

Prudent pause

MPC is right in holding on to rates now

It may seem counter-intuitive that India's Monetary Policy Committee (MPC) should hold the repo rate at 5.5 per cent despite revising both its inflation and growth projections downwards. But the pause seems to be a pragmatic decision. Except during Covid when the repo rate fell to 4 per cent, 5 per cent has been the effective floor for India's policy rates given normal inflation rates of 5-6 per cent. The Reserve Bank of India (RBI) also knows fully well that the projections made in its policy reviews are just lines in the sand subject to monsoon performance, global trade dynamics, geopolitics and other imponderables.



In this review, RBI has reduced its inflation projection to 2.6 per cent for FY26 from the 3.1 per cent in the August review. The real GDP growth estimate is now at 6.8 per cent from the 6.5 per cent in August, but this is only because RBI had to factor in the 7.8 per cent GDP print for Q1. It is now assuming that growth will moderate to 7 per cent in Q2 and decline further to 6.4 per cent in Q3 and 6.2 per cent by Q4 FY26. Given the fraught global situation, a section of the market was clamouring for a front-ended rate cut to boost domestic growth. However, the MPC is right to stay on pause on several counts. One, tumbling food prices have played a big role in moderating domestic inflation numbers in recent times and food prices are notoriously fickle. Globally, inflation numbers are yet to reflect the pass-through effects of Trump tariffs, with both their nature and quantum still up in the air. Reports of China aggressively pruning excess capacity in critical industrial materials suggest that one cannot take recent disinflationary trends in commodities for granted. The sub-3 per cent inflation prints that India has seen recently are in any case, abnormal by historical standards. Two, while Q1 GDP growth has sprung a surprise, this was helped both by a low base effect (due to elections last year) and a low deflator which may not sustain.

Hopes for a pickup in exports are fading as the logjam in India-US tariff talks stretches on. Should the 50 per cent US reciprocal tariff on goods become permanent or the threatened tariff on services exports become a reality, India could experience serious second-order effects on its employment, consumption and growth from Q3 FY26. While global financial markets may appear outwardly calm today, the relentless spiral in gold prices and rising sovereign bond yields hint at a brewing storm. Markets are currently nervous over a looming sovereign debt crisis in the advanced economies. Murmurs about an AI-linked bubble, which has been propping up both US GDP and American stock markets, are growing louder. These events, even if they have their epicentre in the West, can lead to a risk-off scenario where emerging markets like India face the music on capital outflows, weakening currencies and falling stock and markets. Not cutting policy rates in its October review arms the MPC with dry powder to act at short notice, should these risks manifest.

OTHER VOICES.

The Guardian

Trump's Argentina bailout: it's a political play

Last month, the US treasury secretary, Scott Bessent, vowed to do "whatever it takes" to support Argentina's rightwing president, Javier Milei, a key ally of Donald Trump. Markets aren't convinced. On Tuesday, the peso plunged by more than 6% before a central bank intervention clawed back losses. Argentine stocks abroad fell 7%, and the risk premium on its debt rose to 12.3 percentage points — far beyond sustainable borrowing levels. The rout continued on Wednesday. Mr Bessent admitted the aid was meant to prop up Mr Milei after his La Libertad Avanza (Freedom Advances) party lost decisively in a key election last month. But no terms have been confirmed. With US Republicans angry over Mr Milei's tax breaks for soy farmers that undercut US producers, markets are asking the obvious: is the Bessent bazooka real, or just for show? LONDON, OCTOBER 1

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THE YOMIURI SHIMBUN

BOJ's Sept. Tankan Survey Improves

While Japan has managed to weather the adverse effects of U.S. President Donald Trump's tariff policy, there are more than a few causes for concern. It is hoped that the government and the Bank of Japan will formulate necessary measures to vitalize the Japanese economy. The central bank has released the results of its Tankan quarterly economic survey for September. The diffusion index indicates corporate business confidence. The index for large manufacturing companies, which is a leading indicator, was 14, up 1 percentage point from the previous quarter, marking an improvement for the second consecutive quarter. The latest Tankan survey was the first conducted after the Japan-US. tariff negotiations concluded and a 15% tariff rate, in principle, was applied regarding "reciprocal tariffs" and tariffs on automobiles. TOKYO, OCTOBER 2

The promise of tokenised deposits

DIGITAL THRUST. With careful design and implementation, it can help banks retain low-cost deposits and spur credit growth in the rapidly growing digital economy



GETTY IMAGES/STOCKPHOTO



BIBEKANDA PANDA
RUTH KATTUMURI

India's financial ecosystem is undergoing a subtle yet profound transformation. In recent years, the saving behaviour has been undergoing a cultural change and evidence suggests that households and corporates are increasingly redirecting their savings from traditional bank deposits into capital markets.

This change poses challenges for banks as they are finding it harder to retain low-cost deposits. The steady erosion of current and savings accounts (CASA) undermines banks' ability to support credit growth.

This structural shift is not unique to India. Globally, banks and regulators are responding to similar pressures by reimagining the nature of money. At the centre of this evolution lies deposit tokenisation — the conversion of conventional bank deposits into programmable digital tokens recorded on distributed ledger technology (DLT). These tokens preserve the legal status of deposits but acquire the agility of digital assets, enabling real-time settlement, smart contract integration, and cross-border interoperability.

