. "The stadium started to sing 'Vande Mataram'. That atmosphere, I feel, is very difficult to recreate," recalled Dhoni.

In the recently-concluded Olympics 2024 held in Paris, there was yet another marriage of song and sport, when the U.S. artistic swimming team took to the waters. The talented eight-member team performed to "Taal Se Taal Mila" from the 1999 superhit Bollywood film *Taal*, directed by Subhash Ghai, featuring Aishwarya Rai, Anil Kapoor and Akshaye Khanna in the lead.

The album of *Taal* had music by A.R. Rahman, then fast rising in popularity in Bollywood after several superhit albums in Tamil cinema. Beyond the melody in the songs, *Taal* also featured a percussion-led track titled 'Beat of

Passion', a portion of which was used by the swimmers in their Olympics outing. 'Beat of Passion' starts almost like a whisper. A few finger-snapping sounds later, the drums come into play, albeit slowly, almost like it's a trailer for the main course that is to come. When the drums kick in, your feet start moving, and by the time the 'Beat of Passion' ends, you're in a frenzy.

The 'Beat of Passion' is percussion mastery by 'Drums' Sivamani, with whom A.R. Rahman shares a long-standing professional relationship, and who brings forth the magic that beats make you feel. Here, Sivamani doesn't use just the drums alone; he uses sounds from finger-snaps, the tonking of the vessels and buckets and even the sound of water flowing from a bottle.

There's also some heavy breathing in the end of that particular track, which contributes quite well to the belting musical soundscape of *Taal*.

This is just one example; there are many more; like the last minute or so in the 'Dhandiya' track from *Kadhalar Dhinam*. There's also another silent hero in all these musical gems: audio engineer H. Sridhar.

Track record

Percussion and melody are two sides of a musical coin, with beats enhancing our theatrical experience. The Nineties were a time when percussion peaked in Tamil cinema. This is not to say that percussion didn't exist before; in fact, M.S. Viswanathan and Ilayaraja have used it extensively in their songs. But the A.R. Rahman-Sivamani combination and the boom of computers and technology in the Nineties were like a match made in heaven; Sivamani's beats resonated in all walkmans of that era, changing the way we consumed music. The recent epic saga, *Ponniyin Selvan* too, saw work from the duo.

While many state that melody is the core to any music, there's some magic that happens when percussion combines with a core melody. 'Nadaan Parindey' from *Rockstar* might be a soulful cry of a track, but it still has some rollicking drum work to kickstart things before the guitars and vocals take over. *Jodhaa Akbar's* musical landscape would be incomplete without the catchy rhythmic patterns that accompany 'Azeem-O-Shaan Shaheshah'. More recently, the staccato beats of *Ponniyin Selvan* took us back to

the Chola empire. Such historical subjects also help composers and musician use rare instruments and recreate sounds that are not often heard in modern-day cinema. We hope to hear more of those in the upcoming *Thug Life*, which sees Mani Ratnam and Kamal Haasan coming together after many years.

Percussion work is vital not just in albums and films, but in concerts too, where they add to the overall atmosphere and elevate the mood; look no beyond percussionist Ranjit Barot's performance in an A.R. Rahman concert where he shifts the musical mood from 'Putham Pudhu Bhoomi' to 'Jai Ho' with some pulsating work on the drums.

More than 30 years on since the unforgettable *Raja*, the A.R. Rahman-Sivamani combination continues to enthral audiences. They have also paved the way for younger composers to take up percussion in a big way, in this age of techno-driven soundtracks. Aniruddh, for instance, lifted the theatrical experience of Rajinikanth's *Petta* by several notches with the 'Rhythm of Petta' that featured kuthu-style drumming. Without missing a beat, the percussion journey continues.



FROM THE ARCHIVES

Know your English

K. Subrahmanian

"What's the difference between 'a beast' and 'an animal'?"

"The word animal is derived from the Latin 'anima' meaning 'to breathe, life'. The word animal is a generic term, and it includes all living things other than plants. A cat is an animal, a snake is an animal, a fish is an animal, and even a man is an animal. But generally, when we use the word animal in everyday conversation, we refer to all living things other than man and plants. We think we are superior to animals in many ways. So when we want to insult somebody or bring him/her down in the eyes of others, we usually refer to him/her as an animal. For example, if we find somebody who behaves crudely or treats others badly, we usually call him an animal.

Sonu, stop behaving like an animal. 'Beast' refers to any large, four-footed animal. The elephant, the tiger, the donkey are all examples of beasts. The lion is often called the king of beasts. The donkey is referred to as the beast of burden. Like the word 'animal', the word 'beast' is also applied to human beings. It is a stronger word of condemnation than animal. When you call someone a beast, you are highlighting the brutal aspect of his nature. You consider the person to be extremely inhuman.

When Harish is drunk, he's a real beast. 'Beast' is also used playfully or reproachfully to mean 'an unpleasant person'.

Get off my back, you little beast. In informal British English, 'beasty' is used to mean (a) unpleasant, nasty (b) very, extremely.

It was beastly of him to have behaved like that.

It is a beastly cold day. "Is it 'I have just arrived' or 'I just arrived'?"

"Here 'just' means 'a moment ago.' In British English, when 'just' is used in this sense, you use the present tense. That is, you say 'I have just arrived'.

I have just finished reading your novel. The bell has just rung. In American English, 'just' is used with the simple past tense.

I just arrived. He just came.

He just went out. "By the way, which is correct: ketchup, catsup, or catch up? I like the sauce made from tomatoes."

"I too. All the three are acceptable. 'Ketchup' is the usual form in British English and 'catsup' in American English. Catchup is also used occasionally. The word has nothing to do with cats. It was originally from the Chinese word 'koehchup', 'pickled fish sauce.' The Malay language took the word over as 'kechup.' The English who are very fond of tea added a 't' to the word. The meaning also got changed. 'Fish sauce' has become tomato sauce. Are you ready for another spelling rule?"

"One at a time, please." "Ok. When a word ends in -ce and when it is followed by -ous, the 'e' in 'ce' changes to 'i'. Grace, gracious; space, spacious; malice, malicious; vice, vicious, this is enough for the day."

Published in *The Hindu* on January 26, 1993.

THE DAILY QUIZ

Singer Madonna celebrates her 66th birthday today. Here is a quiz on the hits and highlights of the Queen of Pop

Abhinaya.K

QUESTION 1

The popular singer has acted in many movies and even won a Golden Globe Award for a movie where she played the titular role. One of the songs in the film also won an Academy Award. Identify the song and the movie.

QUESTION 2

The singer released her first album which has the hit song 'Holiday' over 40 years ago which she dedicated to her father. It was released as Madonna the album. What was the album's original title?

QUESTION 3

The lyrics of this smash-hit

Madonna song is an ode to a particular style of dance that has its origins in the underground ball culture of 1970s and 1980s New York City. Name the dance style.

QUESTION 4

This song brought together two of the biggest names in pop — Madonna and _____. Though a fan favourite, the song underperformed on the charts when it was released. Name the other singer and the album the song is from.

QUESTION 5

A movie that was released in July featured a 1989 hit song by the queen of pop. The song is now going viral on TikTok. Identify the movie.



Visual question: Madonna brought this tour to a close with a reported 1.6 million fans in May. Where was the final concert of the tour held? Name the tour. AP

- Questions and Answers to the previous day's daily quiz: 1. This freedom fighter collaborated with Rani Lakshmi Bai to seize Gwalior. **Ans: Tatya Tope**
2. This Parsi revolutionary was private secretary of a man who is sometimes referred to as the 'Unofficial Ambassador of India'. **Ans: Bhikaji Cama**
3. Fifty years before the Sepoy Mutiny, this chieftain in the south opposed the British East India Company and was hanged. **Ans: Veera Pandiya Kattabomman**
4. Upset with the Doctrine of Lapse policy, which did not recognise her adopted son's right to rule Kittur, this queen fought the British and registered initial victory. **Ans: Kittur Rani Chennamma**
5. She was an officer of the Indian National Army and one of the founding members of the All India Democratic Women's Association. **Ans: Lakshmi Sahgal**
6. A market in Delhi, established to give opportunities to refugees of Partition, especially those from the Northwest Frontier Province, is named after this man. **Ans: Abdul Ghaffar Khan**
Visual: Name the other two apart from Bhagat Singh. **Ans: Sukhdev Thapar and Shivaram Rajguru**
Early Birds: C. Saravanan| Sandeep Radhakrishnan| Satish Reddy Kanaganti| Joseph Nelson| Atish Kumar Dash

Word of the day

Sentient: endowed with feeling and unstructured consciousness; consciously perceiving

Synonym: animate

Usage: That boy is so sentient of his surroundings.

Pronunciation: bit.ly/sentientpro

International Phonetic Alphabet: /sɛn.ti.ənt/

For feedback and suggestions for Text & Context, please write to letters@thehindu.co.in with the subject 'Text & Context'

Why latest mpox outbreak is 'emergency of international concern'

ANONNA DUTT
 NEW DELHI, AUGUST 15

THE WORLD Health Organisation, sounding its highest level of alarm, declared mpox as a Public Health Emergency of International Concern on Wednesday. This is the second time the infection has received the designation in as many years — the outbreak between July 2022 and May 2023 was also declared as PHEIC.

The decision to sound the alarm was taken after an upsurge of cases reported from the Democratic Republic of Congo (DRC) and neighbouring countries. At least 99,176 cases and 208 deaths due to mpox have been reported from 116 countries since 2022, according to data from the WHO.

muscle aches, back pain, low energy, and swollen lymph nodes, along with pox-like rashes that last for two to three weeks. It is a self-limiting disease but can lead to death, especially among children and those with weak immune systems.

While the infection has been reported in humans since 1970, it mostly affected people in the endemic regions in Africa till 2022.

What is driving the current concern?

The current concern stems from the spread of clade Ib of the MPXV, which is predominantly transmitted through sexual contact.

Organisms belonging to a clade share common ancestors. When it comes to mpox, there are two different clades: clade I and clade II, with the former deadlier than the latter.

Sexual transmission of clade I infections has not been reported previously, according to a paper published this January in the journal *Emerging Infectious Disease*. Historically, clade I infections have spread through zoonotic spillover events — transmitted from animals



A nurse tends to a child suspected of having contracted mpox in DRC. Reuters

to humans in close proximity. Clade Ia infections that spread this way continue to affect parts of DRC, where the disease was endemic. Now, over 100 cases of clade Ib infections have been reported in four countries neighbouring DRC — Burundi, Kenya, Rwanda and Uganda — that have not reported mpox before. The numbers are likely to be higher as many with symptoms might not have been tested. This is coupled with an increase in the total number of mpox cases. More than 15,600 cases and 537 deaths have been reported so far this year alone.

"The emergence of a new clade of mpox, its rapid spread in eastern DRC, and the reporting of cases in several neighbouring countries are very worrying. On top of outbreaks of other mpox clades in DRC and other countries in Africa, it's clear that a coordinated international response is needed to stop these outbreaks and save lives," WHO Director-General Dr Tedros Adhanom Ghebreyesus said on Wednesday.

Research published in the journal *Nature* late last year indicates that recent cases are being driven by human-to-human transmission, and that the virus has diversified

into several distinct lineages in the human population, where it is fast acquiring many new mutations.

Is India at risk?

The first case of the more contagious clade Ib mpox infection outside Africa was reported from Sweden on Thursday. With interlinked global travel, the cases may reach other countries as well.

During the 2022 global outbreak, India too reported cases of mpox, albeit of the less deadly clade II type. Initially, infections were reported among some people from Kerala who had a history of international travel. But later even those without a history of international travel got infected in Delhi. At least 27 laboratory confirmed cases and one death was reported in India, according to the WHO data.

IHR Emergency Committee Chair Professor Dimie Ogoina said, "The current upsurge of mpox in parts of Africa, along with the spread of a new sexually transmissible strain of the virus, is an emergency, not only for Africa, but for the entire globe. Mpox, originating in Africa, was neg-

lected there, and later caused a global outbreak in 2022. It is time to act decisively to prevent history from repeating itself."

Are there vaccines for mpox?

There are at least two vaccines currently in use for mpox, which have been recommended by the WHO's Strategic Advisory Group of Experts on Immunization.

Last week, an Emergency Use Listing for mpox vaccines was triggered by the WHO, which will accelerate vaccine access for lower-income countries which have not yet issued their own national regulatory approval. This listing also enables bodies such as GAVI and UNICEF to procure vaccines for distribution in these countries.

WHO is working with countries and vaccine manufacturers on potential vaccine donations, and coordinating with partners through the interim Medical Countermeasures Network to facilitate equitable access to vaccines, therapeutics, diagnostics and other tools, the organisation said.

During the previous outbreak in 2022, India too had called on companies to manufacture vaccines and diagnostics.

EXPLAINED HEALTH

EXPLAINED HISTORY

WHY STONEHENGE CENTRE STONE'S 800 KM JOURNEY IS SIGNIFICANT



Stonehenge was built using stones from all over Britain. Monogji Mijumdar

STONEHENGE HAS long stood as an enigma in the English countryside. No one knows why it was built, and there is little consensus on how it was built, by whom and exactly when. What is certain is that it is one of the greatest marvels of neolithic engineering, and a testament to the ingenuity of prehistoric humans and the complexity of their social lives.

Case in point is the origin of the Altar Stone, the partially buried slab of sandstone lying at the centre of the stone circle. Latest geochemical analysis suggests that its present location in the Salisbury Plains from the far north of Scotland, some 800 km away.

Stones of the henge

Construction at Stonehenge began 5,000 years ago, and took place over two millennia. The site's outer circle is made of 30 tall, upright sarsens (sandstone blocks impregnated with silica), most of which are capped by shaped lintel stones. These stones originate from Marlborough Downs, 25 km away from Stonehenge.

Stonehenge also has also 80 smaller bluestones, which came from the Mynydd Preseli mountains in western Wales. The Altar Stone, although made of a different kind of rock, was long thought to have come from the same area.

But the latest study, published in the journal *Nature* on Thursday, used chemi-

cal analyses of tiny zircon, rutile and apatite crystals from fragments of the Altar Stone to trace its origin to the Orcaidian Basin in northeast Scotland and the Orkney Islands.

"It was a perfect match for the Orcaidian Basin and no match at all for anything in England or Wales," the study's lead researcher Anthony Clarke, a geochronologist at Curtin University in Perth, Australia, told *nature.com*.

Improbable journey

Despite social media speculation to the contrary, geologists are certain that the stones were brought to Stonehenge "by human agency". Clark believes it likely travelled by the sea "given major overland barriers en route from northeast Scotland to Salisbury Plain".

But archaeologist Mike Pitts, who wrote *How to Build Stonehenge* (2022), believes that a land journey, perhaps taking years, is more probable. This would allow people to see and engage with the stone, making it "increasingly precious" as it moved southwards.

As to why this journey was made, is anyone's guess. Whatever the means and the reason behind it, the Altar Stone's journey suggests that neolithic Britain was far more integrated than previously known, opening up "suggestions for the whole way we think about Neolithic Britain," Pitts said.

ARJUN SENGUPTA



HARISH DAMODARAN

AFTER STAYING above 8% for eight months from November 2023 to June 2024, retail food inflation (year-on-year) fell to 5.4% in July. The sharp decline from 9.4% in the previous month was due to a 'high' base inflation of 11.5% in July 2023. The monthly rise in the official consumer food price index (July 2024 over June 2024), at 2.8%, translates into an annualised inflation of 33.8%.

Clearly, food inflation remains the economy's bugbear, eating into household incomes and suppressing spending on other things, besides preventing the Reserve Bank of India from cutting its policy interest rates.

Given the high share of food in the average Indian's consumption basket, "the public at large understands inflation more in terms of food inflation... which also adversely affects household inflation expectations," RBI Governor Shaktikant Das said on August 8.

However, there are at least two reasons for cautious optimism.

Hope from monsoon

The southwest monsoon set in over Kerala on May 30, two days before schedule. But overall rainfall in June was 10.9% below the historical long period average (or 'normal') rainfall for the month. Rainfall was sub-par everywhere except the South, Maharashtra (excluding Vidarbha), west Madhya Pradesh, and east Rajasthan.

The below-normal June rain was perhaps due to the residual effect of El Niño — an abnormal warming of central and eastern Pacific Ocean waters off Ecuador and Peru, generally known to suppress rainfall in India — that lasted from April-June 2023 to March-May 2024.

As El Niño transitioned into a "neutral" phase, the monsoon revived. July recorded 9% above-normal rain.

Rainfall has been 15.4% above normal in the current month so far, taking the cumulative surplus for the entire season (June-September) to 4.8% as on August 15. The deficiency is now largely confined to the East, and parts of northwest India where farmers

EXPLAINED ECONOMICS

Food inflation outlook

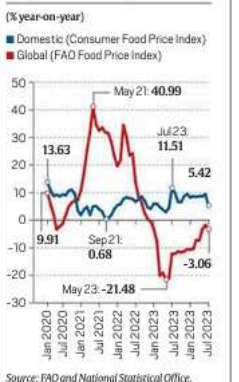
The worst of food inflation may be over. Higher kharif plantings on the back of a good monsoon so far, and benign international prices offer hope for the easing of inflationary pressures in the months ahead

AREA COVERAGE UNDER KHARIF CROPS AS ON AUG 9

(lakh hectares)	2024	2023	Normal
1. Rice	331.78	318.16	328.92
2. Maize	85.17	79.17	75.59
3. Cotton	110.49	121.24	120.79
4. Sugarcane	57.68	57.11	54.40
5. Jute & Mesta	5.70	6.28	6.78
6. Pulses**	117.43	110.08	121.33
(a) Arhar	44.57	38.49	43.22
(b) Moong	22.78	29.89	31.22
(c) Urad	37.76	26.83	33.61
7. Millets**	87.97	92.19	81.02
(a) Bajra	65.69	68.81	59.09
(b) Jowar	14.23	13.29	13.40
(c) Ragi	3.61	5.91	4.66
8. Oilseeds**	183.69	182.17	179.53
(a) Soyabean	124.69	122.89	118.70
(b) Groundnut	45.42	41.91	43.45
(c) Sesamum	10.14	11.14	11.77

*Five-year average area for this time.
 **Includes other pulses, millets and oilseeds.
 Source: Dept. of Agriculture & Farmers Welfare.

FOOD INFLATION: DOMESTIC vs GLOBAL



Source: FAO and National Statistical Office.

the cereal price index — from 173.5 points in May 2022 to 110.8 points now.

While global and domestic food inflation have moved in opposite directions in recent times (see *Chart*), low international prices now supports marketable Russian wheat, for instance, is currently being exported at about \$220 per tonne free-on-board (i.e. from the port of origin), compared to \$250-plus a year back, and \$395-405 in March-May 2022.

Adding ocean freight and other charges of \$45-50 would take the landed cost of imported wheat in India to \$265-270 per tonne, or Rs 2,225-2,270/quintal. That's below the ruling market price of Rs 2,600 in Delhi, and even the MSP of Rs 2,275.

The point is that benign international prices — a contrast with the situation after the outbreak of the Russia-Ukraine war — not only lessens the risk of "imported inflation", as it happened particularly in vegetable oils from late-2020 to 2022, they can also put a lid on domestic prices — like what if imports are allowed through lowering of duty (from the present 40%).

Cautious optimism

Wheat stocks in government warehouses, at 388.12 lakh tonnes (lt) on August 1, were the third lowest for this date after 2022 (266.45 lt) and 2008 (243.80 lt). However, rice stocks (including the grain equivalent from un-milled paddy) of 454.83 lt were the highest ever for the same date.

The prospects of a monsoon-aided bumper kharif crop should enable relaxation of the export ban/ restrictions on non-basmati rice as well as sugar, along with the lifting of stockholding limits on pulses applicable to traders, retailers and food millers.

Above-average rains so far have filled up the country's major reservoirs to nearly 65% of their total storage capacity (as against 54% for this time), and also recharged groundwater tables.

That — plus the high probability of the emergence of La Niña (El Niño's "cool cousin", associated with robust rainfall activity in India) during September-November and persistence through the winter-spring months — is encouraging for the ensuing rabi cropping season too.

But this optimism must be tempered — the harvesting of the kharif crop is at least a month away, that of wheat and other rabi crops will not take place before March-end. The uncertainty over food inflation will continue for some time.

have access to irrigation.

The overall good monsoon with well-distributed rainfall has led to higher acreages under most kharif crops this year. Area sown is up for rice, pulses such as arhar (pigeon pea) and moong (green gram), maize, oilseeds (soyabean and groundnut), and sugarcane relative to both the corresponding period of 2023 and the normal coverage for this time. (See *Table*)

Farmers plant more when there is adequate water. They also go for crops whose prices are better or assured. Arhar and maize are now wholesaling at Rs 10,500-11,000 and Rs 2,600-2,700 per quintal respectively, way above their corresponding official minimum support prices (MSP) of Rs 7,550 and Rs 2,225.

Not surprisingly, farmers have aggressively sown both crops — which should help ease inflation in pulses and animal proteins down the line. Arhar dal is currently retailing at an average Rs 165/ kg against Rs 140 a year ago and Rs 110 two years ago, and maize is a key ingredient in the feed given to poultry and cattle.

On the other hand, farmers have sown less area under cotton — which is trading at

Rs 7,500-7,600 per quintal in Gujarat's Rajkot market. That's just around the MSP of Rs 7,521 for long-staple varieties, when the new crop's first picking is due only after mid-September.

Flat prices, a long cropping duration of 6-months, and risks of insect pest attacks (especially the deadly pink bollworm) have dampened farmers' enthusiasm for cotton. They have switched area this time to groundnut, soyabean, and maize (which mature in 3-4 months), or even paddy (where MSP is assured through government procurement).

Low global food prices

A second factor too, may help reduce inflationary pressures in food.

Global food inflation has been in negative territory since December 2022. The United Nations' Food and Agriculture Organization's food price index averaged 120.8 points in July 2024, 31% down from its year-ago level.

The index — a weighted average of the world prices of a basket of food commodities over a base period value (taken at 100 for 2014-16) — is 24.7% below its 160.3 points peak scaled in March 2022 following Russia's invasion of Ukraine. Even sharper is the fall of

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Why 44 & 60 could be two key ages in your healthspan: what new study says

RISHIKA SINGH
 NEW DELHI, AUGUST 15

THOSE WHO complain of beginning to "feel old" in their mid-40s may not necessarily be victims of a gloomy imagination. A significant new study on human aging has found that molecular changes show "substantial dysregulation" at two points in an individual's lifetime — when they are 44, and again, at age 60 years.

Researchers from Stanford University said the findings provided "valuable insight into periods of dramatic alterations during human aging". Notably, the findings of the research also indicated that disease risks are non-linear in nature — that is, they do not increase proportionately as age increases.

What the study found

The study, 'Nonlinear dynamics of

multi-omics profiles during human aging', published in the journal *Nature Aging*, analysed cellular-level data of 108 participants of ages between 25 and 75 years — all residents of California in the United States. The subjects of the study were tracked for a median period of 17 years. Every three to six months, the researchers collected blood, stool, skin swab, oral swab and nasal swab samples, which were used to analyse proteins, lipids, stool microbiomes, skin microbiomes, etc. More than 5,000 samples were analysed in all.

The researchers detected distinct molecules and biological processes around the ages of 44 and 60.

The body's immune regulation, as well as the breakdown and conversion of carbohydrates, shifted during the 60-year mark. And there were changes related to cardiovascular diseases and metabolism of alcohol and lipids (fatty compounds) at the 40-year transition.

These findings are in line with some existing data in the US on major non-communicable diseases. For example, neurodegenerative diseases such as Parkinson's and Alzheimer's also have "distinct turning points occurring around the ages of 40 and 65 respectively", the study said.

The study also found that the capacity to metabolise caffeine undergoes a "notable alteration", both around age 40 and at age 60 years.

Some takeaways

Aging is generally understood as the irreversible and gradual degradation of cells, tissues, and organs with time, leading to weakened functioning. Scientific research on aging often aims to understand how aging works, and what can be done to slow it down in humans.

At a cellular level, aging reflects the damage where the body has sustained over a long period due to multiple reasons — from the Sun's ultraviolet rays to the lack of adequate nutrition.

Aging impairs the ability of cells — the building blocks of human biology — to divide and multiply, thus impacting growth and development. There is also an increase in pigments and fatty substances (lipids) inside the cells, affecting their functioning.

