

NMP 2.0 is a bold step; it can unlock resources for reinvestment

THE government has done well to set a target of Rs 16.7 lakh crore for National Monetisation Pipeline (NMP) 2.0. The objective is to monetise assets of more than 2,000 projects in 12 sectors till 2029-30. The Prime Minister-headed NITI Aayog, after consultation with infrastructure ministries, has developed NMP 2.0, which Finance Minister Nirmala Sitharaman launched on Monday. A NITI Aayog paper said in 2021, "Asset monetisation, based on the philosophy of 'Creation through Monetisation', will tap institutional investment and long-term patient capital into stable mature assets, in turn generating financial resources for new infrastructure asset creation. This will enable economic growth, generating employment opportunities and better prospects for the country's growth." At the launch, the Finance Minister complemented all ministries and departments and NITI Aayog for meeting nearly 90 per cent of the target of Rs 6 lakh crore, which was set for four years in the implementation of NMP 1.0. On the face of it, praise for falling short of the target seems awkward. However, if the polarised political situation and the perverted public discourse (which equates processes like privatisation and asset monetisation as cheaply selling off national treasure) are considered, we find that her comments are not off the mark.

Highlighting the significance of asset monetisation, she rightly pointed out that NMP enables recycling of productive public assets, thereby unlocking resources for reinvestment in new projects and capital expenditure. She noted that this approach facilitates efficient mobilisation of funds for capex in public assets while minimising the budgetary outgo of the government. While the Centre has the courage to go ahead with the programme, it must ensure that it does not result in corruption and monopolies. Six points need to be considered regarding this. First, the government must ensure transparency in valuation. Public assets must be priced realistically and competitively. Independent advisors, transparent bidding processes, and robust disclosure norms are essential. All contracts should be made public, barring commercially sensitive details, so that citizens and oversight bodies can scrutinise them. The credibility of NMP 2.0 will rest on the perception that assets are neither under-

valued nor selectively awarded. Second, competitive bidding must be genuine, not cosmetic. If a handful of large conglomerates dominate most sectors, the risk of concentration increases. This can lead to a situation where the state replaces a public monopoly with a private one. Third, the contract design must balance investor incentives with public interest safeguards. Concession agreements should include performance benchmarks, service quality standards, and penalty clauses for non-compliance. For instance, toll road operators must adhere to maintenance and safety norms; power transmission operators must ensure reliability; airport operators must maintain passenger service standards. Regulatory oversight cannot be lax once assets are monetised. The objec-

tive is efficiency, not abdication. Fourth, revenue-sharing and user charges need careful calibration. While private operators must earn a fair return, excessive user fees can generate public resentment and fuel political backlash. Transparent tariff-setting mechanisms, ideally overseen by independent regulators, can mitigate such risks. Fifth, strong audit and accountability mechanisms are indispensable. Institutions such as the Comptroller and Auditor General (CAG) and parliamentary committees should periodically review monetisation outcomes. And, finally, the government must effectively explain the difference between monetisation and privatisation, emphasising that ownership remains public and that funds raised are earmarked for new infrastructure.

LETTERS

'Keralam' was long overdue
 Rechristening of Kerala as Keralam following an unanimous resolution to that extent by the State Assembly and Centre's approval is a cause for great rejoicing. It is only a matter of time before it gets parliamentary approval. It is an emphatic reaffirmation of the State's distinct cultural and linguistic identity. In fact, it restores the original name found in Malayalam and its linguistic. Literally, Keralam means the 'land of coconuts'. Etymologically, Keralam could have been a derivative of 'Chera-alam', meaning 'land of the Cheras'. According to Dr Herman Gundert, 'keraam' is the Canarese (Kannada) form of "cheram" and Cheram, Keralam extended from Gokarna to Kanyakumari. The move is unlikely to pay electoral dividends to any political party as the demand for a change of name has been made by all parties. It is hoped that north Indians will now stop referring to the state as "Kerala" and start calling it "Keralam".
 G David Milton, Maruthancode (TN)

MPs, MLAs must work for people's welfare

THE Sri Lankan government presently in financial doldrums has found a way out, by way of regulating the salaries and perks of its MPs and MLAs. This is a welcome move whereas Indian MPs and MLAs continue to seek enhanced pensions reflecting the purpose for which the individuals have entered the 'political arena' - not to serve, but to be served, to ensure that their lives are safeguarded by way of unwhimpered pensions and perks. The lawmakers must understand the responsibilities for which they are elected. It is imperative to bring legislation in this direction. The 'will of the people' must not merely end after casting the vote, but go in for course correction, when the lawmakers err in their duty.
 Sakunthala KR, Hyderabad

India should emulate the Lankan example

THIS has reference to your editorial 'Sri Lankan Parliament shows the way for India'. It is time India implements the Sri Lankan model about salaries and perks of MPs and MLAs. In fact, this is an issue dominating the minds of the people of the country for a long time. The lawmakers unabashedly and unilaterally attempt to enhance their perks and salaries, forgetting the purpose for which they have been elected. The situation assumes significance when these elected members have no compunctions to stall the proceedings in the Parliament for no reason at all - except to score brownie points. The Sri Lankan model can infuse a sense of responsibility and purpose in the minds of Indian lawmakers, once it is implemented.
 K V Raghuram, Wayanad

TSSPDCL's chatbot is a timely move

THE Southern Power Distribution Company of Telangana Limited (TSSPDCL) has done well by launching its own WhatsApp chatbot, which is aimed at providing faster, more convenient, and accessible power-related services to consumers. Through this platform, users can easily register complaints, check billing details, and obtain power supply information on 8712441912. This initiative reflects a thoughtful adoption of modern technology to enhance customer service. The chatbot reduces the need to make countless calls or office visits. Such forward-thinking measures highlight TSSPDCL's commitment to efficiency, transparency, and the digital transformation of public utility services in the state. This development is not only a practical improvement for everyday users but also a significant step toward building a more user-friendly, technology-driven public service ecosystem.
 Dr Krishna Kumar Vepakomma, Hyderabad-45

Adulterated milk is the new killer

IT is quite ironic that incidents of adulterated milk have become a light even as there are unending debates over adulterated Tirumala laddu. It is reported that 106 families from Rajamahendravaram, who get milk from a private dairy located in Narasapuram, have developed 'anuria' (absence of urine). In an unfortunate development, four persons died and several others are undergoing treatment in various hospitals. It is a known fact that milk is wholesome food and so it is one of the staple items in the plate in various forms. Presently, private dairies are resorting to different ways to adulterate the milk to capitalise on the demand. At the same time, monitoring by agencies like FSSAI has been inactive and, as such, there is no quality check. The government must tighten its stand and ensure uncontaminated milk, which is ever in demand and by almost all households.
 Pratapa Reddy Yaramala, Tiruvuru (AP)

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BENGALURU ONLINE

K'taka CM blames BJP as Dharwad protests intensify

BENGALURU: As protests by government job aspirants intensified in Dharwad, with many taken into preventive custody, Karnataka Chief Minister Siddaramaiah on Tuesday blamed the previous BJP regime for the large backlog of vacant posts. According to protesters, who staged a massive demonstration in Dharwad earlier in the day, around 2.8 lakh posts remain vacant across various government departments in Karnataka, while fewer than 5,000 recruitments have been made in the last three years. In a press statement, Siddaramaiah said that when the Congress assumed office in 2023, over 2.64 lakh government posts were vacant. He said the backlog was the result of "prolonged inaction under the previous BJP government, which failed to initiate timely recruitment or create a structured roadmap to fill vacancies." It is deeply unfortunate that BJP leaders are choosing to mislead innocent students even now to serve their narrow political interests, the CM said. He alleged that, instead of encouraging aspirants to stay focused on their preparation and future, opposition leaders were "attempting to instigate unrest." The chief minister said the current situation was largely due to recruitment irregularities and illegal corrupt practices during the BJP regime between 2019 and 2023, which eroded trust in the system and led to a significant backlog.

Read more at <https://epaper.thehansindia.com>

Rich brats cause fatal accidents but go scot-free

DR HYMA MOORTY

A rich 'brat' in Pune, son of a construction tycoon, killed two young IT professionals snatching away their promising careers. Another rich 'brat' was arrested from Virar, Mumbai, after mercilessly and consciously murdering a mother of two young children, while a third killed two promising young boys. In the recent Lamborghini hit and run case in Kanpur, the spilt brat at the wheel brought the car driver to the driving seat. It was the presence of mind of the socially conscious by-passers that ensured that the rich guy responsible for the accident was booked. In Delhi's Dwaraka locality, a juvenile boy was speeding a Scorpio without a license, and his sister was filming a social-media 'reel' and the vehicle killed a 23-year-old and severely injured a cab driver. His mother, a single parent, was devastated. Looking back, one finds that such reckless incidents are happening too often, especially with young drivers hungry for social media fame. All these 'brats' brazenly wear up their sleeve tattooed inscriptions like 'Mera baap amir hai'. These are offspring of stinking rich parents, who drive high-end cars and question the law by flaunting the clout of their

father. The list is long and endless. Justice hinges on courts where cases are overly delayed. The system is in cahoots to help relieve the accused of any punishment. It is a harsh reminder of how money and power can call the shots, leaving the victims powerless. It's a serious issue and needs more awareness and stricter enforcement. But public outcry and media pressure often push authorities to act, collective vigilance matters. It is not easy to cope with the sudden loss of a family member. These recent cases of drunk driving involving youngsters and unlicensed juvenile drivers, often referred to as 'rich brats' by the media and society, have been alarming. It highlights the pressing issue of underage drinking and its fatal consequences. Drivers aged between 21 and 24 years, under the influence of alcohol, account for most fatal accidents. This trend calls for strict enforcement of laws and public awareness campaigns on responsible drinking. It's a common concern that wealth and influence can lead to unequal treatment under the law, with ordinary citizens facing harsher consequences for similar of-



After all, money can 'fix' almost everything these days. Power always twists, and when money becomes absolute, it smother's conscience. Compassion, pity, help, fear and support get buried deep while ego, pride and wealth surface and dominate. No rules and regulations can resolve such problems.

ences. Cases like the Lamborghini one in Kanpur often spark public outcry and intense calls for justice highlighting the need for unbiased accountability in investigation. Let us analyze the reasons why many of these rich 'brats' fall and flash their 'borrowed' riches. The most important reason is to have the privilege of growing up in affluent surroundings. This leads to reckless behaviour, including excessive drinking and reckless driving, unmindful of the consequences. The social circles they move around normalises excessive drinking and un-

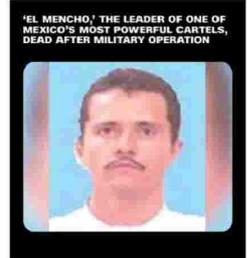
and addict children. If they fail to spend some time and educate their children about the damage of drinking and driving, they are morally and ethically responsible. They are supposed to supervise their children, especially when they are underage and not legally allowed to drink or drive. If they are aware of their child's brash and erratic behaviour but fail to take any timely action, they should be held liable for the consequences. Parents have a significant role in shaping their child's behaviour. Most of the accidents in our country are caused by human error, carelessness and being casual at the wheel. It is necessary to be cautious and sincerely obey traffic rules, irrespective of who and what you are. Meanwhile, some accidents are caused even if one is careful, especially at choked traffic interjections like Amerpet junction in Hyderabad, where the bikers squeeze to cross and hit the waiting vehicle. While driving, distraction is the worst thing to happen and nowadays everyone is super pleased with their distracted driving, which has been on the rise for the last 15 years or so. The worst distractions include being under the influence of drugs or alcohol

and conversing on the mobile. The rich have money to pay the penalties. They can afford highly specialized counsel and top-tier expert witnesses, independent crime scene investigators and many skilled attorneys. A few wealthy people have high influence, and it becomes difficult for individuals to come forward and testify against them. As a result, prosecution cannot build a strong case. Witnesses and victims of crimes can all be paid to not testify or change the narrative totally. After all, money can 'fix' almost everything these days. Power always twists, and when money becomes absolute, it smother's conscience. Compassion, pity, help, fear and support get buried deep while ego, pride and wealth surface and dominate. No rules and regulations can resolve such problems. The mentality of the public needs to change. Better sense should prevail. We start acting human again when we notice this shift and restore humility over greed, restoring empathy before it's completely erased. Drinking and driving doesn't just take your life; it shatters the lives of those who love you. It will be good if every youngster and the elders remember this and change their mindset accordingly.

THE RISE AND FALL OF EL MENCHO

B V KUMAR

NEMESIO Oseguera Cervantes, known as 'El Mencho', died on Sunday while being taken to the capital Mexico City, after being seriously injured in clashes between his supporters and the Mexican army. Four CJNG members were killed in the town of Tapalapa, the central-western Jalisco state, as three army personnel were also injured. The US had given Mexico tactical intelligence that assisted the operation. Over the past year, Claudia Sheinbaum Pardo, President of Mexico has come under intense pressure from US President Donald Trump, who threatened military intervention and higher import tariffs if Mexico fails to demonstrate concrete gains in curbing drug trafficking. However, Sheinbaum has rejected the notion of US strikes in Mexico, characterizing them as a violation of Mexico's sovereignty and territorial integrity. According to its 2023 Annual Threat Assessment, the US intelligence community cited Mexico-based Transnational Criminal Organizations (TCOs) as the dominant producers and suppliers of various illicit drugs destined for the domestic US market. Mexican TCOs, particularly the Sinaloa Cartel and the Jalisco Nueva Generacion (CJNG) remain the most predominant and sophisticated groups overseeing the transportation and distribution routes from Mexico to the United States. Both groups have consolidated control over drug corridors from Mexico and are heavily involved in trafficking of fentanyl, methamphetamine, cocaine, heroin, and marijuana. Both have a history of establishing drug trafficking hubs, strong criminal partnerships, and using violence and corruption to gain control over the territory where they operate. The Sinaloa and Jalisco Cartels pose the greatest criminal drug threat to the United States have ever faced. These ruthless, violent, criminal organizations have associates, facilitators, and brokers in all 50 states in the United States, as well as in more than 100 countries around the world. The Sinaloa Cartel, the Jalisco Cartel, and their affiliates



control most of the fentanyl global supply chain, from manufacture to distribution. The Jalisco Cartel maintains illicit drug distribution hubs in Los Angeles, Seattle, Charlotte, Chicago, and Atlanta. Internationally, the Jalisco Cartel has a presence and influence through associates, facilitators, and brokers on every continent, except Antarctica. In Milenio Cartel, El Mencho started as a member of the assassin squad that protected the drug lord Armando Valencia Cornelio ('El Maradona'). On 12 August 2003, his boss was arrested by Mexican authorities. Around the same time, a rival criminal group known as Los Zetas, with the backing of the Gulf Cartel, carried out an armed offensive against the Milenio Cartel in Michoacán. The attack forced the Valencia family to exile in Jalisco. El Mencho relocated to the state capital, Guadalajara, with his father-in-law José Luis González Valencia (alias 'El Quini') and Román Caballero Valencia. In Jalisco, El Mencho and the Milenio Cartel formed an alliance with the Sinaloa Cartel subgroup headed by Ignacio 'Nacho' Coronel, a high-ranking drug lord and ally of Joaquin 'El Chapo' Guzmán. Under Coronel, El Mencho and his group managed the Sinaloa Cartel's drug operations, finances, and murder activities in the states of Colima and Jalisco. The Milenio Cartel split into two. One

Part of El Mencho's success in the drug trade had to do with his ability to strategize market and consumer changes. Initially, the CJNG produced methamphetamine, but then he moved to heroin production when the consumer demand changed. In a series of highly coordinated tactics to prevent El Mencho's arrest, the CJNG blocked several highways and roads by setting at least 37 vehicles on fire. The purpose was to place them as blockades and give him ample time to escape

side was known as La Resistencia (The Resistance), the other was Los Mata Zetas (The Zeta Killers), headed by El Mencho. La Resistencia attacked Los Mata Zetas of turning in Oscar Orlando to the authorities. A war ensued, and the two groups fought for the drug smuggling turf in Jalisco. As leader of the CJNG, El Mencho consolidated his position and strengthened his organization through territorial expansion and established himself as one of Mexico's most-wanted criminals. His rise to fame was due to several factors, including the aggressive and sensationalist displays of public violence by CJNG. The direct attacks of the CJNG against Mexico's security forces earned El Mencho a reputation among authorities as 'principal enemy' of the state and as a dangerous criminal. In addition, the fall of Mexico's former top crime bosses cleared the way for El Mencho to gain visibility and status. He consolidated his operations in Jalisco and its adjacent states by fighting off incursions from criminal groups like Los Zetas and the Knights Templar Cartel. According

to government sources, he was responsible for overseeing the CJNG's entire drug trafficking operations in the states of Jalisco, Colima, and Guanajuato, where he created a bastion for methamphetamine production and trade. Between 2014 and 2016, the only region in the country where the CJNG lost its territorial presence was in Mexico City. Internationally, the CJNG reportedly has ties with criminal groups in the US, the rest of Latin America, Europe, Asia, and Africa. On an international scale, CJNG is mainly focused on trafficking cocaine and methamphetamine. The government estimated that El Mencho's group has about \$50 billion in total assets. Part of El Mencho's success in the drug trade had to do with his ability to strategize market and consumer changes. Initially, the CJNG produced methamphetamine, but then he moved to heroin production when the consumer demand changed. In a series of highly coordinated tactics to prevent El Mencho's arrest, the CJNG blocked several highways and roads across the Guadalajara Metropolitan Area by setting at least 37 vehicles on fire. The purpose was to place them as blockades to impede the security forces from traveling across Jalisco's capital and giving El Mencho ample time to escape. The blockades were placed in strategic routes to prevent police reinforcements from coming in or leaving Guadalajara. After the attacks were over, the government confirmed that El Mencho was in the area and had evaded capture. The US government announced US\$ 10 million as reward to capture El Mencho, which was increased to US\$ 15 million. Sheinbaum has pursued a direct approach to combating organized crime by increasing cooperation with the US security agencies. In a major operation launched by the Mexican Army, the most-wanted drug lord and leader of the feared Jalisco Nueva Generacion (CJNG) drug cartel have been killed during a security operation to arrest him, the Defence Ministry has said. (The writer is a former DG of DRI and NCB)

ICRA has maintained a Stable outlook for the Indian aviation industry, supported by expectations of modest growth in domestic air passenger traffic and a gradually improving operating environment, despite near term challenges

-Kinjal Shah, Senior VP and Co Group Head, ICRA

Business

BIZ BRIEFS

CSMVS' initiative

Chhatrapati Shivaji Maharaj Vastu Sangrahalaya (CSMVS) unveiled 'Networks of the Past: A Study Gallery of India and the Ancient World' in Mumbai. Over 300 archaeological objects from more than 15 leading Indian and global museums will be showcased for three years until 2028. According to CSMVS, "These tell stories from the ancient cultures of India, Egypt, Mesopotamia, Greece, Rome, Persia, and China, alongside treasures from around the world."

Nikon unveils new product

Nikon India Pvt. Ltd. has announced the release of the NIKKOR Z 70-200mm f/2.8 VR S II, a fast telephoto zoom lens compatible with full-frame FX-format mirrorless cameras. The first NIKKOR lens to support the use of Arca-Swiss tripod heads, for smoother tripod mounting and dismounting. The tripod collar of this lens can be attached to Arca-Swiss screw-type quick-release clamps. However, please avoid using lever-type clamps, as they may not fit the lens firmly in place.

Projects Today launches platform

Projects Today introduced AI-Driven business opportunity platform to strengthen India's project ecosystem. The new positioning brings project lifecycle context, tenders and L1/ order updates, and stakeholder intelligence into one convenient workflow - helping organisations engage the right projects at the right time. The upgraded platform introduces an AI-enabled evolution focused on practical outcomes, including BOQ search, sub-project tracking, tender-to-order journey visibility, bidder participation and insights, opportunity estimation tools, credibility and analytics dashboards, and richer stakeholder relationship mapping.

Harpic rolls out new product

Harpic, a home hygiene solutions provider has announced the launch of its latest product - New Harpic Bathroom Ultra Cleaner. The company also onboarded Bollywood Film-maker Rohit Shetty as brand ambassador. Rohit Shetty said, "I know what's like when you associate with you with a certain style, it means they trust you to deliver every single time. And that trust pushes you to do more, do better and to raise the bar."

Policybazaar logs milestone

Since 2018, Policybazaar has facilitated over ₹2,069 crore in term insurance claims across 2,660 cases. This milestone strengthens consumer confidence in an underpenetrated market often hindered by claim concerns. By leveraging a digital-first model, the platform ensures speed and transparency, partnering with insurers to transform the stressful claims experience into a seamless, empathetic, and guided process for nominees during their most critical time of need.

iQOO launches 15R; Co sees good demand in India

It has been six years for iQOO in India and the company has been launching flagship products

Flagship Features

- Slimmest smartphone with a 7600 mAh battery
- Powered by the Snapdragon 8 Gen 5
- Has SuperComputing Chip Q2 with the 144 FPS gaming

HANS BUSINESS BENGALURU



Nipun Marya, CEO of iQOO



iQOO, the specialised mobile brand from Vivo stable, on Tuesday launched iQOO 15R in India as it eyes more young professionals' user base in the country. The iQOO 15R has several innovative features that enable young professionals to seamlessly switch between work, gaming, and entertainment, the company said.

The new variant of the brand is powered by the Snapdragon 8 Gen 5, ensuring higher processing power,

speed and efficiency. iQOO 15R is India's slimmest smartphone with a 7600 mAh battery. It also used the company's proprietary SuperComputing Chip Q2 with the 144 FPS gaming. It is also equipped with a Sony LYT-700V OIS camera, a 1.5K 144Hz AMOLED EyeCare Display, along with IP68 & IP69 dust and water resistance, the company said.

"The new launch is the second one in the iQOO 15 series. We already have the flagship product iQOO 15, which has received good response. Given the kind of features in the new phone and the pricing, we believe

that the new variant is also going to get a very good response," Nipun Marya, CEO of iQOO told the BizzBuzz on the sidelines of the launch event.

"This is fastest smartphone in the market. It has a Snapdragon 8 Gen 5 processor. So, it is very fast and powerful. On the battery side, this is India's slimmest phone with 7600 mAh battery. It means, you can use your phone all day, do heavy tasks the whole day and there will be no issues with the phone at all. All of this, along with the camera, we believe that the price range of ₹84,000 to ₹85,000 for iQOO 15R is an amazing offer for our Indian users," Marya added.

Markets in red as tariff fears rattle IT stocks

Infotech stocks plunge nearly 5% as renewed US tariff concerns dent risk appetite

MUMBAI



EQUITY benchmark indices Sensex and Nifty tumbled more than 1 per cent on Tuesday, dragged down by heavy losses in IT stocks amid concerns over artificial intelligence-led disruption and renewed trade-related uncertainties. Rising global crude prices amid escalating US-Iran tensions and sluggish global cues also hit investor sentiment, traders said. Snapping its two-session rally, the 30-share BSE Sensex plummeted 1,068.74 points, or 1.28 per cent, to settle at 82,225.92. During the day, the benchmark plunged 1,359.93 points, or 1.63 per cent, to hit an intraday low of 81,934.73. A total of 2,802 stocks declined, while 1,422 advanced and 143 remained unchanged on the BSE.

The 50-share NSE Nifty fell 288.35 points, or 1.12 per cent, to close at 25,424.63. In the intraday session, it

depreciated by 385.4 points, or 1.49 per cent, to hit a low of 25,327.60. As many as 32 of its components ended in the red while 18 settled in the green territory. Investor sentiment weakened amid renewed concerns over global trade developments and rising geopolitical tensions, which kept crude oil prices elevated. Moreover, continued pressure on global technology stocks and fears of AI-led disruption further dragged domestic IT shares, amplifying the decline in the benchmark indices," Ajit

Mishra SVP, Research, Religare Broking Ltd, said. Tech Mahindra emerged as the biggest laggard, declining by 1.5 per cent, followed by HCL Technologies, Eternal, Info-sys, Tata Consultancy Services, Larsen & Toubro, Trent, Bharti Airtel, HDFC Bank, Bharat Electronics Ltd and ICICI Bank. On the other hand, NTPC, Hindustan Unilever, Tata Steel, PowerGrid, Titan, Reliance Industries, Axis Bank, and Sun Pharmaceuticals were among the gainers. "Domestic markets registered a sharp decline, led

by significant weakness in IT stocks amid renewed global concerns over AI-driven disruption and margin pressures for traditional service providers. Global trade and tariff worries resurfaced as well, with additional pressure arising from Trump's warnings on trade deals and reports of possible national-security tariffs. "Meanwhile, escalating US-Iran tensions, marked by embassy staff evacuations and Iran's warnings of wider regional escalation, intensified risk aversion. Overall, markets remain highly sensitive to geopolitical risks and sector-specific pressures, driving investors toward defensive, domestically focused segments," Vinod Nair, Head of Research, Geojit Investments Limited, said. Broader indices also ended in the negative territory, with the BSE Smallcap Select Index falling 0.68 per cent, while the Midcap Select Index slipped 0.54 per cent.

Cabinet enhances equity investment limit of Powergrid to ₹7,500 cr per subsidiary

The approval will enable the Maharatna to expand its investment in its core business and support the evacuation of renewable energy capacity

NEW DELHI: The Cabinet Committee on Economic Affairs (CCEA), chaired by Prime Minister Narendra Modi, on Tuesday approved enhanced delegation to Power Grid Corporation of India Limited (POWERGRID), enhancing the permissible equity investment limit of the company from the current threshold of Rs 5,000 crore per subsidiary to Rs 7,500 crore per subsidiary -- while retaining the existing cap of 15 per cent of the company's net worth.

The approval came under the extant guidelines dated February 4, 2010, of the Department of Public Enterprises (DPE) on the delegation of powers applicable to Maharatna CPSEs. According to an official statement, the approval will enable POWERGRID, the largest and most experienced transmission service provider in the country, to expand its investment in its core business and support the evacuation of renewable energy capacity, helping achieve the target of 500 GW from non-fossil-based sources.

The statement further said that POWERGRID can now participate in the bids for capital-intensive transmission projects, such as Ultra High Voltage Alternating Current (UHVAC) and High Voltage Direct Current (HVDC) transmission networks.

Additionally, it will broaden competition in the Tariff-Based Competitive Bidding (TBCB) for the selection of bidders for critical trans-



mission projects. "This ensures better price discovery, and ultimately leads to the availability of affordable and clean energy for consumers," the CCEA said.

The POWERGRID, the central transmission utility, recently announced its unaudited financial results for the third quarter of this fiscal. The public sector company reported robust growth in profitability.

Standalone profit after tax (PAT) stood at Rs 4,160.17 crore -- a 6.8 per cent increase from Rs 3,894.09 crore in Q3 FY25. Standalone revenue from operations was Rs 11,005.28 crore, up year-on-year from Rs 10,120.72 crore.

The Board of Directors approved several significant proposals, including a second interim dividend of Rs 3.25 per equity share (32.5 per cent on the face value of Rs 10) for FY 2025-26. The dividend will be paid on February 27, 2026.

Clean Max's ₹3K-cr IPO subscribed 45% on day 2

NEW DELHI: The initial public offering (IPO) of Clean Max Enviro Energy Solutions, a commercial and industrial renewable energy provider, received 45 per cent subscription on the second day of share sale on Tuesday. The company's IPO got bids for more than 97 lakh (97,59,106) shares against over 218 lakh (2,18,23,329) shares on offer, according to the NSE data. The qualified institutional buyers' category was subscribed 1.21 times, while the quota for non-institutional investors was booked 41 per cent. Retail Individual Investors part fetched a 4 per cent subscription. Clean Max Enviro Energy Solutions raised Rs 921 crore from anchor investors on Friday. The public issue will close on February 25. The company has fixed a price band of Rs 1,000-1,053 per share, valuing it at Rs 12,325 crore at the upper end. The proposed issue comprises a fresh issue of shares worth up to Rs 1,200 crore and an offer-for-sale (OFS) of shares valued at Rs 1,100 crore by promoters and an investor shareholder.

World shares trade mixed after heavy selling in AI scrips hit Wall Street

BANGKOK: World shares were mixed on Tuesday after US stocks slumped on heavy selling of shares in companies that could be lured by the artificial-intelligence boom. A report by Citirni Research, a New York-based financial services company, that outlined a future scenario in which AI's dominance caused the "human-centric consumer economy," to wither away with dire consequences for employment, was the latest hit to confidence for companies that might be displaced by fast expanding use of the technology. "Policy response has always lagged economic reality, but lack of a comprehensive plan is now threatening to accelerate a deflationary spiral," the report says. Still, Tuesday brought gains for computer-chip makers and other equipment makers. Advantech rose 4.5 per cent, while machinery maker Disco Corp. added 2.1 per cent. Markets in mainland China advanced as they reopened following a weeklong holiday, but Hong Kong's Hang Seng fell as traders locked in profits from recent gains, slipping 1.8 per cent to 26,590.32. The Shanghai Composite index rose 0.9 per cent to 4,171.41. In South Korea, the Kospi picked up 2.1 per cent to 5,969.64, setting fresh records on gains for memory chipmaker Samsung Electronics, which jumped 3.6 per cent. SK Hynix, another chipmaker, closed 5.7 per cent higher.



As in Asian trading, Tokyo's Nikkei 225 index surged 0.9 per cent to 57,321.09. Chip testing equipment maker Advantech rose 4.5 per cent, while machinery maker Disco Corp. added 2.1 per cent. Markets in mainland China advanced as they reopened following a weeklong holiday, but Hong Kong's Hang Seng fell as traders locked in profits from recent gains, slipping 1.8 per cent to 26,590.32. The Shanghai Composite index rose 0.9 per cent to 4,171.41. In South Korea, the Kospi picked up 2.1 per cent to 5,969.64, setting fresh records on gains for memory chipmaker Samsung Electronics, which jumped 3.6 per cent. SK Hynix, another chipmaker, closed 5.7 per cent higher.

India's CV industry clocks robust sales in Jan

NEW DELHI: THE Indian commercial vehicle (CV) wholesale volumes reported a robust 27 per cent year-on-year (YoY) growth to 99,544 units in January, along with a sequential growth of 1.9 per cent over 97,682 units recorded in December 2025, a report showed on Tuesday.

The year-on-year growth was primarily driven by the reduction in Goods and Services Tax (GST) rate to 18 per cent from 28 per cent, effective September 22, 2025 and was further supported by increased freight activity in the goods markets, according to ICRA.

Retail volumes in the medium and heavy commercial vehicle segment (M&HCV) witnessed a healthy growth of 15.4 per cent on a YoY basis in January while recording a sequential growth of 22.1 per cent.

The M&HCV segment during the 10 months of FY26 stood at 63 per cent, indicating improving volume momentum following the implementation of GST rate cuts.

Moreover, according to the report, retail volumes in the light commercial vehicle



(LCV) segment grew by 14.9 per cent YoY in January.

The YoY growth in retail volumes of the LCV segment during 10 months of FY26 stood at 11.1 per cent.

Overall, the domestic CV wholesale volumes grew by 11.3 per cent (on-year) "during 10M FY2026, while retail volumes registered an 8.5 per cent growth during the same period," said the report.

The domestic CV industry is expected to register a moderate YoY growth of 7-9 per cent in wholesale volumes in FY26. Domestic CV wholesale volumes are further projected to register a moderate YoY growth of 4-6 per cent in FY2027.

The M HCV (trucks) and LCV (trucks) segments are expected to witness YoY volume growth of 7-9 per cent and 9-11 per cent, respectively.

The buses segment is likely to see an 8-10 per cent YoY growth during the fiscal, said the report.

Gold rises ₹400; silver stays flat

NEW DELHI: Gold prices rose by Rs 400 to Rs 1,63,200 per 10 grams in the national capital on Tuesday amid persistent buying by stockists and a weaker rupee, according to the local market.

The precious metal of 99.9 per cent purity had closed at Rs 1,62,800 per 10 grams on Monday. However, silver prices remained unchanged at Rs 2,72,000 per kilogram (inclusive of all taxes). Traders said increased offtake by local jewellers and stockists supported gold prices in the domestic market, even as international precious metal rates declined. In the international markets, spot gold was trading 1.35 per cent lower at USD 5,157.16 per ounce, while silver traded flat at USD 88.19 per ounce. Analysts said weakness in the rupee made gold costlier for holders of other currencies, offsetting the impact of a decline in global prices.

"We have seen instances of market participants making overstated claims about using AI to deliver exceptional returns," Singh said, addressing an event jointly organised by IMK and NSE here.

Asking companies to be mindful of how they communicate claims on usage of AI, Singh warned, "exaggerated claims, or selective disclosures, the so-called AI washing can mislead markets and erode trust".

He acknowledged that AI is a powerful tool for education, research and accessibility, but advised for certain care to be taken as adoption of AI grows because of its ability to generate "convincing misinformation at scale".

"Can we confidently say that today's true and fair reports truly reflect economic reality?" he asked, adding that such questions are more relevant in the current times.

Cos should be cautious on AI usage claims: Sebi whole-time member

MUMBAI

SEBI's whole-time member Amarjeet Singh cautioned against 'artificial washing,' or the use of exaggerated claims as a marketing tactic, warning that such instances can erode the public's trust in the markets.

"We have seen instances of market participants making overstated claims about using AI to deliver exceptional returns," Singh said, addressing an event jointly organised by IMK and NSE here.

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Amarjeet Singh says such claims can erode the public's trust in the markets

There are newer forms of a shift to "narrative-led communication including purpose-washing and green-washing," Singh said, pointing out that the aspirational language used in such efforts can sometimes run ahead of "verifiable action and measurable outcomes".

There is a historic capital shift from "financial to intellectual capital" as seen in the explosive growth in the stock prices of seven tech giants in the US, he said, underlining that the intangibles are driving market value.

Singh rued that our reporting systems have not

kept pace and underlined the need for reviewing the ways in which the reporting captures the intangible aspects of value creation, including advantages of algorithm usage, human capital prowess and societal impact. "Until we do, we are navigating the future with yesterday's map," Singh said.

No one should be systematically disadvantaged by opacity, manipulation, hidden conflict or engineered confusion, Singh said, adding that there is a possibility for information acting as a bridge between households and capital markets, and savings and productive investments if we get it right. "At stake is not just market efficiency, but public trust in finance as a force for good," he concluded.

ADB commits \$108 mn to Aavas Financiers

NEW DELHI: Asian Development Bank on Tuesday said it has signed a senior secured debt financing package of up to \$108 million (about Rs 983 crore) with NBFCA Aavas Financiers to expand access to affordable housing loans for lower-income households and business loans for MSMEs in underserved states across India. The package includes concessional debt financing of \$8 million (in Indian rupee equivalent) through the Canadian Climate and Nature Fund for the Private Sector in Asia (CANPSA), Asian Development Bank (ADB) said in a statement.

The financing will support housing loans for self-built and green-certified homes, promoting climate-resilient and energy-efficient housing solutions for lower-middle-income borrowers, it added. The transaction is also supported by up to \$15,000 in technical assistance to build institutional capacity and boost market awareness of green housing solutions, it said.



Band aid

The constitutionality of the flawed SIR process must be decided quickly

With the corrections and claims process coming to an end, the Special Intensive Revision (SIR) process has seen the release of final electoral rolls except in West Bengal and Uttar Pradesh which are due soon. The net number of voters removed (with fresh additions) from the pre-SIR electoral rolls in States such as Tamil Nadu (nearly 11.5%), Gujarat (13.4%) and Chhattisgarh (11.8%) remain high. Tamil Nadu and Gujarat are, after all, net-in-migrant States unlike Bihar where deletions were around 6%. The high number of deletions, and the fact that excisions are higher for female than male electors, suggests that the SIR process, as envisaged and implemented by the Election Commission of India (ECI), suffered from clear structural defects. A clear-cut assessment could have only been possible with comparison with Census figures, but due to the prolonged delay by the Bharatiya Janata Party-led Union Government, only outdated numbers from 2011 are available. The final figures of the electorate in major States where the SIR was conducted indicate that the registered adult population in the final rolls is much below the projected estimates. This again raises the question of whether the ECI should have waited for the Census before rushing the SIR — but that is now only of academic interest.

The exercise's lacunae and anomalies could have been mitigated if the Supreme Court of India had ruled on SIR's constitutionality and compelled the ECI to adopt a more robust — though slower — household-by-household count, instead of depending on an enumeration that shifts the burden onto electors to prove their eligibility. This exercise has clearly, and unduly, affected migrant voters — especially those leaving their residence for the short term and married women who have shifted residences. By letting the process to continue despite its frailties, the Court relied on the ECI's claim that concerns with omissions are overblown, given the relatively few complaints filed by political parties. But the fact that political parties participate in a zero-sum game of competition should alert to the possibility of their relative lack of agency in assisting all electors to be part of the list. Also, unlike other identity documents such as ration card, passport or Aadhaar, the voter identity card is of use only during quinquennial elections, disenfranchising citizens from trying to ensure that they are on the list. This is even more so in West Bengal, where the ECI's shoddy implementation has created such a humongous mess that the Court has sought the services of not just the State's judicial officers but those of its neighbours to aid in the "legal verification" process. The Court is seeking to ease the hurt rather than aid the process of universal adult franchise.

Inglorious retreat

Top court's failure to uphold directives on cow vigilantism is shocking

The Supreme Court of India has washed its hands of the responsibility to enforce its own guidelines of 2018 to prevent and punish mob violence in the name of cow protection. The trajectory of this case over the years had foretold this outcome, and fits within a disturbing pattern of judicial diffidence in the face of majoritarian politics. On February 23, the Chief Justice of India (CJI), Justice Surya Kant, observed that the "general directions" issued by the Court in a 2018 judgment to the Centre and States to prevent and prosecute cow vigilantism and mobocracy were "unmanageable". The CJI favoured an approach of taking up each crime on its singular facts and merits, and went on to add that if someone's rights are infringed, they could seek legal recourse. Petitioners had sought contempt proceedings against States that have refused to implement preventive, punitive and remedial measures against cow vigilantism. In 2018, a Bench headed by then CJI Dipak Mishra had expressed shock and dismay over the spate of violence perpetrated by cow protection gangs. The Court had observed that lynching "must be curbed and curbed", stressing that the state has a "sacrosanct duty" to protect citizens. The 2018 guidelines assumed the Court would remain a watchdog, but what followed was a gradual, but unmistakable, judicial retreat that now appears final with the pronouncement of the CJI.

In a situation of perfect rule of law, there is no reason for the highest court of the land to be directly involved in monitoring policing. Any police force acting in fidelity to the law would curb and bring to justice acts of violence. That citizens had to seek the intervention of the Supreme Court for what should be a routine police function was itself revealing, and the 2018 judgment reflected that awareness. Since 2018, cow vigilantism has grown more monstrous, while the police and State governments, in many places, overlook or even encourage mob violence in the name of cow protection. In several States, cow vigilantes have been accorded legal sanction and quasi-policing powers in blatant violation of the Court's guidelines. The Court earlier refused to entertain a special challenge to such empowerment of mobs, asking petitioners instead to file individual petitions in High Courts. Several Bharatiya Janata Party-ruled States have not only refused to implement the Court's directives but have also moved in the opposite direction by enabling vigilantism. Vigilante violence continues unabated, with the police looking away — or worse, turning against the victim. It will be a severe blow to the rule of law if the Court sticks to the view that it has no reason or intent to uphold its own directives.

An Israel visit — its strategic, economic, regional impact

The West Asian region is staring at the possibility of its worst ever military conflict with one of the largest American military buildups in the Persian Gulf. Iran is defiant and has refused to bow down to "unreasonable demands" from the United States. Concurrently, in Gaza, although the ceasefire has held since October 2025, the prospects of lasting peace still look remote. In addition, emerging fault lines in the region are drawing allies such as the United Arab Emirates (UAE) and Saudi Arabia into opposing military blocs.

In the midst of such an uncertain security situation, Prime Minister Narendra Modi is set to undertake a two-day visit to Israel (February 25-26, 2026). This will be Mr. Modi's second visit to Israel, following his historic first visit in July 2017 — the first by any Indian Prime Minister. Notably, this is a standalone visit with no engagement with Palestinian Authority leadership, highlighting India's success in "de-hyphenating" its Israel engagement.

The question, however, that arises is why this visit? What role can India play in this fragile security situation in the region? With India and Israel facing similar security threats, how can they take this very important partnership forward?

Convergence in a security partnership
Surrounded by hostile neighbours and as victims of frequent terror attacks, both countries have often sought convergence on security and defence issues. According to the Stockholm International Peace Research Institute (SIPRI), India has been Israel's largest defence customer for several years, accounting for about 34% of Israel's total arms exports between 2020 and 2024. The cooperation has gradually progressed from imports to joint development and technology collaboration.

Over the past few decades, Israel has provided India with a number of cutting-edge technologies, weapon and surveillance platforms such as unmanned aerial vehicles, missiles, special forces equipment and radar systems. The Barak-8 air and missile defence system, co-developed by India and Israel, is one such success story. During Israel Defence Minister Benjamin Gantz's visit to New Delhi in June 2022, there was the "India-Israel Vision on Defence Cooperation" for enhancing cooperation in the field of futuristic defence technologies. In November 2025, India and Israel signed an agreement to deepen cooperation in defence, industry and technology, including the sharing of advanced systems to support joint development and production.

For India, there were lessons from its experience in Operation Sindoor (May 2025) — the need for a strong and impregnable air (including anti-drone) and missile defence shield under Mission 'Sudarshan Chakra'. There are inputs that there could be special focus on it during Mr. Modi's visit including the procurement and co-production of the 'Iron Beam' — a



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100kW-class high-energy laser system capable of intercepting drones, rockets, and mortars efficiently and cost-effectively. There are also reports that Autonomous Guard, an Israeli company has signed a deal with an Indian private defence firm valued at approximately \$81.9 million, which would cover the supply of advanced surveillance and threat-detection systems, specialising in sensor-based observation technologies.

The science, technology and innovation link

India has benefited immensely from Israel's success in modern technology and innovations, especially in agriculture, water and electronics. There are more than 35 Centres of Excellence (CoE) in India which are focused in high quality and high-density production of flowers, vegetables, fruits (mango, citrus, litchi, date palm, pomegranate), and beekeeping. Water management technologies too are critical, especially with many water-scarce areas in India. MASHAV, Israel's Agency for International Development Cooperation under Israel's Ministry of Foreign Affairs, signed agreements with Haryana in June 2022 and Rajasthan in December 2024 to collaborate on integrated water resource management and capacity building. With Artificial Intelligence (AI) rapidly emerging as a key driver of modern technology, it is expected to become a focus area in future bilateral cooperation and innovation initiatives.

Israel-India bilateral trade is often overshadowed by security cooperation. It, however, remains a significant pillar of engagement. India is Israel's second-largest trading partner in Asia, with bilateral trade reaching \$3.75 billion in FY2024-2025. While merchandise trade continues to be dominated by diamonds, petroleum and chemicals, the partnership is expanding into electronics, high-tech products, communications and medical equipment.

In September 2025, during the visit of Israeli Finance Minister Bezalel Smotrich, India and Israel signed a Bilateral Investment Agreement. This was followed by the signing of the Terms of Reference for a Free Trade Agreement (FTA) during Commerce and Industry Minister Piyush Goyal's visit to Israel in November 2025. With India having recently concluded several significant trade deals, the FTA with Israel could gain the necessary momentum during Mr. Modi's visit. Israel is also keen to establish arrangements and exemptions for Indian infrastructure companies to participate in building critical roads and ports. Additionally, similar to India's agreement with Russia, Israel may pursue a deal to facilitate "human mobility" to attract skilled Indian talent.

Another key aspect to watch during the Modi visit is the progress of the India-Middle East-Europe Economic Corridor (IMEC). Announced at the G-20 Summit in Delhi in September 2023, this intercontinental connectivity project holds strategic significance

for both countries. Although the Gaza conflict had temporarily stalled the initiative, there is now a renewed sense of urgency to advance it. Recent trade agreements with the European Union, Oman, and the UAE are expected to boost trade in both value and volume, creating the need for a shorter and safer transport route. With the Suez Canal route vulnerable to disruptions from regional conflicts, IMEC could provide an alternative, secure corridor to Europe. But achieving lasting peace in Gaza remains crucial for the project's success.

Gaza peace process and regional dynamics

Discussion on the Gaza peace process is a definite likelihood. During the recent 'Summit' of the Board of Peace, presided over by U.S. President Donald Trump on February 19, 2026, more than 50 countries participated, with some pledging \$7 billion in funding and others committing troops to the International Stabilisation Force. India attended as an observer and has not yet defined its role in the process. Given India's strong ties with both the Gulf region and Israel, discussions may include potential avenues for India's involvement in Gaza.

Both leaders are also expected to discuss regional dynamics in depth, including developments in Iran, given the potential implications of conflict for India and the wider region, particularly with regard to India's energy security. India's hosting of the 2nd India-Arab Foreign Ministers' Meeting (IAFMM), in January 2026, along with Mr. Modi's visits to Jordan and Oman (December 2025), and the visit of the UAE President in January 2026, demonstrate the careful balance that India has forged in the region. This sets the stage for a constructive and realistic discussion on various regional issues during the visit.

Ahead of the Modi visit, Prime Minister of Israel Benjamin Netanyahu tweeted this: "we will create a 'hexagon' of alliances around or within the Middle East. This includes India, Arab nations, African nations, Mediterranean nations (Greece and Cyprus), and nations in Asia... The intention here is to create an axis of nations that see eye-to-eye on the reality, challenges and goals against the radical axes, both the radical Shiite axis, which we have struck very hard, and the emerging radical Sunni axis."

India, however, does not necessarily see things in the region from this lens. How India reacts to such a proposal, given how close India's ties are with countries in the region, will also be a thing to be watched. Mr. Modi's visit is being closely watched, as India and Israel are at pivotal points in their journeys. Despite domestic differences, the two have built a strong strategic partnership over the past decade. Mr. Modi's address to the Knesset — a privilege usually reserved for U.S. Presidents — and his visit to a Jerusalem innovation centre highlight the visit's significance. It is far more than routine diplomacy, with potential long-term implications for both countries and the region.

The Prime Minister's visit will help deepen engagement with Tel Aviv, going far beyond routine diplomacy

India's trade strategy in a multipolar world

India's recent global trade strategy aims to boost exports and strengthen its position as a leading global trade partner. This has resulted in ambitious free trade agreements and a stronger presence in key international economic forums. In 2023, India updated its Foreign Trade Policy (FTP) with the goal of increasing exports to \$2 trillion by 2030, reinforcing a framework of strategic autonomy that supports sovereign decision-making while engaging major global powers. According to the Department of Commerce's 2025 Year-End Review, India recorded a 6.05% annual increase in total exports — merchandise and services combined — reaching \$825.25 billion.

A shift in approach

For many years, India adopted a cautious approach to free trade agreements (FTAs), engaging primarily with economies that were similar in structure and stages of development. In recent years, however, New Delhi has shifted to a more proactive trade strategy, pursuing intensive negotiations and concluding comprehensive FTAs with major developed economies that were previously beyond reach. According to recent estimates, India's network of FTAs is projected to cover nearly 71% of its total export basket by 2026 — an extraordinary increase from approximately 22% in 2019. This rapid expansion reflects a decisive shift away from primarily regional trade arrangements toward deeper integration with advanced economies such as Australia, the European Union (EU), the United Arab Emirates (UAE), the United Kingdom (U.K.) and the United States, signalling India's broader strategic ambition to integrate into global value chains and high-value markets.

A major development in India's trade diplomacy is the India-EU Free Trade Agreement, signed on January 27, 2026 after nearly two decades of negotiations. Described as "historic" by European Commission President Ursula von der Leyen, it creates a vast free trade zone covering nearly two billion people.

The agreement reduces or eliminates tariffs on



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over 90% of traded goods, boosting market access for Indian exporters, especially in textiles, leather, pharmaceuticals, chemicals, and marine products. It enhances India's competitiveness against exporters such as Bangladesh and Vietnam. The FTA also removes tariffs on many pharmaceutical exports, strengthens regulatory cooperation, and lowers production costs by easing access to advanced European machinery and inputs. It is also expected to foster digital trade, boost investor confidence, and strengthen long-term economic resilience. Widely regarded as the "mother of all deals", the agreement represents a transformative boost to India's export ecosystem and marks a decisive shift in India's broader global trade strategy.

The deal with the U.S.

Early in February 2026, India and the U.S. signed a framework for an interim agreement on reciprocal trade, restating their commitment to advance negotiations on a broader U.S.-India Bilateral Trade Agreement (BTA). The interim framework is designed to progressively reduce tariffs across a range of products, thereby facilitating greater Indian exports to the U.S. market and enhancing overall market access.

The agreement also prioritises strategic collaboration in critical sectors such as rare earths and semiconductors. This cooperation is expected to support India's ambitions in high-technology manufacturing, reinforce its electronics export capacity, and strengthen its emergence as a reliable global hub for electronics and semiconductor-related production. By diversifying export destinations and reducing overdependence on specific markets, the pact enhances India's strategic and economic flexibility. Strategically, India's recent global trade agreements collectively signal a major shift toward enhancing its role as a leading player in the global trading system. This shift is visible across four key dimensions. First, deeper engagement with advanced economies such as the EU and the U.S. provides India with preferential access to some of the world's most

lucrative and high-demand markets. Such access is expected to significantly strengthen India's export potential and global market presence with benefits flowing to labour intensive sectors integrating the Micro, Small, and Medium Enterprises into the Global Value Chains. The agreements are across continents that reinforces India's strategic attempt to diversify and not become overly dependent on any single geography.

Second, FTAs reduce barriers on both exports and imports of intermediate goods, enabling Indian firms to integrate more effectively into global supply chains and improve their global competitiveness. This integration is especially beneficial for high-growth sectors such as technology, electronics, pharmaceuticals and services, all of which depend heavily on seamless cross-border movement of inputs and components.

Third, trade agreements serve as strategic instruments for enhancing India's diplomatic influence. By establishing deeper economic interdependence with major powers, India strengthens its role in global economic governance and positions itself as a more influential voice in shaping trade norms and standards.

At the core

India's evolving global trade strategy is central to its ambition of becoming an economic superpower and achieving Viksit Bharat. After opting out of the Regional Comprehensive Economic Partnership, India adopted a calibrated approach — boosting domestic manufacturing through production-linked incentives and infrastructure expansion while deepening global integration. Trade agreements with Australia, the EU, the UAE, and the U.K. aim to expand market access, attract investment, and diversify exports. By strengthening supply chains, promoting digital and services trade, and integrating into global value chains, India seeks to scale high-value exports and position itself as a leading force in global commerce.

Free trade agreements and trade reforms are key to propelling India's exports and global presence

LETTERS TO THE EDITOR

Court curbs outreach

The decision by America's Supreme Court to strike down U.S. President Donald Trump's imposition of tariffs on numerous countries, is

indeed a blow to the American President who has been running the administration ever since he was elected for a second term, as a dictator and not

as a president who is bound to respect laws. All those who are genuinely concerned with the hasty and imprudent acts of the American President are

indiscribably glad that he has been snubbed as his actions are a clear case of 'it out-Herods Herod'. Though Mr. Trump may try his level best to wriggle out

of the situation, the entire world will see him in a good light if he at least now realises that he has committed a Brodingnagian folly in

imposing tariffs. **Mani Natarajan,** Chennai

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

Attracting talent positioned abroad

When Washington imposed a one-time \$1,00,000 fee on the issuance of new H-1B visas, petitions in 2025, the move did more than unsettle young Indian engineers based in the U.S. It also forced skilled professionals to reassess the cost of their American aspirations and compelled companies to reconsider where they source and retain talent.

A geopolitical earthquake triggered by the Trump administration has also coincided with a moment when India is looking for its best talent positioned abroad to think and act Swadeshi and consider reinvesting in India. Macrotrends in this regard have not been adversely positioned over the last 10 years, given how poorly India's domestic private investment scenario has been despite the best government efforts. Recent government signals indicate a structured push to re-engage India's global talent through initiatives including Global Access to Talent from India (GATI), eMigrate V2.0, Visiting Advanced Joint Research (VAJR) Faculty Scheme, and the Know India Programme. Senior officials have urged overseas professionals to "return and reinvest" amid global visa uncertainties.



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Geeatai Malhotra and Aditi Lazarus contributed to this piece.

labs, policy networks, and ministries than its entrepreneurial volume. This benefit is enhanced by a proposed startup to increase venture activity. However, Delhi serves as both a gateway and a gatekeeper, favouring those with established institutional capital due to housing costs and extensive recruitment networks at universities and institutes. Karnataka serves as an example of structural ambition devoid of absorptive realism. Its Beyond Bengaluru and Skill Development Policy (2025-32) seek to decentralise growth through Global Capability Centres in Mysuru and Mangaluru. However, "family-readiness" is constrained by inadequate global research infrastructure, healthcare, and education.

These cases are connected by two empirical insights. First, States give institutional support such as incubators, seed money, and infrastructure priority over family relocation policies. Second, mobility studies demonstrate that while wages draw migrants, retention is influenced by networks, spouse employment, and educational attainment. This unevenness shows that while States compete to attract firms, they rarely plan for people. The absence of housing, education, and spousal employment provisions explains why returnees often view India as a temporary assignment rather than a permanent reintegration.

H-1B policy shift

With nearly 71% H-1B approvals in FY2024, India's dominance in the H-1B visa programme is unparalleled. This dominance makes India highly sensitive to U.S. policy shifts. According to the U.S. Citizenship and Immigration Services, in FY 2024, 71% of the 3,99,395 total H-1B approvals were Indian nationals and 46% of total beneficiaries held a master's degree.

The educational profile of H-1B holders has also shifted markedly over time: the proportion of

workers with a master's degree as their highest qualification rose from 31% in 2000 to 57% in 2021, while those with only a bachelor's degree declined from 57% to 34%. Following policy revisions in September 2025, the U.S. introduced limited exemptions to the proposed \$1,00,000 filing fee, particularly for applicants already in the country who transition from F-1 student to H-1B status. This provides short-term relief for U.S.-educated Indian graduates but affects new overseas applicants. Shivani Desai, the CEO of BDO Executive search firm, estimates that the number of Indian students from Ivy League universities seeking positions in India has risen by about 30% this year, while senior Indian executives in the U.S. are increasingly reassessing long-term career prospects amid visa uncertainty.

