DAILY NEWS PAPER ANALYSIS

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CIVILS WITH AKASH
SECTOR 25 CHANDIGARH

HC halts byelections in 5 T.N. constituencies

- PIL says notifying bypolls before pending election pleas are cleared may create anomalous situation
- The elected representatives resigned, but their victories are under challenge before the court
- Court grants the respondents time till July 31 to file their counteraffidavits to the main case

Mohamed Imranullah S.
CHENNAI

The Madras High Court on Friday restrained the Election Commission (EC) from notifying byelections to the Tiruchi East, Perundurai, Ambasamudram, Viralimalai, and Karur Assembly constituencies until July 31. The elected representatives have resigned, but their victories are under challenge before the court.

Chief Justice Sushrut Arvind Dharmadhikari and Justice G. Arul Murugan passed the interim order following a public interest litigation (PIL) petition filed by K. Venkatachalapathy of Tirunelveli.

He had contended that the conduct of byelections before the disposal of the election petitions could lead to an anomalous situation of the constituencies being represented by two individuals if the petitions were allowed.

The court passed the interim orders after hearing the preliminary submissions made by senior counsel G. Masilamani for Chief Minister C. Joseph Vijay; Advocate-General Vijay Narayan for the Legislative Assembly Secretary; advocate V.R. Shanmuganathan for the PIL petitioner; and EC counsel Niranjan Rajagopalan. The judges granted the respondents time till July 31 to file their counteraffidavits to the main case.

The PIL petitioner had contended that the EC could not treat the vacancies that had arisen due to the resignation of five legislators as a 'clear vacancy' under Section 151A of the Representation of the People Act, 1951, since such vacancies would be subject to the result of the election petitions. He claimed that the conduct of byelections to these constituencies would run contrary to three Supreme Court decisions on the matter.

His counsel Mr. Shanmuganathan, argued that the top court had in *Sanjeevayya vs Election Commission of India* (1967), *Election Commission of India vs Telangana Rashtra Samithi* (2011), and *Pramod Laxman Gudadhe vs Election Commission of India* (2018), had held that byelections could not be conducted if election petitions related to those constituencies were pending adjudication.

He said that all five election petitioners who were the candidates in Tiruchi East, Perundurai, Ambasamudram, Viralimalai, and Karur in the election held this year, had not only challenged the victory of the returned candidates but also sought a consequential prayer to declare those election petitioners as the winning candidates.

'Great confusion'

Therefore, conducting byelections to those constituencies even before the disposal of the election petitions would cause great confusion owing to the election of the new representatives, he said. On the other hand, the A-G said, there must be a distinction between those who had resigned before the filing of the election petitions and those who had resigned after they were filed.

He said the Chief Minister had resigned from Tiruchi (East) on May 10 itself, but his rival candidate S. Inigo Irudayaraj had filed the election petition much later. Pointing out that a few others, too, had resigned much before the filing of the election petitions challenging their victory, the A-G sought time to file a detailed counter-affidavit to the PIL petition.

On his part, Mr. Masilamani, representing Mr. Vijay, questioned the *locus standi* of the PIL petitioner to dictate what the EC must do or what it must not do. The senior counsel said the PIL petition was premature since the EC had not taken any decision so far on conducting byelections to the five constituencies, and no notification to that effect had been issued.

After hearing all of them, the Chief Justice's Bench said that in matters touching upon the purity of the democratic process, a narrow and pedantic interpretation of *locus standi* could not be applied. The judges, however, agreed that the A-G's nuanced arguments concerning the date on which the vacancy had arisen compared with the dates on which the election petitions had been filed required a deeper examination. It decided to pass final orders on the PIL petition after issuance of notice to all the respondents and filing of counter-affidavits by them.

Five seats in limbo

MLAs who resigned after winning the 2026 Assembly election; the election results are under challenge before the Madras High Court

Tiruchi East C. Joseph Vijay (TVK)
Perundurai S. Jayakumar (AIADMK)
Ambasamudram Esakki Subaya (AIADMK)
Viralimalai C. Vijayabaskar (AIADMK)
Karur M.R. Vijayabhaskar (AIADMK)

KEY HIGHLIGHTS:

Context

- The Madras High Court restrained the Election Commission of India (ECI) from notifying bye-elections to five Tamil Nadu Assembly constituencies where elected MLAs had resigned.
- The election results in these constituencies are already under challenge through election petitions before the High Court.
- The Court observed that conducting bye-elections before deciding the election petitions could create legal complications if the Court subsequently declares another candidate as duly elected.
- The case raises important issues concerning the Representation of the People Act, 1951 (RPA, 1951), powers of the Election Commission, and the jurisdiction of High Courts in election disputes.

Key Points

- Article 324: Vests the superintendence, direction and control of elections in the Election Commission of India.
- Article 329(b): Election disputes can be challenged only through an Election Petition as provided by law.
    - Representation of the People Act, 1951Section 80 – Elections can be questioned only through an election petition.
    - Section 84 – An election petitioner may seek to be declared as the duly elected candidate.
    - Section 98 & 101 – High Court may declare the returned candidate's election void and declare another candidate duly elected.
    - Section 151A – Casual vacancies shall ordinarily be filled within six months, subject to statutory exceptions.

- The High Court emphasized the need to balance timely democratic representation with electoral legitimacy.

Static Linkages

- Election petitions are decided exclusively by the High Courts under the RPA, 1951.
- Civil courts have no jurisdiction over election disputes.
- A casual vacancy may arise due to resignation, death, disqualification or otherwise.
- The Election Commission conducts elections, whereas the judiciary adjudicates election disputes.
- Judicial review of elections begins only through election petitions, ensuring uninterrupted electoral processes.

Critical Analysis

Significance

- Protects the sanctity of the electoral process.
- Prevents conflicting claims over legislative seats.
- Reinforces judicial scrutiny of disputed elections.
- Upholds constitutional checks and balances.

Challenges

- Delay in representation of affected constituencies.
- Prolonged pendency of election petitions.
- Absence of statutory clarity where resignation coincides with pending election disputes.
- Balancing speedy elections with judicial outcomes.

Way Forward

- Ensure time-bound disposal of election petitions.
- Strengthen dedicated election benches in High Courts.
- Clarify the legal position regarding bye-elections during pending election petitions through legislative amendment or authoritative judicial interpretation.
- Preserve institutional balance between the Election Commission and the Judiciary.

Govt. defends E20, admits mileage may drop by 3-5%

The Hindu Bureau
NEW DELHI

While admitting that E20-blended fuel could result in a 3%-5% reduction in the fuel economy of "some vehicles", the government has sought to explain why the blended fuel is not currently cheaper than pure petrol or fuel with lower ethanol levels.

The core reason, it said, was that the government is seeking to compensate farmers adequately, and so E20 fuel becomes relatively more expensive to produce than pure petrol whenever oil prices fall to around $70 a barrel.

This statement, issued on Friday as an FAQ document by the Ministry of Petroleum and Natural Gas, comes at a time when critics are questioning why fuel with 20% ethanol is not cheaper than pure petrol or fuel with 10% ethanol.