India has yet to formally experiment with deposit tokenisation; however, the concept is firmly on the regulator's radar. At the IADI Asia-Pacific Conference in June 2024, RBI's former Deputy Governor Michael D. Patra acknowledged the potential of tokenised deposits to "increase liquidity, reduce costs, and enable 24x7 accessibility." He highlighted applications in "domestic and cross-border payments, trading and settlement, and cash collateral management," while also cautioning that such instruments could "amplify the speed and scale of withdrawals during stress events."

This duality — promise and peril — makes it imperative for India to design and develop a deposit tokenisation framework that is both innovative and resilient.

THE DETAILS

Deposit tokenisation does not alter the fundamental nature of banking. Customers continue to deposit money

with banks, which issue digital tokens backed 1:1 by fiat currency. These tokens are recorded on permissioned distributed ledgers and can be used for payments, settlements, or collateral. At any point, they may be redeemed for fiat money, with the bank "burning" the tokens and crediting the depositor's account. Tokenised deposits remain liabilities of regulated banks, subject to the same prudential norms as traditional deposits.

Unlike stablecoins or cryptocurrencies, deposit tokens are redeemable at par and regulated by the banking authority. Among the most powerful features of tokenised deposits is atomic settlement — the capacity to finalise transactions instantly and irreversibly, eliminating counterparty and settlement risk. Traditional settlement systems rely on intermediaries, reconciliation, and time lags that inflate costs and increase complexity.

Tokenised deposits, combined with smart contracts, ensure both legs of a transaction — cash and securities, for instance — settle simultaneously or not at all. The implications for securities settlement, cross-border remittances, and collateral management are profound.

One common question is whether deposit tokenisation could impair banks' ability to lend. The answer is no, provided the system is prudently designed. Tokenised deposits remain bank liabilities and can be deployed for credit creation just like conventional deposits. Indeed, tokenisation may strengthen credit intermediation by enhancing liquidity transparency, enabling automated collateralisation, and mobilising idle balances more efficiently.

The concern around banks creating extra money from customer deposits also warrants clarification. The

Tokenised deposits remain bank liabilities and can be deployed for credit creation just like conventional deposits. It may also strengthen credit intermediation by enhancing liquidity transparency

fractional reserve model of banking remains intact: banks continue to transform short-term deposits into long-term credit under regulatory oversight. What changes is not the function of deposits but the way they are recorded and transacted. Far from hollowing out banks, tokenisation could reinforce their centrality in a digital-first economy.

The urgency for India lies in the erosion of CASA deposits. Customers are chasing higher returns in mutual funds, equities, and bonds, leaving banks with rising funding costs and shrinking liquidity buffers.

Tokenised deposits could help stem this outflow by making deposits more functional and attractive. Instead of being passive balances, they could become programmable instruments embedded into capital market and transaction workflows.

For instance, programmable Systematic Investment Plans (SIPs) could be executed directly from tokenised deposits. IPO proceeds could be settled atomically in real time. Corporate treasuries could manage liquidity across borders seamlessly. Deposits, in other words, would no longer compete with capital markets but would be integrated, thus keeping liquidity within the banking system.

Of course, risks remain. Tokens held in off-bank self-custody wallets could temporarily reduce usable liquidity.

But safeguards such as tiered wallet limits, redemption throttles, and supervisory dashboards can mitigate such risks while still enabling innovation.

THE OPPORTUNITY

Central banks and major financial institutions globally are piloting deposit tokenisation with varying degrees of ambition.

Singapore's Project Guardian, led by the Monetary Authority of Singapore, is exploring tokenised deposits for FX settlement and collateral management. Hong Kong's Project Ensemble combines tokenised deposits with wholesale CBDCs to streamline cross-border settlement. The Bank of Korea has tested retail-scale tokenised deposit payments with over 100,000 individuals. Europe's Regulated Liability Network (RLN) and Germany's blueprint for commercial bank money tokens show how regulated deposits can transition into the digital age. Swiss

Bankers Association (SBA), with participation from UBS, PostFinance, and Sygnum Bank has been testing blockchain-based tokenised deposits for interbank payments and smart contract integration. J.P. Morgan's deposit token model JPMD supports programmable liquidity and settlement workflows without impairing lending capacity. Meanwhile, the Bank for International Settlements (BIS) Project Agorá, involving seven central banks, is trialling smart contract-based settlement using tokenised liabilities.

These pilots converge on a shared insight: tokenised deposits can combine the safety of regulated banking with the agility of digital money. Their effect — stabilising or destabilising — depends entirely on the design of safeguards and the regulatory perimeter.

India is well placed to build on potential opportunities with tokenised deposits. The RBI has already recognised both the potential and the risks. The logical next step would be to conduct controlled pilots, perhaps within GIFT City's regulatory sandbox, to test tokenised deposits in live environments while closely monitoring systemic implications.

This would enable Banks to retain liquidity by embedding deposits within capital market workflows rather than losing them to external platforms. Customers would gain faster, cheaper, and more flexible services.

Regulators would have real-time visibility into liquidity flows and systemic risks. And transaction banking could evolve into a 24x7, low-cost, transparent service powered by atomic settlement.

Deposit tokenisation is an opportunity for banks to benefit from existing and rapidly evolving digital financial instruments. It does not change the essence of deposits as liabilities of regulated banks, nor does it impair their role in credit creation. Instead, it strengthens banks' relevance to adapt with a rapidly growing digital-first economy.

