



DAILY NEWS PAPER ANALYSIS

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**CIVILS WITH AKASH
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Modi, Macron talks stress economic security

India, France adopt 'Innovation Roadmap 2030' as the two leaders meet in French city of Nice

They establish Dialogue on Economic Security; call for early implementation of India-EU FTA

The leaders discuss private sector ties in space sector and SHANTI Act's implications in India

Striram Lakshman
LONDON

India and France adopted an 'Innovation Roadmap 2030' and established a Dialogue on Economic Security during bilateral talks between Prime Minister Narendra Modi and French President Emmanuel Macron held in Nice on Sunday.

A press release from the government outlined a number of themes – including calling for the fast adoption of the India EU Free Trade Agreement (FTA).

Earlier this year, the two countries had renamed their partnership a 'Special Global Strategic Partnership' to reflect an enhanced level of cooperation. No traditional 'joint statement' had emerged from the meeting as of this writing.

"Recognising the key role of innovation and



Eyeing the sky: Prime Minister Narendra Modi takes in the sea with French President Emmanuel Macron ahead of talks in Nice on Sunday.

PM, Macron inaugurate Bharat Innovates 2026

Striram Lakshman

Prime Minister Narendra Modi and French President Emmanuel Macron on Sunday co-inaugurated the Bharat Innovates 2026 in Nice where the leaders focused on trust and cooperation in technology. Mr. Modi invited investors to "design and develop in

India" to "create solutions for the world", while Mr. Macron said India brings the reliability that the world seeks at moments of upheaval in geopolitics. Commerce and Industry Minister Piyush Goyal and External Affairs Minister S. Jaishankar were present.

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The Prime Minister thanked Mr. Macron for the speedy implementation of visa-free transit for Indians in French airports and invited French universities to open campuses in India under the New Education Policy, as per the government statement.

The two leaders discussed private sector collaboration in the space sector and the SHANTI Act (legislation governing the nuclear sector) implications in India. "I think the field is open for French nuclear companies in this case to start looking at direct participation in the Indian nuclear sector, or do so with participation with Indian private sector companies, whether in conventional nuclear power reactors or in the more advanced small modular reactors," Foreign Secretary Vikram Modi said at a press briefing in Nice.

High-Level Mechanism to double trade in two years. The discussion also focused on cooperation in the SME, rail, and aviation sectors.

Mr. Modi and Mr. Macron agreed to strengthen supply chain resilience, particularly in critical min-

erals, as part of the 'Dialogue on Economic Security', as per the press release.

On the major crises in the world – in West Asia, including Iran and Gaza, as well as on Ukraine – the

KEY HIGHLIGHTS:

Context of the News

- Prime Minister Narendra Modi and French President Emmanuel Macron held bilateral talks in Nice, France.
- India and France adopted the Innovation Roadmap 2030 to strengthen cooperation in emerging technologies.
- Both countries launched a Dialogue on Economic Security focusing on supply-chain resilience and critical technologies.
- The partnership was recently elevated to a Special Global Strategic Partnership.
- Discussions covered AI, nuclear energy, defence, space, trade, education and critical minerals.

Key Points

Innovation Roadmap 2030

- Long-term framework for cooperation in:
 - Artificial Intelligence (AI)
 - Quantum technologies
 - Advanced manufacturing
 - Clean energy
 - Space technology
 - Research and innovation ecosystems

AI Cooperation

- Establishment of a Joint India-France AI Working Group.
- Focus on:
 - Trusted AI
 - Ethical AI governance
 - Joint research and innovation
 - Emerging technology partnerships

Dialogue on Economic Security

Focus areas include:

- Supply-chain resilience
- Critical minerals security
- Strategic technologies
- Economic resilience amid geopolitical uncertainties

Trade and Investment

- Support for early implementation of the India-EU Free Trade Agreement (FTA).

- Proposal to establish a High-Level Mechanism to double bilateral trade within five years.
- Cooperation in:
 - MSMEs
 - Railways
 - Aviation
 - Manufacturing

Nuclear Energy Cooperation

- Discussion on opportunities arising from the SHANTI Act and increased private participation.
- Potential cooperation in:
 - Nuclear reactors
 - Small Modular Reactors (SMRs)
 - Clean-energy technologies

Defence Cooperation

- France reaffirmed support for Make in India.
- Greater emphasis on:
 - Technology transfer
 - Co-development
 - Defence manufacturing

Space Cooperation

- Expansion of private-sector participation in:
 - Satellite technology
 - Launch services
 - Space applications

Education & Mobility

- Visa-free airport transit for Indian travellers through French airports.
- Invitation to French universities to establish campuses in India under NEP 2020.

Static Linkages

India-France Strategic Partnership

- Strategic Partnership established in 1998.
- France was among the first major powers to engage India after the 1998 nuclear tests.
- France supports:
 - India's permanent membership in the UNSC.
 - India's membership in export-control regimes.

Bilateral Defence Exercises

Exercise - Service

- Varuna - Navy
- Garuda - Air Force
- Shakti - Army

Critical Minerals

Important minerals:

- Lithium
- Cobalt
- Nickel
- Graphite
- Rare Earth Elements (REEs)

Importance:

- Electric Vehicles (EVs)
- Semiconductors
- Renewable energy systems
- Defence manufacturing

Small Modular Reactors (SMRs)

Features:

- Lower generating capacity than conventional reactors.
- Modular construction.
- Enhanced safety systems.
- Suitable for decentralized power generation.

India–France Space Cooperation

- Cooperation between:
 - ISRO
 - CNES
- Key project:
 - TRISHNA Earth Observation Mission.

Critical Analysis

Significance

Strategic

- Strengthens India's strategic autonomy.
- Deepens engagement with Europe.
- Supports a multipolar global order.

Economic

- Diversifies trade and investment partnerships.
- Enhances supply-chain resilience.
- Encourages advanced manufacturing.

Technological

- Access to frontier technologies.
- Strengthens AI and innovation ecosystems.
- Promotes collaborative research and development.

Energy Security

- Supports clean-energy transition.
- Facilitates cooperation in nuclear power and SMRs.

Challenges

- Technology-transfer restrictions in sensitive sectors.
- Dependence on imported critical minerals.
- Geopolitical competition affecting supply chains.
- Long gestation period of nuclear projects.
- Need for comprehensive AI governance frameworks.

Way Forward

- Operationalise Innovation Roadmap 2030 through time-bound targets.
- Strengthen overseas critical mineral partnerships.
- Promote co-development and co-production under Make in India.
- Accelerate implementation of the India–EU FTA.
- Expand cooperation in AI, quantum technologies and semiconductors.
- Deepen collaboration in SMRs and clean-energy technologies.
- Institutionalise regular Economic Security Dialogue mechanisms.

Iran questions U.S. push for truce after Israel hits Beirut

Associated Press
Reuters
DUBAI/WASHINGTON

Iran's top negotiator on Sunday questioned the U.S.'s commitment to peace efforts after Israel carried out new attacks on Lebanon, dimming prospects of Tehran and Washington signing a framework agreement on ending their war during the day as claimed by U.S. President Donald Trump.

Qatari negotiators flew to Tehran on Sunday morning as part of an effort to finalise the agreement, according to sources. But Iranian negotiator and Parliament Speaker Mohammad Bagher Ghalibaf said on Sunday that Israel's attack showed the U.S. lacked the will or ability to fulfil its commitments.