The document added that E20 fuel has a higher-octane rating and provides several other vehicular and emission-related advantages over unblended fuel.

"It is true that in some vehicles there may be a 3-5% reduction in fuel economy," the Ministry said. "But mileage is only one parameter. E20 offers a significantly higher-octane rating, superior anti-knock characteristics, faster combustion, better pickup, smoother acceleration and cleaner engine operation."

"It produces negligible particulate emissions and substantially reduces life-cycle carbon emissions by around 40%," it added.

"Today, the government purchases ethanol at remunerative prices so that Indian farmers are fairly compensated," it said. "Take maize-based ethanol. We have progressively increased its procurement price and today it is around ₹71.86 per litre, even before GST, transportation, storage and depot handling costs." "Therefore, if international crude oil is trading at around $70 per barrel, E20 is actually costlier to produce than pure petrol," the government explained.

Youth Congress workers protest in Delhi on Friday against the Centre's E20 fuel policy. SUSHIL KUMAR VERMA

However, it added that the price advantage of ethanol kicks in when crude oil prices reach $120-130 per barrel, as the economics naturally reverse and ethanol becomes even cheaper.

The fact that 20% of the fuel sold in India is ethanol has also insulated the Indian market against global oil price volatility and allowed the Indian government to pass on much lower fuel price hikes than in comparable nations.

Overall, the government also sought to assure the public that the decision to move to ethanol-blended fuel was not a "rushed" one.

"This has been a journey spanning over two decades from pilot projects in 2001, policy notification in 2013, institutional reforms after 2018, massive investments beginning in 2021, and then a carefully calibrated, phased increase in blending levels," the document said.

The document added that all stakeholders, including automobile manufacturing companies, testing agencies, oil marketing companies, and the Department of Food and Public Distribution, were consulted before rollout.

KEY HIGHLIGHTS:

Context

- The Ministry of Petroleum and Natural Gas (MoPNG) released an FAQ explaining why E20 (20% ethanol-blended petrol) is not cheaper than pure petrol despite containing renewable fuel.
- The Ministry admitted that E20 may reduce fuel efficiency by about 3–5% in some vehicles due to ethanol's lower energy content.
- It clarified that ethanol is procured at remunerative prices to ensure better returns to farmers, making E20 costlier when global crude oil prices remain around $70/barrel.
- The Government reiterated that India's ethanol blending programme has evolved gradually through policy reforms since 2001.

Key Points

Government's Explanation

- Ethanol procurement is aimed at ensuring remunerative prices to farmers.
- Maize-based ethanol procurement price: ₹71.86/litre (excluding GST and logistics).
- At crude oil prices around $70/barrel, E20 costs more to produce than pure petrol.
- At $120–130/barrel, ethanol becomes economically more competitive than petrol.

Advantages of E20

- Higher octane number improves anti-knock performance.
- Cleaner combustion and improved engine performance.
- Lower particulate emissions.
- Around 40% reduction in lifecycle carbon emissions.
- Reduces dependence on imported crude oil.

Concerns

- Fuel economy may decline by 3–5% in some vehicles.
- Higher production cost when crude oil prices remain low.
- Feedstock availability and sustainability remain important challenges.

Timeline

- 2001: Pilot Ethanol Blended Petrol (EBP) Programme.
- 2013: EBP Programme formally notified.
- 2018 onwards: Major policy reforms.
- 2021 onwards: Expansion of ethanol production capacity and phased implementation of E20.

Static Linkages

- National Policy on Biofuels, 2018
  - Promotes ethanol blending and advanced biofuels.
  - Diversifies feedstock beyond sugarcane molasses.
- Ethanol Feedstock
  - Sugarcane molasses
  - Sugarcane juice
  - B-heavy molasses
  - Damaged food grains
  - Maize
- Octane Number
  - Indicates resistance of fuel to engine knocking.
  - Higher octane fuel improves combustion efficiency.
- Calorific Value
  - Ethanol has a lower calorific value than petrol, leading to lower mileage.
- National Biofuel Coordination Committee (NBCC)
  - Chaired by the Union Minister for Petroleum & Natural Gas.
  - Coordinates implementation of biofuel policies.
- Ethanol Blended Petrol (EBP) Programme
  - Implemented by Oil Marketing Companies (OMCs).
  - Aims to reduce crude oil imports and emissions.

Critical Analysis

Advantages

- Enhances energy security by reducing crude oil imports.
- Provides additional income to farmers.
- Helps achieve India's climate commitments.
- Reduces vehicular emissions.
- Encourages domestic biofuel industry.

Challenges

- Slight reduction in fuel efficiency.
- Cost competitiveness depends on global crude oil prices.
- Water-intensive sugarcane cultivation.
- Food versus fuel concerns.
- Need for nationwide E20-compatible vehicles and infrastructure.

Way Forward

- Expand Second-Generation (2G) Ethanol using agricultural residues.
- Diversify feedstock towards maize and crop residues.
- Promote flex-fuel and E20-compatible vehicles.
- Improve ethanol storage and blending infrastructure.
- Encourage water-efficient feedstock cultivation.
- Strengthen research on advanced biofuels.
- Balance farmer welfare with consumer affordability.

Terrorism's data retreat hides emerging global threats

At first glance, the macroeconomic indicators of global security offer a rare moment of statistical comfort. Recent reports suggest that global terrorism experienced a noteworthy decline in 2025, with fatalities around the world falling to 5,582 across 2,944 recorded incidents – representing a 28% drop in deaths and a 22% reduction in overall attacks. With as many as 81 nations registering measurable improvements in their domestic security landscapes, a superficial reading of the data might suggest that the international community is finally turning the tide against terror, or as the strategists prefer to call it, asymmetric warfare.

Beyond statistical comfort

Yet, there lies a far more unsettling reality: the world is not necessarily becoming safer; it is becoming unevenly unsafe. The aggregate reduction in violence masks a profound structural mutation in how terror operates, where it thrives, and how we, as a global society, perceive it.

It raises a haunting philosophical and strategic question: have we begun to subconsciously accept terrorism not as a horrific aberration to be entirely eradicated, but as a "normal" tax on modern civilisation?

There is an insidious trap in treating aggregate declines as a triumph. When violence becomes highly concentrated, it risks becoming invisible to the global conscience. The data show that nearly 70% of all terrorism-related deaths are now compressed into five countries: Pakistan, Burkina Faso, Nigeria, Niger, and the Democratic Republic of the Congo. Sub-Saharan Africa, particularly the volatile Sahel region, alone accounts for over half of all global fatalities.

Because the vast majority of this devastation occurs within these specific, vulnerable geographies, the wealthier and more stable quarters of the world are prone to a dangerous complacency. When terrorism is confined to nations already beset by chronic systemic fragility, the international community tends to relegate it to background noise – a tragic feature of post-colonial states.