With careful design and phased implementation, deposit tokenisation could help Indian banks retain low-cost liquidity, support credit growth, and position themselves at the heart of the digital economy.

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Does Arattai have the muscle to take on WhatsApp?

While the app has shown strong positive momentum, it will need to significantly scale its infra and customer support

bl.explainer

Rohan Das

What is Arattai? Why is it suddenly growing in popularity? Arattai is an indigenous messaging app built by Indian SaaS firm Zoho.

Launched in 2021 as a made-in-India alternative to WhatsApp, Arattai has come into limelight recently after a host of Ministers from the Government of India including Dharmendra Pradhan, Piyush Goyal and Ashwini Vaishnav among others expressed their support and intent to move to the platform for their communication needs.

What are the key features of the app? Arattai primarily allows users to send text/voice messages, make audio/video

calls, share stories, connect through groups/channels and share images, documents and media files.

Arattai can be used across multiple devices, including smartphones, tablets and desktops with messages, contacts and settings being synced. It also has a web app.

What is Arattai's user base and how does it compare to WhatsApp?

According to estimates from Sensor Tower, a market intelligence firm, Arattai has amassed about 400,000 downloads in India in September month-to-date (MTD) as against less than 10,000 downloads in August.

According to company, the platform has crossed 1 million users as opposed to WhatsApp which has over 500 million users in the country.



ARATTAI. Growing popularity

Can Arattai displace WhatsApp from its pole position?

While the app has shown strong positive momentum it will need to significantly scale its infrastructure and customer support capabilities to compete with a global giant like WhatsApp. The network effects of WhatsApp, with everyone in the community being on it, is also its strength.

What are likely to be the challenges?

Beyond the operational demands, the platform will need to win users' trust and confidence.

A key challenge among social media users has been concerns on data security and its policies on sharing user data with the government.

Zoho has stated that data safety and privacy is a priority, and that the user will have full control over their end-to-end encrypted data.

While similar indigenous apps like Koo and Hike generated widespread initial interest, they were unable to sustain the momentum.

The ability to create a compelling differentiation from existing platforms and gain/retain significant user traction will be key for Arattai to continue its growth trajectory.

LETTERS TO EDITOR

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Right move by RBI

The RBI's recent liberalisation of banks' role in capital market lending and its push to expand the rupee's footprint abroad mark an inflexion point in our growing financial stature. Stronger bank participation will deepen markets, ease corporate access to funds, and boost investor trust. Encouraging neighbours to trade in rupees reduces dollar dependence, lowers costs, and positions India as a stabilising hub in South Asia. The rupee's journey outward is no doubt backed by our economic strength.

What would be needed is vigilant oversight and transparent regulation to keep risks in check and sustain trust on the currency. With discipline and vision, this liberalisation can pave the way for the rupee to emerge as a credible regional, and in time, a global medium of exchange

R Narayanan
Navi Mumbai

MPC acts prudently

This refers to 'MPC is right in holding on to rates now' (October 2). One tends to endorse its observations stating that the MPC's

pause seems to be a pragmatic decision even as there was a huge clamour for the repo rate-cut amongst some economists and various study groups of commercial banks owing to some healthy position on retail inflation front, well within RBI's inflation targeting norms, a temporary phenomenon, for sure. In fact, MPC seems to have acted wisely and prudently too, keeping in view highly unpredictable weather conditions which may turn 'kaput' at any point in time apart from the extant global trade dynamics and many other external factors that

invariably remain beyond its control.

A Gupta
New Delhi

Cautious stance

The RBI's decision to maintain status quo on key policy rates, signals a cautious stance amid domestic and global uncertainties. The move reflects the central bank's intent to closely monitor the impact of recent GST revisions, alongside geopolitical developments that continue to influence crude oil prices, currency stability, and capital flows. Ironically, even as the RBI holds back from rate changes, it has lowered its inflation

projection for FY26 to 2.6 per cent, from its earlier forecast of 3.1 per cent. This downward revision indicates confidence in moderating price pressures, despite global risks. The contrast between maintaining policy caution and projecting softer inflation underlines the RBI's balancing act — preserving stability while avoiding premature shifts. Overall, the decision conveys a message of steadiness, reassuring markets that the RBI remains committed to a data-driven approach in navigating India's economic trajectory.

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OPINION

The
Hindustan Times
ESTABLISHED IN 1924

{ OUR TAKE }

Restating a legacy link

Russian president's India visit is an occasion to balance Delhi-Moscow ties

President Vladimir Putin is set to visit New Delhi in December for the first time since the invasion of Ukraine, and at a time when Russia is a crucial player in India's efforts to achieve a balance amid growing uncertainty on the global stage as well as a source of friction in India-US relations. The visit will be a timely opportunity for India and Russia to add more substance to the relationship and to seek ways to insulate it from the punitive measures imposed by the US and its western allies.

While Russia has emerged as one of the largest suppliers of energy for India, there are increasing signs that the US and the European Union (EU) intend to impose greater curbs on Russian oil exports as part of their efforts to end the war in Ukraine. Two-way trade continues to be skewed in Russia's favour, and not much has happened to improve access for Indian goods to Russian markets or to diversify the trade basket. The Indian side must use the time remaining before Putin's visit to firm up a plan to address the issues hampering the growth of balanced trade. Greater efforts must be made to make the India-Russia relationship more forward-looking, especially in areas such as investment, technology and security. At the same time, the Indian side should reinforce its messaging regarding the ending of the war in Ukraine because, as New Delhi has said repeatedly, it has significant ramifications for the Global South, and would also help address issues affecting ties with the US.