This reversal comes at an opportune moment. With 1,600+ Global Capability Centres employing 1.66 million people and rising U.S. visa costs, conditions are ripe for a shift from brain drain to brain circulation. Retaining talent remains equally challenging. India's R&D investment is merely 0.64% of GDP, far below the U.S. (3.47%), China (2.41%), and Israel (5.71%), due to limited private sector incentives. This gap reflects both limited public funding and the structural composition of India's corporate sector.

Addressing this imbalance by incentivising private R&D investment and diversifying into higher-intensity sectors such as software products, semiconductors, and advanced manufacturing will be crucial if India is to convert the H-1B disruption into a genuine innovation dividend. The H-1B disruption could catalyse a wave of innovation if cities, universities, and firms strengthen social and research infrastructure to retain returnees. Otherwise, the next generation of highly qualified workers will simply pursue their futures elsewhere.

The ghee keeping A.P. on the boil

Faith cannot be a battleground for electoral gains

STATE OF PLAY

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The alleged adulteration of the ghee used for the laddu prasadam at the Tirumala Tirupati Devasthanams (TTD) has been in the news for more than a year for all the wrong reasons.

The controversy began in September 2024 when Chief Minister N. Chandrababu Naidu alleged that adulterated ghee, laced with animal fat including beef tallow, had been supplied to the temple during the previous YSRCP regime. The charge triggered outrage.

In October 2024, the YSRCP approached the Supreme Court, seeking a probe. The Court constituted a Special Investigation Team (SIT) headed by the Central Bureau of Investigation, with members from the State police and the Food Safety and Standards Authority of India (FSSAI). After 15 months, the SIT filed its final supplementary charge sheet in mid-January 2026 before the Anti-Corruption Bureau Court in Nellore.

The contents of the charge sheet appear to have unsettled the NDA, as certain ingredients reportedly identified in samples tested by the National Dairy Development Board (NDDB) were not mentioned in the document. On the other hand, the YSRCP was quick to claim vindication, with some leaders projecting the SIT findings as a "clean chit" to the previous regime led by Y. S. Jagan Mohan Reddy.

Yet, the SIT report was far from exculpatory. It confirmed adulteration and went so far as to state that the product supplied was not ghee at all, but a sludge concocted by mixing palm oil and synthetic

apparent intention of manufacturing a "ghee-like" substitute. The accused dairies had not procured any milk, yet managed to supply the concoction as ghee.

This is clearly a case of corruption, breach of trust, and collusion. The only direct political link cited in the charge sheet is Kaduru Chinna Appanna, who served as personal assistant to the then TTD Trust Board Chairman.

Neither side can claim moral triumph. The YSRCP asserts that it has been cleared of the gravest allegation – the presence of animal fat – and points out that none of its former TTD chairpersons has been named in the charge sheet. Yet it cannot evade accountability for the procurement of some 58 lakh kgs of fake ghee during its tenure.

Meanwhile, the NDA insists that corruption has been exposed. However, the absence of any reference to animal fat places it in an uncomfortable position. Also, its claim that policy changes under the YSRCP regime enabled dubious suppliers appears weak, since some of the same dairies operated during the earlier TDP government.

A one-man committee has now been appointed to examine the administrative lapses and procedural loopholes highlighted in the SIT's note to the State government. While the law must take its course, attempts to weaponise the controversy are disquieting. This is a case of blatant corruption, and most important, a matter of public health. Millions who have the Tirumala laddu as prasadam deserve answers. While institutions managing temple trusts must be insulated from political crossfire, the institutions themselves must be stringent about quality control.

State-level experiences

A common paradox in India's major metropolises is that while they excel at building startup ecosystems, they remain unlivable for families of returnees. Maharashtra continues to be the nation's largest startup cluster. It also has a Startup, Entrepreneurship, and Innovation Policy (2025). However, because of the lack of housing subsidies, school seat guarantees, and spouse-employment support, household entry costs remain high. This offsets declining firm costs and makes its congested, expensive cities affordable only to the wealthy. Delhi draws more returnees due to its institutional centrality, proximity to national

The H-1B disruption could catalyse a wave of innovation if cities, universities, and firms strengthen social and research infrastructure to retain returnees

How the Russia-Ukraine war is hurting the home front

From Russian rice to Ukrainian wheat, essential food prices have surged since 2022, forcing civilians to bear the brunt

DATA POINT

Sambavi Parthasarathy

The Russia-Ukraine war, which began with Russia's invasion four years ago, on February 24, 2022, has continued despite thousands of casualties and numerous rounds of peace negotiations. A joint report by the World Bank, European Union (EU), United Nations, and Ukraine, published on February 23, estimates the cost of post-war construction in Ukraine to be around \$558 billion over the next decade, nearly three times the country's estimated GDP in 2025.

The war has taken a toll on both countries. Russia, one of the world's largest economies, has been battered by sanctions imposed by the EU and the U.S. Its economy grew by less than 1% last year and is estimated to grow by another 1% in 2026 (Chart 1).

The economic condition of Ukraine, one of the poorest European nations even before the war, has worsened in recent years. The country is reeling under mounting government debt, rising reliance on aid, and heavy damage to infrastructure. Its GDP growth contracted by almost 30% in 2022. Its economy, which grew by just 2% last year, is estimated to recover to 4.5% in 2026.

Data show that people in both Russia and Ukraine have been feeling the pinch of the conflict. Consumer price inflation in both countries surged to a six-year high at the outset of the war in 2022. It has remained persistently elevated in the years since. For instance, in Russia, inflation surged to 14% in 2022, moderated to 5% in 2023, but subsequently increased to 9% in the last year (Chart 2).

The cost of essential items such as basic food products has risen substantially in both countries. In Russia, a kilogramme of bread increased by 13% this month compared to a year ago and increased

by over 50% compared to five years ago, according to the Food and Agriculture Organization's Food Price Index. Similarly, the price of a kilogramme of rice increased by 40% this month, compared to 2022 (Chart 3a).

In Ukraine, the cost of basic food products such as wheat and maize has increased by 15% compared to four years ago. The price of wheat flour increased from 12,633 Ukrainian Hryvnia (UAH)/tonne in February 2022 to 14,700 UAH/tonne in 2026 (Chart 3b).

High levels of defence spending also resulted in decreased allocation for social spending, education, and healthcare in both countries. In Ukraine, defence spending consistently accounted for more than half of the country's spending since 2022. In contrast, expenditure on education, health care, and social protection declined by more than half when compared to 2021 (Chart 4).

Defence spending surged to over 20% of the country's GDP in 2022 and was estimated to reach 26% by 2025. The sharp increase has widened the budget deficit, and the country's gross government debt accounted for over 109% of the country's GDP in 2025. In Russia, defence spending accounted for almost 30% of the total expenditure. The country's social spending did not decrease drastically like Ukraine's (Chart 5). However, a research paper published by SIPRI notes that Russia's military spending is not always classified under 'national defence', but is sometimes recorded under other categories, such as social support. This makes it difficult to find out its exact non-defence expenditure.

The war has come at a severe human cost. Last month, the Centre for Strategic and International Studies estimated that 1.2 million people were killed, wounded, and missing in Russia between February 2022 and December 2025. The corresponding figure for Ukraine was 5 lakh-6 lakh.

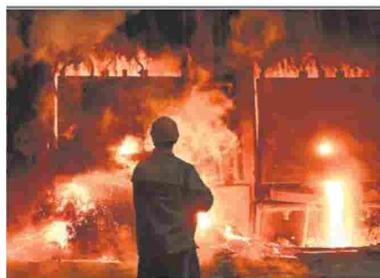


Chart 1: Real GDP growth rate of Russia and Ukraine. Figures in %

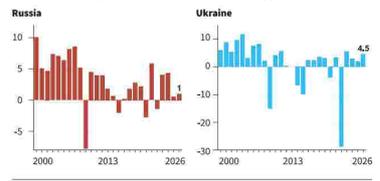


Chart 2: Annual inflation rates of Russia and Ukraine. Figures in %

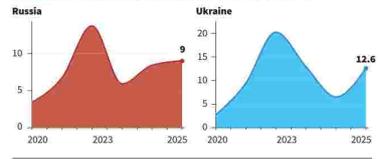
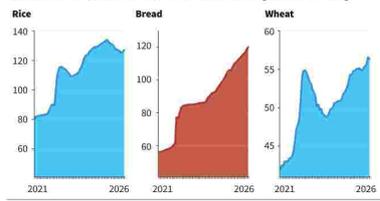


Chart 3a: Retail prices of select food items in Russia. Figures in roubles/kg



Cost of war

The data for the charts were sourced from the International Monetary Fund, Food and Agriculture Organization's Food Price Index, World Bank, OECD Economic Survey, and Stockholm International Peace Research Institute

Chart 3b: Retail prices of select food items in Ukraine. Figures in UAH/tonnes

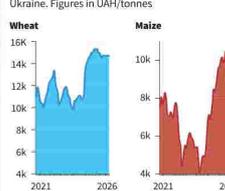


Chart 4: Sector-wise spending in Ukraine

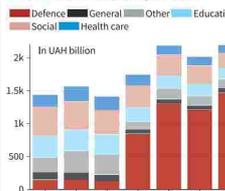
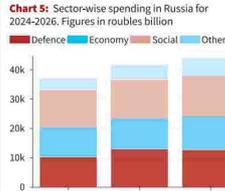


Chart 5: Sector-wise spending in Russia for 2024-2026. Figures in roubles billion



Economy refers to expenditure on general State issues and law and order; social refers to housing, utilities, education, etc.; others refer to debt servicing and inter-budget transfers

FROM THE ARCHIVES

The Hindu

FIFTY YEARS AGO FEBRUARY 25, 1976

Steps to free rice growth from weather constraints

Madras, Feb. 24: The Indian Rice Development Council which met here to-day focused attention on factors that can free rice production from the vagaries of weather.

Some measures were chalked out to minimise the impact of the climatic behaviour which was particularly felt more in the kharif season according to Dr. G. S. Kalikatt, Agricultural Commissioner, Government of India, who presided over the discussions. Nearly one-third of the rice area, including a vast expanse in the Gangetic belt, was rain-fed and small deviations from the normal cultivation practice which can off-set the influence of weather would be worthwhile, he said.

One of the measures thought of was to have optimum plant population to make up for the low output of individual plants.

Raising community nurseries and distributing seedlings instead of seeds has also been recommended. This would eliminate the time-lag between the period of water-arrival and the time of transplanting and make for fuller utilisation of the available rainfall.

It was also found necessary to design proper implements to prepare large areas quickly for planting or sowing and distribute them to farmers. Wherever possible, tractors, power-tillers and like equipment should be pressed into service to get the land ready in the shortest time possible.

Efforts will be made to improve the crop management capacity of farmers so that with less inputs they could get more yield.

Tamil Nadu has the highest yield of rice per hectare in India during the current year, producing 2200 kg per hectare. The all India average is just half of this.

A HUNDRED YEARS AGO FEBRUARY 25, 1926

Kashmir's new ruler

Jammu, Feb. 24: Last night, Sir Hari Singh entertained all the ruling princes and their followers at a banquet at his palace, which was beautifully illuminated. There are now 3,500 Indian guests in Jammu, all being entertained by the State. The procession to-morrow at midday, when the big coronation event takes place will be a mile long.

The Maharajas of Kapurthala and Jhalawar arrived to-day.

Text & Context

THE HINDU

NEWS IN NUMBERS

Number of houses approved for displaced people in Manipur

5,000 The Centre has approved construction of 5,000 houses under the Pradhan Mantri Awas Yojana-Gramin for internally displaced persons affected by violence in Manipur. The State aims to resettle 10,000 displaced families by March 31. **PH**

The Jharkhand government's Budget for 2026-27

1.58 In lakh crore. The Jharkhand government tabled a ₹1,58,560 crore Budget for the 2026-27 financial year in the State Assembly, up from ₹1.45 lakh crore in 2025-26. Finance Minister Radhakrishna Kishore said the Budget focuses on inclusive growth. **PH**

Number of people displaced by the RSF attack in North Darfur

2,690 An estimated 2,690 people were displaced from the town of Mustariha in North Darfur following an attack by Sudan's Rapid Support Forces. The assault on the militia stronghold left at least 28 people dead, eyewitnesses said. **AFP**

The value of development works launched in Mundka

264 In ₹ crore. Delhi Chief Minister Rekha Gupta laid the foundation for works covering 49 projects aimed at improving connectivity, water supply, education and healthcare facilities. The move is part of a push to bring villages on par with urban standards. **PH**

Record number of tourist arrivals in Greece last year

37.98 million. Greece set a new tourism record with 37.98 million travellers in 2025, marking a 5.6% increase from 35.95 million in 2024, as per the central bank. Tourism receipts rose to 23.6 billion euros. **AFP**
COLPIED BY THE HINDU DATA TEAM

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The evolving nature of trade agreements

U.S. President Donald Trump's trade agreements create a new category within established international trade agreements. The fact, however, that these deals are not in accordance with the General Agreement on Tariffs and Trade and the World Trade Organization make them legally suspicious

ECONOMIC NOTES

Prabhash Ranjan

U.S. President Donald Trump has signed several trade agreements with countries such as Malaysia, Cambodia, Argentina, and Bangladesh. These agreements have been signed under the shadow of intimidating and illegal tariffs. The U.S. has also announced a trade agreement with India, for which the two sides have issued a joint statement. Trade agreements exemplify the legalisation of international trade relations. But are all trade agreements the same? Can the India-U.S. trade deal, once finalised, be compared to India's recent agreements with the EU or the U.K.?

The U.S. refers to agreements signed by Mr. Trump as Agreements on Reciprocal Trade (ART), as opposed to Free Trade Agreements (FTAs). This creates a new category in international trade deals, which now consists of three typologies.

Multilateralism

At the core of international trade treaties is the robust multilateral trade agreement established by the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO). The GATT untethered the global American project of creating a non-discriminatory trading regime firmly grounded in the most-favoured-nation (MFN) rule (this WTO rule specifies that if a special favour is granted to one country, such as lower tariffs, then it has to be extended to all other WTO members as well).

The U.S. established a multilateral trading arrangement, based on an unconditional MFN rule, due to the pursuit of trade protectionism during the interwar years. Further, the formation of the WTO in 1995 provided an institutional architecture to this multilateral trade project. The WTO expanded trade beyond goods to include services and intellectual property, and established an



New terms: PM Narendra Modi with U.S. President Trump, at Hyderabad House in New Delhi in 2020. **PH**

intricate dispute settlement mechanism. While some view the WTO as part of a global imperialist state, its one-country-one-vote principle provides developing countries with some agency and an opportunity to force alliances and bargain with the developed world.

Preferential trade agreements

Interestingly, while the WTO establishes a trading regime based on non-discrimination, it allows its members to sign preferential trading agreements on a non-MFN basis. Two such arrangements are recognised in Article XXIV of GATT — free trade areas and Customs Unions (CUs). However, since these arrangements are an exception to the MFN principle, they are subject to stringent conditions. For instance, an FTA creating a free trade area should cover 'substantially all trade' between its constituents. Likewise, a CU

should not only cover 'substantially all trade' but also have a common external trade policy for non-members. These stringent conditions aim to make FTAs and CUs building blocks rather than impediments to trade multilateralism.

Until the 1980s, these arrangements were not popular among countries. However, in the last three decades, there has been a proliferation of FTAs. While most FTAs are bilateral, some are quite large, covering 10 to 15 countries, such as the Regional Comprehensive Economic Partnership (RCEP) agreement. Many of these FTAs are WTO-plus, that is, they go beyond the topics covered by the WTO, by including rules on labour, environment, and foreign investment protection. These FTAs are criticised for thrusting new obligations on developing countries. However, as these FTAs are notified to the WTO as a mandatory legal

requirement, they provide countries adversely affected by them with an opportunity to raise questions and scrutinise them.

Agreements on reciprocal trade

The ARTs that the Trump administration has been signing with WTO members are not signed under Article XXIV of the GATT. This makes these agreements legally suspicious. While GATT Article XXIV-type FTAs have an institutional linkage with the WTO, ARTs are completely independent. The most alarming element of these ARTs is that they exemplify the Trump administration's 'America First' trade policy. While the U.S. continues to impose tariff rates inconsistent with its WTO obligations, its trading partner is strong-armed into either eliminating or drastically reducing tariff rates on U.S. goods. Moreover, in addition to WTO-plus characteristics, these ARTs contain several one-sided provisions aimed at bolstering U.S. interests. For instance, Article 4.1 of the U.S.-Bangladesh ART provides that if the U.S. adopts a trade measure to protect its economic or national security, and notifies Bangladesh of the same, the latter, too, in accordance with its domestic laws, shall adopt a complementary restrictive action in support of the former. A provision like this effectively ties the interests of the U.S. partner to the U.S. Another key feature of these ARTs is that they restrict the data sovereignty of U.S. treaty partners. For instance, Article 3.4 of the U.S.-El Salvador ART proscribes El Salvador from imposing customs duties on electronic transactions.

In sum, the U.S. ARTs are imperial in nature. Additionally, because these ARTs are not notified to the WTO, other countries can't scrutinise them. These agreements are an attempt to deracinate trade multilateralism and should be stoutly resisted by developing countries.

Prabhash Ranjan is Professor and Vice Dean (Research), Jindal Global Law School. Views are personal.

THE GIST

At the core of international trade treaties is the robust multilateral trade agreement established by the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO).

In the last three decades, there has been a proliferation of FTAs. While most FTAs are bilateral some are quite large, covering 10 to 15 countries, such as the Regional Comprehensive Economic Partnership (RCEP) agreement.

The most alarming element of U.S. President Trump's ARTs is that they exemplify the Trump administration's 'America First' trade policy.

Does the Data Act dilute the Right to Information Act?

Why is a blanket exemption to any information which relates to personal information problematic?

Rangarajan. R

The story so far:

The petitions challenging the amendment to the Right to Information (RTI) Act that provides blanket exemption for personal information, through a section in the Digital Personal Data Protection (DPDP) Act, has been referred to a Constitution Bench of the Supreme Court.

How was the DPDP Act framed? The Supreme Court in *Puttaswamy* (2017) had declared the right to privacy as a fundamental right primarily under Article 21 (right to life and liberty). It is also an overarching right that includes freedom of speech and expression (Article 19). In this judgment, the court had directed that the government must put forth a data protection regime. The government had constituted a committee under the chairmanship of

Justice B.N. Sri Krishna to deliberate and report on the data protection framework. The committee submitted its report and a draft Bill on data protection in July 2018. Subsequently, in August 2023, Parliament passed the DPDP Act, 2023. The DPDP Act provides the legal framework for the protection of personal data of individuals (known as data principals) which they share with other persons, companies and government entities (data fiduciaries).

What is the controversy? The RTI Act, 2005 was enacted to provide citizens with the right to seek information from public authorities. Section 8(1)(j) of the RTI Act stipulated that information which relates to personal information, the disclosure of which has no relationship to any public activity or interest, or which would cause unwarranted invasion of the privacy of an individual need not be provided. However, if the appropriate authority was satisfied that larger public

interest justified the disclosure of such information, the same could be provided.

Section 44(3) of the DPDP Act amends section 8(1)(j) of the RTI Act. It provides a blanket exemption to any information which relates to personal information without any exceptions. The statement of objects and reasons while introducing the DPDP Bill is silent about the aim of this amendment. It may be inferred that it is to protect the fundamental right to privacy of public officials that cannot be abridged or taken away by parliamentary law. However, this amendment has been challenged in the Supreme Court, through a series of petitions, on the ground that it is *ultra vires* the Constitution. This has now been referred to a Bench considering 'constitutional sensitivity' of the questions involved.

What can be the way forward? The Supreme Court has in various cases viewed the right to information as integral

to Articles 19 and 21. The RTI Act has had a significant impact on increasing the transparency and accountability of public authorities. Previously, the personal assets and liabilities of public servants, which they are required to periodically submit to government, were disclosed by Public Information Officers under the RTI Act if it served larger public interest. This had been used to probe any allegation of corruption by public servants. However, with the current amendment, such information would be declined on the ground that it is related to personal information. It enables rejecting requests concerning even procurement records, audit reports or public spending on the premise that it could be 'personal information'. The court had remarked that it might lay down the guidelines as to what is meant by 'personal information'. This is a welcome step. However, the amendment of the RTI Act through the DPDP Act, 2023 should be repealed. It should revert to the earlier position which allowed the disclosure of personal information if it fulfilled larger public interest. This provision already contained the required proportionate balance, between the needs for privacy and disclosure, with respect to the personal information of public officials.

Rangarajan R is a former IAS officer and author of 'Courseware on Polity Simplified'. He currently trains at Officers IAS academy. Views expressed are personal.

THE GIST

The Supreme Court in *Puttaswamy* (2017) had declared the right to privacy as a fundamental right.

The RTI Act, 2005 was enacted to provide citizens with the right to seek information from public authorities.

Section 44(3) of the DPDP Act amends section 8(1)(j) of the RTI Act. It provides a blanket exemption to any information which relates to personal information without any exceptions.

Scientists confirm HIV capsid is a good drug target despite resistance

A new study has found that to escape a drug called lenacapavir, HIV has to damage one of its own components, the capsid; the finding reaffirms the belief that the viral capsid is a good drug target and that the virus cannot afford to change it too much, opening the door to a new generation of drugs

Arun Panchapakesan

In 1987, four years after the discovery of HIV as the causative agent of AIDS, scientists reported the first drug effective against the virus, called zidovudine. Zidovudine targeted a viral enzyme called reverse transcriptase, and prevented the virus from completing its life-cycle. However, zidovudine was no magic bullet. It could hold the virus at bay for a while, but HIV quickly learned to outsmart it, and the resulting drug resistance meant many patients soon lost the drug's protective effect.

It quickly became clear why zidovudine alone would not keep HIV in check. The virus is prone to copying 'mistakes' when it turns its RNA into DNA, generating endless new variants. Some of these variants possess the property of drug resistance. Importantly however, these changes can't happen just anywhere. Some parts of the virus are so essential to its survival that they must remain largely unchanged. Altering them would break the virus itself.

So researchers decided to aim more drugs at these 'must keep' regions, where the virus has little room to evolve. The insight led to the development of multiple antiretroviral drugs targeting different viral proteins, including reverse transcriptase, protease, and integrase, laying the foundation for combination therapies that could suppress the virus far more effectively and durably.

Provocative question

In 1999, a paper in the journal *Science* detailed how another protein of HIV, called the capsid, folds into its unique protective shape. The study was important because the capsid is a structure that protects the virus's RNA from the environment. The work provided the breakthrough to understanding how the capsid folds into its unique 3D structure. Soon, the same team reported that most mutations in the capsid protein could render HIV incapable of infecting cells, showing that it was much more vulnerable than previously believed.

The discovery raised a provocative question: if the capsid was so essential, and so fragile, could it itself be a drug target? For years, the answer seemed to be 'no'. Scientists at major pharmaceutical companies started working on potential molecules that could latch onto the capsid and disrupt its carefully balanced structure, effectively stopping the virus in its tracks.

While one candidate seemed promising, it had a persistent problem: it didn't easily dissolve in water. Since solubility was a basic requirement for most medicines to circulate reliably in the body, the researchers had to keep tweaking it to see if they could improve its solubility while maintaining its potency.



A vial of lenacapavir at the Desmond Tutu Health Foundation's Masiphumelele Research Site, in Cape Town, South Africa. FILE PHOTO

Then, after more than two decades of persistence, the problem was turned on its head.

On June 18, 2025, the U.S. Food and Drug Administration (FDA) approved lenacapavir, the world's first capsid-based HIV inhibitor. Its poor solubility, once a liability, became its greatest strength. Instead of being taken daily, lenacapavir is injected under the skin of the abdomen just once every six months, forming a slow-release reservoir that steadily delivers the drug into the bloodstream.

The results were astonishing: in clinical trials, it prevented HIV infection in high-risk individuals with 100% effectiveness. Lenacapavir was not a cure but, as a *Science* article put it, it may be the next best thing to an HIV vaccine.

Acting solo

However, one hard-learned lesson from four decades of HIV research is that no single drug has ever escaped resistance. Given enough time, the virus finds a way, which is why HIV is always treated with combinations of drugs and never one alone.

In a study published recently in *Science Translational Medicine*, researchers from across the U.S., including the pharmaceutical company Gilead Sciences, examined viruses from patients who received lenacapavir as part of treatment, rather than prevention, and identified a small set of changes in the

The certainty that viral capsid is a very good drug target opens the door to a generation of drugs that target the capsid, with the reassurance that resistance will come at a high cost to the virus

capsid protein, most commonly involving positions known that reduced the drug's effectiveness.

Importantly, these resistance mutations emerged primarily when lenacapavir was acting alone, without other fully active drugs in the regimen. When lenacapavir was used in proper combination therapy, viral suppression was largely maintained, reinforcing the long-standing rule of HIV treatment: that the virus can escape one blockade but not many at once.

To test whether the resistance came at a price, the researchers engineered the drug-resistant viruses in the laboratory. They took capsid sequences from patients who had developed resistance, inserted those exact mutations into a standard laboratory HIV strain, then watched how these altered viruses behaved.

The results were striking. Viruses carrying the strongest resistance mutations often replicated at less than 20-30% of normal levels, even in the absence of the drug. In effect, escaping lenacapavir meant HIV had to damage

one of its own components, the capsid, and that was the cost of its survival.

Shells of other viruses

The study reaffirmed the longstanding belief that the viral capsid is actually a very good drug target and that the virus can't afford to change it too much. This certainty opens the door to a new generation of drugs that target the capsid, with the reassurance that resistance will come at a high cost to the virus. With this proof in hand, researchers can now explore capsid-focused strategies more aggressively, combining them with existing therapies. Beyond HIV, the work also adds to proof that it's a good idea for researchers to examine the protective shells of other viruses, which may be similarly vulnerable.

The four-plus decades of HIV research are a reminder that scientific progress is often slow, uneven, and unglamorous. For years, capsid inhibitors were under scrutiny and may have even been abandoned permanently if not for those researchers who kept at it, unwilling to abandon an idea they believed the science supported. If the story of lenacapavir teaches us anything, it is that sometimes, breakthroughs are the result of persistence and not inspiration. (Arun Panchapakesan is an assistant professor at the Y.R. Gaitonde Centre for AIDS Research and Education, Chennai. arun.panchapakesan@gmail.com)

THE GIST

▼ The capsid is a structure that protects the virus's RNA from the environment

▼ Most mutations in the capsid protein could render HIV incapable of infecting cells

▼ Lenacapavir, the world's first capsid-based HIV inhibitor, is injected under the skin of the abdomen once every six months, forming a slow-release reservoir that steadily delivers the drug into the bloodstream

BIG SHOT



Cretaceous discovery: In the Sahara desert in Niger, scientists have unearthed fossils of a new species of Spinosaurus, among the biggest of the meat-eating dinosaurs, notable for its large blade-shaped head crest and jaws bearing interlocking teeth (illustrated above). It was 12 m long and weighed 5-7 tonnes. REUTERS

QUESTION CORNER

Left and right

Q: Why don't left-handed persons make up half the population?

A: There is a neural basis for handedness but it is not due to any single part of the brain.

Hand preference reflects how the brain organises movement control. In most right-handed people, the left hemisphere has stronger control over fine hand movements and also more often dominates language. In left-handed people, these patterns are more mixed. Studies have found average differences in how motor areas are wired and how strongly the two hemispheres communicate, but these are trends and can't be the basis of diagnosis. In other words, the brain shows differences that go with handedness yet there's no scan or test that can predict handedness with certainty.

Second, handedness is partly genetic but it is polygenic, meaning it is due to many genes, each with small effects. Development also matters. Small prenatal differences in growth or early brain organisation can tip a person towards one hand, even with similar genes. In many places social pressures have also reduced the prevalence of left-handedness because children are



Hand preference reflects how the brain organises movement control KELLY SIKKEMA/UNSPASH

often trained to write with the right hand. Finally, while being left-handed may bring some advantages — like in direct combat or sports because it is rare — the world is built for right-handers, from scissors to desks with right-handed writing arms, due to which left-handedness has 'organically' stabilised at around 10% in the population.

For feedback and suggestions for 'Science', please write to science@thehindu.co.in with the subject: 'Daily page'

DECCAN Chronicle

24 FEBRUARY 2026

To ensure Opp. stays united, Congress should be realistic

The single most important factor that stops the I.N.D.I.A. bloc of Opposition political parties from evolving into an effective platform that can take on the government is the refusal of the Indian National Congress to recognise its strengths and weaknesses and act accordingly, especially when it deals with its regional allies. The latest instance is the grand old party's attempts to bully the DMK in Tamil Nadu into apportioning a number of seats for the forthcoming Assembly elections that is grossly disproportional to its electoral strength in the state.

The DMK has been holding fort against the saffron assault on its own, but has been accommodating its allies, especially those of the national level. The Congress, the Left and the Indian Union Muslim League are the beneficiaries of this policy. The Congress last fought on its own in the 2014 Lok Sabha elections when it managed to get 4.73 per cent of the vote, winning none of the 39 seats it had contested. Fast forward to 2024, the party, as a member of the Secular Progressive Alliance led by the DMK, won all the nine seats it contested and polled 10.67 per cent votes in an election which the alliance swept. In the 2021 Assembly election, the party won 18 of the 25 seats it was allotted.

The DMK had singlehandedly managed to get a majority in the 2021 Assembly polls and repeated the winning spree in the local body elections, byelections and Lok Sabha elections that followed. Additionally, the party has a new ally in the DMKD, founded by the late actor Vijayakanth, and another formidable player in state politics. It is against this background that the Congress has been giving contradictory signals that it is unhappy with the DMK, and has kept its options to forge an alliance with the actor Vijay. The party's national leaders from the state have been acting cozily with the actor-politician, in an effort to send a signal to the DMK, which refuses to acknowledge it.

Every party is ambitious about its future, and the Congress also. But it fails to be pragmatic and realistic to achieve its goals. Its ambitions get the better of its legitimacy to lead the Opposition.

The Congress acts as if it has many options though it has very little in Tamil Nadu. The DMK has been its steadfast ally for over a decade on the national stage and has been a major supporter of Rahul Gandhi as the leader of Opposition in the Lok Sabha. The DMK, which rules a state which sends 39 members to the Lok Sabha, has been the pillar of strength for the I.N.D.I.A. bloc while Trinamul Congress leader Mamata Banerjee blows hot and cold.

How the Congress comes down with the assembly election is for everyone to see; how it refused to even acknowledge the presence of its I.N.D.I.A. bloc allies in elections to the Madhya Pradesh, Rajasthan and Chhattisgarh Assemblies is also on record. How the party fails to design a cohesive Opposition strategy and execute it in Parliament where it has substantially higher numbers than last time is also evident.

Every party is ambitious about its future, and the Congress also. But it fails to be pragmatic and realistic to achieve its goals. Its ambitions get the better of its legitimacy to lead the Opposition. Pressing its allies into conceding demands that have no connect with realpolitik is not going to do the Congress good, not for its brand of politics either. It must play its politics with its feet on the ground. It must learn from the BJP, its arch-rival, on how it makes every ally feel important, and still gets its way.

Peace in Ukraine will help Russia

February 24 is the fourth anniversary of Russia's full-scale invasion of Ukraine. The grinding war of attrition, which began under President Vladimir Putin's euphemism of 'special military operation', has served no one, bringing mayhem and destruction to Ukrainians while Russia has been sinking its resources and soldiers into a war it appears incapable of winning.

As many as 1.8 million soldiers on both sides are said to have been killed or gone missing in action, with Russia losing 1.5 million and Ukraine around 600,000. The Russian economy, boosted initially by war spending, is tanking now, its oil revenues dwindling and its budget deficit rising even as its people are tired but unable to speak out against a war that has lasted longer than the Great Patriotic War fought against the Nazis in World War II.

As an indescribable fatigue sets in and drones fly both ways across boundaries, near enough to Moscow for the major airports to be shut over the weekend, the objectives of a megalomaniacal Mr Putin, whose revenge-mission of annexing Ukraine and reshaping the destiny of the former Soviet Union and Europe has hardly been fulfilled.

His troops may have taken close to 20 per cent of Ukrainian territory, including Crimea in 2014, but progress on the war front is being measured in yards these days as Ukraine's famed 'unbreakability' has kicked in. US President Donald Trump may have boasted that this was a war he could stop on his first day back in office, but too he is too tired of it now as evidenced in his disinterest. Not without logic does Prime Minister Narendra Modi keep reminding Mr Putin that this is not the 'era of war', certainly not even for a feared military machine whose brazen land grab has been halted in its tracks, with missiles aimed at Ukraine's electricity grid doing more damage in bringing deprivation to the people than hypersonic missiles and other hardware said to be a frightening symbol of Russian prowess.

If the czarist President were to pause and think where Russia might stand in the coming of nations in an era of free trade bringing prosperity to his people, he might just be inclined to be satisfied with what little peace he has brought to Ukraine may be willing to sacrifice for the cause of peace. After four years of death and destruction, peace in Ukraine will be a victory for the world.

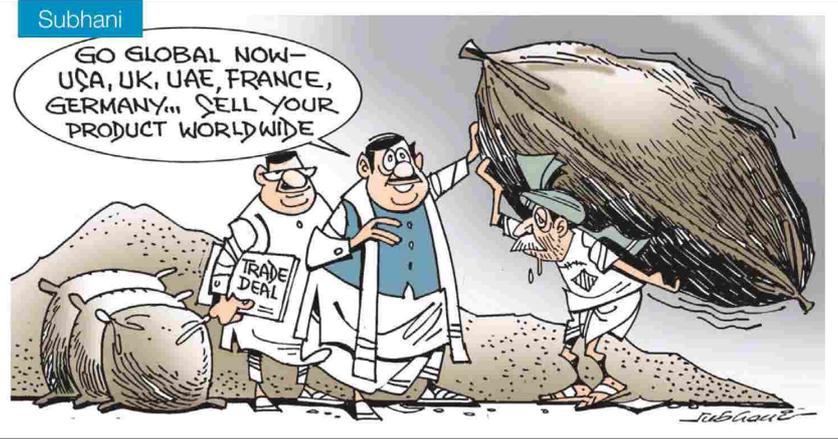
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- Nellore:** Survey No.52/72, Baranur Village, Venkatagudem (M), Chennamudugunta Panchayat, Nellore, Ph: 0861-2348818/2; Telefax: 0861-2348818
- Chennai:** SP-3 Developed Plot, Industrial Estate, Guindy, Chennai - 600 032. Ph: 044-2254747/48/50/51; Advt Fax: 2254766/2254766/240320325
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US court forces Trump's tariff reset: World in fix?



K.C. Singh

Since US President Donald Trump unleashed his "Liberation Day" global tariffs over a year ago, the world has struggled with the disruption. It was further complicated by the American motives being not purely trade-related. Tariffs became a weapon to compel compliance with President Trump's geopolitical preferences and biases.

Different nations reacted in different ways. Some quickly swallowed their pride and chose compromise, even at the cost of economic interests. This produced a patchwork of unequal trade deals, justified tactically to avoid confrontation and avoid Mr Trump's difficulties to multiply, both at home and abroad. The European Union opted for this line, although subsequently Mr Trump's Green and annotation demand created disharmony. Others like China retaliated by withholding US access to Chinese markets, compelling a US climb-down and lowering of tariffs from punitive levels. A temporary trade truce has followed, but the handling of President Trump was to provide him headline-creating concessions, employable by him domestically to boost success. He justified the massive tariffs as enabling the balancing of trade, forcing manufacturing to shift to the US mainland and reducing dependence on foreign products.

Pakistan provided yet a different model of US handling, involving a mix of flattery, by endorsing Mr Trump's claims of mediating the ceasefire after India's Operation Sindoor, and economic and financial allurements. In the latter category fell Pakistani support for the Trump family's cryptocurrency business as well as promised US access to Pakistani rare earths and chemicals.

President Trump's social media claims about his tariff policy generating a trade surplus and massive job creation was contradicted by economic and trade data revealed just before the US Supreme Court ruling. The trade deficit was up, especially in goods. With China, the US trade deficit did fall, but overall, US exports also fell, especially agricultural exports to China. Manufacturing jobs fell by 100,000. Thus, President Trump's claims on Truth Social that the trade deficit had dropped by 78 per cent and would entirely disappear this year proved fallacious.

Perhaps he was misled by the trade deficit dropping in the lowest level since 2009 in October. However, it surged again in the following two months. The US "Liberation Day" tariffs had been imposed under the Internal Economic Powers Act of 1977. The Supreme Court ruled that the President is not authorised to impose tariffs. It reasoned that the framers of the US Constitution did not vest taxing power in the executive. That is, it immediately raised two issues. One, what happens if the President imposes tariffs already collected by the US government and their likely reimbursement to American importers. Two, the status of the already concluded trade deals, most with higher tariff numbers and one-sided conditions favouring the US? For India, the second issue is immediately relevant because the India-US trade deal, still awaiting ratification, involves a mix of

The US Supreme Court has weakened the negotiating position of the US. With President Trump headed to China for a three-day visit starting March 31, the effectiveness or otherwise of the reconstructed US tariffs strategy should emerge. China has positioned itself strongly behind Iran.

Indian commitments, such as not importing oil from Russia, still stand? President Trump lambasted the US Supreme Court judges, especially his own nominees. The 6-3 split verdict indicates that half the conservative justices, numbering six out of the nine, had shifted sides. President Trump immediately imposed fresh 10 per cent global tariffs under Section 122 of the 1974 Trade Act. They were raised soon after to 15 per cent. US trade representative Jameson Greer has maintained that they had found means to "reconstruct" the tariffs eliminated by the Supreme Court. The new section used, however, relates to a balance of payments deficit enabling tariff imposition, not trade deficits. Moreover, these are valid only for 150 days. Thereafter, it requires US congressional approval.

That President Trump can no longer dangle tariffs like the knights twirling their chain maces. There are procedures which must be followed, both before imposing tariffs and afterwards. Thus, the US is planning to use two other sections of the same law, Section 301 allows imposition of individual country tariffs if discriminatory trade practices can be established. This involves examining possible industrial excess capacity, suspected forced labour, the pricing of pharmaceuticals, discrimination against US tech companies and trade in seafood, rice, etc.

Another employable legal provision is Section 232 of the 1962 Trade Act, relating to national security. That has already been used for the steel, aluminium and cars. It therefore appears that the Trump administration is likely to insist that commitments under already finalised trade deals must be abided by, otherwise they will unleash fresh tariffs under these other provisions of the law.

Beijing is unlikely to offer one-sided concessions. The trade negotiation, coming after the US court ruling, strengthens the Chinese position. This writer, speaking on a television show, had suggested on the day the India-US trade deal was announced that perhaps India could have waited till the expected court ruling on tariffs. The Sino-US negotiations at the sum-it-level would show how China uses that advantage.

The United States is, meanwhile, focusing on Section 301 investigations on the trade practices of Brazil and China. While the US wants a firm commitment on the export of Chinese rare earths, China also needs a stable trading environment to overcome its domestic economic travails and top-level army purges. In conclusion, President Donald Trump can at best be embarrassed and partially constrained by court rulings. On a serious setback in the November mid-term elections to the US Congress can bind his hands, India's dilemma is that like most of the developed world, it has to engage and not confront the US, to buy time. However, that stance has domestic political implications as it hurts the government's projection of strategic autonomy and vocal leadership of the Global South.

LETTERS

MILK TRAGEDY

The deaths in Rajahmundry, allegedly after consuming milk supplied by a vendor, are deeply alarming (Suspected contaminated milk kills woman, *ails 10*, Feb. 23). Unhappy with branded milk, many turn to local vendors for freshness, but rarely check cattle care or hygiene. With little quality control on milk, feed or drugs, authorities must tighten vigilance.

Dr Obi Reddy A.
Anantapur

GOOD CARTOON

DC Counter Point by Subhani (Feb. 22) was thoughtful in that a party astrophysicist was studying the future of AI in the country. In a country like India, plagued by dogmas and superstitions when AI is taking a giant leap ahead, it is known that if judiciously used, AI will help in medical advancements also. Robotic surgery is a field that uses artificial robotic hands to operate but human hands are required to programme them to move and perform the task.

Dr T. Ramadas
Visakhapatnam

HUMANITY IN AI

'There is a pressing need to keep humanity at the helm as artificial intelligence grows by leaps and bounds. While machines may steal a march in efficiency, we must not throw the baby out with the bathwater by marginalising values like empathy, integrity and compassion. Education should not be a race where only one child steals the limelight; character building must go hand in hand with competence.'

Raju Kolluru
Kakinada

CRICKET DISASTER

The Men in Blue met their match in Ahmedabad as South Africa outclassed them in the Super 8 class (*India come a cropper against South Africa in Super 8*, Feb. 23). With two games left, India must secure convincing wins to keep their semi-final hopes alive. South Africa dominated in both departments. From a precarious 31 for 0 in six overs, they recovered to post 187 in 20 overs, a turnaround that exposed India's failure to press home the advantage. The surprising response was equally disappointing, lacking intent and resilience. An overconfident approach may well have cost India dearly.

Govardhana Myneddu
Vijayawada

Email your letters to
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Akar Patel

Targeting Muslims: What 'Gujarat Model' means for the rise & rise of the 'New India'

The Bharatiya Janata Party has been governing Gujarat for about 30 unbroken years now. Notionally Gujarat is a two-party state, but the Congress has not won an election, either Vidhan Sabha or Lok Sabha, since before the Babri Masjid was pulled down. In this period the BJP has had the full scope and freedom to develop a structure of governance and law. Around 20 years ago, after the 2002 pogrom, there came into currency the phrase "Gujarat Model". We will take a look at what this model is and what it can reveal about "New India".

The first element of the Gujarat Model is the political exclusion of Muslims. There has been no Muslim BJP legislator or minister in Gujarat for decades and the party does not give them tickets to contest. Absolute exclusion for the sake of exclusion. This has been replicated in "New India", where the BJP in the last three Lok Sabhas has won two majorities and a substantial plurality but with zero Muslims. Today the BJP has around 90 Rajya Sabha MPs, but with no Muslims.

The second element is through laws that are aimed at minority persecution. Illegal cattle slaughter is ostensibly an economic crime (Article 46 of the Constitution is about animal husbandry and improving breeds). But no while collar crime attracts life in prison, as Gujarat's laws on cows do. Duping banks and investors of thousands of crores

does not attract life. The reason is that cattle slaughter has been made into a religious matter and this has been replicated across the country. Laws criminalising possession of beef come only starting in 2015 (first with the BJP states, Maharashtra and Haryana) and the lynchings started. Now the phenomenon is national.

Rajasthan's Cabinet has said it will replicate Gujarat's law which forcibly and legally ghettoises Muslims and prevents them from renting and buying property outside these ghettos.

Laws criminalising marriage between Hindus and Muslims began to be legislated in 2018, starting with Uttarakhnad, and are today in seven states. Laws and policies on citizenship that mass disenfranchisement are in place today and being rolled out across India.

This connects with the third element, which is targeted persecution through use of state machine machinery. The *New York Times* reported this week that Uttar Pradesh's Sambhal, the government apparatus that once served to act in a neutral manner is today being misused by a majoritarian state. This has become the norm actually. Around 2017, BJP state governments began to use bulldozers to raze homes and businesses, mostly of Muslims, in violation of the law. Two reports, one by my organisation Amnesty International India and another by the

Citizens and Lawyers Initiative, have recorded the manner in which governments have encouraged lawlessness and then stepped in with bulldozers.

The justice system has looked away from this for the most part and there is complicity in those organs of the State which could curb excess and violence against individuals.

The fourth element is the manner in which the narrative around India and its communities is being shaped. The language is deliberate and it is meant to incite division. It has been successful at doing this. One way in which we can tell is that what used to be unusual and episodic is today endemic. Violence against individuals purely because of the faith they were a born into is now normal. The same kind of action from the State, Judiciary and media has made it so. Undoing it will not be easy and can only happen if there is not only a stop but a reversal of course, which is hard to see.

The Gujarat Model of India is a low priority on human development. Gujarat ranks low in the HDI index, which is made up of three elements: income, health and education. This is the basis of the intellectual opposition to the Gujarat Model and the stressing by many of the Kerala Model, which focused on the development of individuals.

The privileging of capital and its interests as halloved over the interests of people, our sixth element,

is one of the unspoken but understood and accepted facts of the Gujarat Model. It is communicated through maxims like "government has no business to be in government".

While all of the other five elements have found acceptance in society, it is this sixth one that is slightly problematic. It is why the Prime Minister chafed at being the head of a "suit boot ki Sarkar" and constantly and tiresomely talks about his humility and *aisa firdari*.

The idea of a handful of corporate entities, run mostly by Gujarat businessmen of a particular community, owning most of the ports, mines, airports, refineries, spectrum and other goods associated with government patronage is not easy to sell to Indians. This is so especially because the benefits of this have not come to Indians who remain more or less in the same condition as they were in 2014. No amount of government generated data can alter reality. It will likely be the one that will cause the structural failure of the model in time.

However, for now and for the foreseeable future, it is hard not to accept that the Gujarat Model has won and it is the base on which our New India has been constructed.

The writer is the chair of Amnesty International India. Twitter: @akar.patel

quick BITES

INDICATORS %/ Sensex 83,294.66 0.58 Nifty 50 25,713.00 0.55 S&P 500* 6,900.08 0.14 Dollar (€) 90.67 -0.02 Pound Sterling (₹) 122.29 -0.76 Euro (₹) 107.35 -0.06 Gold (10gm*) (₹) 160,408.3,532 2.25 Brent crude (\$/bbl)* 71.98 0.31 IN 10-Yr bond yield 6.689 -0.39 US 10-Yr T-bill yield* 4.075 -0.01

Govt to subsidise export costs of SME cos: Goyal

The government will fund a large part of the costs incurred by micro and small exporters to obtain international trade approvals for complying with regulations such as REACH and CBAM in Europe to help them boost shipments, commerce and industry minister Piyush Goyal said on Monday. The support is being extended to these exporters under the ₹25,060 crore export promotion mission (EPM).



Bharti Airtel to raise ₹20,000cr for NBFC arm

Bharti Airtel on Monday has outlined major plans for its non-banking financial company (NBFC), Airtel Money, and said the NBFC subsidiary will be capitalised with ₹20,000 crore over the next few years. Airtel will contribute 70 per cent with the promoter group via Bharti Enterprises bringing in the balance 30 per cent. Airtel Money received its NBFC licence from the Reserve Bank of India (RBI) on February 13, 2026.

DEE Development secures ₹170-cr overseas orders

DEE Development Engineers on Monday said it has secured orders aggregating to over ₹170 crore across domestic and overseas operations. These orders reinforce the position as a trusted manufacturing partner for leading power and industrial infrastructure companies. DEE Development Engineers chairman and managing director K L Bansal said. It secured domestic contracts aggregating to ₹88 crore.

Hindustan Zinc to operate mfg unit in Rajasthan

Hindustan Zinc Ltd (HZL) on Monday signed a pact with Tripura Group to operationalise a manufacturing unit at its zinc park in Rajasthan. The development marks a key milestone in HZL's ambitious plan to develop India's first integrated downstream industrial hub focused on zinc-based value chains. Under the pact, HZL will provide raw material linkage to Tripura Group's proposed unit at Zinc Industrial Park.



US tariff continues over Trump administration fails to notify 15% temporary tariff on India

SANGEETHA G. CHENNAI, FEB. 23
The new temporary tariff of 10 per cent on imports into the US will come into force on Monday (US time). However, in the absence of an executive order, it is not clear whether the additional 5 per cent tariff announced by the US President will be implemented from Tuesday. Even if the order comes on Monday (US time), the legal validity of the tariff remains questionable. After the US Supreme Court struck the tariffs imposed by President Donald Trump under emergency powers, 10 per cent temporary duty was announced by him, which was later raised to 15 per cent. As per executive order issued on February 20, the temporary import surcharge of 10 per cent ad valorem will be imposed from February 24 for a period of 150 days. With just one more day to go, the order on the additional 5 per cent has not come yet. This creates an uncertainty on the rates.

"The order has not come yet. It may come tonight," Ajay Sahai, director general of FIEO. Even then, the temporary tariff can be challenged in the court. "As per the Section 122 of Trade Act, up to 15 per cent tariff can be imposed for up to 150 days. But the remedy is prescribed for the Balance of Payment problem and not the trade deficit. Hence, this can be challenged in the court," said Ajay Srivastava, founder, GTRI.

Despite the confusion, exporters are relieved that the tariffs are levied uniformly on all trade partners. "Whether it is 10 per cent or 15 per cent, the good thing is that it is uniform," said Pankaj Chadha, chairman, EEPIC. Meanwhile, there is no clarity on tariff refunds. "We don't know how long it will take for refunds to come or to procedure to claim it," Chadha said.

UNCERTAINTY TIMES

AS PER executive order, the temporary import surcharge of 10% and valorem will be imposed from Feb. 24 for a period of 150 days.
TRUMP ANNOUNCED temporary duty under Section 122 of Trade Act of 1974 at 10%, but raised it to 15%, the maximum allowed under statute.



Don't play games, Trump tells nations

Washington, Feb. 23: The US President Donald Trump on Monday warned countries against backing away from recently negotiated trade deals with the American after the Supreme Court struck down his emergency tariffs, saying that he would hit them with much higher duties under different trade laws. Trump, in a series of social media posts, said he also may impose license fees on trading partners as uncertainty over his next tariff moves gripped the global economy and sent stocks lower. "Any Country that wants to 'play games' with the ridiculous supreme court decision, especially those that have 'Ripped Off' the U.S.A. for years, and even decades, will be met with a mainy [sic] higher tariff, and worse, than that which they just recently agreed to. BUYER BEWARE!!!!"

ORDER on additional 5% has not come yet which creates an uncertainty on the rates.

REMEDY is prescribed for balance of payment problems and not trade deficit. Hence, it can be challenged in the court.
THE US could impose new fees on trading partners but did not provide any details.



COM MIN REVIEWS U.S. TOP COURT'S VERDICT: NIRMALA

MADHUSUDAN SAHOO NEW DELHI, FEB. 23
Reacting to US Supreme Court's verdict on Trump tariffs, Union Finance Minister Nirmala Sitharaman on Monday said that the commerce ministry is reviewing the situation, and the government continues to do it. "It is too soon to assess the impact of recent tariff changes in the United States on the Indian economy," Sitharaman said. During a press meet ahead of the Budget meeting of RBI board of directors, she replied to a query on the US trade deal, saying that India is on a clear path to getting trade deal. "Setting aside Indian economy in general, the commerce ministry is reviewing situation. The shareholders of a company to take a call on when they are going to go for further negotiations," she said.

ANY COUNTRY that wants to 'play games' with the ridiculous supreme court decision, especially those that have 'Ripped Off' the U.S.A. for years, and even decades, will be met with a much higher Tariff, and worse, than that which they just recently agreed to.

BUYER BEWARE!!!!
- DONALD TRUMP US President



TRUMP SAID HE MAY IMPOSE LICENSE FEES ON TRADING PARTNERS.

IDFC Bank CEO blames staff for ₹590-cr scandal

FC BANKING BUREAU MUMBAI, FEB. 23
Private lender IDFC First Bank on Monday called the ₹590 crore fraud linked to the Haryana government accounts incident as an isolated one and said that it was due to result of a collusion between employees and external parties. In a specially convened call for investors and analysts earlier in the day, Vaidyanathan, managing director and chief executive officer at IDFC Bank said, "This matter pertains to a particular branch in Chandigarh and is confined to a limited set of Haryana government-linked accounts. The main task is to identify the developments around the ₹590 crore fraud perpetrated at IDFC First Bank and has not found any systemic issue within the bank. As a policy we do not comment on individual banks or regulated entities. We are watching the developments. There is no systemic issue here," Malhotra said.

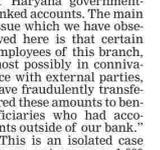
The main issue which we have observed here is that certain employees of this branch, most possibly in connivance with external parties, have fraudulently transferred these amounts to beneficiaries who had accounts outside of our bank.

- V. VAIDYANATHAN, MD & CEO, IDFC First Bank

RBI gov. rules out systemic issue in IDFC Bank fraud

FALAKNAAZ SYED MUMBAI, FEB. 23
The Reserve Bank of India (RBI) governor Sanjay Malhotra on Monday said that the central bank is watching the developments around the ₹590 crore fraud perpetrated at IDFC First Bank and has not found any systemic issue within the bank. As a policy we do not comment on individual banks or regulated entities. We are watching the developments. There is no systemic issue here," Malhotra said.

come a day after private lender IDFC First Bank on Sunday disclosed that it is investigating a suspected fraud of ₹590 crore in one of its branches, involving accounts held by Haryana government entities and has alerted the police besides suspending four employees. A preliminary investigation revealed that the fraud was confined to a specific cluster of government-linked accounts operated through the IDFC First Bank's Chandigarh branch and did not spread to other customers of that branch.



lender received a request for a closure and balance transfer to another bank on an undisclosed date.

However, the amount mentioned by government department did not match balance in the account. It said that similar issues were observed in other accounts of Haryana government entities, who engaged with bank from February 18 onwards. Vaidyanathan informed that the bank has appointed KPMG to conduct an independent forensic audit which is expected to conclude in 4-5 weeks. Meanwhile AU Small Finance Bank that too has been de-empanelled by Haryana government for government business. The Haryana government had de-empanelled IDFC First Bank and AU Small Finance Bank for government business after fraud at IDFC Bank came to light.

Sitharaman cautions banks on misselling

FALAKNAAZ SYED MUMBAI, FEB. 23

Union Finance Minister Nirmala Sitharaman on Monday cautioned banks about banks mis-selling financial products stating that such practices now constitute an offence under the Bharatiya Nyaya Sanhita (BNS) practices. She urged lenders to focus on their core business of mobilising deposits and lending. Calling mis-selling her pet peeve, she remarked that banks are spending more time selling insurance rather than focusing on their core functions of mobilising deposits and lending. She also urged banks to focus on their primary business model. "We have been discussing mis-selling with banks. Banks need to focus on their core business," Sitharaman said while addressing reporters after



RBI's central board meeting in New Delhi. The minister said that over time, mobilising current account savings account money has stopped being the top priority for banks and how they have stopped understanding their customer, reach out to them, lend and make your money from what you lend to them."