This regional containment fosters a false sense of security. Not every terror incident is a Pahalgam: organised, ruthlessly planned and flawlessly executed. The rise of decentralised, transnational, and rapid digital recruitment has facilitated lone-actor attacks in many countries. When the methodology of terror shifts from massive, complex operations to low-tech, high-impact individual strikes incited on online echo-chambers, the threat becomes an internalised, ambient hazard of modern pluralistic societies. By treating these as an unavoidable operational hazard of the 21st century, we risk normalising the unacceptable.

Shashi Tharoor

Fourth-term Member of Parliament (Lok Sabha) for Thiruvananthapuram (Congress party), the Chairman of the Parliamentary Standing Committee on External Affairs and the Sahitya Akademi Award-winning author of 29 books, including 'Pax Indica: India and the World of the 21st Century'

While the world may be recording fewer terrorist attacks, it is simultaneously confronting a far more resilient and adaptive adversary

Reaction to prevention

To prevent terrorism from metastasising further, counter-terrorism strategy must move away from reactive responses and toward addressing the structural ecology of extremist violence. There are two critical arenas where this intervention must take place: the blurring line between state conflict and terrorism, and the specific vulnerability of international frontiers.

First, the data establishes an overwhelming correlation between political instability and violent extremism: an estimated 99% of all terrorism-related deaths occur in nations already entangled in armed conflict. Terrorism is rarely an isolated phenomenon generated in a vacuum; it is the ultimate by-product of institutional or diplomatic collapse. Where state capacity is hollowed out, extremist groups swiftly step into the vacuum, offering alternative forms of primitive security, or ideological certainty to disillusioned populations.

Second, the geography of modern terror has become distinctly granular. Over 60% of attacks now take place within 100 kilometres of international borders. These frontier zones, frequently neglected (or weaponised) by central governments, offer ideal operational sanctuaries. In these porous margins, terrorist syndicates manage cross-border movements, establish illicit supply lines, and conduct recruitment enabled or unhindered by state authority.

Curbing this threat requires an intentional re-investment in state capacity, development and border sovereignty. If central authorities continue to treat borderlands as secondary priorities, they leave the door open for non-state actors to entrench themselves. Furthermore, development assistance must be strategically aligned with security imperatives, treating the reinforcement of judicial systems, localised policing, and basic administrative services as the primary bulwarks against extremist encroachment.

Whether the statistical downward trend recorded in 2025 will endure remains an open and highly precarious question. The contemporary security landscape is caught in a tug-of-war between institutional stabilisation efforts and powerful destabilising catalysts.

The constriction of violent extremism to a smaller pool of actors – specifically the five dominant networks (Islamic State, Jama'at Nusrat Al-Islam wal Muslimeen (JNIM), Tehrik-e-Taliban Pakistan (TTP), Lashkar-e-Taiba and al-Shabaab) – means that counter-terrorism forces can achieve maximum impact through highly focused intelligence and interdiction efforts. As the threat becomes more localised and frontier-centric, multinational intelligence apparatuses must become equally agile, disrupting cross-border logistics before they can scale into wider insurgencies. Tech platforms and state regulatory bodies must continue to refine their capabilities to detect and dismantle decentralised digital radicalisation pipelines before they can catalyse lone-actor violence.

However, the headwinds militating against a sustained decline are formidable. The ongoing conflicts in West Asia threaten to completely reverse recent global gains. Prolonged warfare, mass displacement, and the systematic erosion of state institutions create a uniquely fertile breeding ground for extremist resurgence in 2026 and beyond. The persistence of major geopolitical conflicts, including India-Pakistan, lowers the barriers to entry for new, fragmented radical actors, further complicating the global threat matrix.

Furthermore, even within the current downward trend, the stark resilience and adaptability of organisations such as the TTP – which bucked the general decline by increasing its attacks – serve as a potent warning. Modern terrorist organisations are highly adaptive entities. When squeezed globally, they fragment, localise, and embed themselves within pre-existing domestic ethnic or political grievances, making them extraordinarily difficult to curb.

The complacency trap

The ultimate lesson of the contemporary security paradigm is that terrorism is not receding; it is simply reorganising. The international community cannot afford to be lulled into a state of complacency by declining aggregates; it is simultaneously confronting a far more complex, resilient, and adaptive adversary.

For nations such as India, navigating an immediate strategic environment surrounded by highly volatile neighbourhoods and cross-border security challenges, these transformations require a continuous, sophisticated recalibration of both domestic and regional counter-terrorism doctrines. We must not surrender the moral and strategic clarity required to defeat it. The numbers may be falling, but the structural risks are not. True security will not be achieved by celebrating statistical lulls, but by relentlessly dismantling the fault lines of conflict, governance failures, and digital radicalisation that allow the ideology of terror to survive.

KEY HIGHLIGHTS:

Context

- Recent global terrorism assessment shows global terrorism fatalities declined to 5,582 across 2,944 attacks in 2025.
- Deaths decreased by 28% and attacks by 22% compared to the previous year.
- Despite the decline, terrorism is becoming more concentrated, adaptive and technology-driven, posing new challenges for national and international security.
- The trend has direct relevance for India due to cross-border terrorism, border security and digital radicalisation.

Key Points

- 81 countries recorded improvement in security conditions.
- Nearly 70% of global terrorism deaths occurred in:
  - Pakistan
  - Burkina Faso
  - Nigeria
  - Niger
  - Democratic Republic of the Congo
- Sub-Saharan Africa (Sahel region) accounted for more than 50% of global terrorism fatalities.
- About 99% of terrorism-related deaths occurred in countries affected by armed conflict.
- More than 60% of attacks occurred within 100 km of international borders.
- Terror groups increasingly use:
  - Digital radicalisation
  - Social media recruitment
  - Encrypted communication
  - Lone-wolf attacks
  - Cross-border terror networks
- Major active organisations:
  - Islamic State (IS)
  - Jama'at Nusrat al-Islam wal Muslimeen (JNIM)
  - Tehrik-e-Taliban Pakistan (TTP)
  - Lashkar-e-Taiba (LeT)
  - al-Shabaab

Static Linkages

- Unlawful Activities (Prevention) Act, 1967 (UAPA) – India's primary anti-terror law.
- National Investigation Agency (NIA) – Counter-terror investigation agency.
- Multi Agency Centre (MAC) – Intelligence sharing mechanism.
- Financial Action Task Force (FATF) – Global body against money laundering and terror financing.
- UN Security Council Resolution 1373 (2001) – International cooperation against terrorism and terror financing.
- Comprehensive Integrated Border Management System (CIBMS) – Smart border surveillance.
- 'No Money for Terror' (NMFT) initiative led by India to strengthen global cooperation against terror financing.

Critical Analysis

Concerns

- Decline in global fatalities does not indicate elimination of terrorism.
- Terrorism is becoming geographically concentrated in conflict zones.
- Growth of digital radicalisation and lone-wolf attacks makes detection difficult.
- Weak governance and armed conflicts continue to fuel extremism.
- Cross-border sanctuaries remain major operational hubs.

Significance for India

- Persistent threat of cross-border terrorism.
- Need for stronger border management and intelligence coordination.
- Increasing challenge from online radicalisation.
- Importance of disrupting terror financing networks.