"If you lack the will and ability to fulfil your commitments, speaking of continuing the path is not possible," Mr. Ghalibaf wrote on X, in an apparent reference to peace moves.

Following Israel's attack, Mr. Trump on Sunday said the strikes on Lebanon's capital, Beirut, "should not have happened" as he vowed a peace deal was at hand, though he did not confirm his earlier claim it would be signed during the day.

Mr. Trump, who, in a phone call to the Axios news outlet, said the deal was still on track to be signed within hours, fumed at Israeli Prime Minister Benjamin Netanyahu over the attack on Beirut, saying, "it is so bad - I couldn't believe it. An hour before we are supposed to sign the deal."

In a sign that a diplomatic off-ramp was still available, Iran's President Ma-



Israel's latest strikes showed U.S. lacked the will or ability to fulfil its commitments, the Iranian Speaker said on Sunday. AP

Three killed as Israel strikes 'Hezbollah targets' in Beirut

Agence France-Presse
BEIRUT

Israel struck Beirut's southern suburbs on Sunday, killing three people, in response to

what it said was Hezbollah fire at Israel, while its military also carried out strikes on Lebanon.

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soud Pereshkian said on Sunday that the country's highest security body supported negotiations despite criticism from hardliners.

"The Supreme National Security Council has concluded that the path of dialogue should be pursued," the Iranian President said, pointedly adding that the council was in charge of "decisions regarding war and negotiations".

'A matter of when'

U.S. Defence Secretary Pete Hegseth said he did not expect the Israeli attack to "disrupt" the progress towards a deal.

"From all I know, we are on track," he said. "It is not a matter of if. It is a matter of when."

The U.S. President and mediator Pakistan said on Saturday they expected the deal would be signed on Sunday, but Tehran had

cast doubt over the timing while hardline protesters in Iran voiced opposition. Mr. Trump had said the Strait of Hormuz would open immediately after the signing.

Mohammad Jafar Assadi, deputy commander of Iran's top joint military command, was quoted by state media as saying Israeli "crimes" in Beirut's southern suburbs would not go unanswered.

Mr. Trump stressed in a later post that "there should be no more attacks by Israel anywhere in Lebanon, but there should also be no more attacks by any other party, including Hezbollah, against Israel."

Iran wants a ceasefire deal to include the fighting in Lebanon. Mr. Trump was expected to discuss demining the Strait of Hormuz during the G7 summit in France on Monday.

- Any disruption can impact oil prices, shipping routes, and energy-importing nations.

Static Linkages

Strait of Hormuz

- Connects the Persian Gulf with the Gulf of Oman and Arabian Sea.
- Located between Iran and Oman.
- One of the world's most important maritime chokepoints.

Maritime Security

- Freedom of navigation is a key principle under UNCLOS.
- Strategic chokepoints significantly influence global trade and energy flows.

Conflict Resolution

- Peaceful settlement of disputes is a core principle under the UN Charter.
- Mediation and diplomacy are important instruments of international conflict management.

KEY HIGHLIGHTS:

Context of the News

- Efforts were underway to finalize a peace framework between Iran and the United States.
- Fresh Israeli strikes on Beirut (Lebanon) created uncertainty regarding the proposed agreement.
- Iran questioned the credibility of U.S. commitments following the attacks.
- Qatar continued mediation efforts between the concerned parties.
- The developments have implications for regional stability, maritime security, and global energy supplies through the Strait of Hormuz.

Key Points

Peace Negotiations

- Iran and the U.S. are engaged in diplomatic efforts to end recent hostilities.
- Iran's Supreme National Security Council has supported continuation of negotiations.
- Iran seeks inclusion of the Israel-Lebanon conflict within any broader ceasefire arrangement.

Regional Security

- Israeli military action in Beirut heightened tensions in West Asia.
- Hezbollah remains a key actor in the Israel-Lebanon conflict.
- The incident demonstrates the interconnected nature of regional conflicts.

Energy Security

- Stability of the Strait of Hormuz remains central to global energy markets.

Critical Analysis

Significance

- Reduces the possibility of wider regional conflict.
- Supports stability in global energy markets.
- Enhances prospects for diplomatic conflict resolution.

Concerns

- Persistent trust deficit among stakeholders.
- Presence of multiple state and non-state actors.
- Risk of ceasefire violations.
- Domestic political opposition within concerned countries.

Implications for India

- Impact on crude oil imports and energy security.
- Possible effects on inflation and current account balance.
- Concerns regarding the safety of the Indian diaspora in West Asia.

Way Forward

- Strengthen diplomatic engagement and mediation efforts.
- Promote inclusive regional security dialogue.
- Ensure adherence to international law and ceasefire commitments.
- Enhance maritime security cooperation.
- Diversify energy sources and supply routes.
- Develop contingency plans for disruptions in critical chokepoints.

The hidden history of the Thai-Bharat connection

Today, June 15, marks the 84th anniversary of a historic meeting we have allowed ourselves to forget, which led to the birth of the Indian National Army (INA). I learned about it on a visit to the Thai-Bharat Cultural Lodge (TBCL) in Bangkok, discovering a remarkable, overlooked chapter of history that reveals Thailand's vital role as a neutral, strategic beacon for Indian revolutionaries seeking refuge from British colonial rule. From its humble beginnings as a hub for cultural and intellectual exchange, the organisation evolved into a cornerstone of the Indian independence movement, providing the essential infrastructure for the formation of the INA.

From culture to cause

The roots of this alliance were sown in 1927 during a historic visit to Siam, now Thailand, by Gurudev Rabindranath Tagore, who met with King Prajadhipok (Rama VII). Their dialogue centred on the deep, enduring connections between India and Thailand – ancient ties rooted in religion, philosophy, and shared cultural narratives such as the Ramayana and the Thai Ramakien. Inspired by his vision, Prafulla Kumar Sen, a Bengali scholar who became known as Swami Satyananda Puri, arrived in Bangkok in 1932.

A brilliant intellectual who had taught at the University of Calcutta and Vijnan Bhairav University, the Swami immersed himself in the Thai language and culture, mastering it in six months and becoming an esteemed professor at Chulalongkorn University. In 1939, he established the Dharam Ashram, a sanctuary for spiritual and cultural exchange, which served as a focal point for the growing Indian diaspora in Bangkok. In December 1940, this ashram was transformed into the TBCL. A defining moment in the organisation's history occurred shortly after, when the Indian Tricolour was hoisted at the Lodge – a bold, defiant gesture that signalled the arrival of the Indian independence movement in Thailand and drew strong protests from the British Ambassador. As the Second World War descended upon Southeast Asia, the TBCL shifted from a cultural institution to an active political base. By late 1941, as Japanese forces advanced, the Lodge became a nexus for Indian nationalists and independence activists.