However, the pace of aging varies greatly among living organisms. A 2019 study by researchers from the University of Oxford and the National University of Ireland Galway on animal life cycles noted that while "the turquoise killifish (a small fish that can complete its life cycle in 14 days) grow fast and die

young...the Greenland shark (a fish that glides around for up to 500 years), grow slowly and have extraordinarily long lifespans".

Also, the study noted, humans and Asian elephants have "long lifespans and face a relatively low risk of mortality until later ages".

While the ages between 45 and 55 are known to result in crucial biological changes in women due to the onset of menopause, the new study found there are other underlying factors as well, which imply a "common phenomenon in the aging process of both sexes".

The researchers said their findings are also important for understanding the molecular changes related to aging, and for timely diagnosis of diseases. This could help in identifying "biomarker targets" for aging-related diseases to increase human healthspan, as opposed to lifespan. Healthspan is the period of time for which humans are healthy.

Michael Snyder, co-author of the study, told *The Washington Post* that the findings

could help induce people to make healthier and targeted lifestyle choices. "For example, if you know that your carbohydrate metabolism is going off — there's something you can do about that: changing your diet," he said.

Limitations, questions

The study sample is small, and restricted to a specific geography. Certain findings, say on caffeine metabolism, could be either due to the body's actual slowing capabilities at that age or to consumption-related habits, which are more behavioural in nature. The researchers also concede the short duration of sample collection, of less than two years.

Xiaotao Shen, another co-author, told *The Washington Post* that the factors driving the changes in these particular ages are unknown. "If we can find the drivers of these changes, we may even be able to find ways to slow or even reverse the drivers of the aging at these two time points," he said.

PAPER CLIP
 NEW RESEARCH

9 THE IDEAS PAGE

Seeing ourselves in others

My Independence Day is about feeling part of a greater whole, a day to choose compassion over indifference, understanding over judgement, and unity over division



ANASUYA SENGUPTA

I CAN SCARCELY think of Independence Day without having the words of the Preamble roll off my tongue unbidden. Embodied in these very words perhaps, is my first grasp of Indian freedom, and the significance of August 15. Even before that, the images of the Independence Day cultural programmes in school — dressed in the vibrant costumes of our nation's states, unknowingly enacting a diversity I was yet to comprehend.

These memories, these words are the seeds from which my understanding of independence began. It slowly became quite clear that those who fought mountains of atrocities for the freedom of our nation, wanted to gift their people a country representing love and kindness, inclusivity and acceptance. Yet, on the 78th anniversary of India's Independence, I must ask: Do these rituals and recitations alone capture the essence of freedom?

Or, are they merely comforting illusions, shielding us from the raw reality of what independence demands of us?

What is true freedom if not a constant challenge to our perceptions?

Does it not require us to question our beliefs, our traditions, our prejudices, our very identities?

What is Independence Day if not a day to ask myself some questions: How much do I care about others? We, the people of India. How selfish am I?

How much do I care about our children, the future and the country and world that I will leave behind?

Tenderness and generosity can only come from love. Mercy, too. And till there is enough love, there is no change, no reforms, no freedom and no independence.

Is freedom then, in essence, love?

Seeking answers, on a recent trip back home to meet my family, I turned to my 94-year-old grandmother. Perhaps, having been witness to the first Independence Day, then only 17 years old, she would be able to offer me insights into the last 76 years that I lacked myself.

On a balmy monsoon afternoon in Kolkata, lying beside Didan, her frail palm in mine, we explored it together.

What differs most from then, I asked, anticipating some hesitation to my vague question. Her response was immediate, piercing. "People weren't consumed by desire and desperation. They were not trying to fill themselves up with all kinds of pleasures, religion and comparison; they cared about each other."

In that moment, I felt deeply sad. An aching sense of loss, for something I had never even owned. Or had I? In her tired but kind eyes, I found those decades that I hadn't witnessed myself. She touched my cheek then and explained that the only road to any progress is to understand oneself completely.

"Because I understand myself, I can understand you."

If this is the foundation of true relationships, can the foundation of a society be any different? Can there be genuine freedom,



C.R. Sankumar

genuine independence, without this understanding? Or are we merely chasing shadows, caught in the illusion that we are separate? Amidst the somewhat sombre introspections, some light emerges. Her grandfather, she tells me, was a British supporter, her father a Congress Party supporter, and his brother a Communist. When she shares a little about the frequent quarrels at home between the three, her cheeky glint clearly betrays that she thoroughly enjoyed it. While she jumps from one story to another, my mind marvels at the astonishing diversity within just one home.

My Independence Day is the day I stop and look at the sheer range that is India. The number of different languages, the number of different ways of speaking the same language, the kinds and kinds of food, an expected lack of relatability between two regions, but the undeniable relatability that comes through nonetheless. My Independence Day is the day I want to stop and look. Pause.

In the clarity that accompanies this pause, it becomes simple to transcend the divisions, and to recognise our shared humanity. It feels shameful then, that we who have in abundance, grab at more while others continue to lack.

She tells me when I ask her to describe the first day of Independence, that it was an indescribable collective celebration of joy. "Like when India wins a cricket match?"

"Exactly!" she beams. I am about to point out Vinesh Phogat's recent triumph, but she does it herself. How

My Independence Day is the day I stop and look at the sheer range that is India. The number of different languages, the number of different ways of speaking the same language, the kinds and kinds of food, an expected lack of relatability between two regions, but the undeniable relatability that comes through nonetheless. My Independence Day is the day I want to stop and look. Pause.

bewildering that we still falter in unity despite countless moments of collective pride, that we repeatedly retreat into separatism once the euphoria fades. These fleeting experiences of oneness are glimpses into our true nature — our interconnectedness. What would our country look like if we lived each day with the same sense of shared purpose? I wonder.

My Independence Day is feeling part of a greater whole, like one team. It's achieving personal success, yet knowing that it belongs to all. It's recognising that my accomplishment is merely receiving on behalf of countless talented others, acknowledging their unseen contributions.

As evening approaches, it is time for tea. I am reluctant to interrupt this conversation, but my grandmother looks bit tired. I seek one last piece of wisdom to carry forward.

Her response again is immediate. "Know yourself so deeply that you can care as profoundly for others as for yourself."

Is this the essence of true freedom? To know oneself so completely that love naturally extends beyond the self? Is Independence Day a renewal of our commitment to the Constitution? To choose compassion over indifference, understanding over judgement, and unity over division. A willingness to see ourselves in others and them in us. A day of true freedom.

And what is freedom, if not love?

The writer is an actor and winner of the Best Actress award in the Un Certain Regard segment of the Cannes Film Festival, 2024

WHAT THE OTHERS SAY

"New nations on the podium are also a reminder that the past quarter-century has brought a historic decline in poverty and the rise of a 'global middle class.' Improved economic opportunity allows more young people a chance to pursue their athletic careers." — THE WASHINGTON POST

An Opposition with josh

In Parliament, it is on the front foot, representing the pulse, energy and diversity of India



ZERO HOUR BY DEREK O'BRIEN

"HOW'S THE JOSH?" was the line made famous in a not-my-kind-of-film which still did well at the box office five years ago. Now, ask any member of the Opposition in Parliament the same question. How's the josh? There is a distinct spring in the steps of Members of Parliament from Opposition parties, both in the Lok Sabha and the Rajya Sabha.

Since the results of Elections 2024, Parliament has held two sessions. The first one was for seven days, the second for 15 days. As an observer and participant, let your columnist share five reasons which kept the Josh Quotient (JQ) of the Opposition parties high.

Skittish Floor Management: Compare the Budget Session of 2009, when Dr Manmohan Singh was elected for his second term, to this just concluded Budget Session where Narendra Modi (albeit with support from his NDA allies) began his third term.

In 2009, the House ran for 33 days, introducing 17, and passing eight Bills. Budget Session 2024 ran for 22 days and then adjourned ahead of schedule. Both Houses were abruptly cut short on Friday afternoon, instead of Monday (That the Hindenburg story broke on Saturday night was purely a coincidence). There were some obvious signs of skittishness. Fourteen Bills were introduced, only three were passed. The Union government did not agree to discussions on the working of the Home Affairs Ministry and the Defence Ministry, even though 15 parties demanded that these two sensitive ministries get discussed.

Leader of the Opposition: For the first time in a decade, there was a Leader of the Opposition in Lok Sabha. The "Salary and Allowances of Leaders of Opposition in Parliament Act" of 1977 describes the Leader of Opposition as a member in either House who belongs to a party in Opposition with the "greatest numerical strength".

While the Act does not prescribe it, the convention followed (as prescribed by Lok Sabha Speaker GV Mavalankar in 1956) is that a party must secure at least 55 seats to nominate a member for the post. While the Congress had 52 MPs in the 17th Lok Sabha, this time with almost 100 MPs, the party officially laid claim to the position.

Constitutionally and psychologically, this really pumped up the INDIA alliance in the House of the People. Rahul Gandhi would have been happy with the runs he scored in his debut innings.

Opposition Firepower: Another leader,

also in his 50s, sitting in the front row was Akhilesh Yadav. The former chief minister and now MP from Kannauj was leading his team of 37 MPs — up 32 seats from the Samajwadi Party had in the 17th Lok Sabha. Also, turning on the heat was 36-year-old National General Secretary of the Trinamool Congress, Abhishek Banerjee. Trinamool, too, had upped their numbers. From 22 to 29, including 11 women MPs.

Rahul Gandhi's maiden speech as Leader of Opposition, with the theme of Shiva and non-violence, most certainly got under the skin of the BJP. Yadav was in his element, slamming the government on examination paper leaks. Speaking on the Budget, Banerjee's 45-minute speech and interaction with the Lok Sabha Speaker went viral for all the right reasons. Here was a three-time MP showing the Chair utmost respect and yet firmly making his point — why the objection to him speaking about demonetisation that happened eight years ago, when BJP MPs were allowed to talk about Pandit Nehru and the Emergency from decades ago?

Gandhi, Yadav and Banerjee, charged with 164 MPs between the trio, were a potent force on the floor of Lok Sabha. The three have contrasting styles of delivery, but were high on content and political nuance. A strong contingent of MPs from Tamil Nadu, Kerala, and members of the Maharashtra Vikas Aghadi also weighed in on issues of national importance.

From Bengal to Tamil Nadu, from Uttar Pradesh to Maharashtra, the Opposition was backed by the assuredness and guidance of popular or former chief ministers and by a genuine appeal among citizens tired of local BJP/NDA governments. The Opposition represented the pulse, energy and diversity of India. The government stood for Jaded Delhi power brokers and neo-Lyonsed fat cats.

BJP's New Parliamentary Team: Even though Narendra Modi decided to bring it out and not change portfolios of ministers handling key ministries, the ruling dispensation did opt for a comparatively new team to run Parliament. JP Nadda was appointed Leader of the House in Rajya Sabha, replacing Piyush Goyal who won his Lok Sabha seat. The seemingly more affable Kiren Rijju replaced Pralhad Joshi as the Minister of Parliamentary Affairs. First-time MP I. Murugan from Tamil Nadu was made the new Minister of State (MoS) for Parliamentary Affairs.

The Sonia Gandhi Effect: The five-term Lok Sabha MP was making her debut in the Council of States. She chose not to make her maiden speech in Rajya Sabha or to intervene in the 22 days when Parliament was in session. Even without switching the microphone on, her actions, demeanor and gestures invigorated the 26 Congress MPs. Her presence also had a great unifying effect on the INDIA parties. Josh!

The writer is MP and leader, All India Trinamool Congress Parliamentary Party (Rajya Sabha). Additional reporter by Aayashman Dey



ABHINAV PRAKASH

Framing the future

PM Modi's I-Day speech underwent transformations and vision going forward

ON THE OCCASION of Independence Day, Prime Minister Narendra Modi delivered a historic address from the Red Fort, outlining a clear vision for India's future rooted in the ideological core of the nationalist movement that inspired the country's freedom struggle. His speech emphasised the vision of a self-reliant India, reflecting the aspirations of a vibrant and modern Bharat.

Over the past decade, the BJP-led government under PM Modi has been a transformative force, challenging the political and economic structures inherited post-independence. The Prime Minister underscored how his government has shifted the governance mindset from one of people's reliance on the state to proactive government outreach, guaranteeing basic necessities for all citizens.

In India, access to state resources and benefits has historically been mediated through complex caste and political equations, with marginalised groups like Dalits often reliant on local dominant caste leaders or parties to receive government benefits. This dynamic created a politics of caste freedom and perpetuated a new form of feudalism within a democratic system. The inadequate provision of public goods such as healthcare and education further entrenched this system, as political leaders used their discretionary power to benefit specific communities and voters. This led to resentment and rivalry among different caste groups, fueling

By providing direct access to welfare schemes and public services, and through the public provision of private goods based on objective criteria enabled by technological innovations like Direct Benefit Transfer, PM Modi has disrupted this politics of unfreedom at the grassroots. This approach has empowered the poor, marginalised, and Dalit communities, lifting scores out of multidimensional poverty. More importantly, it has also strengthened democracy by restoring trust in the democratic process, enabling them to exercise their political choices without fear of losing access to welfare schemes. The government's focus on universalising entitlements has significantly undermined the old politics of caste and community, instilling a sense of confidence in the democratic system.

PM Modi also highlighted the impetus for economic and governance-related reforms. It is often overlooked that his tenure has seen the most far-reaching and extensive economic reforms ever undertaken in India, particularly the comprehensive measures announced after the Covid-19 lockdown, which were even more transformative than the 1991 reforms. Unlike the compulsions of 1991, these reforms were driven by conviction. Today, India's youth enjoys greater economic freedom. India enterprises operate with fewer restrictions from archaic laws, resulting in the Indian economy being a bright spot on the global map despite multiple global economic shocks.

young are more confident and ambitious, and no longer satisfied with incremental changes. This new-found confidence, rooted in belief in their abilities, civilisational ethos and future, is one of the most outstanding achievements of the Modi government since 2014. There is a visible attitudinal shift, with India now dreaming big, building big, and setting ambitious targets. The country has moved away from socialist delusions and towards respecting wealth creators, honouring job creators, and embracing a new vocabulary of IPOs, venture capital, and angel investors.

He also emphasised the infrastructural revolution underway in India, from metropolitan cities to remote border villages. The new generation of physical and digital infrastructure promises to transform the Indian economy and enhance the ease of living and opportunities, even in historically neglected regions like the Northeast. Today, India leads the world in public digital infrastructure, enabling financial inclusion, access to government services, education, and opportunities on a scale unmatched in history.

The speech was futuristic, focusing on emerging technologies and economic opportunities, including semiconductors, green jobs, the Green Hydrogen Mission, climate change, and environmental issues — critical areas that may not yield immediate political dividends but are essential for the country's future. His emphasis on Indian standards becoming international benchmarks and lever-

due for global markets sets the tone for the next decade, positioning India as a global industrial and manufacturing hub.

PM Modi highlighted the critical issues of the Uniform Civil Code and One Nation, One Election. For too long, discriminatory laws have persisted under the guise of "religious freedom", and it is time they were brought under democratic scrutiny. The vibrant democracy of India has also evolved into one revolving around frequent elections, which hampers governance regardless of the political party in power at the state or Centre. By advocating for ONCE, the PM has pushed for much-needed structural reform of the political process.

The speech invoked India's civilisational prowess, calling for a revival of the Nalanda spirit while also imagining India's future as a space-faring nation. His speech is deeply rooted in the nationalist ideology, which envisions an economically developed, socially just, and sovereign India. This ideology, combined with a deep commitment to building a modern India that preserves the best of its history, culture, and tradition while embracing progress, offers a vision for the future that is both inclusive and sustainable. Today, the Modi-led BJP stands as the torchbearer of this vision for India, whose call for the youth to enter politics will be transformative.

The writer is assistant professor at Ramjas College, Delhi University and national

LETTERS TO THE EDITOR

THE RIGHT CALL

THIS REFERS TO the editorial, 'Welcome step back' (IE, August 15). Before it is passed, the Broadcasting Services (Regulation) Bill should have been brought to the public platform for a transparent and open consultation for unifying both positive and negative elements of the Bill. A blanket regulatory move towards a broadcasting format would be unfair to up-and-coming talent on the internet as well as to users. The Bill, if it became a law, could pose a threat to the freedom of expression of Indians. Its withdrawal is a sensible step.

SS Paul, Noida

FOR REAL GROWTH

THIS REFERS TO the editorial, 'A nation of aspirants' (IE, August 15). In 2022, around 11.5 lakh candidates appeared for UPSC out of which only 933 cleared the exam, placing the odds of qualification 0.08 per cent. This is not a "merit" issue; it is a lottery being played out as a career. Kota Factory style "education" is merely churning out robots by the million. This is damaging for developing children and kinders their effort at building a life that allows them expression and real growth.

Swarnava Mitra, Kolkata

FREEDOM'S PROMISE

THIS REFERS TO the article, 'Our freedom, our Constitution' (IE, August 15).

BEYOND LIP SERVICE

THIS REFERS TO the editorial, 'Keep social peace' (IE, August 14). Muhammad Yunus is aware of the urgent need to restore peace in a country that otherwise threatens to slip into anarchy due to the ongoing violent retribution and persecution of minorities. His visit to the Dhakeshwari Temple and meeting with Hindu representatives should be seen in the same light. Mere appeals to stop vandalism is not enough. Assurances need to be followed with action, even though bringing to book the rioters might not be an easy task. The government must be seen as acting tough.

Sanjay Chopra, Mohali

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Vijal Pant, Hampur



THE EDITORIAL PAGE

WORDLY WISE

A GENUINE LEADER IS NOT A SEARCHER FOR CONSENSUS BUT A MOLDER OF CONSENSUS.

— MARTIN LUTHER KING, JR.

The Indian EXPRESS

FOUNDED BY
RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

The re-imagined nation

Anti-colonial nationalism, PM's opening gambit in I-Day speech, invoked diversity as basis of new nation



SANJAY SRIVASTAVA

THE MOST CRUCIAL task of a public speech that addresses the enormous and diffuse community we call "the nation," is a political one. It is not political in the way we think of the term as associated with party politics. It is political in as much as it is an act of the imagination. How we imagine the world — our relationships with those with whom we must coexist — is a deeply political act since it has consequences for the futures that become available to us. However, there are, to invoke an idea made famous by the historian Benedict Anderson, different ways of imagining the national community. One kind of politics of the nation's consists of the effort to present the nation's diversity as a set of contradictions that are harmful to the public good. Another is to speak of diversity as a contest of learning to get along with others. The latter view reflects the idea that it is neither necessary nor possible to obliterate diversity through treating it as a harmful contradiction.

The explicit aspect of the Prime Minister's speech on the 78th Independence Day may have been the idea of 'Viksit Bharat' (Developed India) by 2047 and the key imagined audience, the youth of the country, but the underlying tone reflected a particular understanding of how one deals with a complex past and present. Imagining national life as a series of contradictions that must be flattened in order to strive for a better economic future is not really a new political strategy. It is, however, one that itself contradicts the imagination of the possibilities of nationhood as a community of maximised public welfare. The Prime Minister began his speech with a reminder of the nationalist movement that overthrew colonial rule. It would be a tragic mistake — a contradiction — to forget that the moral underpinnings of anti-colonialism lay in challenging the view that the colonised deserved to be ruled because the contradictions within them do not allow for self-rule. Anti-colonial nationalism, the Prime Minister's opening gambit on August 15, gathered coherence through rejecting the

language of "contradictions" as a justification for governance. It invoked diversity as the basis of post-colonial nationalism.

The idea of reform — of governance, health systems, the financial system, the licence-permit system and much else — has formed an important aspect of the larger narrative through which the current regime seeks to differentiate itself from the earlier one. "Reform" as an economic as well as cultural agenda has been crucial to present earlier decades of governance as a cesspit of lethargy and stasis. Or, as the Prime Minister pointed out this Independence Day, we earlier lived in a time of "bota hal" ("that is just how things are") and "hamein mauka mila hai, mauj kar lo, jo hai usi se guzara kar lo" ("be happy and make do with what you have"). Under his watch, he went on to say, this way of thinking had changed.

Almost in the same breath, however, he also emphatically noted that "reforms are blueprints for growth, not just for debate clubs and intellectuals." Debate and discussion as obstacles in the path of achieving national welfare was, in the speech, the most striking way of imagining diversity of opinion as contradictions. In his speech, the Prime Minister seemed to imply that "reform" is stymied by "debate clubs" and their participants. And that there is a contradiction between the national interest and the questioning of how we might define it. The Prime Minister chose to open his speech by invoking the anti-colonial movement in order to dwell upon the "revolutionary" capacities of the Indian people. These, to extend the logic of the anti-colonial nationalism, lay in extending the possibilities of debate — how we should be governed as a nation — rather than imagining "debate" and "nationhood" as contradictions.

Imagining economic and social progress through the language of contradictions that must be resolved carries a further risk: How should we think of nationalism in an age of globalisation? The speech pointed to the fact that many Indian-origin persons now head global corporations and the prestige that this secures for the nation. And yet, there was the continuing refrain: "We don't need to depend on the world and are capable of being 'world leaders' across multiple domains." The logic of contradictions would lead us to ask whether we can simultaneously bask in the reflected glory of "global" CEOs — who must be skilful at operating in environments of great diversity — and also demand a homogeneity of perspectives at home.

Popular nationalism in the first few decades after Independence had a good grip on how a nation of such complexities is better viewed through the idea of diversity rather than contradiction. In the 1959 film *Didi*, a classroom full of students questions their teacher (Sunil Dutt) about his lessons. You had taught us, they sing, that India is a country characterised by a unique and unparalleled form of unity. But, they plaintively point out, everything seems so disjointed: People follow different religions, are divided into castes and have different ways of thinking. We can see nothing of what you have told us, the students sing. There is no falsity in what I have told you, the teacher responds in verse. If people living in the same nation don't speak the same language, this doesn't imply diversity or hostility. Difference, he then points out, is not the enemy of nationhood. It is unfortunate that we don't hear songs like these among the music that is played nowadays during the celebration of national days. If we did, perhaps those identified in the speech as nirashvadi tatvas (naysayers) and agents of anarchy might come to be seen, as in the Asha Bhosle and Mohammed Rafi song from *Didi*, as necessary elements of fruitful diversity — rather than harmful contradictions — in national life. That is a political imagination too.

The writer is British Academy Global Professor, Department of Anthropology and Sociology, SOAS University of London

SPEECH, AND LISTENING

PM's Independence Day address calls for debate, sensitivity, people's participation — and frames NDA's challenge

PRIME MINISTER Narendra Modi's 1-day speech, the first of his third term, "Viksit Bharat at 2047" was the stated goal as well as recurring motif. The world was India's stage, and it was up to Indians, especially its youth, impatient for the "chhallenge" or big leap into the future, to seize the golden hour and its "sambhavnayen" (possibilities), he said. Of course, this emphasis on India's unfulfilled "samarthya" or capability, is not new. It is part of an older framing of its government's achievements in terms of tapping into the people's ambitions and aspirations, as opposed to what he describes as preceding governments' status quoism and "chalta hai/hota hai" lassitude. And yet, there were some significant departures, too, in this 1-Day speech.

Between the lines, there was an acknowledgement that the NDA's third term is distinct from the two that preceded it; there was an admission, even if tentative, of the need for the coalition government formed on June 4 to listen, not just do. The "people" have written in, said the PM, on what a developed India at 100, looks like to them. For some, it will be the world's skill capital, a global manufacturing hub for others, and for still others, the country that has reversed delays in justice, or built capacities against natural disasters, or implemented governance reforms and built better cities. The PM marked an even bigger shift in his speech. It came when he spoke of the imperative for a Uniform Civil Code, alongside the other controversial idea of One Nation One Election. Again, the UCC is an older and longer BJP refrain. It was one of three "core" issues that, for long, the BJP government pushed on to the "backburner" when it was dependent on allies. It is the only one, after the building of Ram temple and abrogation of Article 370, to remain unimplemented after the BJP came back with a decisive majority in 2014. Now, when the electoral verdict of 2024 has again made the BJP dependent on its allies, PM Modi spoke of the UCC once more, and gave it the imprimatur of the Red Fort setting. But there were three crucial differences.