Way Forward

- Strengthen intelligence-led counter-terrorism.
- Enhance border surveillance through advanced technology.
- Improve international intelligence sharing.
- Strengthen measures against terror financing through FATF compliance.
- Develop effective counter-radicalisation and cyber monitoring mechanisms.
- Improve governance and development in vulnerable border regions.
- Enhance regional cooperation against transnational terrorism.

A future of financial health for every Indian

Nar has been working for 45 years and is one of the longest-serving caddies at his golf club. Although he had a bank account for years, like many informal workers, he was focused on earning a living and supporting his family, leaving little opportunity to plan for the future.

That changed three years ago when he learned about the National Pension System and began saving for retirement for the first time. Today, his fund is growing, giving him confidence that after a lifetime of hard work, he can retire with financial security and dignity.

The meaning of financial health

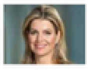
In June 2026, I visited India in my capacity as the United Nations Secretary-General's Special Advocate for Financial Health. I have been advocating for and learning about efforts to improve financial health, which means ensuring that people have the right financial policies, products, and services to manage day-to-day expenses, stay resilient when unexpected shocks occur, invest in and save for long- and short-term goals, and have confidence in the future.

In practice, this is like Nar's experience – going beyond having a bank account to having investments that will help him in the future. It could also mean a person having affordable home insurance to help if a flash flood causes damage to their house. Or, it could mean receiving responsible credit to help with bills during a tough month.

India has recently undergone a remarkable transformation. According to the World Bank's Global Findex, account ownership among adults has risen from around 56% to 89% in just 10 years. This progress in access is impressive, and it creates an opportunity to do more to support people's financial health.

A financial health approach will be beneficial not just for families but also for the country. Household and individual-level financial health are crucial for country-level resilient growth and prosperity.

The Viksit Bharat 2047 goal to move from "welfare to wealth creation" would also be well supported by efforts to improve financial health, under the vision of Prime Minister Narendra Modi.



Queen Máxima

of the Netherlands, is the United Nations Secretary-General's Special Advocate for Financial Health

India's next leap should be to ensure financial health for all

During my visit, I saw how so many in India – from the highest levels of government to pioneering fintech companies – are doing financial health work.

In New Delhi, I spoke with informal sector workers, who are now able to save, plan, and retire without relying on their children, thanks to opening retirement accounts with support from Universal Pensions. In Mumbai, I spoke with nurses at a hospital who have found more financial stability and decreased stress through workplace financial health products offered by SalarySe, such as responsible credit, individualised financial health scores, and insurance.

I met with regulators and bank leaders who are using innovation and Artificial Intelligence (AI) to help households make better financial decisions, grow their savings and investments, build resilience through access to insurance, and tackle challenges such as fraud and scams. Reserve Bank of India Governor Sanjay Malhotra and I discussed how India can expand on these opportunities to support financial health in the country.

Steps to take

In my conversations with Indian people from different walks of life, I heard directly how financial products and services could further build their trust in institutions and give them the support that they need to improve their financial lives. I want to thank the people in Mumbai and New Delhi who shared their stories with me.

Four actions will help move financial health forward:

First, further develop Jan Dhan 2.0 with financial health at the centre. As the Pradhan Mantri Jan-Dhan Yojana (PMJDY) enters its second decade, there is an opportunity to transform accounts from simple payment and cash-withdrawal channels into a household financial resilience platform. This means fully integrating the PMJDY with Direct Benefit Transfers (DBTs), PM-KISAN, MGNREGA wage payments (now VB-G RAM-G), e-Shram, the Atal Pension Yojana (APY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), and other social protection schemes for informal and gig workers.

Linking these programmes through a single account could help households build their financial health. Women, who hold the majority of PMJDY accounts, could particularly benefit, as would informal workers, migrants, and gig economy workers.

Second, build on India's robust digital public infrastructure to support better financial health. Innovations such as MahaVISTAAR, account aggregators, the Unified Lending Interface (ULI), DigiLocker, and emerging AI applications create opportunities to strengthen household financial capability, choice and agency at scale.

Third, use India's rich ecosystem of household surveys, administrative datasets, and digital infrastructure to gather data on financial health. This data could be used to strengthen policymaking, protect consumers, and ensure that the financial sector is accountable.

Public-private collaboration

Finally, build on the momentum to further mobilise financial institutions, employers, and market players. Government and regulators play a critical role in advancing households' financial health. The impact is amplified when it is a joint effort with the private sector. Countries including the Netherlands and Indonesia are already pursuing such public-private collaboration.

The vision of financial health is giving every person a better today, tomorrow, and future. Just as Nar should have the opportunity to save for a well-deserved restful retirement, all Indian families should have the financial policies, tools, and services that they need to thrive throughout their lives. After my visit in June, I am looking forward to working with the Government of India to make this vision a reality.

KEY HIGHLIGHTS:

Context

- The UN Secretary-General's Special Advocate for Financial Health (Queen Máxima of the Netherlands) visited India (June 2026) and highlighted the need to move beyond financial inclusion towards financial health.
- The discussion focused on leveraging India's Digital Public Infrastructure (DPI) to improve household financial resilience and support the vision of Viksit Bharat @2047.

Key Points

Financial Health

- Financial health refers to the ability of individuals/households to:
  - Meet regular financial needs.
  - Absorb financial shocks.
  - Save and invest for future goals.
  - Access responsible credit.
  - Ensure old-age income security.

India's Achievements

  - Global Findex (World Bank):Adult bank account ownership increased from 53% (2014) to 89% (2024).
- Shift required from access to financial services to effective usage.

Important Government Initiatives

- Pradhan Mantri Jan Dhan Yojana (PMJDY)
- JAM Trinity (Jan Dhan-Aadhaar-Mobile)
- Direct Benefit Transfer (DBT)
- Unified Payments Interface (UPI)
- DigiLocker
- Account Aggregator Framework
- Unified Lending Interface (ULI)
- e-Shram Portal
- Atal Pension Yojana (APY)
- PM Jeevan Jyoti Bima Yojana (PMJJBY)
- PM Suraksha Bima Yojana (PMSBY)

Major Recommendations

- Develop Jan Dhan 2.0 as a financial resilience platform.
- Integrate PMJDY with:
  - DBT
  - PM-KISAN
  - MGNREGA
  - e-Shram
  - APY
  - PMJJBY
  - PMSBY
- Expand pension and insurance coverage for informal and gig workers.
- Promote AI-enabled financial advisory and fraud detection.
- Develop financial health indicators for evidence-based policymaking.
- Encourage public-private collaboration.

Static Linkages

- Financial Inclusion is a key pillar of Inclusive Growth.
- RBI is the regulator of India's banking and payment systems.
- JAM Trinity enables targeted welfare delivery.
- DBT reduces leakages and improves subsidy efficiency.
- Account Aggregator enables consent-based data sharing under RBI.
- ULI aims to simplify digital credit delivery.
- Pension and insurance improve household resilience against income shocks.