One of the most instrumental figures in this era was Sardar Giani Pritam Singh, a Sikh missionary and Ghadar Party veteran who had been preaching revolutionary ideals among the Indian diaspora in Bangkok. Operating from garbages and working closely with the TBCL, Pritam Singh established vital covert links with Major Iwachi Fujiwara, the chief of the Japanese intelligence



Shashi Tharoor

Fourth-term Member of Parliament, Congress party (I), as Sabhai for Thiruvananthapuram, the Chairman of the Parliamentary Standing Committee on External Affairs and the Sahitya Akademi Award-winning author of 23 books, including, most recently, The Sage Who Remained: Hinduism, The Life, Lessons and Legacy of Sri Narayana Guru

unit, F.Kikan. In December 1941, the Indian National Council (INC) was founded at the Silpakorn Theatre in Bangkok by a group of nationalists associated with the TBCL, with Swami Satyananda Puri as its president and Debasath Das as its secretary. This organisation played a crucial role in coordinating the efforts of the Indian independence movement, bridging the gap between civilian aspirations and the military mobilisation led by the Indian Independence League (IIL).

Toward organised resistance

The cooperation between these groups culminated in the historic Bangkok Conference, which took place between June 15 and June 23, 1942, at the Silpakorn Theatre. This gathering represented a turning point in the struggle, bringing together more than a hundred representatives of Indian communities and freedom fighters from across Southeast Asia, including Burma, Malaya, and Singapore.

The conference served three primary functions. It brought together diverse nationalist factions under a coherent political and military framework, effectively establishing the IIL as the central body for Indians residing outside of India. It adopted a comprehensive 34-point resolution, which provided the official blueprint for the INA, stipulating that it would be composed of volunteers and former prisoners of war and supervised by the IIL rather than the Japanese military. The delegates urged Japan to formally recognise India as an independent nation and acknowledge the IIL as its legitimate representative, reflecting a strategic effort to ensure that the independence movement maintained its own agency despite its reliance on Japanese support.

The struggle began with a tragedy that shook the movement to its core. In March 1942, a plane carrying the Swami and the Sardar, who were en route to a high-level meeting in Tokyo to secure further commitments for the movement, crashed, resulting in their deaths. Their loss was a devastating blow, yet their sacrifice served to deepen the resolve of those who remained and who conferred in June with the Japanese to set up the INA. Netaji Subhas Chandra Bose's arrival in 1943 provided the centralised, charismatic, and revolutionary military leadership needed. He took command of the IIL and the INA, shifting the focus from decentralised regional council discussions toward a unified, disciplined military and political front designed to launch an armed struggle for Indian independence.

While the TBCL's roots were in intellectual and cultural exchange, Netaji's arrival accelerated the transition to a mass mobilisation effort, drawing in thousands of civilian volunteers and former

prisoners of war who were inspired by his call for "Total Mobilization". Under Bose, the collaboration with the Japanese military was elevated to a high-stakes diplomatic partnership aimed at securing full recognition for the Provisional Government of Free India.

Despite the shift toward a more militarised and centralised command under Netaji, the TBCL continued to serve as a vital institutional bridge. It provided the necessary civilian and cultural cover for many activities that supported the broader independence movement. As the war progressed, the TBCL remained a steadfast centre for the Indian diaspora, even as the focus of the struggle moved to the front lines of the INA's march toward the Indian border. The Lodge maintained its role as a sanctuary for those committed to the ideals of independence, preserving the vision that had been articulated during the early days of Swami Satyananda Puri's tenure – that India's freedom was inextricably linked to the broader cause of Asian liberation from colonial rule.

Keeping history alive

Following the conclusion of the war in 1945, the TBCL was banned by Allied forces and its leaders imprisoned. Even after the conclusion of the war and the dissolution of the INA, the legacy of this era persisted. Thanks to the tireless efforts of figures such as Pandit Raghunath Sharma, the Lodge was successfully re-established in 1946. The Lodge's survival serves as a testament to the fact that the political and military efforts of the war era were supported by the deep-rooted cultural and social networks fostered in the years prior. These networks allowed the movement to survive the vacuum of leadership following the war and continue to inform the historic relationship between India and Thailand.

Today, the TBCL remains the only surviving institution from this era, functioning as a living archive, housing a precious collection of rare texts, historical photographs, and documents that provide an intimate window into the lives of the Indian families who contributed to the fight for freedom.

During my visit I was treated to a passionate tour of the premises by Pandeyji, a descendant of Indian rajapoots who had migrated to Thailand three centuries ago. As he evoked the stories behind each grainy photograph and historic document, it became clear that the TBCL stands not just as a library or a museum, but as a monument to the enduring friendship between the people of Thailand and the Indian diaspora – a symbol of the shared courage and determination that defied one of the most critical, yet often forgotten, chapters of the global anti-colonial movement.

- Decided:
 - Formation and organisation of the INA.
 - IIL would supervise the INA.
 - India's independence would remain the ultimate objective.

Indian National Army (INA)

- First formed under Captain Mohan Singh from Indian POWs captured by Japan.
- Reorganised under Netaji Subhas Chandra Bose in 1943.
- Motto:
 - Unity
 - Faith
 - Sacrifice
- Slogan:
 - "Delhi Chalo"

Netaji's Contribution

- Assumed leadership of:
 - INA
 - Indian Independence League
- Established the Provisional Government of Azad Hind (1943).
- Azad Hind Government was recognised by several Axis-aligned countries.

Historical Importance

- Demonstrated the role of overseas Indians in the freedom struggle.
- Increased nationalist sentiment within British Indian armed forces.
- Influenced post-war events:
 - INA Trials (Red Fort Trials)
 - Royal Indian Navy Mutiny (1946)

Static Linkages

- Ghadar Movement highlighted the role of the Indian diaspora in anti-colonial struggles.
- World War II weakened European colonial powers.
- Quit India Movement (1942) and INA represented parallel streams of resistance.
- Red Fort Trials generated nationwide support cutting across political affiliations.
- Royal Indian Navy Mutiny (1946) exposed declining British control over Indian armed forces.
- Decolonisation accelerated globally after World War II.

Critical Analysis

Significance

- Highlights the international dimension of India's freedom struggle.
- Demonstrates the strategic role of Indian diaspora networks.

KEY HIGHLIGHTS:

Context

- June 15, 2026 marks the 84th anniversary of the Bangkok Conference (15–23 June 1942), regarded as the key event that provided the political and organisational framework for the Indian National Army (INA).
- The role of the Thai-Bharat Cultural Lodge (TBCL), Bangkok, has come into focus as one of the few surviving institutions associated with the overseas Indian freedom movement.
- The episode highlights the contribution of the Indian diaspora in Southeast Asia, particularly Thailand, to India's independence struggle.

Key Points

Thai-Bharat Cultural Lodge (TBCL)

- Originated from Dharam Ashram established by Swami Satyananda Puri in Bangkok.
- Converted into TBCL in 1940.
- Functioned as:
 - Cultural centre for the Indian diaspora.
 - Hub of nationalist activities.
 - Meeting place for Indian revolutionaries in Southeast Asia.

Indian Independence League (IIL)

- Political organisation representing Indians outside India.
- Became the principal body coordinating the freedom movement in Southeast Asia.
- Worked closely with nationalist groups in Thailand, Burma, Malaya and Singapore.

Bangkok Conference (1942)

- Held from 15–23 June 1942 at Bangkok.
- Brought together Indian nationalist representatives across Southeast Asia.
- Adopted a 34-point resolution.

- Shows that anti-colonial mobilisation extended beyond Indian territory.
- Strengthened nationalist consciousness among Indian soldiers.