One, he spoke of the UCC not as the BJP's political-ideological commitment, but as a goal mentioned in the Constitution and underlined by the Supreme Court. Two, he called for a wider debate in the country. And three, he said the country needs a "secular" civil code, as opposed to the current "communal" code which is "discriminatory". That the PM felt the need to add the force of the Constitution and the Court to a BJP promise, and that he invited a participatory discussion on it, is significant. But what is most important is his use of the word "secular" — as a desired outcome. After all, the BJP so far has used "secular" as a label and accusation, a term of mockery and derision. This recasting of "secular", and the announcement at speech's end of his government's intent to draft 1 lakh young people with no family political connections into politics, to get "new ideas" in — were the most resonant parts of PM Modi's 1-Day speech. These are likely to echo, as they call for expansiveness in politics and inclusion in governance, the "samvednashreeta" (sensitivity)" he also referred to. That is his challenge the day after.

RUMBLES IN RAKHINE

Sway of Arakan Army in Myanmar, intensifying violence, are taking a high toll, are cause for concern

LOSE TO 200 civilians, most of them from Myanmar's marginalised Rohingya community, were killed earlier this week in an artillery and drone attack on the country's Rakhine province. The survivors have blamed the Arakan Army, the armed wing of the Rakhine Group, one of the main ethnic outfits resisting Myanmar's Tatmadaw regime, for the atrocity. The militant group has denied responsibility, offered condolences, and blamed the junta. However, by all accounts, the needle of suspicion of most observers points to the predominantly Buddhist Arakan Army. In the last six months, as the hold of the junta has weakened in large parts of Myanmar, the Arakan Army has replaced it in targeting the Rohingyas. The Rakhine outfit has, reportedly, torched entire villages, at least three in the past six months. The last attack happened while a Rohingya group was trying to cross over into Bangladesh.

In the past seven decades, ethnic armed groups have fought variously for independence, autonomy and federalism in Myanmar. In the country's latest spell under military rule, these groups have emerged as among the most serious challengers to the junta. The Arakan Army has been steadily carving out areas independent of the Tatmadaw. It claims to speak for the entire Rakhine region. However, unlike some other opponents of the military regime, it views federalism as a subterfuge for imposing the rule of the gun. In more than one way, it copies the practices of the Tatmadaw. For instance, like the military regime, the Arakan Army and its close ally, the Myanmar National Democratic Alliance (MNDAA), use a combination of force and incentives — the promise of citizenship, for instance — to recruit the Rohingyas. In April, some Rohingyas conscripts to the Myanmar Army reportedly burnt down the homes of Buddhist families. The incident provoked another attack on the predominantly Muslim villages, and again, the Arakan Army denied responsibility.

The latest spell of violence against the Rohingyas has triggered another wave of immigration of this beleaguered community to Bangladesh. Given the latest churn in India's eastern neighbourhood, New Delhi should keep a close watch on the developments in the Rakhine region. Both the Arakan Army and the MNDAA have close links with China. Especially worrying is the fact that large parts of the Kaladan Road Project, which aims to link Kolkata with Sittwe seaport in Rakhine Province and develop road and river links between Myanmar and Mizoram, are now under the Arakan Army's control. Delhi must keep all diplomatic options open to secure India's interests in this troubled region.

No 16

Never will India have a hockey player like Sreejesh. He opened a country's eyes to the unsung virtues of goalkeeping

SPORTING LEGENDS ARE not always made in academies, sometimes they are a conjunction of talent and fate. PR Sreejesh, one of the architects of Indian hockey's revival and the team's second straight Olympic bronze medal, traversed an unusual path to greatness. Before him, hockey barely struck a chord in football-mad Kerala. Sreejesh, from a family of farmers, himself had not played hockey until he joined a sports club. Even after a coach diverted him to hockey, he took up goalkeeping because he was too lazy to run laps around the ground in the morning.

Two and a half decades and 329 international games later, he has retired as one of the country's greatest hockey players. And in an ultimate hat-tip to the champion, the Indian hockey body also retired his jersey number. Never will India have a Sreejesh or No 16. Before him, India, like Brazilian football in their heyday, seldom bothered, let alone revered, its goalkeepers. The goal guards were eternally overshadowed by twinkling forwards and virtuoso midfielders, and recently powerful drag flickers. With his lightning reflexes and commanding composure, he opened the eyes of a country to the unsung virtues of goalkeeping. Often, as in the Paris 2024 quarterfinal against Great Britain, when India were down to 10 men, he was India's one-man rock of hope. He vindicated a nation's hopes in him.

Sreejesh in shootouts was a magnetic sight. Spreading his immense wingspan like an eagle, reducing the visible target area, reading his opponent's mindset — he was The Wall. He was a rare blend — physical yet cerebral, aggressive but not arrogant. He will be missed on the field, but he will also remain an important figure in Indian hockey, as he assumes charge of junior hockey, to share his vast experience and expertise with the younger generation.

A FINANCING CHALLENGE

Slowing deposit growth will have implications for bank lending, broader economy



SACHCHIDANAND SHUKLA

A RISING AND persistent gap between bank deposits and credit growth has led to the worst deposit crunch in two decades. The current and savings accounts (CASA) are banks' bread-and-butter sources of funding. These are typically very low cost and currently account for 41 per cent of total deposits as against 43 per cent last year. Many would say that this is not that alarming. So why is everyone worried?

Core deposits provide a stable source of funding to banks, shielding them from fluctuations in market rates. As the core deposit share funds a smaller portion of their assets, banks face increasing pressure on profits. And if at the same time, the maturities of bank assets increase, it raises banks' exposure to interest rate risks. In an environment of "higher for longer" policy rates and a potential rise in credit costs, there can be additional pressure on the profits and liquidity of the banking industry.

The negative effects of declining deposit growth can extend beyond the banking sector and spill over into the broader economy. As banks' liquidity risk increases, their ability or willingness to fund loan growth can decrease. As a result, at a time when banks are becoming more sensitive to credit risk and tightening underwriting standards and loan terms, deposit erosion can further impair the ability of some borrowers to obtain funds or can increase their cost of funding. As some borrowers have few alternatives to bank financing, constraints on banks' ability to fund profitable investments can adversely affect economic activity.

Multiple disruptive forces are reshaping

the foundational construct of the banking sector. Rising competition, technological advances and deregulation over the years have significantly upped the competitive pressures facing banks. The erstwhile "captive" household (HH) savers who for decades put up with negative real returns have now tasted blood. In the last 30 years, inflation averaged about 6.6 per cent in India even as savings bank deposits fetched 3-5 per cent, yielding negative returns when adjusted for inflation. Yet, savers faithfully parked almost half of their financial savings into bank deposits enabling high-interest margins (as high as 4-4.5 per cent for certain banks). But savers are now getting far superior returns from almost every other asset class. The trend could become structural and throw up several issues that need to be examined.

First, what will be the impact of declining deposits on loan growth? This is a chicken-and-egg question: Do banks seek new deposits because of strong underlying loan growth? Or do they seek opportunities to lend profitably because their deposit base goes up? Empirical evidence suggests that both are true.

Second, how widespread is the decline in deposit growth? All banks are facing funding pressures including the biggest public and private sector banks as evidenced by their management commentaries and financial results.

Third, is the erosion in deposits greater for smaller intermediaries? Since smaller entities have fewer alternatives to deposits, they typically fund a greater fraction of their assets through core and other deposits and rely less on external funds and other liabilities. The greater a bank's reliance on deposits, the more

it will have to hold liquid assets to meet unexpected surges in demand for funds by depositors. Hence, it will not be surprising if smaller players also tend to allocate a smaller fraction of their assets to loans than large banks. Fourth, will last-mile lending be constrained as a result of the decline in deposit growth? The deposit crunch could impact external credit flow via NBFCs, microfinance institutions and other smaller players as they primarily depend on the banks for funds. Such constraints could hurt consumption and investment activities.

Lastly, are all loan portfolios affected to the same degree by slower deposit growth? So far, the demand for funds is not yet broad-based. Retail demand has remained robust, and industry hasn't yet felt the need to join the fray in a big way due to comfortable profitability and healthy debt-to-equity ratios. However, if and when demand from industry moves beyond working capital or short-term needs, the deposit crunch could hurt portfolio economic activity.

Things could change — equity markets could cool off and relative returns may turn acceptance of the resignation was not communicated to him from New Delhi. He said he would file the nomination papers for election to the Rajya Sabha from Bihar in the seat vacated by Bhupendra Narayan Singh, who was appointed Governor of Assam.

Several towns. The Akalis observed a black day. Some Sikh teachers of Panjab University went to the Independence day celebrations in black turbans and dupattas.

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AKALI DAL PROTEST
TERRORISTS SET FIRE to seven school buildings in Jalandhar district coinciding with the protest call given by the Akali Dal against Army operation. There were reports of the appearance of Khalistan posters in some places and Khalistan flags being hoisted in

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AUGUST 16, 1984, FORTY YEARS AGO

ARSON IN SRI LANKA

SRI LANKAN SOLDIERS were responsible for the burning of 123 shops in Mannar town, the Transport Minister M H Marmar told the Cabinet. Cabinet spokesman Anandattisa de Alwis said that residents who were their property during the rampage would receive up to Rs 50,000 in compensation.

PM ON I-DAY

THE PRIME MINISTER, Mrs Indira Gandhi, expressed grave concern over the attacks on Tamils in Sri Lanka, and extended her "full and heartfelt sympathy" to them. She de-

clared that India was keeping close watch on the developments in the island. In her rather off-colour Independence Day address to the nation from the ramps of the Red Fort, the PM pointed out that continued violence in the island had caused further deterioration in the situation in India's neighbourhood.

AKALI DAL PROTEST

TERRORISTS SET FIRE to seven school buildings in Jalandhar district coinciding with the protest call given by the Akali Dal against Army operation. There were reports of the appearance of Khalistan posters in some places and Khalistan flags being hoisted in





MY VIEW | STATISTICALLY SPEAKING

MINT CURATOR

A lenient capital gains tax regime distorts our financial incentives

Relatively well-off taxpayers mustn't grudge indexation removal as they've had a privilege that regular income earners don't



T.C.A. ANANT is a visiting professor at Institute for Studies in Industrial Development and former chief statistician of India.

The recent budget presented by the finance minister saw a spurt of adverse commentary on the proposals relating to capital gains transactions, particularly with reference to the removal of indexation benefits. In response, the government partially restored the benefits to a segment of taxpayers. However, as the FM has promised re-visiting and simplifying the entire structure of direct taxes, it is worth taking a closer look at these issues.

Indexation in capital gains was first introduced in the 1992-93 Budget, when the FM then had stated, "The present tax treatment of long-term capital gains has been criticized on the grounds that the deduction allowed in computing capital gains is not related to the period of time for which the asset has been held. It does not take into account the inflation that may have occurred over time. The Chelliah Committee has suggested a system of indexation to take care of the problem, and I propose to accept its recommendation."

Based on this, the Income Tax Department started producing a cost inflation index which has been used to compute long-term capital gains (LTCG). The only substantial change which occurred was in 2017, when the base year for calculating this index was changed from 1981 to 2001. As per the Finance Bill of 1992, "Cost Inflation Index for any year means such index as the Central Government may, having regard to seventy-five per cent of average rise in the Consumer Price Index for urban non-manual employees for that year, by notification in the Official Gazette, specify in this behalf." The Central Statistical Office (CSO) used to produce the consumer price index (CPI) for urban non-manual employees till 2010, after which it was replaced by CPI Urban.

Another factor that must be kept in mind is that in 2004, the budget removed the taxation of LTCG on equity, and instead introduced the securities transactions tax. In 2018, LTCG taxation on equity was reintroduced, but without indexation benefits. Thus, the recent removal of indexation was primarily focused on capital gains arising from non-equity assets.

The accompanying graph shows the cost inflation index in comparison with both CPI-W and CPI-Urban in the series of CPI-Urban actually contains CPI-Urban Non-Manual Employees till 2010, after which CPI-Urban was produced by the CSO. It is clear from the graph that from 2001 onwards, the principle of having the inflation index capture only 75% of the average rise in CPI inflation is (in the words of Shakespeare) a practice "more honour'd in the breach than the observance." In this context, note that the Chelliah Committee had observed, "The logic of limiting indexation to 75% of the CPI is that the tax schedule applicable to



Overcompensation for inflation

The indexation benefit being limited to three-fourths of actual inflation was only honoured in the breach.



other incomes will not be automatically indexed to inflation." Thus, capital gains were additionally privileged over all other sources of income.

This is particularly egregious when we note that only 5% of returns filed had any LTCG to report in 2022-23 (a similar proportion reported short-term capital gains). Though the statistics do not disaggregate capital gains from various sources, it is likely that the bulk of these are on account of gains from equity transactions. Thus, policy is being influenced by a tiny community of relatively high income tax payers.

The issue of high income is important because the inflation index already overstates the inflation experience of high income households. This is because CPI Urban has a 36.3% share for expenditure on food and beverages (based on the 2011-12 National Sample Survey). As I show in another article, this would now be 34% as per the 2022-23 Household Consumption Expenditure Survey.

Using this data, it is possible to further compute the inflation experience of different consumption fractiles, and doing so shows that the share of expenditure on food and beverages for the top 10% of expenditure classes would actually be as low as 27-29% of their outgo. It is this top 10% who are likely to be the ones generating the bulk of non-equity capital gains in the first place.

Highlighting the changing share of food expenditure is important because a significant part of India's headline inflation measure is on account of food inflation. Since the impact of food inflation on this class is relatively small, investors have been given yet another source of privilege.

Much of the argument on social media has been that the gain in asset prices is small and therefore the removal of indexation benefits is an unjust imposition. This seems particularly duplicitous because indexation should have been related to inflation experienced by investing classes, rather than riding on the higher inflation experience of much poorer sections of society.

Inflation affects all classes of taxpayers with various sources of income. This is on account of both "bracket creep" (as inflation leads to a rise in nominal income and puts taxpayers in higher tax slabs) and non-indexation of the deductions available. Privileging one category of income leads to the distortion of incentives and diversion of resources towards privileged earning sources. An ideal direct tax system would eliminate such distortions.

Further, taxpayers in general come from higher-expenditure classes in our society. Any index reflecting average behaviour overstates their inflation experience. Thus, any form of inflation indexing should ideally be based on their inflation experience (and less than that of the average). It is important to note that the principles enunciated in the Chelliah Committee report on tax reform continue to be valid, and should be revisited keeping in mind the need for equitable treatment of different income sources. An opportunity for this exists because of the FM's commitment to revisit and simplify the overall direct tax experience.

Green power has been losing its battle to clean up hydrogen

Hydrogen production is proving difficult to decarbonize cheaply



DAVID FICKLING is a Bloomberg Opinion columnist covering climate change and energy.



The promise of emission-free hydrogen is yet to be fulfilled

In the race to clean up industry, clean energy is slipping behind fossil fuels. That's because we've pinned hopes on the prospects of hydrogen. In theory, the universe's most abundant element could be a sort of climate skeleton key, unlocking zero-emissions ways of producing fertilizer, steel, petrochemicals and cement. Such a shift would be profound. About a quarter of the world's carbon pollution comes not from power stations or vehicles, but out of industrial smokestacks. If one process could decarbonize all those industries, we would have discovered a technology as transformational as solar power, wind farms and electric vehicles.

It's not going to work with hydrogen as we know it. At present, less than one tonne in every 1,000 tonnes that we use is 'green hydrogen', produced by splitting water into hydrogen and oxygen with electricity. The vast majority is 'grey hydrogen' made from natural gas, oil or coal, pumping out huge volumes of carbon in the process. The optimistic view has been that the cost of water-splitting electrolyzers, and the clean energy required to power them, will decline as rapidly as we've seen with other green technologies. But the reverse seems to be happening—and in the absence of action, dirtier variants are gaining ground.

First, look at what's happened with costs. The high inflation and interest rates of the past few years have been challenging for plenty of clean technologies—but wind, solar, batteries and EVs have reached a sufficient scale that they've been able to eke out efficiency gains and keep prices down. That's not the case with green hydrogen. Far from falling from levels of around \$3 per kg to the US government's target of \$1 per kg—a price at which it might be able to undercut natural gas—costs in the US have increased to nearly \$5 per kg, according to a study last year by the Hydrogen Council and McKinsey. Even the generous Incentives for the US Inflation Reduction Act aren't sufficient to make that competitive.

We've seen a similar picture in the EU. Brussels has attempted to set up a Hydrogen Bank to build a green H2 supply chain—but the first auction for the facility in April resulted in winning bids of \$6.34 per kg at their lowest. We saw a similar result in an auction for ammonia last month by the H2 Global Foundation in Germany. The cheapest tender was more than double the price of ammonia made from fossil fuels.

Big Oil hasn't been sitting still either. An alternative way of reducing H2's climate footprint is to capture carbon dioxide and pump it into depleted oil wells to drive

more crude to the surface. 'Blue hydrogen' only reduces grey H2's emissions by 60-70%, but is still potentially attractive to consumers who want something cleaner than grey without the cost of green.

It also appeals to the oil industry, which has far more money at present to splash on R&D than cash-hungry green H2 startups. Engineering work is done and site preparation is already underway for Aramco's first carbon-capture project, CEO Amin Nasser told an investor call last week, and the company is expecting to receive bids from Japanese and Korean buyers within months. BP is in the final stage of planning for a blue hydrogen hub in northeast England, while Shell has issued contracts to engineers for a project in Oman.

At present, blue H2 looks to be taking the lead. More than half of green H2 expected to be in operation by 2030 is in the earliest stage of development, according to BloombergNEF, so could easily get cancelled. About half of the blue supply has been approved to start construction, compared to 15% of the green projects.

Blue is better than grey, to be sure—but the green variety at present looks like it's barely going to scratch the surface of existing demand, let alone fulfill its promise of decarbonizing a swathe of additional sectors.

Fixing that won't be easy. Existing government policies have focused on subsidies for producers, rather than mandating that major consumers use it—the reverse of the demand-side support that helped kick off the renewables boom of the 2000s. Trade tensions may also be making project developers reluctant to buy Chinese-made electrolyzers, which can be three-quarters cheaper than locally made versions—a potentially huge cost advantage that's being neglected. Interest rates need to reset at lower levels to bring finance costs down. Above all, wavering official support for clean power means investors are unlikely to make a wager on such a high-risk, early stage technology.

That's a daunting series of chicken-egg problems, but one that we solved with solar power, wind, lithium batteries and EVs. There's no reason the same trick can't be applied to green hydrogen. If political will is lacking, Big Oil is standing ready to move in and clean up.

THEIR VIEW

Car ownership has plenty to reveal about the economy

VIDYA MAHAMBARE & VIVEK JADHAV



are, respectively, professor of economics and director (research) at Great Lakes Institute of Management, and assistant professor of economics, Institute of Management Technology, Ghaziabad.

No consumer durable purchase is a more powerful marker of upward mobility than car ownership. Air conditioners, washing machines, etc, tend to be utility purchases. The car one owns, in contrast, is not just far more publicly visible, it is a status symbol in India. Cars cost much more than other durables and they are seen as indicators of prosperity.

In the absence of credible data on household income levels in India, especially among the well-off, patterns of car ownership (which also includes jeeps and vans) offer clues of relative earnings and wealth. It can also be used to understand differences in income levels among people working in different sectors of the economy, and across major Indian states.

In 2022-23, 6.7% of Indian households owned one or more cars, according to our estimates based on data from the Household Consumption Expenditure Survey. 3.7% of rural households owned a car, while urban car ownership was 13.2%. The survey does not ask the number of cars owned. Among

agricultural households, whose earnings are mainly from farming and other primary-sector sources, only 3.3% had cars. For those earning most of their livelihood from the industrial sector (including manufacturing and construction), the figure was 6.2%, and for households receiving most of their income from services, it was nearly 9%, the most among the three broad sectors.

According to the same survey, 35.5% of Indian households were agricultural and around 1% industrial, while 53.5% were service households. Also, 72% of all car owners were service households, well above the sector's share in total employment.

In general, this pattern suggests higher income levels in services than in the rest of the economy. Note that higher pay scales also allow people to take car loans to fund their purchases. There is one caveat, though. The survey does not allow us to segregate cars purchased in people's individual capacity but used for business purposes, such as cabs, services, or vice-versa (cars purchased on business accounts but for personal use).

Among India's major states, a higher proportion of service households own a car than industrial households, except in Odisha, Kerala, by far, is the leader, with around 27% of service households owning a car. Gujarat,

Haryana, Punjab and Maharashtra follow. In Karnataka, only 1% of service households have a car, which suggests a low share of infotech and IT-related services jobs in the state's overall pie of service employment and also greater income inequality.

There is higher variability in car ownership among agricultural households across states. A much lower proportion of agricultural households own a car than industrial households, except in Punjab and Haryana.

Punjab is also the only major state where a larger proportion of agriculture households own a car than service households. Every fourth agriculture household owns a car in Punjab, while it is less than one in seven among service households. In Kerala, every fifth agricultural household has a car. In addition to prosperous farming sectors, these states have higher remittance inflows, which may aid in the purchase of cars. If farming households own cars, their earnings even on an indi-

vidual basis are likely to be above the minimum personal income tax threshold. Farm income, though, is currently exempt from this tax. Rich farmers also benefit from a variety of agricultural subsidies and have access to minimum support prices that prop their income. India should sort out issues of the determination and reporting of farm costs, gross revenues and the net income of farmers, so that the rich among them can be taxed.

Car ownership data could also explain likely youth job preferences. In India, gross enrolment in higher education among 18-23-year-olds was 28.4% in 2021-22. The government's education policy aims to increase it to 50% by 2035. In the states like Tamil Nadu, it is already near that level. In comparison, only 39% of 18-24-year-olds in the US were enrolled in college or graduate school in 2022. All those who enrol in higher education do not complete it. In 2021, about 62% of students in India completed a bachelor's degree within six

years. But once young adults acquire higher education, regardless of its quality, working in the services sector is their natural choice. People are drawn to service jobs because they tend to offer better pay and more opportunities for advancement. Equally importantly, employment in services allows people to engage in physically less strenuous work. It is also easier to switch employers in this sector.

India faces an urgent challenge of creating good-quality service jobs on one hand and raising the average quality of higher education on the other. As an increasing supply of graduates and other highly educated young people crowd into India's labour market, the average returns on higher education may fall further in the face of excess supply. Technological advancements such as artificial intelligence (AI) and automation would also make many of today's service jobs, including those in the infotech sector, redundant.

Coming back to cars, an increase in their ownership rate as we go along will depend on how the income growth of Indian households compares with changes in car prices and other household expenses. The rate at which car ownership increases in India has implications for traffic congestion in cities and the adequacy of road infrastructure. We should keep track of these trends.

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OUR VIEW



India's rise will depend on how safe women feel

The safety of women at work is a matter of justice as much as a must in our quest for a more productive workforce and sustainable growth. We need to transform our societal attitudes

Candlelight vigils, rallies and protests took place in cities across the country on Wednesday night as people came out against the brutal rape and murder of a trainee doctor at Kolkata's RG Kar Medical College. Doctors are pushing for a healthcare workers' safety bill, meeting ministers and policymakers. Last week's crime has shaken people to the core, yet sexual violence is a constant worry in any woman's life anywhere in the world. Women have to be hyper-vigilant while walking on the street, waiting for a bus, shopping in a marketplace or going to work. In such a situation, it's not crime itself that deters women from going out to work. It's the threat of sexual violence.

Fertility rates are dropping and education attainment has improved, yet India's female labour-force participation remains among the lowest in the world—a puzzle the country is constantly trying to solve. Policymakers tend to focus on caregiving and child-rearing as the reason, but rarely do they see high rates of crime against women as a contributory factor. In their 2021 paper, 'Women, Violence and Work: Threat of Sexual Violence and Women's Decision to Work,' Tanika Chakraborty and Nafisa Lohawala make the case that women's fear of violence is a reason for low female participation: "For every additional crime per 1,000 women in a district, roughly 32 women are deterred from joining the workforce." Around the world, studies have shown that sexual violence curtails the movement of women and they often alter their lifestyle choices to stay safe. India's demographic dividend will not last forever and our goal of raising per-capita output requires us to tackle our workforce gender

skew. If it persists, we will be less productive overall. Safety in the workplace, irrespective of profession, is thus not just a matter of justice; it is also a must for sustainable economic growth.