Just as India works on recalibrating ties with Russia, it should also explore the opportunities offered by the Asean Summit in Kuala Lumpur, Malaysia in October 26-28, including a potential meeting on the sidelines between PM Narendra Modi and US President Donald Trump. This would, of course, depend on both leaders confirming their participation in the multilateral forum, something that continues to be uncertain. However, it is becoming increasingly clear that only a push from the highest levels of the Indian and American leadership can help overcome the issues that have taken the relationship to its lowest point in nearly two decades. The focus has to be on expanding trade and strategic ties with as many countries as possible, rather than being imprisoned within any bloc. But in all these efforts, the Indian side should not waver from its course of strategic autonomy and the push for a truly multipolar world order.

Artist in exile: In Doha, a tribute to MF Husain

India's loss is Qatar's gain. *Lawh Wa Qalam*: MF Husain Museum will open in Doha late November, showcasing the artistic oeuvre of arguably the most inventive artist of Indian modernism. The 3,000-square metre building, built according to the architectural vision shared by Husain, will present a curated story of his artistic journey from the 1950s until his death in 2011 (in exile from his homeland). It will feature his paintings, films, tapestry, photography, poetry and installations. The museum building, in itself an artwork, will pay homage to this wandering soul, who left his hometown, Vithoba's Pandharpur in Maharashtra, to pursue art in cities across India, and, after being hounded out by Hindu extremists, relocated to Qatar, and finally, died at the age of 95 in 2011 as an exile in London, and preserve his legacy as a storyteller on the canvas, drawing inspiration from Indic storytelling traditions. In the 1960s, influenced by Ram Manohar Lohia, Husain created large works based on the Ramayana and the Mahabharata. In the last stages of his life, in Qatar, with royal patronage, Husain produced visual interpretations of the Arab civilisation, going back to the region's pre-Islamic past, and its rich corpus of scientific knowledge.

Lawh Wa Qalam is coming up at a time when there is increasing interest worldwide in Indian art and non-western modernist art. For sure, it will, over the years, become a must-visit spot for art lovers, just as the Van Gogh Museum in Amsterdam or the Museu Picasso in Barcelona. India let go of Husain, though his works are with private collectors and galleries in India, who are diffident about celebrating his brilliance and versatility for political reasons. This is also a moment to contemplate investing in our great artists and art movements: The Indian scene is short of such well-curated and dedicated art spaces (KCS Paniker and Raja Ravi Varma galleries, and the soon-to-be inaugurated A Ramachandran gallery in Kerala, Roerich Museum in Naggar, Himachal Pradesh, and the Jamini Roy House in Kolkata are exceptions). Restating the genius of Husain could be a beginning.

100 years of the RSS: The spirit remains unchanged

The RSS's politics of engagement is reflected in the way it approaches regions and communities beyond its traditional base

When KB Hedgewar founded the Rashtriya Swayamsevak Sangh (RSS) in Nagpur on September 27, 1925, few could have imagined the remarkable journey it would embark on over the years. The RSS today stands as a living epitome of selfless service that has shaped India's social fabric, defended its sovereignty, empowered its vulnerable communities, and also nurtured timeless civilisational values. As the RSS celebrates its centenary, it is worthwhile to revisit its journey.

At a recent event in Delhi, RSS *sanghchalak* (chief) Mohan Bhagwat asserted, "Religion is by individual choice; there should be no allotment or force in this." This view echoes the Sangh's founding philosophy: To build a society rooted in harmony rather than conflict, collective strength rather than division, and character building, not just material wellbeing. Through daily *shakha* (local chapter) meetings and volunteer-driven initiatives, the RSS seeks to foster discipline, resilience, and pride in India's cultural heritage, shaping individuals who view service to the nation as their highest calling.

It was, therefore, not a surprise when Prime Minister (PM) Narendra Modi, in his speech on this Independence Day,

lauded the RSS for its century-long role in nation-building. He reminded Indians how the RSS stands out as one of the most influential socio-cultural movements in independent India.

Independence came shrouded in the tragedy of Partition. Amid this tragedy, RSS *swayamsevaks* rescued, rehabilitated, and protected countless victims of the carnage. Under the leadership of the second *sanghchalak*, MS Golwalkar, and other senior leaders, the RSS mobilised communities, set up refugee camps, provided food and medical aid, escorted vulnerable families to safety, and organised defences for besieged homes. Even Congress leaders, overwhelmed by the situation, reportedly sought the Sangh's assistance to protect their families and communities in Punjab. No wonder *The Tribune* called the RSS "the sword arm of Punjab".

This spirit endured beyond Partition. During the anti-Sikh riots of 1984, the RSS provided shelter and relief to the Sikh community. Acknowledging this, noted author Khushwant Singh said that the RSS played an honourable role in maintaining Hindu-Sikh unity "before and after the assassination of Mrs. Indira Gandhi".

Considering this legacy, it is unfounded and erroneous when some people accuse the RSS of being a majoritarian organisation. During Independence, it helped protect India's minorities and their places of worship. In March 1947, when mobs instigated by the Muslim League headed toward the Golden Temple, RSS volunteers armed with swords and *lathis* confronted them, forcing a retreat. Three days

later, when another assault threatened the sacred Sikh shrine, RSS *swayamsevaks* formed a human ring of defence and fought for hours, successfully repelling the attackers.