According to Sitharaman, mis-selling by banks creates a difficult situation for borrowers of the money who often find themselves questioning why they have taken funds for taking a loan.

CENTRE SLASHES RODTEP REBATE, TO HIT EXPORTERS

SANGEETHA G. CHENNAI, FEB. 23

The government has reduced the export rebates under the RoDTEP scheme by 50 per cent. This will hit the operating margins of exporters. "RoDTEP benefits will be restricted to 50 per cent of the notified rates and value caps with immediate effect," the government said in a notification.

The scheme is not an export incentive, but remission of duties and taxes paid on the exported products. The World Trade Organisation complaint some refunds the duties, taxes and levies at the central, state and local level, including prior to the indirect taxes on goods and services used in production. The rates as a percentage of Freight on Board value covers 9.555 tariff lines. The rates range between 0.01 per cent for a few gems and jewellery products to 4.3 per cent for woven fabrics.

These rates have been cut by 50 per cent across all tariff lines where the rebate applies, and value caps have also been reduced by half. The cut comes when global demand is weak, and the compliance costs remain high, and competitors such as Vietnam and Bangladesh still enjoy lower costs and advantages in the market access, GTRI said.

India, France amend DTAA

FC CORRESPONDENT NEW DELHI, FEB. 23

The government on Monday said that India and France have amended the double taxation avoidance agreement (DTAA) which will provide for tax on capital gains on the basis of residence of the company and deleted the most-favoured-nation or MFN clause bringing in certain tax provisions. The amending protocol also revises the provisions on exchange of information and introduces a new Article on assistance in collection of taxes, as per international standards. "This would enable and facilitate seamless exchange of information and strengthen mutual cooperation between India and France," the CBDT said in a statement. The amending protocol also modifies the taxation of income from dividends by replacing a single rate of 10 per cent of tax with a

split rate of 5 per cent for those holding at least 10 percent of capital and 15 percent of tax for all other cases. It also modifies the definition of fees for technical services by aligning it with the definition in India-US double taxation avoidance agreement. The amending protocol provides full taxing rights in respect of capital gains arising from sale of shares of a company to jurisdiction where such company is a resident.

after SCOTUS verdict on US tariffs with \$3483.70 crore buying while domestic institutions booked profit worth ₹12,92.24 crore. "DFC First Bank shares were down close to 20 per cent in early trade on reporting ₹590 crore fraud and finally closed down by 16.07 per cent at 70.75 on Feb 23." Domestic markets

Top IT stocks fall after AI-linked downgrade

RAVI RANJAN PRASAD MUMBAI, FEB. 23

Top IT stocks fell on brokers' downgrading them on AI concerns. The market's bounce back after the Supreme Court of the United States (SCOTUS) struck down US tariffs and the 15 per cent tariff imposed by the

US President. The domestic stock markets remained volatile on Monday and finally closed in the green with Sensex up 490 points or 0.58 per cent at 83,294.66. Nifty-50 index settled 0.55 per cent or 141.75 points up at 25,713. The foreign portfolio investors emerged as big buyers

cheered the US Supreme Court's verdict overturning Trump's reciprocal tariff policy. Investors are now awaiting further updates on the software strategy and the potential course of renegotiations by other countries," said Bajaj Broking Research. "Volatility in price band is likely to persist on pre-

Sebi wants APMI to spread info on PMS

RAVI RANJAN PRASAD MUMBAI, FEB. 23

Securities and Exchange Board of India (Sebi) is keen on greater outreach to portfolio managers and its industry body Association of Portfolio Managers of India (APMI) to raise awareness about portfolio management services (PMS) products and wealth management among potential investors. In this context Sebi chairman Tuhin Kantia Pandey made several suggestions while addressing a PMS conclave organised

by NISM and APMI and also disclosed Sebi's plan to carry out a comprehensive review of the SEBI (Portfolio Managers) Regulations, 2020, so that the framework remains effective, adaptable, and aligned with the evolving market dynamics. "APMI has to work on positioning PMS as the preferred choice for informed investors. APMI has to drive outreach programs that demystify this product, highlight its differentiated features, and build trust among investors," Pandey said.

Microsoft wants to build tech to help people get smarter AI boosts creativity: MS prez

TECH | SPACE New Delhi, Feb. 23: Artificial intelligence (AI) should not replace software engineers or IT professionals but rather it will enhance their skills and creativity. Brad Smith, president of Microsoft Corporation said, address fears of widespread job losses in tech sector. Smith said the IT services, AI losses, and AI's impact on cognitive work, weighing in on one of the most intensely debated topics in the sector. He said Microsoft's goal is to build technology that

helps people get smarter. AI, he explained, can take over repetitive coding tasks, freeing developers to focus on product design, architecture, testing, and security. "effectively updating on the software engineering profession. Rather than reducing jobs, he argued, AI will make them more interesting and fulfilling, likely increasing demand for skilled professionals and helping boosting wages. Smith expressed frustration at times, with technology leaders who focus

solely on building machines that are smarter than people. He asserted that for Microsoft, the primary goal is to develop technology and machines that help people enhance their own abilities. According to him, technology reaches its full potential when it enhances human interaction. He noted that AI can serve as a vital tool to improve how people listen, read, and speak. Citing recent discussions with Indian government officials, he highlighted the focus on technology's ability to bridge communication gaps, such as translating 22 different Indian dialects to help people better engage with one another. To tune and sync the skill sets to address the jobs of future would be key, Smith added. —PTI



Critical alliance

Pax Silica can consolidate India's digital heft

India's decision to join the Pax Silica alliance marks a consequential shift in its technology and industrial strategy. Launched in December 2025, it aims to reduce dependence on China-dominated supply networks by coordinating cooperation across mineral extraction, chip manufacturing, advanced computing, and AI systems. The immediate backdrop is the vulnerability exposed by China's tightening grip over rare earths and critical mineral exports.



Over the past few years, Beijing has imposed export controls on gallium, germanium, and other strategic inputs essential to chipmaking and advanced electronics. Even calibrated restrictions have had ripple effects across global supply chains, slowing production cycles and raising costs for manufacturers. For India, which is attempting to establish itself as an electronics manufacturing hub under its Production-Linked Incentive (PLI) schemes, such disruptions result in delayed shipments, supply bottlenecks, and strategic dependence. Semiconductor and electronics depend on a complex web of inputs: critical minerals, fabrication equipment, design tools, software, advanced manufacturing know-how, and capital. Pax Silica seeks to align trusted partners across this chain. The advantages are tangible.

First, membership strengthens India's access to diversified sources of critical minerals. This reduces the risk of future supply shocks stemming from unilateral export controls. Second, the alliance could ease access to advanced semiconductor equipment and design tools, areas where a handful of firms dominate. Third, closer cooperation in AI and semiconductor R&D can accelerate India's ambition to move up the value chain, from being largely an assembly base to becoming a design and innovation centre. For the United States, India's inclusion is strategic. Washington's China+1 strategy is not simply about shifting factories; it is about building scale outside China and diversifying risk. India offers what few countries can: a vast domestic market, a large engineering talent pool, growing digital infrastructure and geo-political leverage.

However, Pax Silica's impact will depend on how it is executed, particularly under the Trump administration, where trade and technology stances have been more transactional and unpredictable. India will have to be careful that deeper integration does not compel automatic alignment on export controls, digital regulations, or trade standards that may not always sync with its domestic priorities. Furthermore, India must navigate the "intelligence-sharing" layer of Pax Silica. Beyond hardware, the alliance necessitates harmonizing standards for AI ethics and data sovereignty, which may clash with New Delhi's preference for localized data control. To truly de-risk, India must ensure Pax Silica facilitates the mid-stream processing of minerals on home soil. Only by embedding itself into the R&D and refining stages can India become an indispensable pillar of the global silicon order.

OTHER VOICES.

The Guardian

Ukraine is exhausted, but not broken

Four years after Vladimir Putin launched the biggest conflict on European soil since the second world war, the human cost is rising. This is not an overstatement. Across a 750-mile frontline in the east of Ukraine, Russian forces make minimal progress despite relentless attrition, advancing more slowly than troops during the battle of the Somme. In 2025, the estimated number of Russian casualties in "the meat grinder" was 415,000. For Ukraine, the suffering will scar generations to come. Battlefield casualties are estimated to be about 600,000. Since the invasion, as many as 6 million people have been displaced inside the country and 4 million, mainly women and children, have left. Civilian deaths soared last year as Russia stepped up its bombing campaign of cities and infrastructure in an effort to break Ukrainian's will.

讀賣新聞

THE YOMIURI SHIMBUN

Malignant Precedent Must Not Be Set

If the war is not stopped, many more lives will be lost. Yet rushing to a ceasefire in a way that will force the victimized country to make unreasonable concessions would set a bad precedent in which an aggressor achieves military gains. How Russia's aggression ends will significantly affect not only the future of Ukraine but the future international order as well. Feb. 24 marks four years since the aggression began. The number of combat deaths is estimated at about 300,000 on the Russian side and more than 100,000 on the Ukrainian side. Currently, Russian forces illegally occupy about 20% of Ukraine's territory. This figure has not changed much over the past year. Russia has received military personnel and weapons from North Korea. TOKYO, FEBRUARY 24

WTO must provide space for industrial policy flexibility

REFORM THRUST. WTO rules should explicitly accommodate supply-chain risk mitigation and sourcing diversification



V. SESHADRI

Industrial policy is likely to be a key topic for discussion at the forthcoming 14th WTO Ministerial Conference (MC-14) in Yaoundé, Cameroon, where reform of existing multilateral trade rules will dominate the agenda.

The European Union has put forward proposals focusing on the negative trade effects of state interventions in industrial sectors. It calls for stronger disciplines to address excess subsidisation, the non-commercial conduct of state-owned enterprises, unlimited guarantees, and measures that artificially sustain non-viable firms, generating overcapacity.

At the same time, the EU acknowledges the need for balance — between effective rules, policy space for industrialisation, and mechanisms to address negative spillovers and what it terms "weaponised dependencies".

The US also refers to severe and sustained imbalances in the international trading system arising from predatory economic practices.

However, it questions whether the WTO is institutionally capable of addressing challenges such as overcapacity, economic security, supply chain resilience, and strategic concentration. Its contention is that members benefiting from such practices are unlikely to agree to reforms that dilute their structural advantages. The implication is that solutions may need to be pursued outside the WTO framework.

There is, however, another dimension that neither submission confronts explicitly: export controls on so-called dual-use products. For decades, such measures on high-technology items were largely confined to Western economies and had limited impact on countries like India. That is no longer

the case. China's use of restrictive export licensing on critical minerals and magnets has introduced a new element of unpredictability. When critical inputs are unprepared, supply chains become strategic vulnerabilities.

Developing countries such as India have borne the cumulative impact of deliberate overcapacities, aggressive export pushes at suppressed prices, targeted export controls, and unilateral tariff actions by third countries. These practices have tangible consequences for industrial development and domestic employment. And it is difficult to conceive of remedial actions outside the WTO.

INDUSTRIALISATION PUSH

This context explains India's recent shift towards greater self-reliance in strategic sectors and areas of high import dependence. Initiatives such as

Production Linked Incentive schemes, the semiconductor programme, and the Critical Minerals Mission reflect efforts to strengthen domestic capabilities while diversifying markets and sources of supply.

The recent Budget and the Economic Survey's renewed emphasis on "swadeshi" underscore a broader commitment to industrial capacity in sectors prone to market failures or strategic distortion without adequate support.

Predictably, some members have viewed these policies as not in their interests and have invoked existing WTO rules. China has in recent months initiated dispute proceedings against India on certain measures alleging breach of WTO rules relating to subsidisation and Trade-Related Investment Measures (TRIMs). Others

India should not seek blanket exemptions or sweeping carve-outs. Such an approach would be neither defensible nor likely to command support

have challenged earlier initiatives, including in the mobile phone sector.

WTO REFORM CAN HELP

This is precisely why WTO reform matters. The reform discussions should examine whether clearly defined flexibilities can be incorporated into WTO rules to support legitimate industrial development objectives.

Today, both developed and developing countries are pursuing industrial strategies in sectors of their choosing — including steel, semiconductors, batteries, electric vehicles, and critical minerals — using instruments they deem appropriate. India will not be isolated in raising the issue of policy space; elements of the EU's own submission implicitly recognise it. Critics may label such policies protectionist, but the broader trend is unmistakable.

At its core, the debate concerns policy space. Providing adequate policy space for future development has intrinsic value — even if not fully utilised. It is analogous to binding a tariff at a higher ceiling. The space itself matters.

Which WTO agreements merit re-examination? The agreements on subsidies, safeguards, anti-dumping, and TRIMs are obvious candidates. There could be others.

Take the Safeguards Agreement for example. Its remedial measures are temporary, require compensation, and impose high evidentiary thresholds. In an era characterised by rapid supply shocks and strategic concentration risks, these disciplines warrant reconsideration.

Looking ahead, WTO rules should explicitly accommodate supply-chain risk mitigation and sourcing diversification. Members should have flexibility — under clearly defined and transparent conditions — to limit excessive import dependence in designated strategic products from a single source country, without being compelled to undertake prolonged and procedurally burdensome investigations.

INDIA'S AUTO EXPERIENCE

India's earlier experience offers perspective. In 1997, when seeking to build its automobile industry, India issued Public Notice No. 60.

Manufacturers seeking import licences for restricted automotive products were required to sign Memoranda of Understanding committing to domestic production facilities, minimum investment, specified indigenisation levels, and export obligations.

The European Union and the US challenged these measures at the WTO. India lost the dispute in 2001. Yet the policy had lasting impact. It helped attract major manufacturers and contributed to the development of a globally competitive automobile ecosystem. Today, even advanced economies are exploring measures to promote domestic manufacturing and local value addition in strategic sectors.

CALIBRATED PROPOSALS NEEDED

Translating the aforementioned reflections into concrete reform proposals will require care. India should not seek blanket exemptions or sweeping carve-outs. Such an approach would be neither defensible nor likely to command support.

What is needed instead are carefully calibrated amendments, anchored in legitimate public policy objectives — resilience, diversification, development, and economic security. This WTO debate may not follow a simple North-South divide. Concerns about overcapacity, strategic dependencies, and supply-chain concentration cut across levels of development. Some export-driven economies may resist expanded flexibilities. But many others — developed and developing alike — are grappling with similar vulnerabilities.

If WTO reform is to be meaningful, it must engage honestly with the realities of industrial policy in an age defined not only by efficiency, but by resilience and security.

The writer is former Ambassador and Senior Fellow, Delhi Policy Group

Banks grapple with changing savings behaviour

Banks need to deal with structural liquidity mismatches created by money moving into alternative investments from bank deposits

K Srinivasa Rao

The deepening of financial markets, along with increased financial literacy and quick access to bank savings through digital channels, has fuelled a gradual shift of bank deposits into alternative investments, including mutual funds, equities, bonds, small savings, G-secs, gold, silver, real estate, and derivatives.

The customer profile of banks is shifting toward young, tech-savvy customers having a higher risk appetite for exploring non-bank investment options. The increased flow of bank deposits moving back and forth between alternative investments in financial markets and the banking system in a different form is creating risks. The business model may need to be recalibrated to align with the evolving transformation in asset and liability composition, tenor, and pricing.

THE DEPOSIT CHURN

A common argument is that deposits that move to other institutions should eventually return to the banking system after the round trip, as the receiving institutions will use banks to route them. If a bank customer moves funds from a savings account to alternative financial instruments, the system's

liquidity might eventually recover, but the ALM structure and interest rates will change drastically. The flight of deposits from banks to financial markets and their return to banks will be subject to certain "liquidity lags" and a major "pricing trap".

While most money remains in the banking "pipes", a significant portion leaves the system temporarily or permanently.

Even when that money returns to the bank via a Mutual Fund Institution's bank account, it is placed in high-cost bank deposits or CDs (Certificates of Deposit), where the bank might have to pay 7.5 per cent or more.

Thus, banks might be losing low-cost retail deposits and replacing them with "expensive" wholesale funding. This narrows their net interest margin (NIM), which is why many banks introduce differentiated deposit schemes with attractive interest rates to prevent deposit outflows and protect their NIM.

LEAK OF LIQUIDITY

Not all deposits that leave the bank may return to the banking system. Some may go as taxes that get parked with the RBI. This money is effectively withdrawn from the commercial banking system until the government spends it and returns it to the economy.

Banks' growth profile (in %)

	FY23	FY24	FY25
Deposits	11.0	13.6	12.5
Credit	15.0	16.1	14.6
CD ratio	75.1	78.0	80.4

April 25 to Jan 26



As of early 2026, government cash balances have hovered between ₹1.5 lakh crore and ₹14 lakh crore, creating a temporary liquidity shortfall.

Physical cash withdrawals have surged. In the 14 months leading to January 2026, currency withdrawals amounted to ₹4.4 trillion — three times higher than the previous year's trend. Every rupee held in a physical wallet is a rupee that cannot be multiplied as a bank deposit. To stabilise the rupee against global volatility, the RBI often sells dollars and "mops up" (absorbs) rupees. This is a permanent removal of liquidity from the banking system.

The "churn" of money moving between banks and alternative investments through markets creates constant friction, often choking banks' lendable resources and slowing the

velocity of money. Deposits don't simply "revolve" into alternative investment instruments; they create structural liquidity mismatches, higher funding costs, and systemic risks — despite total household savings remaining stable in the long run.

The RBI's support through liquidity adjustment facility (LAF) can only temporarily. Ultimately, banks will need to recalibrate their business models to manage their operations while protecting their NIM. Through non-core banking services, banks should galvanise institutional accounts of wealthy management entities and serve them with a priority tag. Customer service quality could raise deposit stickiness at the margin (see table).

Similarly, the non-funded products should be used to serve corporate accounts actively raising funds through bonds and the ECB route, with specially trained employees to improve retention of funds. SLBC forums and lead bank relationships should be explored for government accounts. Banks will have to gear up for higher liquidity and pricing competition as deposits flee to other investment channels and lose much of their sheen on their return journey back to banks.

The writer is Adjunct Professor, Institute of Insurance and Risk Management. Views expressed are personal

✉ LETTERS TO EDITOR Send your letters by email to bleditor@thehindu.co.in or by post to 'Letters to the Editor', The Hindu Business Line, Kasturi Buildings, 859-860, Anna Salai, Chennai 600002.

Shining summit

The annual "Intelligent summit" (February 24). While India has benefited greatly from the AI Impact Summit, its contribution to conducting the deliberations of the 118 participating nations and more than 5 lakh participants, which culminated in the Delhi Declaration endorsed by 88 nations, is equally notable.

The structure of the summit built on three guiding Strides: People, Planet, and Progress and seven operational Chakras reflected India's conviction

that AI must serve developmental goals rather than narrow commercial interests. Through the MANAV Vision, India reinforced the principle that AI must be lawful, accessible, valid and legitimate. The success of the summit has put India on a high pedestal from a user to a shaper of AI for all.

YG Choksey

Pune

Trust issues

The ₹590-crore fraud involving IDFC

First Bank and the Haryana government is more about accountability and transparency. It is a recurring public confidence. When forged cheques clear and internal controls fail, the common depositor wonders whether prudence is policy or merely paperwork. Even if termed "isolated," such episodes ripple across the banking ecosystem, unsettling trust painstakingly built over decades.

Swift de-empalment by the Haryana government and regulatory scrutiny are necessary first steps. Yet systemic safeguards must follow in banking, capital adequacy absorbs losses; creditability absorbs none. Rebuilding faith is no mere the foremost balance-sheet priority.

Gopalaswamy J

Chennai

The tariff web

This refers to SC ruling against Trump's tariffs unlikely to mark end of trade policy chaos (February 24). Trump must be wondering as to how

to come out of the global 'tariff web', which is his own creation. Since the latest SC's verdict must have shown him his place, he's already looking for ways to reimpose tariffs and regain lost ground. But extensive damage has already been done to his worldwide image. However, one hopes for better sense now prevails upon him and he does not act in any hasty/irresponsible manner that culminates in scoring a 'self-goal' in the process.

Kumar Gupta

Panchkula (Haryana)

India's innovation mirage

For progress, incentivise patent grants, not filings

Sudhanshu Mani

The recent India AI Impact Summit 2026 did much that deserves acknowledgement. The scale of participation was encouraging. But it raises questions about innovation and outcomes.

The development of the Vande Bharat Express is celebrated as a triumph of Indian engineering. But it was not a world-class leap. It was a beginning. Yet in nearly eight years, technological advancement has been limited. We applaud intentions, proposed investments and presentations, then declare victory prematurely. In doing so, we risk normalising mediocrity.

It is uncomfortable to admit, but ambition demands comparison. Two decades ago, Chinese products were dismissed as cheap imitations. Today they dominate transport, infrastructure, electronics and miscellaneous manufacturing through relentless iteration. Progress was not proclaimed. It was pursued with discipline.

That's why the controversy at the AI summit struck a deeper nerve. A four-legged robot displayed by Galgotias University as indigenous innovation was a commercially available Chinese robot-dog. When questioned, the defence rested on semantics, with bald attempts to shift blame on to reporters. To compound matters, a South Korean drone product had been displayed in similar fashion. The university was eventually asked to vacate its stall, but the damage was done.

SYSTEMIC DISTORTION This episode is not about one university. It reflects a systemic distortion. India ranks 10th in patent applications. Yet our patent grant rate is about 40 per cent for IITs and NITs, and is estimated at low single digit levels for many private universities that file aggressively. Japan stands near 70 per cent and South Korea around 60 per cent. We file energetically but convert poorly.

The deeper issue lies in incentives. The government reimburses up to ₹2 lakh per domestic patent filed and ₹5 lakh per international filing. Educational institutions receive substantial fee concessions, reducing filing costs to roughly ₹1,600. The National Institutional Ranking Framework factors patent filings into rankings. More filings can mean a better rank. A better rank attracts



PATENTS. Link incentives to commercialisation. *SHUTTERSTOCK*

more students, and more revenue.

The arithmetic is seductive. A patent filed cheaply can yield reimbursement up to ₹2 lakh. Multiply that by more than 2,000 filings by private universities and the figure approaches ₹50 crore annually from domestic patents alone. Several private universities report filings exceeding a thousand in a year. The concern is not enthusiasm for intellectual property. It is what follows. Even where IIT and NIT patents are granted, commercialisation remains limited. The cycle in private universities becomes procedural: file, claim reimbursement, improve ranking, attract admissions, repeat.

Innovation risks becoming an accounting exercise. In such an environment, showcasing imported hardware under "patriotic" lighting becomes less surprising. When metrics reward volume over value and performance over proof, theatre enters quietly.

India's ambition to be an AI powerhouse is neither fanciful nor misplaced. We possess scale, talent and digital infrastructure. But leadership is not declared. It is earned through sustained research, rigorous validation and commercial success. Innovations must survive scrutiny and markets.

Shifting reimbursements from filing to grant would be a start. Linking incentives to commercialisation would be stronger. Auditing abnormal filing-to-grant ratios would restore seriousness. Reforming rankings to weight granted patents and measurable impact would align aspiration with achievement.

Innovation is not a form you submit. It is a problem you solve. Whether in railways or AI, the lesson is the same. If we celebrate beginnings as destinations, we will remain at the starting line, as others move ahead.

The writer is red GM of ICF and Independent Consultant, leader of Vande Bharat project

THE WIDER ANGLE.



PARAG BALAKRISHNAN

It has been the toughest week of Donald Trump's presidency so far. The bad news began tumbling out when the US Supreme Court finally stood up to him and threw out his global tariff scheme that had been the cornerstone of his entire one year as president.

Trump raged and ranted at a press conference after the judgment was delivered. But that was only the start of his troubles. The next hammer blow came from a different direction. During an interview conducted at Tel Aviv's Ben Gurion Airport, the US Ambassador to Israel, Mike Huckabee, told interviewer Tucker Carlson that Israel had a biblically ordained divine right to the region from one bank of the Nile to the Euphrates. That would include large chunks of Egypt, Jordan, Iraq, Syria and parts of Saudi Arabia. Unsurprisingly, these Arab states were incensed by Huckabee's claims.

But on Monday, Trump was facing an even greater dilemma. He's threatened to strike Iran if it doesn't do his bidding and a giant US fleet including two aircraft carriers is heading to the region. But even Trump knows an assault on Iran could put his fleet at an enormous risk and trigger an all-out Middle East war. Almost certainly, there would be American bodybags. At a situation room meeting Monday, he was said to have been enraged when his military told him they couldn't guarantee victory and his hopes for a quick Venezuela-like swoop were next to impossible.

TARIFF HAVOC

Meanwhile, what happens to tariffs is anyone's guess. Trump immediately declared after the ruling he'd slap a 10-per-cent tariff on products from almost everywhere in the world, then hiked that to 15 per cent. But even trickier is whether the government should return the money it appears to have illegally collected as tariffs. Illinois Governor JB Pritzker has demanded an \$8.6-billion refund. "Your tariff taxes wrecked havoc on farmers, enraged our allies and sent grocery prices through the roof," Pritzker thundered.

More dangerous, Neal Katyal, the superstar constitutional lawyer who argued the tariff case, fired a warning

Utter bedlam in US and beyond

US Supreme Court slaps down tariffs; Arab states incensed over claims about Israel's territorial rights; war threat looms over Iran



REUTERS

shot across the government's bows, saying a task force would be launched, "to fight for refunds. We'll fight tooth-and-nail for them if the federal government tries to hold that money back." The sums involved are an eye-watering \$130-175 billion.

Closer home, the Congress Party is hitting out at the government, saying it should have waited for the ruling, which everyone knew was coming, before striking a trade deal with the US. All this unfolds against the backdrop of mounting Middle East tension. Head back to Ben Gurion Airport where

Carlson, a rightwing TV star, confronted Huckabee. Carlson turned out to be an unexpectedly fierce interviewer who sank his teeth into Huckabee. The ambassador, one of Trump's many awful diplomatic choices, is a Christian fundamentalist and a Zionist extremist. Asked if Israel could claim half a dozen countries, Huckabee replied: "Not sure we'd go that far." "It would be a big piece of land," he added. But then, not content with stuffing one foot into his mouth, he then proceeded to shove in the other, saying: "It would be fine if they took it all."

The consequences, meanwhile, of a war between Iran and the US are almost too awful to contemplate. Israel would almost certainly be drawn into it. And US warships would be dangerously exposed. The only winners might be companies benefiting from rising oil prices.

INDIA IN A BIND

India has plenty to worry about if war in the Middle East erupts. For starters, Prime Minister Narendra Modi is in Israel on an official visit, and it definitely

wouldn't be good if he were caught in a war-zone. He's already become part of an Israeli political game because the country's opposition is threatening to boycott his parliament address as the chief justice hasn't been invited, part of Netanyahu's bid to undermine the Supreme Court. The House speaker has threatened to fill the empty seats with former Knesset members so Modi has an audience.

Modi's trip is important because India is playing a delicate Middle East balancing act. It has deepened ties with Israel in defence and technology, while also maintaining close relations with the Gulf states, recently signing a far-reaching agreement with the United Arab Emirates. A full-scale conflict between the US and Iran would place New Delhi in an uncomfortable position, forcing it to balance energy security, concerns of its large UAE diaspora and strategic partnerships.

Whether Trump doubles down on Iran, backs away or seeks compromise will shape not only the remainder of his presidency but also the stability of a very fragile international order.

A full-scale conflict between the US and Iran would place New Delhi in an uncomfortable position, forcing it to balance energy security, concerns of its large UAE diaspora and strategic partnerships

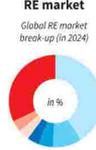
STATISTALK.

Compiled Dhruvail Gunasekaran | Graphic: Visveswaran V

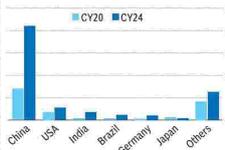
Renewable energy drives India's power transition

Renewable power is growing rapidly worldwide. India accounted for about 5% of global renewable capacity in 2024 and ranked as the third-largest contributor after China and the US. India's installed capacity is projected to rise from 475 GW (Giga Watt) in FY25 to 705 GW by FY30. India's solar installation costs fell 60.6% and wind costs 20.4% (FY16-FY24), making renewables significantly cheaper than fossil fuels. Renewables' contribution to generation is projected to increase from 14% in FY25 to 30% by FY30, while thermal power's share declines to 58%, signalling structural decarbonisation of India's grid. Key trends:

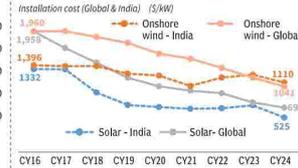
India emerges as the world's third-largest RE market



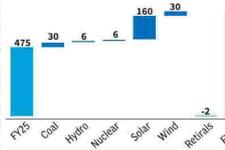
India ranks third in annual RE installation with 35 GW added in 2024



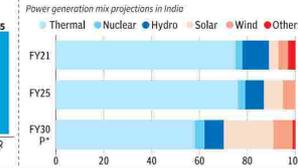
RE costs decline sharply, unlocking massive competitiveness



India's RE installed base expanding rapidly



Renewable energy share is expected to more than double in 2030



Source: BHP of Clean Max Enviro Energy Solutions and Grid Intelligence | GW refers to Giga Watt | *Projected

thehindubusinessline.

TWENTY YEARS AGO TODAY.

February 25, 2006

Lalu takes on low-cost airlines, drops AC fares

In a bid to prevent the likes of Air Deccan and SpiceJet from weaning away upper class passengers, the Rail Budget for 2006-07 has proposed an 18 per cent reduction in AC first class and 10 per cent in AC two-tier fares. What Railway Minister Mr Lalu Prasad has done is to basically extend the policy of aggressive pricing of freight to the passenger segment, too.

HSBC sells 7.19 pc in UTI Bank for ₹638 cr

Trimming equity stake in accordance with RBI guidelines, HSBC Bank today sold two crore shares of UTI Bank in a bulk deal that also fetched it a handsome profit. The sale price was ₹318.61 for shares originally bought at ₹90 in June 2004 when it acquired 14.62 per cent equity stake for ₹67.6 million. HSBC's stake in UTI Bank now stands reduced to 4.99 per cent.

Bharat Overseas Bank board not to renew CEO contract

The board of directors of the Chennai-based Bharat Overseas Bank Ltd (BOB) has decided not to renew the contract of its CEO, M. G. Krishna Murthy. Highly-placed sources said that the move was due to the bank's heavy involvement in the recent scam in the IPOs of IDFC Ltd and Yes Bank Ltd.

BL TWO-WAY CROSSWORD 2624

EASY

ACROSS

- Small cord (6)
- Braided hair (5)
- The novel; romance (7)
- One skilled in horticulture (8)
- To drink soup, etc., noisily (5)
- Festivity, sporting occasion (4)
- Carton (3)
- 5-shaped moulding (4)
- Fracture (5)
- Catch a disease (8)
- Discussion session on particular subject (7)
- Carrying a cargo (5)
- Place for buying and selling (6)

DOWN

- Examination by a court (5)
- Time between acts (8)
- Watered rum (4)
- Digging implement (5)
- Grain-store (4)
- Use a teaspoon (4)
- Drugs affecting central nervous system (9)
- Wise man (4)
- One frequenting palace (8)
- From Sunday to Saturday (4)
- Mischiefous trick (5)
- Not sleeping (5)
- Young horse (5)
- Nothing, nothingness (5p) (4)
- School-time (4)

NOT SO EASY

ACROSS

- Some horses may get tied in knots (6)
- Braided hair of first pony-tail (5)
- Novel-writing is the rub, right away (7)
- One like Adam working out-of-doors (8)
- Noisily drink first rum plus its variations (5)
- Festive occasion for a convict to return to (4)
- Fight to name all the points of the compass (3)
- American expression for a double-curve? (4)
- Slow down, one is told, for the intermission (5)
- Become less of an undertaking (8)
- Discussion group remains to be sorted out (7)
- With a burden to lend a form to (5)
- German money and French opportunity for buying and selling (6)

DOWN

- Judicial hearing may prove a hardship (5)
- Space between notes when the orchestra's not playing? (8)
- Drink with a Guildhall giant right inside (4)
- It may dig out a black card (5)
- Storehouse where one can drink nectar initially (4)
- Begin to move prison (4)
- No end of crack: it's no different to other drugs (9)
- He's wise to be so green (4)
- A flatterer, or one truce is arranged for (8)
- The snight sounds feeble (4)
- Mischiefous trick quietly to assign to a particular class (5)
- We also known as vigilant in this form (5)
- Junior player who got fired (4)
- Nothing from Spain - and a mixture of it (4)
- Designate it a part of the academic year (4)

SOLUTION: BL TWO-WAY CROSSWORD 2623

ACROSS 1. Precipitate 8. Artifice 9. Born 10. Aside 13. Maze 16. Lean 17. Free 18. Punt 20. Yeast 24. Idea 25. Strident 26. Loggerheads
DOWN 2. Rota 3. Cuffs 4. Paced 5. Album 6. Narcloptic 7. Antecedents 11. Irony 12. Extra 14. Airy 15. Pawn 19. Twang 21. Enter 22. Shire 23. Wend



OPINION

The Hindu Times ESTABLISHED IN 1924

OUR TAKE

Security, with safeguards

Prahaar does well to guide India's counter-terror strategy in a fast-changing world. But effective prosecution and civil liberties remain just as important

There are few things that have transformed as much in the 21st century as terrorism. Contemporary terror networks often operate as decentralised, digitally connected ecosystems. Encrypted messaging allows operatives to coordinate across borders. Recruitment and indoctrination occur online through videos, reels and gaming. Social media enables propaganda to spread at scale and at speed. Cryptocurrencies and informal digital channels facilitate funding flows that are harder to trace. Drones and commercially available technologies lower the cost and complexity of carrying out attacks. It's cheaper than ever to deploy malware and paralyse countries.

Against this backdrop, India's first national counterterrorism policy and strategy aims to pull the country's counter-terror strategy into the 21st century and manage threats both traditional and digital. The document, titled Prahaar, aims to deal with all terrorist acts and denying access to funds, weapons and safe haven to terrorists, their financiers and supporters. The seven-stage framework involves "intelligence guided" prevention of strikes, swift joint response by states and central forces, use of the latest technology, thwarting radicalisation and recruitment, coordinating with international partners, involving society, and following human rights and rules-based processes.

The guideline document — in line with the strategy adopted by most major countries — hopes to consolidate what has often been a piecemeal and fragmented approach in fighting terror. It signals an attempt to bring coherence, coordination and long-term strategic thinking to a threat that has repeatedly tested India's resilience. It correctly underlines the use of latest technologies, modern-day weapons of war, and foreign soil by organised criminal networks for logistics and recruitment. It does not link terrorism to any specific religion, ethnicity, nationality or civilisation, identifies "sponsored terrorism from across the border", "jihad terror outfits", and global terror groups.

The forward-looking strategy will hold India in good stead as it mounts a coordinated response to terror. But equal focus must be paid to effective guidelines against overreach, especially in counter-radicalisation efforts and deeming people as terror supporters. The document has done well to designate human rights as a pillar of its counter-terror plan. But authorities must also pay attention to timely, fair and transparent investigations in terror cases that ensure that no terror perpetrator is acquitted due to botched prosecutions. A string of high-profile acquittals — such as in the Malegaon blasts or Mumbai bombing case — have underlined that there is no alternative to unglamorous, nuts-and-bolts investigation that doesn't cut corners or profile people based on identities. India's counter-terror vision will only be bolstered with greater attention to fair, accountable and rigorous probes.

Need to do more in fight against racism

Two recent incidents of racial abuse targeted at individuals from two northeastern states highlight the ugly reality of thriving racism in the country. The fact that one occurred in the Capital and the other in Gorakhpur, Uttar Pradesh, suggests racist tendencies remain the same irrespective of the milieu. And it spares no one — the target of abuse in the latter case is a medical student at AIIMS Gorakhpur.

This is just the everyday racism people from the northeastern states often face. This "garden-variety" racism can slip into more brutal territory. The killing of Anjel Chakma in Dehradun last December is the latest example of the worst form such bigotry can take. Chakma was stabbed after he protested against racial slurs directed at him and his brother. Before that, the deaths of Richard Loitiam, Nido Tamiam, and Akha Saloumi, among others, were horrifying illustrations of dehumanising racism that Indians meted out to other Indians. With rising migration, such discrimination is becoming entrenched and widespread.

The larger public's complicity is evident in its failure to stand up to racists and demand corrective measures. India ratified the International Convention on the Elimination of All Forms of Racial Discrimination close to six decades ago, but the problem has been allowed to fester. For a country that has long been the target of racism, this is indefensible. The problem must be addressed with the seriousness it deserves — expert recommendations, especially those made by the Bezbaruah Committee, including on new legislation against racial hate, need urgent consideration.

A 'decades' happening in weeks' moment?

Economic doomsday and self-fulfilling downward spiral predictions notwithstanding, the AI boom will definitely amputate a large part of the managerial elite and enterprise ecosystem

It is an analogy Lenin would have appreciated. His oft-quoted dictum — "There are decades where nothing happens; and there are weeks where decades happen" — seems to be the most appropriate phrase to describe what the Artificial Intelligence (AI) disruption is doing to market sentiment. I wrote this article a day after a viral research note by Citirini research — it "is a scenario, not a prediction" — triggered an 800-point drop in the Dow Jones index. The crux of the note is simple: AI driven opportunities to cut skilled labour will trigger a non-stop displacement of "skilled" labour and destruction of entire businesses that thrived on information asymmetry (think third-party agents in all things, even air tickets and hotels). What will follow is a large-scale destruction of (white-collar) mass incomes, aggregate demand, and subsequent order ripple effects in capital and debt markets (read Wall Street).

This is, as yet, a scenario — but one

that has spooked markets. The palpitations are happening because parts of the story are already playing out. Advances in AI models have wiped out a massive amount from the market value of software companies in the past few weeks. Just one AI company, Anthropic, surpassed the market cap of all major Indian IT firms a couple of weeks ago. Citirini is not the only one telling this story right now. Veteran investor Ruchir Sharma, in his Financial Times column on Monday, wrote that gold (as an asset) had entered "a storybook stage" and even though "its price is now far above levels suggested by fundamental forces", it was "hard to see what might stop its ascent". Gold's rise in the world has almost always been linked to uncertainty. There is plenty of that around right now.

Investors are trying to hedge assets. Gold, silver, AI stocks, even cash — everything is being tried. Countries and companies are trying to get a foot in the AI door. If they don't have large language models (LLMs), they at least want data-centres. If not a company of their own, a collaboration with a leading AI player, at the very least. What will eventually come out of all this? Will economic forces become even more skewed than they are at the moment? Will an overwhelming share of today's white-collar service sector workforce be

pushed out of their jobs as AI and its much smaller minority of AI conductors — mostly super-needs but some warm bodies as well — take over?

It is important to bring in the service-sector angle because manufacturing has been undergoing automation for a long time now. It is now in the process of cannibalising labour in the Global South after having finished off the shop-floor workforce in the advanced countries. There were times when entire townships were built around automobile factories: Detroit in the US to Uttarpara near Kolkata, which produced the much-maligned Indian Ambassador. The day is not far, when BYD, the new global leader of making cars, will sell to the entire world without shop-floor workers in maybe even four digits.

The rise and proliferation of the white-collar service-sector employees helped mitigate the headwinds automation in industry generated for employment and, by extension, politics. Meritocracy became the proverbial gold rush, and perhaps the most successful of them all. In post-golden-age capitalism. Higher education, more than anything else, held the keys to upward mobility at a global level. There was no need to slog it out to achieve national transformation, both political and economic. For countries like India, it also provided a bypass to be able to afford internationally produced goods via services export and



Roshan Kishore



Advances in AI models have wiped out a massive amount from the market value of software companies in the past few weeks. SHUTTERSTOCK

remittance earnings without earning the required foreign exchange from merchandise exports. The service-sector managerial revolution made John Lennon's "They hurt you at home and they hit you at school, they hate you if you're clever and they despise a fool... A working class hero is something to be" call-letters redundant. Good times were a low hanging fruit. You only had to learn coding.

Economic doomsday and self-fulfilling downward spiral predictions notwithstanding, the AI boom will definitely amputate a large part of the managerial elite and enterprise ecosystem. How will this affect the political economy at large? The losers of this generational disruption can either end up like the disenfranchised rust-belt working class, which has gathered behind economic autarky, social xenophobia and reac-

tionary politics. This is what we are seeing in neo-populism as epitomised by the Donald Trump-led Make America Great Again (MAGA) coalition in the world. Or, they can give up on their larger pursuit of upward mobility, driven by indifference towards society at large — the world isn't exactly a very equal place even before the AI meteor leaves a huge economic crater — and generate traction for a fairer (not unsustainably populist) state of play. On this count, it is difficult to disagree with the concluding lines in the Citirini report: "As investors, we still have time to assess how much of our portfolios are built upon assumptions that won't survive the decade. As a society, we still have time to be proactive."

But not too much, by the looks of it.

The views are personal

A sledgehammer approach to monitoring AI-origin info

Earlier this month, the government notified the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Amendment Rules, 2026, further amending the IT Rules 2021. In a bid to regulate "synthetically generated information", the intent is to tackle the rise of misinformation through the use of Artificial Intelligence (AI) deepfakes. The amendment raises certain concerns.

One of the most significant changes under the amended Rules is the compressing of deadlines in Rule 30(d)(d), requiring intermediaries to take down content upon receipt of a court order or on being notified by the government or government agency within three hours (down from 36 hours). At the same time, other deadlines have also been made tighter — user complaints regarding content that is obscene, violative of privacy, harmful to children, or impersonating another person must be resolved within 36 hours (down from 72 hours). Content that prima facie depicts the partial nudity/nudity of the user must be taken down within two hours (down from 24 hours).

It is worth mentioning that these amendments have been introduced in the IT Rules 2021 under the guise of regulating the proliferation of AI content and deepfakes. However, these starkly tighter deadlines are not restricted to deepfake/AI content. Instead, they apply to all content hosted by social media intermediaries.

This approach precludes any meaningful review by humans and virtually automates the take-down process by intermediaries. Thus, in the name of requiring intermediaries to exercise "due diligence", the 2026 amendments further incentivise censorship by the former, without the attendant safeguards of a prior hearing or reasoned orders.

Interestingly, this proposal of shortening the deadline was never part of the original proposed amendments on which public feedback was sought in 2025. Nor has the government published the stakeholder responses to the proposed amendments. Hence, the sudden introduction of these new provisions in the 2026 amendments remains unexplained. This lack of public consultation is also visible in the new sub-clauses that require intermediaries to exercise due diligence when it comes to synthetically generated information to prohibit the depiction of an event or a person "in a manner that is likely to deceive".

A similar approach has been adopted in the definition of synthetically generated information itself, which includes artificially or algo-

rithmically generated information that appears to be "real, authentic, or true" or depicts an individual or event that is "likely to be perceived as indistinguishable" from the natural person or event. Any such content that is obscene, invasive of privacy, indecent, or vulgar must be taken down by intermediaries.

Both the definition of synthetically generated information as well as the accompanying due diligence obligations are vague and leave it to the intermediaries to decide on and label such content. Moreover, they do not have a carve-out for content created for parody or satire purposes vis-a-vis content intended to spread misinformation. The role of satire in promoting healthy democratic debate, and its protection under the free speech clause under Article 19(1)(a) of the Constitution, has been consistently acknowledged by courts all over the country (even if not always implemented in practice).

Undoubtedly, the problem of deepfakes and misinformation is real. But, as noted by the Bombay High Court in the *Kunal Kamra* case (while striking down the 2023 IT Rules amendment establishing fact-checking units), using vague terms such as "fake", "false", or "misleading" leaves the matter to the unguided discretion of the fact-checking units. The 2026 amendments similarly lack a guiding principle on how to classify content as synthetically generated information and vest intermediaries with virtually untrammelled powers.

Finally, the amendments obligate significant social media intermediaries (such as YouTube, Meta, or Twitter) to take reasonable and proportionate technical measures to "verify" the correctness of user declarations regarding the use of AI content, failing which, they would lose safe-harbour protections. This further pushes intermediaries to act as proactive censors and take down information that they consider to be wrongly labelled. As the final arbiter of what constitutes "synthetically generated information", their commercial interests would be weighed in favour of preserving their safe-harbour protection.

There is general consensus that AI-generated misinformation is harmful. But it is not clear that it is more harmful or widespread than other sources of misinformation online, necessitating such a sledgehammer approach. Whether these amendments actually protect our security or violate our freedoms remains to be seen. I am not optimistic.

Vrinda Bhandari is a lawyer, specialising in technology and privacy, practising in Delhi. The views expressed are personal



Vrinda Bhandari

MARK RUTTE | SECRETARY-GENERAL, NATO. This support is essential... a promise of help does not end the war, Ukraine needs ammunition today and every day until the bloodshed stops. On the need to provide continued military, financial and humanitarian aid to Ukraine.

India is now at a clean energy inflection point

The world today is increasingly getting split into two kinds of countries. The first group, which features the US among others, has abundant oil and gas and is happy to continue with that energy model. The second group, which features India, does not. So, for us, clean energy is not just about climate — it is about affordability, resilience, and security. That is why the clean energy transition matters so profoundly here.

For two centuries, industrialisation everywhere was powered by fossil fuels. India is simulating a different path — industrialising on the back of cheap solar power and batteries instead of fossil fuels. And yet, this is not fully and widely appreciated. Let us consider income-level comparisons to get some perspective. In 2022, at per capita income levels mirroring India's current levels, China had almost no solar, and its coal demand kept rising. India, in 2025, used one-fourth of the coal per person that China used and is now approaching a coal-generation peak, with rapid deployment of renewables. When China crossed the 1,500 kWh per capita consumption benchmark, coal was cheaper than solar; today, in India, solar-plus-storage costs about one-half as much as new coal. The economies have flipped decisively.

Electrification reinforces this shift. Electricity now accounts for nearly 20% of India's final energy use, matching China at similar income levels. And as the share of the economy running on electricity grows, a cleaner grid helps the whole country lower its emissions and become healthier and cheaper to run.

Three transformations are now converging: From deployment of renewables to building a system around them; it's no longer just about setting up solar and wind plants. It is about ensuring we can actually use all that clean energy — by storing it, carrying it across strong transmission lines, and balancing supply and demand when the weather changes. This shift from add-on to integration is a priority for the next few years for renewables to acquire real scale.

From an RE deployment superpower to a clean energy manufacturing superpower: India's electronics industry has grown nearly six times in a decade, to \$30 billion, enabling spillovers into solar, batteries, and electric vehicles (EVs). Solar module manufacturing has reached 120 GW, and solar cell production nearly 18 GW, enough for India to compete globally. We are preparing not just to deploy clean tech, but to sell it to the world. From clean electricity for the power sector to

clean energy for the whole economy: We've cleaned up electricity to some extent, but now we must clean up everything else — steel, cement, and chemical factories, etc. Doing so reduces oil and coal imports, strengthens self-reliance, and keeps Indian exports competitive. Increasingly, climate policy is becoming trade policy. To keep exporting a wide range of industrial goods, India must be ready.

This industrial moment aligns with a favourable trade environment. The India-EU trade agreement offers more than mere tariff cuts — it offers market access at scale, consistent regulations, and a huge opportunity for MSMEs and manufacturing clusters to integrate into global value chains. It is also a strategic move. Europe wants clean, diversified supply chains and is increasingly hesitant to rely on China. India brings scale, manufacturing capability, and one of the world's fastest-growing clean-energy markets.

The India-US interim deal strengthens this further. Under this, the US lowers tariffs on Indian goods relative to competitors such as China and Vietnam, giving India a significant advantage just as America is rapidly expanding its electricity grids and energy production to meet the soaring demand from data centres and new manufacturing investments.

This opens a massive opportunity for India to supply power electronics, grid hardware, transformers, and EV-related technologies — areas where our strengths are rising.

Together, these trade deals expand India's export runway. But they won't deliver outcomes automatically; they will reward us only if we can manufacture at scale, meet standards, and innovate fast. Our clean energy manufacturing ecosystem is scaling, but has some distance to go before we can truly turn it into a competitive advantage.

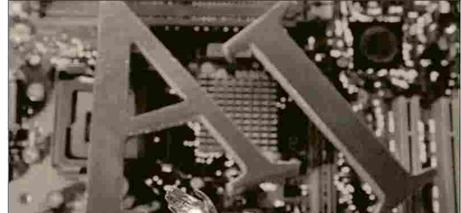
The budget for the coming fiscal year helps build on this momentum. The push to carbon capture, utilisation and storage, power storage, green hydrogen and cleaner transmission underlines the recognition that India's competitiveness will depend on decarbonising not just electricity but the industries that shape the real economy.

If India gets this right, it will build jobs, exports, and strategic resilience — using trade partnerships to scale manufacturing, using innovation to move up the value chain, and using clean electricity to keep growth affordable. The inflection point is here. The next phase is execution.

Sumant Sinha is founder, chairman, and CEO, ReNew. The views expressed are personal



Sumant Sinha



The definition of synthetically generated information and the due diligence obligations are vague and leave it to the intermediaries to decide on and label such content. REUTERS

The data-centre rush

India must ensure that investment is sustainable

The AI Impact Summit in New Delhi last week was accompanied by a flurry of investment promises. Reliance Industries has promised to put \$10 billion in artificial intelligence (AI) and data infrastructure, while Adani Enterprises has said it will invest \$100 billion in green energy-powered data centres over the next decade. Some foreign firms too have said they intend to have large capital investment in the sector in India and elsewhere in the Global South; Microsoft, for example, had promised \$17.5 billion last year and has indicated now that it plans a \$50 billion commitment to developing-world AI infrastructure. This is, at least in part, a response to some deep-seated structural factors. India is already one of the world's largest consumers of data, and that is growing in double digits annually. As countries move towards enforcing certain aspects of data protection and sovereignty, it makes sense to ensure that local data centres are built so as to meet regulatory requirements, current and future.

In an economy that is broadly starved of private-sector investment, the figures being tossed around for this sector will come as a welcome relief. This is presumably why the Union Budget for 2026-27 proposed a 20-year tax holiday for firms using Cloud capacity in India. It is vital that the broader private sector in India also ensure that they think hard about how they can effectively use this infrastructure if and when it is developed. The benefits should not flow to foreign firms alone.

That said, there are reasonable questions that must be asked alongside this understandable enthusiasm. The availability of water and electricity, for example, looms large in any discussion on data centres. Expenditure on power supply can represent between 20 per cent and 40 per cent of the operating costs of a data centre; India has to ensure that it has competitive power tariffs or that captive power is easy to set up and maintain. According to the Institute for Energy Economics and Financial Analysis, growth in data-centre capacity within India from 1.4 Gw to 9 Gw by 2030 would consume 3 per cent of India's total power. That is a significant increase in industrial-power demand. Water consumption will be an even bigger challenge, given that there are chronic disputes in many areas between industrial, urban, and agricultural users of water.

Various states, including Maharashtra and Tamil Nadu, have sought to attract data centres to India. It is vital, however, to remember that large-scale investment will fructify only if such expenditure is seen to be profitable. Some large global companies — possible buyers of compute capacity, from Reliance and Adani — have already scaled up their investment so much over the past year that analysts are beginning to question when and how they will make a sufficient return. It is crucial that both the financial sector, including state-controlled banks, and the government in general remain mindful of the potential risks involved. These should be left to those who have the cash on hand to take bets worth tens of billions of dollars. It is also important to ensure that this does not wind up leading to an economic dependence on any one geography — whether the countries providing the chips and critical minerals that go into data centres, or the one hosting the companies that buy capacity. This investment is a gain for the Indian economy. However, it will be important to ensure that it is sustainable.

Regulatory reset

Strengthen Rera to protect homebuyers' interests

The recent remarks by the Supreme Court on the workings of the Real Estate (Regulation and Development) Act, 2016, have brought back the spotlight on India's real-estate regulation. While hearing a matter related to the Himachal Pradesh Real Estate Regulatory Authority (Rera), the court observed that the authority appeared to be helping defaulting builders rather than protecting homebuyers. In unusually strong language, it even warned that if the regulator failed in its purpose, there would be little reason to continue it. These observations go to the heart of why the law was enacted. It was introduced to address chronic delays, fund diversion, and opaque contracts, while institutionalising transparency, accountability, standardisation, and fast-track dispute resolution in the property market. The Act mandated compulsory project registration, disclosures of layouts and timelines, and, crucially, the requirement that 70 per cent of the buyer funds be kept in a separate escrow account, to be used only for constructing that specific project.

A decade on, the institutional footprint of Rera is undeniable. The latest data on the status of all-India Rera implementation, released by the Ministry of Housing and Urban Affairs, shows 160,551 registered projects and 112,877 registered agents. As many as 190,475 cases have been filed before various authorities. Of those, 155,946 have been disposed of. This translates into a disposal rate of roughly 82 per cent, suggesting that the grievance-redress mechanism is active and widely used. The Forum for People's Collective Efforts (FPCE), a national homebuyers' body, has pointed to some serious non-compliance with Section 78 of the Act, which mandates annual reporting. Over 75 per cent of state Rera authorities have either not published annual reports or discontinued publication, or their reports are not up to date. More importantly, in several states, adjudication takes longer than the timelines envisaged in the Act. Orders are sometimes challenged and stalled, penalties are either modest or poorly enforced, and compensation recovery can be slow. Some authorities suffer from vacancies, lack of technical staff, or weak monitoring systems for escrow compliance. In such situations, buyers are forced back into lengthy court battles — precisely what Rera was meant to obviate.

The Economic Survey 2025-26 notes quarterly average housing sales stood at 101,300 units up to Q2 FY26, compared to 81,600 in FY22-FY24, reflecting healthy demand and renewed confidence in the housing market. However, the answer is not to dilute or dismantle Rera, but to strengthen it. Regulators need adequate staffing, especially by legal and financial experts. Escrow accounts should be digitally tracked in coordination with banks. Grievance redress must be strictly timebound, and penalties for non-compliance should be consistently enforced. Equally important is to improve coordination among the agencies, like the state government instructing development authorities to sync with financial regulators. Further, ensuring uniform definitions of things coming under Rera across states would help improve compliance. The Supreme Court's intervention should be read as a corrective signal. Rera was conceived as a confidence-building reform in a sector long marked by opacity. Clear regulation and transparent enforcement will generate confidence and activity in the sector.