Some administrations have tried to address these problems with special or free public transport facilities for women and stronger laws against gender violence, but this isn't enough if society at large believes a woman's place is in the home. We also need to reform the vocabulary used to discuss women in public roles—they are routinely referred to as 'sister,' 'daughter,' 'mother,' and more recently, as a separate 'caste.' Such language perpetuates the notion that women can only be viewed in relation to men and detracts from their individuality. While there has been a shift towards valuing educated women, this tolerance does not always extend to accepting that wives, daughters and mothers can choose to work outside the home. We 'allow' women to get educational degrees, but then control and curtail the way they use their qualifications. Often, the shadow of violence is used by families to deter women from seeking paid employment. Should such perceived threats remain a deterrent to women keen on non-household jobs, over time, we could find ourselves back where we started. Without earnings that at least defray the cost of women's education, families lose the incentive to invest in it. Deprived of financial independence, women have less bargaining power within households, which deprives them of inclusion in decision-making and leaves them more susceptible to domestic violence. Families are trying to raise independent women, but male attitudes have not changed sufficiently to keep pace with social changes—which puts us all in a dangerous position indeed.

GUEST VIEW

Artificial intelligence can play a big role as an economic catalyst

It's more than just another technological breakthrough as it could catalyse growth like nothing else



SINDHU GANGADHARAN
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As the world's largest democracy, India navigates a complex landscape of diverse cultures and socioeconomic challenges. In this ever-evolving environment, artificial intelligence (AI) has emerged as more than just a technological breakthrough; it is a catalyst reshaping India's trajectory.

Generative AI (GenAI) is poised to significantly impact India's economy. Projections suggest it could add a cumulative \$1.2-1.5 trillion to our GDP over the next seven years. Given India's strength as a tech-services provider, GenAI alone could contribute about \$80 billion a year to the economy.

India boasts high levels of AI-skill penetration, with three times more AI-skilled talent than all other countries. Over the past seven years, India has seen a 14-fold increase in individuals skilled in AI. Despite this robust talent pipeline, we must continue to prioritize skill development across multiple technologies to fully realize our Deep-Tech potential.

The demand for AI talent in India is expected to grow by approximately 15% by 2027, while the market itself is projected to expand by 25-35%. This gap represents a discrepancy that highlights an urgent need to upskill existing talent and break the traditional linear growth model tied to revenue and full-time equivalents.

Currently, skills in machine learning,

Python and SQL dominate the AI landscape, with growing importance being placed on GitHub, PyTorch and DataBricks. Notably, GenAI patent families in India are heavily concentrated in applications related to networks and smart cities, indicating a strategic focus on urban infrastructure and connectivity advancements. This underscores our proactive approach to leveraging GenAI to tackle societal and technological challenges, particularly in enhancing urban environments.

Recognizing the importance of research and development (R&D) within the AI ecosystem, the Indian government has announced the establishment of three Centres of Excellence (CoEs) in AI at key educational institutions, with an allocation of ₹2,550 crore (about \$30.5 million) in the Union budget for 2024-25. These CoEs aim to position India prominently on the global AI stage through foundational and multidisciplinary research and the development of core AI technologies.

Similarly, the National AI Mission aims to build and support our AI ecosystem through a combination of public expenditure and supportive policies. These include budgetary allocations, enhancing institutional capacity and fostering R&D. A primary objective is to establish indigenous computing infra-

structure, which the government is attempting to address through the National Supercomputing Mission, which is focused on creating high-performance computing capabilities. Additionally, the country's National Semiconductor Mission seeks to develop domestic expertise in hardware components to drive large-scale innovation in the field of AI.

The government's strategy for AI computing infrastructure mirrors the approach it has taken for the semiconductor mission, incentivizing private sector involvement while enhancing public sector capabilities through the Centre for Development of Advanced Computing (C-DAC). The transformative potential of quantum computers in accelerating AI development suggests that the National Quantum Mission could create future synergies with the AI Mission.

On the regulatory front, the government is expected to take a balanced approach to AI, as seen in its recent technology laws, such as the new law on data protection. Building an AI ecosystem in India requires addressing unique challenges, including regional and linguistic diversity and sector-specific needs. The development and expansion of this ecosystem will depend on how successfully the government, institutions and firms are able to collaborate.

India's AI market value is projected by Nasscom to reach \$17 billion by 2027. Meanwhile, India is already recognized as the world's fastest-growing major economy and it remains resilient amid global challenges. Envisioned to become the world's third-largest by 2027, with aspirations of expanding to \$25 trillion in the future, the country's journey will be intertwined with the adoption of GenAI.

As India gears up to become one of the largest markets in the world, AI applications hold immense potential to enhance enterprise growth and productivity, paving the way for transformative change.

QUICK READ

Generative AI could add more than \$1 trillion cumulatively to India's economy over the next seven years as government and private-sector initiatives work towards fulfilling its promise.

India has an immense pool of AI-skilled talent but we must continue focusing on developing skills across diverse technologies to enable the full realization of our DeepTech potential.

10 YEARS AGO



JUST A THOUGHT

It's odd that men feel they must protect women, since for the most part they must be protected from men.

ABIGAIL SCOTT DUNIWAY

MY VIEW | TECH WHISPERS

The hullabaloo over who is making money from GenAI

JASPREET BINDRA



is a technology expert, author of 'The Tech Whisperer', and a Masters in AI and Ethics from Cambridge University.

There has been a lot of hullabaloo lately around a 'GenAI bubble' that's said to be deflating, primarily evoked by the plummeting valuations of its bellwethers: Nvidia, Microsoft and other Big Tech firms riding the artificial intelligence (AI) tiger. Shares of Intel plunged a vertiginous 25%, Microsoft and Google both dipped on their seemingly stellar earnings reports, and even the mighty Nvidia lost hundreds of billions of dollars from the dizzying high of its \$3.2 trillion valuation. Investors got unnerved when companies like Microsoft and Google each committed to spending upwards of \$50 billion every year, with a disproportionate amount earmarked for data centres and the cloud infrastructure that underpins AI. The fact that they could not present any immediate outlook of returns spooked investors, leading to a mini market crash globally.

Beyond the investor community, it led people to ask who was really making money

neering term here: let us look at the Generative AI 'stack,' or the layers that make up this technology.

The lowest layer of the stack (let's call it Layer 0) is formed by AI infrastructure. Infra providers include companies like Nvidia and AMD, which make the powerful graphics processing units (GPUs), which in turn make the Large Language Models (LLMs) of GenAI work. It also has companies like TSMC, which build semiconductor chips that go into GPUs, and ASML, a maker of space-age machines that make these chips.

This layer can be seen as the shovel for the AI gold rush, and it has made the most amount of money so far. Nvidia's earnings have grown at an eye-popping rate every quarter, and TSMC and ASML have not only assumed geopolitical significance, but also made gods of money.

The Layer 2 above the infrastructural base is the model layer, the one grabbing all the eyeballs right now. This comprises OpenAI, Anthropic, Google, Meta and others, companies which make the LLMs that seem to do magical things for us—ChatGPT, Claude, Llama, Gemini, etc. If the infra layer spouts out money, the model layer consumes most

Tech businesses to spend billions and smaller startups like OpenAI to ally themselves with large companies like Microsoft so that they can get the funds required to build these models. This layer is the one worrying investors, but also what is arguably building the future.

Layer 3 above those models comprises development platforms, which are used by developers to build applications on top of LLMs. Usually nestled in large clouds like Azure and AWS, this is the investment that Big Tech firms make to get applications built on top of them.

Layer 4 is the application layer. This is where innovation abounds, with startups and big companies building their own focused GenAI apps on top of powerful LLMs created by companies like Meta and OpenAI. These are vertical apps, such as the GenAI search app Perplexity, advertising ad Copy.ai, presentation

The money required to create these is a trifle in comparison, which has resulted in hundreds of innovative AI apps being built. But they have no safety moat, as the intellectual property mostly belongs to LLM providers, and the LLM-maker could create such apps of its own too. The only competitive advantage in the Layer 4 market is how good your interface is and how well you attract prospective users. This layer is the future of GenAI, but currently consumes and makes little money.

Most GenAI stacks also have a cloud layer,

which runs across the stack. Clouds are owned by hyper-scalars—AWS by Amazon, Azure by Microsoft and Google Cloud—which subsume many of the above layers. The GPUs, LLMs, development platforms and applications power and run on this ubiquitous cloud, and this is what is responsible for the lip-smacking earnings of Big Tech players. These are

\$13 billion in OpenAI, for instance, but all GPTs run exclusively on the Azure cloud, so Microsoft makes money irrespective of whether a customer buys GenAI from OpenAI or Microsoft.

There are two layers, however, which no stack I have seen talks about. There is a layer below the infra layer, call it Layer 0, and this is the real infrastructure that powers GenAI. This has electricity generators, water providers and data centre constructors. The electricity needed to power data-centre behemoths will soon be more than what a Germany or Japan consumes, and the large utilities that make up this layer are raking money in too.

Finally, there is a layer right at the top, Layer 5, of consulting and knowledge firms, which have jumped on the GenAI bandwagon to buff up their own earnings. BCG estimates a fifth of its revenues come from GenAI-related work (or about \$2.5 billion) and Accenture claims to have booked \$2 billion of GenAI revenue. As large corporations retool and redesign their workflows and organizations, this layer will grow.

Whether GenAI is making money or not, therefore, doesn't have a binary yes-or-no

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PAPER WITH PASSION

Clarion call for Viksit Bharat

Prime Minister Modi unfurls the national flag for the 11th time; shares his vision for 'Viksit Bharat' by 2047

On the 78th anniversary of India's independence, Prime Minister Narendra Modi unfurled the national flag at the Red Fort for the 11th consecutive time. In an august ceremony, Modi highlighted the path towards a 'Viksit Bharat' (Developed India) by 2047, calling for unity, resilience, and dedication. Prime Minister Modi paid rich tribute to the countless freedom fighters and also reflected on the nation's achievements. Modi's speech set the tone for India's future, building on both the challenges faced and the milestones achieved under his government. In his speech, Modi emphasized India's potential to become a developed nation by 2047, exactly 100 years after gaining independence. "Today, we are 140 crore people, and if we resolve to move in one direction, we can achieve a developed India by overcoming all obstacles," he said. In his speech PM Modi acknowledged the growing concerns surrounding natural disasters, which have affected multiple regions across India. From devastating landslides in Kerala to the widespread flooding in Himachal Pradesh, Uttarakhand, and Delhi, the Prime Minister expressed his sympathies for the lives lost and the homes destroyed. India's rapid advancements in banking, space, and women empowerment featured prominently in Modi's address.



PM Modi highlighted reforms aimed at boosting the economy and supporting farmers, the middle class, and startups. Hailing the space achievements of the country Modi said that there was a rise in space startups and a keen interest in scientific temper after India's moon odyssey. PM Modi said he was proud

of women's empowerment, with over 10 crore women joining self-help groups across the country. He compared the success of women entrepreneurs to that of India's global CEOs and announced that additional funds would be allocated to support these groups. Looking back at a decade of infrastructure development, Modi detailed the government's accomplishments in housing, stating that 4 crore homes had been constructed, with 3 crore more on the way. His government's focus on the 'ease of living' has been a cornerstone of its policies, aimed at improving the quality of life for India's citizens. Modi further stressed the need for ongoing reforms, particularly in the agricultural sector, where natural farming practices are being promoted. Overall it was a balanced and positive speech with an emphasis on development. As customary, the PM also enumerated his government's achievements albeit with little exaggeration. As PM Modi's 11th Independence Day speech ended, it was clear that his vision for India was rooted in development, unity, and resilience. With the goal of a 'Viksit Bharat' by 2047, the Prime Minister called on every Indian to join in shaping the nation's future, overcoming challenges, and taking pride in its achievements.



BSF personnel offer sweets to each other on the Independence Day at Wagah Border, in Amritsar. PTI

Sustainable real estate: A catalyst for economic growth

With growing investments in sustainable projects, India's real estate industry is poised to become a leader in global sustainability efforts

Sustainable real estate development focuses on creating environmentally friendly, socially responsible, and economically viable buildings and communities. India's real estate sector contributes significantly to energy consumption and greenhouse gas emissions, making it a critical area for innovation. New technologies and materials, such as bamboo, recycled wood, and eco-friendly cement, are being used to reduce construction's environmental impact. Smart home technologies are also being integrated into developments to help residents manage energy consumption and waste.

The Indian Green Building Council reports that the built environment contributes nearly 40% of global carbon emissions. Sustainable buildings in India can result in significant energy, water, and maintenance cost savings, increasing developers' profitability. Benefits of adopting a sustainability approach. Sustainable real estate development in India offers numerous benefits that can positively impact the economy, environment, and society.

resources, improved air and water quality, and social benefits. Economic benefits include reduced operating costs due to the use of less energy, water, and other resources. Green buildings have higher resale and rental values due to better indoor air quality, natural light, and thermal comfort. Government incentives, such as tax credits and rebates, can help developers reduce construction costs and boost profits. On the other hand, reduced carbon emissions, conservation of natural

exemplified by policies like GRIHA, promotes eco-friendly construction practices. While sustainable buildings in Tier 1 cities are limited, a number of sustainable buildings in India is increasing, making them cheaper to run and creating a better working environment. Endowed with immeasurable natural beauties, Goa is emerging as a centre-stage of green projects, attracting investors and end consumers from all parts of the country. Goa, India's west coast, is attracting real estate investors due to its stunning beaches, rich cultural heritage, and growing infrastructure. India's sustainable real estate development sector is expected to experience exponential growth. This growth is attributed to the growing awareness and demand for sustainable living spaces. India's real estate industry has the potential to lead in sustainable development practices, thanks to government initiatives and increased awareness among developers and investors.

Give peace a chance: The ultimate imperative



As wars escalate, the peace becomes ever more elusive. The memory of numerous wars in the past urge us to reject the cycle of violence and hatred

Hiroshima and Nagasaki, both bombed in August 1945, should have been the ultimate wake-up call for the global community. Between 150,000 and 246,000 people, mostly civilians, were killed in these two attacks. This dark chapter of history should have taught us the importance of peace, the consequences of war, and the need to abandon violence. However, as we look around the world today, it is clear that the lessons from Hiroshima have not been internalized by everyone. Ongoing conflicts, genocides, and the development of deadlier weapons point to a world that still grapples with the same issues of violence, cruelty, and disregard for human life.

In recent years, the world has witnessed violence in regions such as Gaza, Cambodia, Bosnia, Rwanda, Congo, Iraq, Syria, Yemen, and Bangladesh. The recurring bloodshed underscores a disturbing pattern: political, ethnic, and religious tensions continue to ignite conflicts that tear societies apart. The situation in Gaza is a prime example, with the Israeli-Palestinian conflict seemingly unending, causing immense suffering to civilians. In Cambodia, the haunting memories of the Khmer Rouge regime, which resulted in the deaths of nearly a quarter of the population, still resonate, revealing the extreme brutality that ideological fanaticism can unleash. A genocide during the Yugoslav Wars and Rwanda's massacre of nearly a million people highlight what happens when ethnic hatred spirals out of control. In the Congo, conflict over natural resources fuels ongoing violence, displacing and killing countless individuals. The Middle East remains another flashpoint, where wars in Iraq, Syria, and Yemen have led to enormous loss of life and the displacement of millions, creating a refugee crisis that stretches across the globe. These wars are not only killing people but are also tearing apart communities and families, leaving generations scarred by the horrors of war. One can hardly overlook the harrowing effects these conflicts



have on innocent civilians, particularly women and children. Women are frequently subjected to rape, torture, and trafficking in conflict zones. Children grow up surrounded by violence, with limited access to education, food, clean water, and healthcare. Infrastructure, when destroyed, further hampers humanitarian aid efforts, worsening the already dire situations in these regions. In 1946, shortly after the bombing of Hiroshima, Mahatma Gandhi expressed his condemnation of the use of atomic weapons. Writing in 'Harijan', he called the bomb "the most diabolical use of science" and reaffirmed his belief in nonviolence. To Gandhi, the atomic bomb symbolized not just the destruction of a city, but a moral failure of humankind. His words continue to hold relevance today, as he pointed out that violence cannot be countered with more violence. Nonviolence, he argued, was the only viable path to peace, the only thing that the bomb could not destroy. Without adopting nonviolence, he warned, humanity would be on a path to suicide. This warning feels more relevant than ever in today's world. As the Israeli-Palestinian conflict persists, the ongoing vio-



THE ONGOING VIOLENCE IN GAZA ILLUSTRATES THE DANGEROUS CYCLE OF HATRED THAT SEEMS UNBREAKABLE. YET, DESPITE THE ESCALATING NATURE OF CONFLICTS WORLDWIDE, THE PURSUIT OF PEACE REMAINS ESSENTIAL

lence in Gaza illustrates the dangerous cycle of hatred that seems unbreakable. Yet, despite the escalating nature of conflicts worldwide, the pursuit of peace remains essential. Achieving peace may seem like a distant goal, but it is one that is necessary for the survival of humanity. The horrors of Hiroshima and Nagasaki must serve as constant reminders of the devastating potential of human conflict and the urgency of finding peaceful solutions to disputes. But what does it mean to pursue peace in today's world? For one, it requires a commitment to diplomatic efforts that address the underlying causes of conflict. Governments and international organizations must work together to create spaces for dialogue and negotiation. International institutions, like the United Nations, have a crucial role to play, but they must go beyond making declarations in air-conditioned conference rooms. Real change comes from action, from a genuine investment in conflict resolution, and from efforts on the ground to build peace. Education and awareness are key components in fostering a culture of peace. Civil society organizations and grassroots movements must be at the forefront, advocating for non-violence and holding governments accountable. The power of collective action has been proven time and time again, and nonviolent movements have the potential to bring about meaningful change in ways that violence never can. As we reflect on the 79th anniversary of the Hiroshima and Nagasaki bombings, we must renew our collective commitment to peace. The world cannot afford to repeat the mistakes of the past. And yet, with conflicts continuing to rise, it is clear that humanity is not fully grasping the lessons of history. We must strive tirelessly to address the root causes of violence, promote dialogue, and work for the betterment of all people. The pursuit of peace is not an easy journey, but it is a necessary one. It requires the efforts of individuals, communities, and nations alike. As Mahatma Gandhi warned, "Unless now the world adopts nonviolence, it will spell certain suicide for mankind." The time to act is now, before we find ourselves repeating the tragedies of the past once more.

(The writer is programme executive, Gandhi Smriti and Darshan Samiti; views expressed are personal)



AMIT MANGAIN

DISAPPOINTING SHOW AT PARIS

Madam — Paris Olympics have left India in disappointment. The medal tally has gone down and also without a single gold than that of previous Tokyo olympics. The five medal winners had shown a great deal of professionalism and did it. That Vinesh Phogat, the real fighter for justice in sports world being disqualified on technical grounds at final bout stage is a great dampener of spirit for sport lovers in India. Anyway India have many lessons to learn for Paris olympics. It can not aim high without strengthening the ground. There should be all out efforts to increase its pool of world class players. It should build the strengths brick by brick, by pooling resources, going for world class stadia, professional coaching and encouraging youth towards sports. India should stand firm and perform well before claiming to conduct the Olympics in coming decade.

DVG Sankara Rao | Vizianagaram

BLAMING THE US

Madam — It is true, blaming the US (article dt 14-8-24) for all the outcomes in Bangladesh is too trivial. No doubt, the US is the leader of all imperial forces in the world and has its targets, strategy and programme pertaining to, perhaps, every nation. It indulges actively at an opportune time. Such opportune circumstances are mostly created by the vulnerable country. The fact that the US has its policy and strategy related to containing China and as a part of it is actively searching for islands to base its forces is known to all. But the autocratic approaches and suppressing the dissenters have distanced the people from her. The students' agitation against the arbitrary reservation policy became a spark. It has been taken for advantage by many forces as known to all. Autocracy is bound to lose any time anywhere. Addressing the real issues are welcome but chauvinism, autocracy, fascism and dictatorship are ephemeral as recorded in the history.

A G Rajmohan | Anantapur

LETTERS TO THE EDITOR

Thaw in Indo-Maldivian relations



Madives President Mohamed Muizzu's as the head of state from November 2023, did everything that could antagonise India. However, he was in attendance during the swearing-in of Prime Minister Narendra Modi's government in June and also had a one-on-one meet with the PM. Now, External Affairs Minister S Jaishankar has attempted a damage control exercise by handing a massive water and sanitation

project to Maldives during his three day visit to Male. By describing Maldives as 'no ordinary neighbour', Jaishankar has hit the nail on the head. The minister was at pains in explaining the long-standing friendship between the two nations. By the same token, Muizzu was liberal in depicting India as 'one of Maldives' closest allies and invaluable partners'. The president was clear in his country's commitment to solidify bilateral relations. Maldives is an integral part of India's 'Neighbourhood First' policy and 'India first' policy of Maldives is not unknown. Additionally, Male happens to be one of New Delhi's largest trade partners. Beijing's footprints on Maldivian soil is the main cause of heartburn for India. Nevertheless, India's generosity towards Maldives in calamities and distress has not gone unnoticed. All in all, New Delhi has to keep up the momentum set by its top leadership.

Ganpathi Bhat | Akola

SC RELIEF FOR PATANJALI

Madam — The Supreme Court has closed contempt proceedings against Patanjali after the company agreed to stop issuing misleading advertisements and claims about its products. Ramdev and Balkrishna, key figures in the company, tendered an apology and took corrective steps, which the court accepted. However, the court issued a stern warning, cautioning that the case could be reopened if similar violations occur in the future. The court's warning emphasised the importance of staying vigilant regarding false advertising. This issue was also raised in the Rajya Sabha, where concerns were expressed about Ramdev's claims not being based on scientific data. Notably, Ramdev even claimed to cure neurological diseases like Multiple Sclerosis, which has no known cure in modern medical science. The contempt proceedings against Patanjali, Ramdev, and Balkrishna were initiated by the Supreme Court following a petition filed by the Indian Medical Association (IMA). The petition was in

response to Patanjali's advertisements that attacked allopathic medicine and made unfounded claims about curing certain diseases. On November 21, 2023, Ramdev and Balkrishna assured the court that they would refrain from making 'casual statements claiming medical efficacy' or disparaging any system of medicine. Despite this, Ramdev held a press conference the very next day, where he made further statements, calling remedies for blood pressure 'lies' spread by allopathy. In response to these continued violations, the court issued a contempt notice to Patanjali, Ramdev, and Balkrishna on February 27, 2024, accusing them of flouting previous orders and misleading the public. The Supreme Court's actions, prompted by the IMA's efforts, were seen as a necessary step to protect public health. Additionally, the court criticised the Uttarakhand government for failing to take action against Patanjali.

Yash Pal Rathnan | Jalandhar

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FIRST COLUMN

INTEGRATE SPORTS
IN WORK ENVIRONMENTSports activities can create a positive
and dynamic work culture

SAKSHI SETHI

In the contemporary work environment, where stress, sedentary lifestyles and high demands are common, incorporating sports activities into the workplace has become increasingly important. Beyond traditional wellness programs, sports offer unique benefits that can enhance employee well-being, boost productivity and foster a positive work culture. One of the most compelling reasons to introduce sports activities in the workplace is their positive impact on employee's physical and mental health. Today, many modern jobs involve long hours of sitting, leading to issues such as obesity, cardiovascular problems and musculoskeletal disorders.

Regular participation in sports can counteract these effects by promoting physical fitness, improving posture and reducing the risk of chronic illnesses. Moreover, sports activities serve as a natural stress reliever. Various studies and research on sports activities in the workplace have consistently shown positive impacts on employee well-being, productivity, and overall organizational culture. The research also suggests that physical activity reduces the risk of chronic diseases, such as cardiovascular disease and obesity, which are often exacerbated by sedentary work environments. Engaging in physical exercise releases endorphins, which help alleviate stress, anxiety and depression.

By providing employees with opportunities to participate in sports, companies too can contribute to a healthier and more resilient workforce, leading to reduced absenteeism and improved overall morale. The benefits of sports activities in the workplace extend far beyond individual



well-being to the overall success of the organization. A healthy, engaged and motivated workforce is more likely to contribute positively to the company's goals and objectives. Sports can enhance the company's image, making it an attractive place to work for potential employees and improving employee retention. Companies that invest in sports activities are likely to see a more positive work environment.