Critical Analysis

Positives

- Enhances financial resilience of households.
- Promotes old-age income security.
- Improves formal financial participation.
- Strengthens women's financial empowerment.
- Supports Viksit Bharat @2047.

Challenges

- Low financial literacy.
- Dormant Jan Dhan accounts.
- Limited pension coverage in the informal sector.
- Rising digital fraud risks.
- Data privacy concerns with AI-based financial services.
- Digital divide in rural areas.

Way Forward

- Transform PMJDY into Jan Dhan 2.0.
- Universalise pension and insurance coverage for informal workers.
- Strengthen financial literacy programmes.
- Improve consumer protection against digital fraud.
- Promote responsible digital lending.
- Develop a National Financial Health Framework with measurable indicators.
- Deepen public-private collaboration for financial wellness.

Fix the house

Governments should regulate social media platforms, not users

The more wicked the problem, the more the people yearn for a simpler solution. This tendency has complicated the public debate on how and how much social media harm teenagers. While the idea that these platforms were stoking a mental health crisis prevailed in several countries for long, researchers have now adopted a more cautious stance. Social media use and mental health are clearly associated – more so among girls – but how much of that is actually causal and in what circumstances is still being debated. Recently, Prime Minister Narendra Modi spoke favourably of Australia's decision, in 2024, to ban social media access for those aged 16 and below. His words augur a similar ban in India, one that Andhra Pradesh and Karnataka have publicly mulled as well. However, Australian psychologists, digital health researchers, child-rights scholars, and online safety experts have criticised the ban because, while there is a credible body of evidence linking social media use and harm among children, evidence of a link between an age-based access ban and better mental health has been lacking. In the absence of a real-world precedent, Australia has effectively been conducting a natural experiment. And research has estimated that around 85% of 12-16-year-olds still use social media platforms.

While some psychologists and advocacy groups have argued that waiting for perfect evidence to act would recreate the mistake governments made with tobacco, many experts believe that the state should drop the ban and instead adopt a stronger duty of care, include digital literacy in school education, restrict addictive user interfaces/experiences, mandate a chronological feed for minors, enforce stronger content moderation, improve privacy protections, and introduce effective parental controls. Most studies of adolescent harm due to social media have also been observational and thus susceptible to reverse causation (depressed teenagers may spend more time online) and smaller average effects; experts have also noted that hours per day is less explanatory than passive versus active engagement, participation in supportive versus hostile communities, and so on. Indeed, while social media use can disrupt sleep and increase exposure to cyber-bullying, addictive recommendation patterns, and content about self-harm and eating disorders, it can also help maintain friendships and explore one's identity, offer peer support, and increase access to LGBTQIA+ communities and mental health information. The overall picture is mixed and the solutions are not simple. However, the first step could be: rather than regulate 'who may enter', governments should change how platforms operate.

KEY HIGHLIGHTS:

Context

- Prime Minister Narendra Modi appreciated Australia's 2024 law banning social media access for children below 16 years, reviving debate on similar regulations in India.
- Andhra Pradesh and Karnataka have also discussed age-based restrictions.
- Current evidence links excessive social media use with adverse mental health outcomes, but causal evidence remains inconclusive.
- Experts increasingly advocate platform regulation over blanket age-based bans.

Key Points

- Australia enacted a law restricting social media access for under-16s (2024).
- Studies indicate nearly 85% of Australian children (12–16 years) continue to access social media despite the ban.
- Mental health risks arise mainly from:
  - Cyberbullying
  - Addictive recommendation algorithms
  - Exposure to self-harm/eating disorder content
  - Sleep disruption
- Positive aspects include:
  - Educational resources
  - Peer support
  - Mental health awareness
  - Support for vulnerable communities
- Experts recommend:
  - Child-safe platform design
  - Stronger content moderation
  - Digital literacy
  - Privacy safeguards
  - Effective parental controls

Static Linkages

- Article 19(1)(a) – Freedom of Speech and Expression.
- Article 19(2) – Reasonable Restrictions.
- Article 21 – Right to Privacy (Justice K.S. Puttaswamy, 2017).
- Article 39(f) – Protection of children.
- Information Technology Act, 2000.
- IT (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.
  - Digital Personal Data Protection Act, 2023Verifiable parental consent for processing children's personal data.
- UN Convention on the Rights of the Child (UNCRC).
- National Education Policy (NEP), 2020 – Digital literacy.

Critical Analysis

Arguments for Age-based Ban

- Limits exposure to harmful online content.
- Reduces cyberbullying and online exploitation.
- Encourages healthier offline engagement.
- Strengthens parental supervision.

Concerns

- Limited evidence of improved mental health.
- Easy circumvention through fake age verification/VPNs.
- Restricts access to educational and support platforms.
- Raises privacy concerns due to mandatory age verification.

Preferred Policy Approach

- Regulate platform algorithms instead of blanket bans.
- Child-centric platform design.
- Strong content moderation.
- Digital literacy education.
- Robust privacy and parental control mechanisms.

Way Forward

- Adopt a risk-based regulatory framework for digital platforms.
- Mandate age-appropriate platform design.
- Strengthen implementation of the Digital Personal Data Protection Act, 2023.
- Promote digital literacy through school education.
- Enhance algorithmic transparency and accountability.
- Strengthen online child safety and grievance redressal mechanisms.
- Encourage evidence-based policymaking through long-term research.

Over and above

Women must find support to stay in jobs that match their degrees

With more Indian women entering university campuses, the gender gap in college classrooms has narrowed. The latest All India Survey on Higher Education (AISHE) data for 2023-24 reveal that absolute female enrolment rose by 42% over the past decade, climbing from 1.57 crore in 2014-15 to 2.24 crore. In comparison, male enrolment grew from 1.85 crore to 2.26 crore during the same period. Women have comfortably surpassed the male growth rate of 22.16%, pushing total higher education enrolment to a record 4.5 crore. They now account for nearly half (49.7%) of all students in Indian universities and colleges. With a Gender Parity Index of 1.08, 108 young women now enter higher education for every 100 men. This marks a hard-won victory, especially for marginalised communities, where female enrolment among Scheduled Castes and Scheduled Tribes rose by 51.4% and 75.7%, respectively. Yet, a deeper look at the data demands caution. High enrolment numbers are a superficial veneer if the pipeline of employment opportunities beyond the college gate remains broken. While women make up 44% of STEM students, this number is heavily skewed toward the "S" (general sciences such as biology and chemistry), where they hold a 54.6% majority. In contrast, engineering and technology remain male-dominated, with women making up just 31.1% of enrolment. By clustering in traditional sciences, women are isolated from the future-proof economic drivers of artificial intelligence and software engineering.