Concerns

- Dependence on Japanese military assistance created strategic limitations.
- Historiography often under-represents contributions of Southeast Asian Indians.
- Limited public awareness regarding institutions such as TBCL.
- Debate persists regarding the extent of INA's military effectiveness.

UPSC Perspective

- Importance lies less in military success and more in:
 - Political impact.
 - Psychological effect on British rule.
 - Mobilisation of Indian public opinion.
 - Influence on loyalty of colonial armed forces.

Way Forward

- Digitisation of overseas freedom movement archives.
- Greater academic research on diaspora contributions.
- Integration of Southeast Asian dimensions into history curricula.
- Strengthening India–Thailand cultural cooperation.
- Preservation of INA-related heritage sites and records.
- Promotion of people-to-people links under the Act East Policy.

The 'seven-point IQ opportunity' for Indian children

What if we could increase the IQ of India's future generations by seven points with a pivot in the understanding of early childhood development under the Anganwadi system?

For decades, India's early childhood agenda has focused on ensuring that children survive early childhood, reducing under-five mortality from 43 in 2002 to 32 in 2020 (UNICEF and World Bank data) with sufficient inputs invested toward their health, nutrition, immunisation and sanitation conditions. The Anganwadi system reflects these priorities at scale: approximately eight crore children (ages 0-6 years) receive supplementary nutrition, growth monitoring and health services, alongside counselling and home visits for their parents. However, body and brain development in the early years do not proceed on separate tracks.

Early childhood development is an ecological process in which nutrition, health, and early learning interact dynamically with each other through the body, brain, and environment. The developing brain is highly energy-intensive, consuming nearly one-fifth of the body's energy at rest. In the first year alone, grey matter volume increases by 149% and the cerebellum by 240% as millions of synapses form in regions associated with movement, language, and planning.

Middle-income evidence is clear
Paediatric research in Jamaica in the 1980s provided hard academic evidence to an idea that many cultures already understood. Researchers working with stunted children found that nutritional supplementation improved physical health alone, but adding regular psychosocial stimulation (love-talk play and responsive interactions) resulted in stronger cognitive gains. Similar findings emerged in India from a birth cohort study in Vellore (250 children followed from birth to age 9) where children started early in life performed worst on later cognitive assessments, but those who recovered physically also showed better cognitive outcomes.



Beena Koshy
Senior Professor,
Developmental
Paediatrics, Christian
Medical College
(CMC), Vellore,
Tamil Nadu



Riday Chokshi
Senior Associate -
National Initiatives
and Policy,
Rocket Learning

Anganwadis can help boost cognitive development through holistic early intervention

International research on enteric dysfunction and poor sanitation has shown that nutritional inputs are mediated by the child's environment. A child's body may receive food, but infection, inflammation, toxic exposure and deprivation of stimulation can adversely influence this very nutrition. In studies in Vellore, children with iron deficiency or high lead exposure in early life, score lower on developmental and cognitive assessments, even when their height and weight appear normal. It is not simply what children eat that matters, but whether their bodies can absorb and use it. Yet, numbers on a growth chart never tell the full story. The quality of the home environment - how much they are talked to, read to, played with and emotionally supported, keeps emerging as a stronger predictor of cognitive outcomes than diet alone.

Most encouragingly, exposure to structured preschool and early stimulation has the potential to transform a generation. Children in the Vellore cohort who attend preschool regularly for 18 to 24 months, including in Anganwadi centres, are scoring seven IQ units higher on cognitive tests than those not attending preschool, even after accounting for poverty, maternal education and early stunting. In a similar Brazilian birth cohort, children who received structured preschool had higher cognition scores by eight units at age five. This is powerful evidence that stimulation and nutrition have strong, independent effects and amplify each other when both are fulfilled.

A role for Anganwadis
Indian policymakers are responding to new evidence quickly. The Anganwadi system has started to incorporate this broader understanding of holistic early childhood development into its core design. This shift is most visible in the rollout of national frameworks such as Adharshila and Navchetana and programmes such as Poshan Bhi Padhai Bhi. They are critical inputs in redefining neighbourhood Anganwadis as vibrant early childhood education centres that nourish both mind and body. Adharshila

strengthens play-based preschool education within centres, while Navchetana extends early stimulation into the home, equipping caregivers with simple, science-based ways to support development through everyday interactions. In clinical practice, we offer these frameworks to parents everyday, helping to turn routine moments into opportunities for learning. We encourage the integration of Navchetana's "loving, talking and playing" into daily life while feeding, cooking or playing with children. The home lays the foundation of early language, cognition and socio-emotional skills in the first three years, and Anganwadis deepen it through structured play-based activities, storytelling and peer learning from ages three to six. Systemic community mobilisation initiatives, such as Poshan Padhwada conducted in April 2026 by the Ministry of Women and Child Development focus on promoting early stimulation for brain development, play-based education in the early years, and the role of parents and communities in reducing screen exposure and strengthening engagement with Anganwadis. The campaign signals that early childhood development is not confined to centres or programmes, but depends on what happens within households and neighbourhoods.

Building futures
An "ecological" approach uplifts families as much as it strengthens children. Reliable childcare gives mothers the time, the confidence and the opportunity to work, study or contribute economically. In Vellore, we have seen women trained as childcare workers gain both dignity and livelihood, creating a virtuous circle of care. When the kitchen, classroom and crèche align, children flourish, women work and communities thrive. For a Viksit Bharat, progress cannot rest on calories alone. The physical and interactive learning and playing environments in homes, Anganwadis and communities must be as enriching as the meals they receive.

Anganwadi System

- Operates under ICDS (1975).
- Covers nearly 8 crore children.
- Provides:
 - Supplementary nutrition
 - Growth monitoring
 - Health services
 - Preschool education
 - Parent counselling

Key Government Initiatives

Poshan Bhi Padhai Bhi

- Integrates nutrition with preschool education.
- Promotes play-based learning.

Aadharshila

- National framework for quality preschool education.
- Focuses on age-appropriate, activity-based learning.

Navchetana

- Promotes caregiver-led early stimulation.
- Based on the "Love, Talk and Play" approach.

Saksham Anganwadi and POSHAN 2.0

- Focuses on nutrition and holistic child development.
- Strengthens ECCE services through upgraded Anganwadis.

Static Linkages

- Article 45: Early Childhood Care and Education (ECCE) for children below six years.
- Article 39(f): Healthy development of children.
- Article 21A: Right to Education.
- ICDS (1975).
- NEP 2020: Foundational Stage (3-8 years).
- First 1,000 days are critical for lifelong development.
- Human Capital Theory: investment in health and education drives growth.
- SDG 2 (Zero Hunger) and SDG 4.2 (Early Childhood Development).

Critical Analysis

Positives

- Strengthens human capital formation.
- Improves learning outcomes and productivity.
- Helps break intergenerational poverty.
- Supports NEP 2020 goals.
- Enhances school readiness and foundational literacy.
- Promotes convergence of nutrition, health and education.

Challenges

- Poor Anganwadi infrastructure.
- Limited training and heavy workload of workers.

KEY HIGHLIGHTS:

Context of the News

- Vellore Birth Cohort Study found that children attending preschool (including Anganwadis) for 18-24 months scored ~7 IQ points higher than non-attendees.
- Highlights the need to move beyond a nutrition-centric approach towards holistic Early Childhood Development (ECD).
- Supports initiatives such as Poshan Bhi Padhai Bhi, Aadharshila and Navchetana.
- Reinforces the vision of NEP 2020 regarding foundational learning.