Moreover, companies that prioritize employee well-being through sports and other wellness programs are likely to experience reduced healthcare costs, lower turnover rates and higher levels of employee satisfaction. These factors contribute to a more positive work environment, where employees feel valued and supported. There is no denying the fact that sports serve as a unifying force in society, bringing together individuals from diverse backgrounds. Whether at a local, national or global level, sports events foster a sense of community and shared identity. For instance, national sports teams often serve as symbols of unity, bringing together citizens across different regions, ethnicities and social classes to support their country. Additionally, sports can bridge cultural gaps and promote international understanding and peace, as seen in events like the Olympics.

They are a vital part of society that contributes to physical health, character development, social integration and economic growth. The role of sports in shaping individuals and communities cannot be overstated. As society continues to evolve, the significance of sports will likely grow thereby offering new opportunities for fostering unity, promoting health and driving economic development. The need for sports activities in the workplace is clear. They offer a holistic approach to employee well-being by promoting physical and mental health, fostering team building and collaboration, boosting engagement, and motivation and contributing to overall organizational success. As companies continue to navigate the challenges of the modern work environment, incorporating sports into their wellness programs can provide significant benefits, leading to a healthier, happier and more productive workforce. By investing in sports activities, organizations can create a positive and dynamic work culture that supports both the individual and collective success.

(The writer is an educator; views expressed are personal)

Natural regeneration for
reversing forest degradationPRODYUT
BHATTACHARYA

A shift from plantation-focused efforts to natural regeneration offers a promising solution to fight menace of forest degradation and reversing climate change

As a 'nature-based solution', shifting our approach from plantations to focus on natural regeneration is the way out to overcome forest degradation. A multi-prong strategy is required for more emphasis on reducing the drivers of degradation and restoring degraded forest lands by strengthening participatory forest management. Strengthening age-old practices of joint forest management (JFM), covering activities like assisted natural regeneration (ANR), enrichment plantation, contour trenching, native tree seed dissemination, soil, and improved water conservation practices with people's participation against millions of hectares of new plantation every year will enable us to bear a sustainable result. Forest Department make their huge plantation targets for planting within the forest areas, whereas, civil society organisation and industries do their plantation outside the forest areas.

Rarely do we seek suggestions from common people of the area, as to which plants they like (choice of species) for selection of species during plantation. Mostly it is based on the availability of saplings in local nurseries. Hence, we achieve only about 55-60 % of success (rate of survival) from these plantation drives. Also, generally, we do not give proper care and attention after planting in such large areas. Natural regeneration should be our 'mantra' for restoring natural resilience and diversity in forest vegetation by supporting forest bio-diversity. Supporting natural regeneration is much more economical, than raising new plantations and the best strategy for restoration and rehabilitation to control forest degradation.

There is an urgent need for expanding research on specific conservation and restoration techniques and more funds are to be allotted to support natural regeneration in every state. Forests are our natural capital, providing a plethora of ecosystem services. Deforestation and degradation of forest and tree resources are accelerating in many parts of our country, due to our developmental target, other anthropogenic reasons, and natural disasters. Climate change is further exacerbating these challenges, affecting natural resources, livelihood of people and public health. It is the poorest section of the society which is worst hit due to forest degradation.

The recent incidents of heatwaves across North India or the ravaging floods in Kerala, Uttarakhand and Himachal Pradesh are witness to the devastation caused by disturbing the ecosystem. The forest ecosystem is the master control for our mountain, river, grassland and agricultural landscapes. Indian forests play a critical role in carbon sequestration, fixing atmospheric CO₂ through foliage cover and acting as carbon sinks. Indian forests have 7,204 million tonnes of total carbon stock, to achieve the carbon sequestration target under the Paris Climate Convention. We need to generate an additional, 2.5 to 3 billion tonnes of CO₂ equivalents by 2030, which helps mitigate climate change. India is the world's 10th highest forest-covered country. As per FSI, the current forest cover of India is 7,13,789 square kilometres, which is 21.71% (forest cover) and 2.91 % tree cover outside the forest area.



THE RECENT INCIDENTS OF HEATWAVES ACROSS NORTH INDIA OR THE RAVAGING FLOODS IN KERALA, UTTARAKHAND AND HIMACHAL PRADESH ARE WITNESS TO THE DEVASTATION CAUSED BY DISTURBING THE ECOSYSTEM. THE FOREST ECOSYSTEM IS THE MASTER CONTROL FOR OUR MOUNTAIN, RIVER, GRASSLAND AND AGRICULTURAL LANDSCAPES

Together 24.62 % of the country's geographical area, and out of the total forest area 23.75% is the share of North Eastern states. The per capita forest cover is less than 0.29 ha which is much lower than the global average 0.52 ha per person. Forests help regulate the local and regional climate by influencing temperature, humidity, and precipitation patterns.

The urban forest and vegetation play a role in reducing the urban heat island effect in cities. Forestry contributes significantly to India's bio-economy, providing timber, non-timber forest products (NTFPs), and employment to millions of people, particularly in rural areas. The sector supports livelihoods through activities like agroforestry, forest-based industries, and ecotourism, and sustains milk production by supplying free fodder for millions of cattle.

About 250 million people directly depend on forest resources for livelihood and income generation, more than 100 million people live in and around forests, and 2 million jobs are created annually because of forest dependency. Forestry is recognised as a sector that plays a positive role in poverty alleviation, e.g. PVTGs (particularly vulnerable Tribal Groups) are majorly dependent on forests for their traditional livelihood. Forests act as a 'natural pharmacy', a rich source of herbal plants that support healthcare for a large section of rural areas.

Further, it is crucial for traditional medicine systems like Ayurveda. Natural forests supply more than 60% of plant-based raw

materials for about 8000 herbal pharmaceutical companies across the country. Currently, there is a very low capacity for natural regeneration, with only 8-10 % good regeneration, 18-25% fair regeneration, and 42 % poor regeneration. 33% forest does not have any tree regeneration at all, which needs urgent attention from MoEF & CC. The average biological productivity of Indian forests has fallen below the global average.

This is majorly due to severe biotic pressure in the form of overgrazing, firewood and fodder collection and illicit felling, forest fire, invasion of weeds, climate vulnerability and pressure on land diversion for development purposes. Most NTFP-yielding species of natural forest of the whole central Indian landscape (Madhya Pradesh, Chhattisgarh, Odisha, Andhra Pradesh, Telangana and part of Maharashtra) are very low due to over-harvesting, premature harvesting and unhealthy practices of fruits, bark, gum and resin harvesting, as unsustainable harvesting practices.

The National Forest Policy 1988 envisages that 33% of the geographical area should be under forest and tree cover, and we are far from achieving the target. Most natural forests have a limited number of plus trees which are potential seed-producing trees. The quality of the country's forest in terms of average productivity, per capita availability, growing stock, and forest composition and diversity has declined in the past three decades.

To restore ecosystem resilience and increase the forest cover in

the country, afforestation and tree plantation activities have been given high priority but the implementation result is far below the target, to achieve an additional 5 million ha of forest and non-forest land plantation in the Green India Mission (GIM).

Every year during rainy season all 28 states and 8 union territories of India make a reasonable effort towards afforestation activities under various programs and schemes of line departments such as the National Compensatory Afforestation Fund (CAMPA), Mahatma Gandhi National Rural Employment Guarantee Scheme, National Bamboo Mission, Sub-Mission on Agroforestry, National Afforestation Programme (NAP), Green India Mission, etc. aim to increase forest cover, restore degraded lands, and promote sustainable forest management and take actionable steps towards responding to climate change.

Furthermore, investments in climate adaptations by implementing nature-based solutions will reduce the frequency and occurrence of natural disasters and stabilize the ecosystem services that are provided by forests.

There is an urgent need to strengthen forest land and resource rights for women and marginalised groups. Lastly, need to strengthen training, skills development resource management and transparent environmental monitoring in forest areas for the regeneration of forestry.

(The writer is professor of Ecology & Natural Resources Management, University School of Environment Management, GGSIPU; views are personal)

Substance abuse crisis threatens the future of Uttarakhand youth

Once confined to older adults, drug addiction is now entangling school-aged children, causing alarm and fear among families

The tranquil village of Ganigaon, nestled among the Himalayan mountains of Uttarakhand, is facing a growing menace that threatens its future—substance abuse among its youth.

This issue, once limited to older individuals, has begun to trap even the youngest members of the community, leading to a wave of fear and concern among residents. "In my school, some boys often come after using drugs. They even bring substances to share with others," says Anita (name changed), a 17-year-old student from Ganigaon. "When teachers try to counsel them, they don't listen and sometimes even threaten them. This behavior is not only disrupt-



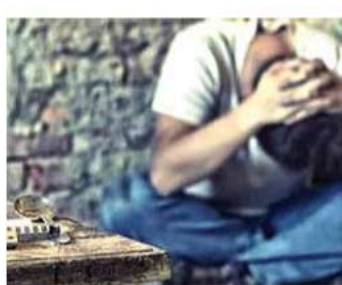
BHAWANA RAWAL

ing their education but also instilling fear among the girls, whose parents are now hesitant to send them to school." Anita's story is not an isolated case. Ganigaon, located 54 km from Bageshwar district and 32 km from Garur block, is a picturesque village with a population of approximately 1,746 people. However, the beauty of the landscape belies the growing

darkness within the community. Substance abuse, which has already taken hold of many adults, is now spreading rapidly among children and adolescents, affecting their education and futures. Devaki (name changed), a 44-year-old resident, echoes these concerns: "We send our boys to school hoping they'll study and build a better future. But instead, they are ruining their lives with drugs. This behavior is also disturbing the peace at home. If this continues, how will they study? How will they find employment?"

The impact of this growing trend is felt deeply within the families of Ganigaon. Malti Devi (name changed), 55, shares how this vice has

gripped her family: "My husband used to come home intoxicated, creating a tense environment. Now, my sons have picked up the same habit. They skip school and engage in substance abuse. Despite my efforts to counsel them, they continue down this dangerous path, even resorting to stealing money from home to feed their addiction. I'm at a loss about how to save them." The village head, Hema Devi, expresses her alarm over the situation: "Substance abuse is increasing rapidly in our village. People are selling cannabis and making homemade liquor, which is affecting everyone's health, but they won't stop. Now, even children are



falling prey to this. It's leading to more violence, with the women bearing the brunt of it. Men spend all their money on alcohol, forcing

women to work in others' fields to make up for the financial shortfall." Recognising the severity of the problem, Hema Devi

mentions that the panchayat is working on launching a campaign to combat substance abuse. Social worker Neelam Grundy emphasizes the urgency of the situation: "The rise of substance abuse in the village is a dangerous trend. What started with the elderly has now spread to the youth and even school-aged children.

We need a comprehensive campaign to tackle this issue, but it can't just be the responsibility of the government. The elders in the village need to lead by example and give up this vice so that the younger generation can break free from its grip." The Uttarakhand government, recognizing the growing issue, has launched a campaign to make the state

drug-free by 2025.

At the administrative level, efforts are being made to curb the spread of this menace. Between 2019 and 2023, over 119 kilograms of charas were seized in 89 cases in Bageshwar district alone, alongside 58 cases of smack trafficking.

These figures show the administration's commitment to tackling the issue, but society must also take responsibility. Only through a combined effort can the future of Uttarakhand's youth be safeguarded, and the state be freed from the clutches of this growing evil.

(The writer is a student of Class 10th from Ganigaon Village, Bageshwar. Views expressed are personal. Charkha Features)

The Statesman

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Inflation eases

India's July retail inflation rate of 3.54 per cent has reached a five-year low, signalling a positive shift for the economy. This decline, largely due to a decrease in food inflation and a favourable base effect, has exceeded expectations and brought relief to consumers and policymakers alike. However, beneath this optimistic headline lie challenges that require careful attention and strategic planning. Food inflation, a major component of India's consumer price index, has been a significant factor in the overall inflation rate. In July, food prices rose by 5.42 per cent, a notable reduction from 9.36 per cent in June. Vegetable prices, which saw an increase of 6.83 per cent compared to a staggering 29.32 per cent in the previous month, have been particularly influential. Similarly, the inflation rates for cereals also saw a reduction, contributing to the overall decrease in food inflation. This easing of inflation has come at a crucial time for the Indian economy, which has been grappling with high inflation rates that have put pressure on consumers' purchasing power and the Reserve Bank of India's monetary policy. Despite these positive developments, the path ahead is not without challenges. While the overall food inflation rate has declined, vegetable prices have gone up, if not at the same rate as in the previous month, which is scarce consolation to the consumer. The momentum of high prices in certain categories, such as pulses, remains a concern. This indicates that the problem of food inflation is far from resolved and requires continued vigilance and policy intervention. The uneven distribution of the monsoon, which is critical for India's agricultural output, adds another layer of uncertainty to the outlook. Moreover, the core inflation rate, which excludes volatile food and energy prices, has remained relatively stable, hovering around 3 per cent. While this is a positive sign, it also suggests that the underlying inflationary pressures in the economy are still present. The RBI's projections of inflation averaging 4.4 per cent in the July-September quarter and 4.7 per cent in the October-December quarter indicate that the central bank expects inflationary pressures to persist in the near term.

To address these challenges, policymakers must adopt a multi-pronged approach. On the supply side, efforts should be made to improve the efficiency and productivity of the agricultural sector, which is heavily dependent on the monsoon. This includes investing in infrastructure, technology, and irrigation facilities to reduce the vulnerability of the agricultural sector to weather-related shocks. On the demand side, measures should be taken to increase the purchasing power of consumers and boost economic growth, which will help to stabilise prices and reduce inflationary pressures. The RBI and the government must continue to work together to address these challenges and ensure that inflation remains under control, while also promoting economic growth and stability. This will require a balanced and coordinated approach that takes into account the complex interplay of various factors affecting the Indian economy.

Currency Grip

The Indian rupee's recent behaviour, hovering just shy of 84 a dollar, has been a focal point of discussion in financial circles. On Tuesday, the currency closed at 83.97, marginally above its previous all-time low of 83.9725, thanks to the Reserve Bank of India's (RBI) timely intervention. This move underscores the RBI's commitment to maintaining the rupee's value within a manageable range, preventing it from sliding into uncharted territory. The central bank's strategy of selling dollars via state-run banks at critical junctures has provided a buffer against market forces that might otherwise push the rupee to break the psychological barrier of 84. Such interventions, while effective in the short term, raise questions about the sustainability of this approach as a long-term currency management strategy. The timing of the intervention coincides with global economic uncertainties, particularly around the US Federal Reserve's upcoming decisions on interest rates and inflation control measures. With US retail inflation data expected soon, any indications of inflationary pressure could influence the Fed's policy trajectory, impacting the dollar's strength against global currencies. In this context, the RBI's actions appear to be a calculated move to forestall a drastic fall in the rupee's value, which could have ripple effects on the Indian economy, including increased costs of imports and a potential rise in inflation. However, this strategy is not without risks. The RBI's frequent interventions might be seen as a lack of confidence in the market's ability to self-correct, which could lead to a reliance on the central bank's actions for stability. Moreover, such interventions come at the cost of depleting foreign exchange reserves, which, if not managed prudently, could leave the economy vulnerable to external shocks.

On a broader scale, the situation highlights the challenges faced by emerging market economies in balancing domestic economic stability with the pressures of global financial markets. The rupee's movement against the dollar is not just a reflection of India's economic health but also a barometer of global investor sentiment. With the Federal Reserve's policies influencing global capital flows, emerging markets like India are often at the receiving end of abrupt currency fluctuations. The RBI's cautious approach is understandable, given the potential implications of a sharply weakened rupee. A decline below the 84 a dollar mark could trigger a negative feedback loop, impacting investor confidence and leading to capital outflows. By intervening in the currency market, the RBI aims to provide a stable environment for economic growth and investment. Looking ahead, the key question is whether the RBI can maintain this delicate balance in the face of on-going global economic uncertainties. A shift to some orderly dollar weakness could provide a reprieve for the rupee and other emerging market currencies. However, the road to such an outcome is fraught with challenges, and the RBI's ability to navigate these will be crucial in determining the rupee's trajectory.

The Tipping Point

In a world where capital doesn't vote but labour does, neglect is perilous, as exemplified by the last ten years of Hasina's government. As the forces of populism surge, it is clear that the social and political consequences of unemployment, non-employment, and underemployment are no longer theoretical – they are here, demanding attention. However, in a world where governments and capitalists tout the myth of a jobless market, the facade of opportunity crumbles under scrutiny. They blame the lack of employment on mismatched skills, traditional education systems and inadequate conditions, while the free market, in its vaunted glory, fails to provide security, basic needs, or a semblance of work-life balance.



At a time when the pulse of collective action seems faint, Bangladesh emerges like a phoenix, ablaze with a fervour that has captured the world's attention. The spectacle of millions, hand in hand, defying the odds, is more than just a jumble; it's a tidal wave crashing against the shores of complacency. In an age where the wind struggles to gather its own voice in protest, this spontaneous eruption is no mere accident, nor the product of shadowy conspiracies. It is the roar of a people, their hearts heavy with centuries of grievance, their spirits aflame with righteous indignation. Yet, amid this uprising, darker forces have reared their heads – the desecration of temples, the plight of the minorities, the bitter looting incidents etc. The soil of Bangladesh has been stirred, and from it springs both nectar and venom. The question that now hangs in the air, like a sword, is: how ready to burst will be the divine figure to drink the venom and dispense the nectar? In the heart of this turmoil, perhaps the answer lies with Mohammed Yunus, the Nobel laureate, a figure who might just be the harbinger of a new dawn. But the question remains, how?

The recent upheaval in Bangladesh, sparked by demands to abolish the reservation policy, exposes a deeper, more pervasive malaise: the gnawing pain of unemployment amid rampant corruption. This movement, while seemingly sudden, is a symptom of a broader global crisis – one rooted in the chasm of the 21st century's dual economies. In this technology-driven, post-industrial world, unemployment and underemployment are not merely inconveniences but existential threats, exacerbated by the relentless march of globalization and neo-liberalism. This era's double-edged sword offers glittering advances for the elite while relegating the masses to an ever-deepening abyss of poverty.

As artificial intelligence and machines drive productivity to new heights, human labour is cast aside, leaving a stark divide: the opulent few luxuriate in excess, while the destitute grapple with the barest essentials. Oxford's revelations of staggering inequality – where the wealth of the top five individuals doubles even as the poorest 60 percent lose ground – paints a grim portrait of a world where luxury and

deprivation exist side by side, a cruel testament to the failures of our current economic paradigms. In the labyrinth of this century, where the promise of globalization gleamed like a beacon, policymakers flattered, blind to the lessons of history. This miscalculation birthed a brutal form of turbocapitalism, dividing society into winners and forgotten souls. As the new economy soared, those lacking the requisite skills and education were relegated to the shadows, trapped in dwindling, low-wage sectors, forsaken by the very systems meant to support them. In the relentless pursuit of economic growth, policymakers sacrificed social protection on the altar of high-pressure economics. The result? A fragile society, where the gains of globalization and demagoguery enriched the few, while the many at the bottom bore the brunt of inequality. As mental and physical well-being eroded, disillusionment grew, threatening to unravel the democratic fabric and hollow out the middle class, leaving a fractured and unstable order in its wake in Bangladesh.

In the unforgiving landscape of turbocapitalism, the importance of stable employment has never been clearer – nor more tragically overlooked specifically in the reign of Sheikh Hasina. Here, the Covid-19 pandemic laid bare the fragility of an economy that prioritized profits, GDP, and market efficiency over basic human needs. Far from an inclusive system, it left many scrambling for survival in a world with scant safety nets and slackened savings. In fact, mainstream economists in the world, in their zeal for growth, made a grave error: treating labour as mere capital, forgetting that workers are not just cogs in the machine – they are human beings with needs, anxieties, and political power.

In a world where capital doesn't vote but labour does, this neglect is perilous, as exemplified by the last ten years of Hasina's government. As the forces of populism surge, it is clear that the social and political consequences of unemployment, nonemployment, and underemployment

are no longer theoretical – they are here, demanding attention. However, in a world where governments and capitalists tout the myth of a jobless market, the facade of opportunity crumbles under scrutiny. They blame the lack of employment on mismatched skills, traditional education systems and inadequate conditions, while the free market, in its vaunted glory, fails to provide security, basic needs, or a semblance of work-life balance. This disconnect breeds widespread frustration across divisions – from India to the USA and Bangladesh. In a bid to quell mounting unrest, the powerful advocate for universal basic income (UBI), a mere bandage on a gaping wound, offering money with no strings attached to stave off the social unrests from responsibility. This precarious gig economy, where today's job could vanish tomorrow, renders survival reliant on the hollow promise of flexible workers of dignity and turning their struggle into a demeaning survival game. Would Yunus support Bangladesh's upcoming development in the same manner?

On the other hand, as the clamour for universal basic income grows worldwide, a critical question remains unanswered: where will the funds come from? The prospect of raising direct taxes on the wealthy is met with fierce resistance from capitalists, leading instead to a massive privatization push.

Educational campuses and hospitals are stripped of their essential staff, while everyday costs and indirect taxes rise, perpetuating a cycle where household wealth flows back to the elite. Bangladesh should remember that this scheme not only enriches the rich but also threatens democratic integrity, rendering citizens passive and fearful. Bangladesh now, ahead of the curve, stands on the precipice of this grim reality, particularly after this upsurge.

However, amid the upheaval in Bangladesh, a glimmer of hope emerges from an overlooked aspect of the coup: a call to rebuild from the ground up, challenging these deep-seated economic

inequalities. The movement's original aim – to combat economic disparity – now faces obfuscation by divisive issues of religious fundamentalism. While the technological boom reshapes the job landscape, the true scarcity lies not in work but in equitable access to it. The right to work is enshrined in constitutions worldwide; denying this right under the guise of a jobless future is both unconstitutional and unjust. The claim that vacancies are non-existent, and that the populace lacks qualifications is a disingenuous smokescreen.

The real task of contemporary Bangladesh is straightforward: a people-oriented government could address infinite work opportunities by expanding vacancies and launching new projects. The assertion of widespread incompetence is flawed; everyone has some capacity to contribute, much like even the most disabled member of a family finding a role. If true competence is lacking, the answer lies in a robust education system and vocational training.

Instead of a superficial Universal Basic Income, they should advocate for Universal Basic Earning (UBE) and establish a Universal Employment Fund (UEF). By raising direct taxes on capitalists, they could create real, sustainable job opportunities and ensure equitable livelihoods for all. Bangladesh's garment industry has not only positioned the country on the global economic stage but also cast it into the geopolitical spotlight among the US, China, and India.

The mass uprising currently unfolding in Bangladesh reverberates far beyond its borders, embodying both hope and uncertainty. While not all coups succeed, each revolution begets fresh perspectives, driven by a youthful energy that dares to reimagine the future. For Bangladesh's students, the pressing challenge is to channel this revolutionary spirit into demanding equitable work opportunities for all.

Guided by Yunus's anti-discrimination principles, they must wage a "Jihad" against economic exploitation. Should they succeed, this uprising could etch its name in history; fail, however, will usher in a grueling wait for the next wave of change. The interim government's balancing act between potential and progress makes for an optimistic yet precarious outlook right here.



ARSHAD HANIFFA
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LETTERS TO THE EDITOR

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Lessons to remember

SIR, Our Independence Day coincides with Sri Aurobindo's birthday. Sri Aurobindo was born in Kolkata on 15 August 1872. He evolved a new method, which he called Integral Yoga, during his 40 years in Pondicherry. Some people wrongly tag it as a religion. But neither did Sri Aurobindo propagate a new religion, nor was he practising Hindu, or of any other religion. He clearly said, "I may say that it is far from my purpose to propagate any religion new or old for humanity in the future."

He was in favour of religious pluralism in India as he wrote, "I have written clearly that the coming of so many religions to India was part of her spiritual destiny and a great advantage for the work to be done."

The Ashram dining room is a living example of fraternity. On this, Sri Aurobindo said, "Every Hindu here – even those who were once orthodox Brahmins and have grown old in it – give up all observance of caste, food and money. Pariahs and are served by the men, associate and eat with Mahomedans, Christians, Europeans."