Educational institutions remain largely patriarchal. While the student body reflects a 50-50 split, there are only 82 female teachers for every 100 male teachers. Women remain absent from top-tier leadership roles. Further, the influx of students has coincided with an explosion of private and low-tier colleges, which face acute faculty shortages and poor infrastructure. India also faces a disconnect between higher education and the formal job market. The Female Labor Force Participation Rate remains low due to societal expectations, domestic responsibilities, and safety barriers. According to the 2025 PLFS report, men dominate the regular salaried workforce (26.5% versus 18.2%) and earn more. Average monthly earnings stand at ₹24,217 for men, compared with ₹18,353 for women. While 64.2% of women are classified as self-employed, this categorisation is vague and the statistic often includes unpaid household or farm labour, failing to show where women students go after they exit lecture halls. As 2.24 crore young women claim their place on campuses, the burden shifts to policymakers, institutional heads, and industry leaders to ensure that these women stay on in fruitful paid employment aligned with their degrees.

KEY HIGHLIGHTS:

Context

- All India Survey on Higher Education (AISHE) 2023–24 released by the Ministry of Education reports that women have nearly achieved parity in higher education enrolment.
- Female enrolment has grown faster than male enrolment over the last decade, particularly among SCs and STs.
- However, higher educational attainment has not translated into proportionate participation in the formal labour market, highlighting concerns over employability and women-led economic growth.

Key Points

AISHE 2023–24 Highlights

- Total Higher Education Enrolment: 4.5 crore (highest ever).
- Female enrolment:
  - 1.57 crore (2014-15) → 2.24 crore (2023-24).
  - Growth: 42%.
- Male enrolment:
  - 1.85 crore → 2.26 crore.
  - Growth: 22.16%.
- Women constitute 49.7% of total enrolment.
  - Gender Parity Index (GPI): 1.08108 women enrolled for every 100 men.
- Female enrolment growth:
  - SCs: 51.4%
  - STs: 75.7%

STEM Education

- Women constitute 44% of total STEM enrolment.
- Women form:
  - 54.6% in Basic Sciences.
  - Only 31.1% in Engineering & Technology.
- Indicates underrepresentation in high-productivity and technology-intensive sectors.

Faculty Representation

- Only 82 female teachers per 100 male teachers.
- Women remain underrepresented in academic leadership positions.

Employment Indicators (PLFS 2025)

- Regular salaried employment:
  - Men: 26.5%
  - Women: 18.2%
- Average monthly earnings:
  - Men: ₹24,217
  - Women: ₹18,353
- 64.2% of women classified as self-employed, a category that includes unpaid family and agricultural work.

Static Linkages

Constitutional Provisions

- Article 14 – Equality before Law.
- Article 15(1) & 15(3) – Non-discrimination and special provisions for women.
- Article 16 – Equality of opportunity in public employment.
- Article 39(a) – Equal opportunity for livelihood.
- Article 39(d) – Equal pay for equal work.
- Article 42 – Humane working conditions and maternity relief.
- Article 46 – Promotion of educational and economic interests of weaker sections.

Government Initiatives

  - National Education Policy (NEP), 2020Gender Inclusion Fund.
  - Multidisciplinary education.
  - Increased Gross Enrolment Ratio (GER).
- Beti Bachao Beti Padhao (BBBP).
- PM Vidyalaxmi Scheme (Higher education financial support).
- Skill India Mission.
- National Apprenticeship Promotion Scheme (NAPS).

International Commitments

- SDG 4: Quality Education.
- SDG 5: Gender Equality.
- SDG 8: Decent Work and Economic Growth.

Critical Analysis

Significance

- Reflects increasing access to higher education.
- Strengthens women's human capital.
- Greater inclusion of SC and ST women.
- Supports demographic dividend and inclusive development.

Challenges

- Education–employment mismatch.
- Low Female Labour Force Participation Rate (FLFPR).
- Occupational segregation in STEM.
- Persistent gender wage gap.
- Underrepresentation in leadership and faculty.
- Quality concerns in rapidly expanding private institutions.
- Social norms, unpaid care work and safety constraints limit workforce participation.

Way Forward

- Improve transition from education to formal employment.
- Increase women's participation in Engineering, AI, Electronics and Emerging Technologies.
- Strengthen industry-academia collaboration and apprenticeships.
- Improve quality of higher education institutions.
- Increase women faculty and leadership positions.
- Expand safe hostels, transport and childcare facilities.
- Promote gender-sensitive workplace policies and equal pay.
- Enhance skill development aligned with Industry 4.0 requirements.

Next leap will come from bringing AI and digital public infrastructure together

MANISH SABHARWAL AND RAVI BAPNA

THE FAILURE of multiple visits by the Japanese government to 111-year-old Sogen Kato's house to honour him — he was never home — had a simple explanation. He had been dead for 30 years while his family collected his pension. This triggered a national investigation that identified 3 lakh people who were assumed to be "living" but were dead. India's Aadhaar programme has reduced such pension scandals, improved the efficiency of government spending (up 117 times since 1991), and catalysed digital payments (42 per cent of the world's transactions). The next orbit for digital public infrastructure (DPI) lies in AI integration — it will raise state capacity and empower the new tone from the top on Jan Vishwas.

The last few years have been tough for Indian tech. We don't have a credible horse in the AI generation race, DeepSeek came out of China, and automated code generation has blunted the employment outlook for software services. But a recent conference at the National Council of Applied Economic Research (NCAER) suggested optimism about this digital revolution of AI for three reasons. India is the world's largest natural data laboratory. Integrating DPI with AI could be the biggest reimagination of the Indian state since 1947. And AI deployment may be more employment-generative than AI generation. Let's look at all three in detail.

First, India has gone from data poor to data rich in just 10 years because of three bold acts of entrepreneurship in 2016: Jio, UPI, and GST. For decades, India's economic policy relied on periodic surveys and delayed, uneven and incomplete administrative data. But now, DPI's digital exhaust makes us the world's largest natural data laboratory for financial inclusion, welfare targeting, enterprise formalisation, platform economics and digital governance. UPI's monthly 23 billion transactions create one of the world's largest behavioural datasets. GST's 20 crore payments create real-time visibility into supply chains, invoicing, production and consumption. FASTag's 4.5 billion payment transactions create mobility and logistics datasets at scale. And, more than 27 billion annual Aadhaar authentications enabled a 16-fold expansion in direct benefit transfer beneficiaries. For the first time, a developing country is using population-scale digital data to accelerate development rather than waiting for conventional statistical systems to catch up. The job is hardly done — rigorous academic research, well-funded think tanks to bridge theory and practice, and open public data commons are just emerging — but the future seems very different from the past.

Second, India's political reimagination since 1947 has created the world's largest democracy on the infertile soil of the world's most hierarchical society. But why didn't we create the world's largest economy? Besides the delusional 1956 Second Five-Year Plan, weak state capacity is another suspect in our failed transition from farm to non-farm jobs. Historically, governments increased state capacity through more administrative structures and personnel (government spending has increased 53,000 times since the 1947 budget of Rs 198 crore). DPI enables better resource allocation, improved service delivery, earlier fraud detection, and quicker responses. But a reimagined citizen interface has been blunted by a lack of interoperability (digital silos are stronger than physical silos), the government's internal technology capacity, and a mentality that seems to be satisfied with PDFs, when the aim should be for APIs. AI's capacity to use unstructured data will help us leapfrog data integration and the interoperability challenges within our strong consent architecture and the recently articulated principles of Jan Vishwas Siddhant. Multiple language interfaces will open up labour and education markets, and AI will improve public health expenditure. India will be the first large country to integrate AI into population-scale DPI — America built AI on private-sector data ecosystems, and China built AI on platform-centric digital ecosystems. DPI without AI is infrastructure, and AI without DPI is intelligence. AI plus DPI is enhanced state capacity.