The RSS's role in the country's integration is even less known. From Kashmir to Goa to Dadra and Nagar Haveli, it has played a decisive role in preserving India's territorial integrity. When Pakistan-backed tribal invaders attacked Jammu & Kashmir, Sardar Vallabhbhai Patel sought Golwalkar's help to persuade Hari Singh, the then princely state's ruler, to join India. Golwalkar travelled to Srinagar and impressed upon him the strategic necessity of immediate accession. RSS volunteers also aided the Army during the 1947-48 war by managing supplies, logistics, and relief for refugees fleeing areas like Mirpur and Muzaffarabad.

In 1954, *swayamsevaks* spearheaded the liberation of Dadra and Nagar Haveli from Portuguese control. According to KR Malkani's book *The RSS Story*, "On 2 August 1954, some 200 RSS *swayamsevaks*, led by Nana Kajrekar and Sudhir Phadke, liberated Dadra and Nagar Haveli, putting to flight 175 Portuguese soldiers armed with rifles, Bren guns, and Sten guns." Similarly, the RSS joined underground freedom movements to fight for Goa's liberation.

The RSS has always fought for strengthening India. During the 1975 Emergency, the Sangh became the resistance's backbone, mobilising people to defend the Constitution. *The Economist* wrote in January 1976, "The shock troops of the movement come largely from the Jana Sangh and its



The RSS has always fought for strengthening India. During the 1975 Emergency, the Sangh became the resistance's backbone.

PTI

affiliate RSS, which claim a combined membership of 10 million, of whom 80,000, including 6,000 full-time workers, are in prison." At a time when people and institutions were willing to crawl when told to merely bend, the RSS fought against authoritarianism.

The RSS has also devoted itself to uplifting tribals and marginalised communities. The Akhil Bharatiya Vanvasi Kalyan Ashram, founded in 1952, operates more than 20,000 projects across 52,000 villages in 323 districts of the country, covering education, health care, skill development, and cultural revival. The RSS's approach has been to bring tribals into the national mainstream without compromising their original identities, bolstering their tribal pride while integrating them with the larger Indian identity.

The RSS is also often unfairly criticised regarding its relationship with Mahatma Gandhi. There were some differences of opinion between Gandhi and the RSS on certain issues — just as there were within the Congress itself — but it would be misleading to portray their relationship in terms of hostility or rivalry. Their differences never stood in the way of mutual regard. This was evident in 1934, when Gandhi visited an RSS camp in Wardha. He was struck by the organisation's "discipline, complete absence of touchability, and rigorous simplicity". On September 16, 1947,

Gandhi addressed an RSS meeting in Delhi, praising its spirit of service and sacrifice. The RSS too, soon after Gandhi's assassination, suspended all *shakhas* for 13 days as a mark of respect — the only time in the Sangh's history.

This spirit of engagement — where differences do not preclude respect or constructive work — is reflected in the way the RSS approaches regions and communities beyond its traditional base. The Northeast, for instance, was a region marked by alienation and insurgency due to colonial duplicity and policy shortcomings after Independence. The RSS, since establishing its first *shakha* in Guwahati in 1946, has played a transformative role in bringing the region to the national mainstream.

As the RSS completes a century of service, its contribution to nation-building remains steadfast and ever-growing. A recent testament to this spirit was seen during the Covid-19 outbreak, when in May 2021, nearly 300 *swayamsevaks* revived the long-defunct BGMIL hospital in Kolar within two weeks, offering much-needed relief to hundreds of patients. Such examples reflect how the RSS continues to quietly perform its role as it was envisioned a century ago.

Rajnath Singh is the Union defence minister. The views expressed are personal

An overlooked factor of flight safety in India

In November 2023, a Vistara A320 and an Ethiopian Airways B787 aircraft experienced two aircraft collision avoidance system (ACAS) alerts one after the other at Delhi's terminal 3. The two aircraft — one was about to land and the other was taking off — were saved from potential disaster by bad weather and wind-shear conditions that necessitated a go-around by one of them, averting a collision.

The final report of this incident has just been released by the Aircraft Accident Investigation Bureau (AAIB), and it squarely blames the high workload and stress faced by the air traffic controllers (ATCs) — the backroom boys of the aviation landscape — who are often forgotten, unlike the commanders and crew who remain at the forefront.

This is not the first near-accident attributed to fatigue or excessive workload among ATCs. Just like the crew, ATCs also work under immense pressure, which has increased after the Covid-19 pandemic. Akin to flight inspectors and other similar cadres in aviation, they are an important undergird of flight safety.

But, India faces a serious shortage of ATCs: Against a total sanctioned strength of 5,537, it only has around 4,000. Moreover, whether the sanctioned strength itself meets the necessary number of personnel is a moot question.

There is a Civil Aviation Requirement (CAR) that specifies the Watch Duty Time Limitations (WDTL) for ATCs, notified by the Directorate General of Civil Aviation (DGCA), keeping in mind international practices, rules, and advisories. The regulations ensure that the controllers are adequately rested, remain alert and effective while on duty, and are not unduly stressed. With rising air traffic and worsening weather patterns — storms, cloud bursts, and other unusual weather phenomena becoming more frequent — it isn't hard to imagine the criticality of the ATCs in aviation safety.

While fatigue among commanders and crew has been facing scrutiny for some time now, the life and travails of ATCs often go unnoticed by the media. A recent parliamentary committee highlighted the plight of ATCs and the critical role they play in the aviation sector. It flagged three problems that were of particular concern for flight safety, which need to be urgently addressed.