A political economy challenge

With the 16th Finance Commission giving more to southern states, a delimitation exercise may face fewer hurdles

ILLUSTRATION: BINAY SINHA



Recommendations of the 16th Finance Commission, whose report became public along with the presentation of the Union Budget for 2026-27 on February 1, have elicited a wide range of comments. Most of these comments, however, have a common theme. They point out how the 16th Finance Commission has made no concession to the demand from some states for either increasing the vertical devolution of central taxes to them from the current share of 41 per cent or including cesses and surcharges while determining what should be the divisible pool of taxes.

Nor has the Commission accepted the demand made by some states to raise their share in the divisible pool by abolishing the centrally sponsored schemes (CSS). This was an argument for a decentralised way of implementing schemes, to be chosen by the states depending on their specific needs. The states' logic was that the Union should not force them to run the CSS, in whose formulation the states have little say but, nevertheless, have to share their cost burden up to about 40 per cent. The Union government, therefore, could have reduced the states' spend on CSS and the moneys saved could have been used to provide a higher share for the states in the divisible pool.

Instead of accepting these demands, the Commission has made several significant changes in the devolution formula. It has introduced a new criterion for determining the horizontal devolution of taxes to states. Doing away with the earlier criterion of tax and fiscal efforts, which had a weighting of 2.5 per cent, it has now introduced a new parameter to account for the states' contribution to national gross domestic product (GDP) with a weighting of 10 per cent.

This rejig has been managed by reducing the weightings assigned to area from 15 per cent to 10 per cent, to demographic performance from 12.5 per cent to 10 per cent, and to income distance from 45 per cent to 42.5 per cent. Simultaneously, the weighting for population based on the 2011 Census has been raised from 15 per cent to 25 per cent. The only parameter for devolution that has remained unchanged is forest area, whose weighting is retained at 10 per cent.

The broad objective of these changes appears to be to give more weighting to a new performance-based criterion such as the contribution to GDP, without losing focus on equity. For the uninitiated, the parameter of

area refers to the land size of a state; demographic performance captures a state's success in controlling the fertility rate; and income distance shows the gap between a state's per capita gross state domestic product (GSDP) and the average GSDP of the top three states.

What the new parameters for horizontal devolution of taxes have meant for the states is where the substantive implications of the 16th Finance Commission's recommendations lie from a political economy perspective. Recommendations of any Finance Commission invariably have a strong message for the country's evolving political economy, whether they come in the form of a sharp 10 percentage point increase in the vertical devolution for states, as was done by the 14th Finance Commission, or in the form of a gradual phase-out of revenue deficit grants, as mandated by the 15th Finance Commission. By that yardstick, the 16th Finance Commission is no exception.

Remember that the political economy narrative that dominated the discussion while the 16th Finance Commission was engaging with the states was one of angst and concern expressed by southern states over how they were given raw deal in spite of their relative economic progress. The parameters for income distance and demographic performance were loaded against the more economically prosperous states in southern India. These southern states, therefore, argued that they should not lose out on their share of the divisible pool of central taxes just because they have been fiscally and socioeconomically more responsible and prudent.

More than three weeks after the 16th Finance Commission's recommendations became public, the southern states are no longer complaining about an unfair deal in the way central taxes are distributed among them. Consider the following: Of the 28 states, half have got a higher share in the central taxes, according to the recommendations of the 16th Finance Commission. Of these, as many as five states, which have increased their share in the divisible pool, are from southern India — Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and Telangana.

Of course, other states like Assam, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Maharashtra, Mizoram, Punjab and Uttarakhand have

also gained. But the fact of five southern states increasing their share is politically significant in light of the narrative prevailing before the recommendations became public.

They become even more significant if you consider the fact that as many as five northern states will have a lower share in central taxes in the coming five years from April 2026 to March 2031. These are states where politically and electorally the Bharatiya Janata Party (BJP) has done quite well in the last few years — Bihar, Chhattisgarh, Madhya Pradesh, Rajasthan and Uttar Pradesh. Yes, the losers also include West Bengal and six of the seven northeastern states of Arunachal Pradesh, Manipur, Meghalaya, Nagaland, Sikkim and Tripura. But equally significant is the fact that the BJP-ruled states of Goa and Odisha also see a decline in their share in the divisible pool of central taxes.

The southern states have gained, though marginally, also with respect to the 16th Finance Commission's decision to implement what the preceding Commission had ordained — gradually phasing out the revenue-deficit grants for states that run a gap between their revenue expenditure and revenue receipts even after receiving their share of central taxes under the devolution formula. Between April 2021 and March 2026, just nine states have accounted for over 84 per cent of the total revenue-deficit grants (about ₹2.95 trillion). Only two southern states figure in this list — Kerala and Andhra Pradesh. With the discontinuation of revenue-deficit grants, obviously, the remaining seven states significantly affected by this decision are West Bengal, Himachal Pradesh, Uttarakhand, Punjab, Tripura, Assam and Rajasthan.

Clearly, the political economy implications of the 16th Finance Commission's recommendations are loud and clear. Northern states, many of them ruled by the BJP, have lost their share in central taxes, just as the southern states have gained in their share in the divisible pool. In the tussle over economic gains, the southern states appear to have emerged as victors. What does this augur for the ensuing battle for political power or electoral gains? Now that the 16th Finance Commission's recommendations have assumed the southern states' sense of economic loss, will the BJP-ruled Union government go in for the much-talked about delimitation, a legal process leading to the redrawing of boundaries for Parliamentary and Assembly constituencies, based on changes in population?

An amendment made to the Constitution in 2002 had frozen the redrawing of electoral constituencies till the availability of results from the first Census held after 2026. The Union government will soon begin its exercise for a new Census, which should be completed by 2027, paving the way for undertaking a delimitation exercise. Any delimitation exercise undertaken after 2027 would result in greater electoral power for the northern states, as their population has grown much faster than that of the southern states. The big political economy impendence is whether granting greater electoral power to northern states after delimitation will be more manageable given that the southern states have been given more economic power with a higher share in central taxes. If that indeed turns out to be true, the recommendations of the 16th Finance Commission would be seen as having addressed a major political economy challenge for the Union government.

RAISINA HILL

A K BHATTACHARYA

Trump's judicial battles and global fallout

The unintended pun on "Liberation Day" couldn't have been more appropriate when the Supreme Court of the United States (SCOTUS) ruled 6-3 against Donald Trump's emergency tariffs. At the heart of the legislation was the question of whether the International Emergency Economic Powers Act (IEEPA) authorises the President to impose tariffs. The ruling invalidated Mr Trump's decision to impose tariffs on goods from almost every country that America trades with, highlighting that the IEEPA law does not provide power to the President to unilaterally impose tariffs of unlimited amount, duration and scope.

Although the decision may give an impression that an unpredictable era of Trump tariffs is over, another sense to be in the offing. As might be expected from an aggressive executive under the second Trump administration, it is hard to imagine the executive being to another branch of government. In a reflection of that anticipation, using Section 122 of the 1974 Trade Act, Mr Trump has doubled down by imposing 15 per cent reciprocal global tariffs on all countries, following an initial announcement of 10 per cent tariffs. In effect, these decisions are meant to serve the twin purpose of countering the Supreme Court's ruling and compensating for the estimated economic gains lost due to the erstwhile tariffs. On the ground, the real-time implications of Mr Trump's retaliation to the Supreme court's ruling may be difficult to estimate just yet, specifically, as the new ruling announced by Mr Trump does not apply across the spectrum. Certain agricultural products, beef, foreign autos, aluminium and steel are some of the products that may be shielded from the current tariff back-and-forth, as they either have been spared by earlier carve-outs or fall under national

security-related sectors. The resultant uncertainty is going to affect consumers inside the US as well as outside the globe.

For states trading with the US and at the receiving end of Mr Trump's tariffs, especially India, the duality brought about by the tussle between its judiciary and the executive should be a moment of pause. While the Supreme Court's decision may be laudable, betting on the judiciary to override the executive consistently and prevail may be a risky bet — especially so when the Supreme Court currently has a conservative supermajority with six conservative judges against three liberals.

Much of the credit for the current Supreme Court's decision striking down Mr Trump's tariffs has been accorded to the splintering among two of the six conservative judges who crossed over to join Chief Justice John Roberts — Justice Neil M Gorsuch and Amy Coney Barrett. These developments reflect a churn within the US governance system and appear to be an outcome of internal readjustments, less so a function of external pressure. At best, the Court's leanings on external factors may have been influenced by the consideration of America's status as a global leader in the face of punitive tariffs.

The new ruling to end Mr Trump's emergency tariffs is bound to create confusion and uncertainty among trade partners and companies. The fact that Mr Trump has warned nations to stick to their respective trade deals may be a clear signal that nations whose hands were forced to negotiate a trade deal that was less favourable to them than the US, especially compared to past arrangements, will grab the first opportunity to reverse the status quo ante.

For countries that have agreed to levy zero tariffs

on the US, like Indonesia, the current uncertainty would seem like an opportunity. However, Mr Trump has made the explicit offer to make use of "other alternatives" to circumvent the Supreme Court's decision. In particular, Mr Trump has three key arsenals — Section 122 of the Trade Act of 1974, which allows the President to impose tariffs on grounds of addressing balance of payment deficits; Section 301 of the US Trade Act of 1974, which allows tariffs on a trading partner for "unfair trade" practices; and tariffs based on Section 232 of the US Trade Expansion Act of 1962, which are levied on specific goods on grounds of national security. The expansive scope of these laws within the reach of the executive branch under Mr Trump can hardly be overstated. All these can again be challenged in court but one thing is certain, the blunting of IEEPA may have dealt a blow to the weaponisation of tariffs.

Regardless of how opportunistic or banal the latest court ruling may appear to other trading partners of the US, it is a momentous legal development constitutive of a pushback against an unrestrained executive. Coming from a judiciary that has been seen as favourable to the Trump administration, this decision is more consequential and symbolic. It hands the Trump administration a definitive setback that complicates Mr Trump's economic and political agenda, even as it approaches the midterm elections later this year. Internally, the current ruling sets the stage for other key rulings anticipated from both inside and outside the US. From India's perspective, a key legislation for debate is the one on the validity of birthright citizenship in the US. The ruling could reshape the people-to-people connect, which has strongly underpinned the bilateral relationship between the US and India for decades.

The authors are, respectively, vice-president and fellow (Americas), Observer Research Foundation

Standard bearers of the national flag



ADITI PHADNIS

A national flag represents the beating heart of a nation. It is a testament to unity but must also acknowledge diversity. In many ways, it represents a national philosophy, mythology and aspiration (just as an emblem). Sri Lanka's national flag has a stylised golden lion holding a sword. No lion has been spotted on the island for 40,000 years. This slim volume captures the debate over India's freedom and its aftermath, telling the story through the discussion

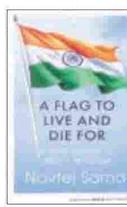
surrounding the national flag. In the first phase of the freedom struggle, many flags were designed: The first by Sish Chandra Bose in Lahore; then, in 1906, at Parsi Bagan Square in Calcutta, a flag called the Vande Mataram flag was flown. Sister Nivedita designed another one. And of course, the most rebellious act of the time was the unfurling of a flag on foreign soil by Bhi-kaji Cama, when she raised it at the Seventh Congress of the Second International Socialist Conference in Stuttgart. The design of all the flags was different. But it was the action that mattered, not the elements of the flag. Initially, Mahatma Gandhi didn't think having a flag would make much material difference to India's struggle for freedom. However, he changed his view because of the indefatigable Pingali Venkayya's efforts to design the perfect flag

for swaraj. Venkayya, who had met Gandhi in South Africa, was a devoted follower and had tried many times to persuade Gandhi that an appropriate flag was imperative for the freedom movement and the Congress. Shrewd strategist that he was, Gandhi asked Venkayya to design a Swaraj flag with a spinning wheel at the centre of three strips: Red (for Hindus) white (for all other religions) and green (for Muslims). The flag was flown at the Ahmedabad session of the Congress against a background of the rise of the Khilafat movement and the launch of the non-cooperation movement in 1920. Neither Venkayya nor Gandhi thought the flag would become a point of contention. Inevitably, it did, and it was part of the ferment caused in the freedom movement after Chauri Chaura that led to Gandhi's call for suspension of the

civil disobedience movement. The Swarajists or the pro-changers wanted to take part in legislative councils and change the system from within. The no-changers wanted to boycott the councils and continue with Gandhi's constructive work. Both groups claimed the flag but differed in their approach. The British, meanwhile, saw the flag as a threat to their sovereignty represented by the Union Jack. Gandhi saw in this an opportunity to unite not just the two threads of thinking inside the Congress but also the fraying relations between Hindus and Muslims. The Swaraj flag however, could not subsume the demands made of an imagined India: The Sikhs wanted their claims legitimised by some representation on the flag. The Muslim League rejected it altogether. The RSS's prime allegiance was to the bhagwa Jhanda (saffron pennant) of Shivaji and Maratha rulers. The princely states had their own flags and resented the "imposi-

tion" of a national flag. By 1931, the issue was important enough to merit a seven-member Flag Committee authorised by the Congress Working Committee at the Karachi session. Mr Sarma says Badruddin Tyabji is "credited" with the redesign of the final flag, with the Ashoka Chakra in the middle. He does not appear convinced of the veracity of the claim. The Indian tricolour was adopted following a resolution moved by Jawaharlal Nehru on July 22, 1947. The story doesn't end there. Mr Sarma says that on June 24, 1947, Lord Mountbatten presented a flag to Nehru as an alternative design — with a small Union Jack inserted in it. The same design was offered to Pakis-

tan. Unsurprisingly, both countries rejected it. Once India became free, the flag had to be shown respect and decorum and respect, Mr Sarma says. The Flag Code emerged in 1950. This was challenged by Naveen Jindal, who later became a political figure, and in 2002 Indians gave a new flag code that stated that the right to fly the national flag with respect and dignity is a fundamental right of a citizen. This code has been liberalised further. This book is utterly fascinating for the insights it provides into the politics of the freedom movement, personal freedom and the flag. It is refreshing because it is factual rather than fashionably hysterical about a national symbol.



A Flag to Live and Die For: A Short History of India's Tricolour by Naveen Sarma Published by Aleph Book Company 499 pages ₹146

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OUR VIEW



Asset monetization 2.0: Execution holds the key

The Centre's plan to monetize public assets by turning control over to private operators can boost our infrastructure build-up. Let's keep this process even-handed and well-regulated

The monetization of state-owned assets is a good idea in principle. It could trigger fresh capital formation that accelerates economic growth if implemented right. This week, the government announced the second phase of its National Monetisation Pipeline (NMP), having garnered 90% of the ₹6 trillion targeted under the first. The target for NMP 2.0 is ₹16.72 trillion—over the next five years, if one goes by the official press release, or longer if one looks up the Niti Aayog report that it references. Estimate precision is not at a premium; the press release ends with the following caveat: “The monetisation potential values assessed under NMP 2.0 are indicative and are subject to variation at the time of the actual transaction.” In any case, that sum is not the net present value of all streams of receipts over the next five years or more, but simply the aggregate of expected revenues without any discounting for the time value of money. Nor is it what state-owned assets put to work under private management are expected to yield. It includes ₹5.8 trillion of private investment expected to materialize during the process of asset monetization.

If an asset created under public ownership has been performing its function and also generating income for the government, what is the net benefit to society of placing it under private control? Asset cycling of the kind India has adopted, with asset ownership kept public but operating rights awarded to private operators for fixed terms, offers four types of benefits. *One*, the state might be running an operation sub-optimally and at higher cost, so efficiency gains could be made by letting a private entity take charge. *Two*, state ownership often gets in

the way of realizing user charges that not only cover all costs—such as maintenance and depreciation—but also obtain a return, while private managers would be able to revise user charges with lower public resistance. *Three*, if an asset is monetized in a way that gets the government the capitalized value upfront of several years of future revenues, it would give it the fiscal leeway needed to undertake fresh investments in sectors that have gestation periods too long for private investors and call for patient capital. And *four*, state ownership mitigates certain kinds of risk by its very nature, making it cheaper for the state than private players to finance new infrastructure, which in turn allows projects to charge less for their services.

However, this model is not without its share of risks. While the government's asset monetization plan that falls short of privatization shields it from political charges of selling the ‘family silver,’ the exercise must maintain transparency to shield it from charges of favouritism. The terms on which private firms are chosen to run monetized assets must be crafted carefully. This is critical where private operators get space for monopoly pricing. In the past, airport privatization erred by fixing bid parameters to maximize the revenue accruing to the government without a thought to minimizing the cost of running an airport, so winners outbid the rest of the field by huge margins, confident that the extra money promised to the Centre could be recouped from user development fees payable by passengers. The award of public assets must be through fair and competitive processes and what winners charge for their use should be properly regulated. Subject to such safeguards, NMP 2.0 could well give India's economy the added investment momentum it needs.

THEIR VIEW

Why court reforms mustn't collide with court calendars

VIJAY L. KELKAR & PRADEEP S. MEHTA



are, respectively, vice president of Pune International Centre and secretary general of CUTS International.

India's justice system is groaning under a crushing backlog. Nearly 48 million cases are pending in lower courts, while the Supreme Court alone has close to 90,000 unresolved matters. This does not include matters before tribunals and administrative bodies. There is no shortage of lawyers or law colleges, but thousands of judicial posts remain vacant. There are over 4,800 vacancies in subordinate courts and nearly 300 in high courts, leaving the country with barely 21 judges per million people, far below the widely accepted benchmark of 50.

As Chief Justice Surya Kant has warned, “Without sufficient courts, even the most sincere judicial system will collapse under the strain.” The consequences are already visible. Undertrial prisoners wait years for hearings, commercial disputes drag on interminably and ordinary citizens steadily lose faith in the promise of timely justice. Delays have become normal and the exception has become the rule.

Against this backdrop came the Supreme

Court's November verdict striking down key provisions of the Tribunals Reforms Act of 2021. The court invalidated clauses governing tribunal appointments, tenure and administrative control, reaffirming that tribunals must remain insulated from executive influence. To restore institutional independence, it directed the Centre to establish a National Tribunals Commission within a fixed timeframe to oversee appointments, service conditions and administration.

Tribunals were created to expedite justice. Yet, many are dysfunctional today. A law ministry assessment points to over 524,000 cases pending before specialized tribunals. Debt recovery tribunals alone account for 250,000 unresolved matters, while tax and administrative tribunals face tens of thousands more. Alarmingly, several key tribunals are functioning without chairpersons and nearly a fifth of the sanctioned member posts remain vacant.

This tribunal crisis is not an isolated failure. It reflects deeper institutional weaknesses across India's courts. Judicial capacity routinely falls short of sanctioned strength even as filings rise. Appointments move slowly, caught in a web of prolonged collegium procedures, political deadlocks, vetting delays and informal influence net-

works. Experienced judges retire without timely replacements, while capable young lawyers wait years for elevation. We have recommended that a Judicial Services Commission be established, like in South Africa and Kenya, so that appointments and removals are smooth, but it is being resisted on the misplaced ground of judicial independence.

While no judicial system is free of backlogs, most constitutional democracies operate with far lower pendency-to-judge ratios. The UK, with over 50 judges per million people, relies on statutory time-lines and active case management to limit adjournments. Singapore combines strict scheduling discipline with end-to-end digital case tracking. Even Brazil, despite its heavy caseload, has expanded specialized courts and mandatory electronic filing, raising disposal capacity.

In India, an infrastructure deficit compounds the problem. India may have over 22,000 courtrooms, but many lack basic facilities. Judges across states report short-

ages of staff, inadequate courtroom space and outdated record systems. Digital tools promised under the e-courts project have been unevenly implemented.

We need reform. *First*, judicial and tribunal appointments must follow strict, publicly monitored timelines. *Second*, the National Tribunals Commission must be operationalized on schedule, with standing search panels ready to fill vacancies immediately. *Third*, *ad-hoc* judges under Article 221A should be deployed far more systematically. The Supreme Court has recently clarified that retired high court judges appointed under this provision may be assigned flexibility, including as part of division benches at the discretion of the chief justice of the high court. This pragmatic approach taps a vast pool of judicial experience and should be adopted more widely to clear cases without waiting for permanent appointments.

Fourth, investment in judicial infrastructure must accelerate. Courtrooms, staff and

digital systems all require sustained funding and oversight. Completing the e-courts upgrade nationwide would eliminate avoidable procedural delays and reduce the administrative burden on judges. *Lastly*, alternative dispute resolution mechanisms such as mediation and Lok Adalats must be expanded further, freeing the courts to focus on serious trials and complex disputes.

There are no quick fixes. But the cost of inaction is far greater. Every day a tribunal operates without leadership or a court sits short of judges, justice is delayed and public trust is eroded. Judicial independence and judicial capacity must advance together. In this exercise, lawyers must cooperate with the system rather than oppose any effort to advance litigant interest. For example, the chief justice of the Rajasthan high court recently proposed that courts should function for two Saturdays in the month, but the proposal was opposed by lawyers on spurious grounds. One wonders what their response will be when the reform of no holidays for courts is proposed. With clear targets, institutional cooperation and political will, India can still ensure that justice is not merely promised but delivered on time.

Amishka Kewlani of CUTS contributed to this article.



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In his book *Increasing Returns and Path Dependence in the Economy*, economist W. Brian Arthur explains how institutional outcomes often persist not because they are efficient, but because early deviations alter the payoff structure of future choices. Once a sub-optimal equilibrium is reached, coordination effects and adaptive expectations lock it in. Fiscal federalism exhibits similar dynamics. When a constitutionally sequenced mechanism is repeatedly bypassed, actors internalize the by-pass as the new norm. Procedural deviation then becomes institutional practice.

India's 73rd and 74th constitutional amendments inserted Articles 243-1 and 243-Y, mandating quinquennial state finance commissions (SFCs) to recommend the vertical distribution of state revenues to panchayats and municipalities. Simultaneously, Article 280(3)(bb) and (c) oblige the Union finance commission (FC) to recommend “measures needed to augment the Consolidated Fund of a State to supplement the resources of panchayats and municipalities on the basis of the recommendations made by the SFCs.” The phrase establishes a conditional chain starting with SFC assessment followed by state legislative action and then FCs augmentation and derivative. It is not a primary allocator to local bodies. Constitutionally, in the absence of SFC reports, the informa-

tional predicate for Article 280(3)(bb) and (c) is formally incomplete.

Successive FCs have acknowledged this. SFCs fail first on timing and cycle design, which breaks the constitutional chain under Articles 280(3)(bb)/(c) that Union augmentation must be “on the basis of” SFC recommendations. In practice, SFC award periods rarely align with the Union FC award window. So, even where SFCs submit reports, they are often temporally unusable. A study done by Indian Institute of Public Administration for the 16th FC found that for its award period, only Chhattisgarh's 4th SFC and Sikkim's 6th SFC cover the period. This is compounded by pipeline delays: this includes late constitution, late submission and late action taken reports. Exactly the sort of slippage that renders “basis of SFC recommendations” a legal formality rather than an operational input.

Second, SFCs fail on methodology, standardization and analytical comparability, which prevents aggregation across states and creates an informational vacuum that the Union FC then fills with its own *ad-hoc* conditionalities. Even where standardization has been attempted, compliance is partial and non-persistent—the adoption of the 13th FC template has been uneven and discontinuous across commission rounds. Definitions, fiscal heads and estimation techniques shift across time and states. The deeper technical deficit is that many SFCs are unable to do normative assessment of local revenues and expenditures, forcing reliance on historical trend projections.

Third, the system fails on implementation discipline and state capacity, which is why SFCs remain advisory rather than binding fiscal instruments. Even when recommendations are submitted, states often don't operationalize them through predictable devolution formulas, tax assignments or role-based grant systems.

The net effect is constitutional drift. Because SFC outputs are late, non-com-

parable and weakly implemented, FC “supplementation” risks becoming *de facto* substitution, and the gaze stays on the Union FC while the state-level fiscal compact, the real decentralization bottleneck, escapes scrutiny.

Unfortunately, instead of treating the underlying institutional pathology, the constitutional safeguards itself has been cast as a problem. The 16th FC has recommended a constitutional amendment to delete the phrase requiring dependence on SFC reports. It states: “In Articles 280(3)(bb) and 280(3)(c), the Constitution directs the FC to make its recommendations on [rural and urban local bodies] on the basis of the recommendations made by the [SFC]. However, as successive commissions have noted... serious obstacles remain in the way of meaningfully basing our recommendations on those provided by SFCs... we recommend that the above-quoted expression be dropped from the relevant articles through a Constitutional amendment.”

This approach is flawed. *First*, it weakens the constitutional sequencing embedded in the 73rd and 74th amendments by collapsing supplementation into *de facto* substitution. *Second*, it generates perverse incentives. Once Union transfers are no longer formally linked to SFC functioning, states will face even more diminished pressure to constitute timely, analytically credible SFCs or deepen fiscal decentralization. *Third*, it centralizes informational authority over local public finance at the Union level, diluting the subsidiarity principle that the fiscal needs of panchayats and municipalities are best assessed within state-specific institutional and functional contexts. *Finally*, it ossifies path dependence. Instead of penalizing non-compliance, it would constitutionalize a work-around.

Tighter enforcement and fiscal conditionality is the right answer. Whatever else may merit review in the 73rd and 74th amendments, the SFC linkage clause must not be abandoned.



JUST A THOUGHT

The infrastructure sector is all about building assets for the country. It is part of nation building.

GAUTAM ADANI

THEIR VIEW

India needs judicial reforms to tackle its backlog of cases and secure the credibility of its justice delivery

discretion of the chief justice of the high court. This pragmatic approach taps a vast pool of judicial experience and should be adopted more widely to clear cases without waiting for permanent appointments.

Fourth, investment in judicial infrastructure must accelerate. Courtrooms, staff and



MY VIEW | CAFE ECONOMICS

MINT CURATOR

Will AI kill office jobs? It depends on the nature of tasks involved

Technology rarely eliminates all tasks demanded of a human role but those amenable to automation may soon be taken over



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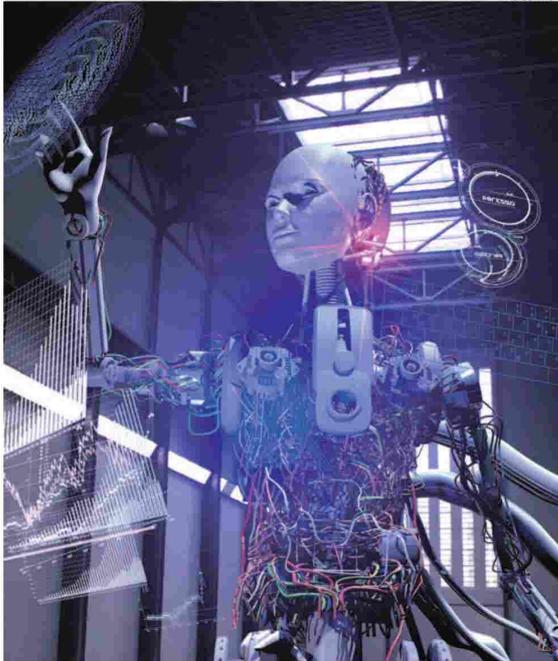
The AI Impact Summit held last week brought many members of the global technology royalty to New Delhi. It also featured the launch of India's first multi-billion parameter large language model, saw announcements of big investments in artificial intelligence (AI) infrastructure and ended with an international declaration on the need for democratic diffusion of AI. Venture capitalist Vinod Khosla set the cat among the pigeons by saying that AI may destroy the software services and business processing outsourcing businesses that are so important to the Indian economy. Elsewhere, shares of major software service companies lost ground as investors sold them after the launch of Claude Copwork by Anthropic fanned fears that several industries would be disrupted.

Will the machine render the worker obsolete? This question is as old as the history of industrial civilization. This particular species of dread has quite understandably re-emerged with the rise of AI, a revolutionary technology by any measure. The debate is mostly framed in terms of jobs. The temptation to do so is understandable—a robot takes a job, a software programme eliminates a job and a large language model destroys a job. This makes intuitive sense. However, economists such as David Autor and Daron Acemoglu have over the past decade provided a more nuanced way to think through this very important question.

The two economists from the Massachusetts Institute of Technology have tried to shift the focus of discussion away from jobs to tasks. 'Skills, Tasks and Technologies: Implications For Employment and Earnings,' by Daron Acemoglu and David Autor, 2010. Their core point is that jobs are nothing but bundles of tasks. Humans use skills to perform tasks that constitute their jobs. A lawyer drafts contracts, counsels clients, researches precedent, appears in court and manages relationships. An accountant reconciles ledgers, interprets tax law, advises on financial strategy and communicates findings to non-specialists. A doctor reviews the results of medical tests, understands medical histories, diagnoses the problem and treats it.

Technology rarely eliminates all of such tasks simultaneously. What it does, with great efficiency, is target specific tasks within a job—typically those that are routine, codifiable and repetitive—while leaving others relatively untouched.

This distinction between the job and the task is not merely semantic. It shapes how we should evaluate the disruption that AI is now bringing to office work, professional services and creative industries. When the unit of analysis is a task rather than a job, it is worth asking whether AI taking over some tasks will or will not increase efficiency in the tasks



that will continue to be done by human professionals. Much of the currently inconclusive debate about whether AI will make humans redundant or actually increase labour productivity hinges on the issue of tasks.

There is also a distributional nuance. The standard trope is that technology helps skilled workers but hurts unskilled workers. But Acemoglu and Autor argue that what actually matters is which jobs are dominated by routine tasks that can be automated. It is quite likely that workers with sophisticated skills as well as those with more basic skills will be able to adapt to a new technology such as AI, but those in the middle, with a high proportion of routine tasks, will be hit hard. These displaced workers then try to get work one level below where they were. The increased competition for work at the lower end of the labour market may freeze wage growth. The result is likely to be growing income inequality.

"The distinction between 'labour tasks' and 'capital tasks' in production is permeable and shifting," Autor wrote in another essay in 2013. There are some tasks that can be easily replaced by new technology while there are others which can be complemented by the same technology. "This evolving division of labour has a clear economic logic: novel tasks—those demanded by new products, technologies, or services—are often assigned first to workers because workers are flexible and adaptive.

As these tasks are formalised and codified, they become fallow for automation since machinery typically has a cost advantage over human labour in rote execution of repetitive tasks".

The demand for labour will thus be sensitive to the nature of tasks that combine to define a job. Some will be replaced by new technology such as AI. Others will be able to use the technology to increase their productivity—displacement versus augmentation. What the balance between these two categories looks like in the age of AI is still unclear. A lot also depends on how companies eventually use AI in their operations. In other words, the technology becomes endogenous to business decisions as use cases multiply. Policy choices will also have a big role to play.

Anyone who has watched Billy Wilder's 1960 film *The Apartment* will recall the opening sequence: a vast, open-plan floor at a Manhattan insurance company, populated by hundreds of clerks as far as the eye can see. It is a monument to a particular kind of business organisation. In adjacent rooms were typist pools—rows of women whose professional purpose was to transform handwritten notes and dictated memos into clean, typed documents.

Those clerks and typists are gone. New types of work emerged. The question is whether something similar will happen in the case of artificial intelligence as well.

It's time to give up the illusion of Bitcoin: Tokenize real assets

Digital versions of traditional financial products show potential



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There is ample demand for tokenized bonds, equities and the like.

An unintended consequence of the brutal bear market in Bitcoin has been to focus the blockchain industry's attention where it is most needed: real-world assets.

Both institutional and individual investors want to progress beyond holding speculative cryptocurrencies or stable digital dollars with limited upside. They have ample demand for tokenized bonds, equities, funds, structured products and sovereign assets like the carbon sink in the mangroves and seagrasses of Seychelles. By distributing risks over small parcels, tokens can bring big-ticket investments like private equity, credit and expensive artwork to ordinary people. The rich can exploit the technology for estate planning. But for demand to be met, supply has to keep pace. To be successful financial products, these digital representations must have robust trading liquidity.

And for that, they must convince market makers of the inherent time- and cost-saving advantages of distributed-ledger technologies, such as instantaneous settlement and embedded 'smart contracts,' or software that automatically executes action like crediting a coupon or dividend payment into a crypto wallet. This is yet to take place. What's currently getting marketed as digital assets is mostly synthetic stuff—traditional products wrapped inside a coin. While the tokens change hands on a public blockchain, the settlement, accounting and reconciliation of the underlying asset ownership is still done manually. The promised efficiency gains of blockchain continue to elude, damping interest.

"Today the decision to buy a money market fund on-chain versus off-chain is a marginal one," says Andrew Scott, head of digital assets at Marketnode. "The next big catalyst for adoption will be meaningful product improvement, like when you start thinking about air-dropping corporate dividend payments or issuing on-chain equity to raise capital."

Marketnode, a joint venture of Singapore's stock exchange and its state investor, Temasek, began with the mandate to put funds sold to investors in the city on the blockchain. The idea was to eliminate the back-and-forth of faxes and emails between asset managers and their distributors, fund administrators, trustees and registrars, and cut down the week or longer it took for purchases to conclude. Having met its goal of squeezing the timeline, Marketnode wants to do something similar with wealth products.

A typical private bank in Singapore processes hundreds of structured products, such as equity-linked or fixed-coupon notes, every day. These are standardized enough for high-volume execution but tailored to a client's specific strike price or stock preference. If the underlying asset stays above a set barrier, the client nets a high coupon. However, the high fees don't eliminate the risk of human error: If a relationship manager inputs a wrong strike price or an incorrect valuation date during the trade entry, the product's entire lifecycle is compromised from day one. "It's the perfect product to disrupt with blockchain," Scott says. "If you can halve the fee for investors, then you're talking about real efficiency gains."

While stock and bond prices are easily verifiable, making tradeable tokens out of sovereign real-world assets is far more complex. Still, it's a worthwhile project. Take the carbon-capture ability of forests and seas. Nations want to benefit from their green and blue economies, but investors need to know what they're paying for. They want assurances that the woodlands in Indonesia's Kalimantan or the meadows on the ocean bed around the Seychelles islands aren't being degraded. Capturing the reality using satellite imagery and AI tools can enable real-time reserve verification on the blockchain. That's what Edena Capital Partners is trying to do—founder Wook Lee has put together a \$20 billion-plus pipeline of sovereign assets across Asia, Africa and the Middle East that he aims to take to Wall Street.

US investors aren't currently in a mood for more crypto exposure. The 46% slump in Bitcoin prices since October is leading to a capital flight out of Bitcoin exchange-traded funds. Publicly traded digital-asset treasuries, or DATs, are under pressure to sell assets. But the promise of blockchain as the 21st-century's financial architecture will survive speculative booms and busts. Last year, Ripple and Boston Consulting Group predicted in a joint report that on-chain real-world assets would, in their baseline scenario, swell 30 times to \$19 trillion by 2033.

It will take time to get traditional financial instruments ready for the promised benefits of tokenization. But that's exactly where the bigger prize lies. **©BLOOMBERG**

MY VIEW | EX MACHINA

India's role in AI diffusion was in the summit's spotlight

RAHUL MATTHAN



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In November 2023, a few governments and technologists gathered at Bletchley Park to discuss artificial intelligence (AI), seeking to come to terms with the technology they were developing. The mood was sombre and fear was the dominant register. This was the first of a series of AI Summits, the most recent of which was held in New Delhi last week. Unlike Bletchley Park, Bharat Mandapam was not only much larger and more crowded, the mood was also markedly more upbeat. With over 500,000 visitors from 118 countries and over 3,250 speakers, the AI Impact Summit held in New Delhi was far and away the largest AI summit to date. But what distinguished this conference was not its size or spectacle, but a growing recognition that the real challenge is not building intelligence, but spreading it.

Any event of this scale is bound to have its fair share of mishaps and the AI Impact Summit was no exception. While many on social media and in the domestic press spent last week fixating on these flimsy—flora mis-

begotten robot dog to traffic jams and long walks ordinary citizens had to endure to get home—anyone who has been inside the halls of Bharat Mandapam will testify that the corridors were buzzing.

In terms of tangible outcomes, 80 countries and international organizations adopted the 'New Delhi Declaration on AI Impact', a document that underscored the urgent need to realize AI's potential to drive economic transformation. The Declaration anchored national commitments across three broad ambitions: widening access, embedding accountability and using AI to drive inclusive growth—through reskilling, research and sustainable infrastructure.

There were also other specific deliverables, such as the Charter for the Democratic Diffusion of AI, Global AI Impact Commons, International Network of AI for Science Institutions and the AI for Social Empowerment Platform. Various ministries and regulators used the Summit to announce new policy initiatives, including the health ministry, which launched Sathi, India's national framework for AI in healthcare. Many of these documents will serve as signposts for further action after the summit.

I hope to engage in some of this work myself through the Expert Engagement

Group on 'A New Deal for Data' that I chair. The Summit also served as an occasion to announce India's entry into the LLM race. Three Indian foundation models were launched last week—GMani's text-to-speech model Vachana, BharatGen's Param2, a 17-billion-parameter multilingual model, and Sarvam's 30- and 105-billion-parameter models. The latter were especially impressive for their performance on various benchmarks, achieving state-of-the-art results on several criteria relevant to India. Above all, these launches signalled that India intends not merely to adopt global models, but to compete successfully at the foundational layer of AI itself.

For me, the real value of the Summit came from all the many conversations we had. With the who's who of AI—heads of big AI labs, semiconductor companies and data centre providers, as well as 20 heads of state and 60 ministers—in attendance, the quality of discussions on the big stage as well as along the sidelines of scheduled events was superlative. During the week, over 500 sessions were held on subjects as wide and varied as they were deep and substantive. While the keynotes on the main stage served as an opportunity to make announcements and investment commitments, it was the panel discussions that really offered an opportunity for debate, discussion and healthy disagreement.

Of the tiny fraction of sessions I was personally a part of, we discussed issues as diverse as the governance of data sharing networks for AI, how AI could benefit countries and the planet, and the importance of keeping the internet open to truly democratize AI access.

But the highlight of the week was a conversation between Nandan Nilekani and Dario Amodei that I moderated. In those 20 minutes, these two titans of technology management perfectly sun up the zeitgeist of the Summit and complexity of the problem before us. Dario Amodei started by conceding that, even though AI models are fast approaching

the "end of the exponential," producing what he calls a "country of geniuses in a data centre" very soon, its real societal impact will take a lot longer. Even if we were to freeze AI development at today's level of capability, adoption would inevitably be slow, friction-filled and unpredictable.

This lined up perfectly with Nandan Nilekani's own thesis that diffusion is hard and that it will take countries like India, with its scale of population, diversity of challenges and experience with technology diffusion, to show the world how the pace of AI adoption can be accelerated. Because technology diffusion is both an art and a science, we will need to form multiple diffusion pathways if we are to have any hope of ensuring that AI actually delivers on its full potential.

The AI Impact Summit was many things—among them, a diplomatic milestone, an investment forum and a demonstration of India's institutional confidence. But its true success will be measured not in declarations made, commitments announced or foundational models launched, but in whether it will force us to confront the hard task that lies ahead of us all: actually getting this miraculous technology into the hands of those who need it most.

Democratizing the use of AI is both a science and an art. What we achieve will determine AI's mass adoption

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BECAUSE THE TRUTH INVOLVES US ALL

Inside the tent, with Pax Silica

AS EMERGING technologies assume a central role in powering the global economy, securing critical mineral supplies and strengthening advanced manufacturing capabilities are urgent national priorities. Pax Silica, a US-led initiative, seeks to resolve China's stranglehold over critical minerals, particularly rare earth elements, which are essential to a wide range of industries. Although India was initially excluded when the first group of countries signed up last year in mid-December, New Delhi signed the Pax Silica declaration on the sidelines of the AI Impact Summit on February 20. In doing so, India formally entered an alliance of nations seeking to reduce what the Pax Silica factsheet refers to as "coercive dependencies" in supply chains.

Coming on the heels of a framework for a trade agreement with the US, this marks a big step forward for Delhi-Washington ties. It is accompanied by investment commitments by the US in India's AI infrastructure. According to the International Energy Agency, China accounts for an average market share of around 70 per cent in the refining of 19 of the 20 most strategic critical minerals, and 94 per cent of the production of rare-earth-containing permanent magnets. Beijing's grip allows it not only to influence global prices and create bottlenecks for competitors, but also to deploy them as leverage in negotiations. Pax Silica's aim, therefore, is to reduce its reliance on its member states. The coalition could also give a boost to domestic programmes such as IndiaAI and the National Critical Mineral Mission.

Alongside, India and the US signed the AI Opportunity Partnership, which will facilitate capital flows and deepen R&D collaboration, marking a renewal of cooperation with technology at its centre. The US-India relationship rests on strong foundations. It was only logical that, once the turbulence of the Trump tariffs receded, the underlying imperatives of security, technology, energy and the shared objective of addressing China's challenge would reassert themselves. Both sides recognise the perils of not working together. As the AI Partnership's joint statement says: "The two sides share the belief that a significant risk facing the free world is not the advancement of AI, but the failure to lead it." New Delhi should, however, be cautious about protecting its still-maturing semiconductor and AI ecosystems, and ensure that the US role does not shape domestic rules in ways that stifle capacity and participation within the country.

Rajaji, the dissenter, may not have approved

THE INSTALLATION of a bust of C Rajagopalachari within the precincts of Rashtrapati Bhavan, Prime Minister Narendra Modi said in his February 22 *Mann Ki Baat*, is another step in his government's drive towards what it has framed as decolonisation and restitution. The tribute to Rajagopalachari is befitting. He was a freedom fighter, an administrator, an statesman, and a principled dissenter from majoritarian currents. To honour him is to acknowledge the nation's polyphonic heritage. Yet the symbolism of replacement — Rajaji's bust displaced that of Edwin Lutwens, the architect who designed what was the Viceroy's House in imperial India — opens an unsettling question: Does decolonisation of public spaces and memory have to be about erasure?

The decolonisation debate has gained urgency in recent times. The government has set a 10-year deadline to shed what PM Modi has termed "*galamiki mansikta*" by 2035, the bicentenary of Macaulay's 1835 education minute. From the National Education Policy (2020) to the unveiling of a new Parliament building, the ongoing effort is framed as a civilisational reassertion. But all too often, this endeavour is made to ride a politics of erasure — the remaining of avenues, the recasting of syllabi to exclude rather than include the exclusion of inconvenient chapters — as if the recovery of voice and agency necessarily requires the displacement or diminishment of an Other from whom history and culture need to be constantly rescued. Added to this is the bogey of the fifth column, the "enemies within". This zero-sum approach does not benefit the country and it does disservice to its citizens. It narrows imaginative and intellectual horizons.

History's burdens and inheritances are often intertwined and the path to decolonisation has to begin with an intellectual generosity. A mature republic can hold in the same frame both the courage of a statesman and the aesthetic beauty of a colonial architect, whose vision, however imperialist its patronage, is an indelible part of India's urban landscape. One wonders what Rajagopalachari would have made of this erasure. As he put it in a 1953 speech, "It is this should not be sacrificed at the altar of other objectives. It is to this I think you give the name of cultural freedom." Only such capaciousness allows decolonisation to move beyond being a project of perpetual contestation to an acknowledgement of the past in all its diversity and complexity.

Trump's joke follows an old sexist script

THE US women's hockey team dominated every match they played at the recent Winter Olympics in Italy, clinching the gold in a hard-fought final — only to be reduced to a sexist punchline by their President. "I must tell you, we're gonna have to bring the women's team, you do know that... I do believe I would probably be impeached," Donald Trump could be heard saying in a viral video to the American men's team, which had also won a gold medal, right after he invited them to the State of the Union Address. The callousness of the framing — that the invitation to the women was a burden to be borne — underlines sports' persisting gender problem.

Trump's words could have been easily dismissed, if not for the raucous laughter from his listeners. It suggests that for all the edifying words spoken about gender equality in sports, women athletes continue to be afterthoughts, the plus-ones invited to stand on the podium, instead of being celebrated for claiming their space on it. The limits of merely speaking the language of equity and inclusion are evident to anyone paying attention, from the massive pay gaps and unequal investment in infrastructure and equipment to sexualised coverage of women athletes and the persistence of "moments of silence". The Milano Cortina Games are being celebrated as the most gender-balanced Winter Olympics in history. Women athletes, who represented roughly 47 per cent of the total participants, competed in events that were as challenging as any attempted by their male counterparts. Crude words cannot dim the shine of their triumphs — but they do show what more needs to be done to rewrite an old sexist script.

With Israel and broader Middle East, a diplomacy less defensive, more realist



RAJA MANDALA
BY C RAJA MOHAN

PRIME MINISTER Narendra Modi's visit to Israel on February 25-26 marks a significant milestone in the evolution of bilateral relations and coincides with a transformation in the geopolitics of the Middle East. On both the bilateral and regional fronts, the PM's talks with Israeli Prime Minister Benjamin Netanyahu could turn out to be consequential.

India's engagement with Israel was taboo in the early decades of post-Independence diplomacy. It became a cautious adjunct after the early 1990s, when Delhi established full diplomatic relations. It was only after the Modi government took charge in 2014 that the relationship acquired a strategic dimension. To be sure, Modi's trip — only the second ever by an Indian prime minister to Israel — will provoke concern in parts of Delhi's political class. Some will argue that India is abandoning the founding principles of its foreign policy. A closer look at the history of India-Israel relations, however, reveals a far more complex trajectory.

There is no question that stronger ties with Israel are part of the BJP's ideology, dating back to the Jana Sangh days. In 1977, as foreign minister in the Janata Party government, Atal Bihari Vajpayee opened a political channel to Israel, quietly hosting its foreign minister, Moshe Dayan. In a secret visit to Delhi, it did not remain a secret for long and triggered controversy. As

prime minister, Vajpayee hosted Ariel Sharon for the first-ever visit by an Israeli PM to India in 2003. Modi followed with his path-breaking 2017 visit.

But it would be incorrect to say Congress was always hostile to Israel. Jawaharlal Nehru recognised Israel early on, but held back on establishing full relations. He allowed Israel to open a consulate in Mumbai in the 1950s. Ideological antipathy to Israel sharpened only in the Indira Gandhi years, when Indian diplomacy embraced radical rhetoric in the Middle East. Yet, even she did not ask Israel to shut its consulate.

Rajiv Gandhi revived engagement, and Narasimha Rao normalised ties in 1992. Yet, the Congress governments thereafter kept the relationship discreet. The communist parties that rail against engagement today conveniently forget that their tallest leader, Jyoti Basu, travelled to Israel in 2000 to establish cooperation between West Bengal and the Jewish state.

Part of the Indian ambivalence towards Israel is due to the huge emotional salience of the Palestinian cause. An Israeli diplomat in Delhi used to quip that the Congress governments treated Israel like a "mistress" — private engagement and public distance. Modi's 2017 visit broke that mould. The 2026 trip signals a major expansion of strategic collaboration — especially in security, defence, and advanced technologies.

Modi's visit comes as Israel faces global criticism for its regional policies. But that is not weighing heavily in Delhi's calculus. Israel today enjoys greater room for manoeuvre in the region than ever before. Several Arab and Muslim states have normalised ties with Israel. Even those that haven't — Saudi Arabia, Pakistan, and Indonesia — sit with Israel on Donald Trump's Board of Peace,

which is now empowered to administer Gaza. The gulf between rhetorical solidarity with Palestine and actual statecraft has never been wider in the Middle East and the Muslim world.

Meanwhile, the balance of power on the ground has shifted dramatically since October 7, 2023. The US and Israel's attacks against Iranian nuclear infrastructure and the systematic degradation of Hamas and Hezbollah — Tehran's allies — have reshaped the regional balance. Iran — the most consequential revisionist power in the Middle East for four decades — has been severely weakened. Its Axis of Resistance against Israel has been hollowed out. Israel, by contrast, emerges militarily dominant in the region. Tel Aviv's influence on Washington's Middle East policy reinforces it politically.

Amid this churn, Netanyahu has floated a new "hexagonal" alliance. Presented as a regional coalition against regional radicalism, it seeks to cover a vast swath stretching from the Mediterranean to the Horn of Africa and Asia. The proposal reflects Netanyahu's view that India must play a key role in stabilising the Middle East. For India, the idea is attractive not as a formal alliance — which Delhi instinctively avoids — but as an emerging framework for raising its regional profile.

Meanwhile, Iran's weakening in relation to Israel has also triggered a counter-movement among some regional states — including Saudi Arabia, Turkey, and Qatar — exploring a coalition to constrain Israel. Pakistan has been drawn in. Riyadh and Islamabad signed a Strategic Mutual Defence Agreement last year, treating an attack on one as an attack on both. Turkey has signalled interest in joining. Talk of an "Islamic NATO" worries many, including India. But alliances of this kind have rarely en-

dured in the Middle East, what has persisted is the historic Anglo-American domination. The US remains the chief arbiter of war and peace in the Middle East.

India's visit with Israel now sits atop a broader transformation. Relations with the UAE are flourishing — from energy and investments to defence manufacturing, fintech, AI, and critical minerals. Economic and military ties with Saudi Arabia have grown. India launched free trade talks with the Gulf countries this month. India's ties with Israel no longer shape the Middle East engagement with Delhi.

This has enabled India to pursue parallel tracks with confidence: Supporting Palestinian staidhood while engaging Israel as a vital partner. Delhi has navigated the competing pulls of Shia and Sunni, Arab and Persian, Ottoman and Arab, as well as internecine quarrels within the Arab world. Except with Turkey, India now maintains productive ties with nearly all major actors in the region.

None of this means India's Middle East policy has become a walk in the park. The region remains volatile, and conflict remains endemic. Military tensions between the US and Iran, Israel's domestic political turbulence, and humanitarian crises in Gaza and elsewhere in the region will test India's ability to balance principle and pragmatism.

But unlike in the past, Delhi is no longer defensive. Today, it engages the Middle East with greater realism. India's growing interests — ranging from energy to export labour and connectivity to counter-terrorism — are too important for Delhi to engage the region with old ideological slogans.

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Silence in 'Boong' is not absence, it is history



VANI TRIPATHI TRIKO

IN AN era when cinema often raises its voice to be noticed, *Boong* arrives like a whisper from the hills of Manipur — gentle, observant, and quietly transformative. It does not announce itself as a manifesto. It does not parade its politics. And yet, in tracing the fragile interior world of a child growing up in India's borderlands, it becomes one of the most radical films of recent times.

Now, the whisper has travelled far beyond those hills. With its recognition at the British Academy of Film and Television Arts (BAFTA), *Boong* has carried the emotional landscape of the Northeast onto one of the world's most prestigious cultural stages. The win signals that stories rooted in hyperlocal realities can resonate globally without diluting their specificity. In honouring *Boong*, the international community has affirmed that the margins, too, are central to the human story.

Set against the textured backdrop of Manipur, *Boong* transforms geography into feeling. The border here is not a breaking-news headline or a geopolitical abstraction. It is a lived condition. It shapes childhood, inflects identity, and scripts aspiration. Through the eyes of a young boy navigating friendship, family, and uncertain dreams, the film renders the political deeply personal.

What distinguishes *Boong* is its refusal to exoticise the Northeast. Mainstream Indian cinema has either ignored the region or reduced to aesthetic shorthand — mist-laden mountains, insurgency, danger. *Boong* rejects spectacle. The camera lingers not on sweeping vistas alone but on faces — on pauses that stretch just a little too long, on silences that carry unspoken anxieties. It trusts that interiority is dramatic enough.

The film is a coming-of-age story. Yet, unlike the urban narratives of ambition that dominate Indian screens, this is not about scaling ladders of success. It is about negotiating belonging. What does it mean to grow up in a place the nation scarcely sees? What does citizenship feel like when your features, your name, your language are routinely misrecognised? The child at the

centre of *Boong* does not articulate these questions in ideological terms. He embodies them. His innocence becomes the film's most piercing critique.

The film's aesthetic restraint is its moral stance. Conflict is never sensationalised. Pain is never aestheticised for consumption. Instead, the storytelling is patient. Scenes unfold with an almost meditative rhythm, allowing ambient sounds to deepen the emotional register. Silence in *Boong* is not absence; it is history. It carries memories of neglect, of resilience, of a region negotiating its place within the larger national imagination.

And yet, this is not a film steeped in despair. There is warmth threaded through its frames. Friendship becomes sanctuary. Play becomes subtle resistance. Imagination becomes both escape and assertion. In its child-centred gaze, *Boong* aligns itself with a global cinematic tradition where children reflect adult complexities with startling clarity.

The BAFTA recognition amplifies what the film already achieves artistically. It debunks the hierarchy of "mainstream" and "regional". It suggests that authenticity, not scale, is what travels. When a film rooted in the socio-cultural realities of Manipur stands acknowledged on a global platform, it quietly rewrites the grammar of representation. It tells young filmmakers from India's so-called peripheries that their stories need no translation of spirit — only integrity of vision.

When the credits roll, one feels recalibrated. The border ceases to be a distant line on a map; it becomes a child's backyard, a mother's worry, a friend's laughter. The film's true triumph lies in its ability to shift perception. *Boong* is more than an award-winning film. It is an evocation of belonging in a fractured world. In its quietness lies its courage. In its specificity lies its universality. And in the journey of one child, we glimpse a larger conversation between nation and identity — unfinished, urgent, and now, unmistakably heard across the world.

The writer is a theatre actor, filmmaker and film producer

Four years on, Russia-Ukraine war has no victors



RAJAN KUMAR

FEBRUARY 24 marked the fourth anniversary of the Russia-Ukraine war, but peace remains as elusive as ever. The conflict has now entered its fourth year with little substantial gains for anyone. The war has exceeded the duration of Russia's involvement in the Great Patriotic War (World War II), which lasted 1,417 days. Ukraine has fought valiantly but the Trump administration is pushing it to sign a humiliating deal with Russia. The ongoing negotiations in Geneva largely favour Russian terms and conditions: Captured territory will remain with Russia, Ukraine will not be offered NATO membership, and sanctions on Russia will be lifted gradually.

Russia started the war with three primary objectives: Prohibiting Ukraine from joining NATO, protecting its Russian-speaking population in the Donbas region, and installing a favourable regime in Kyiv. Moscow expected a short war that would force President Volodymyr Zelenskyy to surrender. But it was a mighty miscalculation. With European backing, Ukraine continues to resist Russian advances even after four years. Moscow might have succeeded in halting Kyiv from joining NATO, but the fact that two neutral states, Sweden and Finland, joined the military alliance means that Russia's insecurity persists unabated.