Key Points

Early Childhood Development (ECD)

- Covers 0-6 years; includes:
 - Physical
 - Cognitive
 - Language
 - Emotional
 - Social development
- Around 85% of brain development occurs before age six.

Scientific Evidence

- Brain development depends on:
 - Nutrition
 - Health
 - Sanitation
 - Responsive caregiving
 - Early learning opportunities
- Nutrition alone improves physical growth; nutrition + psychosocial stimulation improves cognitive outcomes significantly.

Vellore Birth Cohort Findings

- Early stunting linked to poorer cognitive outcomes.
- Recovery from stunting improves development indicators.
- Preschool attendance associated with ~7 IQ points higher scores, even after controlling for poverty and maternal education.

- Monitoring remains nutrition-centric.
- Low parental awareness regarding early stimulation.
- Regional disparities in service delivery.
- Rising screen exposure among children.

Stakeholders

- Children (0–6 years)
- Parents/Caregivers
- Anganwadi Workers
- Ministry of Women & Child Development
- Ministry of Education
- Local Communities/PRIs

Way Forward

- Universalize quality ECCE through Anganwadis.
- Strengthen Poshan Bhi Padhai Bhi and Saksham Anganwadi.
- Train Anganwadi workers in preschool pedagogy.
- Develop indicators for cognitive and socio-emotional development.
- Promote responsive caregiving and parental awareness.
- Improve convergence among health, nutrition and education sectors.
- Expand play-based learning resources.
- Reduce excessive screen exposure among children.

Fuller expression

A rapid decline in inflation appears unlikely even if the war ends

India's May retail inflation at 3.93%, the highest in the current CPI series and roughly a 15-month high if compared with the previous series, has begun to reflect the pass-through effects of surging food and fuel costs more clearly than in previous months. However, last month's wholesale inflation numbers, the first under the new WPI series and due later this month alongside India's first Producer Price Index (PPI), should reveal how much of the price shock producers and wholesalers continue to absorb. May's food inflation rose at a faster clip to 4.78% from 4.20% in April. While transport inflation rose by 1.75% after a marginal contraction in April, a subdivision within the sector – transport services for goods – surged by 7.63%, signalling growing price pass-through. This was largely driven by the four tranches of petrol and diesel price increases beginning in mid-May. Significantly, the sharp rise in commercial LPG prices – by about ₹1,300 per 19-kg cylinder, representing an increase of over 75% since February – appears to be reflected in inflation in the restaurants and accommodation services category, which stood at 5.75%, the second-highest division after personal care and miscellaneous goods and services. Inflation in the latter category reached 18.46%, reflecting soaring precious metals prices. Domestic LPG's second price revision by ₹29 earlier this month will likely find a fuller expression in June's consumer food price inflation.

Although May's inflation remains below the RBI's 4% target and within its 2%-6% tolerance band, the RBI retained its neutral stance at its latest monetary policy review, signalling concern over the possibility of further price pressures. Its intervention in the foreign exchange market through dollar sales has meanwhile helped shore up the rupee, Asia's worst-performing currency since the U.S.-Israeli conflict with Iran escalated. The currency, which briefly approached ₹97 to the dollar in May, is now trading closer to ₹95-₹96. The Centre may nevertheless draw some comfort from the fact that core inflation, which excludes food and fuel, remained relatively contained at around 3.8%-3.9% in May, largely unchanged from recent months. This coincides with signs of a U.S.-Iran rapprochement and uninterrupted shipping through the Hormuz. Yet, uncertainty persists over whether Iran may impose fees or restrictions on transit through the waterway, which could keep fuel prices elevated for energy-importing nations such as India. Even if crude prices soften, oil marketing companies are unlikely to immediately reverse retail price increases as they seek to recover losses. LPG prices, too, may remain sticky. Thus, while the prospects for a durable peace may have improved, a rapid decline in inflation appears unlikely.

KEY HIGHLIGHTS:

Context

- India's Consumer Price Index (CPI)-based inflation stood at 3.93% in May.
- Food inflation increased to 4.78% from 4.20% in April.
- Rise in petrol, diesel and LPG prices has started impacting transportation and service-sector inflation.
- RBI maintained a neutral monetary policy stance despite inflation remaining below the 4% target.
- Concerns remain over global crude oil prices due to developments in West Asia and the strategic importance of the Strait of Hormuz.

Key Points

Inflation Trends

- CPI Inflation (May): 3.93%
- Food Inflation: 4.78%
- Core Inflation (excluding food & fuel): 3.8–3.9%
- Restaurant & Accommodation Inflation: 5.75%

Fuel-Driven Inflation

- Successive petrol and diesel price hikes increased transportation costs.
- Commercial LPG prices rose significantly since February.
- Domestic LPG prices also witnessed upward revision.

External Factors

- India imports over 80% of its crude oil requirement, making it vulnerable to global oil price shocks.
- Strait of Hormuz is a critical route for global oil trade.
- Any disruption can increase India's import bill and inflation.

RBI's Position

- Inflation remains within the RBI's target range (4% $\pm$ 2%).
- RBI retained a neutral stance due to inflationary risks from food and fuel prices.
- Forex intervention helped stabilize the rupee.

Static Linkages

- Inflation Types:
 - Demand-Pull Inflation
 - Cost-Push Inflation
 - Imported Inflation
- Monetary Policy Committee (MPC):
 - Established under RBI Act, 1934 (2016 amendment).
 - Inflation target: 4% $\pm$ 2%
- Inflation Indices:
 - CPI – Released by NSO.
 - WPI – Released by Office of Economic Adviser.
 - PPI – Measures producer-level price changes before goods reach consumers.
- Core Inflation:
 - Excludes food and fuel due to volatility.

Critical Analysis

Concerns

- Rising fuel prices may lead to broader cost-push inflation.
- Higher transportation costs affect all sectors of the economy.
- Imported inflation remains a major risk due to oil dependence.
- Geopolitical tensions in West Asia can increase crude oil prices.

Positives

- Inflation remains within RBI's tolerance band.
- Core inflation remains relatively stable.
- Rupee stabilization has reduced imported inflation pressures.

Way Forward

- Diversify crude oil import sources.
- Expand renewable energy capacity.
- Strengthen Strategic Petroleum Reserves (SPR).
- Improve agricultural supply chains to control food inflation.
- Maintain coordination between fiscal and monetary policy.

Series of gaps

Distrust of police has led to underreporting of child sexual abuse

Child sexual abuse in India remains persistently under-reported and the state response to it has shown up trenchant systemic inefficiencies. In over 90% of cases, including the recent Sular case in Coimbatore in which a charge sheet was filed last week, the threat to a child is from within the family's trusted circles. Public imagination often fixates on predatory strangers, which is not conducive to helping families and communities identify a risk in time. Migrant and working-class communities are especially at risk as they are less integrated in local protective social networks. Second, abandoned industrial sites and poorly maintained common land tend to become crime scenes. But despite the 'Safe City' project and the recognition of child-friendly urban development paradigms, urban redesign still focuses on core areas of major metros. The social safety dimensions of urban wetland restoration, like that of the Noyyal river, are often overlooked as well. Next, while POCSO trials are required to conclude within a year of the special court taking cognisance, POCSO courts face an 89% pendency rate and conviction rates have historically ranged between 3% and 30%, undermining confidence in the police and judiciary. The Sular case prompted promises of swift action, but this is only one case; systemic reforms to protect vulnerable children remain elusive. In 2024, the NCRB recorded 69,191 POCSO cases involving more than 70,000 child victims.