The first is that the facilities for ATC training have not grown in keeping with the need.

THERE IS A CIVIL AVIATION REQUIREMENT (CAR) THAT SPECIFIES THE WATCH DUTY TIME LIMITATIONS (WDTL) FOR ATCS, NOTIFIED BY THE DIRECTORATE GENERAL OF CIVIL AVIATION (DGCA), KEEPING IN MIND INTERNATIONAL PRACTICES, RULES, AND ADVISORIES

The Airport Authority of India (AAI) — ATCs are under its purview — has three training centres, in Prayagraj (Uttar Pradesh), Begumpet (Hyderabad), and Gondia (Maharashtra). Of the three, the first two have surveillance control simulators as well as aerodrome control training. In Gondia, only the initial aerodrome control training is conducted currently. Between the three, around 640 new controllers are trained every year, of which around 400 would have received only the initial levels of training.

This lack of training capacity has led to some worrisome developments. Often, controllers without adequate training are stationed at various control towers and remain in non-functional positions for long periods, waiting for training slots to become available, before they can handle actual operations.

Well-trained and experienced staff thus shoulder the bulk of the workload, often handling 30-35 aircraft at a time in busy air spaces, instead of the five to 10 that is considered ideal.

Also, duty timings have become stretched across India's airports, but markedly more so at the busier ones. The persistent staff shortage has made it almost impossible for AAI to adhere to the mandatory safety regulations and limits, and it has resorted to consistently obtaining "exemptions" from DGCA to operate outside the prescribed norms at several airports. The parliamentary committee report points out that "this practice has effectively institutionalised overwork and normalised a state of heightened fatigue risk within the air traffic management system".

This short-staffing had also led to another dangerous precedent being set, where more experienced controllers are forced to perform two roles simultaneously — managing active traffic and fulfilling supervisory duties, compromising the ability to respond effectively in an emergency.

Second, ATCs say they are increasingly subject to a punitive and penalty-driven environment — a complaint often heard from crew as well — and that this is demoralising. Steep fines can be levied on personnel for decisions taken under seriously charged situations, often happening well beyond duty limits (this is done under the penal provisions of the Aircraft Rules by DGCA). This acts as an independent stressor.

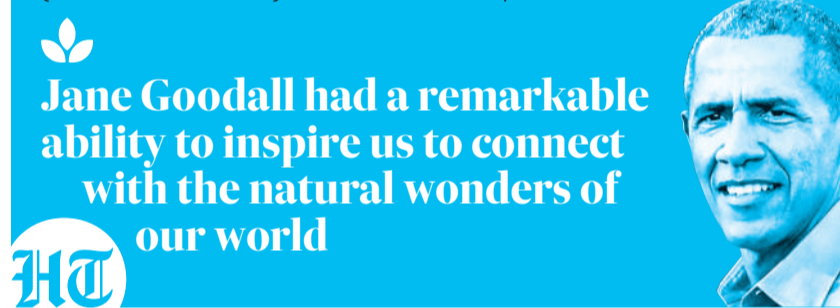
The last is that the ATC guild has long been seeking the inclusion of a member from its fold in the board of the AAI, the body that governs and manages them. The failure to do so has led to a situation where often decisions that directly affect the functioning of ATCs are taken by those who have very little understanding of the ecosystem.

Until we expand capacity within India, it might be worthwhile to send a few batches of controllers abroad for training.

Overwork, dual responsibilities, and working with an overwhelming number of variables are a clear and imminent threat to aviation safety, and, certainly, are not the ideal conditions for India's expanding aviation universe.

Anjali Bhargava writes about governance, infrastructure, and the social sector. The views expressed are personal

{ BARACK OBAMA } FORMER PRESIDENT, UNITED STATES



Saving student lives with institutional interventions

Student suicides often evoke myriad responses. For some, it is a failure, for some, an escape and for others, a crime, even institutional murder.

In recent years, public attention has been drawn to a series of high-profile student suicides. For a few days, these tragedies spark debate and outrage. But in an age of vanishing attention spans, the larger crisis continues to unfold every single day.

India loses nearly 14,000 students to suicide each year. Data from the National Crime Records Bureau released this week showed the number of student suicides in India climbed to 13,892 in 2023, climbing 34.4% from 10,335 in 2019 and 64.9% from 8,423 in 2013. A total of 117,849 students died by suicide between 2013 and 2023.

For every suicide death, research suggests there may be 20 attempts. The number of students silently contemplating suicide or enduring severe mental anguish might be manifold.

Suicides are robbing us of young lives brimming with potential — a student's journey ending before it begins. The majority of these deaths occur among those aged 18-30, the very demographic that should be shaping our country's future. Unlike many causes of death among young people, suicide is entirely preventable. And preventing it requires no vaccine or rocket science. What it needs is a socio-political movement grounded in evidence-based interventions and a willingness to listen to young people.

In March, the Supreme Court in *Amit Kumar & Ors vs Union of India & Ors* directed that every suspected suicide must be registered through an FIR. Recognising that student suicides now outnumber even farmer suicides, the court sought to go beyond reactive measures. It constituted the National Task Force for Student Wellbeing and Suicide Prevention under the chairmanship of justice (retd.) S Ravindra Bhat, with subject experts and senior officials from multiple ministries. The mandate: To consult stakeholders, review policies, and present to the court a holistic understanding of the causes of student suicides and the path to prevention.