For political purposes, Russia can claim victory by showcasing the roughly 20 per cent of Ukrainian territory under its control. But what matters for Russia is long-term border security and strategic balance. With new territorial acquisitions, Russia will not acquire the deterrence and security it seeks. Further, Russia's economy has been sanctioned and isolated from the West. The normalisation of ties will take years. Europe has fared no better. Blinded by its idealism, Europe presented it as a war between democracy and dictatorship, expecting widespread international support. But, barring a few states, the important countries of the Global South declined to take sides and treated it as a European war. They refused to condemn the Russian invasion and continued their economic ties with Moscow. Because of this support, Russia has been able to withstand Western sanctions.

The war has had a ripple effect on geopolitics. Israel may not have defeated Hamas and Hezbollah, and attacked Iran if Russia were not involved in a quelling war. The Kremlin could not save Bashar al-Assad and it appeared helpless to save Iran from an attack by the US. It could not protect Armenia from an Azerbaijani attack. Capturing Nicolás Maduro might not have been possible for the US had Russia provided the necessary weapons to Venezuela. The Global South did not proactively engage in efforts to mitigate the conflict. China, India, and Brazil appeared more concerned about maintaining their balanced ties than brokering an honest ceasefire. However, they must realise that a hands-off approach will not serve their interests.

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40 YEARS AGO

February 25, 1986



US asks Marcos to resign

PRESIDENT RONALD Reagan has asked President Ferdinand Marcos of the Philippines to step down and allow a peaceful transition of power to a new government. For the first time, the US President has stated that attempts to continue the present regime through bloodshed are futile and has asked Marcos to resign even as the latter declared a state of emergency. President Marcos called on all civilians loyal to him to come to the palace with guns and defend him.

Balbir Singh, challenging their convictions and death sentences awarded by a sessions court for the murder of Indira Gandhi, a division bench comprising Justice R N Agarwal and Justice Malik Sharifud-Din directed that the appeals be heard along with the murder references made to the high court by the special trial judge, Mahesh Chandra, for confirmation of the death penalties.

Fake encounters in Punjab
ACCUSING the law enforcement agencies in Punjab, including the paramilitary forces, of indulging in terrorism and lawlessness, the Bains Committee has in its final report recommended that some of the officers mentioned

Terrorists loot armoury

TERRORISTS LOOTED an armoury of the Railway Police and robbed a businessman in Amritsar district in the last 24 hours while the Punjab government announced a new scheme to combat terrorism. Four armed terrorists donning police uniforms and wielding Sten guns took the home guards by surprise and carried away 16 rifles and about 457 rounds of ammunition.

Indira Gandhi murder case

THE DELHI High Court admitted appeals moved by Satwant Singh, Kehar Singh, and

After AI Summit, a question: Has India chosen to be a consumer in age of creators?



MANISH TEWARI

THE INDIA AI Impact Summit 2026 was unfortunately marred by allegations of plagiarism, leading to unseemly optics. The substance, in any case, was always a chimera, a delusion erected on foundations of sand. The chasm between our aspirational rhetoric and our investment reality looks unbridgeable.

The Union Budget 2026's allocation of a mere Rs 1,000 crore for the India AI Mission is, in the context of global capital flows into this domain, tokenism. It is a figure that speaks not of a national mission, but of a pilot project. It is not even enough to subsidise the compute costs for a significant portion of our research community, let alone build the kind of large-scale GPU clusters that would allow Indian researchers to train models comparable to GPT-6 or Claude 4.5.

By way of comparison, China spent USD 98 billion on AI in 2025, of which the government spend was USD 56 billion. Five US-based private companies — Amazon, Google, Microsoft, Meta and Oracle — will collectively invest USD 700 billion in 2026. The Government of India will spend 1.2 billion over five years on its AI Mission.

The message from the finance mandarins is clear: Artificial intelligence, for all the ministerial speeches dedicated to it, remains just another sector, not a core strategic priority. The greatest risk we face is not an AI investment bubble, but insufficient investment, and consequently ceding the technological future to competitors like the US, China and Europe. Yet, our response to this existential challenge is a budget that has been effectively halved from previous projections, a move that signals to the world, and more importantly, to our own innovators, a comfortable acceptance of the slow lane.

This chronic underfunding has a corrosive effect that permeates the ecosystem. The India AI Mission, with its stated goal of building sovereign capabilities, finds its ambition directly contradicted by the ground reality.



ILLUSTRATION: C SAKRIMAR

Nearly three out of four Indian AI deployments rely on Western proprietary models accessed via APIs. A staggering 65 per cent of GPU computing power among these startups is dedicated to inference (using models to complete tasks) while a paltry 21 per cent goes toward training new models. The argument that value lies in the application layer is a convenient rationalisation for our failure to compete at the foundational level.

The talent pool, too, is a casualty of this skewed investment. While MeitY mandarins underscore that global giants are looking to India to hire AI engineers, we must interrogate the nature of this demand. The shortage is not in machine learning theory, but in "AI Ops" — the practical, high-level expertise required to evaluate, optimise, deploy, and monitor complex AI systems in production.

Our education system, starved of research funding and world-class computational infrastructure, is producing a workforce that is highly skilled for service roles but ill-equipped for the frontier work of model development. We are training the global AI economy's middle management, not its C-suite.

Fiscal timidity becomes even more alarming when viewed through the lens of global com-

The greatest risk we face is not an AI investment bubble, but insufficient investment, and consequently ceding the technological future to competitors like the US, China and Europe

petition. The Stanford HAI Global AI Power Rankings consistently places India in the second tier, trailing not only the US and China but also a host of European and Asian economies.

The World Economic Forum's recent ranking places us eighth in AI investment, a position that veils the gap that separates the top three from the rest of the pack. The rhetoric of "AI for All" collides with the reality that "AI" includes virtually no one when it comes to foundational investment.

The contrast with the global front-runners is more than a matter of scale. The US and China are engaged in a high-stakes competition funded by hundreds of billions of dollars, a fact underscored by the patent race. While NASSCOM reports that over 86,000 AI patents were filed in India between 2010 and 2025, the Forbes analysis of the global AI patent race clarifies the distinction: China outpaces the US in sheer volume of patents, but that does not equate to winning the AI war.

Many patents are defensive, incremental, or filed for tax and compliance reasons. The real measure of sovereignty is the ability to build and train state-of-the-art models

on homegrown infrastructure using sovereign data. On that front, the Carnegie Endowment's recent analysis correctly identifies the missing pieces in India's AI puzzle: Talent, data, and R&D funding.

The government has based its entire AI vision on India's rapid adoption of digital payments. However, adoption of finished technology is not the same as ownership of the means of production. India's UPI is a world-class digital public infrastructure, but it was built on top of underlying technologies and protocols that are globally available. AI is different. The models themselves are the product, and the countries that control the most advanced models will set the terms for everyone else. We become the perfect market for others' innovations, our data and our market size fuelling their growth while we remain on the periphery of value creation.

So, what, then, was the purpose of a grand AI summit? Was it to provide a platform for our start-ups to network with the Western API providers they are already dependent on? Was it to showcase our "vibrant ecosystem" of consumers of technology, rather than producers? Was it a gathering where the real players — OpenAI, Anthropic, Google — politely acknowledged our market potential while their IP continues to form the bedrock of our digital economy?

The summit's real value does not lie in the myriad photo opportunities or lofty declarations, but in its potential to catalyse a fundamental rethink of our AI fiscal strategy. The potential is real; the opportunity to build India into a global AI powerhouse exists. The adoption of AI agentic workflows among Indian developers shows the hunger and willingness to experiment. But we are asking our start-ups to run a marathon on a diet of crumbs.

The global AI race is not a sprint; it requires sustained, massive investment in data centres, in research grants, and in PhD programmes.

If this is not prioritised, the summit will be remembered not as a turning point, but as a poignant misfortune of a nation that mistook a conference for a commitment. The world will smile for the camera, and quietly note that India, for all its grand ambitions, has chosen to remain a consumer in an age of creators.

The writer is a lawyer, third-term MP, and former Union Information and Broadcasting Minister

Lutyens of Britain might be alien to us, Lutyens of Delhi is our own



FAHAD ZUBERI

WHenever I meet a bureaucrat from Delhi who works in any of Edwin Lutyens' buildings, I ask them what they think about Lutyens. "Iconic" is an ubiquitous response. Lutyens' Central Vista is indeed an icon for the republic — a refreshed and ritualised through the Republic Day Parade, Independence Day decorations, and oath-taking ceremonies.

In contrast to Corbusier's brutalist Chandigarh — built by the Indian government — Lutyens' buildings resonate deeply with Indians. And unlike architects who adore Chandigarh, people do not have to be taught to admire Lutyens. The pictures of khadi-clad crowds at the North and South blocks on August 15, 1947, the millions who visit India Gate yearly, and the charged civic debate around the Central Vista project, are evidence that Indians consider Lutyens' architecture as their own heritage.

Lutyens' architecture was a deliberate exercise in creating state legitimacy for the British — a goal which he reinvented himself. Before being hired in 1912 to design New Delhi, Lutyens had been practising in Britain. Most of his buildings were private residences in the arts and crafts tradition.

Indian presence in British politics had begun in the late 19th century with Dadabhai Naoroji, and the Indian Congress Act, 1892 cemented "native" power in governance. Thus, Viceroy Lord Hardinge insisted that Lutyens incorporate local elements into New Delhi's design. With some initial resistance, Lutyens agreed and travelled to various cities, studying stupas, temples, mosques, and tombs, and incorporated them with the Beaux-Arts-inspired axial, symmetric layout — creating the "Delhi Order", and in the process inventing a new stylistic and climatic solution.

Rashtrapati Bhavan's classically organised composition of podium, colonnades and a central dome worked seamlessly with the Sanchi-inspired dome, *chhatris*, *chhajjas*, and *jalis*. India Gate translated the European triumphal arch into an Indian war memorial, using restrained classical detailing and local sandstone.

Despite being patronised by the imperial power, New Delhi's architecture is uniquely Indian. Lutyens' hybrid classicism became a reference style that Indian architects and institutions had to position themselves toward, whether by emulation, adaptation, or, later, by architects like Charles Correa and Raj Rewal, through explicit post-colonial rejection.

Lutyens was also significant as a profession in India. He standardised the figure of the architect as a private consultant who practises outside the state's institutions but can build public architecture, and who is unique enough to be

authorial but agile enough to adapt to the demands of an all-powerful client. This professional, unlike the *shikrapatis* who gate-kept the profession through caste before the 20th century, could be an architect through formalised education. The New Delhi commission, revolving around a named architect-consultant and large drawing offices, hence, helped legitimise the profession.

Around the time Lutyens arrived in India, a new, Western-style professional field was already emerging. The JJ School of Arts in Bombay created a five-year architecture diploma in 1913, and the Indian Institute of Architects was founded in 1929 to formalise practice and align it with BBA standards. But this wave was limited to Bombay, commissioned largely by private clients, and never received large state commissions.

The Delhi project required systematic sketch schemes, working drawings, specifications, and bureaucratic correspondence. This modelled the documentation, coordination, and office-structure that would later be standard in major Indian practices and state offices. Echoing the professional structures contemporaneously being taught through British-linked curricula, Lutyens led a team of British architects, draughtsmen, engineers, and contractors in clear organisational hierarchies. Many of the architects employed by Lutyens, such as Herbert Baker and Walter Sykes George, carried this culture into long-term practice, transmitting a Lutyens-inflected model of form and profession to first-generation Indian architects. They designed some of the first modern buildings in India. George lived the rest of his life here and designed Delhi's icons such as Miranda House, the Arts Faculty Building at the University of Delhi, and Mandi House.

The removal of Lutyens' bust from Rashtrapati Bhavan is a denial of history and a disservice to a professional. C. Rajagopalachari should not be pitted against a British professional who created an architecture that continues to be synonymous with the republic. Lutyens of Britain might be alien to us, but Lutyens of Delhi is our own. We made him our own.

The writer is a PhD scholar in Architectural History and Theory at MIT

LETTERS TO THE EDITOR

After tariffs ruling

THE ARTICLE rightly underlines the shift in WASHINGTON from calibrated unpredictability to genuine instability following the Supreme Court's scrutiny of tariff actions ("Post US SC ruling, openness must be India's strategy", *IE*, February 24). When executive trade measures face legal uncertainty and potential congressional resistance, global partners such as India must reassess not intent alone but durability of policy. Walking away from negotiations may unnecessarily provoke the White House. Equally, entering binding commitments amid legal flux would be imprudent. A balanced approach protects India's interests.

Sanjay Chopra, Mohali

Lasting peace

THE NEAR-collapse of Left-Wing Extremism is welcome news ("Naxalism gears end, work of democracy goes on", *IE*, February 24). Security gains matter, but they are only half the story. The red corridor persisted for decades because governance failed large sections of tribal and forest-dwelling communities. Surrenders and neutralisations will not hold unless the state addresses what drove recruitment in the first place. Forest rights, fair land acquisition, and basic services must reach these areas in earnest.

Mytilsami, Coimbatore

Tariff twist

THE AUTHOR gives some logical reasons in favour of the shirtless protest at the AI Impact Summit by the Congress party youth wing ("Congress protest didn't hurt India's image", *IE*, February 24). But he omits some key issues. A protest at an event attended by many heads of government should be visible and compelling, but should not be weird. Agitators roaming under their T-shirts, waving them and shouting slogans presented an indecent spectacle. Congress may not have embarrassed the nation, but it was hardly effective.

Y G Chouksey, Pune



REUVEN AZAR

INDIA AND Israel are two old civilisations that have left a significant mark in history. Despite many centuries of foreign invasions, both have managed to preserve their unique identity and cultural heritage.

The revival of our sovereignty as nation-states in the modern era hasn't come easily, either. We had to overcome external and internal challenges. Both nations are in challenging neighbourhoods. Our non-belligerent nature and peace-seeking has too often been interpreted as weakness. Cross-border terrorism, radical ideologies, cyber threats, and asymmetric warfare are daily realities. We had and still have to fight wars and face constant attacks while building our economies. Therefore, we must create the robustness needed to prosper while handling constant attempts at destabilisation.

Due to these similarities and despite geographical distance, differences in size and other gaps such as tradition and language, India and Israel are growing closer, and that is not a coincidence. In the last decade, prime ministers Narendra Modi and Benjamin Netanyahu have been the main drivers. Their exchange of visits back in 2017 and 2018 injected momentum into the relationship, mainly in the fields of defence and food security. The vast economic reforms that both have led domestically unleashed a tsunami of entrepreneur-

The rediscovery of India by Israelis and of Israel by Indians is a result of a new urgent need jointly identified. To build resilience in a world that is shakier and more competitive than it has ever been

ial energy that led to major leaps forward in the economies of India and Israel, which have made our countries attractive on the global level and bilaterally.

On top of these advancements, 2025 was a transformative year for bilateral relations. While Israel emerged triumphant from one of the more significant war efforts in its history, India changed the rules of the game in its neighbourhood following Operation Sindoor. India and Israel discovered, again, who their trusted partners are in times of need.

This discovery has been a catalyst in the expansion of our exchanges: Deeper cooperation in defence and new dimensions in our cooperation, such as doubling the Indian workforce in Israel, inviting Indian infrastructure companies into the Israeli market, or signing the bilateral investment treaty and the terms of reference for a free trade agreement. All of that and much more has been achieved thanks to nine ministerial visits in both directions and dozens of business, cultural and academic delegations during a short period of time.

The rediscovery of India by Israelis and of Israel by Indians is a result of a new urgent need jointly identified: To build resilience in a world that is shakier and more competitive than it has ever been.

India and Israel are ideal partners also because of almost perfect complementarity of relative

India and Israel, trusted partners in times of need

advantages. India is the fastest-growing large economy in the world, capable of scaling-up solutions that benefit billions of people, while Israel is the strongest innovation hub outside the US. With the right set of policies and agreements, India and Israel can increase existing technological partnerships through joint ventures, capital investments, mergers and acquisitions, and joint R&D. PM Modi's upcoming visit to Israel will realise that potential by signing new agreements that expand the scope and depth of cooperation in sensitive and emerging technologies. What India and Israel have achieved together has created the trust that gives our leaders the opportunity to reinvigorate this relationship. A special strategic partnership that will take us where we want to be: Building joint resilience and elevating competitiveness by merging our efforts in developing cutting-edge technologies.

The series of trade deals signed by India during the last year have implications for the future of trade. Trillions of dollars' worth of merchandise will start moving towards West Asia, Europe and the US. That will diversify supply chains and create more opportunities for regional and bilateral cooperation.

India and Israel are on a new path to success. We are thankful to PM Modi for his leadership and look forward to welcoming him in Israel.

The writer is Israeli ambassador to India



ADITI NARAYANI PASWAN

THE DISCUSSION surrounding the recent UGC Regulations on equity in the classroom has gone off the rails — so much so that the agency of vocalising our pain has also been stripped away. From public intellectuals to social-media trolls, the conversation across platforms appears fixated on T-shirts, waving them and shouting slogans presented an indecent spectacle. Congress may not have embarrassed the nation, but it was hardly effective.

struggle against caste discrimination shows exactly why the guidelines are necessary. As an alumna of the hallowed institution she helms, it breaks my heart to witness the erosion of decades of scholarship it has produced, and the seeming attempt to deny us the agency to articulate and process our experiences of marginalisation — and victimhood. Her remarks reveal a myopic understanding of caste. The regulations are a powerful moral and political reminder of the need to address India's unfinished project of social justice; to call it "irrational and totally unnecessary" is outrageous.

At a recent dinner conversation, a friend repeatedly asserted her upper-caste identity. What struck me was the confidence with which she affirmed her caste location. It was unselfconscious, secure, and socially validated. In that moment, I found myself con-

fronting an uncomfortable question: Why does the assertion "I am a Dusadhi" not carry the same effortless legitimacy or confidence in my identity and cultural heritage? This reflects a broader issue of epistemic justice. The hesitation is a product of centuries of graded inequality, as B R Ambedkar observed.

Speaking about discrimination in academia carries professional risks. Silence often feels safer than dissent. Yet, the un-

Our stories of marginalisation are appreciated and received well so long as they can be adapted into research grants that generate social and cultural capital for others

comfortable questions that must be asked are: Who produces knowledge in our universities? Who validates it? Our struggles and resilience are frequently reduced to archives of suffering. Our narratives have largely been produced, interpreted, and circulated by those outside these lived experiences. We are often positioned as subjects of study rather than authors of theory. The cycle of knowledge production, dissemination, and institutional recognition has historically excluded us as creators while including us as objects. Even our accounts of pain and resistance are often quoted selectively, depending on when others choose to portray us as victims or dismiss us as playing the victim. Our stories of marginalisation are appreciated and received well so long as they can be adapted into cinema or converted into re-

search grants that generate social and cultural capital for others. They become uncomfortable, however, when we claim the right and resilience to tell our own stories. When we do so, we are accused of "playing the victimhood card".

This brings me to a question for institutional leadership: Who gets to speak about our stories? Whose experience is recognised as objective? Whose pain is deemed credible? What we seek is not sympathy, but the right to define our own experiences, to produce knowledge from our social locations, and to have that knowledge treated as intellectually legitimate. It has taken centuries for our voices to enter institutional spaces. Please do not trivialise the courage it takes to use them.

The writer is assistant professor of Sociology, Lakshmi College, Delhi University

● INFRASTRUCTURE

Mumbai 'melody road' faces the music: Science, history behind it

Nayonika Bose
Mumbai, February 24

WHEN THE Brihanmumbai Municipal Corporation (BMC) unveiled a new technology along the Mumbai Coastal Road earlier this month, it came bearing the promise of a novel experience for Indian commuters: Drive past a 500-metre stretch between Prityadarsini Park and Amarnath Garden at the speed threshold of 80 kmph and hear the road belt out the tune of "Jai Ho", the Oscar-winning song from the 2008 movie Slumdog Millionaire.

Touted as India's first "melody road", it opened amid much fanfare. But it wasn't long before the road soon became the centre of jokes, memes, and complaints aplenty. Merely two days after the concept was introduced, residents from the upscale Breach Candy pocket, which is situated across the 500-metre stretch, wrote a letter to the BMC Municipal Commissioner, flagging concerns over disturbance, noise pollution and safety. "On a high-speed arterial road, any auditory distraction is a matter of concern. Drivers are slowing down unexpectedly or becoming distracted, which poses avoidable safety risks," it said.



While local residents have called for civic intervention and in the matter, musical roads have been implemented successfully across the world over the past 25 years.

The science

The concept of a musical road entails specially engineered roads where music is generated through grooves embedded into the road surface. When vehicles drive past the precisely designed ribs at a constant speed, the ribs produce a musical tune.

MAKING NOISE

While most musical stretches are developed in sparsely populated areas, there have been instances of these being relocated owing to disturbances. A musical road in California, built in 2008, was re-gated and moved to a more secluded area amid noise pollution concerns.

As roads are constructed closely, it produces higher notes while wider spacing creates lower tones.

When vehicles roll past the ribs, the friction against wheels generates vibrations which transmit through the wheels to the car body. Since each rib is laid out to correspond to a particular pitch, it corresponds to a certain frequency and the melody is experienced optimally when vehicles maintain the speed limit.

According to experts, environmental factors ranging from wind conditions, vegetation, and nearby structures play a crucial role in ensuring the clarity of sound generated. Careful analysis of the surroundings is also crucial to minimise interference from external noise.

The history

The history of musical roads goes back to 1995 when two Danish artists — Steen Krarup Jensen and Jakob Freud-Magnus — invented the "asphaltophone" (musical road) through specifically designed road surface topology in Denmark. However, it was only in 2007 that the concept of musical roads took shape and burst to popularity. In Japan, engineer Shizuo Shinoda accidentally discovered that rumblings in the road generated music while he was working with a bulldozer.

Soon, the idea of musical roads was implemented across 30 stretches in Japan where the idea was not only to entertain but also to encourage road safety and prevent drivers from dozing off. In recent years, such musical roads have been implemented across the world including in countries like South Korea, Hungary, Taiwan, UAE, and the US, amongst others.

When the music came to India

The musical stretch along the Coastal Road, built at a cost of Rs 6.21 crore, marks India's first foray into the technology. Jointly developed by Routes Worldwide India in collaboration with UTKOPRO Kft., Budapest, Hungary, the project was implemented by BMC along with a team of 6-7 Hungarian technical experts.

BMC officials said that it was a stretch "that allows for constant 80 kmph in traffic". Besides aiming to "introduce joy, engagement and cultural pride" into everyday travel, BMC hopes this would attract tourists.

● SPORT

Being Eileen Gu: Row over the American representing China at Winter Olympics

Shivani Naik
Mumbai, February 24

THE WINTER Olympics' grittiest and most glamorous skiing star Eileen Gu, an American-born athlete representing China, spent Valentine's Day on a date with 'Big Air' at the qualifiers.

The Big Air was considered one giant step for womankind in 2022, because its jaw-dropping daredevilry involved accelerating up a giant ramp that tilted at the edge, catapulting into a 20-metre orbit, spinning four-and-a-half times mid-air while rotating twice off-axis, before descending to land, floating backwards. Milano Cortina's most recognisable star picked silver here, one amongst medals from six events at the Winter Games. On February 9, she had picked silver in what is considered the most "progressive" (read: daring) event of the 2026 edition, the women's slopestyle, where self-doubt, fear, and injury are one tiny mistake away. Celebrating a Kendrick Lamar duty, she then picked gold in the pipe event,

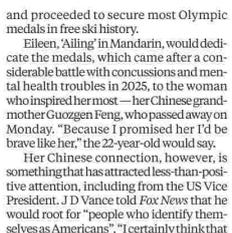
and proceeded to secure most Olympic medals in free ski history.

Eileen, 'Ailing' in Mandarin, would dedicate the medals, which came after a considerable battle with concussions and mental health troubles in 2025, to the woman who inspired her most — her Chinese grandmother Guozhen Feng, who passed away on Monday. "Because I promise I would be brave like her," the 22-year-old would say.

Her Chinese connection, however, is something that has attracted less-than-positive attention, including from the US Vice President. JD Vance told Fox News that he would root for "people who identify themselves as Americans". "I certainly think that somebody who grew up in the United States of America, who benefited from our education system, from the freedoms and liberties that make this country a great place, I would hope that they want to compete with the United States of America," Vance said.

SanFran & sangfroid

Eileen Gu was born in San Francisco to



Eileen Gu after winning the freestyle skiing halfpipe final at the Winter Olympics. AP

an American father and a Chinese mother. Yan Gu was frazzled watching her 3-year-old ski downhill at a breakneck speed, and steered her towards freestyle, which combines snowboarding stunts and downhill

● GEOPOLITICS

As PM visits Israel, how ties evolved over the years



SHUBHAJIT ROY & DIVYA A

PRIME MINISTER Narendra Modi will be in Israel on Wednesday and Thursday in his first visit to the country in nine years.

Modi's July 2017 visit, the first by an Indian prime minister, brought the India-Israel relationship out of the shadows and placed it firmly in the limelight.

The circumstances of the latest visit are very different. West Asia is holding its breath over the prospect of a potential US-Iran conflict, even as a fragile ceasefire remains in effect in the war-ravaged Gaza Strip. In such a moment, it is worth looking at how India's ties with Israel have grown over the years, and the message in Modi's latest visit.

A slow build-up

India recognised the state of Israel soon after it was created in 1948. The establishment of full diplomatic relations would take four more decades — but not before a defining moment involving an unlikely figure.

Palestinian President Yasser Arafat was in India on January 19-20, 1992. During a meeting with Prime Minister PV Narsimha Rao, he was told that India's establishment of a diplomatic relationship with Israel would be helpful for the Palestinian cause. New Delhi, he was told, could exert its influence on Israel only if it had an ambassador in Tel Aviv. Arafat came on board.

He famously told a press conference in New Delhi: "Exchange of Ambassadors and recognition (of Israel) are acts of sovereignty in which I cannot interfere... I respect any choice of the Indian government".

India formally established diplomatic ties with Israel on January 29, 1992, around 10 days after Arafat's public approval.

The military relationship, meanwhile, gradually evolved. India had sourced Israeli weapons during the war with China in 1962, but the support was rather episodic.

By the time of the Kargil war in 1999, the full diplomatic ties came in handy. The Indian Air Force (IAF) needed precision bombs to target Pakistani intruders hiding in the caves and bunkers in Kargil's mountains. After political approvals, IAF leaders reached out to their Israeli counterparts. Israel is understood to have dug into its emergency



stockpiles and shipped them to India's air bases within days. India responded to this decisive show of support by organising a series of high-profile visits to Israel in 2000, with external affairs minister Jaswant Singh leading the first-ever Indian bilateral visit to the country. Home minister LK Advani also visited that summer.

To counter criticism from the Left and minorities, the BJP-led NDA government also organised visits by Jyoti Basu, the West Bengal CM and CPI(M) leader, and Najma Heptulla, the Congress leader and deputy chairperson of Rajya Sabha, the same year.

Since then the defence and security relationship picked up pace, as was evident during Israeli Prime Minister Ariel Sharon's visit in September 2003.

During the Congress-led UPA government's stint, external affairs minister SM Krishna visited Israel in 2012. The conversation, then, revolved around cooperation on science and technology, agriculture and commerce. The strategic areas of defence and security were avoided in public.

After 2014

After coming to power in 2014, Modi has made the relationship much more visible. He met Israeli Prime Minister Benjamin Netanyahu on the sidelines of the UN General Assembly in September 2014 — the first such meeting in a decade. The Israeli defence minister also visited India the next year to openly talk about defence cooperation.

PM Modi with Netanyahu during the Israeli PM's visit to India in 2018. RENUKA PURI/FILE

Then & now

For long, India-Israel ties largely flew under the radar.

After coming to power in 2014, Modi has made the relationship much more visible.

Home minister Rajnath Singh visited Israel in November 2014, followed by President Pranab Mukherjee in October 2015 (the first-ever Presidential visit from India) and external affairs minister Sushma Swaraj in January 2016. A number of Indian ministers and parliamentarians have visited the country in the last 10 years.

But what set Modi's 2017 visit apart was him skipping the stop at Palestine that was part of previous official visits. This time, too, Modi is making a stand-alone visit to Tel Aviv. Netanyahu visited India on January 14-19, 2018. In the last three years, since Netanyahu was re-elected for the sixth time, Modi and the Israeli PM have spoken at least 10 times. In November 2023, pacts on defence and launch of free trade negotiations were signed. The two sides have been cooperating on a range of sectors, from AI to agriculture.

They have also developed close strategic cooperation in defence, as was seen during the recent Operation Sindoor, and cyber security, as was revealed during the Pegasus disclosures.

The changing region

In the years since Modi's first visit, the geopolitical environment has shifted considerably.

Israel and the Arab world have been attempting to normalise their ties under the Abraham Accords signed during Donald Trump's first term as US president.

Since Modi's first visit in 2017, the geopolitical environment in West Asia has shifted considerably. The latest visit will be closely watched

The October 7, 2023 Hamas attack triggered a two-year war in which Israel killed around 70,000 people in Gaza and left much of the territory in ruins. An uneasy truce now prevails in the territory under Trump's peace plan, which now faces a crucial test — disarming Hamas. India recently attended the first Board of Peace meeting in Washington as an observer.

Then there are the tensions in Iran as the US masses its forces around the country. This comes after the 12-day war in June 2025 between Israel and Iran during which the US bombed Iranian nuclear facilities.

Clearly, the Indian government and Modi are taking the risk of travelling to Israel at a time when the region is in turmoil.

For New Delhi, this is a tricky diplomatic situation where it has to weigh the cost and the benefit of the visit. Israel is not only a key defence and security partner, it is also an important economic partner in the India-Middle East-Europe Economic Corridor (IMEC). And Tel Aviv is a political player with whom many countries in the region are willing to have bilateral ties.

On the other hand, Iran and other nations in West Asia are closely watching New Delhi's close relationship with Israel and weighing what impact it would have on their respective equations with India.

On the agenda

Defence, trade, AI and technology, and the IMEC project will be on the top of the agenda during Modi's visit.

Netanyahu also recently described India as a central pillar of his proposed Hexagon of Alliances which seeks to unite Israel with Greece, Cyprus and several Arab countries, besides India. Tel Aviv has framed this as a move to counter "radical adversaries". It remains to be seen if New Delhi provides legitimacy to this new formation considering its global image.

Besides, Modi and Netanyahu are expected to exchange notes on how to push the IMEC, which Israel is part of.

During the visit, Modi is slated to address the Israeli Parliament, Knesset, becoming the first Indian leader to do so. However, this moment may get entangled in Israel's domestic politics.

The country goes to the polls in October in what will be its most contentious election since 1996. Netanyahu, who is facing political pushback, is showcasing the visit as one of his key achievements.

Modi's Israel trip will be among the most watched visits to the region.

● HISTORY

Rajaji: Respected by Gandhi and Nehru, now invoked by BJP

Nikita Mohta
New Delhi, February 24

PRESIDENT DROUPADI Murmu unveiled a bust of C. Rajagopalachari in Rashtrapati Bhavan on Monday, replacing one of British architect Edwin Lutyens. Announcing the change, Prime Minister Narendra Modi said: "Rajagopalachari was among those who saw power not as a position but as a service. His conduct, self-restraint, and independent thinking in public life inspire us even today."

Role in Quit India Movement, CR formula

Rajagopalachari was born in 1878 into a Tamil Brahmin family in the Krishnaji district of Tamil Nadu. He had his first brush with political activism as a law student in Madras (now Chennai), and by 1916, he had joined Annie Besant's Home Rule League. Rajaji met Mahatma Gandhi a few years later, eventually becoming his close associate.

In 1930, he led the Salt Satyagraha in the South, marching from Trichy to Vedaranyam on the Tanjore seacoast. He was arrested twice for refusing to sign a bond

specifying peaceful behaviour.

His commitment to the movement did not mean Rajaji shied away from dissent. During the Quit India Movement in 1942, he publicly disagreed with Gandhi and argued that a Congress-Muslim League understanding was the "golden key" to freedom.

Despite reservations, Gandhi said he would assent to the "Rajaji formula". The plan required the Muslim League and the Congress to form a provisional national government, provided, among other conditions, that a plebiscite be held on the Pakistan question after the transfer of power from Britain. Jinnah rejected it.

Stance on Hindi, temple entry

Rajaji's approach to Hindi is best captured by the simile he used to describe its introduction in high schools when he was Premier of Madras in 1938 — it was like "chutney on a leaf, to be tasted or left alone". But during the 1965 anti-Hindi agitations in Tamil Nadu, he opposed Hindi as the sole official language. Author Vasanthi Srinivasan wrote in *Gandhi's Conscience Keeper* (2009), "It is not hatred for Hindi per

Independent voice

Despite being one of Gandhi's closest associates, Rajaji disagreed with him during the Quit India movement, arguing for a Congress-Muslim League compromise.

He had served as Home Minister under Nehru, but soon grew critical of what he saw as Congress's statist and centralising policies.

se but hostility to its imposition by the force of numbers that dominates his writings."

CR was also a leading advocate of temple entry for marginalised castes. In 1938, when Dalit leader MC Rajah introduced a Bill to punish discrimination in employment and access to public spaces, CR fully backed it.

A majority of the trustees and priests of the famous Meenakshi Temple expressed willingness to admit Dalits but feared a backlash. CR promised them protective legislation. On July 8, 1939, his friend Vaidyanatha Iyer led a group of Dalits into the temple, believing the news, CR was "beside himself with delight", wrote historian Rajmohan Gandhi in the biography *Rajaji: A Life* (1997). Others reacted less favourably. A priest in Srirangam cited the shastras to justify his opposition, which led CR to respond that the shastras were "like the infinite ocean from which... one can draw pearls and coral as well as mire and shark."

Political legacy

CR had served as Home Minister under Jawaharlal Nehru, but soon grew critical of what he saw as Congress's statist and cen-

tralising policies. In August 1959, he formed the Swatantra Party. It championed free enterprise with some controls, but was criticised by contemporaries, including Nehru, for representing the "middle ages of Lords, castles and Zamindars."

Replacing a colonial-era statue with one of Rajaji at the Rashtrapati Bhavan is in sync with the cultural nationalism espoused by the BJP. In many ways, his accomplishments reflect the transition from colonialism. In 1948, he succeeded Lord Mountbatten as Governor-General, becoming the only Indian to hold the office before India became a republic. He later served as the Chief Minister of Madras state. Rajaji is also celebrated for his retellings of the Ramayana and Mahabharata.

He embodies much of the conservative vision that resonates with the BJP, including its opposition to Nehruvian socialism.

Respected by both Gandhi, who called him his conscience keeper, and Nehru, Rajaji died in 1972. "The important point which Rajaji's political career and ideas make evident is that a principled flexibility is possible in politics," notes Srinivasan.

Opinion

WEDNESDAY, FEBRUARY 25, 2026

TOURISM'S IMPACT

Vice-president CP Radhakrishnan

Tourism is more than an industry. It is a bridge between cultures, a driver of economic opportunity, and a powerful instrument of soft diplomacy



No undue rewards

FDI in the drug industry hasn't triggered tech transfers, policymakers must stay put

NOVARTIS AG'S DECISION to exit its Indian subsidiary is only the latest instance of large multinational drug companies choosing to cease their India operations or restrict their activities in the country to selling and marketing a few imported, specialised, high-value products, where profitability is assured despite low volumes. They find it hard to compete with India's pharma industry and have little interest in building manufacturing facilities in India. Their research & development (R&D) activities here are confined to back-end and peripheral ventures such as market research and data analytics, where low costs are an attraction. None of them have ever engaged in R&D on new chemical entities (NCEs) in India. The trend of Big Pharma leaving Indian shores is especially engaging because over the last half a century, drugmakers from the West appeared keen on expanding their business in India. They opened wholly owned subsidiaries or bought Indian companies, presumably hoping that at some point, New Delhi would eventually lower the thresholds for patenting. That hope has, however, never been fulfilled.

Though India adopted product patents in pharmaceuticals way back in 2005, it still retains stiff "public safeguard" provisions to curb abuse of the exclusive rights granted to innovators. Section 3(d) of the Patents Act, for instance, restricts secondary patents on "known molecules" with the defined criterion of "significantly enhanced efficacy". Also, under domestic laws, generic companies may rely on the innovators' data dossiers for their own commercial ventures. India's policymakers are accused of formulating and implementing industrial policies that have undermined the flourishing of entrepreneurship and economic value creation. There have been numerous examples of regressive policies like a difficult licensing regime, red tape, and reserving assorted labour-intensive sectors for the micro, small, and medium enterprises. Perverse incentives existed for firms to restrict their own growth.

The pharmaceutical sector has, however, been a notable exception. Just two years after Independence, the Bakshi Tek Chand Committee recommended measures to "counteract the misuse or abuse of patent monopolies in India" and sought the enactment of compulsory licensing provisions. The Justice N Rajagopala Ayyangar panel discussed the matter in great detail in its 1959 report. It did acknowledge that the desire for economic reward is an important factor motivating inventions. However, the panel stressed that patents are taken not in the interests of the economy of the country granting it, or with an intent to manufacture there, but with the main object of protecting an export market from competition. Even the 2005 amendments did not essentially change the policy thrust. The policy has indeed let the domestic industry thrive.

Studies have shown that foreign direct investment in India's drug industry hasn't resulted in the transfer or adoption of technology. Nor has it created sufficient linkages with domestic production systems. In fact, Big Pharma increasingly outsource R&D to start-ups and publicly funded institutions, merely conducting horizon scanning to identify commercially promising NCEs. Rewarding inventors in a more liberal way would be meaningful only when the country is technologically advanced enough to maintain the pace of R&D. India's drug industry has never really crossed this threshold, though a handful of companies may just be at the cusp of driving innovation-based growth verticals. Policymakers don't need to be perturbed by the trend of Big Pharma exits. Instead, they ought to continue with the current policy marked by judicious patenting, lowering the cost of new-generation medicines, and aiding backward integration of the industry.

The Rolex you want may not be in stock for long

IF YOU'RE very lucky, you might now be able to walk in to a store and walk out with a Rolex. It may not be the model or style that you hoped for, but the simple fact that some of the brand's watches are relatively available marks a stark turnaround from five years ago, when most required joining a lengthy wait list. That you can splash your bonus in a boutique is evidence of the slump in the market for new timepieces, a state of affairs that has seen Swiss watch exports contract for the past two years.

That may be changing. Over recent weeks, there have been some indications we are past the nadir. But any recovery is slowly winding up rather than springing forward. And even if the market strengthens, the spoils won't be evenly spread. Swiss watch sales soared between 2021 and 2023 as consumers in the US and China, flush with cash but with little to spend on it, turned to extravagant timepieces. While smartwatches ate into the lower end of the market, pricey models grew more popular. But starting in 2024, Swiss imports fell as the super-rich turned to experiences, the simply comfortable faced rising costs and Chinese demand evaporated. One early sign of a rebound came in January, when Richemont posted a surprise increase in sales in its specialist watchmaking division, which includes brands such as Jaeger-LeCoultre and A. Lange & Söhne that had been under pressure. Richemont's biggest name, Cartier, has been adopted by Gen Z and had already been on a tear. A few weeks later, Swatch Group CEO Nick Hayek forecast strong growth this year, after the maker of Omega, Longines, and Tissot saw a rebound in the second half of 2025. And earlier this month, Watches of Switzerland Group, which generates almost half of its revenue in the US, upgraded its sales outlook for the current fiscal year.

Still, the path to recovery may not be straightforward. Exports of Swiss watches to the US have been gyrating because of import duties. Much will now depend on the direction of stock markets, which tend to be correlated with US luxury demand. While the impact of tariffs should moderate, the escalation in the price of gold is yet to be fully passed through, according to Vontobel Equity Research. The biggest driver of any resurgence, though, will be Chinese consumers. Exports of Swiss watches to China and Hong Kong rose in January, encouraging given that this Chinese New Year falls two weeks later in 2025. Adjusting for the calendar effect, underlying demand is up mid- to high single digits, says Vontobel. But the jump is from a low base, and the Lunar New Year spending numbers will be the crucial test. If this recovery does take off, the biggest names will benefit.

The major brands haven't been immune from the downturn. The volume of watches sold by Rolex fell 2% to 1.1 million last year, according to Morgan Stanley and industry adviser LuxeConsult, the first time in over 20 years that volumes have declined for two consecutive years. This might be partially self-inflicted, as the company makes an effort to keep supply below demand and move even more upmarket. Strong average selling prices lifted the value of sales by 4%. But the four largest privately held brands—Rolex, Patek Philippe, Audemars Piguet, and Richard Mille—increased market share last year. This is unusual. In other parts of the luxury market, it is the listed giants that are gaining ground. Swatch was the biggest market share loser last year, according to Morgan Stanley and LuxeConsult. Some of the weakness reflects the fact that Swatch is more dependent on China.

The Morgan Stanley/LuxeConsult data also finds Omega, Swatch's biggest watch brand and the industry's fifth largest by sales, is losing out to Rolex. Its higher-end names, Breguet and Blancpain, underperformed as well, they said—despite the fact that demand for models with a retail price of over \$4,000 is growing. Swatch disputed the data, and said it was growing more quickly than the broader industry. Ultimately, for Swatch and the rest of the industry, keeping the revival ticking will come down to consumer demand in luxury's two biggest markets, China and the US. As much as shoppers like to buy what they want, when they want it, watchmakers will be happy when many more models one again require a wait.

ANDREA FLEBERG
Bloomberg



AFTER THE SUCCESS of a three-year-long pilot project, Ireland became the first country in the world to introduce a permanent basic income policy for artists. It's truly remarkable. Some other places, such as New York, San Francisco, or St. Paul in Minnesota, have had similar programmes for artists, although only temporary or pilot projects. However, the Irish programme is the first permanent one of its kind, and Patrick O'Donovan, Ireland's culture minister, had enough reason to call it "the envy of the world" and "a tremendous achievement" for the country.

Many great artists of the world were able to create famous works because they had the support of powerful patrons. Governments in many countries today continue to support artists by providing funding for public art projects, museums, and art colleges. There's a catch, though. Artists' freedom may be limited if the government wields too much control.

As William Deresiewicz, a prominent critic of the arts and culture, observed in a 2015 article in *The Atlantic* titled "The Death of the Artist—and the Birth of the Creative Entrepreneur", the career of artists is currently undergoing a unique phase of evolution. "Artists will inevitably spend a lot more time looking over their shoulder, trying to figure out what the customer wants rather than what they themselves are seeking to say," Deresiewicz intimated. Later, in his 2020 book, *The Death of the Artist: How Creators Are Struggling to Survive in the Age of Billionaires and Big Tech*, drawing on interviews with artists of all kinds, Deresiewicz argued that we are living through a moment of revolutionary change. If artists were artisans of the Renaissance, bohemians of the nineteenth century, and professionals

BASIC INCOME FOR ARTISTS

PILOT PLAN HAD SIGNIFICANT IMPACT IN THE LIVES OF ARTISTS, PERMANENT POLICY AN EXAMPLE FOR THE WORLD

An artful Irish vision

ATANU BISWAS

Professor of Statistics, Indian Statistical Institute, Kolkata



of the twentieth, a new model is emerging in the digital era that is transforming our fundamental assumptions about the nature of art and the role of the artist in society.

In fact, American anthropologist, author, and anarchist David Graeber told the French-language magazine *Socialist* that in the 20th century, England would produce an incredible musical movement that would sweep the globe every decade or so. Why is it not happening anymore, Graeber wondered. "Where is the next John Lennon? Probably packing boxes in a supermarket somewhere," he said.

The pandemic had made things worse for artists, for sure. To support artists and creative arts workers after Covid-19, Ireland launched a Basic Income for the Arts (BIA) pilot project (2022-2025). It paid 2,000 successful applicants a weekly income of €325 compared to a control group of 1,000. "This new grant will create a floor and a safety net for artists," said Leo Varadkar, Ireland's Taoiseach at the time.

In Ireland, the definition of "creative arts worker" is very wide. It covers anyone who has a creative occupation whose work has a significant influence on the production, interpretation, or exhibition of arts. Whether traditional

or contemporary, "arts" cover any form of creative or interpretive expression, such as visual arts, theatre, literature, music, dance, opera, film, circus, and architecture. It also covers any medium used for those purposes. For instance, choreographers in dance and make-up and set designers in theatre are covered by the definition.

The Irish pilot project produced significant impact. According to research,

for every euro invested in the Irish pilot project, wider society received €1.39 in return. Sociologist Jenny Dagg of Maynooth University declared it a victory for everyone but noted that the weekly payments were not enough to support artists fully. The basic income amount, indeed, is only about 30% of the average gross annual salary in Ireland.

However, the significantly lower levels of anxiety and despair and the 20% lower chance of experiencing forced hardship were two key benefits of the programme. It's pertinent to note that female beneficiaries experienced the most improvement in their psychological and overall well-being.

As per the cost-benefit analysis, artists experienced an average monthly increase of almost €500 in arts-related income and an increase of

€333 in arts-related expenses. At the same time, their dependence on social assistance reduced, and their income from non-arts employment decreased by almost €280. This shows that the programme has resulted in the improvement and transformation of the lives of artists, as they are now able to complete their work, remain in the sector, and interact with their audience.

However, it should not be forgotten that the BIA is not a universal basic income. The aim of this targeted policy intervention is to support working artists and creative arts professionals to focus on their artistic pursuits. Moreover, in a recent public consultation, 97% of the public and the arts sector have agreed that the scheme should be made permanent. And, as reported, inspired by the Irish example, the Scottish government is actively considering a similar basic income scheme for artists.

The link between artistic and labour values in the Irish study was explored in a paper published in the journal *Cultural Trends* in July 2025. In addition to providing significant support to a broad demographic range of artists and arts workers, it offers a unique example worldwide of how a national cultural policy instrument can inform that emerging story and offer insights into how some aspects of a basic income policy might operate if introduced for the general population.

"If we value art, we must support a basic income," Canadian tech journalist and author Paris Marx also said in an essay on *Medium* 10 years ago. And "take a bunch of working-class kids, give them enough money for them to hang around and play together, and you get the Beatles," was David Graeber's direct answer. The ball is rolling now. Who knows, maybe the world will become more artful!

The aim of this targeted policy intervention is to support working artists and creative arts professionals to focus on their artistic pursuits

Robo-advisors vs humans: Who wins?



**CS MOHAPATRA
DEPANNITA GHOSH**

Respectively IEPF Chair Professor and Research Analyst at the National Council of Applied Economic Research

A digital economy needs a blend of both: algorithms assess client risk profiles and ensure suitable recommendations, human oversight adds value

THE DEBATE PITTING robo-advisors against human advisors is often about competition and not so much about complementarity. Today, advice is free-floating. When it comes to financial advice, people prefer a second opinion as it matters to them and their family's future the most. Hence, it is imperative to take correct, timely, and appropriate decisions. The multiple channels of information, including suggestions from age-old trusted advisors or insurance agents coupled with low-cost algorithm-based advice, makes investors' decision difficult when they marry it with their personal needs, risk appetite, future sources, avenues of alternative investments, etc. As Philip Fischer observed, "The stock market is filled with individuals who know the price of everything but value of nothing."

Which one is better, robo or traditional advice? While robo advice is mechanical, quick, precise, and information-based, human advisors, in addition to publicly available market information, amalgamate personal choice, feelings, and intuitive anticipation about the market, and assessment of other alternate investment avenues. Robo-advisors may pass the test of technical audit in terms of quality and correct advice, but may fall short of meeting personal needs, risk appetite, choice, and intuitions that are guided by a set of information in the mind of the investors or human advisors.

In a rising market, recent gains feel

like proof and we start believing we cannot lose. In a falling market, fear feels like intelligence and we exit at the worst time. Many people buy after prices have already run up and sell after the fall has occurred. People also hold on to loss-making investment too long because selling feels painful. These patterns are repetitive. That is exactly why right advice matters. Robo-advisors undertake precise calculations and make predictions based on information in the public domain. For many new investors, the real alternative is not a senior wealth manager, but an advice at all, or advice from social media and friends. Digital platforms reduce this effort as they make it easier to start, diversify, and rebalance while helping investors avoid panic decisions.

In India, the investor base is growing rapidly with the advent of digitalisation along with the rise in retail investment. The United Payments Interface processed about 21.70 billion transactions in January, worth roughly around ₹28.33 lakh crore, and the total demand accounts were reported at 21.6 crore at the end of December 2025. People are entering the digital market through apps for the first time with inadequate knowledge. Simple and low-cost guidance through robo-advisors becomes handy.

Automation does not necessarily remove bias. It may shift bias into product design and platform incentives. Conflicts of interest can still exist through partnerships and revenue models, even if the user interface looks clean. This is where human advisors will continue to matter. It is not only about choosing between two funds, but also helping people during real-life situations such as job loss, medical emergencies, business shocks, etc. Personal finance is not just mechanical portfolio allocation but decisions that factor in context, judgement, and reassurance, especially when stress makes people abandon long-term plans.

There is another added advantage that good human advisors bring—behaviour coaching. Many investors do not lose money because they chose the wrong product, but because they change plans too often. A good advisor acts like a brake—slowing decisions, explaining the trade-offs, yet keeping the focus on goals. Technology can rebalance a portfolio, but not fear.

So who wins? Technology is best for repeat tasks like onboarding, profiling, reporting, and rebalancing. Humans are best for nuance, accountability, and decision shaped by income uncertainty, family responsibilities, taxes, health, and emotions. The future is likely to be a

combined model. Will digital advice grow safely, or will it grow mechanically? If digital advice expands without strict rules, we risk replacing old style mis-selling with a new kind of opacity. However, if regulations insist on clear fee disclosure, transparent incentives, auditable suitability logic, and strong grievance redress, robo-advisors can help close the gap and push the market to grow.

India is already moving rapidly towards a digital finance culture. The question is whether advisory models will match that speed with responsibility. Regulators should move from broad principles to practical standards. Making algorithm-based advice auditable, providing incentives, ensuring transparent partnerships, and fixing accountability when advice fails suitability checks will be helpful. Investment platforms must trust as part of their product design, not just marketing.

The real question is not whether robo-advisors will outcompete traditional ones, but whether investors will get personalised advice that is easy to access and fully aligned with their intention, risk appetite, and personal goals as well as being accountable and answerable. While algorithms must assess client risk profiles and ensure suitable recommendations, qualified human oversight adds value. In today's rapidly digitising economy, a blend of robo advice guided by humans is the need of the hour.

Robo-advisors may pass the test of technical audit in terms of quality and correct advice, but may fall short of meeting personal needs

LETTERS TO THE EDITOR

Threat & opportunity

Apropos of "Remade or reduced" (FE, February 24), Nandan Nilekani's remarks at the India AI Impact Summit rightly highlight the real challenge for our IT industry—not the arrival of generative AI itself, but the persistent gap in deploying it effectively within enterprises. While the editorial captures the anxiety over potential headcount reduction and billing-hour compe-

tion, it also points to a clear opportunity: Indian firms' long experience in integrating complex systems, handling legacy environments, and managing compliance gives them an edge in bridging this gap. To turn threat into strength, companies must accelerate reskilling programmes, shift decisively towards outcome-based models, and invest in reusable AI platforms tailored to industry workflows. Clients too should recognise that

true value comes from deep integration, not just pilots.

—A Mylisami, Coimbatore

Test for IT firms

The challenge before India's IT sector is not whether AI will replace services but whether firms can close the deployment gap between technical capability and organisational readiness. For decades, labour arbitrage and process expertise sustained

growth, yet generative AI now automates much of that foundation. Embedding models into enterprise systems requires more than enthusiasm; it demands disciplined data cleaning, process redesign, reskilling, and compliance. The real test lies in whether companies can transform technological power into economic value.

—K Chandan Kumar, Bangalore

Write to us at letters@expressindia.com

Taking on Banking Snake Oil Salesmen

But mis-selling needs more than stricter rules

Tighter regulation over mis-selling of financial services such as loans, insurance and MFs was long overdue. With RBI plugging a glaring gap in oversight, household savings will have one layer of defence against being channelled into unsuitable avenues. But the extent of the malaise is enormous, and regulation as envisioned does not address the underlying information asymmetry that causes it. People will still learn about the benefits of a national investment from those who stand to profit. For a nation that implicitly trusts physical savings like property and gold, the spread of financial literacy remains grossly inadequate. Mis-selling affects savings behaviour and, unless right correctives are applied, it contributes to capital inefficiency.

Improvements in transparency and deterrence are a necessary first step as a new generation of savers widen their horizons. The horizon is shifting outward due to financial innovation, not all of which may be appropriate for the stage of financialisation of the economy. There are strict rules on what can be stocked on the shelves of India's financial supermarkets. Equally strict rules are needed on telling shoppers how these could affect their financial health, particularly for new products where customers have no context beyond the labelling on the package.

Since distribution and information travel on the same networks, regulation must be balanced. The structure of financial markets requires tightly integrated sectoral oversight. The ultimate objective of informed consumer choice, however, is a bigger social endeavour beyond the scope of financial regulators. Not only does an individual need to be educated about making money, but she also needs to learn how much of it should be spent and where to park what is left over. This understanding comes about through an all-of-society approach. Regulators can ensure that the quality of information is acceptable, but its dissemination requires an agency they do not possess. Neither is it available intergenerationally.

In October 2024, Hyundai's \$1.1 billion IPO in India raised more than \$1 billion in the biggest-ever IPO. In 2025, LG Electronics sold 15% of its stake in its Indian subsidiary for the equivalent of \$1.3 billion. India boasts a strong domestic investor base that has kept stock markets booming even though net FPI has been close to zero in the last six years. The middle classes have fallen in

Striking at the Heart of Terror

Despite long being both a victim of terrorism and a key actor in combating it, India has never articulated a comprehensive counterterrorism policy. Its response has remained fragmented and operationally driven, lacking an overarching strategic framework. The newly released National Counter-Terrorism Policy and Strategy seeks to fill this wide gap, recognising the networked, adaptive and multi-domain nature of contemporary terrorist groups, and advancing a framework that is anticipatory rather than reactive and strategic rather than episodic. The document recognises multiple risks across land, air, sea and cyber domains, including threats from drones, dark web financing and CBRNE (Chemical, Biological, Radiological, Nuclear and Explosive Devices). The responses based on seven pillars—prevention, response, capacity building, human rights, attenuating conditions conducive to terrorism, international alignment and recovery (PRAHAAR). It adopts a whole-of-government approach that stresses the integration of capacities, aligns and shapes international efforts, underscores a commitment to the rule of law, and promotes a whole-of-society approach to recovery and resilience.