Public distrust discourages residents from reporting suspicions and encourages families fearing police apathy to search for missing children themselves, potentially allowing the perpetrators to hide evidence or flee. Ultimately, when the state fails to deliver due punishment, the people perceive the police to be a bureaucratic hurdle, leaving children more vulnerable. Repeatedly strengthening penalties merely suppresses reporting in most cases where the offender is familiar. Even the 2018 and 2019 amendments to the POCSO Act reacted to public outrage rather than considered evidence and focused on harsher punishments. Both comprehensive longitudinal data on recidivism and analyses of whether harsher legal penalties are effective deterrents remain scarce. While data collection has improved, the Ministry of Women and Child Development has noted that qualitative analyses of acquittals rarely inform policy changes. Finally, survivors and families face secondary victimisation from insensitive administrative responses and media reports. Together with the lack of policing informed by trauma response and stigma, true safety continues to evade thousands of children leaving them vulnerable to a cycle of unreported and unpunished violence.

KEY HIGHLIGHTS:

Context

- Recent Sular (Coimbatore, Tamil Nadu) child sexual abuse case has highlighted systemic deficiencies in child protection mechanisms.
- NCRB (2024) recorded 69,191 POCSO cases involving more than 70,000 child victims.
- Over 90% of child sexual abuse cases involve persons known to the child, including family members, relatives, neighbours, or acquaintances.
- Concerns persist regarding under-reporting, high pendency of cases, low conviction rates, and inadequate survivor support.

Key Points

POCSO Act, 2012

- Comprehensive law for protection of children (below 18 years) from sexual offences.
- Provides child-friendly investigation and trial procedures.
- Mandates reporting of offences.
- Establishes Special Courts for speedy trials.

Major Issues

- Most offenders belong to the child's trusted social circle.
- Significant under-reporting due to stigma, fear, and social pressure.
- POCSO courts face around 89% pendency.
- Conviction rates remain low in many states.

- Survivors often face secondary victimisation during investigation and trial.
- Urban unsafe spaces such as abandoned sites and poorly maintained public areas can become crime hotspots.

Data

- NCRB 2024: 69,191 POCSO cases registered.
- More than 70,000 child victims involved.
- Majority of offences committed by known persons.

Static Linkages

- Article 14 – Equality before law.
- Article 15(3) – Special provisions for children.
- Article 21 – Right to life and dignity.
- Article 21A – Right to education.
- Article 39(e) & 39(f) – Protection of children against abuse and exploitation.
- Article 45 – Early childhood care and education.
- POCSO Act, 2012.
- Juvenile Justice (Care and Protection of Children) Act, 2015.
- Mission Vatsalya.
- UN Convention on the Rights of the Child (UNCRC), 1989.

Critical Analysis

Challenges

- Under-reporting due to social stigma.
- Delayed investigations and judicial backlog.
- Inadequate trauma-sensitive policing.
- Low conviction rates affecting deterrence.
- Weak rehabilitation and counselling support.
- Excessive focus on harsher punishment rather than prevention.
- Poor community awareness regarding child safety.

Significance

- Ensuring child safety is essential for protection of fundamental rights.
- Effective implementation of POCSO is crucial for social justice and human dignity.
- Strengthening trust in institutions is necessary for timely reporting and justice delivery.

Way Forward

- Strengthen implementation of Mission Vatsalya.
- Increase number of POCSO Special Courts.
- Ensure time-bound investigation and trial.
- Promote trauma-informed policing and victim support.
- Expand counselling and rehabilitation services.
- Strengthen community-based child protection mechanisms.
- Integrate child safety considerations into urban planning.
- Improve awareness programmes in schools and communities.
- Use evidence-based policy reforms instead of solely increasing punishments.

Our parched cities need to make every drop count, recycle water



PARAMESWARAN IYER,
ARUNABHA GHOSH
AND NITIN BASSI

WHAT IS common between Narsinghpur in Madhya Pradesh, Ahmedabad in Gujarat, and Barmer in Rajasthan? These cities have reported maximum daytime temperatures north of 40 °C in the first week of May. The high temperatures have led to water scarcity, driven by high evaporation rates and increased demand for domestic water. For many small cities and towns, where water supply has become a norm during summer. Bigger cities such as Delhi are sourcing water from far-off places, often leading to higher costs and dependence on upper riparian regions.

The annual per capita water availability in India is about 1,500 m³, which is likely to fall below 1,200 m³ by 2050, edging closer to the water scarcity threshold of 1,000 m³. The reduced water availability, coupled with the water scarcity during non-rainy seasons and increasing heatwaves, calls for more proactive water action. The larger question is what can cities do differently.

One intervention with immense (and thus far unrealised) potential is integrating the reuse of treated used water (domestic sewage), especially for non-potable purposes such as irrigating horticultural crops, land-

scaping, construction, public conveniences, textile manufacturing, lake rejuvenation, and wherever there is no direct contact with humans. As per an analysis by the Council on Energy, Environment and Water (CEEW), this can unlock a market and investment opportunity worth over Rs. 1.5 lakh crore and generate 1,00,000 additional jobs by 2047. Also, implementing a circular water economy will help ease water stress. For instance, Thane city can bridge its existing water deficit of 53 million litres a day through scaling up the reuse of treated used water. Four interrelated actions can unlock these benefits.

First, the policy on water reuse must be complemented by city-specific reuse plans. About 14 Indian states now have water reuse policies. Uttar Pradesh, UP and Odisha are the latest states to realise seasonal water risks and notify reuse policies. While this is a step in the right direction, city-specific reuse plans are needed, which would have clear targets to address existing water deficits and water quality issues, reuse avenues, reuse water quality requirements, revenue generation options, and implementation mechanisms. Each city has a unique reuse requirement. For instance, in Delhi, Varanasi, and Bengaluru, the priority for water reuse is in agriculture in peri-urban areas, whereas in Chennai, it is for rejuvenating water bodies and lakes, and in Thane, for construction, or for industrial use.

Second, enable private financing for reuse projects. Urban areas have less than 50 per cent of new-worked sewage treatment capacity, and less than one-third was actually treated in 2021. There are many reasons for this, including the absence of infrastructure to

transport sewage to treatment plants, a lack of human resources to operate a plant, an energy deficit for running the plants, and insufficient allocations for maintenance of treatment plants. Reuse is low and accounts for only a small proportion of total treated volumes. Along with public investments, private investments are needed to strengthen used water treatment and reuse infrastructure. Different models of blended finance are possible: The hybrid annuity model, adopted by the National Mission for Clean Ganga, shares financial risk between the government and the private developer.

Third, there is a need to improve the functionality of sewage treatment plants. Many plants in various cities do not meet the effluent discharge quality standards set by the Central Pollution Control Board. Beyond poor plant maintenance, used water is often mixed with industrial effluents from non-conforming units in unauthorised areas, impairing plant operations. Most of the water treatment plants operate on biological processes that rely on microorganisms. The heavy metals and toxics in industrial effluents kill the bacteria or make them dormant. Although India does have a zero-liquid-discharge (ZLD) policy for industries, many small-scale units flout norms and release untreated effluent into drains carrying domestic wastewater. As adopted by cities in the Ganga river basin, local governments can leverage innovations in technology and AI to monitor violations and improve compliance of the plants. Further, they can provide incentives to the industries that follow the rules on proper implementation of ZLD.