Attempts to study this epidemic have been made before, but they were fragmented and often limited to specific academic streams. This task force marks the first comprehensive effort to examine suicides across the entire spectrum of higher education. And the

scale is immense: India has over 60,000 higher education institutions, 1.5 million faculty members, and 45 million students. This population is as diverse as India itself — by geography, caste, class, religion, gender, disability, and course of study. To capture this diversity of experience, the task force launched nationwide online surveys (mf.education.gov.in). Students, faculty, mental health providers and parents are encouraged to respond; concerned citizens can also share their perspectives. Alongside this, higher education institutions are required to provide data on student well-being as part of their institutional accountability.

Some may see this as a grand *samudra manthan* (ocean churn) to extract the *amrit* (nectar) of suicide prevention. But let us be clear: India does not suffer from a lack of policies or documents. The Mental Healthcare Act (2017) and the National Suicide Prevention Policy (2021) already exist. Numerous committees have produced detailed reports. In August, the Supreme Court issued guidelines on preventing student suicides. And yet, young lives continue to be lost. Why? Because our systems continue to respond with apathy — and sometimes, with active oppression. Students are cornered into desperation by discriminatory practices, punitive academic policies, financial barriers, and neglect of mental health services. Their deaths are not just personal tragedies; they are social failures and, too often, institutional ones.

The task force may chart a path forward, but it is ultimately up to us — as educators, policymakers, parents, peers, and citizens — to act. We must build a future where young people can live, learn, and lead without fear. A future where suicide is not seen as a personal failure or a lack of resilience, but as something we, collectively, can and must prevent through systemic and individual change.

Let us resolve to change the narrative. Because every student life lost is one too many. It's a national emergency we can no longer afford to ignore.

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Slow growth

India needs to create better-paying jobs at scale

A slow increase in wages can have troubling implications for economic growth and equity. The Annual Survey of Industries (2023-24), recently released, underscores this concern: Profits per factory rose 7 per cent, while wages per worker increased only 5.5 per cent. Profits grew faster than wages for several years in the recent past. The Economic Survey for 2024-25 also flagged weak wage growth, while corporate profitability increased to a 15-year high in 2023-24. The data shows that gains in labour productivity too have faltered, with output per worker showing weaker growth after 2013-14 than earlier years did. At the same time, the share of formal manufacturing in gross domestic product has nearly halved since 2010-11, limiting access to stable, high-quality jobs. The combination of slower productivity and a shrinking formal sector has substantially restrained wage growth, undermining both worker income and domestic demand.

However, this disconnect is not confined to India. Globally, the balance between wages and profits has tilted toward capital. Rapid technological change might deepen this divide. The International Labour Organization's World Employment and Social Outlook 2025 warns that nearly one in four workers could see their role significantly transformed by generative artificial intelligence. It is being argued that young people entering the workforce now face significant challenges, as the automation of entry-level jobs limits skill-building and wealth accumulation, potentially leading to stagnant wages and a widening intergenerational wealth gap.

In India, the intent behind strengthening labour protection has been to improve workers' conditions. However, excessively stringent laws have had unintended consequences. Research shows that stringent labour laws have incentivised firms to shift towards contract-based employment, thereby reducing the number of directly hired, formally employed workers. This shift has been particularly evident in the manufacturing sector, in which the use of contract labour has increased significantly since the early 2000s, with a direct impact on wages. The data on Periodic Labour Force Surveys also shows that only a small minority of India's labour force has formal employment.

Further, as a Goldman Sachs report shows, over the years, India's capital-intensive manufacturing subsectors (such as machinery, chemicals, electronics, and pharmaceuticals) have seen stronger growth in both exports and employment than in many of the labour-intensive sectors (textiles, footwear, and food & beverages). This suggests that investment and export efforts are favouring industries that use more machines and more capital, which often require more skill and pay higher wages, rather than ones that absorb large numbers of lower-skilled workers. Stringent labour laws are said to be one of the biggest reasons why India has underperformed in labour-intensive industries over the past decades, which has affected employment generation and with implications for wages and overall economic growth. The new Labour Codes, awaiting implementation, are expected to improve the situation. Without employment creation in low-skill labour-intensive sectors, which can potentially provide decent wages to a large part of India's workforce, it would be difficult to sustain higher aggregate demand over the long run. The problem can further be exacerbated by a sustained increase in profit growth over wage growth. To be fair, there is no easy near-term solution, but these issues must be debated.

Air pockets in pilot training

FTO rankings reveal serious quality problems

The first rankings of registered flying training organisations (FTO) in India by the Directorate General of Civil Aviation (DGCA) bear a distinctly down-to-earth message. None of these schools made it to the top two categories of the aviation regulator's ranking of A+ and A. Twenty-two academies qualified for the B ranking and 13 were ranked C. In short, the bulk of India's FTOs are either "average" or "above average" — the B ranking indicates a score between 70 per cent and 50 per cent and the rankings suggest that only a handful make it to the upper cohort. Those in the C category have been issued notices for "self-analysis and improvement" and may fall under additional DGCA scrutiny. Notably, government-sponsored FTOs figure quite low down in the rankings. FTOs graduate between 800 and 1,000 holders of commercial-pilot licences a year but this number is expected to rise. In fact, this regulator assessment of underperformance by domestic FTOs comes at a time when the demand for pilots is rising significantly — from 6,000 to 7,000 working pilots today to 30,000 over the next 15 years — as leading Indian airlines place mega orders for new aircraft.