GoI rightly reiterates that terrorism cannot be ascribed to any religion, ethnicity, nationality or civilisation. This clarification is important, especially as the document notes that 'few countries in the region have sometimes used terrorism as an instrument of state policy'. Though the implications are clear, the text underscores India's unequivocal denunciation of, and zero tolerance for, terrorism. As a strong first step, the framework would be further strengthened by more explicit integration of digital and financial counterterrorism mechanisms.

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JUST IN JEST
Trump's true calling is as an iconoclast of the English language

lower your case, down with capital-ism!

Sometimes, you gotta wonder whether the man has been placed on earth for a purpose other than the one(s) he believes he has. On others worry he's here for. We suspect that beyond the politics and geopolitics, that purpose is to bring about a radical philosophical change. Trump's latest act of linguistic rebellion—referring to the 'supreme court' in lowercase based on a complete lack of respect—has greater consequences than meets the eye. In fact, it may be the most coherent thing anyone's done for the English language since e.e. cummings, the 20th-c. poet who aimed to subvert authority and focus on immediate, individual experience by decapitalising words and unpunctuating sentences. Willy-nilly trump comes out as an English language iconoclast in the same mould. On a bigger scale, lower-casing it is not content but about linguistic democracy. Capital letters are aristocrats of the alphabet, strutting around like they own the place. Why should 'go' get capital while 'gravity'—far more omnipresent and certainly palpable—doesn't? 'MAGA' would be far less in-your-face and convincing as 'maga', no? Indian languages, with their blissful absence of uppercase rules, have never suffered this tyranny. In hindi, bengali, tamil, marathi, kannada, assamese... every word is equal—no letter lords, no peasant vowels. Down with capital-ism!

SWAMISPEAK Negative FDI suggests success, celebrate this sign of democratic capitalism

Privately Calls for a Party!



Swaminathan S Anklesaria Aiyar

The world is impressed by India's strong economic performance and, so, FDI has been booming. But readers may be surprised to hear that net FDI (NFDI) has actually been negative in the last 4 months—\$2.40 bn in September 2025, -\$0.167 bn in October, -\$0.446 bn in November—\$1.61 bn in December.

Cross inflows have been substantial: \$6.60 bn in September 2025, \$6.54 bn in October, \$6.41 bn in November, \$5.84 bn in December. But outflows have exceeded inflows. This does not denote a crisis. Rather, it's something to cheer the outflows reflect success. There are two sorts of FDI outflows. One, Indian companies investing in equity abroad. This is still modest. Two, fast-growing outflow that represents repatriation of dollars brought in as FDI in earlier years. Indian market valuations have become so high that foreign investors think it worthwhile to have IPOs or secondary sales at high Indian market rates, and remit the proceeds home in dollars.

Lari, sari night

Along with systematic investment plans (SIPs), in which investors deposit a certain amount every month into mutual funds regardless of market conditions, India now has become a strong market that is not hostage to sudden stops in FPIs, as in most Latin American and Asian countries. This has some unexpected consequences. FDI is an equity inflow in force that finances greenfield investments in India. Economists view this as far preferable to FPIs into stock markets, since factories cannot suddenly exit in troubled times the way portfolio flows can. However, many foreign direct investors have found they can use India's booming IPO market to sell part of their long-held Indian equity at a big profit and take the money out in foreign exchange. This, then, becomes negative FDI. Outflows also occur when Indian startups—Swiggy and Patm—are good examples—have IPOs. Such startups were launched with little

equity from Indian promoters who had great ideas but little money. They were financed overwhelmingly by international PE and VC players. This has led to demoralisation of capitalism. Swiggy and Patm lost money for years, and could never have attracted conventional finance, which required that companies have a track record of profits. Startups like Patm required patient equity finance that would nurture them for up to a decade before turning profitable. PE-VC players were willing to pour money into thousands of Indian startups since they were impressed by the quality of entrepreneurial ideas. This huge increase in the entrepreneur base is an important reason for new dynamism of the economy.

When Go opened space to the private sector, experts wondered if there would be any takers. The sector requires massive finance and hi-tech. But over 200 companies entered the sector, mostly startups financed by PE-VC. Similar stories can be told of many other sectors, including AI development. When successful startups have good enough track records to launch IPOs, PE-VC investors can partially or fully exit at a huge profit. This is a huge success. This is why dynamic capitalism should look like.

its part of the reason for negative FDI. But from being a source of worry, we should celebrate it as a sign of booming, democratised capitalism. Global finance has found ways of financing entrepreneurs with good ideas that no government could have achieved. For 2 yrs, India's IPO market has been red-hot, attracting massive investor interest, and record capital raising. In 2025 alone, companies across sectors lined up to sell shares to the public, with new issues and proceeds running into tens of billions of dollars.

Pipeline for 2026 remains substantial and diverse. Alongside traditional finance and tech names, new entrants are emerging. CleanMax Enviro Energy Solutions is launching a major RE IPO this month. XED Executive Development is set to launch the first IPO out of India's GIFT City financial hub in March. The markets themselves are experiencing a boom.

When successful startups have good enough track records to launch IPOs, PE-VC investors can partially or fully exit at a huge profit.

ing with new technology with firms introducing AI-driven platforms to streamline IPO execution. The current boom may be excessive. Many recent IPOs are trading at or below valuation. The IPO story is one of impressive scale and evolving maturity. But several startups will go bust, and the majority will never get near an IPO. The rise and fall of Byju's, once valued at \$18 billion and now struggling to stay alive, shows that startups can be big frauds, too.

That is the price PE-VC investors are willing to pay in their search for few big successes. This is what dynamic capitalism should look like.

When successful startups have good enough track records to launch IPOs, PE-VC investors can partially or fully exit at a huge profit. This is a huge success. This is why dynamic capitalism should look like.



THE SPEAKING TREE

Racing to The Spirit?

ANANDMURTI GURMAA

In the churning of summer, ambition is often celebrated as a virtue. We race to set targets, chase milestones and relentlessly pursue success. However, seekers often approach their sadhana, spiritual practice, with the mindset they use in the marketplace. But sadhana should never be done for a target. It must always be done with love. In total surrender, enjoying every moment of it. Otherwise, it becomes merely an egotistical phase, a new drive for the same old ambitious mind. The object of desire remains the same. Earthly, you wanted to be rich, successful and famous. Now you say, 'I want to become great. I want to be enlightened. I want to be a flying yogi.' This misguided ambition is often more difficult to detect than material greed. One becomes proud of doing something great and 'holy'. You look at your old friends stuck in mundane purgatory and a subtle arrogance arises. You think, 'Look at them, wasting their lives! I have gone on an undertaking a great pursuit.' It is in this pursuit that many seekers go on wandering from place to place, looking for a mystical experience to validate their efforts. They calculate, 'I have done this much, so I must achieve this.' This frantic drive has ruined so many seekers. This is why sadhana should never be done under the guidance of a master. It must be done with love, in total surrender and with no rush. It is not a race to the finish line. It is blossoming to be allowed.

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For a Fiscal Failure, Fix It

Finance commissions (FCs) are constitutional bodies, not reform commissions. Under Article 280, they are constitutionally mandated to recommend primarily three things: vertical devolution, horizontal devolution, and grants-in-aid. Over the years, their reports have grown thicker and more normative. Article 275 exemplifies this normative framework, providing grants-in-aid to states considered in need, with amounts revised annually from Consolidated Fund of India and varying by state. Unlike Article 282 grants, which are conditional and purpose-specific, these grants allow states full discretion, raising sharper concerns about incentives, fiscal discipline and moral hazard. FCs are asked to reconcile two claims: One, equity—obligation to mitigate structural disadvantage. Two, efficiency—need to preserve incentives for effort, reform and prudent use. For long periods, the balance tilted towards equity. The 16th FC has rightly chosen efficiency. Two points stand out.

Horizontal distribution 10% share in national GDP shifting incentives from entitlement toward economic effort.

Discontinuation of revenue-deficit grants (RDGs) Article 293(b) requires FC to recommend principles for grants. Article 275(1) operationalises them as a charge on Consolidated Fund. The 16th FC has rightly chosen efficiency. Two points stand out.

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Monisankar Bishnu & Shohan Mukherjee

The 16th Finance Commission (FC) has eliminated revenue-deficit grants (RDGs) for the first time. This is a deliberate attempt to correct distorted incentives that have allowed persistent central government deficits to become a fiscal feature across states. RDGs were meant to be temporary, but became effectively permanent. States with recurring revenue deficits came to expect central support, weakening incentives for necessary but politically difficult reforms.

The 16th FC underscores a time-inconsistency problem in fiscal policy: measures optimal on paper unravel when states anticipate central support. Repeated grant-based gap filling erodes fiscal discipline, allowing dependence on money-printing. Credibility matters as much as intent. Rule-based frameworks that privilege long-term outcomes build institutional reputation—a lesson well known in monetary policy.

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balance about 1% of GDP. In other words, what local governments do doesn't stay local. It shapes the fiscal health of the entire polity. Seen in this light, the 16th FC's reforms are an effort toward harmonising fiscal federalism with global practices. Yet, the shift also raises urgent questions about how best to support our states through various contingencies.

Countercyclical revenue support The commission's report notes that states face a chronic revenue deficit. Systematic relationship with normatively determined benchmarks. What they do correlate strongly with, however, is the state of the local economy. During downturns, revenues collapse even as expenditure pressures rise. A framework that allows for contingent, time-bound support during severe economic stress, much like GoI's response during the pandemic, could preserve incentives while avoiding pro-cyclical austerity.

Role of elections Data on aggregate revenue trends indicates the number of states running deficits shows a clear pattern around electoral cycles. Each of the last five Lok Sabha elections since 1998 coincides with a visible increase in revenue deficits. Fiscal election promises and spending programmes are a political fact, not an analytical incoherence. Any serious assessment of state finances must acknowledge this dynamic rather than assume false political incoherence.

Optimistic forecasting The report also notes states' complaint that fiscal revenue is increasingly assumed to grow faster than what ultimately materialised. The commission's figures corroborate this, showing actual revenue falling short of projections across multiple award periods. Eliminating RDGs without addressing this forecasting bias could place additional strain on state finances.

Disincentive disconnect The recommendations have not been accompanied by an increase in state revenue. The divisible pool, which remains at 41%. If the objective is genuinely to reduce vertical fiscal imbalances, greater tax devolution is essential. Without it, the commission's higher transfers and unchanged revenue autonomy risks becoming a drag on state capacity rather than a spur to reform.

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Imitation vs Experience

Aeon is known for essays that take their time—pieces that think carefully about philosophy, science, culture and technology rather than racing toward neat conclusions. When these essays become podcasts, they gain a quiet intimacy. The arguments remain rigorous, but the listening experience feels almost like being walked through an idea.

Sure, AI Can Do Writing—but Memoir Not So Much, adapted from a piece by Richard Beard, still in the debate about AI and creativity even with a steady, reflective tone. It acknowledges that today's AI systems can produce polished prose, convincing words and structurally sound essays.

Yet, when the genre shifts to memoir, something harder to do, the distinction is clear. Moving from the early ambitions of machine intelligence shaped by figures such as Alan Turing (pic) to the rise of contemporary AI models trained on immense datasets, the episode situates the question in a longer historical arc.

What lingers is the distinction between the human and human. Memoir draws strength from doubt, inconsistency, selective memory and the messy reshaping of the self over time. The episode ultimately feels less like a warning about technology and more like a gentle reminder that lived experience still resists clean replication.

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Chat Room

Trust, More Than System, Takes Hit

Appropriately 'DFC Fraud' may bring Other Pvt Banks, Too. To Salim Sheikh, Co-CEO of the 2004 or fraud involving DFC First Bank and the Haryana government is more than an accounting discrepancy—it's a warning in public confidence. When forged cheques clear and internal controls falter, the common depositor wonders whether prudence is policy or systemic safeguards must follow. In banking, capital adequacy absorbs losses; credibility absorbs the rest. Rebuilding faith is the foremost balance-sheet priority. *Gomathi Nagesh Chennai*



CONTRAPUNTO

If voting changed anything, they'd make it illegal -EMMA GOLDMAN, anarchist

Deep Steal

Top-notch AI models cost billions to build, but almost nothing to steal. AI firms should be on their guard

Estimates vary, but AI firm Anthropic has spent over \$9bn to train its Claude model. Obviously, it doesn't want rivals cloning Claude for free...

Enter "distillation", a decade-old idea that was rejected when first presented at a conference. The way it works is that a rookie AI poses millions of questions to a leading AI model like ChatGPT...

This reveals the larger model's "thinking", which the new model copies to deliver pretty good answers most of the time, using a fraction of hardware and energy...

University of Washington team distilled its own reasoning model from Google's Gemini in 26 minutes and \$50. BTW, Gemini has also been under attack from AI model distillers.

Distillation isn't always a bad thing. AI firms distill their own models for speed and efficiency regularly. As early as 2019, Google's BERT model was distilled as DistilBERT...

Vote Or Not. Your Choice

SC bats for compulsory voting. But the Constitution calls voting an entitlement. That can't be compulsory

Two years ago, about 65cr Indians voted in LS polls. That turnout was more than the populations of US and Indonesia—3rd and 4th most populous countries—combined...

mechanism to ensure that that people go and vote. We respectfully disagree. Voting in India has always been a right, never a duty or obligation of the citizen...

Countries like Australia have made voting compulsory. Not voting there draws a mild penalty of AU\$20. But India is different. Our main problem isn't that people don't want to vote...

Ruchir Sharma



After surging for years, the price of gold has entered the realm where storytelling drives its price. Breaking free of the fundamental forces that long explained its ups and downs...

Gold has long been seen as a safe haven because its price has kept pace with the rate of inflation for centuries, albeit punctuated by busts and booms. The booms tended to come in periods when real interest rates declined...

That pattern started to change in a material way in 2023. Real interest rates were high compared to the recent past and rising, and gold prices began to take off. The main driver was a huge increase in purchases by central banks...

Over the past year, the pace of central bank purchases has slowed down. Jewellery demand has plunged as consumers balk at the high prices. Instead, demand has exploded from investors in all the major markets...

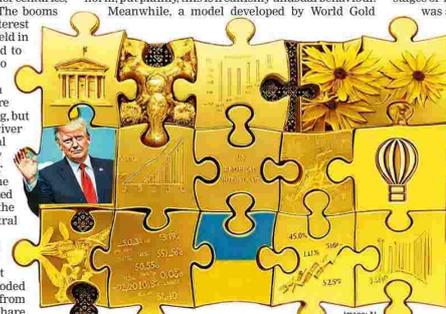
Over the past year, the pace of central bank purchases has slowed down. Jewellery demand has plunged as consumers balk at the high prices. Instead, demand has exploded from investors in all the major markets...

Council says the "phenomenal rise" of gold ETFs in India is inspiring a raft of new product offerings, which could help keep the boom alive this year. In short, gold is being driven largely by financial demand...

Relative to inflation, for example, the price of gold is now five standard deviations above its historical norm; put plainly, this is freakishly unusual behavior.

Meanwhile, a model developed by World Gold Council attributes more than 80% of gold's latest gains to "risk and uncertainty" or "residuals". That's another way of saying scary stories and "we have no idea."

The story gold bulls are telling is that the current state of the world evokes the backdrop of past gold super cycles—meaning long and strong bull markets like those of the 2000s and, especially, the 1970s. But inflation today is nowhere near the double-digit levels of the Jimmy Carter era...



In TN, It's Not Stars Or Slogans, It's The Everyday

If parties listen to voters, they'll know what Tamils want fixed: the water crisis, unemployment, education & NEET, and income security



As Tamil Nadu's assembly election approaches, the political script is the same old—Stalin's DMK in govt is sharpening its federal rights and social justice pitch; ADMK's trying to rebuild its organisation...

In this, Supreme Court has added an important dimension—noting govt cannot rely indefinitely on freebies while neglecting creation of sustainable employment. Not directed at any one state, but it resonated strongly in TN where welfare schemes have long been central to politics.

Water is perhaps TN's most urgent issue. Per capita water availability is about 750cu.m, less than half the national average of around 1,540cu.m. Reservoir levels swing sharply between monsoons, groundwater continues to fall, and tanker lines are a routine sight in cities...

Pressure. Closure of large units in recent years has affected supply chains. The Sterlite plant used to produce nearly 4L tonnes a year, about 35-40% of India's copper output. Since it shut down in 2016, India has turned into a net importer of copper...

global demand, forcing some small units to cut shifts or lay off hiring. The auto & auto-components sector, a backbone of the state economy, is also navigating a transition as the shift towards EVs has created uncertainty for component manufacturers who depend on traditional engine parts.

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When applied to the task of transmitting the material world into a channel for the divine purpose, which is to bring love, peace, happiness, beauty and spiritual perfection within the reach of all...

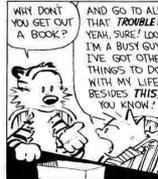
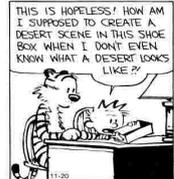
pressure. Closure of large units in recent years has affected supply chains. The Sterlite plant used to produce nearly 4L tonnes a year, about 35-40% of India's copper output. Since it shut down in 2016, India has turned into a net importer of copper...

global demand, forcing some small units to cut shifts or lay off hiring. The auto & auto-components sector, a backbone of the state economy, is also navigating a transition as the shift towards EVs has created uncertainty for component manufacturers who depend on traditional engine parts.

When applied to the task of transmitting the material world into a channel for the divine purpose, which is to bring love, peace, happiness, beauty and spiritual perfection within the reach of all...

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Calvin & Hobbes



Tree People

Depending on where we live, we are either coniferous or deciduous, except in reverse

Jug Suraiya



As winter yields to warm spring, which will become the furnace of summer, I look at the trees that front my house. Like almost all the trees in the plains of north India, these trees are deciduous, like the amaltas and the jacaranda.

Conifers, also called evergreens, like pines and firs, are generally found in cooler climates, and unlike the broad-leaved deciduous, their needle-shaped foliage is retained throughout the changing seasons.

It occurs to me that, depending on where we live, we are either like deciduous or coniferous trees, except in reverse. People like me who live on the north Indian plains, with their extreme swings of season, are deciduous in reverse and shed their leaves, or outer garments, of sweaters, and shawls, and jackets with the onset of the hot season, and mowball them away till the Earth's revolution around the Sun brings back the cold, and with it a complete change of wardrobe.

People who live in places like Chennai or Goa, where the year-long climate is pretty much the same, are like conifers and retain their sartorial leafage of kurta-pajamas, and T-shirts, and lungis no matter the calendar date.

Deciduous people convince themselves how boring it must be to have the same old, same old weather all the time, and wear the same old, same old clothes all year. What do people talk about if they can't complain about how hot or cold it is?

Coniferous people like to think what a waste of time, effort, and wardrobe space—where the hell did I put that damn pullover?—it must be to have to keep changing your clothes all the time. Like the grass which is always said to be greener on the other side, the branches of deciduous and coniferous are both cloaked in the green of mutual envy.

Avatar Meher Baba

The ways of impressionable many are as a rule emblematic of the attitude and behaviour of the influential few. In our age, these key figures in public life, with rare exceptions, glamorous exponents of materialism. Worldly man, in his limited vision, fancies something to be right; he then proceeds to make it right for other people of similar tendencies, and to declare it sacrosanct for those who share his concept of right differs from his. Such a life of arbitrary negation and uncritical imitation is not the life of the spirit; blind surrender to convention does not necessarily result in wise action; much less does it lead to perfection.

The life of the spirit has its basis in a true understanding of values and is governed by it. In the life of perfection action must be harmonious adjustment

between the material and spiritual aspects of life. This cannot be effected by granting equal importance to them. The spirit must and ever will have an inviolable priority over matter. This sovereignty is expressed not by avoiding or rejecting matter, but by making full use of it as an appropriate vehicle for the expression of the Spirit. There is no basic contradiction between current of mundane life and the life of the Spirit. Spiritually evolved do not disdain the objects of beauty or works of art; they do not disparage the noble achievements of science or scorn the constructive attainments of politics. Things of beauty become degraded when perverted into objects of craving, jealousy or exclusive possessiveness. Creations of art degenerate into mediums for the inflation of ego and breeding of human

frailties; triumphs of science are desecrated by man into instruments for mutual destruction; domestic and international chaos is aggravated and perpetuated for selfish ends. Rightly employed and invested with spirit, art has the power to enable and raise consciousness of man; attainments of science reveal their capacity to redeem mankind from unnecessary handicaps and suffering. Political action, transmuted by the alchemy of the spirit into statesmanship, can be instrumental in promoting true brotherhood of humanity. The life of the spirit is not expressed through ignoring worldly spheres of existence. It comes to full flowering

when applied to the task of transmitting the material world into a channel for the divine purpose, which is to bring love, peace, happiness, beauty and spiritual perfection within the reach of all. The life of the spirit finds its truest expression in all-inclusiveness, free from attachment, in appreciation untrammelled by entanglement. This cosmic pulse comes to ultimate fruition in spiritually perfect souls. They have the divine capacity to manifest supreme excellence in any phase of life that they deem necessary for spiritual quickening of other souls. If there is a lack of happiness or beauty or goodness in lives of those who come within the Master's orbit, these very deficiencies are transmitted by Him into opportunities to shew upon them His divine love and to redeem them from spiritual poverty. Today is the 132nd birth anniversary of Avatar Meher Baba

Sacredspace



Everything is Spirit—in essence, though hidden in manifestation. If you had the perception, you would see God in everything. Paramhansa Yogananda

Life Of Spirit Finds Expression In Inclusiveness



Editor's TAKE

India unveils its first anti-terror doctrine

By stressing preventive strategies such as de-radicalisation and community engagement, the doctrine reflects a more nuanced response to terrorism

India has been at the receiving end when it comes to terrorism and armed challenges from within and without. From cross-border terrorism in Jammu and Kashmir to bomb blasts in metros to the Mumbai terror attacks, India has endured enough. It has led to severe loss of property and lives, not to mention the trauma and fear experienced by common citizens.

Now, with the unveiling of its first comprehensive anti-terror doctrine, PRAHAAR, India is resetting its strategy to deal with terrorism. The policy seeks to bring coherence and strategic direction to India's counter-terror efforts.

PRAHAAR maps the full spectrum of risks confronting India: cross-border terrorism, cyber attacks, drone intrusions, radicalisation, terror financing through crypto channels, and potential attacks using CBRNED (Chemical, Biological, Radiological, Nuclear, Explosive and Digital) materials.

The doctrine is a clear break from the past, as it does not rely only on operational aspects but also focuses on nipping threats in the bud by addressing the issues that lead to terrorism and help terror networks find new recruits. It also mentions that terrorism has no religion or ethnic identity. It thereby emphasises community engagement and strategies to de-radicalise, which may go a long way in containing the menace of terrorism. It rightly acknowledges that the country has long faced "sponsored terrorism" from across the border, including threats from global outfits such as Al-Qaeda. The PRAHAAR doctrine perhaps should have come earlier.

For decades, India's counter-terror approach has been reactive and based on particular incidents rather than viewing the threat in totality. Besides, terrorism, like other challenges, has grown in sophistication and is now technology-driven rather than confined to bullets and bombs.

Terrorists now use sophisticated technologies such as encrypted messaging apps, the dark web and cryptocurrency wallets to obliterate their footprints, making them difficult to identify, let alone apprehend. Of late, drones are being used to drop arms and narcotics across borders, particularly in sensitive regions such as Punjab and Jammu and Kashmir. Terror networks are now collaborating with other outfits, smugglers and criminals to execute their operations.

In such a scenario, the country needed a doctrine that integrates land, sea, air and digital domains to deal effectively with terrorism. PRAHAAR also recognises that legal robustness is as crucial as operational capability. By recommending the involvement of legal experts from the stage of FIR registration to prosecution, it attempts to plug the chronic gap between arrests and convictions. Equally notable is the policy's emphasis on prevention. Radicalisation is addressed through graded police responses, de-radicalisation programmes, prison reforms, and engagement with community leaders, moderate preachers and NGOs. This shift is commendable; however, the effectiveness of this approach will depend on the manner in which it is implemented. Moreover, dedicated teams and adequate funding will be needed to make it an effective shield in practice, not just on paper.

PM Modi's inauguration strategy

By publicly linking promise to completion, the Prime Minister converts reputational risk into bureaucratic pressure, tightening the loop between announcement and delivery in a state long accustomed to fragmentation



VIDHU SHEKHAR

PM Modi's inauguration streak is well known. He inaugurates frequently and across scales, from railway stations and highways to housing clusters and redevelopment projects. Critics argue that this risks voter fatigue. More than that, it magnifies political exposure. When a Prime Minister associates himself with hundreds of projects, the likelihood that a single defect, delay or quality failure will reverberate nationally increases. Why concentrate reputational risk at the very top?

Defying political risk

In most political systems, leaders minimise exposure. They reserve landmark projects for themselves and delegate most other ribbon cuttings. They preserve distance from granular execution and retain plausible deniability. Narendra Modi appears to do the opposite.

The branding explanation is obvious: permanent campaigning, credit consolidation. Yet this reading is incomplete because it treats inaugurations as spectacle rather than as incentive design. The deeper question is structural. If exposure carries asymmetric downside, why persist? Why repeatedly link the highest office to assets whose execution cannot be personally supervised? The answer lies in his economics of governance.

A state built on diffused responsibility

India's execution challenge has rarely been a shortage of announcements. There has been a shortage of disciplined completion. Projects pass through ministries, state governments, regulators, public sector undertakings, consultants and contractors. Responsibility is widely distributed. Coordination is layered.

This constraint intensified as public capital expenditure expanded at a scale India had not previously attempted. Infrastructure spending as a share of GDP doubled over the past decade. In nominal terms, annual infrastructure outlays multiplied several times over.

The Economic Survey estimates the infrastructure investment multiplier at roughly 2.5 to 3. Every rupee of public capex can generate multiple rupees of output over time. But that multiplier fires only if the asset functions. Sanctioned funds do not produce growth. Completed infrastructure does. When allocations grow at this pace, the binding constraint shifts decisively from funding to execution. The Prime Minister cannot inspect every foundation or audit every tender file. He cannot eliminate discretion across thousands of decision nodes. But he must ensure that



THE ECONOMIC SURVEY ESTIMATES THE INFRASTRUCTURE INVESTMENT MULTIPLIER AT ROUGHLY 2.5 TO 3. EVERY RUPEE OF PUBLIC CAPEX CAN GENERATE MULTIPLE RUPEES OF OUTPUT OVER TIME. BUT THAT MULTIPLIER FIRES ONLY IF THE ASSET FUNCTIONS. SANCTIONED FUNDS DO NOT PRODUCE GROWTH

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rising public investment translates into functioning assets. In such a system, incentives must be deliberately engineered.

Taking political risk to make administrative pressure

Frequent Prime Minister-level inaugurations alter the payoff matrix inside the state. A project inaugurated quietly by a lower authority remains locally bounded. When the Prime Minister inaugurates the project, it carries national salience. If quality falters, or timelines slip, scrutiny widens. Media attention intensifies. Opposition attention intensifies. The expected cost of negligence rises.

Here, the strategy becomes clear. Political risk is not being avoided. It is rather concentrated. By attaching his office to a broad set of assets, the Prime Minister raises his own reputational exposure. That exposure becomes leverage. Officers and contractors internalise that failure will not remain buried in administrative silence.

The inauguration functions as a public commitment device, compressing accountability in a system long accustomed to diffused responsibility. There is also a time-binding dimension. Modi has repeatedly stated that he intends to inaugurate the projects whose foundation stones he lays.

In many political systems, foundation ceremonies generate immediate credit, while delays are quietly absorbed by future administrations. Linking the foundation to the inauguration narrows that escape route. The benefit of promising is no longer detached from the cost of delivering. Files move differently when completion is tied to visible expectation.

This visibility strategy is supported by institutional architecture. The PRAGATI platform, launched in 2015, institutionalised direct Prime Ministerial review of major infrastructure projects, bringing together central secretaries and state chief secretaries in a structured digital forum. As of 2026, PRAGATI has reviewed projects

worth over ₹85 lakh crore and resolved nearly 3,000 systemic bottlenecks. Complementing this, PM GatiShakti integrates geospatial data layers across ministries and states to reduce planning friction and coordination delays. These platforms constitute the administrative backbone that makes exposure credible rather than symbolic. The empirical record reflects this combination of fiscal scale and monitoring discipline. Highway construction accelerated sharply over the past decade. Rail electrification expanded to cover nearly the entire broad-gauge network. Metro networks multiplied across cities. Airport and port capacity rose while turnaround times fell. Train accident-related deaths declined significantly compared to the previous decade. These gains occurred alongside a massive expansion in project volume. The deeper contrast emerges when viewed historically. In the previous investment cycle, rising project pipelines coincided with stalled assets, banking stress and what was widely described as policy paralysis. Scale exposed institutional weakness.

In the current cycle, the project pipeline is far larger, yet a systemic execution freeze has not re-emerged at a comparable magnitude. Time overruns persist. Land acquisition and environmental constraints remain binding. But the system has absorbed scale without collapsing into gridlock. Visibility can compress the construction phase slack. It cannot repeal geography or regulatory complexity.

Yet the absence of systemic paralysis under unprecedented infrastructure expansion is not trivial. It suggests that execution elasticity has improved.

The long game of centralised accountability

Most leaders hedge exposure and retain distance from granular delivery. This model centralises credit and, inevitably, centralises blame.

By publicly committing to inaugurate what he initiates, the Prime Minister narrows his own room for retreat. That is a calculated wager that concentrated accountability strengthens delivery discipline.

Overexposure fatigue remains a political hazard. Governance, however, is not only about applause cycles. It is about incentive alignment within large institutions. In a vast federal state where coordination failure often diluted outcomes, pressure is scarce capital. Concentrated visibility creates pressure.

The economics of PM Modi's extensive inauguration streak is therefore not about ribbon cutting. It is about risk concentration as a tool of discipline. By accepting exposure, the Prime Minister tightens the loop between promise and delivery. Whether this model ultimately embeds higher standards beyond individual leadership will determine its durability. But the structural principle is clear.

In large systems, outcomes follow incentives. And incentives sharpen when someone at the top chooses to be seen.



A traffic police personnel signals a wooden tram built during World War II to mark the 153rd anniversary of the Calcutta tram service in Kolkata. PHOTO: PTI

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Mastering fortune through thoughts and actions



RAJYOGI BRAHMA KUMAR NIKUNJ JI

2ND OPINION

We all have good days and bad days. What amounts to a good day for one person may equate to someone else's bad day. When a person says that he is having bad days, what he generally means is either that some people are criticising him bitterly without fault on his part and are accusing him without any basis, or that whatever role he plays and whatever job he does turns into a complete failure and he flops. He does his best and yet success eludes or evades him. He loves some people and has good wishes for them, yet these people get estranged from him or turn into his enemies or rivals. He has not done any bad act and yet his mind is empty of peace and he feels that happiness is totally missing from his heart.

Those very people whom he had helped in their dire need have now turned their backs on him and show not even

a little concern for his well-being. There is no one even to encourage him or at least to utter a word of sympathy. On the other hand, the unashamedly point to his shortcomings, hilt hard at his weaknesses and try to open or scratch his wounds. A person who is having good days, when people easily help him, appreciate his work and qualities and like or love him, feels that there is happiness in relationships. He has stamina and good health and does not have to beg money from anyone but is fairly comfortable. He feels that people do not misbehave with him and that he generally meets success whatever the venture he embarks upon.

History is full of examples of kings becoming beggars or of ordinary men ascending to thrones. But what we need to remember is that the shift in our fortunes or the change in our days is brought about by the change that took place in the past in the quality of our own actions.

The change in days, some say, is due to a change in our stars, but even stars in the sky change due to the actions of souls which are also the stars now on earth. Remember, the whole of nature is influenced by our own actions and, therefore, we are the makers of our own fortune. We determine our own destiny.

So, basically, bad days are those days when a person has not thought or does bad actions, and good days are those when a person thinks good and does good.

We should also keep in mind, during days of stress and strain or tests and tribulations, that these difficult days will also change because everything in this world stays forever.

Since our bad days are a consequence of our actions, we cannot run away from them but must bear with them, whether happily or with a heavy heart. We have to adopt a posture, a strategy, a line of action or a plan to remain unaffected as we possibly can.

There is no use cursing our stars or accusing people of having left us or caused misery to us. On the other hand, we should take lessons from our tests and consider them as exercises in self-development or opportunities for crisis management. Also, when anyone is having good days, he should not boast of his wisdom, achievements, knowledge or circle of friends, because one never knows when one will be hauled up on live coals.

So, let us not be proud to the point of boasting, bragging or praising ourselves. Instead, we must always keep in mind that whether our days are good or bad, we should always be good in our actions, our state of mind, our dealings and relations with others, our attitudes and our responses to various situations. If we follow this process, we can turn even bad days into good ones. So, let us stop thinking about good or bad days and become masters of our own fortune.

The writer is a spiritual teacher and popular columnist

CARING FOR ALL BEINGS DURING HARSH SUMMER MONTHS

With the approach of summer, thoughtful preparation becomes essential to face rising temperatures responsibly. Extreme heat often leads to dehydration, heatstroke, power shortages and water scarcity. Families can take simple precautions such as storing clean drinking water, wearing light cotton clothing and avoiding outdoor work during peak afternoon hours. Children and the elderly require special attention, as they are more vulnerable to heat-related illnesses.

Keeping homes well ventilated, using curtains to block direct sunlight and planting trees around houses can naturally reduce indoor temperatures.

Community authorities must ensure uninterrupted water

supply, repair public taps and create shaded waiting areas in markets and at bus stops. Summer care should also extend beyond human needs.

Birds, stray dogs, cattle and other animals suffer silently when ponds dry up and shade becomes scarce.

Placing small bowls of water on balconies, terraces and outside homes can make a meaningful difference. Providing shaded resting spaces for pets and cattle, and avoiding the burning of waste in open areas, can reduce environmental stress. Farmers can dig small water pits near fields to support wildlife.

A compassionate approach during summer protects not only people but every living being sharing our environment.

SM JEEVA | CHENNAI

Kohli: India's big match pillar

Cricket is a team game where performance defines success. India-Pakistan matches always generate intense interest, drawing massive crowds and celebrity attention.

In the 2017 Champions Trophy final, expectations were high as India faced Pakistan, with many believing the outcome was predictable. Traditionally, India has enjoyed dominance in such high-pressure contests, mastering the art of winning crucial matches over decades. However, India's Super Eight performance was disappointing, with unexpected defeats against South Africa, West Indies and Zimbabwe. The team's inconsistency exposed a lack of application in key moments. Kohli has often delivered when it mattered most, combining elegance with aggression through remarkable stroke play and authoritative boundaries. His ability to perform under pressure remains invaluable.

Alongside him, Ravichandran Ashwin's composed bowling and tactical intelligence have provided stability in challenging situations.

Moments of brilliance from players like Kohli define great teams. His leadership and performance continue to remind fans why champions rise strongest during testing times.

JAYANTHY SUBRAMANIAM | MUMBAI

Discipline must temper harshness

Appropos the report "Teacher beats 32 students with a bamboo stick", it is unfortunate that some members of this noble profession are mired in controversy. Although the teacher has been arrested, the incident raises serious concerns about changing professional standards. Students are young and may not always behave perfectly. However, teachers are expected to maintain patience and uphold professional ethics. In earlier times, teachers commanded natural respect because they disciplined students with fairness and concern for their welfare.

Today, generational differences and pressures have altered classroom dynamics. Some younger teachers may lack the tolerance required to guide energetic students. Yet, resorting to physical punishment cannot be justified under any circumstances.

There are many effective methods of discipline based on understanding, counselling, and structured engagement. Teachers must be trained in these approaches through regular government programmes. The dignity of the teaching profession lies in guidance, not punishment. Even today, many educators remain widely respected because they inspire rather than intimidate.

GANAPATHI BHAT | AKOLA

PRAHAAR boosts security framework

The Government of India has unveiled its first National Counter Terrorism Policy and Strategy, named PRAHAAR. This arrives at a critical moment when the nation faces evolving security threats. The policy recognises terrorism across multiple domains, including cyber, land, maritime, aerial, and sleeper cell networks. The need for such a comprehensive strategy became particularly evident after the Pahalgam terror attack in 2025.

Sponsored terrorists, extremist groups, criminal hackers, and global outfits such as IS and Al-Qaeda continue to threaten India's sovereignty, citizens, economy, and critical infrastructure.

For years, India required a unified approach to counter these diverse challenges. The PRAHAAR framework aims to strengthen preparedness and coordination across security agencies.

While the policy has come later than expected, its introduction is nonetheless significant. It promises to enhance India's strategic capabilities in addressing terrorism from all fronts.

By integrating intelligence, technology, and operational response, PRAHAAR is expected to provide greater resilience against emerging threats.

KIRTI WADHAWAN | KANPUR

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Eating with sense: Old lessons for new times

Today, emerging research in nutrition and chronobiology increasingly echoes this insight, showing that meal timing, portion size and eating patterns deeply affect metabolism and overall health. This convergence invites us to revisit the Indian knowledge tradition, particularly Ayurveda, to understand its timeless guidance on the art and science of eating well

FIRST Column



VINAYAK RAJAT BHATA

Long before modern nutrition science, Caraka, the great Indian physician, reminded us that life stands on three simple pillars—*ahara* (food), *svapna* (sleep), and *brahmacharya* (self-discipline and the pursuit of knowledge). If any one of these is neglected, balance is lost. Among the three, food holds a special place, because it shapes the body every single day. What we eat, when we eat, and how we eat quietly influence our energy, mood, and long-term health. Interestingly, modern research is beginning to say much the same thing. A recent study by R Davis and others (2022) explains that eating at the wrong times can disturb the body's natural internal clock, affecting the way food is processed and stored. Many such studies now warn us that unhealthy eating practices can slowly disrupt the body from within. Food, therefore, is not merely a daily routine or a source of pleasure—it is a science that deserves care and awareness. In this article, we turn to the Indian Knowledge tradition to see what it has to say about food, eating habits, and the art of living well.

Healthy eating, according to the Indian Knowledge tradition, depends on *desa* (region), *kala* (time or season), and *prakriti* (one's natural constitution). This means that what suits one person may not suit another. Yet, alongside these individual considerations, there are some simple and universal principles of eating that anyone can follow in daily life. One such principle is beautifully expressed in a verse from Ksemakutubha of Ksemendra, a 10th-century text:

madhuram adhuramadau madhyato mlakabhavah katukaukamathane tiktaikantakathiva, yadi sukthaparivanam vanchasi tvam hi rajan tvaja khalajanasangam bhojanam ma kadaci.

Addressing a king, the verse explains that food should be eaten in a certain order—sweet tastes at the beginning, sour in the middle, and pungent and bitter towards the end. The poet draws a striking contrast: the company of a wicked king may bring you to 72 per cent of GDP, reflecting continuing fiscal pressures.



AYURVEDA RECOMMENDS BEGINNING THE MEAL WITH SOMETHING SWEET. THIS IS WHY, IN MANY PARTS OF INDIA, THE FIRST ITEM SERVED DURING A TRADITIONAL MEAL IS A SWEET

never be abandoned if it follows this very pattern.

This naturally raises a question—why should sweet foods be eaten first? Ayurveda offers a clear explanation. When a person is hungry, pitta, or digestive fire, is already strong. Sour, pungent, or spicy tastes are taken at this stage, pitta can become excessive. Sweet taste, however, has a calming effect and helps settle the digestive fire gently. If pitta is aggravated repeatedly, it may lead to problems such as acidity or gastritis, and in severe cases, serious health complications.

To avoid this, Ayurveda recommends beginning the meal with something sweet. This is why, in many parts of India, the first item served during a traditional meal is a sweet. Until recently, and even today in several regions, it has been customary to welcome a guest returning from long travel with jaggery or a sweet—an everyday practice quietly guided by deep dietary wisdom. Again this is a general norm. It might change based on the region, time/season or compendium of an individual.

When should we eat?

Ayurveda offers a simple yet practical answer: one should eat only when genuinely hungry. Hunger is seen as a sign that the digestive system is ready to

receive food. Along with this, Ayurveda also gives clear time-based guidelines to help maintain balance.

A classical verse explains this idea: *yamadye na bhoktavayam yamayumam na langhayet, yamadye rasodvego yugmetite balaksayah.*

In simple terms, the text advises that one should not eat again within about three hours of a meal, nor should one remain hungry for more than six hours. Eating too soon after a meal disturbs the digestion process, while waiting too long weakens the body and drains energy. For example, if someone eats a full lunch and then snacks again within an hour or two out of habit rather than hunger, the digestion of the earlier meal is interrupted. On the other hand, skipping meals

for long hours—such as working through the day without eating until late evening—often leads to fatigue, irritability, and low energy. Interestingly, modern nutrition science supports this balanced approach. Research in the field of chrononutrition shows that meal timing and regular eating intervals play a significant role in metabolism and overall health. Eating in alignment with the body's internal biological clock, rather than grazing frequently or delaying meals for long periods, has been linked to better digestion, improved

metabolic function, and healthier weight regulation. In this way, contemporary research quietly echoes Ayurveda's long-standing advice: good health depends not only on what we eat, but also on when and how regularly we eat.

How much should we eat?

Before answering how much to eat, Ayurveda first asks us to understand the nature of food. Broadly, food is classified into two types—*guru* (heavy) and *laghu* (light).

Guru foods are those that take longer to digest. They tend to cause a feeling of heaviness, increase body weight, but are also nourishing, strengthening, and growth-promoting when taken properly. *Laghu* foods, on the other hand, are light and easy to digest. They help reduce excess weight and even support healing, such as recovery from wounds or illness.

With this understanding, Vagbhata, the author of the *Astanga-Hridaya*, gives a clear and practical guideline: *matrasi sarvakalam syat matra hyagneh pravartika, matra dravyanyapeksante gurunyapi laghunyapi.* In simple words, one should eat in the right quantity, because proper

quantity keeps the digestive fire functioning well. Whether food is heavy or light, it becomes beneficial only when eaten in moderation. Ayurveda further explains what this moderation looks like in practice. Heavy foods should be eaten only to about half one's capacity, while light foods should not be eaten to the point of complete fullness. Eating too little weakens the body, reduces vitality, and can disturb *vata*, leading to various health problems. On the other hand, eating too much—regardless of the type of food—can aggravate all bodily imbalances and burden digestion.

Contemporary studies on portion size and digestion show that consistently overeating, even of "healthy" foods, strains the digestive system and is linked to problems such as obesity, insulin resistance, and chronic inflammation. On the other hand, eating very small portions or skipping meals for long periods can lead to fatigue, nutrient deficiencies, and loss of muscle mass.

Research on mindful and portion-controlled eating also shows better digestion, improved metabolic health, and greater satiety when people stop eating before they feel completely full—remarkably similar to the Ayurvedic advice given centuries ago. Repeatedly overeating, Ayurveda warns, leads to indigestion, which it considers the root cause of many diseases. The lesson is simple and timeless: good health depends not only on what we eat, but also on how much we eat and knowing when to stop.

Conclusion

The ideas presented here offer only a small glimpse into the vast and nuanced understanding of food found in the Indian Knowledge Systems tradition. Ayurveda does not view eating as a mechanical act or a set of rigid rules, but as a thoughtful practice guided by time, place, individual nature, and moderation. From what we eat, to when and how much we eat, these principles quietly emphasise balance, awareness, and respect for the body's natural rhythms. While modern research is now beginning to rediscover many of these insights, centuries-old Ayurvedic wisdom reminds us that healthy living often lies in simple, mindful choices. What has been shared here is only a beginning—an invitation to explore the larger wisdom of Ayurveda, which is understood not just as nourishment, but as a foundation of life itself.

The writer is a Senior Subject Matter Expert Vyoma Linguistics Labs Foundation, Bengaluru. Lead Guide, Bharat Ki Soch

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Ease of doing business in the alcohol sector: A key revenue lever for states



ABHISHEK JHA

KRISHNA V GIRI

The fiscal health of states remains a cornerstone for achieving sustained and inclusive economic growth and is central to realising the vision of Viksit Bharat by 2047. Among states' own tax revenues, excise duty emerges as the third-largest source, contributing nearly 17 per cent, after State GST and sales tax. This underscores the critical importance of efficient revenue mobilisation and optimisation at the state level. Persistent fiscal deficits compel states to rely on borrowings to finance expenditure. In FY25, states on average had budgeted borrowings amounting to 27.2 per cent of GDP, reflecting continuing fiscal pressures.

In this context, assessing the gross fiscal deficit as a proportion of GDP becomes particularly pertinent, as it highlights the structural challenges confronting state finances. Against this backdrop, optimising revenue from the alcohol and beverage (alco-bev) sector, which includes IMF (Indian Made Foreign Liquor) and beer, becomes indispensable for strengthening state finances and improving fiscal sustainability. India's alcoholic beverages industry sits at the intersection of politics, public health and public finance, but rarely at the intersection of reform. State excise on liquor is the third-largest source of own-tax revenue for states, and in several of them, alcohol accounts for more than a fifth of total tax collections. Yet, ease of doing business in this sector is an afterthought, constrained by archaic depot infrastructure, opaque pricing and regulatory fragmentation that treats each state as a separate country.

Alcohol is constitutionally a state subject, granting states full control over licensing, taxation and distribution. For the industry, this translates into operating across multiple and fragmented regulatory regimes. Given the relatively inelastic nature of alcohol demand, many states have relied heavily on frequent excise duty hikes to shore up revenues. However, these increases are often not accompanied by revisions in excise-duty prices or trade margins, compressing manufacturers' share to around 16-20 per cent of the retail price, while states appropriate nearly 80 per cent. While fiscally expedient in the short term, this skewed structure undermines long-term investment. Most large states operate a State Beverages Corporation (SBC) that monopolises wholesale distribution, controlling depots, logistics and supplies to retail vends. In theory, this

model improves tax control and reduces leakage; in practice, many SBC depots are decades old, with limited covered storage, rudimentary inventory management and very low truck-handling capacity. Day-long waiting times for unloading are common during peak seasons, locking up working capital in goods that are physically in the state but not available for sale.

Because unloading at the depot is a bigger bottleneck than loading at the distillery or bottling plant, unions and local associations often charge a premium for unloading services, denting margins. Where freight and handling charges are not transparently benchmarked or competitively tendered, these costs can easily exceed what a modern private warehouse would pay for faster, technology-enabled operations.

Basic ease-of-doing-business reform

Time-bound service standards at depots (maximum turnaround time per truck, with monitoring and penalties for breach).

Modernisation of depots with palletisation, dock levelers, handheld scanners and warehouse management systems. Competitive contracting of loading/unloading services through e-tenders, with clear ceilings on depot handling charges and prohibition of exclusive union monopolies.

Some states have experimented with limited private-sector participation in logistics, but there is no systematic benchmarking of depot performance or public reporting of turnaround times.

Despite the centrality of excise to state finances, very few states run regular, institutionalised price-revision committees that consider cost inflation, compliance costs and duties and fees are tweaked frequently, often at the time of the state budget, while ex-distillery prices and trade margins are kept frozen for long stretches, eroding profitability. This asymmetry encourages short-term behaviour: companies aggressively chase volume in high-tax states without commensurate investment in responsible retailing or brand building, while states focus on headline revenue rather than long-term elasticity, illicit trade or tourism potential.

MRP changes, labels and extra neutral alcohol

Ease of doing business in alco-bev is not only about tax rates; it is also about the micro-frictions that accumulate along the way. Frequent changes to label requirements, sticker formats or cap engravings, without adequate transition windows, can render existing inventory unsaleable overnight. This is particularly damaging in a supply chain where product moves from distillery to depot to retail over weeks, and where the manufacturer's margin is already thin.

States may adopt a minimum implementation window for packaging or MRP-related changes—say three months—combined with digital

approvals so that old and new stock can coexist during a defined phase-out period.

A few progressive states have started digitised excise portals for label approvals, production permissions and duty payments, significantly cutting down manual file movement. Scaling such systems across the board, with standard APIs for integration with company ERPs, would reduce disputes and speed up reconciliation.

There is a need for new AI-based technology to streamline this end-to-end supply chain, rather than relying on age-old ERP systems which primarily focus on inventory management. ENA policy is another neglected area. Recent clarifications that ENA used for beverage alcohol is outside GST from November 2024 simplify the tax structure but also highlight the need for clear state-level rules on ENA reusability and disposal. Where finished goods or ENA become unsaleable due to regulatory or market reasons, states should spell out protocols for denaturing, industrial diversion or safe destruction, rather than leaving companies in a grey zone that invites litigation or informal settlements.

Cleaning up belt outlets

Retail design in many states has evolved unevenly, resulting in dense "belt" clusters of liquor outlets and large underserved areas. This distortion encourages informal coordination between eateries and select vends, diversion of stock, and the proliferation of local belt brands and illicit liquor—posing serious public health risks, fueling corruption and leading to avoidable fatalities.

Technology and AI can address these challenges through blockchain traceability, IoT logistics monitoring, anomaly detection and digital excise stamps, enabling real-time supply chain visibility and curbing ENA diversion, counterfeit liquor and illegal retail outlets.

AI-powered predictive analytics and automated compliance audits can further shift excise enforcement from reactive policing to proactive, risk-based regulation, improving transparency, public safety and revenue integrity.

Equally important is a regulatory approach that respects transition windows for MRPs and labels, clearly defines ENA usage and disposal norms, and uses data to rationalise retail outlet placement. Evidence from reform-oriented states shows that simplifying procedures and improving governance can enhance efficiency without compromising revenue. With demand largely inelastic and the state already the primary beneficiary of alcohol sales, the focus must shift from extracting higher taxes to restoring efficiency, transparency and accountability in the system.

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Anganwadis: Need to keep it above votebank politics



SWAPNA MAJUMDAR

On the morning of February 2, 2026, Kanchan Bai Meghwal arrived early at the anganwadi centre (AWC) in Neemuch district's Ranpur village in Madhya Pradesh. Her self-help group, of which she was president, was in charge of preparing midday meals for the children at the AWC and it was her turn to cook that day.

While working, she saw a swarm of bees heading towards the children. Instinctively, Meghwal rushed out and shielded the children with tarpaulin sheets while positioning herself in front of them and facing the brunt of the attack. While this courageous act saved 20 children, the innumerable bee stings she suffered in the process proved fatal.

Some months prior to this incident, in the neighbouring state of Odisha, the engagement of Sharmista Sethy, a Dalit woman, as anganwadi helper at the AWC in the state's Nuagaon village in Kendrapada district enraged upper-caste communities to such an extent that they stopped sending their children there. They did not want their children to eat meals prepared by a Dalit woman. Even pregnant and lactating women, who also visit the anganwadi for their take-home rations, refused to go. Sethy's plight was spotlighted after newspapers reported the reason for the three-month boycott of the anganwadi centre. It required the matter to be raised in Parliament, mediated in by state departments, and a minister to eat the meal prepared by Sethy at the anganwadi before matters could be resolved. Last week, the children returned to the AWC.

Incidentally, Meghwal also belonged to the Dalit community. Is this fact important? Yes, because had Meghwal seen herself only as a Dalit and an untouchable, she may have thought twice before sacrificing her life for the children. Had she done so, she would probably have been alive today. Maybe she should have. As the sole breadwinner of the family, her act of selflessness left her paralysed husband and her young children rulerless.

However, thanks to the media attention Meghwal's case received, the state government announced financial assistance of ₹4 lakh to her kin and an undertaking to bear the expenses of her children's education. Now, it remains to be seen whether all these promises are met once the media glare fades. Unfortunately, cases of caste discrimination like the one in Odisha are not the first of their kind.



Caste prejudice is entrenched across the length and breadth of India. A 2012 study by the Institute of Human Development found that caste prejudices in Bihar's villages were adversely affecting children in anganwadis.

Last year, upper-caste families stopped their children from going to the AWC in Bidar, Karnataka, to protest against the appointment of Milana Bai, a Dalit helper. Instead of resolving the issue, the Child Development Project Officer (CDPO) asked Milana Bai to look for another job. It was only after district officials intervened that the impasse was somehow resolved. Anganwadi centres are part of the Ministry of Women and Child Development's flagship Integrated Child Development Scheme (ICDS). There are about 14 lakh AWCs across the country, with the implementation of ICDS, including recruitment of anganwadi workers and helpers, resting with states.

Recognising the important role AWCs play in the cognitive and nutritional development of a child, the central government has increased investments to modernise AWCs in the country to become 'Saksham Anganwadis' incorporating technology to make them 'smart'.

Under the Mission Saksham Anganwadi & Poshan 2.0 initiative, the government has allocated ₹21,960 crore for 2025-26 to make anganwadi centres digitally smart but has not, in parallel, given equal priority to eliminating caste prejudices that undermine the purpose of AWCs. Crucial to combating caste-based injustices is strengthening the implementation of anti-discrimination laws and policies, such as the Scheduled Castes and Scheduled Tribes (Prevention of Atrocities) Act, and ensuring timely justice for victims of caste-based discrimination. But implementation is, more often than not, weak.

Casteism is so inextricably intertwined with all spheres of life, including politics, that it is more rewarding to exploit caste loyalties for electoral gains than to double efforts to end it.

Anganwadi lay the foundation for the physical, psychological and emotional development of the child and must be kept above vote-bank and caste politics.

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The Tribune

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Tejas woes

Wake-up call for India's aerospace ecosystem

THE entire fleet of Tejas fighter jets has come under scrutiny after the February 7 mishap in which an aircraft overshot the runway at a front-line airbase. Hindustan Aeronautics Limited (HAL) has described it simply as a "minor technical incident", but the very fact that the Indian Air Force (IAF) has ordered exhaustive checks — covering metallurgy, braking systems and onboard software — shows this is not a routine matter. It's apparent that India's indigenous fighter programme is at a critical inflection point.