DPI without AI is infrastructure, and AI without DPI is intelligence. AI plus DPI is enhanced state capacity

Finally, India's angst about AI's impact on jobs is understandable if it ends up with the winner-take-all characteristics of search or the fiery nationalism that halts access to frontier models — the recently-revoked restrictions on frontier AI models such as Claude 5, for instance. But deploying AI in the daily lives of citizens and companies requires more ingenuity, organisational savviness, and human capital than AI generation itself does. You don't have to build a car to drive it; let's build the roads (AI applications) that get people to extract economic and social value. The deployment of AI in DPI could make India the use-case capital of the world, not unlike the American state that used defence spending during the Cold War to catalyse Silicon Valley. India's enterprise DPI, currently under implementation (universal enterprise number, entity digilocker, API Setu, single source of truth for regulation), could potentially combine with a Universal Lifetime Social Security Account for every citizen (Aadhaar *punji*) to unleash a revolution in formalisation similar to what NPCI did in payments (private innovation on a non-profit layer). This would reduce information asymmetry, lower transaction costs, improve credit allocation and worker-job matching, enhance supply chain and logistics efficiency, and accelerate the creation of high-wage, private, non-farm jobs.

The *Arthashastra* suggests that strategy is most powerful when choices in strength, timing, and place are mutually reinforcing. Combining our strengths in DPI with the new tone from the top about Jan Vishwas (NCAER research suggests 66 per cent of connected Indians use the internet for entertainment but only 11 per cent for online government services), could deliver our new tryst with destiny: Higher state capacity, citizen satisfaction, and mass prosperity. And this is an appointment we shall keep.

Sabharwal is co-founder of Teamlease Services and co-author of Made in India. Bapna is Curtis L Carlson Chair Professor in Business Analytics and Information Systems at University of Minnesota

KEY HIGHLIGHTS:

Context

- A recent NCAER discussion highlighted that integrating Artificial Intelligence (AI) with India's Digital Public Infrastructure (DPI) can significantly enhance governance, public service delivery and state capacity.
- India is emerging as a global leader in population-scale digital governance through platforms like Aadhaar, UPI, DigiLocker, CoWIN, GSTN and FASTag.
- AI is expected to be the next phase of the Digital India initiative by improving efficiency, transparency and citizen-centric governance.

Key Points

Digital Public Infrastructure (DPI)

- DPI refers to open, interoperable digital systems that provide public services at population scale.
- Core pillars:
  - Digital Identity (Aadhaar)
  - Digital Payments (UPI)
  - Data Exchange (DigiLocker, Account Aggregator)

Major DPI Platforms

- Aadhaar: World's largest biometric identity system.
- UPI: World's leading real-time digital payment platform.
- GSTN: Digital indirect tax ecosystem.
- FASTag: Electronic toll collection system.
- DigiLocker: Secure digital document repository.
- CoWIN: Digital vaccination management platform.
- DBT: Direct transfer of government benefits.

AI + DPI

AI can improve:

- Welfare targeting
- Fraud detection
- Predictive governance
- Public health delivery
- Tax administration
- Multilingual citizen services
- Education outcomes
- Disaster management
- Ease of Doing Business

Significance

- Improves State Capacity
- Reduces leakages in welfare schemes
- Enhances transparency and accountability
- Promotes financial inclusion
- Supports formalisation of the economy
- Enables evidence-based policymaking

Static Linkages

- Digital India Programme (2015)
- India Stack
- JAM Trinity
- Aadhaar Act, 2016
- Direct Benefit Transfer (DBT)
- NPCI
- Digital Personal Data Protection Act, 2023
- National Strategy for Artificial Intelligence (NITI Aayog)
- IndiaAI Mission
- Account Aggregator Framework
- Good Governance
- E-Governance
- Inclusive Growth

Critical Analysis

Advantages

- Strengthens governance through data-driven decision-making.
- Reduces corruption and beneficiary duplication.
- Improves efficiency of welfare delivery.
- Facilitates real-time monitoring of government schemes.
- Enhances financial inclusion and digital economy.
- Supports multilingual and inclusive public service delivery.

Challenges

- Digital divide and unequal internet access.
- Privacy and data protection concerns.
- Cybersecurity threats.
- Algorithmic bias in AI systems.
- Limited AI capacity within government institutions.
- Need for interoperability among government databases.
- Ethical concerns regarding automated decision-making.

Way Forward

- Develop a robust AI governance framework.
- Strengthen implementation of the Digital Personal Data Protection Act, 2023.
- Expand secure and interoperable DPI architecture.
- Build AI capacity within government institutions.
- Promote Responsible and Ethical AI.
- Enhance digital literacy and last-mile connectivity.
- Encourage public-private partnerships for AI innovation.
- Ensure transparency, accountability and citizen consent in AI deployment.

Easing on China is right move at right time

IN 2019, India decided against joining RCEP, a trade agreement spanning 15 Asia-Pacific countries. A few months later, in April 2020, the Centre amended the FDI policy via Press Note 3, making government approval mandatory for investments from countries that share a land border with India. Both decisions were, in part, driven by concerns over China. But despite the ambiguity since then over the relationship with Beijing, trade ties between the two countries have deepened considerably. Imports from China touched $131 billion in 2025-26 and the country now accounts for roughly half of India's non-oil goods trade deficit. However, FDI from China has been minuscule. Since 2000, investment flows to India have added up to just $2.5 billion. The government has now approved a joint venture between Dixon Technologies and Vivo Mobile for manufacturing electronic devices and smartphones in the country. This is a step in the right direction.

In recent years, there has been a concerted attempt by multinationals to diversify away from China. India has, however, not been a significant beneficiary of the China+1 play, with countries like Vietnam benefiting more. The Economic Survey 2023-24 put forth two choices to benefit from the trade diversion away from China — either integrate more deeply with its supply chains or encourage greater FDI from the country. The Survey veered towards the latter option. In line with this thinking, in March this year, the Union cabinet approved changes to the FDI policy for investment from countries that share a land border with India in order to facilitate greater inflows. The approval of the joint venture between Dixon Technologies and Vivo Mobile and the waiver of customs duty on 85 goods used in manufacturing batteries, display assemblies and others comes only days after four Chinese power equipment manufacturing companies were reportedly allowed to take part in government tenders for critical power projects.

China is inextricably linked to the global manufacturing supply chain. That reality cannot be wished away. China is also a large source of FDI. As per the World Investment Report by UNCTAD, its outward investment "has become more targeted, with greater emphasis on greenfield projects, manufacturing, energy, infrastructure and critical raw materials, often in developing economies and along South-South investment corridors". While India has legitimate strategic and security concerns, there are also economic imperatives. A balance must be struck. The domestic manufacturing ecosystem must be deepened, and efforts stepped up to increase value addition and pursue closer integration with global supply chains. A careful and calibrated approach is needed.