All the people, be they in Bangladesh, Pakistan, or India, must remember that hate sets off a chain reaction and hinders a country's progress. No country can progress without fraternity. Let us listen to what Sri Aurobindo said, "If they (Hindus and Muslims) fight, neither are likely to gain but both to lose, even perhaps giving an opening to a third party as has happened before in

their history?"
Yous, etc., Sujit De, Kolkata, 13 August.

INDEPENDENCE

SIR, I refer to your editorial, "Wellfare vs Work", published today. While intended to provide a safety net and support those in need, government welfare schemes can unintentionally lead to dependency and a lack of motivation among the younger generation. When these schemes become overly generous or broadly accessible, they may reduce the urgency for individuals to seek employment or develop skills. This dependency can result in a less motivated workforce to pursue personal and professional growth, potentially stunting economic progress and innovation. A generation that relies heavily on welfare without the necessity to earn a living may find itself lacking in the resilience and adaptability required to thrive in a competitive

work market.

To address this issue, welfare programmes should be designed as supplementary support rather than as a primary means of livelihood. By offering targeted assistance that encourages self-reliance and skill development, the government can help individuals transition into meaningful employment and contribute actively to the economy. Programmes could be more effective if they include educational, training, and job placement initiatives, ensuring that support helps build a foundation for long-term independence. Balancing assistance with encouragement for personal responsibility can help maintain a dynamic and productive workforce, ultimately benefiting both individuals and the broader economic system.
Yous, etc.,
Narayanan Kizhumbudayur, Thrissur, 12 August.

BAIL THE ROULE

SIR, Approves the news report "Manish Sisodia walks out of jail after SC's bail order" (August 10), it is most unfortunate that in spite of the apex court's repeated advice to courts below to follow the cardinal principle that "bail is a rule, refusal is an exception", some trial courts flout these instructions. This is prolonging the judicial custody of accused persons.

The apex court has rightly held that the right to a speedy trial and liberty are sacrosanct and prolonged incarceration before being pronounced guilty of an offence is not healthy to the administration of criminal justice.

Now we sincerely expect the trial court to apply its mind for granting bail to Arvind Kejriwal, who is facing similar charges.
Yous, etc., Arun Gupta, Kolkata, 10 August.

A MEMBER OF THE ANN ASIA NEWS NETWORK

ASIAN VOICES

Land Law serves as tool to make real estate market more transparent

The 2024 Land Law has issued a separate article (Provision 257) with transitional provisions to give instructions on the determination of specific land prices for cases where land has been allocated or leased before the 2024 Land Law but land prices have not been determined. Localities now have a legal basis to complete land price valuation and ask those cases to complete financial obligations of these cases. The Government has issued Decree No. 71/2024/N-CP regulating land prices and Decree No. 103/2024/N-CP regulating land use fees and land rents, which specifically stipulate the method of land valuation and the calculation of additional payments for each case where land has been allocated or leased before the 2024 Land Law, and the 2013 Land Law but land prices have not yet been determined. The 2024 Land Law and its detailed guidelines have created a complete legal corridor for localities to execute and resolve long-standing backlog related to land valuation.

It is anticipated that new regulations, which remove the land price framework, update the price list annually and give district authorities the authority to decide on prices, will enhance land use, allocation and budget. The real estate market will undoubtedly be impacted by this in a variety of ways. For instance, investors and individuals are able to forecast

Việt Nam News

future trends in land prices because of the adjustments made to land prices during each period.

This contributes to the real estate market's increased stability and transparency. This will also have an impact on the price at which homes and apartments are sold in neighborhoods with public infrastructure or investment projects. The new provisions of the 2024 Land Law will contribute to a more equitable and transparent real estate market. This has a variety of effects on the real estate market and aids in preserving the rights of both land buyers and sellers. Additionally, the 2024 Land Law features creative regulations that establish a distinct and varied pathway for businesses to obtain appropriate land funds to carry out projects that guarantee supply of the limited real estate segment, particularly for mid-range real estate.

Numerous specialised legal systems, including credit law, real estate business law and housing law, have impacts on the real estate market.

A number of significant policies have been issued and amended. The recently enacted land law policies will help balance the supply and demand for housing, solve a number of real estate project roadblocks and improve the environment for future real estate market activity.

The 2024 Land Law is a new, innovative and breakthrough content which improve the effectiveness and efficiency of land management and use. Of the total 260 articles, 97 articles are assigned to the Government, the Prime Minister, ministers, people's councils and people's committees of provinces and centrally run cities to detail and guide the implementation of the Law.

The 2024 Land Law will immediately be effective when implemented, especially the contents of land users' rights such as compensation, support, and resettlement policies when the state acquires land for public purposes; ethnic minorities; land policies for Vietnamese people residing abroad who are Vietnamese citizens; land finance and land price policies; allowing land users to use land for multiple purposes; promoting decentralisation, reforming down on intermediaries in land management and use, reducing compliance costs in accessing land.

OCCASIONAL NOTE

ADDAIRS in the Hedjaz show a certain liveliness again. King Hussein has definitely refused to sign a treaty with Great Britain...

Freedom gains meaning with spirit of fraternity

RAM KRISHNA SINHA

Fraternity is special. Either to cherish freedom or to build a nation, fraternity is an imperative. But in order to be fostered, it needs to be lived by all of us.

Our legacy of the freedom struggle tells us why 'freedom' is so precious and why no sacrifice is big enough to achieve it.

Discussion, debate and persuasion, backed by public opinion, were stressed for advancing social and political change as opposed to glorification of mistrust, animosity and violence.

Indian unity and solidarity, our leaders realised, was to be built for granted. It had to be strengthened by recognizing and accepting India's immense regional, linguistic, ethnic and religious diversity...

After over seventy-seven years of attainment of freedom, and with over

a billion people, the need for fellow feeling has assumed more criticality. Yet, the spirit of fraternity seems to have lost its mojo everywhere...

Political parties, once the votaries for social solidarity, are now the weakest link in our political system. On the other front, social media's amplifying power, coupled with absence of its accountability, have further provided a fertile ground to create divisions and fissures in society.

Fraternity is special. A sense of common brotherhood provides a strong base on which an edifice of social democracy can be erected.

Yet, fraternity is not a subject to be seen through a legal or political lens only. It has deep moral and spiritual underpinnings. While emphasizing this point, Acharya Kripalani, the well-known Gandhian and socialist, had pointed out that if certain indispensable values like fraternity are considered only as constitutional or legal mandates, we will fail to achieve them.

After over seventy-seven years of attainment of freedom, and with over



ducing the value of fraternity as a corollary to democracy, and elucidating its spiritual dimension, he famously said: 'It means that we are all sons of the same God, as the religious would say, but as the mystic would say, that there is one life pulsating through us all, or as the Bible says: 'We are one of another.'

Fraternity must be lived by us all, be it in private, public, or political life. For making fellow-feeling as a source of life, we have to address the ways of recurrent discord and enmity in public life that spread toxicity and negativity.

mate others aware, that freedom of expression has certain well-meaning caveats.

Some key steps are needed. First, all political parties must sit together and have a broad consensus on the key issues with a national perspective. Secondly, accountability of social media needs to be fixed urgently.

Fraternity, like nation building, is a work in progress. However, the next century leading to hundreds of years of our independence, will be critical. The strides we have painstakingly made in the economy, science and technology, space, sports, entrepreneurship, etc. would now have to be leveraged to meet the aspirations of our billion-plus people.

(The writer is a former bank executive, and serves on the board of companies. He writes extensively on contemporary issues.)

Why couldn't India smell the coffee?

TANIM AHMED

The most striking feature of Indian foreign minister S Jaishankar's statement in the Lok Sabha on August 6 was the absence of mention of the Awami League government's egregious violation of human rights, and the killings of over 400 people (as documented so far), including youth, since July 16.

He began setting up a context for the people's uprising saying that there had been "considerable tensions, deep divides and growing polarisation in Bangladesh politics" since the January election.

While there was dissatisfaction over the 2024 election—as well as the previous two elections - the quota reform protests did not really have much to do with that. It began as merely a student movement asking for reforms in the existing quota system in public service recruitment, which turned into an anti-government movement much later due to the government's brutal crackdown on protesters.

Jaishankar's statement does not even hint that Sheikh Hasina's government reacted with overwhelming excessive force against students, and police opened fire on protesters with live rounds, killing more than 400 people in the span of 23 days.

unarmed protesters. It was only then that attacks on public buildings began, which no one condoned.

"Despite a Supreme Court judgement on 21 July, there was no let-up in the public agitation," he added. "Various decisions and actions taken thereafter only exacerbated the situation. The agitation at this stage coalesced around a one-point agenda, that is that Prime Minister Sheikh Hasina should step down."

Since the Indian foreign minister glosses over the former government's brutality, it appears to paint the democratic movement behind Sheikh Hasina's fall with a nefarious intention into his own genesis - which fits into the Awami League's narrative - that this was a movement fomented by the BNP, Jamaat or even external forces such as the US. This is far removed from the reality of Bangladesh's public sentiment.

On the surface, the government said it was open to negotiations with students, yet there were block raids during the nights where law enforcers came ranting for students. More than 11,000 people were arrested in just two weeks. Innocent children were put in jails and framed for murders committed by the police - even ones that were recorded. The "step down" demand came to the fore on August 3. It was certainly not soon after the court verdict, when the situation was still reversible had

Hasina wished to apologise and reconcile. But that was simply out of the question for an increasingly egotistical autocrat.

Jaishankar then jumps to August 4, when he says, "Events took a very serious turn." They did indeed. Awami League had by then decided to unleash its full force onto the protesters, who took to the streets despite the curfew, only to face the police baby-sitting armed goons of the Awami League. Violence shook the nation; the death toll kept climbing to nearly 100 people - the highest and deadliest ever for a single-day protest in the nation's history.

That was when the law enforcers realised the situation was beyond salvation and counselled Sheikh Hasina to leave. Initially, she reportedly refused and urged for using even more force to subdue the crowd. The army refused. Hasina was finally convinced to leave. It was a revolution spearheaded by students that succeeded in toppling a dictatorial regime of 15 years.

The fact that the BNP and Jamaat-e-Islami took advantage of what turned into an anti-government campaign and publicly supported it was public knowledge. But entire communities - civilians from all walks of life - came out in support of the campaigners; the nation stood united against the ruling party. Hospitals gave free medical support, and people donated to their common funds for food and water. Everyone sympathised with the protesters who were braving bullets on the streets and torture in the jail cells. Six coordi-

minators were detained by the police and confined at the detective bureau against their will for several days without any regard for law or their rights.

What followed after she left her official residence was an outpouring of pent-up hatred for anything and everything linked to Hasina and the Awami League. Desecration of Sheikh Mujabi's statues and murals and even his residence in Dhanmudi was heart-wrenching and hurt millions of Bangladeshis.

With the police gone and no law and order in place, minorities became an unfortunate target. The Daily Star reported violence against Hindu homes and businesses in 27 districts on August 5. These crimes must be investigated as the police are getting back on duty.

Hasina's Awami League consciously colluded with religious fundamentalists, placating them and pandering to them to keep them at bay, only to make sure she remained at the helm without too much trouble from the right. It was the Awami League government that changed school textbooks, took out pieces by Hindu authors to replace them with stories and poems by unknown Muslim authors. Pictures and drawings were changed exactly as demanded.

But, back to Jaishankar's statement; the blatant disregard for brewing tension among Bangladeshis, Awami League's intolerance for dissent and tell-tale signs of the Hasina regime turning into a classic autocrat shows a rather myopic and oversimplified Indian take of what is happening in Bangladesh. Jaishankar's artic-

ulate and witty tete-a-tetes with journalists or at discussion panels around the world convincingly demonstrate that he does not lack the calibre to appreciate these nuances. One wonders, then, if he had not been properly briefed by his aides on what actually happened in Bangladesh.

Just as this is an opportunity for Bangladesh to rebuild its future free from Awami League's clutches, it is also an opportunity for India to do some introspection. Bangladesh has just witnessed a people's uprising toppling a dictator - which will be a classic textbook case of the fall of an autocratic regime like Ceausescu or Marcos. And yet India remains extremely apprehensive about what is to come. India built relations with Awami League instead of Bangladesh. The Indian establishment has been more than happy to support Awami League for expedience despite its faults, and in the process alienated the people of the country. Today, with the ouster of Hasina and the Awami League, India is quite naturally seeing more than its fair share of criticism and dip in popularity.

It is really high time that Jaishankar asks his aides, or whoever is in charge of setting the Bangladesh agenda, how India backed itself into such a corner that it cannot join in the jubilation of a nation or empathise with its celebrations. He should ask how it is that India fails to see the new regime as a result of the mass people's uprising that it was, and why it needs to distort it by labelling it as the machinations of Pakistan, China or the US. Why is it that when we are relieved to have rid ourselves of a dictator, India is apprehensive that the djinn is out of the bottle?

The Daily Star/ANNE

NEWS ITEMS

MOHURRUM INCIDENT

ALLEGED DESECRATION OF HINDU TEMPLE

ALLAHABAD, AUG. 14: THE District Magistrate of Moradabad has issued the following communication:- At Sambhal on the night of August 11, at about 11 P.M., a large body of hooligans are reported to have attacked with sticks some Hindus assembled in Harkund Surajkund temple, inflicting on them injuries in consequence of which 17 have been admitted to hospital. One man was recovered from a well in the temple compound. Two men were in a somewhat precarious condition, but are now reported to be doing better.

Investigation is proceeding.

POSTAL FRAUD

THUMB IMPRESSIONS OF PAYEES FORGED

MADRAS, AUG. 14: MR. Justice Jackson delivered judgment at the Madras High Court in a criminal appeal from Ganjam in which Panigrahi, employed formerly as postmaster of Hinjala attached to Berhampur head office, and two others were convicted by the Sessions Judge of breach of trust, forgery, etc., in respect of three money orders, and sentenced to rigorous imprisonment and also to pay a fine.

The facts of the case were that three money orders were sent by three persons in Bangoon to the post office to be delivered to three illiterate persons. It was alleged that the second accused, with the connivance of the other two, managed to forge the thumb impressions of the payees on the money order forms and misappropriated the money. It was contended by the vakil for the third accused that conviction of his client was illegal as, during the trial, the Sessions Judge did not take down evidence in his own hand but got a typist to do it for him and that there was no evidence to prove that he was the party to the offence except that he failed to do his duty, leaving the money copy being typed up by the second accused who was only an apprentice.

His lordship held that the judge's failure to take down evidence in his own hand might only be considered as an irregularity which did not in any way prejudice the course of the trial. There was reasonable doubt regarding the guilt of the third accused and his lordship, therefore, ordered his acquittal and refund of the fine. The sentence on the second accused was confirmed.

There was no appeal by the first accused.

CROSSWORD

YESTERDAY'S SOLUTION crossword grid with words like SWIMMERS, EDITED, GAMES, etc.

Crossword clues: 7 Mother taking husband into... 16 Crime happily avoiding boy without complaints? 18 Dance item possibly a strain for dance specialist?

Crossword clues: 8 Veggie fan? That woman's drill involves one source of veganism? 13 Look at a floodgate, ruined (5,1,4,2) 14 Say nothing with Ph's messy copy being tidied up?

NOTE: Figures in parentheses denote the number of letters in the words required. (By arrangement with The Independent, London)

South Asia should embrace the bellwether moment



LT GEN SS MEHTA (RETD)
FORMER WESTERN ARMY
COMMANDER & FOUNDER MEMBER,
PUNE INTERNATIONAL CENTRE

IN 1971, it was our view that when a neighbour is under a genocidal attack, it is our responsibility to liberate it with support from its beleaguered masses for an enduring political settlement. It was a humanitarian intervention. The Pakistani surrender then was to a Joint Command.

Besides liberation, an update to the UN Charter took birth. It led to the UN enunciating the principle of the Responsibility to Protect. In Michael Walzer's seminal work, *Just and Unjust Wars*, it was 'a just war'.

Among the many strategic lessons (so eloquently articulated in the article by Asoke Mukerji, published in *The Tribune* on August 12), we also provided an object lesson in POW treatment with implicit application of the Geneva Convention. Also, that in conflict situations, military rule will always be bested by democracies, especially when barbarism is countered by humanism — our core value.

Additionally, the world also witnessed that religious exceptionalism notwithstanding,

the fight for equity and human dignity is supreme. Everything else is secondary.

Half a century later, in 2024, it is time to build on it because the world has changed. Echoing our PM — "this is not an era of war" — it is again time to set the course. The canvas of operations has widened.

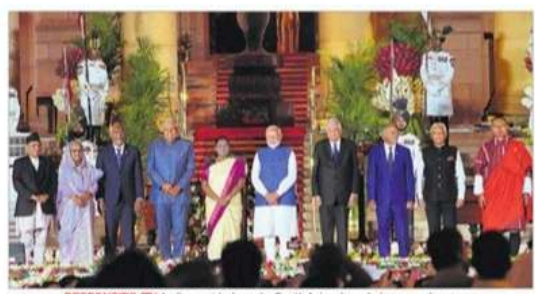
The movement in Bangladesh, and in large tracts of our neighbourhood, is a turning point for South Asia, as it is in most parts of the world.

The happenings across the world are a reminder that peace, prosperity and development cannot be sacrificed at the altar of security threats, both imagined and real.

Covid-19, climate change and conflict have already taken their toll, with the last two seeing a rise each passing day. The worst is yet to come.

In each case, the greatest loss is to the citizen. The citizen should be the nucleus around whom we need to build a security wrap or else the edifice will fall. Material gain and territory cannot replace the primacy of the citizen. Of course, territory is linked to self-esteem; it can never be conceded, but there are times when the citizen occupies primacy of place. That time is now.

Every democracy should use the moment to introspect, apply self-correctives and then help carve a trajectory that is both instructive and exemplifies the idea that the world is one. Unity in diversity is the key and the wellbeing of the citizen, above all else, is the first call of elected government.



RESPONSIBILITY: India must help make South Asia a knowledge powerhouse. PH

We are blessed — our foundation is rooted in diversity. We cherish democracy. Now the largest in the region both in size and economy, we also have a responsibility. We need to embrace the moment and help make South Asia a knowledge powerhouse — first for the good of all within, and in so doing share its contribution beyond.

All our neighbours stand at a Y junction — in the enlightened interest of the two billion that reside here, we have a shared responsibility. If we, the 1.4 billion, don't take the lead, the military-industrial complex of the world will replace the altar — and then

feast — because we can't unite at the civilisational level.

We now need a 'South Asia Peace Prosperity Democracy Zone' (SAPPDZ), with every member reserving the right to join whatever else, with the proviso that it is not inimical to the democratic interests of the zone.

We have been ambivalent about having such a structure of dialogue and cooperation take root in South Asia. Our participation in the CICA Conference on Interaction and Confidence-Building Measures (Asia) from 1999 was with this in mind. Unfortunately, not many practitioners in India are interested in this.

Our preference is for bilateral diplomacy, even though, at times, it has negative consequences. Our experience in Kabul in August 2021, then in Sri Lanka, Nepal, Maldives and now Bangladesh all illustrate this. Perhaps a South

There will be buy-in from the youth everywhere — if it brings for them a civilisational touch; not mercantilist, but principled and based on values, a tide that is seen as lifting all boats within and without.

Asian structure will help call the bluff among those neighbours who use threat as an alibi for gaming others.

As the world's largest democracy, and soon to be the third largest economy, we have a responsibility to help raise the South Asian flag as a model for the world.

The SAPPDZ charter should at the minimum include the following:

Fostering inclusivity: Advocate policies that reduce inequality, ensuring that economic growth benefits all segments of society in the region.

Championing education and innovation: By supporting education and technological innovation, India can help transform South Asia into a hub of knowledge and creativity.

Cultural diplomacy: India should leverage the region's rich cultural heritage to build stronger ties with its neighbours, fostering a sense of regional identity and unity.

Shared progress: All nations should contribute to making the region a model for the world in terms of peace, prosperity and sustainable development.

Respect for sovereignty: Mutual respect for sovereignty and territorial integrity, encouraging dialogue over disputes rather than conflict.

Commitment to democracy: Promote democratic values based on equal participation in the region, expecting neighbouring countries to uphold human rights, hold free and fair elections, ensure transparent governance and

an apolitical military.

Cooperation: In regional projects that aim at shared prosperity, such as infrastructure development and healthcare.

Sports: With India setting its sights on hosting the 2036 Olympics, it should air joint vision to see every South Asian nation on the podium. Nothing unites people more than sports.

Disaster relief: With disasters, both natural and man-made, on the rise, this should be the '911' for the region.

Mao Zedong is famously supposed to have said: "The East wind prevails over the West wind", and it is 'Nin'an's view that in the global power balance now, "the East wind is blowing harder than before".

However, as the world's largest democracy, India needs to make a stronger contribution to the East wind. A globalisation of our civilisational thought — non-aggressive, benign, non-threatening, sharing and curing, blowing East and West — with knowledge as the legal tender.

We have a proud track record. With the contribution of the concept of 'zero', our wind blew East and West. Imagine where the world would be without it. Now, it is time to generate the next wave — knowledge-led.

It should be South Asia's contribution to the East wind that blows in all directions to bridge the yawning happiness gap for all those left behind — in India and in our neighbourhood, not forgetting the Global South.

The author is a member of the Tribune Trust

It is in India's interest to assist crisis-hit neighbours



SUSHMA RAMACHANDRAN
SENIOR FINANCIAL JOURNALIST

AS turmoil continues in Bangladesh despite the formation of an interim government, India stands out as the sole bright spot in South Asia on the economic front. Our eastern neighbour has faced an economic downturn in recent years, while Sri Lanka in the south has been recovering from the political and economic crises that erupted two years ago. Pakistan is also struggling to deal with inflation and the burden of international debt, and its GDP growth remains below 3 per cent.

In sharp contrast, India recorded robust economic growth of nearly 8 per cent in the last fiscal, and inflation has moderated to a five-year low of 3.5 per cent. Interestingly, both Sri Lanka and Bangladesh seemed to be doing better than their big brother neighbour in terms of development indices at one point. Faulty policies stalled growth and engulfed them in political upheavals that forced their heads of government to flee

to safety abroad.

In the case of Bangladesh, which is in the eye of a storm, it was described as an economic miracle until recently. This was surprising for a nation considered to be a basket case for many decades since its creation in 1971. After Sheikh Hasina had assumed power in 2009, a drive was launched to accelerate the pace of development. Investment was made in infrastructure, while focus was laid on industry and services. The result was a sustained growth rate of over 6 per cent for roughly a decade.

This led to a rapid rise in per capita income levels. At one point, India's per capita GDP was significantly higher than that of Bangladesh. But it had fallen behind by 2020. Other development parameters also improved, with infant mortality rates lower than those in India and Pakistan. And its life expectancy became the highest in the South Asian region.

There were inherent flaws, however, in the economic strategy adopted by Hasina's Awami League government. A big one was the reliance on a single industry, that is, ready-made garments. It became a huge revenue earner for the economy, and it still accounts for 85 per cent of the country's exports. The other critical lifeline for the economy was the inflow of remittances from the overseas diaspora.

The situation began to deteriorate with the onset of the Covid-19 pandemic in 2020 as garment factories shut down for months, creating widespread unemployment. The scenario worsened with the outbreak of the Ukraine war in 2022, making imports, especially fuel, more expensive. Remittances dropped while global recessionary trends led to a dip in the demand for garment exports. The current account deficit widened, and foreign exchange reserves suddenly contracted. Ultimately, Bangladesh sought a loan of \$4.7 billion, which was granted by the International Monetary Fund (IMF) in early 2023.



TROUBLE: The situation began to deteriorate in Bangladesh with the onset of the Covid-19 pandemic in 2020 as garment factories shut down for months, creating widespread unemployment. REUTERS

The economic woes of the past few years have been the backdrop for the unrest that ultimately led to the downfall of the Hasina-led government. But the political upheavals could have long-term ramifications unless bilateral relations are brought back on an even keel. Apart from the \$12-billion annual trade, Indian companies have made sizable investments in Bangladesh.

Amid uncertainty, there is already talk of shifting the units back to India. Such an attitude would ultimately have a negative outcome. Firstly, the withdrawal of investments or cutting trade ties would deprive India of an easily accessible market.

There is potential for disruption to the domestic economy with a contagion effect from the countries facing economic emergencies.

Secondly, creating a vacuum in the supply of basic goods could lead to a flood of cheap Chinese imports into Bangladesh. And since the long land border is relatively porous, these could find their way into India.