Cities in Gujarat that offer financial assistance to industries for setting

up ZLD policies are good examples. Fourth, create a national circular water mission to shift water management from a linear use-and-dispose approach to a restorative model that maximises its reuse. This will require technological, institutional, financial, and behavioural reforms. Technological reforms should target building more decentralised faecal sludge treatment plants in the growing peri-urban areas. Institutional reforms are needed to enable urban local bodies to set up special purpose instruments to manage reuse projects and convert them into a business opportunity. Financial instruments must be designed to incentivise those reusing treated used water and readily freshwater as an asset class. While the introduction of market-based freshwater pricing for all users should drive efficiency, targeted subsidies must be maintained to protect those at the base of the economic pyramid. Lastly, but importantly, are the behavioural nudges to make use of water everyone's business. By shifting public perception, treated used water and its reuse can be made an essential component of life in a city. The recently published study 'Water, Nature, Progress', and the Economic Survey of India 2025-26 have laid down the roadmap for a circular water mission in India.

India's journey to Viksit Bharat by 2047 will depend on how boldly it builds water resilience. A circular water economy can be the high-water mark – it can reduce freshwater stress, improve water quality, and secure water for all. India has the political leadership, will, and proof of concept. What is needed now is action – at scale, at speed, and with urgency.

Iyer is India's executive director at the World Bank. Ghosh is founder-CEO CEEW, and Bassi is fellow at CEEW. Views are personal.

- Chennai → Waterbody rejuvenation.
- Thane → Construction.
- Surat → Industrial use.

Major Challenges

- Urban India has <50% sewerage treatment capacity.
- Less than one-third of sewage effectively treated.
- Inadequate sewer networks.
- Poor STP maintenance.
- Industrial effluent contamination.
- Financial and technical constraints.

suggested Measures

- City-specific water reuse plans.
- Public-Private Partnership (PPP) and blended finance.
- Improved Sewage Treatment Plant (STP) functionality.
- Strict enforcement of Zero Liquid Discharge (ZLD) norms.
- National Circular Water Mission.

Static Linkages

- Article 21 – Right to life includes access to clean water.
- Article 48A – Protection and improvement of environment.
- Article 51A(g) – Duty to protect natural environment.
- 74th Constitutional Amendment – Municipal responsibility for water supply and sanitation.
- State List Entry 17 – Water.
- Union List Entry 56 – Inter-State rivers.
- SDG 6 – Clean Water and Sanitation.
- Integrated Water Resources Management (IWRM) approach.

Critical Analysis

Significance

- Reduces freshwater stress.
- Enhances urban water security.
- Supports climate resilience.
- Reduces pollution in rivers and lakes.
- Promotes circular economy.
- Generates employment and investment.

Challenges

- High infrastructure cost.
- Public acceptance issues.
- Poor compliance with treatment standards.
- Weak monitoring of industrial discharge.
- Institutional fragmentation.
- Financial stress on Urban Local Bodies.

Way Forward

- Launch a National Circular Water Mission.
- Mandate city-level wastewater reuse targets.
- Expand decentralized treatment systems.
- Strengthen PPP-based financing.
- Use AI/IoT for STP monitoring.
- Enforce ZLD norms strictly.
- Incentivize industries using treated wastewater.
- Promote behavioural change and public awareness.
- Integrate wastewater reuse into Smart Cities and AMRUT initiatives.

KEY HIGHLIGHTS:

Context

- Rising summer temperatures (>40°C) in cities such as Ahmedabad, Barmer, and parts of Uttar Pradesh have intensified urban water scarcity.
- India's per capita annual water availability is about 1,500 m³, projected to fall below 1,200 m³ by 2050, approaching the water scarcity threshold (1,000 m³).
- Growing heat waves, rapid urbanization, and increasing water demand highlight the need for treated wastewater reuse and a circular water economy.
- The Economic Survey 2025-26 and studies by CEEW have emphasized wastewater reuse as a key strategy for urban water security.

Key Points

Water Stress in India

- Per capita water availability:
 - Present: ~1,500 m³/year
 - Projected (2050): <1,200 m³/year
- Water scarcity threshold: 1,000 m³/year.

Potential of Wastewater Reuse

- Reuse sectors:
 - Agriculture & horticulture
 - Landscaping
 - Construction
 - Industries
 - Lake/wetland rejuvenation
- CEEW estimates:
 - ₹3 lakh crore+ market opportunity
 - 1 lakh additional jobs by 2047

State Initiatives

- Around 14 States have notified water reuse policies.
- Recent States:
 - Uttarakhand
 - Uttar Pradesh
 - Odisha

City-Specific Reuse Priorities

- Delhi, Varanasi, Bengaluru → Agriculture.

Make it clear: Indian sailors are not collateral damage

THE KILLING of three Indian sailors in a US strike on the oil tanker MT *Settebello* in the Gulf of Oman is a tragic incident that adds a further complication to a bilateral relationship going through an uneasy phase. India has, rightly, voiced its objections strongly, summoning the US chargé d'affaires in New Delhi twice to protest this and other attacks that have endangered the lives of Indian mariners. External Affairs Minister S. Jaishankar said that, in a call with US Secretary of State Marco Rubio, he had "reiterated India's strong protest". That the US State Department's account of the call fails to mention the deaths, and claims that "all commercial vessels should immediately comply with orders from US forces", flies in the face of international conventions and betrays a callous lack of acknowledgement of the incident's gravity. President Donald Trump's intervention — blaming Iran for alleged drone strikes against "Indian" ships, which Tehran has denied — is hardly helpful.

This, together with the Trump Administration's bid to impose higher tariffs on India via US Trade Representative investigations, hurts attempts — such as the reassurances offered by Rubio during his recent visit and the efforts of Ambassador Sergio Gora — to set the ties back on course. The episode underlines the vulnerability of Indian seafarers — who number around 3.08 lakh, about 12 per cent of the global pool — in the West Asia conflict. Attacks on neutral merchant shipping in war have been a contentious aspect of international law, and the era of open registries, flags of convenience and a globalised workforce has only worsened the ambiguities; a ship may be flagged in Palau, run by a Dubai-based operator and crewed by Indians, as in the present case. The US has sought to justify its strike on the *Settebello* by alleging that the vessel violated its blockade of Iranian ports and the crew ignored warnings, which can be grounds for attack under the established law. The ship's operator, IOS Marine FZE, has denied the charge.

With lakhs of its citizens potentially in danger, India has critical stakes in ensuring that such attacks do not recur, that mariners have better protections, and that the blockade is lifted. The US must ensure that civilian seafarers do not continue to become collateral damage. Both Trump and the Iranians have signalled that a peace deal may be in the offing. If it happens, the opening of the Strait of Hormuz will be a relief to the whole world, especially to those risking their lives on the high seas. Meanwhile, New Delhi, even as it rolled out the red carpet for Secretary Rubio last month, should keep reminding him of its red lines as well, especially when it comes to the life — and death — of Indian citizens.