Grounding an entire fleet is a sign of caution as well as vulnerability. The Tejas, inducted in 2016 to replace ageing MiG-21s, was meant to showcase India's technological self-reliance in defence manufacturing. Yet this is the third accident in less than two years. A fighter jet crashed near Jaisalmer in March 2024; there was no fatality as the pilot ejected safely. In November 2025, a pilot lost his life after the Tejas he was flying went down during the Dubai Airshow. At a time when the IAF's squadron strength has fallen well below the sanctioned 42, even a temporary grounding hampers operational readiness. The delivery of Tejas Mk-1A light combat aircraft — 180 of which have been ordered so far — is running way behind schedule, largely due to engine supply constraints. Moreover, India is banking on France for 114 Rafale jets — an acknowledgment that indigenous capacity alone cannot bridge the gap anytime soon.

It has taken the Tejas project decades to come this far. There is no room for complacency. Attempts to downplay mishaps cannot eclipse the need for rigorous accountability and transparency. If India's quest to build a self-reliant aerospace ecosystem is to succeed, the latest setback must be treated as an opportunity to ensure timely delivery, tighten quality control and rebuild trust between manufacturers and operators. The future of indigenous air power depends on it.

Sans principals

Fill posts in HP schools to safeguard standards

NEARLY 800 senior secondary schools in Himachal Pradesh are functioning without regular principals. This is a sign of administrative drift in a state already struggling with fiscal stress. In the absence of stable leadership in schools, academic standards, regulatory compliance and institutional credibility face risk. The crisis cannot be viewed in isolation. Himachal's fiscal health is fragile. With mounting debt and limited revenue sources, the state's dependence on Central transfers has long been evident. This year, it is unlikely to receive the Rs 6,000 crore in revenue deficit grants (RDG) it had counted on, tightening the budgetary squeeze. But financial distress cannot become an excuse for governance paralysis. Filling sanctioned leadership posts is not an optional reform; it is a basic responsibility.

The timing makes the vacancies more damaging. Many government schools are seeking or maintaining CBSE affiliation. It is a compliance-heavy process, requiring constant oversight — from infrastructure certification to inspection responses. A regular principal anchors this ecosystem. Without one, documentation falters, accountability weakens and the risk of conditional affiliations or showcase notices rises. The government has attempted to rationalise schools with low enrolment through cluster models over the past two years. Without full-time principals, such restructuring risks becoming an exercise in consolidation without quality control. Structural reform cannot succeed if the leadership spine is missing.

Beyond compliance lies the deeper cost to students. Principals monitor syllabus completion, board exam readiness and teacher performance. Acting heads, burdened with dual roles, cannot provide sustained academic direction. The result is fragmented planning and declining morale. Himachal Pradesh has long been praised for its educational achievements. That reputation is now threatened by inertia. Administrative caution about mid-session disruption rings hollow when vacancies stretch endlessly. Students cannot be made collateral damage in that stalemate. Swift appointments are essential to protect their future.

ON THIS DAY...100 YEARS AGO

The Tribune.

THE TRIBUNE, THURSDAY, FEBRUARY 25, 1926

Democracy or communal raj?

WE have said that Bipin Chandra Pal laid down an unchallengeable, in fact, a generally accepted proposition when in his recent address on the present political situation in India he defined self-government or Swaraj as the government of the country by the people as a whole, and not by any sect, class or community. The difficulty arises only when he tells us in the same breath, as he did in his lecture on Hindu-Muslim unity, that in a democratic State, the minority must be controlled in civic and political matters by the majority, that the majority rule is the rule of democracy, that a minority must reconcile and accommodate itself to the majority in political and civic life, and that, therefore, both in Punjab and Bengal where Hindus are in a numerical minority they must accommodate themselves to the Muslim majority and accept the majority rule in the spirit of sportsman. No part of any of Pal's speeches at Lahore has given such a rude shock to the better and saner mind of the province than this passage. No other part betrays in such a full measure that "hopeless confusion of thought", of the wide prevalence of which Pal rightly complained in his political address. Let us put a question to Pal. How does he reconcile this statement with his definition of Swaraj as a form and system of government in which the whole people, and not any particular sect or class or community, are supreme? Would not the Muslim in Bengal, Punjab and the North West Frontier Province and the Hindu in the rest of India be supreme, if his idea of majority rule were to pass muster?

India's AI road dotted with challenges

Ambitions must be tempered by inescapable realities such as energy poverty and water stress

SHYAM SARAN
FORMER FOREIGN SECRETARY

INDIA has every reason to be proud of the success of the AI Impact Summit. This was the fourth in a series of summits which began at Bletchley Park (UK) in November 2023, followed by Seoul in May 2024 and Paris in February 2025. While the focus of the first two summits was on AI safety and risk management, the Paris and Delhi summits shifted the emphasis decidedly towards a more positive and forward-looking narrative.

If the Paris conference billed itself as the AI Action Summit, the Delhi meeting went further to brand itself as the AI Impact Summit. The Paris event was co-hosted by French President Emmanuel Macron and Prime Minister Narendra Modi, while the Delhi summit had Macron as a principal guest who delivered the keynote address. This was solely India's show, marking the first instance of a country from the Global South hosting such a summit.

While there were several heads of state/governments in attendance, the AI superpowers — the US and China — were decidedly under-represented. The US delegation was led by Michael Kratsios, Assistant to the President and Director of White House Office of Science and Technology. He is said to be the AI czar in the Trump administration. China was represented by its Vice Minister of Science and Technology, Chen Jiacheng. In Paris, the US was represented by Vice President JD Vance and China by Vice Premier Zhang Guoqing.

However, the US was over-represented by its high-tech industry giants, including Sam Altman of OpenAI, Dario Amodei of Anthropic, Demis Hassabis of



BIG STRIDE: The Delhi summit has established India as a significant and aspiring AI power. PTI

Google DeepMind and Sundar Pichai of Google/Alphabet.

The summit was part policy forum, part technology and trade exposition, with countries as well as companies showcasing their capabilities and products. For the large number of Indians visiting the sprawling venue of Bharat Mandapam, this was a rare and welcome exposure to frontier technologies and their promise for economic and social development. It was also an opportunity for Indian companies to display their mastery of high technology, though the unfortunate instance of Galgotias University passing off a Chinese-built robot as its own was a disastrous public relations snafu.

While the Paris Declaration (2025) was rejected by the US and the UK, reportedly because it emphasised global and inclusive governance and neglected national security concerns, the New Delhi Declaration was a consensus document endorsed by the UK and the US. This required some creative drafting. The declaration emphasised "democratic diffusion" rather than inclusivity. The reference to Global AI Impact Commons suggested the need for norms but avoided any reference to multilateral norm-setting or global governance.

The India AI summit was part policy forum, part technology and trade exposition.

The United Nations was ignored. This may have kept the US on board, but may pose a challenge for India going forward. For a developing country like India, multilateralism and global governance are indispensable principles in dealing with challenges which are cross-border, cross-domain and truly global in dimension. AI is precisely such a challenge. It is a general-purpose technology of immense power and promise. Its domination by just one or

two nations will limit the agency of developing countries.

A visit to various stalls at the summit was inspiring in many ways. One witnessed many creative applications of AI geared to India's specific developmental needs. They offered solutions at the grassroots level and in a form and language that could be tailored to the communities being served. There was an AI-assisted optical scan which could provide almost instant data on several vital health indicators. Or AI-enabled tablets which can store all textbooks that a child takes to school and enable learning through text and visuals.

A demonstration of the use of AI in healthcare and education was the most impressive. It was also inspiring to see young Indians explaining complex technologies and applications with confidence and enthusiasm. If our older generation is fearful of the significant risks that AI clearly entails, this generation is excited by its promise and embraces it boldly.

There is no doubt that the summit established India as a significant and aspiring AI power. While PM Modi did sound a cautionary note about the importance of safety, the emphasis was clearly on making India one of

the leading AI powers. The summit presented this goal as an exciting and rewarding forward trajectory. But the challenges and constraints are sobering.

AI depends upon immense data-crunching capacity which comes from high-end Graphics Processing Units (GPUs). The US is estimated to have 1.5 million GPUs in operation, with a target of three million over the next few years. China has half a million GPUs, with a target of 800,000. India has only 38,000, with a target of 100,000 by the end of this year. The whole of Africa has only 1,000 GPUs.

PM Modi announced at the summit that India aspired to become the data centre for the world. But data centres require a huge scale of power and large quantities of water for cooling. A 100-megawatt (MW) AI data centre can use up to 1.9 million litres of water per day — roughly what a small city consumes.

Currently, India has 1.5-1.7 gigawatts (GW) capacity of data centres, with a target of 8 GW by 2030. The corresponding capacity of China and the US is 7.5-9 GW and 14-16 GW, respectively. Their target is 12 GW (China) and 25 GW (US) by 2030.

Given the scale and variability of power consumption, grid power is not always the best source of electricity. Most data centres are setting for captive power and exploring small modular nuclear reactors as the solution. For India, an energy-poor country, with electricity consumption per capita lower than the global average, AI plans must not be at the cost of efforts to reduce and eliminate energy poverty. Diversion of power for catering to ambitious AI plans would be counter-productive.

The same argument applies to water availability. Water security is already a growing challenge and the volume of water required for even a modest AI plan may expand economic inequalities and spawn undesirable social and political consequences. India's AI ambitions must be tempered by these inescapable realities and should be harnessed to removing these constraints.

THOUGHT FOR THE DAY

The resentment of the white-collar worker is going to lead to the train wreck of AI. —Nandan Nilekani

Suez, Panama and a flood of memories

LJ SINGH

DURING my service in the Merchant Navy, I was awestruck by two great man-made waterways of the world — the Suez Canal and the Panama Canal. No one connected with ships or maritime trade can ignore their importance.

The Suez Canal links the Red Sea with the Mediterranean Sea, shortening the distance between the Arabian Sea and the Atlantic/Mediterranean by thousands of miles. The Panama Canal connects the Atlantic and Pacific Oceans, saving enormous sailing time and operating costs. For global trade, these canals represent efficiency, economy and strategic advantage. For me, however, they also hold cherished memories.

I joined the Merchant Navy with India's pioneering shipping company, Scindia Navigation Company Ltd, shortly after my marriage. One day, while my ship was transiting the Suez Canal, I received a letter from home with the joyous news of my first son's birth.

Four years later, when I was serving as First Engineer, second in rank only to the Chief Engineer, I was informed about the birth of my second son. From the date and time mentioned in the letter, I realised that I had been passing through the Panama Canal. It did not end there. Years later, after I became Chief Engineer, I was permitted to take my wife and elder son along on a voyage from Bombay to European ports. Once again, our passage was through the Suez Canal. Later, when my wife joined me with our younger son on a voyage to the West Coast of the US, we discharged cargo and were instructed to proceed to the East Coast to load cargo for Indian ports. Inevitably, we found ourselves transiting the Panama Canal — this time with the very son whose birth I had first learned about while passing through those waters.

When I shared this anecdote with a friend, he jokingly suggested that I should have named my sons "Suez Singh" and "Panama Singh." Even today, I smile at the thought. Had I truly given them those names, how might they have reacted after they had established themselves in their careers?

My elder son became an Acting Chief Engineer in the Merchant Navy before he had to leave service after being declared medically unfit following an accident at sea. My younger son, an IIT graduate, is now a professor at Guru Nanak Dev University, Amritsar. They would certainly have objected to such unusual names — and perhaps even legally changed them! Instead, they bear the names their late mother lovingly chose: Arindar Lal Singh and Maninder Lal Singh, each carrying a part of my own name.

I often revisit those long-forgotten memories — especially after the recent demise of my life companion of nearly seven decades. I recall how furious she was when I told her about my friend's suggestion on our sons' names. Bedridden at the time, she tried to get up — just to scold me.

The writer is a retired Chief Engineer, Merchant Navy
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LETTERS TO THE EDITOR

Deterrence must replace impunity

Apropos of 'The brat pack must be reined in', in the present socio-economic scenario — where influential and affluent families hold so much power and pelf — it seems impractical to restrain spoilt brats. We appear to be living in an era where a parallel system operates through the unholy nexus of sections of the police, the political class and the powerful elite. In such circumstances, enforcement becomes selective and accountability elusive. The only effective remedy lies in breaking this chain and ensuring swift, impartial and exemplary punishment — regardless of status or wealth. Only then can deterrence replace impunity.

VK ANAND, CHANDIGARH

Creativity vital in varsities

With reference to 'Reclaiming intellectual freedom on varsity campuses': Indian universities are losing their creative vitality because of a repressive environment. Controlled curricula, political interference, censorship, intimidation of faculty and students, funding cuts and restrictions on dissent and research on sensitive topics are playing spoilsport. Right-wing movements, market-driven reforms and the rise of AI are undermining academic freedom and independent thought. The result is democratic backsliding, brain drain, political polarisation, social disharmony, stunted intellectual and moral growth of students and poor policy-making. Radical reforms in political, administrative and legal mechanisms will promote independent scholarship and critical inquiry — an essential pre-requisite to realise the vision of the National Education Policy (NEP), 2020.

DS KANG, HOSHARPUR

Uphold true spirit of NEP

Refer to 'Reclaiming intellectual freedom on varsity campuses': the writer rightly highlights how excessive bureaucratisation and ranking-driven policies are weakening India's higher education system. Universities must remain spaces of free inquiry, interdisciplinary learning and critical thinking. Policymakers should protect academic autonomy and uphold the true spirit of NEP 2020 to nurture socially responsible and innovative citizens.

PARVINDER SINGH, MOHALI

Ordinary citizens must speak up

Apropos of 'Racial prejudice'; biased behaviour and opinion strikes at the idea of India as an inclusive nation. Laws exist to address hate speech and discrimination, but enforcement is weak. The police must act promptly with sensitivity. Educational institutions and workplaces must conduct awareness programmes that promote cultural understanding. Resident welfare associations can play a constructive role in building neighbourly trust. Political leaders must avoid rhetoric that deepens divisions. Ordinary citizens should speak up when they witness prejudice. Respecting diversity is not a slogan; it is a responsibility.

MVLISAMI, COIMBATORE (TN)

Replacement cost of homemaker

Refer to 'Unfair on housewife to be called 'idle': HC'. From dawn until late night, a wife functions as a manager, chef, nurse and educator. Her relentless work — cooking, cleaning and tutoring children — forms the invisible structure that enables the earning spouse to focus entirely on career. Economically, her labour carries a massive 'replacement cost'; hiring professionals for multifarious roles would be financially draining. By acknowledging that domestic labour contributes significantly to the GDP the court has validated that a wife's dedication is an investment in the family's future, not an act of dependence. We must stop equating non-employment with idleness and start valuing the emotional and economic backbone of an Indian household.

RAMPHAL KATARIA, KURUKSHETRA

Domestic work's economic value

The Delhi High Court's ruling that a homemaker cannot be termed 'idle' is a powerful affirmation of a woman's dignity. The court has recognised that unpaid domestic work has economic value. Running a household and raising children is a full-time responsibility, often more demanding than paid employment. In India's patriarchal setting, many educated women are forced to leave careers after marriage and are later abandoned without adequate maintenance, which must ensure a life of dignity, not token survival.

RS NARULA, PATIALA

Universities in the age of branding



AVJIT PATHAK
SOCIOLOGIST

BELIEVE me, I was not surprised when I came to know of the controversy that a professor of Galgotias University created in the recent India AI Impact Summit held in the national capital. Yes, Professor Neha Singh did not feel the slightest hesitation in making a false claim for demonstrating the 'achievement' of her university.

Yes, we all saw how she told the state-run broadcaster DD News — and, that too, with the kind of 'smartness' we find amongst sophisticated salespeople the corporate enterprises hire to sell their products — that the robotic dog named 'Orion' was developed at the university's Centre of Excellence, whereas the harsh truth is that this robot has been invented by the Chinese robotics company, 'Unitree', and it is sold online in India.

I am not surprised because the very ideal of a university our generation cherished has crumbled. A university, we thought, ought to be known for engaged pedagogy and meaningful research, criti-

cal thinking and moral sensibilities, and, above all, the dignity of the vocation of teaching. A university, we believed, is a space qualitatively different from a business enterprise, a shopping mall or an advertising agency.

But then, we live in altogether different times. As the market-driven neoliberal instrumental rationality begins to colonise the academic space, education becomes pure business, critical thinking is sacrificed, a student becomes a consumer and a teacher plays the role of a service provider.

No wonder, a university, too, begins to sell its 'brand' value — the way a company sells detergent powder and makes all sorts of false or exaggerated claims about the benefits of the product it sells. In fact, robotics, data science, artificial intelligence — these are fancy 'products' the neoliberal university seeks to sell through strategic advertising and exaggerated claims.

Hence why should you and I be surprised if a university makes a false claim about its achievements in the domain of artificial intelligence? In a way, I do not blame Prof Neha Singh because she is, after all, a product of a culture that reduces a university into a profit-making business, a professor into a public relations agent and a student or a parent into a potential customer.

Even though Galgotias



BELIEF: A university is qualitatively different from a business enterprise. TRIBUNE PHOTO

University is in the news now, the fact is that this act of selling a university as a 'brand' is the new normal.

And this sort of naked commodification of education has been further exaggerated by what I would regard as the politics of 'ranking'.

Look at the billboards or the gorgeous ads in glossy magazines and newspapers, and you can easily notice how all these institutions are projected as 'top ranking universities'.

And there is no dearth of ranking agencies that are continually hired and invited by these universities. And the carefully curated

images of these universities are often filled with all sorts of exaggerated claims about their achievements and, above all, the 'packages' their 'products' receive from, say, Google, Infosys, Wipro, Amazon and so on and so forth.

I do not know whether I would laugh or cry when I see a university selling itself as a 'shop' through a gorgeous ad of this kind: 'The university has achieved yet another milestone in the QS World University Rankings: Asia 2026, where it has been placed at 116 in Southern Asia and 454 across Asia... 88% placed in top companies; 5.4

Indeed, what the professor of Galgotias University did reveals that it is not easy for a copycat nation to become original.

LPA Average Package; and 1.5 crore Highest Package."

In an environment of this kind, a professor cannot afford to be a seeker of truth; she/he, too, has to make false or exaggerated claims about the 'brand' value of the university that has hired him/her. Yes, I understand Prof Neha Singh's psychic bewilderment.

Moreover, in order to survive, all these education shops have to continually satisfy the ruling regime. Don't forget that Galgotias University, as reports suggest, bagged a booth bigger than the one four IITs combined received in the exhibition space.

And particularly when we are told that India as a 'vishvaguru' should not lag behind in artificial intelligence — the latest brand of techno-utopianism the corporate billionaires are eager to sell — Galgotias University possibly crossed all limits to satisfy the ruling regime and, paradoxically, caused embarrassment to the government. Truly, it is a sad commentary on the state of politics and education in the country.

Likewise, this neurotic desire to project, say, a Chinese robotic dog as an Indian invention also reveals how we never feel ashamed of transforming India into a copycat nation. Possibly, we have not yet succeeded in decolonising our consciousness.

Even in post-Independent

India, the 'developed' West continues to exist as our positive reference point.

For instance, instead of sharpening our own distinctive academic culture and building our institutions, which are confident and in tune with the local needs and challenges, we continue to look at Oxford, Cambridge, Harvard or Princeton as our role models.

It truly saddens me when I see a good college/university in India is regarded as the 'Oxford' of the East! Moreover, we love to imitate European/American fashions; it is not uncommon to see Bollywood producers and directors copying successful western movies, and, as it is said, most of our technological/business innovations are Chinese or western adaptations rather than original creations. Will it be entirely wrong to say that Flipkart is a poor copy of Amazon, or Zomato is mimicking DoorDash?

And this copy-paste culture, every insider knows, is quite common in the academic circuit — the way research papers are manufactured, and, say, in humanities and social sciences, everybody begins to imitate the vocabulary of Judith Butler and Michel Foucault.

Indeed, what the professor of Galgotias University did reveals that it is not easy for a copycat nation to become original.

India's Iran dilemma deepens amid war talk



MANOJ JOSHI
DISTINGUISHED FELLOW,
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FOUNDATION, NEW DELHI

THE theocratic regime in Iran is a cruel and oppressive one, which has maintained itself in power via the Islamic Revolutionary Guards Corps and the Basij militia. Its recent crackdown, when thousands of people are believed to have been killed, indicates how little it cares about its citizens.

But does the US have any right to overthrow the Iranian regime and dictate policy to it? The Trump regime has also shown signs of authoritarianism, but does anyone have the right to oust it by force?

As for the nuclear issue, Trump himself claimed that the US had destroyed the Iranian nuclear programme in its attack in 2024. So, what is so urgent and threatening that the US is readying for war against Iran?

The US has now amassed a huge force in West Asia: Hundreds of warplanes, two air-

craft carrier battle groups comprising 35 warships, 50,000 ground troops, in addition to 200 Israeli warplanes. One difference between now and 2003, when Iraq was the target, is that NATO and the EU are not a part of it.

Even the closest US ally, the UK, has refused to participate and asked the US not to use its base in Diego Garcia. Saudi Arabia and the UAE have also refused to allow the US to use their territory for attacks on Iran.

Such a force, let us be clear, cannot by itself bring about a regime change. Sure, it can bomb Iran at will and bring huge damage. But to effect a regime change, the US would need to commit troops on the ground and it is clearly not prepared for that. It may be hoping to trigger an uprising, but that card has already been played last year and is spent.

Iran is not entirely defenceless. The Iranian air defence system has been systematically upgraded with new hardware, new missiles have been added to the arsenal and the whole system de-centralised. It already has a vast arsenal of hypersonic and other ballistic missiles and their targeting could have been enhanced with Chinese space assets. Iran has also threatened to close the Strait of Hormuz through which 20-25% of global oil trade passes.

So, a war will result in



PREP: USS Gerald R. Ford aircraft carrier arrives at Souda Bay on the island of Crete, Greece. REUTERS

destruction in Iran, but also exact a toll on the US, Israel and places like Qatar, the UAE and Oman, where the US bases are located. A disruption of the oil trade could impact the wider world. Possibly, the Houthis allies of Iran could make shipping difficult in the Red Sea, affecting the traffic to and from the Suez Canal.

Just what the American goals are is difficult to fathom. In the case of Iraq in 2003, the US falsely claimed that Iraq had nuclear weapons that threatened the

US. The US had no explicit UN sanction to attack Iraq and neither does it have one now for Iran. Under the UN Charter either self-defence or an explicit resolution can justify an attack.

What did happen in September 2025 was that under the 'snapback' provision, previous UN sanctions were reimposed, but these only included a ban on uranium enrichment and restrictions on ballistic missile activities. But the mechanism did not include legal permission for the US to attack.

The Joint Comprehensive Plan of Action (JCPOA) that placed verifiable restrictions on the Iranian nuclear programme was formally backed by the UN Security Council Resolution 2231 (2015) that endorsed the nuclear deal and incorporated snapback mechanism if Iran violated its commitments, which Iran has done.

But the US had trashed the JCPOA and is now acting on its own to bring Iran's nuclear programme to heel. The only authority it seems to have is its military power. And it is being egged on by Israel to exercise it. Note that Israel itself has an arsenal of around 60 nuclear weapons.

The developments highlight the continuing Indian dilemma in relation to Iran. For India, Iran is the closest and cheapest source of hydrocarbons. It is also the landmass through which India had hoped to develop multi-modal trade corridors to Afghanistan, Central Asia and Europe and invested in developing a port in Chabahar.

The country is a technological powerhouse that can make and launch satellites. It offers opportunities for Indian business to invest in a range of areas — from oil and gas to steel — as well as for trade in agricultural commodities, machinery and pharmaceuticals.

All this has come to naught on account of the US imperial policy of wanting to decide what is good for other countries and using force to get its way. It began with blocking the India-Pakistan-Iran gas pipeline project in 2008. This was followed by coercing New Delhi to stop importing Iranian oil in 2019. It has now extended to abandoning its long effort to develop the Chabahar port.

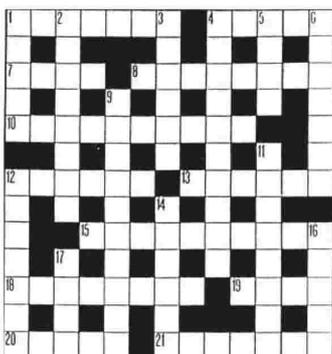
Just how far India is willing to go to oblige the US is not clear. Recently, it seized three oil tankers in its EEZ for violating US laws relating to the oil trade of Iran and Russia. The three ships had been sanctioned by the US Treasury last year for allegedly transporting Iranian oil.

India's relations with the US are extremely important. Those with Iran may not be in that category, but they do have their own place in our foreign policy, which is shaped by our national interests. At some point, New Delhi has to figure out the extent to which we can allow a third country to dictate our national interests.

A war leading to large-scale destruction in Iran and/or a disruption of the oil trade is certainly not in our interests, especially when we can see that the country that is responsible for it claims to be our strategic ally.

For New Delhi, Iran is the closest and cheapest source of hydrocarbons.

QUICK CROSSWORD



- ACROSS**
- A blend (7)
 - Short and to the point (5)
 - Person's habitual nourishment (4)
 - Dauntless (8)
 - To affect indifference (4,2,4)
 - Subtle distinction (6)
 - Obstruct (6)
 - Marvellously opportune (6-4)
 - Entitled to be chosen (8)
 - Unruffled (4)
 - Short period (5)
 - An intellectual (7)
- DOWN**
- Make sense (3,2)
 - State of temporary disuse (8)
 - Mediterranean principality (6)
 - Particular way of thinking (4,2,4)
 - Ready to be harvested (4)
 - Ratify (7)
 - Be just what is needed (3,3,4)
 - Turncoat (8)
 - Central part (7)
 - Slender and graceful (6)
 - Lacking in confidence (5)
 - Quick snack (4)
- Yesterday's Solution**
- Across:** 1 Iron curtain, 9 In check, 10 Issue, 11 Very, 12 Untoward, 14 Resume, 16 Bent on, 18 Approval, 19 Spar, 22 Erect, 23 Enthral, 24 Heart of gold.
- Down:** 2 Recur, 3 Need, 4 Unkind, 5 Tailored, 6 Instant, 7 Silver paper, 8 Leading role, 13 Impostor, 15 Supreme, 17 Make do, 20 Peril, 21 Stagnant.

SU DO KU

			1		
7	1		8	2	
8			2	3	9
	7		5	1	2
		5		8	
4	1	7			5
4	2	3			9
9		2		5	7
			5		

YESTERDAY'S SOLUTION

5	6	1	4	2	8	9	3	7
2	9	7	5	1	3	8	6	4
3	8	4	6	9	7	2	5	1
7	3	2	9	8	6	1	4	5
8	1	5	2	7	4	6	9	3
9	4	6	1	3	5	7	2	8
1	2	8	3	4	9	5	7	6
6	7	3	8	5	2	4	1	9
4	5	9	7	6	1	3	8	2

CALENDAR

- FEBRUARY 25, 2026, WEDNESDAY**
- Shaka Samvat 1947
 - Phalgun Shaka 6
 - Phalgun Parvatisht 14
 - Hijri 1447
 - Shukla Paksha Tithi 9, up to 2:41 am
 - Vishumbha Yoga up to 1:29 am
 - Rohini Nakshatra up to 1:39 pm
 - Moon enters Gemini sign 12:55 am

FORECAST

CITY	MAX	MIN
Chandigarh	29	13
New Delhi	30	13
Amritsar	26	10
Bathinda	28	10
Jalandhar	25	11
Ludhiana	27	12
Bhiwani	30	14
Hisar	30	11
Sirsa	28	11
Dharamsala	24	10
Manali	18	03
Shimla	18	08
Srinagar	21	01
Jammu	25	13
Kargil	10	-06
Leh	06	-07
Dehradun	27	12
Mussoorie	19	08

CRUCIAL DEALS

On the margins of the Artificial Intelligence summit in New Delhi last week, India inked two major agreements that could help it actualise the dreams articulated at the conclave.

The challenge China's overwhelming supremacy over critical minerals poses is compounded by the reality that it is hard for any one country to — by itself — even play catch up.

TRUST ISSUE

The deliberations between the lawyers representing the Bengal government and the Election Commission of India in the Supreme Court on the matter of the Special Intensive of Revision of the electoral rolls were quite stormy last Friday.

The apex court, mindful of the great divide, decided to deploy former and serving judicial representatives to resolve the issues arising out of 'logical discrepancies' marked out by the EC.

The US and the EU need India — but differently Perceptible shift

CAROL SCHAEFFER

At the Munich Security Conference (it ended last week), where global defence leaders gather each year to talk about war, the most consequential negotiations often have little to do with weapons.

For both the US and the European Union, India has become indispensable. Accessing the market of the most populous nation on earth and one of the world's fastest-growing major economies is a key goal of the EU.

Europe wants a market. America wants an ally. The EU, led in large part by Germany, negotiated a sweeping free trade agreement with India that would lower tariffs on European exports.

Germany's prosperity has long rested on its ability to produce more than what it consumes and sell the surplus overseas. For decades, China absorbed much of that excess.

At the centre of the negotiations are tariffs, particularly on automobiles. India imposes tariffs as high as 110% on imported cars.

The US, on the other hand, is taking a different approach. Rather than pursuing a comprehensive trade agreement, Washington has focused on deepening defence and technology ties.

Carol Schaeffer is a journalist based in Berlin, Germany, and is a senior fellow at the Atlantic Council in Washington D.C.



The Munich Security Conference, February 2026

India has become a key partner in the US's efforts to counter China's growing influence in Asia.

In Munich, American officials spoke less about tariffs than about alignment. India is central to the US's vision of a new Indo-Pacific security architecture.

The difference reflects the structure of the two economies. Germany and Europe more broadly depend heavily on manufacturing exports. Trade agreements help sustain industrial production and employment.

This also speaks to the ways in which Europe and the US are diverging geopolitically. The EU wants to hedge its bets in a shifting, multipolar world.

Even as American officials emphasise India's centrality to their strategy, there are signs of unease in Washington about how fragile that alignment remains.

For Germany and the EU, India offers a partner in a geopolitical contest that will define the coming decades. Both relationships are framed as partnerships between democracies.

Gaps galore

Sir — Sevanti Ninan has rightly pointed out that the reports of the Comptroller and Auditor General of India deserve more public attention than conference speeches.

Abhilasha Gupta, Calcutta

Sir — Recent disclosures from Rajasthan show how easily welfare schemes can be manipulated. Under the Pradhan Mantri Kisan Samman Nidhi scheme, ineligible individuals received bulk payments because verification systems were lax.

P.K. Sharma, Barnala, Punjab

Sir — Coverage of the India AI Impact Summit 2026 has



Early lesson

Sir — While re-reading Thakurmar Jhuli by Dakshinaranjan Mitra Majumdar, I was struck by some of the less obvious lessons that eluded us as children.

Sweeta Ghosh, Calcutta

been extensive. At the same time, the CAG's findings on welfare leakages have faded quickly from headlines.

G. Dasgupta, Calcutta

Sir — The performance of the Pradhan Mantri Kausal Vikas Yojana raises uncomfortable questions. Between 2015 and 2022, over 94% of beneficiary records reportedly had missing

data-Pakistan war: "And now Modi is literally holding hands with Putin. The Indian diaspora in America is really scratching its head."

His comments reflected a deeper anxiety within Washington's national security establishment that India, viewed as a democratic counterweight to China, is not firmly anchored in the American orbit.

Europe's negotiations with India are driven by economic vulnerability. Having it less able to resist the kind of geopolitical manoeuvring that frustrates American officials.

This gives New Delhi unusual room to manoeuvre. It can deepen defence ties with Washington while negotiating trade concessions with Brussels.

At Munich, this shift was unmistakable. The US cannot be easily compelled to a participant in the international system.

Both relationships are framed as partnerships between democracies. Both promise mutual benefit.

In Munich, where security and economics increasingly blur, the distinction became harder to ignore.

Europe is trying to secure demand for its industries. America is trying to secure balance against its rival.

Europe is trying to secure demand for its industries. America is trying to secure balance against its rival.

Slippery turf

CHARU SUDAN KASTURI

As Narendra Modi heads to Israel this week, his second trip to the country will involve avoiding a series of trip wires.

Modi's first visit to Israel in July 2017 will stand out as a pathbreaking journey that elevated bilateral ties to new heights.

In 2017, Israel and Netanyahu held a very different standing in the world compared to how they are viewed by most nations today.

Nine years later, the global landscape is dramatically different. Israel's war on Gaza, described as genocidal by many global rights groups.

There is also the threat of a fresh war breaking out between the United States of America and Iran, with Donald Trump amassing military assets in the Middle East.

Charu Sudan Kasturi is a journalist who specialises in foreign policy and international relations

to capitulate to his demands — or face attacks.

All of this means that Modi will need to navigate his way in Israel with far greater care than he needed to in 2017.

The events of last week. More than 80 countries and organisations, including most of Europe, jointly condemned Israel's latest steps to exercise its control over the West Bank.

Modi government didn't want anything to overshadow the optics of a bonhomie with Netanyahu during the trip this week.

That sentiment will be strengthened if Modi does not directly raise India's concerns over the steps towards the annexation of the West Bank's official position.

Modi is also visiting Israel at a time when — unlike 2017 — the country is actively pursuing multiple war-torn wars.

And have Israel and India signed a guarantee from Trump that he won't kick-start a war with Iran while Modi is in Israel?

or invalid bank details. Training partners submitted implausible claims. Millions were certified, yet many did not receive funds.

N. Mahadevan, Chennai

Organisation man

Sir — The veteran politician, Mukul Roy, has passed away at the age of 71. Roy's career shows how organisation can outweigh oratory in West Bengal politics.

Fakhrul Alam, Calcutta

Inadequate syllabus

Sir — The controversy over Galgotias University's entry at the India AI Impact

has been the normalisation of political mobility over ideological consistency in the state.

V.S. Adhikari, Fardabad

Sir — Mukul Roy played a decisive role in the organisational growth of the AITC during its rise in West Bengal.

Shilpi Biswas, Calcutta

Sir — Mukul Roy's decision to join the BJP in the Bharatiya Janata Party and return to the TMC reflected a highly tactical style.

Woeefully inadequate

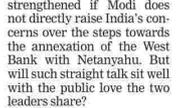
Sir — Public debate on the AI summit has focused on chaos and imported devices.

K. Ansari, Mumbai

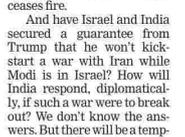
Sir — The controversy over Galgotias University's entry at the India AI Impact



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Summit 2026 distracts from the deeper concern. India enrols millions of children each year, including first-generation learners.

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Murtaza Ahmad, Calcutta



Woeefully inadequate

Sir — Public debate on the AI summit has focused on chaos and imported devices.



VISIT
To know more about erosion of academic freedom, log on to <https://tinyurl.com/2kxrvmds>

The Telegraph YOU PLAN

CALCUTTA TUESDAY 24 FEBRUARY 2026

Q&A FOR YOU

NINA MUKHERJI

CLASS ACT

Out of syllabus

Professors in the US and, by many accounts the world over, are under surveillance like never before. **Vimal Patel reports**

College professors once taught free from political interference, with mostly their students and colleagues privy to their lectures and book assignments. Now they are being watched by state officials, senior administrators and students themselves.

In Oklahoma, US, a student disputed an instructor's grading decision, drawing the notice of conservative campus group Turning Point USA that has long posted the names of professors criticised for bringing liberal politics into their classrooms. The instructor was removed.

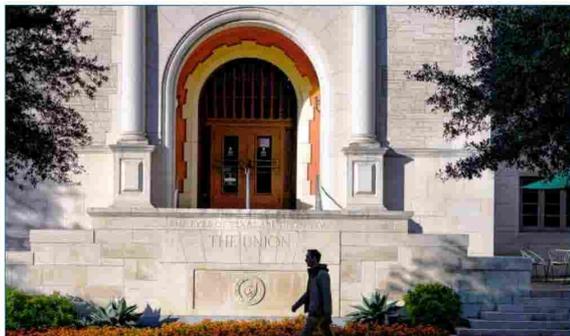
In Texas, US, a student recorded a classroom lesson on gender identity that led to viral outrage and the instructor's firing. Now Texas has set up an office to take other complaints about colleges and professors.

Several US states, including Texas, Ohio and Florida, have created laws requiring professors to publicly post their course outlines in searchable databases.

The increased oversight of professors comes as conservatives expand their movement to curb what they say is a liberal tilt in university classrooms. In the last couple of years, they have found sympathetic ears in state legislatures with the power to pressure schools, and their efforts have gained momentum as the Trump administration has made overhauling the politics and culture on campuses a focus.

But all of this, some professors and free expression groups say, is leading to a wave of censorship and self-censorship that they argue is curbing academic freedom and learning.

"We've never seen this much surveillance," said John White, a University of North Florida education professor who was asked



WATCH OUT: The student union office on the University of Texas at Austin campus

to remove words such as "diversity", "equity", "inclusion" and "culture" from his syllabus. He changed his syllabus under threat of his course being cancelled.

Lawmakers, and sometimes university administrators, argue that the new scrutiny and rules make for stronger universities at a time of widespread calls for more accountability.

Peter Hans, the president of the University of North Carolina system, announced last December that all 16 of its campuses will create searchable databases of syllabi starting in the fall. In a recent opinion column, he wrote that "more transparency" was the answer to increased scrutiny of higher education.

"Getting an honest, realistic look at how our faculty are trying to reach an anxious generation with depth and rigour should inspire more confidence in public universities," he wrote.

Conservative groups that have monitored campuses at large have applauded the moves. Sarah Parshall Perry, vice-president of Defending Education, a group that has publicly posted college syllabi, said more transparency will help parents and students decide which courses to take. "Exactly what are you teaching that you're ashamed of?" she said.

The scrutiny has been especially intense in departments

like gender studies and Middle Eastern studies. Some professors say the new rules have turned teaching into a minefield in those disciplines, inviting online trolls looking for keywords and directing online mobs toward professors.

Jonathan Friedman with PEN America, a free expression group, said that posting syllabi so the public has a better grasp of what occurs in college classrooms may sound innocuous but "publishing syllabi when it is coupled with this McCarthyist environment is really dangerous".

Some states, including Florida, have mandated that the syllabi be in databases searchable by keywords. "There you see the

clear aim to essentially scan and scrutinise for hot-button topics," Friedman said.

Professors are adapting to the new reality. One professor at a school where faculty must post their course plans said he now effectively has two syllabi — one he will submit for public posting and another for students. He asked not to be identified for fear of retribution against his institution.

At the recent annual meeting of the American Historical Association, the largest gathering of historians, a panel titled "Queering and Gendering Your Syllabi in an 'Anti-Woke' Era" explored how to convey to LGBTQ+ students that the course will be welcoming while avoiding online critics trolling for keywords.

"None of this is happening in good faith and we shouldn't treat it as such," Dan Royles, a historian of modern America, said during the panel. He later added, "It keeps the path to a career in blockchain — as well as other technology fields — open. Mathematics in particular helps you develop logical thinking and problem-solving skills that are essential in coding."

It also helps to plan a rough learning timeline. By Class XI, try to start learning Python or another programming language. During college, consider majoring in computer science, software engineering, data science or artificial intelligence as few reputable colleges offer blockchain degrees.

Join technology or blockchain-related clubs in college and participate in hackathons or projects. As you gain experience, focus on internships or projects in blockchain

Cryptocurrency, blockchain, legalities

Q I am interested in a career in blockchain and cryptocurrency. Is it legal to work in this area? I study in Class X. What subjects should I take in Class XI and in the undergraduate programme?

Blockchain is a technology that allows digital information to be stored securely and transparently over a network. Cryptocurrency is one well-known use of blockchain but it is also used in banking, tracking products, storing health records and keeping computer systems safe. Using blockchain is legal and common worldwide.

However, the law governing cryptocurrency varies from country to country. India allows crypto trading but it is highly regulated and because regulations and market conditions can change quickly, working directly in cryptocurrency could be uncertain and risky.

If you want to work in blockchain, choosing the right subjects in classes XI and XII is very important. Opting for physics, chemistry and mathematics (PCM) is best as it keeps the path to a career in blockchain — as well as other technology fields — open. Mathematics in particular helps you develop logical thinking and problem-solving skills that are essential in coding.

It also helps to plan a rough learning timeline. By Class XI, try to start learning Python or another programming language. During college, consider majoring in computer science, software engineering, data science or artificial intelligence as few reputable colleges offer blockchain degrees.

Join technology or blockchain-related clubs in college and participate in hackathons or projects.

As you gain experience, focus on internships or projects in blockchain

or cybersecurity. Earning certifications or eventually pursuing a master's degree in areas such as blockchain, fintech or cybersecurity can further strengthen your prospects.

Defence technology

Q I would like to understand the career prospects for a student pursuing a BTech in defence technology in India. What are the opportunities and pathways available?

A BTech in defence technology logically leads to a career in engineering, research or technology. Many such graduates find opportunities with organisations such as the Defence Research and Development Organisation (DRDO) and public sector units such as Hindustan Aeronautics Limited (HAL) and Bharat Electronics Limited (BEL). Entry into these organisations is usually through competitive exams, campus recruitment or specialised technical hiring. The process can also smooth your way into the armed forces.

However, a BTech in defence technology can also be useful beyond defence-specific roles. The engineering skills acquired are transferable across many areas, including aircraft design and satellite systems; cybersecurity, such as information security and network protection; and other technology-driven industries. Internships, projects and skill development in areas like AI, embedded systems and simulation software can significantly improve job prospects.

Research roles and jobs in the public sector have the advantage of offering a stable career with government pay and benefits. Private sector jobs, on the other hand, often provide higher starting salaries for candidates with advanced technical abilities. Career growth depends on developing specialised skills.



Nina Mukherji is a career counsellor and certified psychometric assessor. She conducts workshops in various areas. For all your queries to telegraphyou@gmail.com with "Ask Nina" in the subject line. Don't forget to add the name of your school or college and a contact number

The Telegraph Unpundable



Young changemakers are already in The Telegraph YoungMetro. Are you?



OFFICE OF THE ENGINEER IN CHIEF
PUBLIC WORKS DEPARTMENT, NAVA RAIPUR, ATAL NAGAR (CENTRAL TENDER CELL)
E-Procurement Tender Notice
Main Portal: <https://eproc.cgstate.gov.in>

Tenders are invited for the following works:-

S. NO.	System Tender No./Date	Name of Work	PAC Amount (Rupees in lacs)
1	185573 Second Call 13.02.2026	Construction of Pohmar to Jodenga Road Length 1.925 Km inc Culvert & Bridge. (Work Code W29782)	214.32
2	185574 Second Call 13.02.2026	Construction of 100 Seater Hostel For PVTG Student Including Electrification at Village Kutumsar, Block Darbha.	269.59
3	185575 Second Call 13.02.2026	CONSTRUCTION OF HIGH LEVEL BRIDGE INCLUDING APPROACH ROAD ACROSS HASDEV RIVER ON PENDRI TO MANGORA ROAD	728.63
4	185602 First Call 13.02.2026	CONSTRUCTION OF BOUNDARY WALL IN POLICE LINE SUKMA (2700M.) DISTT-SUKMA (C.G.) (Work Code-19062201020514)	264.87
5	185505 First Call 16.02.2026	WIDENING & STRENGTHENING OF RAJNANGAON-GUNDARDEHI-DHAMTARI-NAGRI-SHAWA-BORAI STATE ROAD NO.23 KM.73/10 TO 77/10-40 KM. MULGAHA TO RATNABANHA CHOKWIK DHAMTARI ROAD I/C. CULVERTS (4)LANE AT DISTT. DHAMTARI, DHAMTARI(DN).	3308.99
6	185508 First Call 16.02.2026	WIDENING & STRENGTHENING OF RAJNANGAON-GUNDARDEHI-DHAMTARI-NAGRI-SHAWA-BORAI STATE ROAD NO.23 KM. 78/2 TO 82/10-5.00 KM. SHAWA CHOKWIK TO KULIYARI TOWARDS NAHAR NAKA DHAMTARI ROAD I/C. CULVERTS (4)LANE AT DISTT. DHAMTARI(DHAMTARI DN.).	4425.46
7	185693 Second Call 16.02.2026	Road Safety Work On Various Roads Under Champa Division Sub Division.	221.34
8	185698 Second Call 16.02.2026	Construction of Tumriguda to Handawada Road Length 7.40 km.	861.17
9	185699 Second Call 16.02.2026	CONSTRUCTION OF GOVERNMENT DEGREE COLLEGE BUILDING AT LOHANDIGUDA, BLOCK-LOHANDIGUDA, DISTT-BASTAR (C.G.).	483.33
10	185702 Second Call 16.02.2026	CONSTRUCTION OF KHODSANAR TO NAVAGAON ROAD LENGTH 2.30 KM AND MEDIUM BRIDGE (BOX TYPE BRIDGE) ACROSS FORTI NALA ON KODANAR NARAYANA MARG TO BUNGAON BASGAON BAWDI JOGI ALWAD MARG AT RD-10000 MI.	509.11
11	185710 First Call 16.02.2026	Construction of 100 Bedded Boys Hostel Building I/c Water Supply and Sanitary Fittings, Sump Well, Septic Tank, Rain water harvesting, bore well, Boundary wall, 1 type Choukidar Qtr & Electrification work at CSVTU Campus Bihari (Newwa) Distt. - Durg (C.G.) (Deposit work).	361.41
12	185734 First Call 16.02.2026	CONSTRUCTION OF BALANCE WORK FOR GOVT. CO-EDUCATION POLYTECHNIC BUILDING AT NAVA RAIPUR, I/C. ELECTRIFICATION WORK (DEPOSIT WORK)/DN. NO.3, RAIPUR, BALANCE WORK.	412.68
13	185727 Second Call 16.02.2026	Construction of Village Kikrapal-Vekopal to Tumakapal Approach Road Length 2.05 Km. (Work Code - 29841).	226.66
14	185730 Second Call 16.02.2026	Construction of Transit Hostel at Raigarh, I/c W.S.S.F. Electrification Work.	1181.17
15	185732 Second Call 16.02.2026	Construction of Surgical Wing in First Floor Phase-II, I/c Water Supply & Sanitary Fittings, Fire Fighting & Electrification at Distt. Hospital Durg, Distt. - Durg (C.G.) (Deposit Work).	485.43
16	185763 Second Call 17.02.2026	CONSTRUCTION OF R.O.B & R.U.B. ACROSS LEVEL CROSSING NO. 3881(TLDA STATION). BETWEEN TLDA JOTA ROAD IN HOWRAH MUMBAI MAIN LINE NEAR TLDA.	5301.17
17	185787 First Call 17.02.2026	STRENGTHENING OF TILANGA APPROACH ROAD, L. 6.00 K.M. (Work code 32241).	388.53
18	185789 First Call 17.02.2026	WIDENING & STRENGTHENING OF ADSENA ROAD LENGTH 4.00 KM AT DIST. RAIPUR/ CHANDRIKH-MOHDI-VIDHANSAHA DN. RAIPUR.	763.65

Last Date of Tender Downloading S.No. 01 To S.No. 03 date 02.03.2026, S.No. 05 To S.No. 06, S.No. 11 To S.No. 12 date 11.03.2026, S.No. 17 To S.No. 18 date 13.03.2026.
Other Tenders Date are Schedule as date 06.03.2026. For more details on the tender and bidding process please visit the above mentioned portal.

Sd/-
Chief Engineer
(Central Tender Cell)
Office of Engineer in Chief
P.W.D. Nava Raipur Atal Nagar

G-252606840/11

Govt. of Bihar

TRANSMISSION ZONE, PATNA (B.S.P.T.C.L.)
(Regd. Office - Officer's hostel no 2, BSEB colony, New Punaichal, Patna-23)
Email:- tz.patna@bspctcl.bihar.gov.in
(Mob. No- 7763817733, Email ID - tz.patna@bspctcl.bihar.gov.in)
(CIN No. U74110BR2012SGC018889 Website- www.bspctcl.in)
(Unit of BSPCTCL)
NIT No. 02/PR/TRZ-Patna/2026
(Through e-tendering mode only-www.eproc2.bihar.gov.in)

Online tenders are invited by GM-cum-CE, TRZ, Patna for the following works under TRZ, Patna:-

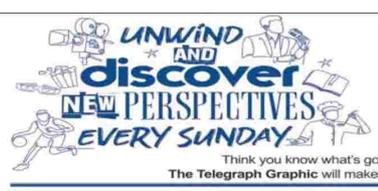
S. N.	Description of work	Estimated Cost (including GST)	EMD	Cost of B.O.Q. (including GST)	Bid Processing Fee (including GST)	Completion Period
1.	Supply, installation, testing and commissioning of energy meter (integration of 400 KV side, 220 KV side, 132KV side and OPGW connectivity from GIS to SLDC (BSPCTCL) at 400/220/132/230KV GIS Bakhivarpur.	₹ 16,20,381.00	₹ 32,408.00	₹5900	₹590	03 calendar months.

Bid submission start date and time: From 10:00 am of 23. 02. 2026
Bid submission end date and time: Up to 05:00 pm of 18. 03. 2026
Date of opening of Techno-commercial Part: After 11:30 pm of 20. 03. 2026
Date of opening of price part: To be notified after Technical Bid evaluation (www.eproc2.bihar.gov.in)
Date of pre-bid meeting: From 11:30 am of 09.03.2026

Participant/bidders are requested to kindly submit proof of EMD in form of NEFT/RTGS/Online payment to this office in original copy before bid submission end date of this tender on Email address tz.patna@bspctcl.bihar.gov.in.

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Even if the sky looked too far, he who is above the sky is quite close.

Al-Shafeeli

(Abbasid-era Muslim scholar)

Opinion

Huckabee's positions closer to Netanyahu's than Trump's

CHRIS DOYLE



Chris Doyle is director of the Council for Arab-British Understanding in London. X: @Doylech

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essentially says Gaza is for the Jews, so is the West Bank and, in fact, most neighboring countries too because God said so?

Appointing Huckabee was foolhardy in the first instance. He is not a diplomat or even close. He holds views that do not belong in the diplomatic arena, not least in a zone of protracted conflict. He has a history of gaffes. In 2015, when running for president, he referred to Russia as the Soviet Union.

Huckabee's positions are far closer to that of Benjamin Netanyahu's Israeli government than the Trump administration. Huckabee would feel scarily comfortable embedded in the Likud ranks of the Knesset. As Carlson highlighted, Huckabee was representing an Israeli view on the region, not an American one. It is some accusation that an ambassador subordinates the interests of his nation for another.

But Huckabee has a range of other problematic viewpoints. He calls the West Bank Judea and Samaria. He has stated

"there's really no such thing as a Palestinian." He considers the International Criminal Court and International Court of Justice to be "rogue organizations." Huckabee is also a compulsive warmonger. At a time when his boss, Trump, is pushing for a deal with Iran, Huckabee clearly wants war. In that, he is side by side with Netanyahu.

If you want any sense of the fallout, check out Huckabee's dozens of post-interview damage limitation posts. He knows he has sparked fury.

Alarming, Trump and Secretary of State Marco Rubio did not immediately distance themselves from Huckabee's comments, let alone repudiate them. Will they do so and in a clear, robust fashion? Many other administrations would likely consider replacing Huckabee, given that his views are so completely incompatible with his role. The ambassador will be dealing with people who will know his view is that they should not be there and that their people do not even exist.

A single interview with an American diplomat has triggered a furious joint statement from 14 states, most of them allies of the US. Is there a precedent for an interview of a sitting ambassador of any state that has created such shock waves?

If we live in an attention economy, former Arkansas Gov. Mike Huckabee — an evangelical Baptist pastor and the US ambassador to Israel — has just scored big time, as has his interviewer, the right-wing conservative broadcaster Tucker Carlson.

The core point in the two-and-a-half-hour interview came when Huckabee, a Donald Trump appointee, espoused the Christian Zionist view that Israel was entitled to all the land from the Nile to the Euphrates, saying: "It would be fine if they took it all."

Huckabee tried to excuse the view by claiming that the situation was not grave because Israel was not trying to take this

land. "They're not trying to take over Jordan, they're not trying to take over Syria, they're not trying to take over Iraq or anywhere else," he said.

This may not be very reassuring. Israel is currently occupying five hilltops in Lebanon and large swathes of Syria, even beyond the Golan Heights. Israel has never declared its final borders. And Huckabee's comments come at a time when the Israeli government has just further narrowed the gap between de facto and de jure annexation of the West Bank.

Does this matter? Huckabee does not speak solely as a pastor but a diplomat from Israel's most vital backer. There are many within Israel who endorse these views: that Israel should have all the territory between the two great rivers. He will embolden them.

This undermines international law, previous agreements and the efforts being made through the Trump plan for Gaza. How do you argue with a position that

Huckabee holds views that do not belong in the diplomatic arena, not least in a zone of protracted conflict



COURTESY: AMANO TREMBLE/SHIRAZI AL AWJIBI

Fate summoned Qassem during the most trying of times. He is confronted with several pressing questions

The party, the storm and Lebanon

Ghassan Charbel



Ghassan Charbel is editor-in-chief of Asharq Al-Awsat newspaper. X: @GhassanCharbel

This article first appeared in Asharq Al-Awsat.

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Will it be just another round or will it be greater and more dangerous than that? Is it the end of the war or the end of an era? Will it be a violent passing storm or a deadly earthquake that is enough to change features? Is it true that the approaching fleets are seeking to end a half-century-long period in the Middle East and open a new chapter? Is it true that the world has grown tired of "resistance," enrichment, tunnels and small armies, and is instead preparing to return maps to governments and legitimate armies? These are the questions that are being pondered in Tehran and at the heart of the Hezbollah command in Lebanon.

At the Lebanese University in the 1970s, there was a student who was not lured by the proposals of the leftists and the speeches of Mohsen Ibrahim and George Hawi. He admired Imam Musa Al-Sadr

and the speeches of Sayyed Mohammed Hussein Fadlallah. That student was called Naim Qassem.

Qassem took the Amal Movement route after he was attracted to the dream of defending the deprived. Two developments would change the future of the chemistry teacher: the Iranian revolution and the ideas it pumped into the region and Shiite groups; and the Israeli invasion of Lebanon in 1982. Islamist groups came together in the wake of the invasion to establish a new entity called Hezbollah. During that time, Qassem worked with Hassan Nasrallah, Imad Mughniyeh and others. The new entity was born with Iran's direct sponsorship and with help from Hafez Assad.