Besides, there has been increased cooperation in infrastructure. Several credit lines had been provided to Bangladesh for the development of road, rail and port projects. In addition, India has been exporting electricity to Dhaka. It would be in the interest of both countries to ensure that such developmental projects are not disrupted in any way.

There is as much concern about Sri Lanka. President Ranil Wickremesinghe had negotiated a \$2.9-billion IMF loan to bring the economy back on track. India, too, provided a \$3.5-billion loan to the cash-strapped country.

The downturn in that country's fortunes was caused by a series of unusual economic policies by the previous government. This included deep tax cuts that created severe revenue shortfalls. The situation was worsened by a decision to suddenly shift to organic fertilisers. The move led to shortages of the staple foodgrain, rice, and the main cash crop, tea. One of the key conditionalities laid down by the IMF was a rollback of the tax cuts.

As for Pakistan, it has taken recourse yet again to an

IMF loan. But last year's crisis, when inflation shot up to nearly 40 per cent, has been overcome; it has now moderated to 11.8 per cent. Besides, foreign exchange reserves are no longer at dangerously low levels.

One of the reasons for the hardships there was a decision taken by the Imran Khan government to cut retail petroleum rates at a time when world prices had risen sharply. Debt incurred as a result of the involvement in China's Belt and Road Initiative also reportedly played a role in the economic distress.

Therefore, India remains an outlier in South Asia with a sustained growth rate and steady post-Covid recovery. Yet, there is potential for disruption to the domestic economy with a contagion effect from the surrounding countries facing economic emergencies. Assistance to neighbours like Sri Lanka is very much in India's interest. The impact of a failing economy on India will be even greater in the case of Bangladesh, in view of the extremely long land border. Apart from issues related to trade and investment, an immediate concern would be an influx of refugees. It can only be hoped that the new interim government moves swiftly to restore order and ensure that the economy is back on track. This will be in the best interest of the entire region in the long run.

QUICK CROSSWORD | SU DO KU | FORECAST

ACROSS

- A rapid rehearsal (3-7)
- Rouse (5)
- Dizziness (7)
- A harsh satire (7)
- Make preparations for (3,2)
- Science of light (6)
- Excessive exertion (6)
- Devoutly religious (5)
- Selfless courage (7)
- North American mountain system (7)
- A window shade (5)
- Eager to get started (6,2,2)

DOWN

- Scruffy (7)
- Argentinian ballroom dance (5)
- Delirious (6)
- Sixty honourable (7)
- Raise with tackle (5)
- Very angry (7,3)
- Non-speaking dramatic role (4-2,4)
- Distant from armed services (7)
- Permanent (7)
- Selected (6)
- Be found (5)
- Automatically controlled machine (5)

Yesterday's solution

Across: 1 Trance, 4 Finca, 9 Orinoco, 10 Bruta, 11 Hunch, 12 Nidup, 13 Tip the scale, 18 Cover-up, 20 Extra, 22 Tulip, 23 Rudenko, 24 Huddle, 25 Apathy.

Down: 1 Trophy, 2 Alien, 3 Crotch, 5 Rebut, 6 Crucial, 7 Sheikh, 8 Counterpart, 14 Invalid, 15 Clean up, 16 Scooch, 17 Vainly, 19 Repel, 21 Trout.

SU DO KU

4	5				6
		2		9	
7			4		8
	9	4		3	7
			7		
8		1		5	6
1		6			2
	4				
5			1		9

V. HARD

YESTERDAY'S SOLUTION

6	5	7	8	9	2	1	4	3
3	1	8	5	7	4	2	6	9
9	4	2	1	3	6	7	8	5
4	8	1	6	2	7	5	3	9
5	9	6	4	1	3	8	2	7
7	2	3	9	8	5	6	1	4
8	7	4	3	6	1	9	5	2
2	3	9	7	5	8	4	6	1
1	6	5	2	4	9	3	7	8

CALENDAR

AUGUST 15, 2024, THURSDAY

- Shaka Samvat 1946
- Stravan Shaka 24
- Stravan Purnimite 31
- Hijri 1440
- Shukla Paksha Tithi 10, up to 10:27 am
- Vaishya: Yoga up to 2:58 pm
- Jyeshtha Nakshatra up to 12:53 pm
- Moon enters Sagittarius sign 12:53 pm
- Independence Day (78th)

FORECAST

CITY	MAX	MIN
Chandigarh	33	27
New Delhi	33	26
Ambur	34	28
Bathinda	35	27
Jalandhar	34	28
Ludhiana	34	28
Bhawan	33	27
Hisar	36	27
Simsa	34	28
Dharamtala	28	19
Manali	26	16
Shimla	25	17
Srinagar	32	21
Jammu	32	24
Kargil	36	18
Leh	31	15
Dehradun	31	22
Mussoorie	20	18

CONTRAPUNTO

Security is mostly a superstition
-HELEN KELLER

Cop Out In Kolkata

City police's investigative conduct is a reflection of a much larger malaise that afflicts Bengal

Whatever CBI's investigation into the rape-murder of a junior doctor in a Kolkata govt hospital reveals, the conduct of Kolkata police, pulled up by Calcutta HC, is of serious concern. It points to a larger systemic crisis in Bengal.

Cover-up | Immediate actions of the college when the crime was discovered (informing the family it's suicide), and the appallingly slipshod investigation (police didn't even take the college principal's statement), together demonstrate a total breakdown of administrative order. Kolkata cops neither took a statement from the principal, who hadn't even filed a police complaint, nor investigated what prompted the hospital to attempt a cover-up. For the city police to now lament that multiple "theories" are gaining ground, is extraordinary - this is happening because the investigation lacked credibility. What trust can the Mamata govt inspire when it takes Calcutta HC to bench a principal who victim-blamed at the first instance? Then he shrugged off accountability, only to be swiftly given a new posting within hours of stepping down.



Politics at its worst | The system is so broken that in the debris and detritus only dirty politics can flourish. The all-India template is that when office-bearers are complicit in and/or accountable for any serious crime, then hints to political reach, probes are dubious. Take the Pune Porsche hit-and-run case where the mother swapped DNA samples of her teen son. Recall the Unnao victim who had to set herself afire in front of CM's office before her case moved. In Bengal too, the political VIP status of the college principal allegedly influenced police's probe. Cops were even in a study in restraint initially as a mob vandalised RG Kar hospital on Wednesday night.

Message for Mamata | It is astounding that Mamata should be "relieved" that the probe has been handed over to CBI. It shows a sitting CM shaky about her own police's capacity. It shows the normally aggressive TMC chief virtually conceding that the wider public doesn't trust her police, that they don't trust that forensics will not be tampered with, or that Kolkata cops will deliver a robust investigation. Most of all, the horror at RG Kar is a grim reminder of how Bengal is governed.

Taxing Judgment

SC call to make minerals tax retrospective brings back ghosts of Vodafone, Cairn

Supreme Court shouldn't have given retrospective effect to its recent judgment that granted states the right to levy tax on mineral rights. The huge burden on mining companies will not just impact their financials and investment plans but also have a ripple effect across the value chain, possibly leading to inflationary trends for end products. SC's July 25 verdict was a step forward for fiscal federalism. But had Wednesday's ruling been different, the cause of fiscal federalism would have still been upheld, without the inevitable distortions retrospective taxation engenders. The legal story on this is most likely not over.

Questionable logic | While SC tried to soften the blow on mining companies by waiving interest and penalty imposed before July 25 and by staggering payments over 12 years, the cumulative effect will be considerable. That this matter was referred to a nine-judge bench as long back as 2011 should have weighed on SC's mind. In effect, mining companies will now have to cough up - by one estimate - taxes in the range of ₹1.5-2tn, thanks to delays in the judicial process. Granting prospective effect to its ruling would make states that had passed enabling laws and collected taxes liable to refunds, SC said. But this doesn't seem to have accounted for the Centre's stand that it was agreeable to a "no recoveries no refunds" regime. Instead of a decades-old dispute being settled once and for all, what now face is its persistence in the future.

A bad idea | The larger issue here is of retrospective taxation, which is both bad policy and unjust to economies. Companies make decisions keeping in mind extant laws. To subject them to retrospective tax doesn't just impact them financially; it affects the general business climate. We have seen this play out in the Cairn and Vodafone disputes, which saw international tribunals ruling against while UPA govt's attempt to impose such a tax. Those taxes impacted India's reputation as an investment destination. Fortunately, an amendment in law in 2021 undid the damage caused by that move. Did we need a judicial decision to bring the issue front and centre again?

You name it

What I'm called can confuse a lot of people and not just kamwariyas

Jug Suraiya



The principal of a famous school in Darjeeling was in a state of consternation. The reason was the expected arrival of a guest, a journalist who was to do a feature on the school that was celebrating its 150th anniversary.

This was long before the advent of email, and the cause of the principal's disquiet was a telegram he'd received giving the name of his guest.

What sort of name is this? He asked his family. The first name looks as though it could be a misspelling of Jack, in which case he might be Christian, but the last name sounds Muslim, he mused.

Ascertaining the religious identity, would determine what to offer by way of refreshment without transgressing dietary taboos. His quandary was resolved when I turned up. Would I like a cup of tea, or coffee, or perhaps something little, or stronger? My host enquired. Tired after my journey from Calcutta, I indicated that something a little, or stronger, would not be amiss. Over a convivial glass of something a little, or stronger, the principal recounted the perplexity which is both bad policy and unjust to economies.

I recall that incident of decades ago in light of the proposal, stayed by SC, by UP and MP requiring that along the route the kamwariya pilgrims take, all eateries must display the names of their owners and staff.

The ostensible reason was that this would preclude the possibility of the pilgrims being exposed to ritual pollution caused by eating cross-community food. However, the real reason seemed to be an economic boycott of Muslims in our supposedly secular society.

It might soon be mooted that not just eateries but all businesses must display their ownership. And why stop there? What about private residences? Will homes have to have not just normal nameplates but ones that unambiguously spell out the community the occupant belongs to?

In which case, like that principal of long ago, my name might discomfit any passerby, kamwariya or other, fearful of being ritually polluted. Maybe instead of a nameplate, a warning notice might be best: BEWARE OF JUG!

Whose Didi Are You, They're Asking



Bengal's women, so far Mamata's most loyal voters, are angry. They are mobilising because RG Kar horror isn't the first time she's been found wanting in her response to violence against women



Tens of thousands of women have poured out into the streets across Bengal in a spontaneous initiative to not just reclaim the night. They are signalling to Mamata Banerjee that enough is enough. And smart as she is, she has read the message loud and clear.

Their call for justice - which includes within it calls for freedom of expression and movement, for rule of law for equality and much more - is significant. Because it references all the atrocities that have been perpetrated in Bengal since 2011 in the name of *Paribartan*, change. This is the banner under which Mamata has formulated her priorities *Ma, Mati, Manush* - women, land and people.

For example, the demand for justice goes back to the 2002 Park Street gang rape, which the then new CM had dismissed as *shajana ghosora*, a staged incident. This trashed the gang rape survivor even as it denied the terrible crime that she had suffered.

Then there was the 2003 barbaric killing and gang-rape of a college student in Karolm, in which the perpetrators tore apart her legs up to the navel, slit her throat and dumped her body into a nearby field. That was not handled well by Mamata either. Police were slow to respond. It was only after public outrage grew and protest rallies spread across Kolkata and the districts and public intellectuals raised their voices and condemned the govt, that Mamata got down to work, instead of playing politics over the incident.

This time in the RG Kar rape-murder of Abhaya, as the trainee doctor has been named by the public, Mamata's response has been markedly more prompt.

She claimed that the best police team in the world had been deployed to track down the perpetrators. The problem was that neither the young doctors nor the larger public were satisfied with police actions, not to speak of the contempt and suspicions drawn by the politically connected boss of the Medical College and Hospital, Sandip Ghosh. This time, there are other signs of Mamata's depleted confidence as well. She 'allowed' the prolonged strike by young doctors - supported by their seniors and organisations representing doctors across Bengal and the country - to continue without making it an administrative or political issue.

What has held her in check is the public response. Consider the wide support for the strike, despite how it has affected outdoor and emergency services not only in RG Kar hospital but in other state hospitals across the state capital. In their patience with the massive disruption in health services caused by the doctors' agitation, people have sent a strong message, which the CM has read and understood. It is a warning to her to get governance back on the rails.

Mamata is trying to take back some control over the political upheaval centred on women outraged. This is what advancing her walkathon by a day is about, it's trying to match steps with the wildfire of protests. Most notable have been the mid-night rallies across Bengal's road intersections, which no one has actually planned but thousands have joined. The protests spread organically, snowballing from three locations across Kolkata to about 32 different spots in the city and then about 300 more protests in the districts. They are an unprecedented challenge for Mamata, calling for an unprecedented political response from her.

Her most loyal vote bank has risen against her en

masse. Remember, RG Kar Medical College and Hospital is one of the busiest in Kolkata. The rape and murder of a 31-year-old doctor working here is now being connected with a much broader state failure to provide workplace safety to women. There is a simple ultimatum that women are delivering: Your time starts now!

To handle this perception problem, Mamata has to overhaul the way her govt works. She knows that if she fails at this, the enormous political capital that she deployed successfully in 2021 assembly elections and in 2024 Lok Sabha elections, will get dangerously depleted by 2026.

The erosion of support would not be because the political opposition - BJP or Left Front or Congress - has won over voters. It would be a consequence of how women, from middle class homemakers to the relatively affluent and working women, regardless of class, see their lives under Mamata's leadership; of how *Paribartan* has left them deeply dissatisfied.

Mamata's relationship with women as voters is a one-on-one thing. It is not mediated by the thousands of women leaders and influencers who work for Trinamool Congress. It has nothing to do with the 11 women who were recently elected as the party's Lok Sabha MPs. Even if this women's squad comprises 37.3% of the TMC representation, the highest ever scored by women in any party in Lok Sabha. They are fine but they are not the ones who cement voter loyalty to Trinamool.

Between now and the next state assembly elections in 2026, Mamata's task is simple. She has to beat her own anti-incumbency. Without the *or else* support of women voters, she knows she cannot do it. The RG Kar rape-murder has grown into her biggest political challenge. And she cannot blame anyone for this except herself.

The writer is a senior journalist

3 Years On, Taliban's Still A Pariah, But...

...World reckons they need to be engaged, even if they practise gender apartheid



The establishment of the Islamic Emirate of Afghanistan three years ago following the ignominious withdrawal of US forces and the fall of the Ashraf Ghani govt has reversed many of the achievements of the past 20 years in Afghanistan.

Since the Emirate's rule began, Afghans have faced economic hardship, poverty and displacement. Opponents of Taliban are weak and divided. Regional countries in Afghanistan's contiguity believe the new regime needs to be engaged since it has consolidated power and holds *de facto* authority.

On the positive side, law and order has improved, corruption has reduced, tax collection is up, and the currency is resilient. But the Emirate's efforts to attract investment and promote trade and transit have been unproductive. The mass of the Afghan population is undernourished. One in three Afghans subsist on bread and tea. The country's mineral and agricultural potential remains on paper.

Then there is the Doha Process, established by UN to find a way for the international community to establish contact and consultation with Taliban, for whom the invitation to participate in the process has been a shot in the arm. Taliban had been away from the first two meetings, held in May 2023 and Feb 2024. Some international organisations and over two dozen representatives of govt attended the third meeting held on June 30-July 1 this year. UN officials have expressed hope that the Doha Process could create opportunities for Afghan women to participate in future talks - Taliban, however, bristle at the prospect.

Half of Afghanistan's population, roughly 20 million women and girls, have had their rights progressively curtailed. They are no longer able to get educated

beyond primary school. Women-run businesses have been shut down and most forms of employment are unavailable to them. They have been erased from public life, are obliged to follow a strict dress code, and need male family escorts to travel. In effect there is a gender apartheid.

Even before Taliban took over, it asked local authorities to compile lists of unmarried women for marriage to Taliban fighters. Over the last three years, Afghan women have suffered increasing violence, starting with a blanket order to stay at home. Then followed instructions prohibiting co-education and men from teaching women, banning protests, dissolving the ministry of women's affairs, restricting women from attending or teaching in universities, imposing gender segregation in workplaces and universities, restricting women's presence in media roles, banning women from public parks, forcing them to wear full-body coverings in public, prohibiting them from working in NGOs and for UN.

Apart from ensuring women's rights, the Emirate also needs to combat terrorism and establish inclusivity in governance. American weapons such as the M4 rifle in the hands of terrorists involved in the recent attacks in Kathua, Chahama, in Jammu & Kashmir, highlights the problem of US military equipment left behind finding their way

into Afghanistan's neighbourhood. In these circumstances, formal recognition of the Emirate any time soon seems a remote possibility. Chinese President Xi accepted the credentials of the ambassador sent by the Emirate early this year. In contrast, the Afghan Republic's black, red, and green tricolour flies atop the Afghan Embassy in New Delhi.

India has so far supplied to Afghanistan 50,000 tonnes of wheat and flights have ferried 300 tonnes of medicines. Trade carries on with Afghan trucks carrying merchandise to Wagah, but they go back empty since Pakistan does not allow Indian goods overland transit to Afghanistan.

India has also delivered, via Chabahar, 40,000 litres of Malathion to support Afghan agriculture. India might consider resuming some development assistance to Afghanistan such as maintenance of projects already completed. Scholarships and technical training activities have begun recently. Some 1,000 scholarships are offered to Afghan students for online courses in Indian universities.

India should consider resuming some development assistance to Afghanistan such as maintenance of projects already completed. Scholarships and technical training activities have begun recently. Some 1,000 scholarships are offered to Afghan students for online courses in Indian universities.

30% of these have gone to girls. This should be increased to 50%. The link between Indians and Afghans can best be kept alive by continuing active people-to-people exchanges. India's current restrictive policy on granting visas to Afghans impedes this. India must move towards a more liberalised visa regime by granting student and medical visas to Afghans.

The writer is former ambassador to Afghanistan

Calvin & Hobbes



Visiting Shiv's Abode Is A Profound Experience

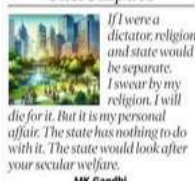
Vijay Hasha
The Amarnath Cave nestled in the Indian Himalayas is a site of immense spiritual significance. The journey to this sacred cave, where a naturally occurring ice lingam forms every year, is both physically demanding and spiritually enriching. However, it is fraught with challenges, as pilgrims trek through rugged, mountainous terrain, steep ascents, and unpredictable weather conditions. The mesmerising beauty of the landscape offers a sense of solace. At night, the pilgrims rest at various camps set up along the route, such as Sheshnag, Pancharni, and Pissu Top. According to lore, Shiv chose this cave to disclose the secret of immortality

and creation to his consort, Parvati. He chose the cave at Amarnath, where nobody would hear the secret, a place where *ekant*, serenity and calmness prevailed. On his way to the cave, Shiv left behind his vahana, Nandi, symbolising desire - at Balliguan, now called Pahalgam. At the next point, Chandanwari, He got rid of the moon and called Mahaganesh Parvat. At Pancharni, He left the five elements - worldly body that is made up of earth, water, air, fire and sky. He

created Rudra, Kalagni, to destroy any living thing in and around the holy cave. When Shiv and Parvati entered the cave, He sat down to meditate and began to tell her the secret of creation and immortality. Unaware that a pair of mating pigeons had overheard the entire conversation. Every year, devotees throng to see the giant ice stalagmite that looks like the lingam. Legend has it that the lingam waxes and wanes with the phases of the moon, reaching its maximum height - more than six feet on the full moon day of Shravan Parmima. It is believed that Shiv first appeared in the cave on this day. It is the divine power of Amarnath that guides devotees to a

higher spiritual perception. A visit to the abode of Shiv is a life-changing experience. The journey to Amarnath is not just a test of physical endurance but also a spiritual quest. Pilgrims often describe experiencing a deep sense of inner peace and divine connection as they chant hymns and mantras along the way. Many pilgrims report feeling an unexplainable spiritual energy upon reaching the sacred cave. The culmination of their devotion and the hardships faced during the arduous journey enduring hunger, pain and exhaustion in extreme weather conditions. Shiv is consciousness and time. He is the giver of knowledge and destroyer of ignorance. He liberates people from the cycle of life and death.

SacredSpace



If I were a dictator, religion and state would be separate. I swear by my religion. I will die for it. But it is my personal affair. The state has nothing to do with it. The state would look after your secular welfare.
MK Gandhi



jugularvein

The Tribune

ESTABLISHED IN 1881

Bail under UAPA

Apex court rules in favour of personal rights

THE Supreme Court has been repeatedly asserting that 'bail is the rule and jail is the exception'. However, law enforcement and investigation agencies, in their occasional overzealousness, have apparently been under the impression that this legal principle is somehow not applicable to special statutes like the Unlawful Activities Prevention Act (UAPA), 1967. Clearing the air conclusively, the court has granted bail to a man who was booked under UAPA on the charge of being an active member of a banned organisation. The SC Bench has rightly stated that even if the allegations against the accused are serious, courts have the duty to grant bail when the conditions laid down under the law for the purpose are satisfied. There should be no quarrel with this argument.

Considered draconian particularly by human rights activists, UAPA has often been associated with high-handedness and repression. It was in August 2019 that the Central Government amended the Act to include the provision of designating an individual as a terrorist. Prior to that, only organisations could be given the 'terrorist' tag. This important change has led to many individuals being booked for allegedly aiding and abetting terrorism. What's glaring is the poor conviction rate under UAPA — barely 3 per cent. In nearly every case, the accused are acquitted as the prosecution fails to prove their guilt. The acquittal, however, comes only after the persons have spent three or four years behind bars. At times, the trial begins several years after the arrest.

All these distressing factors make bail under UAPA highly significant. In the instant case, the court punched holes in the chargesheet, saying that there were no reasonable grounds to conclude that the charge of commission of offences punishable under the Act was prima facie true. The grant of bail is virtually a warning to the agencies that they should not misuse the dreaded UAPA. Hopefully, invoking the contentious Act at the drop of a hat will no longer be the norm.

A stain on justice

The face of Ram Rahim's frequent furloughs

THE repeated furloughs granted to Gurmeet Ram Rahim Singh, the convicted leader of Dera Sacha Sauda, highlight a troubling pattern of leniency towards a man who has been convicted of heinous crimes. Over the years, Ram Rahim has been granted multiple paroles and furloughs, raising serious questions about the integrity of the judicial and political systems that enable such decisions. Ram Rahim has been serving 20 years in prison since 2017 for the rape of two female disciples and was awarded life sentence for the murder of journalist Ram Chander Chhatrapati. His release on furloughs, especially around election times, casts a shadow over the impartiality of the justice system. The most recent furlough, a 21-day release ahead of the Haryana Assembly elections, marks the 10th instance of such leniency, despite the gravity of his crimes.

The Punjab and Haryana High Court's decision to allow the Haryana Government discretion in granting Ram Rahim furlough is deeply concerning. A question mark arises on how a government could grant 'good conduct' certificates to someone responsible for grave offences. The timing suggests political considerations, especially in view of Ram Rahim's significant influence over a large voter base in Haryana, Punjab and Rajasthan. His sect has historically been courted by political parties, raising questions about whether justice is being compromised for electoral gains. The dera has a history of aligning with political parties, including open support for the BJP during the 2014 Haryana Assembly polls.

This leniency is not just a legal issue; it's a moral failing. It sends a dangerous message that those with political connections can evade full justice, undermining the victims' suffering and the principle of fairness. The law must apply equally to all, regardless of status. Anything less damages the credibility of our judicial system and the public's faith in it.

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, FRIDAY, AUGUST 15, 1924

Slandering a nation

IN spite of the ingenious defence that has been set up by the Anglo-Indian Press, we are constrained to say that the Dacca speech of Lord Lytton, which has caused a feeling of profound indignation in Bengal and, in fact, all over India, does amount to a libel both on the womanhood and manhood of India. The words of His Excellency — we hope our readers will forgive us for publishing this slander just once — ran as follows: "The thing that has distressed me more than anything else since I came to India is to find that hatred of authority can drive Indian men to induce Indian women to invent offences against their own honour merely to bring discredit upon Indian policemen." On the face of it, this is a racial generalisation which is even more offensive and insulting than that in which Lord Curzon allowed himself to indulge in a famous convocation speech against which Bengal recorded its protest by a meeting in the Calcutta Town Hall, presided over by Dr Rash Behari Ghosh. If Lord Curzon impugned India's standard of veracity, which is dear to her heart, Lord Lytton has gone one better and impugned the honour of her women, which is still dearer to her. It is all very well to say that His Excellency's remarks do not refer to all Indian men and women. Of course, they do not. But neither did Lord Curzon say that the standard of veracity of every single Indian or Asiatic was inferior to that of every single European. That, in fact, is not the way of the racial generaliser at all. He knows his business far too well to make so palpably obvious a mistake.