KEY HIGHLIGHTS:

Context

- Three Indian sailors were killed in a US strike on the merchant vessel *Settebello* amid the ongoing West Asia conflict.
- India lodged a strong diplomatic protest with the US and raised concerns regarding the safety of Indian seafarers.
- The incident highlights the vulnerability of Indian maritime workers operating in conflict-prone international waters.
- It also underscores the strategic importance of the Strait of Hormuz for global trade and India's energy security.

Key Points

- India has about 3.08 lakh seafarers, accounting for nearly 12% of the global maritime workforce.
- The US claimed the vessel violated its blockade-related restrictions; the ship operator denied the allegation.
- Merchant ships often operate under:
 - Flags of Convenience (FoC)
 - Multinational ownership
 - Multinational crew composition
- The Strait of Hormuz remains a critical maritime chokepoint for global oil and gas supplies.
- Escalation in West Asia directly affects India's:
 - Energy security
 - Trade routes
 - Overseas citizens

Static Linkages

- Freedom of navigation on the high seas.
- Protection of civilian vessels during armed conflicts.
- Strategic maritime chokepoints and Sea Lines of Communication (SLOCs).
- Consular protection and evacuation of citizens abroad.
- Importance of the Indian Ocean region in global trade.
- Maritime security as a component of national security.

Critical Analysis

Significance for India

- Highlights risks faced by Indian seafarers in conflict zones.
- Reinforces India's stake in stability in West Asia.
- Demonstrates the need for stronger maritime diplomacy and citizen protection mechanisms.

Concerns

- Threat to safety of Indian nationals working overseas.
- Potential disruption of energy imports through the Gulf region.
- Increased insurance and shipping costs.
- Ambiguity in application of international maritime law during conflicts.

Diplomatic Dimension

- Tests India-US strategic partnership.
- Requires balancing strong bilateral ties with protection of national interests.
- Emphasizes India's principle of strategic autonomy.

Way Forward

- Strengthen maritime security cooperation with regional and global partners.
- Enhance monitoring and advisories for Indian seafarers in conflict zones.
- Advocate adherence to international humanitarian and maritime law.
- Diversify energy import routes and suppliers.
- Expand maritime domain awareness capabilities.
- Develop stronger mechanisms for protection and evacuation of overseas Indians.
- Support diplomatic efforts for de-escalation in West Asia.

Urea price crash opens window for reforms

IN MID-February, 10 days before the United States-Israel strikes on Iran, the state-owned Rashtriya Chemicals and Fertilisers contracted about 1.3 million tonnes (mt) of urea imports at a landed price of \$508-512 per tonne. Two months later, that price nearly doubled to \$935-959 per tonne for a 2.5-mt import tender of Indian Potash Ltd. However, National Fertilisers Ltd's latest tender for import of 1.7 mt, which opened on June 8, saw bids as low as \$444.9-449.3 per tonne. The price crash — to below pre-War levels — comes amid a partial lifting of export restrictions by China and fading fears of prolonged war-induced supply disruptions. Contrast this with the situation till early this month, when the Centre's fertiliser subsidy bill for 2026-27 was projected to touch Rs 3,40,000 crore, as against the budgeted Rs 1,70,799 crore.

It's not clear if the above price drop is a one-off affair, triggered by hopes of a US-Iran deal to reopen the Strait of Hormuz, through which roughly a third of the globally traded fertiliser products passed prior to the conflict. The expectation of global supply chain pressures easing has been combined with El Niño conditions developing in the equatorial Pacific Ocean and the US National Oceanic and Atmospheric Administration predicting it to become a "very strong" event by October. El Niño, to the extent it moderates fertiliser demand in key agricultural regions of the world, will add to the weakening of price pressures from supply-side relief. That matters for India, not the least because much of its fertiliser requirement — whether in finished form or as raw materials and intermediate chemicals — is imported. In 2025-26, the country imported \$27.2 billion worth of fertilisers and inputs. The current fiscal could see that surpass the record \$33.4 billion of 2022-23, post Russia's invasion of Ukraine. The exchequer outgo on subsidy is over and above.

The Narendra Modi government should view the cooling of global fertiliser prices as a temporary reprieve. It provides the space for carrying out much-needed reforms in India's farm subsidy architecture. This newspaper has for long argued in favour of shifting from market-distorting product-specific subsidies — be it for inputs (fertilisers, water and electricity) or crops (through minimum support prices disconnected from demand and supply) — to direct farm income support. Farmers should grow what the market wants. And they must do so efficiently, which means paying the scarcity value of water, energy and imported inputs. The goal of reforms is to nudge them in this direction, unlike ad hoc interventions that only kick the can down the road.

KEY HIGHLIGHTS:

Context

- Global fertiliser prices have sharply declined after earlier spikes caused by geopolitical tensions in West Asia.
- Urea prices fell from around \$935-959/tonne (April 2026) to \$444-449/tonne (June 2026).
- Reasons:
 - Partial relaxation of Chinese fertiliser export restrictions.
 - Reduced fears of prolonged disruption in the Strait of Hormuz.
 - Expectations of a US-Iran understanding.
 - Forecast of a strong El Niño, likely to reduce global fertiliser demand.
- The fall may reduce India's fertiliser subsidy burden, which was projected to rise significantly due to elevated import prices.

Key Points

- India remains heavily dependent on imports for:
 - Urea feedstock
 - Phosphatic fertilisers
 - Potassic fertilisers
 - Intermediate fertiliser chemicals
- India imported \$27.2 billion worth of fertilisers and inputs in 2025-26.
- Fertiliser subsidy for 2026-27:
 - Budget Estimate: ₹1.71 lakh crore
 - Earlier projected burden: ₹3.4 lakh crore
- Fertiliser prices are influenced by:
 - Crude oil and natural gas prices
 - Geopolitical conflicts

- Export restrictions
- Global supply chains

- Current price decline provides an opportunity for structural reforms in agricultural subsidies.

Static Linkages

- Fertiliser subsidy is one of India's major agricultural subsidies.
- Urea is under government price control.
- Nutrient-Based Subsidy (NBS) applies to P&K fertilisers.
- Excessive nitrogen use leads to NPK imbalance.
- Soil Health Card Scheme promotes balanced fertiliser use.
- PM-PRANAM promotes reduction in chemical fertiliser usage.
- Fertiliser subsidies constitute revenue expenditure.
- Input subsidies often distort resource allocation and cropping patterns.

Critical Analysis

Concerns with Existing Fertiliser Subsidy System

- Encourages excessive use of urea.
- Creates nutrient imbalance in soils.
- Increases fiscal burden on government.
- Distorts market signals and cropping decisions.
- Raises dependence on imported fertilisers and raw materials.
- Leads to inefficient use of water and energy.

Why Reform is Needed

- Improve resource-use efficiency.
- Promote sustainable agriculture.
- Reduce subsidy burden.
- Encourage balanced nutrient application.
- Enhance resilience against global price shocks.

Way Forward

- Shift gradually from input subsidies to direct income support.
- Expand balanced nutrient management.
- Rationalise urea pricing.
- Strengthen domestic fertiliser production.
- Promote nano-fertilisers and bio-fertilisers.
- Encourage precision agriculture.
- Improve Soil Health Card implementation.
- Reduce import dependence through diversification of supply sources.