Hezbollah ultimately became the No. 1 player in Lebanon. It chose presidents and named governments. It then became a regional player by sending its fighters to Syria and saving Bashar Assad's regime. It also left its mark in Yemen and Iraq.

Qassem knows the entire story. He has been a partner from the start. He assumed the role of deputy secretary-general in 1991 and fate would summon him to the top post after the assassinations of Nasrallah and Hashem Safedline.

Fate summoned him during the most trying of times. He is confronted with several pressing questions. What will Hezbollah do if Donald Trump orders the US fleets to launch new strikes against the Iranian regime? Can the party remain on the sidelines if the regime starts to crack under the strikes? Moreover, the attacks may summon Israeli strikes if Iran acts on its threats and chooses to retaliate against the US by attacking Israel.

Qassem is aware that his party today is not in the same shape as it was before the launch of the Al-Aqsa Flood operation. His capabilities have been weakened and the situation in Lebanon and the region is different.

Qassem knows that the scene has

changed. He knows that Joseph Aoun did not become president because of Hezbollah, as was the case with his predecessor, Michel Aoun.

Qassem certainly knows that the international demand for Iran to return to the confines of its borders without a nuclear arsenal and regional proxies also demands that Hezbollah return to the "Lebanese house" without its arsenal.

Qassem is mulling his difficult options. The balance of power is vastly not in Hezbollah's favor and the Lebanese people are living at the mercy of Israeli drones and their daily violations. Can Hezbollah survive the storm of the American-Iranian confrontation if it happens? Can it close the chapter on its arsenal and return to the Lebanese house, relying solely on its representation among its supporters? Can the Hezbollah secretary-general play a normal political role in line with the Taif Accord the way Walid Jumblatt, Samir Geagea and others did before him?

Opinion

Protecting children and adolescents in the social media age

SARA AL-MULLA



Sara Al-Mulla is an Emirati civil servant with an interest in human development policy and children's literature. She can be contacted at www.amore@icloud.com.

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Childhood in the digital age is under threat. Social media has evolved to become a powerful space shaping the development, behaviors, perceptions, emotions and worldviews of children and adolescents. However, social media is also increasingly becoming a digital Pandora's box, promising entertaining spaces for self-expression, social connections and support, while a darker space unfolds, leading to harrowing effects for young users.

Child development experts are sounding the alarm about children and adolescents navigating these uncharted digital spaces without supervision or guidance. Left unsupervised, they become susceptible to many risks.

A 2025 study titled "The Impact of Social Media and Technology on Child and Adolescent Mental Health" explains how the use of social media affects brain development, behavior and emotional well-being. Social media use has been linked to increased loneliness and depression, low self-esteem and social anxiety among children and adolescents.

Due to the nature of engagement on social media platforms, children and adolescents are also prone to

experimenting with impulsive behaviors and engaging in addictive behaviors. Critically, an avalanche of harmful content exists within social media platforms, often rapidly disseminated, exposing children and adolescents to dangerous behaviors and messages. For instance, the rising number of cyberbullying incidents has led to self-harm among adolescents.

Furthermore, the nature of certain posts on social media may instigate social comparisons, portraying idealized and unrealistic lifestyles in addition to unattainable beauty standards. Such content can contribute to heightened anxiety, eating disorders and depression. Together, these findings alert us to the issues arising from excessive and unhealthy social media use among young users.

Fortunately, policymakers across the globe are prioritizing this escalating and persistent issue. Examples show that impactful progress revolves around setting the common priority of safeguarding children and adolescents from harmful digital spaces by aligning policy, regulation, research and awareness to achieve these goals.

A study commissioned in 2025 by the Australian government's independent online safety regulator revealed that 96 percent of children aged 10 to 15 use social

media, with 71 percent of them encountering harmful content online, 57 percent having seen online hate and 52 percent having been cyberbullied. Shortly afterward, Australia made headline news as the first country in the world to introduce age restrictions for social media.

Under the Online Safety Amendment Act, social media platforms must restrict the access of children under the age of 16. Platforms targeted include Facebook, Instagram, Snapchat, Threads, TikTok, Twitch, X, YouTube, Kick and Reddit. Failure to do so could result in large fines. Other countries are swiftly following suit.

The proposed interventions cover five priority dimensions with the goal of advancing progress in the rapidly evolving digital landscape. Firstly, governments can create the foundation for digital safety through clear regulations that define the responsibilities of technology companies to mitigate all kinds of harm. This can be translated into solutions such as imposing age restrictions and requiring verified parental consent.

Secondly, technology companies should be held accountable for enforcing content standards that are appropriate and safe for young audiences, thereby removing content that is deemed to be

misleading, hateful, illegal or harmful.

Thirdly, social media platforms should redesign certain features to ensure they are age-appropriate, offer limits for maximum daily usage and restrict influencer plays for harmful products or behaviors.

Fourthly, robust community engagement programs can help enforce regulations and standards among young users. Ensuring families understand the effects of social media usage and educating them on how to set appropriate family media plans is key

to promoting safer online experiences for children and adolescents. At schools, curricula should embed information on digital literacy and equip students with the skills and knowledge to safely and responsibly navigate digital spaces.

Lastly, funding research for this policy area is essential to fully comprehend the spectrum of benefits and risks of social media usage by young users.

Policymakers have a responsibility to balance technological advancement with safeguarding the well-being of children and adolescents. By amplifying these discussions, we can work toward the common priority of creating safe digital spaces and equipping young users with the skills to navigate them wisely and responsibly.

Social media use has been linked to increased loneliness and depression, low self-esteem and social anxiety

Govts can create the foundation for digital safety through regulations that define the responsibilities of tech companies

Those who most need to understand AI don't get it

CHARLES FERGUSON



Charles Ferguson, a technology investor and policy analyst, is director of the Oscar-winning documentary "Inside Job." ©Project Syndicate

There are times when a major global development demands a special response from many academic disciplines, industries and departments of government. This was the case with the Second World War, nuclear weapons and the Cold War, and it is the case again with generative artificial intelligence.

Yet too often, discussions about AI are overly specialized or siloed between technologists, economists and other disciplines — from political science, psychology and sociology to law and military studies. This is a problem because the technologists are certainly right that AI will change everything, fast, and that the conventional policy world is not keeping up. But just as war is too important to be left to the generals, AI is too important to be controlled solely by those inventing it, no matter how brilliant they are.

Most AI technologists and entrepreneurs are wildly optimistic. They anticipate revolutionary advances in medicine, the elimination of hard physical labor, radically

accelerated productivity growth and universal abundance. They expect such outcomes partly because there is money to be made, but also because their belief in the technology's potential is sincere. But sincerity often accompanies naivete.

When I look at the AI landscape, heavily populated by extremely young founders, I see naivete. I recently spoke with a brilliant young CEO whose AI startup is already

valued at several billion dollars. When asked whether the problem of AI deepfakes and disinformation worried him, he replied (to paraphrase): Of course not. All you need to do is verify that something comes from a trustworthy source. Easy. Really? How will these trustworthy sources

know what is real when someone sends them a photograph, document, audio recording or video? What will they do when thousands of images or videos come in, each contradicting the others? How will we know whether something posted on social media is real? How can news sources remain current and profitable if they must laboriously verify the reality of absolutely everything?

Still, if the technologists are overly optimistic, the economists suffer from a different sort of tunnel vision. They tend to see everything as a smooth equilibrium of self-adjusting markets. They predict substantial but gradual productivity improvements, dismissing extreme scenarios and neglecting both radical opportunities and potentially grave problems alike.

"Calm down, we're the adults in the room," economists intone. In fact, contemporary economics, obsessed with its models, has too often been wrong, divorced from reality or even compromised by corruption.

Of course, there are exceptions. Among technologists, Anthropic CEO Dario Amodei has been notably perceptive and honest both about AI's opportunities and its dangers. In economics, the Nobel laureate Simon Johnson wrote perhaps the single best article about how the US financial industry captured federal policy and caused the 2008 crisis. But the overall record of the economics discipline does not inspire confidence and now too many economists seem to be underestimating AI technology — both

its potential benefits and dangers.

My sense is that political science, psychology, law, education, sociology and military studies get a better score. They tend to put reality before models and they consider issues that both the technologists and economists often dismiss. But they, too, are embedded in an institutional matrix — of universities, think tanks and government agencies — that is no longer fit for purpose.

To govern AI, we need cooperation across all these disciplines and we need it fast.

I find it striking that many of the best AI founders I meet are graduate or even undergraduate dropouts (in fact, the \$200,000 Thiel Fellowship requires recipients not to have a university degree). By contrast, conventional policymaking (in both the US and Europe) relies on a staid, bureaucratic system whose creating machinery is no match for AI.

Of course, we should not eliminate universities, think tanks or government policymaking. But extraordinary circumstances demand extraordinary responses. For many policy issues, slow and conventional is probably OK. Not for AI.

Just as war is too important to be left to the generals, AI is too important to be controlled solely by those inventing it

Contemporary economics has too often been wrong, divorced from reality or even compromised by corruption



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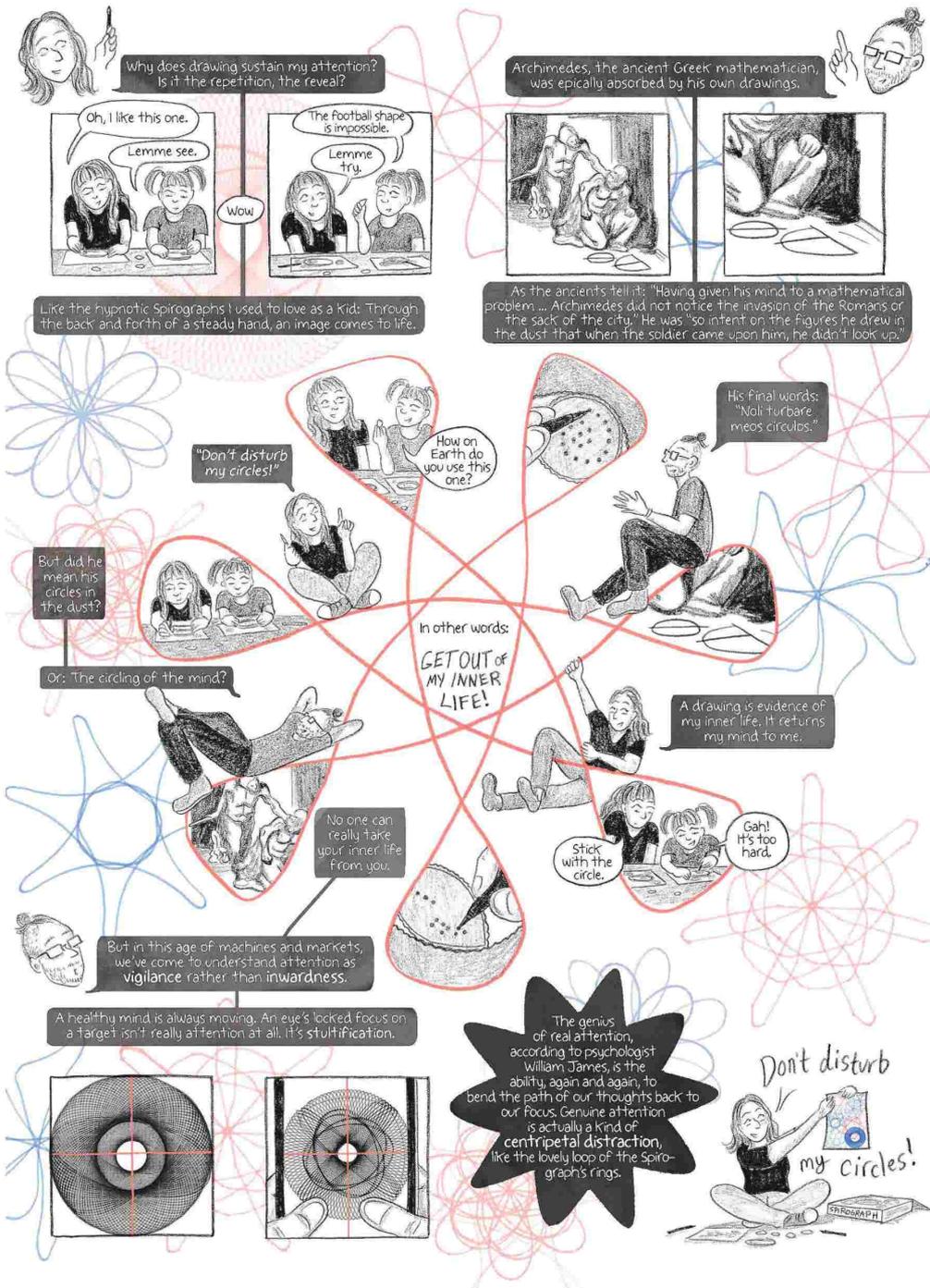
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OPINION VOICES

Voices AMY KURZWEIL AND D. GRAHAM BURNETT GUEST CONTRIBUTORS

Thinking in circles: What it means to pay attention



AMY KURZWEIL is a New Yorker cartoonist and the author of "Artificial: A Love Story" and "Flying Couch: A Graphic Memoir." D. GRAHAM BURNETT, a historian of science and a professor of history at Princeton, is a co-author and co-editor of "Attentive: A Manifesto of the Attention Liberation Movement."

LETTERS

We must rebuild trust in elections

Re "Voter trust in elections falls steeply in a poll," Feb. 16

Staff writer Kevin Recor's article about voter trust describes what the lack of trust is and why it's so crucial to our upcoming elections.

Republicans distrust mail ballots and non-citizens voting. Democrats worry about eligible voters not voting due to fear or intimidation.

This angst is unhealthy for our elections.

President Trump has

tainted many minds over the years by intimidating Democrats and calling them "cheaters." He criticizes the Democrats every chance he gets. He knows that his supporters believe his lies and rhetoric, thereby boosting his winning chances.

Let's remember that Trump is not running for any office in the midterms. However, he knows that if his "people" don't get elected, his power goes downward. That is his greatest fear.

The Democrats lack a plan to counter Trump's shenanigans. They should start a media campaign,

right now, to protect our fair elections. We cannot allow Immigration and Customs Enforcement or any other law enforcement to monitor voting stations, which is a federal crime.

The Democrats must take this to the courts immediately to be heard. We need to be preemptive now. We can't just sit by and let ICE and Trump get their way.

I propose that Democrats immediately make a plan to blast our cities, counties and states with a mass campaign, telling the truth about voting and how safe it really is.

The future of our democ-

racy depends on it.

MARLENE BRONSON
Westlake Village

According to the poll the Los Angeles Times cites, fewer voters trust in the fairness of elections. Why not call in the U.N to monitor our elections? Heck, the U.S. has paid enough to the U.N. over the years. Don't we deserve the benefit of the U.N.'s oversight?

MICHAEL KRUBNER
Valley Village

The article failed to state

that it was Trump's pressuring of Texas Gov. Greg Abbott into a mid-decade redistricting that changed the Texas map to potentially gain five Republican seats.

California's subsequent redistricting was a response conducted with the people's consent (Proposition 53), rather than by executive fiat.

The prospect of brutal, out-of-control ICE agents at polling places is a direct threat to Latino American citizens. In recent testimony, acting ICE chief Todd Lyons deflected by refusing to definitively rule out their presence. He stated there is

"no reason" to deploy, while simultaneously saying that ICE "investigates voter fraud" — a clear intimidation tactic.

The most effective response to these multifaceted attempts to suppress the Democratic vote is to ensure every eligible voter uses early mail-in ballots or secure drop boxes.

DAVE DOLNICK
Thousand Oaks

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OPINION VOICES

Voices NAOMI SCHAEFER RILEY GUEST CONTRIBUTOR

Rethinking safety with drug-using parents

AMERICANS ARE having a few regrets about their approach to child safety in the care of drug-using parents.

Earlier this month, Gov. Michelle Lujan Grisham of New Mexico said she never should have signed the state's 2019 Comprehensive Addiction Recovery Act. "We were releasing, after they were well enough to go home, infants in the care of highly drug-addicted parents who were not required to take any service or get treatment for their addiction," Grisham said. "Now, I don't know if there's any better recipe for a disaster in America than that one."

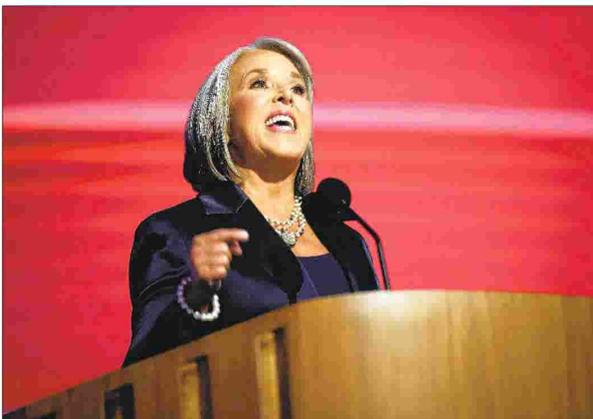
The policy, which was part of what Grisham described as a "public health" approach to child welfare, provided "voluntary plans of safe care" to the parents of infants who were born exposed to illegal substances. Child protective services would not be called about these cases because that was seen as punitive.

The problems with the law became clear immediately. At least 15 babies with these plans wound up dead in 2020 and 2021, two of them within days of their birth, according to state records. But that is an underestimate of the policy's harm, because families could also simply refuse to participate, and many of their children are believed to have wound up dead too.

The advocacy group New Mexico Child First Network estimates that since the policy was enacted, at least one child born exposed to an illegal substance is dying each month because of abuse or neglect from drug-addicted parents. Causes of death included drug ingestion, unsafe sleep and parents' failure to seek medical attention for their often medically fragile infants.

None of this should have been a surprise. As early as 2021, a report from New Mexico noted, "data show that a high percentage of families are declining services when referred." The governor's office recently asked a judge to review these cases before babies were sent home. Of 180 cases examined so far, the judge ruled in 178 cases that the baby was not safe at

The idea that parents need only be offered services in order to keep their children safe has resulted in misguided policies



NEW MEXICO Gov. Michelle Lujan Grisham is one of the politicians advocating more caution.

home.

New Mexico was not the only state to adopt this approach of giving parents information about treatment, but not actually forcing them to engage in it — or protecting their children. Connecticut has a similar policy: Such births are technically reported, but without any names or contact information, which means that child welfare agencies can't follow up. So does Los Angeles.

Under these policies, families are asked to "identify your goals" and "identify the supports that you already have, and those you need." Some hospitals, including most prominently Mass General Brigham in Boston, recently decided to stop automatically calling child protective services when new-

borns test positive for drugs. The assumption that parents of young children need only be offered services and support in order to keep their children safe has resulted in other misguided policies. Washington state, for instance, passed the Keeping Families Together Act in 2021, with the goal of sending fewer children into foster care. The law offered parents suffering from drug addiction an array of voluntary options including drug treatment, mental health services and housing. It was passed with overwhelming support from Democrats and a majority of Republican votes too. Who could be against "keeping families together"?

But the policy has produced tragic results. More than 100 kids

have died or suffered near-fatal injuries while living in homes that Washington's Department of Children, Youth and Families knew were unsafe. Of those, 68% of parents had refused the services offered. Republican Rep. Travis Couture recently acknowledged that there were good reasons in his view to pursue such a policy — including reducing racial disparities in foster care.

But Couture, who was not in office when the bill passed, also suggested that his colleagues (including those on his side of the aisle) need to do some serious rethinking. "The road to hell is paved with good intentions," he told a crowd on the steps of the Capitol. And Democrat Lillian Ortiz-Self, who was the original sponsor of the bill,

says there needs to be more oversight from the courts when the allegations of maltreatment involve a child under 5. The Seattle Times, which initially said the success of the program depended on providing drug-addicted parents with a larger "social safety net," now acknowledges that parents need "more oversight."

The notion that we can assume people suffering from substance use disorders will freely choose what is best for them and their children is regularly undermined by reality. New York City has seen 18 people die from exposure to frigid temperatures in the last few weeks because Mayor Zohran Mamdani will not allow city workers to force them into shelters.

Some of the mayor's staunchest allies are questioning the idea that people suffering from addiction should be given a choice in these circumstances. "Being homeless shouldn't be a death sentence," Queens borough president Donovan Richards, a Democrat who supported Mamdani last year, has said. "You can't let the people stay out there. These are people in crisis."

Slowly, it seems, the tide is shifting on drug policy. Americans' support for cannabis legalization has dropped in the last year. The New York Times editorial board recently announced "It's Time for America to Admit It Has a Marijuana Problem," citing higher rates of use and addiction and the disproportionate harms on vulnerable populations. Vancouver, host of one of the first safe-injection sites and harm-reduction policies, has shut down its program.

It is not that we want to throw everyone in jail for using drugs. Nor do we need to take every child of a parent who uses drugs into foster care. But we cannot be naïve about the ways that drugs not only impair people's ability to keep themselves and their children safe. They also prevent people from accepting the help they desperately need.

NAOMI SCHAEFER RILEY is a senior fellow at the American Enterprise Institute, where she leads Lives Cut Short, a project to document child maltreatment fatalities.

Voices

AMY WALLACE GUEST CONTRIBUTOR

In Epstein uproar, keep the victims in spotlight

It really shouldn't be a story about boldface names. It's a story about girls abused for years.

ON THURSDAY MORNING, I awoke before dawn to the news that Andrew Moutbatten-Windsor, the former prince, had been arrested in England on suspicion of misconduct related to his ties to Jeffrey Epstein. I immediately thought of the late Virginia Roberts Giuffre, the brave survivor of Epstein and Ghislaine Maxwell's sex trafficking ring, who'd won a civil settlement from Moutbatten-Windsor after she accused him of rape (and whose memoir I co-wrote).

My next thought was this: So far, only about half of the 6 million documents that comprise the Epstein files have been released, but in the UK their contents are already causing heads to rattle. Why isn't that happening here in America? I know at least part of the answer.

Since the Jan. 30 release of 3.5 million pages of Department of Justice investigation files, many concerned citizens around the globe have been trying, in earnest, to wade through the muck. It's not an easy job. Part of that seems to be by design. The documents are not organized to help readers understand their context. Instead, each page is just one fragment of an exploded jigsaw puzzle, and trying to assemble that puzzle without all the pieces (and without knowing



VIRGINIA GIUFFRE, an Epstein victim who died by suicide last year, held a news conference outside a Manhattan court in 2019.

what a complete picture should look like) is proving difficult for even the most seasoned experts on Epstein's and Maxwell's crimes.

In the ensuing avalanche of news stories, boldface names have grabbed the spotlight — Epstein helped director Woody Allen's daughter get into college, Commerce Secretary Howard Lutnick spent time with his family (and nanny) on Epstein's island, supermodel Naomi Campbell asked to fly on Epstein's plane. But, despite the valiant efforts of so many outspoken survivors, the heart of this vile conspiracy has been oddly pushed into the background: the brutal reality of what it felt like to be a girl caught in Epstein's web.

Imagine you're a 14-year-old girl, recruited by an older female, who is being led into an upstairs room in Epstein's Palm Beach, Fla., mansion. The man you've been told to call "Jeff" enters wearing only a towel and tells you to take off your clothes. You are afraid. Trapped. So you eventually strip down to your underwear. He orders you to do things to him. He masturbates. He gives you \$300 and tells you to leave your phone number so he can summon you again. Imagine that you later get into a fight at school

with a classmate who calls you a prostitute. Imagine that you are later involuntarily admitted to a juvenile-education facility "because of disciplinary problems that recently escalated."

I worked for four years with Giuffre on her memoir, "Nobody's Girl," and the scenes I've just asked you to imagine are in her book. But Giuffre is not the girl at the center of that story (Giuffre was 16 — two years older — when Maxwell lured her into their den). No, the story above describes the experiences of one of more than 30 underage victims that Florida investigators interviewed in 2005 and 2006, which led to Epstein's first arrest and, ultimately, his conviction as a sex offender. The girl in that story had her life ruined *two decades ago*. Imagine.

Now we know that hundreds if not thousands of girls and young women were abused by Epstein and Maxwell and their cronies. And yet the cruel undoing of these young people keeps falling off the front pages. Is it because it's too upsetting to imagine? Is it because it's old news?

I'm a journalist, so I understand news cycles. But I'm still bothered by the way the visceral suffering at

the core of this rotten story isn't consistently claiming its rightful place at the front of our minds. I get it: There is so much to read about Epstein these days. But by letting our attention be drawn toward talent agent Casey Wasserman's sexing with Maxwell, say, or by Atty. Gen. Pam Bondi's meltdown about the high-flying Dow Jones Industrial Index being what *really* matters, we risk losing the plot.

This, for the record, is the plot: In 1996, a 14-year-old girl named Annie Farmer was flown to Epstein's New Mexico ranch, where Maxwell told her to undress and began to massage her breasts; later, Epstein jumped into bed with her, saying he wanted to cuddle. This kind of grooming behavior was experienced by scores of girls and young women, many of whom reported it to the authorities. And this abuse often escalated into rape.

For Giuffre, what followed was being forced to sexually service Epstein and Maxwell's influential friends. In sworn depositions that have been made public, Giuffre named Moutbatten-Windsor and several others of these men, all of whom issued strong denials. Some of these co-conspirators' names

have popped up in the latest tranche of public files, but Giuffre is no longer here to hold them to account, having died by suicide last April.

Only by holding our focus on what these girls and women endured will Americans have the fortitude to demand that the Trump administration give us our due. Some survivors say they can't find their interviews in the files that have been released so far, which proves that the Department of Justice has still not met the requirements of the Epstein Transparency Act. The solution is clear: Release the remaining 2.5 million pages in the Epstein files, with only the survivors' names redacted. Next, law enforcement must rigorously interrogate the men and women who exchanged chummy emails with Epstein and played in his hideous sandbox. Until these two things occur, basic accountability and justice will remain out of reach. Even just based on what we already know, we should all find that unimaginable.

AMY WALLACE is a journalist and author who collaborated with Virginia Roberts Giuffre on her memoir, "Nobody's Girl."

The FT View



FINANCIAL TIMES
"Without fear and without favour"

Trump's own private UN

Western democracies need a strategy for engaging with the Board of Peace

Even as his "beautiful armada" has sailed towards Iran, Donald Trump has been attempting to burnish his credentials as a peacemaker. His newly created Board of Peace held its inaugural meeting last week, in the recently rebadged Donald J Trump Institute of Peace in Washington. The US president has made himself seemingly his permanent chairman, appointed the executive board — including his son-in-law Jared Kushner and real-estate-buddy-turned-special-envoy Steve Witkoff — and issued the invitations to almost 60 countries to join.

The board seems designed above all to assert Trump's primacy in world affairs, and to serve private interests close to the president. Given the key role it is set to play, however, in Gaza and potentially

elsewhere, other western democracies need a strategy on how to deal with it.

The board was originally conceived to implement the president's Gaza ceasefire plan after the devastating two-year Israel-Hamas war. It was given a UN Security Council mandate to act as the transitional governing authority in the Palestinian enclave. But Thursday's meeting highlighted problems with that vision. Trump pledged \$10bn for rebuilding Gaza without saying where the money would come from. He said several other countries committed \$7bn more for Gaza relief. But the reconstruction plan, drawn up without consultation with Palestinians in Gaza, resembles the vision Trump laid out last year of a US-led real estate project dotted with skyscrapers and resorts.

Despite the fanfare around the initiative, virtually nothing has happened to move the Gaza plan forward; Palestinians in the strip are still suffering. But the US president has meanwhile begun to press his board as an alternative to

the UN. Its charter does not mention Gaza or Israel but describes it as an international organisation that seeks to promote stability and "secure enduring peace in areas threatened by conflict".

There is no legal basis for this role and, however noble the aim, a parallel institution risks further undermining the UN and established structures of global governance. It might tempt rival big powers to form competing "global blocs or institutions. The \$1bn "entry fee" for countries to gain permanent membership also introduces a pay-to-play element that echoes how Trump runs his administration.

Only about two dozen of the countries Trump invited to join the board have accepted, turning it mostly into a club of developing countries and autocracies. Attendees on Thursday included Trump allies such as Hungary's Viktor Orbán and Argentina's Javier Milei. World Bank president Ajay Banga is on its executive board, reflecting the bank's role in Gaza funding. So is former UK

The initiative seems designed above all to assert the president's primacy in global affairs, and to serve private interests close to him

prime minister Tony Blair, who has also been associated with the initiative since it was focused entirely on Gaza, but must be aware of the reputational risks.

European and other western democracies are divided over how to handle the board. Many rightly believe that joining as countries would risk lending legitimacy to a Trumpian worldview and project that runs counter to their values; among EU countries, only Hungary and Bulgaria have joined or intend to. But 12 other EU members plus the UK sent observers to Thursday's meeting. So did Dabiravka Šuica, EU commissioner for the Mediterranean — earning a reprimand for Brussels from France and Spain, which stayed away.

Trump may be planning to expand the board's focus to other areas ranging from Venezuela to Ukraine or Iran, on top of its Gaza role. Democracies must therefore keep a close watch on the president's intentions and try to influence it — but stay clear of joining his private initiative.

Opinion Technology

The 'botlash' movement is gaining momentum



Marietje Schaake

The more power AI companies claim, the stronger a storm of popular sentiment against its deployment is swelling from all kinds of directions. Across the US, grassroots movements are forming to protest against various excesses and the effects of the technology, from parents furious about the harms done to children with chatbot companions to communities attempting to block data centres and objecting to company contracts with government agencies.

Tech chief executives and the Trump administration thus far calculate that embracing deregulation will ensure American AI dominance over geopolitical rivals. But they may well face a backlash, or "botlash", reckoning at home.

In his recent essay "The Adolescence of Technology", Dario Amodi, CEO of

billionaires. When the maga right and the progressive left converge, something fundamental may be shifting.

The list of grievances being raised against AI is varied. At the local level, communities are fighting the construction of data centres that they worry will disrupt resources such as water, land and electricity. According to Data Center Watch, protests have resulted in at least 20 proposed facilities being halted in just three months last year.

Meanwhile, in Hollywood, celebrities have launched the "Stealing Int'l Innovation" campaign against the use of creative work for AI training, and parents, along with 37 state attorneys-general, are pressing for accountability after Grok, xAI's chatbot, facilitated the generation of non-consensual nude images of women and children.

Yet instead of doing what populists claim to be good at, listening to the people, Trump is doubling down. Former president Joe Biden's executive order on AI safety was one of the first items shredded after Trump took office in January 2025. Last December, he signed a new executive order that aims to block states from regulating AI, directing the Department of Justice to challenge rules and threatening to withhold federal funding from states that persist. More than 1,200 AI bills were introduced at the state level in 2025 alone. This is a clear sign that citizens and their representatives want greater protection, oversight and accountability.

The calculation on the part of tech executives appears to be that deregulation is a winning political bet. But trust in AI is lower in the US than it is in the EU, where regulation at least signals that someone is responsible for protecting the public interest.

For the moment, the protests are fragmented: environmental protesters, child safety campaigners, democracy advocates and labour activists are not speaking with one voice. Whoever manages to unite these groups by building a popular AI regulation movement will tap into new political power.

AI companies have spent years presenting tech products as so strategically important to regulate, and politicians as too technically incompetent to govern them. But if companies want to behave like states, surveilling people, curating information flows and restructuring labour markets, then citizens will seek to hold them accountable as states. If not with legislation, then with their wallets. The "botlash" is a potent political force.

The writer is a fellow at Stanford University's Institute for Human-Centered Artificial Intelligence. She is the author of "The Tech Coup"

Letters

How the UK can expand the reach of the BBC World Service

Stephen Bush rightly argues for proper funding of the BBC World Service ("In a time of war, UK must not starve the BBC", Opinion, FT.com, February 16).

In fact, there's a once-in-a-generation opportunity for the promulgation of impartial journalism and liberal democratic values: both the Voice of America and Radio Free Europe are

being defunded. And it's not just Russian misinformation that needs challenging but the general corruption of social media, amplified now by artificial intelligence.

The problem is that the Foreign Office had the biggest funding cut of any ministry in the recent spending review. The opportunity is to boost the

World Service's reach beyond its current 450m listeners towards 1bn. This could be done for £200m to £300m. But the Foreign Office does not have the firepower.

The answer is for funding responsibility to be switched to the Ministry of Defence. Strategically it should go hand in hand with the

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There's more to tariff policy than pass-through costs

The article by Myles McCormick and Claire Jones discussing the Federal Reserve Bank of New York's finding that most tariff costs were passed through to US businesses and consumers ("Americans pay 90% of Trump tariffs", Report, February 15) risks being read as an indictment of tariffs themselves. But tariff incidence is a poor measure of the effectiveness of the policy.

Tariffs function by raising the relative price of imported goods in order to shift consumption and production patterns.

If there were no pass-through to US businesses and consumers, import prices would not rise, consumption would not adjust, and domestic investment incentives would remain unchanged. In that case, tariffs would have little structural effect.

The more relevant question is not who initially pays at the border, but whether tariff policies ultimately strengthen domestic productive capacity and promote long-term income growth.

Nevertheless, recent data suggests at least some movement in the right direction. During 2024-25, inbound US greenfield foreign direct investment projects reached historically elevated

Horses for courses

You write that "CVC finds itself caught between fund investors and shareholders" (Report, February 12). But is CVC different from any other widely held asset management firm which has to dance to the tune of quarterly earnings?

The business of money management is uniquely where the customer's core interest is diametrically opposed to that of a public shareholder. The customer would always prefer to be the very last one allowed in the door, and for assets to cease growing and for the company's attention to be solely focused on generating returns. Fund sales, marketing and investment product expansion are frequently the enemy of excellent performance.

The public shareholder wants quite the opposite. They want assets, product launches and in turn revenues to constantly and consistently expand and they would be quite happy to see all fund customers getting investment returns just moderate enough to keep them from leaving, and absolutely nothing more. That is why tightly held partnerships, which can take the very long view, have always been the optimal business model in the money management industry. Plus ça change.

Charlie Metcalfe
Lisbon, Portugal

What happens if the White House switches off the AI?

Michael Kratsios, the director of the White House Office of Science and Technology Policy, says "the best AI stack is made in America, and the US is eager to deliver it to partners and allies" ("The US must share the benefits of AI leadership", Opinion, February 20).

What if President Donald Trump decides he doesn't like a TV advertisement in a country using American AI and orders the US company to turn it off?

As Canadian Prime Minister Mark Carney said in his speech at Davos: "You cannot live within the lie of mutual benefit through integration, when integration becomes the source of your subordination."

You cannot trust the US anymore with important technologies. So sorry, no, the world will look elsewhere.

Abigail Perez
London ECL, UK

By Royal Disappointment

Will Andrew Mountbatten-Windsor be issuing warrants to his supporters "By Disappointment to the former Duke of York" (Report, FT.com, February 20)?

JMI Stone
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'Resist and Unsubscribe' is gathering strength as a form of modern-day strikes

AI start-up Anthropic, invited readers to imagine AI as a country of geniuses. He wondered whether such a country would act benignly or malignly and conceded that he feared a future AI-enabled authoritarianism.

Some in the US believe such a future is already here. In Minneapolis, protesters have drawn direct lines between the country's biggest AI companies and the Trump administration's anti-immigration enforcement.

"QuitGPT" is a campaign urging users to abandon OpenAI's ChatGPT as a form of civic protest against the support its founders have shown for President Donald Trump (co-founder Greg Brockman donated \$25m to the Super PAC Mega Inc.). Street protests have also targeted the Palo Alto offices of Palantir, the data intelligence company that has contracts with the Immigration and Customs Enforcement agency.

As "Resist and Unsubscribe" gathers momentum as a form of a modern-day strikes, it is notable that AI opposition spans the political spectrum. Democrat Senators Bernie Sanders and Elizabeth Warren warn against corporate power concentration and job displacement, while maga strategist Steve Bannon and Republican Senator Josh Hawley spread warnings about the dangers of empowering tech

OUTLOOK NEW YORK

'Vibedit' passes the AI productivity test



by Oliver Roeder

I had only ever had frustrating, cloying and monstrously hallucinatory experiences with generative AI chatbots, and eagerly abandoned the technology. I found them not only unproductive but anti-productive. Their popularity — and the economic and ecological remaking of the world to accommodate them — was a mystery.

But recently, at the enthusiastic suggestion of a colleague, I experimented with an agentic coding agent, in my case OpenAI's Codex (namely, GPT-5.2-Codex) model. Necessity is the mother of a prompt, and I chose to set the agent loose creating a word processor, the sort of app I use the most. Over a lengthy textual exchange, I encouraged the AI to accommodate my particular and somewhat peculiar writing habits, and to emphasise speed, simplicity and cleanliness.

For decades I've chiselled through the thick accretion of features encrusting mass-market commercial writing software. I've foisted intricate templates upon Pages, saddled Docs with third-party browser extensions and mostly avoided Word. I'd also tried a string of boutique editors that were appealing in some ways and lacking or gimmicky in others.

Over a single weekend, entirely from scratch and heavily "vibe coded", I created by some distance the best word processor I have ever used. I've named it Vibedit. I'm writing it right now. If there is an actually

productive task for generative AI, it is as a creator of bespoke tools like this. Given this new, relative ease of app development, it is easy to imagine the atomisation of software into a mist of customised personal projects, droplets as numerous as users.

Aside from the software product, the experience had other benefits. I felt at liberty from corporate design, and could easily amend my own app as I thought of additions and deletions. And far from removing me from my work, this AI experience forced me to think carefully about how I work, and how to craft a fitting tool. I was also confronted as any craftsman should be by the minutiae of my tools — technicalities like stream parsing, dirty state tracking, debouncing and atomicity. I have since built a second app devoted to task management, another erstwhile source of daily frustration.

Given its extensive tailoring, it is possible that vibedit would fit no one in the world except for me. Discussing its measurements may be as interesting to others as discussing my fantasy football team, but here goes.

The only furniture in the window is a tiny word counter. There is only one typeface in only one size. More telling is what there is not: a window of templates, a title bar, a toolbar, a ruler, draggable margin setters, an option to insert tables or images, spelling and grammar check, AI "suggestions".

Vibedit does contain an extensive series of non-standard keyboard shortcuts. One changes the

background colour: soft paper-white, black, light blue, mint and, of course, FT pink. Another alters paragraph spacing and hyphenation. A third telescopes selected text to a sequenced text section, omitted from the word count, for tinkering.

My one featural indulgence is a collapsible preview of an entire document, the text rendered very small. In this preview, instances of "kt" — placeholders that need addressing — are highlighted in red. Finally, vibedit is wired to a text-to-speech model so that, at the press of two keys in moments of struggle, a wise-sounding voice reads what I've written.

Vibedit sports an icon inspired by the structural diagram of a story by the magazine writer John McPhee. As it happens, McPhee, aged 94, maintains a singular reliance on an arcane text editor called Kedit that has "exceptional capabilities in sorting" well suited to his technique. The programme was created in 1982 and is the only editor he has ever used. He quotes the author Tracy Kidder: "Software that works is precious. Users don't idly discard it."

McPhee found his precious editor by chance, the happy coincidence of his preferences and the engineering choices of some distant programmer. Now more users and more programmers can be one and the same, and more software — humans' software — can be precious.

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Opinion

Supreme Court ruling will not stop the president's tariffs

Peter Navarro

Every so often, what looks like a defeat proves to be a strategic win. The Supreme Court's ruling on US President Donald Trump's tariffs is one of those moments.

On its face, the ruling looks like a knockout punch. In a 6-3 decision, the court held that the International Emergency Economic Powers Act's authorisation to "regulate importation" does not include the power to impose tariffs. Because tariffs raise revenue, the majority concluded, they are in effect taxes – and taxes require explicit congressional approval.

But look carefully at what the court actually did. It ruled that the IEPPA does not authorise tariffs. That's all. The court did not declare tariffs unconstitutional. It did not strike down section 232 of the Trade Expansion Act.

It did not invalidate section 301 of the Trade Act. It did not question the use of sections 122, 201 or 338. It did not revive the "nondefense" doctrine. And only three justices relied on the "major-questions" doctrine, meaning the court created no sweeping precedent limiting presidential trade authority.

In fact, even as the court struck down the IEPPA tariffs, it acknowledged that the president retains broad and powerful authority under numerous other statutes to impose tariffs.

Justice Brett Kavanaugh's dissent offered a rigorous and historically grounded defence of presidential tariff power. He emphasised the historical understanding that tariffs are a traditional form of regulating imports. He also catalogued the full range of statutory authorities that remain fully intact.

President Trump is already relying on many of them: section 232 of the Trade Expansion Act of 1962 to impose national-security tariffs on products such as steel and aluminium and – potentially – on critical minerals; section 301 of the Trade Act of 1974 to impose country-

specific tariffs in response to unfair trade practices – as with China; section 201 safeguard measures, used in his first term to impose tariffs on solar panels and washing machines, with the solar protections still in place; and section 122, just invoked to implement a temporary global surcharge.

Kavanaugh went further, underscoring that additional tools remain available – including section 338 of the Tariff Act of 1930, which authorises retaliation against discriminatory foreign trade practices. In short, the court closed one door while leaving an entire corridor of tariff authority wide open.

Moreover, by narrowing the legal dispute in this case to the IEPPA alone, the court clarified the legal landscape. The authority under those other statutes is

not in doubt. It is written clearly into law. That clarity will significantly strengthen the president's tariff hand.

Trump has noted that he has been "very modest" in his initial ask of trading partners. That restraint is over. Any country that believes the court's ruling strengthens its hand – or allows it to walk away from the bargaining table – is misreading the moment.

What makes the majority's decision so striking is its internal contradiction. As Trump noted, a president may impose a "Foreign Country destroying embargo", wiping out trade entirely, but he cannot impose even one dollar in tariffs because it collects revenue. Total prohibition is fine. A calibrated fee is not. As Kavanaugh explained in dissent, that distinction defies history and common sense: tariffs have long been understood as a core means of regulating imports. They influence price, volume and competitiveness. They serve as leverage in negotiations. They are tools of economic statecraft. As he rightly noted, it makes no sense to allow the more extreme power to ban trade while forbidding the lesser power to condition it.

The solicitor-general correctly argued that a tariff is not a domestic tax. Early Congresses relied on this distinction. Courts acknowledged it. In the broader trajectory of US trade policy, Friday's ruling will register as a technical correction, not a strategic reversal.

As Trump noted, countries that have been "ripping us off for years" may be "ecstatic, and dancing in the streets – But they won't be dancing for long." The tools remain, and the statutory footing beneath them is now clearer.

A 15 per cent global surcharge is already in place under section 122 authority. Section 232 continues to safeguard industries vital to national security. Section 301 investigations are advancing country by country and practice by practice. Other tariff authorities identified in the court's own ruling remain fully available.

The architecture of American trade enforcement has not weakened. It has recalibrated. America will trade and negotiate – but it will not be exploited.

The writer is the senior White House counsellor for trade and manufacturing

The UK must change its conception of palliative care

Sarah Holmes

The UK's population is ageing, with more people living longer with complex, life-limiting conditions. Palliative care is therefore no longer confined to cancer or the final days of life; it is central to long-term support for people with heart failure, respiratory disease, dementia and neurological conditions.

Yet the NHS has failed to adapt. New research shows that almost one in three people in England dies without the care they need, not because their death is unexpected, but because the health system fails to properly organise end-of-life care.

The result is predictable and costly: avoidable emergency admissions, prolonged hospital stays and people dying in pain and distress. This represents a double loss – patients and families suffer while scarce NHS resources are being used inefficiently. Repercussions spread throughout the health system, placing further strain on acute services.

This is not only an economic failure but a moral one. People with non-cancer conditions, those from ethnic minorities and residents of deprived areas are consistently neglected. We found a third of people with multiple conditions had unmet needs, compared with a quarter of those without. Some 25 per cent of people who were financially comfortable had unmet needs compared with 36 per cent among those experiencing financial hardship.

Public spending in the UK on people in their final year of life amounts to

about £22bn. More than half of this is swallowed by healthcare. Hospital settings alone account for 81 per cent of the end-of-life health budget, reflecting a system that defaults to crisis-driven care rather than planned, co-ordinated support.

For a few people, a hospital is the best place for end-of-life care. But for many others, including patients, families, clinical teams and the taxpayer, this is not necessarily the case.

With a growing and ageing population, the unmet need for palliative care in England will rise sharply. By 2050, 40,000 more people each year will miss out on the care they need, compared with 2025, totalling over 210,000 people annually.

We urgently need a strategy to deliver improvement. The government has committed to a modern service framework, but this achieves nothing unless it sets out concrete commitments for delivery. If the government is serious about reform, the framework must incorporate three key measures.

First, there must be a commitment to palliative and end-of-life care being available when people need it. A 24/7 phone line as a single point of access in every part of England would ensure patients, families and frontline staff know where to turn at any time, supported by professionals with the right expertise.

Second, palliative care must be accessible in every community. It should be embedded within neighbourhood health services, not treated as an add-on. This means faster support, fewer crisis admissions and a greater chance of people staying where they feel safest.

Finally, the workforce must be equipped to provide quality support. All health and care staff, including GPs and emergency teams, should receive mandatory training in palliative care so they feel confident supporting people in their final months.

While parliament continues to debate proposals on assisted dying, it must not be seen as a substitute for high-quality palliative and end-of-life care. No one should feel any pressure towards an assisted death due to a lack of support.

This is about doing what matters: relieving pain, avoiding unnecessary hospital use and enabling people to live and die with dignity.

Patients and families are suffering while scarce NHS resources are being used inefficiently

The writer is the chief medical officer of Marie Curie

Trump's new interest in war will end badly

GLOBAL AFFAIRS

Gideon Rachman



We will measure our success not only by the battles we win, but also by the wars that we end – and perhaps most importantly, the wars we never get into.

That was Donald Trump in January 2025. A little more than a year after his inaugural address, the US president has deployed a vast military force to the Middle East. He says that he will make a decision about whether to attack Iran in the coming days.

The experiences of the past year seem to have persuaded Trump of the virtues of war. The bombing of Iran's nuclear installations in June and the capture of Nicolás Maduro, the president of Venezuela in January, went well. In their aftermath, Trump was exultant. But success can breed overconfidence. If Trump keeps deploying US troops in the search for quick wins, eventually he may get a prolonged defeat instead.

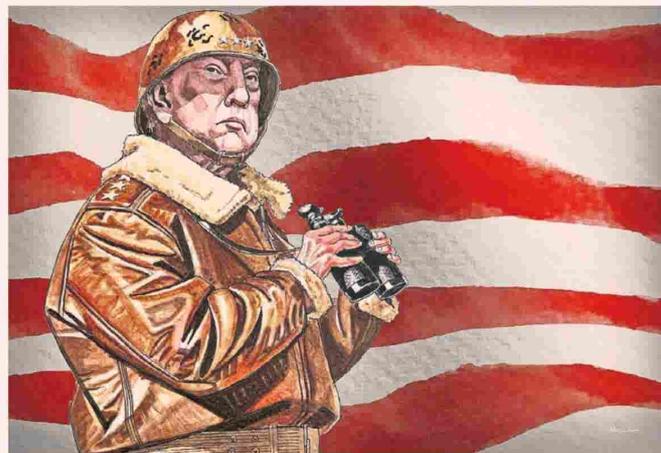
The mooted Iranian operations already involve a greater level of risk than Trump's previous military campaigns. The clue is in the dangerously vague objectives of the proposed campaign.

At the moment, Trump is emphasising the need to stop the Iranian nuclear programme – the same programme that he insisted had been completely obliterated last June. But, earlier this year, he promised that "help is on its way" for Iran's protest movement – suggesting that the US goal might be regime change. Other aims that the US has floated are the destruction of Iran's missiles and the end of Iranian backing for Hezbollah and Hamas.

Unlike June's bombing of the Fordow nuclear plant and January's seizure of Maduro – most of these aims cannot be achieved by US military action alone. They require something else to happen as a result of the military operation – whether it is profound political concessions by the current regime or a successful popular uprising inside Iran.

Vague or unachievable war aims increase the chances of a prolonged US military operation. The longer the war goes on, the higher the chances of successful Iranian retaliation. Even a 12-day conflict with Iran last June severely strained America's stock of missile interceptors – with the US burning through roughly a quarter of its total stock of Thaad interceptors to defend against Iranian ballistic missile attacks on Israel.

There are also 30,000 to 40,000 US troops stationed in the region that could be targeted by Iranian drones or missiles. The cities and infrastructure of US allies in the region are also potentially vulnerable to attack. The water supply of Riyadh, the capital of Saudi Arabia, is



heavily dependent on the operation of two large desalination facilities.

Tehran has hitherto sought to avoid uncontrolled escalation in its previous military clashes with the US and Israel. Even last June's retaliatory Iranian attack on an air base in Qatar was signalled in advance and quickly ended. But if the regime concluded that it really was fighting for its survival, its appetite for risk could change.

It is possible that war could give fresh impetus to the opposition protesters who have come out again recently. But there is also a risk that an attack on Iran could lead to a rally round the flag effect – undermining the domestic opposition to the clerical regime.

Even if a war does precipitate the final collapse of the Islamic Republic, the

sons of the overthrow of brutal regimes elsewhere in the Middle East are very discouraging – particularly when regime collapse is caused by foreign military intervention.

In Iraq, Syria and Libya the consequences included prolonged conflict, massive civilian death tolls, millions of refugees, many of whom fled the country, and the creation of an anarchic environment in which terrorist groups were able to take hold.

The Netanyahu government in Israel has long called for regime change in Tehran. An Iran that collapsed into anarchy might fit a narrow definition of the interests of Israel, since it would gravely weaken a dangerous threat to the Israeli state. But it could pose a real danger to Trump's allies in the Gulf states, which are much closer to Iran.

Trump may believe that the US itself will always be insulated from the potentially malign consequences of military action in the Middle East – provided it avoids deploying ground troops and relies on the "big, beautiful" ocean to keep trouble well away

from the American homeland.

But previous US presidents have also tried to avoid putting boots on the ground in the Middle East, only to find that unexpected events forced their hand. Barack Obama was just as wary of new wars in the Middle East as Trump, but still had to deploy American troops to combat Isis, after the fall of Mosul in 2014.

Of course, it is very possible that Trump will steer clear of a new conflict in Iran at the last minute – or that his latest military campaign will once again be crowned with success. But a further military triumph in Iran could well increase Trump's appetite for risk, raising the possibility of a calamity.

In 2016 and 2024, Trump campaigned as a peace candidate – and successfully tapped into disillusionment with the wars in Iraq and Afghanistan. How ironic – and dangerous – that, just a year into his presidency, he has developed a taste for the wars of choice that he once denounced.

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Cyber security threats lurk inside your car

Chris Miller

This month, Ford and China's Xiaomi both denied reports that they were considering a joint venture to produce vehicles in the US. Their denials are unlikely to stop the rumours. Such a tie-up has logic: legacy automakers in the west need Chinese electric vehicle expertise while Chinese companies need access to the lucrative US car market.

The main obstacle facing Chinese auto manufacturers hoping to sell to US customers is not tariffs but rules that restrict the use of Chinese connectivity systems. Cars sold in the US can use Chinese plastic and glass, but they cannot use Chinese communications chips or software for autonomous driving.

The primary concern for American regulators is security. A typical high-end car might have a dozen cameras plus

radars and laser sensors collecting images of everything around the car. They often have voice sensors inside as well as internal cameras to monitor a distracted driver. Cyber security around all these sensors is, at best, opaque. Norwegian researcher Tor Indstoy conducted an investigation into a new Chinese-made Nio EV and reported that 90 per cent of the data his car collected was transmitted to servers in China.

The espionage risks are obvious, but the bigger problem is the potential for sabotage. Norway's researchers drove a Chinese-made bus deep into a mine in order to study its operation without connectivity. They found over-the-air access to its battery management system. Denmark and Britain have probed similar vulnerabilities.

Note that the first country to act on these risks was China. Beijing imposes limits on cars' data transfer, in addition to informal restrictions on where US cars can drive. Yet when the US followed suit by banning connectivity and autonomy components from China, many in Europe thought Americans were paranoid.

Now, according to a report from Polish think-tank OSW, Europeans are also treating cars as security threats. Poland is reported to be preparing to ban Chinese cars from military bases. Britain's Ministry of Defence has reportedly told officials not to have sensitive conversations inside cars with Chinese electronics, fearing eavesdropping.

Espionage dangers are obvious, but the bigger problem is the potential for sabotage

Despite this, influential US and European voices have welcomed Chinese auto investment. Legacy carmakers hope joint ventures with Chinese firms will reinvigorate their technology. Even US President Donald Trump is warning to Chinese auto investment. "If they want to come in and build a plant and hire you and hire your friends and your neighbours, that's great," Trump told

the Detroit Economic Club in January.

China's leaders – seeking concessions before the upcoming summit with Trump in April – may well ask for the US connected car rules to be weakened. That would be an error. These restrictions give the US government and American firms unique leverage.

Compare that with Europe's approach. EU leaders hoped the tariffs they imposed on Chinese EVs would provide space for European companies to catch up. But tariffs haven't stopped German carmakers from outsourcing even more of their software and chip design to Chinese companies. The result is that even European-manufactured cars have built-in vulnerabilities.

Chinese autonomous driving firms are now using European-made auto bodies – thus avoiding European tariffs – and coupling them with Chinese sensors and software to deploy robotaxis across Europe. Europe provides the bodies, China provides the brains.

America's connected car restrictions create the opposite incentive. Restrictions on Chinese tech have induced some Chinese firms to share knowhow

and intellectual property when Chinese firms are locked out. China's Qeetel, for example, is reported to have transferred software to Eagle Wireless in the US, expanding its position as a supplier of cellular modules that connect cars to the internet.

The connectivity rules also strengthen the hand of US legacy automakers in any new joint ventures. Chinese partners know they must transfer technology to American hands, which will then control any software updates. America's lead in auto tech is enhanced. Europe, by contrast, is barely in the race.

Connectivity restrictions, not tariffs, are the most potent source of US leverage in the global auto industry. They've strengthened Europe's position, whereas Europe's tariffs-first approach has intensified its reliance on China for critical systems. If Chinese companies want access to the US car market, they must not only build a plant and hire American workers, they must support American technology, too.

The writer is the author of 'Chip War'