Humanism on the Olympic scale

Mothers of champion athletes Arshad Nadeem and Neeraj Chopra belittle India-Pak hostility

TRYSTS AND TURNS
JULIO RIBERO

FOR me the biggest takeaway from the Paris Olympics was the voice of two women — two mothers, one an Indian and the other a Pakistani. Kaziah Parveen, whose son Arshad Nadeem bested our hero Neeraj Chopra for the gold in the javelin throw, on being informed that her son had won the contest, said Neeraj was also her son and she would have been equally happy if the result had been the other way round.

That was a brave thing for a mother to say. But the other woman, too, expressed something similar. Suraj Devi, Neeraj's mother, said Arshad was also her son. Two mothers from two neighbouring countries, separated by a barbed-wire border and mutual hostility built up over 77 years or so, were not merely happy and proud of their respective son's performance at the Games but, even more importantly, exhibited a dignity and grace that only wisdom and gentility can evoke.

Arshad and Neeraj have given their nations a lot to cheer about ahead of their respective Independence Days. If common citizens of the two perpetually warring countries can unite and drive some sense into the thoughts and actions of their rulers, poverty and misery — which is presently the lot of a sizeable proportion of their respective population — can be fought and conquered. Such a transformation may not result in top positions in the comity of nations but will certainly be good enough to assure both of a place at the high table. India, with a stronger economy, would



GLORY: Javelin throwers Arshad Nadeem (right) and Neeraj Chopra have given their nations a lot to cheer about ahead of their respective Independence Days. (R)

most certainly get there.

Parveen has invited Neeraj to her home at Man Channu village in Khanawal district of Pakistani Punjab. Will the government of Pakistan give him a visa if he does accept the offer? That is a million-dollar question, very difficult to answer.

Pakistan's Ambassador in Romania during my tenure there had a schoolgoing daughter whom I had met when my wife and I were invited for dinner at their home. Thirty years later, I received an e-mail from the girl saying that she was employed in a foreign country where she met and married a Hindu colleague from India. They wanted to meet the parents of their spouses but were finding it difficult to obtain visas. Could I help?

I wrote to then External Affairs Minister Sushma Swara. She was an old acquaintance of mine from my Punjab days. A gracious lady, she replied the very next day that she had instructed her ministry to expedite the process. I heard nothing about that request thereafter, neither from the ministry nor from my young Pakistani friend. Moving on to Bangladesh,

If common citizens of the two perpetually warring countries can drive some sense into their rulers, poverty and misery can be fought & conquered.

micro-credit wizard Muhammad Yunus, now tasked with the difficult task of running a government in his native land, knows that his primary task is to restrain the proclivities of the religious extremists intent on decimating the minority Hindus. He has indicated their representative in his interim administration, probably to humour the hotheads. I doubt if that will work. Religious extremists of all creeds are a menace in any country and the Bangladesh ones find themselves unchained after 15 years of Sheikh Hasina's rule. That makes them doubly dan-

gerous. The Nobel laureate has his work cut out.

It is emotionally gratifying to humanists the world over that when these extremists threatened to destroy Hindu temples and homes, the students who propelled the ouster of India's friend Hasina took it upon themselves to mount a vigil and deployed volunteers to defend the temples, homes and shops from religion-inspired vandalism.

The student protesters of Bangladesh alleged that Hasina was an autocrat, a minor dictator who favoured her own party operatives with jobs in the government. These are as prized in Bangladesh as they are in ours. Government jobs ensure security of tenure even while the quality of service rendered is well below par.

Many commentators from Bangladesh mentioned the close relations between their country and India as a grouse against Hasina! That comment was not well received in India. Here, the common man's view has always been that Bangladeshis should perpetually be beholden to India for helping them achieve inde-

pendence from Pakistan. Those of us who harboured such misconceived expectations knew better. Like blood is thicker than water, religion can also replace blood in the Islamic view of life.

The Bangladesh imbroglio presents grave problems for India. We wait and watch. Some intrepid Congress leaders have pointed to parallels between what has happened there to what is happening in our country. They forget that it requires a popular upheaval of the type that emanated from students in Bangladesh to force any ruler's hand. That is nowhere near the horizon here.

What is eminently possible, though, is that a resurgent Opposition can and should curb autocratic tendencies born of sycophancy and over-the-top imagination. The tendency to imprison political opponents who refuse to defect should be firmly opposed and put to slumber. There was public awareness already of such measures being employed which a more pugnacious Opposition can easily exploit.

The lessons learnt from Bangladesh will perforce have been studied by our rulers. They have no option but learn therefrom. If they neglect to do so, they will do so at their own peril. The happenings are so very close to our doom that lessons from past history could have been forgotten but not this one. The fallout of troubles in a neighbouring country are sure to destabilise settled positions in numerous aspects of concern. Inaugural groups that operate in the North-East will again try to find safe havens in Bangladesh, just like they were able to do before Hasina bottled them up.

If that happens, it will be a major headache, but not the only one that could follow Hasina's ouster. Another round of migration by Hindus from Bangladesh is also a possibility — unless Yunus can convince them to stay on by assuring them of their safety.

THOUGHT FOR THE DAY

The universal brotherhood of man is our most precious possession. — Mark Twain

Shatabdi journeys and fragile egos

CHITVAN SINGH DHILLON

PASSENGERS onboard the executive-class coach of the Shatabdi Express from New Delhi to Chandigarh make for an interesting case study on the fragility of the human ego. The travellers typically consist of the movers and shakers of the bureaucracy, 'My Lords' and kurta-clad netas — not to forget lawyers and journalists.

It baffles me that those who frame and execute policies, supposedly shouldering a gigantic responsibility, find it impossible to lift their own bags. And the apex-level 'Bura Sahib' from Punjab will typically be accompanied by his protocol staff, courtesy the Resident Commissioner, the more self-effacing counterpart from Haryana will manage things by herself — without a whiff of arrogance. They will walk past each other and may not exchange pleasantries, even if they may be batchmates!

At the railway platform, one can spot some officers, sporting their colourful 'ID cards', which have become more of a fashion accessory and an obvious assertion of their seniority. Occasionally, one may spot a retired *babu*, still wearing the *kol patta* with the expired ID card deftly tucked inside the pocket.

Inside the coach, dishevelled and young *netas* are often found making a quick dash for their coaches after helping senior advocates remove their black coats and grabbing their files. The servility in their body language is hard to miss.

'Keep the change!' the northern-actor auntie dismisses the humble *coolie* and quickly gathers her shopping haul from Chanakya Mall and Khan Market. An entitled *mesahib* and her badly behaved groom, accompanied by their personal staff, enter soon after. A confusion over seat numbers erupts, which quickly escalates into an argument, but stops short of a brawl. The staff is summarily rebuffed, and deservingly so, by the auntie. It turns out that the *mesahib's* ticket is for the following day! The helpless but snooty lady is rescued after a speed dial to the rail *mentholaga* by a fellow traveller who walks down the aisle, presumably her husband's batchmate.

My co-traveller is an affable auntie from Karol Bagh. She is the quintessential idiosyncratic Indian auntie you don't want to mess with. And so, I just eavesdrop on her juicy colony gossip. I gather that the menu at Mrs Chaudh's recent kitty party was awful. Later, over hot, cardamom-scented *chai*, we get talking. She manages only a smattering of the Queen's English but insists on carrying the conversation forward only in that language.

In less than 15 minutes, she is flipping out *rishtra* for me from her phone. 'Pattar, at least have a look! She's from LSR (Lady Shri Ram College), you!' she chimes. Alarmed, I steer the conversation towards books, but her before we realise, the train chugs into Chandigarh. I humbly ask her to upgrade from Shobhaa De to Jackie Collins, at least.

LETTERS TO THE EDITOR

Ensure drains are not clogged

With reference to the editorial 'The sinking feeling', heavy rains have exposed the lack of preparedness on the part of the civic bodies concerned. Roads have caved in, residential and commercial areas have been inundated, and many localities have been reeling under power outages. The local civic officials' failure to blunt the impact of rainfall has caused grave inconvenience to residents and commuters. It is time for the authorities concerned to conduct an audit to ensure that storm water drains and tanks are not clogged up with debris and garbage or blocked by encroachments. This could help prevent flooding and recharge groundwater and surface storage. In order to minimise the accumulation of water, we must improve the way city roads are constructed and repaired.

SANJAY CHOPRA, MOHALI

Kolkata's shame

With reference to 'Kolkata horror', doctors across the country are on strike to lodge their protest against the brutal rape and murder of a trainee medic at a state-run hospital in Kolkata. The ghastly incident throws the spotlight on the risks — from physical assault at the hands of patients to sexual abuse — that medical professionals face every day. While the prompt response of the state government is welcome, there is a need to ensure that the perpetrator is brought to justice. A moot question is: will the Kolkata horror pave the way for much-needed reforms to protect women from sexual violence?

GREGORY FERNANDES, MUMBAI

Patients bear brunt of strike

Refer to the editorial 'Kolkata horror'; attacks on healthcare workers have become increasingly common. From physical assault to rape, doctors are often at the receiving end of abuse and violence. The chilling murder of an on-duty doctor at a government medical facility in Kolkata has jolted the whole nation. It has become abundantly clear that stringent laws to deal with such heinous crimes are often not enough to ensure justice. Such cases drag on in court for years, much to the dismay of

the kin of the victims. And the perpetrator is often left off despite the presence of incriminating evidence against him. The need of the hour is to make sure that such sensitive cases are disposed of within a fixed time frame. Besides, the government authorities must pay heed to the concerns being raised by the protesting doctors so that they call off the strike, which is only adding to the patients' plight.

SUBHASH VAID, NEW DELHI

No let-up in crimes against women

The horrendous rape and murder of a trainee doctor at a state-run hospital in Kolkata bring back memories of the 2012 Nirbhaya case. But the most shocking part of the episode is not the gruesome nature of the offence but that the act was committed on the premises of a government medical facility brimming with people at all times. It is supposed to be a safe place for medical professionals, patients and other visitors. What is the point of having stringent laws in place if there is no let-up in such heinous crimes? It seems like criminals don't even fear the law. Did things get any better after the spine-chilling sexual assault on a young nurse, Aruna Shanbaug, at Mumbai's KEM Hospital decades ago? The answer is sadly an emphatic 'no'. But hopefully, the Kolkata horror will spur a positive change.

RAMESH K DHAMAN, CHANDIGARH

Adapt to changing times & climate

Refer to 'Climate-resilient crops'; such crops, designed to withstand these challenges, can be the way forward. After all, the changing monsoon patterns and intensifying heatwaves are not distant threats. These are urgent crises that need to be addressed on priority. The launch of several high-yielding, climate-resilient crop varieties is welcome. However, the success of such endeavours hinges heavily on a number of factors, ranging from an effective outreach to small-scale farmers to scientific inputs. A collective effort, rooted in science, is essential to ensuring food security in the face of climate change.

GAGANPREET SINGH, BY MAIL

THE ASIAN AGE

16 AUGUST 2024

Will a 'secular' civil code benefit a diverse India?

Prime Ministers often put before the people the unfinished agenda of their nation in their speeches from the Red Fort on Independence Day. Mr Narendra Modi was no exception. On Thursday, he mentioned two important subjects, among others—the need for a "secular" civil code and women's safety.

Article 44 of the Constitution, as part of the Directive Principles of State Policy, states that "the state shall endeavour to secure the citizen a uniform civil code throughout the territory of India" even though the Constitution elsewhere makes it abundantly clear that it shall not be enforceable by a court of law. There was intense discussion in the Constituent Assembly on the need to have a uniform civil code but handed the responsibility over to the coming generations to take the discussion forward and create an atmosphere where every community is confident of being part of the larger one. But even while so doing, the Constitution has provided for protecting the identity and customary practices of individual communities.

The Sangh Parivar has been harping on uniformity in every aspect of national life and the imposition of a uniform civil code fits snugly into its theme. How much it reflects the national mood is the moot question, which could in all probability return an answer in the negative. The uniform civil code introduced in Uttarakhnad by the BJP government is an example where the advisory or tribals have been given an exception in the laws "related to marriage and divorce, successions, live-in relationships, and matters related thereto". There will be the demand for such exemptions in every state.

However, it is welcome that the Prime Minister has called for "widespread discussions" on the topic and called on all to come forward with their opinions. The Prime Minister, while stating that "the present laws divide the country on religious lines" and that they have "no place in a modern society", wants a "secular" civil code to replace them. The tone of Mr Modi, or for that matter any national political leader, refers to a "secular" civil code. It is a fact that the succession laws and property rights in several communities do not reflect the character of a modern secular democratic nation, and they need immediate overhaul.

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Rules of sport need empathy

India's medal tally will stay at a total of six with one silver and five bronze and the 71st place among 205 nations that took part in the Paris Olympics. With the Court of Arbitration for Sport dismissing Vinesh Phogat's appeal for a shared silver medal in the 50 kg wrestling event, India will have to content with its on-field performance of medals that came in at one less than in the Tokyo Olympics and without a gold.

It is a pity that Vinesh Phogat has to heart after the athlete failed by a mere 100 grams to weigh in under 50 kg, this may come as a cruel disappointment to sentimental sports fans in millions. But rules are rules, and any exceptions made can only lead to more athletes being allowed to flout them, particularly when the weight limits are measurable and not a subjective criterion. The Indian Olympic Association is making a case that the stringent weight rules come down too hard on marginal discrepancies and this could impact athletes' careers as well as affect their mental well-being. While there may be a more empathetic way of dealing with such athletes do not suffer such heart-breaks. The pursuit of sporting excellence calls for great dedication and framers of rules should recognise that.

The more valid argument is that the case of an athlete like Phogat, who is not the only one to have been affected by weight regulations, still merits consideration for a silver as she had qualified to fight the final after weighing in below 50 kg on the day of the semifinal event.

It can be argued that a subsequent disqualification should not strip an athlete who had qualified for a medal. It would have achieved something for the sporting fraternity if the Phogat case leads to a prospective change in regulations that will be more sympathetic towards athletes who use an unfair means in competition to keep their weight classification.

To pursue this any further legally would be pointless. The IOA would do better to campaign for a change in rules so that athletes do not suffer such heart-breaks. The pursuit of sporting excellence calls for great dedication and framers of rules should recognise that.

Vinesh Phogat would, of course, remain a champion in everyone's estimation and a heroine for millions of sportspeople for standing up for the security from sexual exploitation of young athletes, both girls and boys, in sport.

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The implosion in Bangladesh puts spotlight on the Andamans' role

Bhopinder Singh

The Indo-Pacific region is the world's centre of gravity. It contributes two-thirds of global economic growth, 90 per cent of global GDP and hosts seven of the world's largest militaries: winning here will decide which "bloc" is in command. The principal threat to the existing world order comes from a belligerent China that seeks to combine its military, economic, diplomatic and technological wherewithal to redraw the equations in its favour. Therefore, China is always at its astute best in the region. It pounces on any and every opportunity to threaten any rival bloc, which is broadly reflected in the Quad construct that is, the United States, India, Japan and Australia.

Towards the same objective, China remains fleet-footed, non-judgmental (about issues like human rights, lack of democracy, ideology, etc) and transactionally unconcerned about the other's past. Such ready accommodation along with loosening of the purse-strings (with initiatives like the Belt and Road Initiative) can endure many isolated regimes into its welcoming ambit—such as North Korea, the military junta in Myanmar, Taliban in Afghanistan, etc. in a world of competitive alignment, China emerges as a natural counterpoise on the rebound, whenever the domestic politics of a nation warrants new suitors with regime change. The change of ruling parties in distant Male, Kathmandu, Naypyidaw and even Colombo can trigger trajectories towards Beijing. But where there are fundamental barriers to sovereign appropriation—

Subhani



Managing disasters: Why rapid awareness is vital



Syed Ata Hasnain

When a nation has legitimate aspirations such as the goal of becoming a \$5 trillion economy in the very near future, with the \$10 trillion mark seemingly not very far away, it's also good to be aware of the impact of that progressive achievement on society, the environment and infrastructure. While India could uplift a couple of million people from poverty and enhance the quality of life of the middle class with its development agenda, there are also adverse effects in the form of the impact of such development on society. This is so especially if it is unplanned and uncoordinated. Nowhere is the impact felt more than in the domain of disaster risk.

Three major disasters which cost us a cumulative 30,000 lives were the Odisha super-cyclone in 1999, the Kutch earthquake of 2001 and the Indian Ocean tsunami in 2004. They triggered the birth of the National Disaster Management Act of December 2005, which is now up for review in the legislature. Under it, the National Disaster Management Authority (NDMA) was set up along with similar bodies at the state and district levels. The Prime Minister became the NDMA's chairman. Since then, the handling of disaster management (DM) in a professional way has been an ongoing process. The big change that occurred was that the concept of DM, which was all along response-centric, has adopted a proactive approach of prevention, mitigation and preparedness. It's an unfortunate observation that despite the government's clear focus on ensuring awareness about disaster risks, there is hardly any big shift towards better learning and knowledge management among the

The 'Aapda Mitra' (Friends in Disaster) scheme has trained 100,000 able-bodied volunteers in 350 districts, all equipped with basic skills and equipment to enable exploitation of the 'golden hour' principle of early response

public for better mitigation. Efforts have gone on in a transformational way to sensitise the public with revolutionary programmes like the National School Safety Programme, which covers 8,600 schools in 43 districts spread over 22 states falling in seismic zone IV & V with the aim to sensitise children and the school community on disaster preparedness and safety measures.

A marked impetus from 2014 onwards witnessed the current government making some brief structural changes at the NDMA. Yet, what is still elusive is widespread knowledge about disaster risk reduction (DRR). In the era of climate change, this should actually become a mantra for human existence. In this context, one of the most transformational measures undertaken by the leadership has been the codifying of major DM concerns through what is called the Prime Minister's Ten-Point Agenda for DRR. The code's simplicity makes it extremely intelligible even to lay persons; hence the need to use this as a primary source to carry out management to make DM and DRR the subjects of general knowledge for the next generation.

The first point highlights that every development sector must imbibe DRR, implying that if a road, bridge or railway line is constructed, the potential disaster risks must be identified and steps to neutralise these must be taken. The intention becomes univer-

available for lightning hazards. Drowning due to boat-related and swimming accidents (average 38,000 per year) are highly avoidable again, through basic life-saving measures such as life jackets and safety rafts even on country boats and ferries. Enhanced public knowledge will build pressure on all the local administrative bodies for the better management of risk.

The government must be complimented for taking forward the eighth point on the agenda: "building local capacity", essentially implying community readiness for response. The 'Aapda Mitra' (Friends in Disaster) scheme has trained 100,000 able-bodied volunteers in 350 districts, all equipped with basic skills and equipment to enable exploitation of the "golden hour" principle of early response. The ninth point demands the need for ensuring documentation of the lessons from each disaster and acting upon them. The repetition of mistakes is sacrilege because lives remain at stake. Once again, public awareness will also lead to administrative pressure for effective implementation.

The tenth and last issue in the agenda is the necessity for global cooperation. India is continually displaying this through its readiness at times to be specialised forces like NDRF. The Japan, Nepal and Turkey disasters are all recent examples which have enhanced India's international image.

The common refrain is that disasters are for others, but not for "us". The day anyone is caught in the middle of a devastating disaster is the day when he or she will rue why people could not act on early warnings that the authorities regularly give. The time for alertness is not yet upon us, and much depends on how seriously you take it; for your sake and for the sake of your family and loved ones.

The writer, a retired lieutenant-governor, is a former GOC of the Srirangar-based 15 ("Chinar") Corps. He is also a member of the National Disaster Management Authority.

LETTERS

HINDENBURG MESS

It is quite inexplicable why the BJP is adopting a protective stance against the accusations made by the Hindenburg reports against the Adani Group. Making a case against the Opposition as anti-national is strange and accusations that it is creating financial anarchy unwarranted. It is a financial tangle which only experts of the domain will be able to unravel. Therefore, even the JPC will not be competent enough to get to the bottom of the matter. Why the Adani Group is refusing to file a defamation suit in the US is suspicious. Perhaps, they are afraid it would open up another can of worms.

Anthony Henriques
Mumbai

BAIL AND UMAR

RECENTLY, the Supreme Court has ruled that courts cannot decline bail, even under the special anti-terror law UAPA, once the accused shows prima facie innocence. The question is whether this ruling would be applied to Umar Khalid, who has been in jail since his arrest under UAPA on September 14, 2023. His bail plea has repeatedly been adjourned. A documentary on him has shown his controversial speech in Maharashtra in 2020 in its entirety. There, he is said to have urged the people to use Gandhian means to oppose the new citizenship laws. That message Gandhi could have faced the UAPA had he still been alive.

Kajal Chatterjee
Kolkata

WHY RG KAR RAPE

MANY PEOPLE have protested as to why the RG Kar gangrape-murder has sparked such outrage while those of dalit and poor do not. The murders are not hard to find. This was the murder of a high-value doctor following torture by a gang of seven-eight people after she threatened to expose a sex racket run by some male interns on campus. Some reports say that a woman was also involved. She was murdered in a most brutal manner. Her legs were found at right angles to the rest of her body lying in the other direction. After she was murdered, the college principal tried to pass her death as a suicide and, when evidence of rape was found, blamed the victim. All this makes her case exceptional and urgent, sparking the protests.

Kajal Chatterjee
Kolkata

India or Bhutan—It follows intimidatory, encroaching and strategic one-upmanship to assert itself. However, Bangladesh has remained challenging for China, as the latter's quest for a secure contiguity from the Chinese mainland has created a buffer from the usually intrusive meddling. Second, Bangladesh's evolution towards a "middle power" with various reasons. First, the lack of border with China is a rare status for a nation at the juncture of South and Southeast Asia, along the great trade arteries in the Indian Ocean.

Last year, Bangladesh released a vision paper on the Indo-Pacific that had sought to "uphold the exercise of freedom of navigation and overflight, in accordance with international law and conventions". This allusion to the United Nations Convention on the Law of the Sea (UNCLOS), without subscribing to the specific language and syntax of Sino-varying approaches by the Quad countries, exemplified its preference for "lightweight diplomacy" without clear preferences. So, without a clear tilt in its favour, the Chinese continued "investing" with BRI imperatives, preferential loans for 13 projects with about \$10 billion. And, the construction of the Padma Bridge, elevating the bilateral relationship to a level of "comprehensive strategic cooperative

partnership". But Bangladesh managed to counterbalance the same, refusing the Chinese offer in favour of India on the Presta Water Management Project. The Chinese patience, growth and investment in Bangladesh stemmed significantly from its inability to secure a committed footprint for its infamous "military-industrial complex" in a country that does not yet carry an aura of dire necessity. In due course, predictably, it will become a much sought after area as almost every country will have to cater for numerous disaster related contingencies. The rising spectre of lightning-related deaths and deaths by drowning is itself a cause for worry. Mitigation can be achieved by better awareness as early warnings are technically

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Services Command and all its future possibilities. The fabled Chinese "string of pearls" port project in Chittagang has not gone beyond a commercial container facility, just as Bangladesh simply rejected a request for a US Air Force base on Bangladesh's Saint Martin Islands. Neither side was able to elicit a strategic preference as Dhaka continued milking all the opportunities while New Delhi's own dramatic exit opens many new possibilities (and also challenges given the instability), and the Chinese are back to the drawing board, though less anxiously than New Delhi. All this uncertainty reiterates the importance of the permanent Indian spoke in the Chinese hegemonic dreams—the Andaman and Nicobar Islands—for fresh reimagination and strategic investments. It is still early days for new diplomatic contours to emerge, but as Delhi and Beijing jostle their respective wickets, Port Blair stands tall.

The writer is a retired lieutenant-general and a former lieutenant-governor of the Andaman and Nicobar Islands and Puchukerry