KEY HIGHLIGHTS:

Context

- India approved the Dixon Technologies–Vivo Mobile Joint Venture (JV) for manufacturing smartphones and electronic devices.
- The move signals a calibrated easing of restrictions on FDI from countries sharing a land border with India.
- It comes after:
    - India opted out of RCEP (2019).
    - Press Note 3 (2020) mandated prior Government approval for FDI from neighbouring countries.
- The policy reflects India's effort to balance economic growth, supply-chain integration, and national security.

Key Points

- Press Note 3 (2020)Government approval mandatory for FDI from countries sharing a land border with India.
- Issued to prevent opportunistic acquisitions during COVID-19.
- India–China TradeImports from China: ~US$131 billion (2025-26).
- China accounts for nearly 50% of India's non-oil merchandise trade deficit.
- Chinese FDICumulative FDI since 2000: ~US$2.5 billion.
- Economic Survey 2023-24Suggested:
    - Greater integration with Chinese supply chains, or
    - Increased Chinese FDI for manufacturing.
- Emphasised strengthening India's manufacturing ecosystem.
- China+1 StrategyGlobal firms are diversifying production beyond China.
- India aims to emerge as an alternative manufacturing hub.
- Recent MeasuresApproval of Dixon–Vivo JV.
- Customs duty exemption on selected electronics manufacturing inputs.
- Limited participation of Chinese firms in selected infrastructure tenders.
- Relevant ReportsEconomic Survey 2023-24
- UNCTAD World Investment Report

Static Linkages

- Foreign Direct Investment (FDI)
- Automatic Route vs Government Route
- Press Note 3 (2020)
- FEMA, 1999
- Global Value Chains (GVCs)
- China+1 Strategy
- Production Linked Incentive (PLI) Scheme
- Make in India
- RCEP
- Trade Deficit vs Current Account Deficit

Critical Analysis

Positives

- Promotes domestic manufacturing.
- Supports electronics value chains.
- Attracts technology and capital.
- Generates employment.
- Improves export competitiveness.
- Supports Make in India.

Concerns

- National security risks.
- Strategic dependence on China.
- Persistent trade deficit.
- Data and technology security concerns.
- Limited domestic value addition.

Way Forward

- Adopt sector-wise security screening of FDI.
- Deepen domestic manufacturing and component ecosystem.
- Increase local value addition under PLI.
- Diversify critical import sources.
- Strengthen Global Value Chain integration.
- Promote technology transfer through joint ventures.
- Ensure policy balance between economic growth and national security.

In Bengal, a crime, the mob & state abdication

THIRTY KILOMETRES away from Kolkata, a story of serial state failures plays out. First, there was a heinous crime, the assault and murder of an 11-year-old, allegedly by four men, which sparked protests and demands for justice. The brutalising of a child can shake faith in the government's ability to protect the most vulnerable. Then, a man was lynched by a mob in Baruipur in South 24 Parganas district for the murder — it turned out that he, reportedly, was not responsible for it. Chief Minister Suvendu Adhikari asked the police to identify lapses and an SIT was constituted. That, however, cannot mask the third failure: The "encounter" of an accused and the ruling party's defence of that action.

The framing of the lynching by Chief Minister Adhikari is deeply problematic. He has sought to let his government's law enforcement off the hook, and spoken of the mob violence as a "political conspiracy" with a "communal connection". State BJP president Dilip Ghosh has labelled those questioning the encounter and the subversion of due process as "anti-social". "The criminal and those who support criminals should receive equal treatment," he said. These statements from the highest political quarters are unseemly. They can even be read as signalling a tolerance of, or impunity for, extra-judicial action and state vigilantism. They are especially jarring coming from a ruling party that has made big promises on law and order and women's safety.

As part of *poriborton*, the BJP promised the West Bengal voter relief from a ruling dispensation whose politics crept into all institutions and cramped all spaces, from the economy to crime and justice. By looking for fall guys for its lapses, the Adhikari government is not getting off to a good start. It must, going forward, underline its respect for institutions, due process and fundamental rights, of victims and also the accused. The first step to that end must be a delinking of law and order and partisan politics.

KEY HIGHLIGHTS:

Context

- A recent incident in West Bengal involving the murder of a minor triggered widespread public outrage.
- Following the incident:
  - A person was lynched by a mob on suspicion of involvement, but was later reported to be innocent.
  - One of the accused died in a police encounter, raising concerns over extra-judicial killings.
  - The State Government constituted a Special Investigation Team (SIT) to investigate the incident.
- The episode has reignited debates on Rule of Law, Due Process, Police Accountability, Human Rights, and Criminal Justice Administration.

Key Highlights

- Mob lynching is a criminal act and violates the constitutional guarantee of equality before law.
- The State alone has the authority to investigate, prosecute and punish offenders through established legal procedures.
- Every accused enjoys the presumption of innocence until proven guilty by a competent court.
- Police encounters resulting in death are subject to judicial and statutory safeguards.
- Political endorsement of extra-judicial actions may undermine constitutional governance and public confidence in institutions.

Static Linkages

- Article 14 – Equality before Law and Equal Protection of Laws.
- Article 21 – Right to Life and Personal Liberty; no deprivation except according to procedure established by law.
- Article 22 – Safeguards against arbitrary arrest and detention.
- Article 32 & Article 226 – Constitutional remedies.
- Rule of Law (A.V. Dicey) – Supremacy of law and equality before law.
- Natural Justice – Fair hearing and absence of arbitrariness.
- Separation of Powers – Judiciary alone determines criminal guilt.
- PUCL v. State of Maharashtra (2014) – Supreme Court guidelines on investigation of police encounter deaths.
- Tehseen S. Poonawalla v. Union of India (2018) – Supreme Court guidelines to prevent mob lynching.
- NHRC Guidelines on custodial and encounter deaths.

Critical Analysis

Significance

- Reinforces the importance of constitutional governance over vigilante justice.
- Highlights the need for an impartial and accountable criminal justice system.
- Emphasises protection of both victims' rights and the legal rights of the accused.

Challenges

- Rising incidents of mob violence and vigilantism.
- Delay in criminal trials leading to public frustration.
- Politicisation of law-and-order issues.
- Inadequate police reforms and forensic capacity.
- Weak implementation of Supreme Court guidelines.

Constitutional Concerns

- Violation of Article 21 through extra-judicial actions.
- Erosion of the Rule of Law.
- Executive overreach into functions reserved for the judiciary.
- Threat to public trust in democratic institutions.

Way Forward

- Strict implementation of Supreme Court guidelines on mob lynching and encounter deaths.
- Enact a comprehensive legal framework to address mob lynching.
- Strengthen police reforms in line with Prakash Singh (2006) recommendations.
- Improve forensic infrastructure and scientific investigation.
- Fast-track trials in heinous crimes while ensuring due process.
- Enhance accountability through independent oversight by NHRC/SHRC.
- Promote public awareness against vigilantism and uphold constitutional values.