A granular look at the ranking criteria the DGCA has applied is concerning. It suggests that the principal problem lies in lack of training infrastructure and relatively lax safety standards, both of which account for a 60 per cent weighting. For instance, the regulator assigns the heaviest weighting of 40 per cent to "operational aspects", which cover such parameters as the student-to-aircraft ratio, student-to-instructor ratio, fleet size, and availability of ground schools and simulators. Safety standards carry a weighting of 20 per cent — and they include the number of accidents and incidents in the preceding 12 months.

More to the point, these courses are not cheap. For instance, the Indra Gandhi Rashtriya Uran Akademi, which operates under the Ministry of Civil Aviation and has been rated Category C by the DGCA, takes an upfront fee of ₹30 lakh for a commercial pilot's licence (which includes 200 hours of flying). This fee excludes the "type rating", which pilots must obtain to fly specific aircraft and it adds another ₹15-20 lakh to the bill. In all, ₹40-60 lakh is a fairly typical outlay for a trainee pilot. Those looking for another flight path can opt for airline-sponsored programmes (not rated by the DGCA), but these, though of relatively good quality, can cost as much as ₹1 crore. Worse, this substantial expenditure on pilot training, on which families often expend large parts of their savings, need not guarantee a job since the bulk of the demand for pilots in Indian aviation is for experienced captains rather than newly trained pilots.

Given the revelations of this first exercise, the DGCA has done signal service for the hundreds of young women and men with high aspirations to fly to join the great Indian aviation boom. The fact that the ranking exercise will be conducted within a narrow frequency of twice a year — on April 1 and October 1 — will reduce the chances of FTOs gaming the system in the interval. For the regulator, the critical challenge, implicit in all institutional rankings, is to maintain the veracity of the system with meaningful checks so that the exercise is not reduced to mechanical box-ticking. The increasingly crowded Indian skies demand such rigour.

Protecting industry, not interests

The government must guard India against domestic protectionism as strongly as against Chinese dumping



ILLUSTRATION: BINAY SINHA

The government recently announced anti-dumping investigations against a slew of products ranging from steel to mobile covers. Anti-dumping is a much used form of protection in India, alongside higher tariff rates, quantity restrictions, negative import lists, and more. Some of these comply with the World Trade Organization (WTO) rules, some can be made to comply, and for others, the WTO hardly matters.

What matters, however, is the manufacturing environment India is building. If everything from steel to mobile covers to glass, PET, and solar panels needs protection, on top of the hundreds of other products already receiving some form of it, we need to ask ourselves a deeper question: What happened? And how can we change this?

One answer, the most popular one, is that China has unleashed its highly subsidised and heavily protected industrial output on the world. These products can easily overwhelm domestic production and industry, affecting employment and long-term manufacturing growth. But these anti-dumping investigations will not target only Chinese products. From information reported, it appears that the Directorate General of Trade Remedies under the Ministry of Commerce will need to investigate producers from Thailand, Russia, Taiwan, South Korea, Vietnam, and Bangladesh, among other countries. Various protective mechanisms exist as outlined above, and producers from developed countries, including Japan and the European Union, not to mention the United States, have been included.

In other words, Indian manufacturers and their associations believe that they need to be protected from products from across the world. Sometimes it is argued that producers in other countries benefit from cheap Chinese inputs, which then lead to lower costs of final produce. And, therefore, India needs to protect itself from producers in all these countries that rely on Chinese imports. While the argument might have some validity, it is also true that India itself imports massively from China — upwards of \$113 billion last year, growing at more than 11 per cent from the year before. These products span electronics, chemicals, machinery and equipment, and plastics.

So now the government has a difficult problem at

hand: How should it decide which products to protect and which it should not? Every self-serving producer will like to make a representation to the government against any competing product being imported. And a responsive government will either immediately put up a protective barrier, or at least try to investigate whether the complaint is valid.

But the problem gets more complex. How do you investigate Chinese production, especially since it is also said, with some validity, that we cannot trust Chinese data? Given this problem, the next best option for the government may be to investigate globally produced output on the basis of Indian data. Now if we do that, we are effectively judging a product on the basis of Indian costs. So, of course, the result will favour higher-cost Indian manufacturers and their call for protection.



LAVEESH BHANDARI

The question that needs to be asked is this: What criteria can help the government decide which products deserve some form of protection, and which ones should be allowed for import freely, perhaps with only minor tariffs? A free market-orientation will argue for the devaluation of the rupee, the removal of tariffs, and letting firms in India decide whether to use global or domestic inputs. A leftist-socialist orientation will call for banning imports altogether, managing the rupee exchange rate, and forcing all production to remain in India. Each of these, of course, is quite extreme.

The government needs to find a workable middle path, which also enables the unleashing of greater competitive forces within the country while creating a fair economic environment. Consider the following elements.

First, identify how the largest economies are dealing with items in each product segment. We should do that irrespective of whether they have free-trade agreements, are members of regional blocs or otherwise, whether it is China, Vietnam, or any other country. The point being, if for whatever reason a country's producers are dumping in India, they will tend to do so in global markets as well. Red-flag those product segments for further investigation before any protective action is taken in India.

Second, whenever a petition from industry for

protection comes in, the government must first talk to the users of that product and continue doing so until the protective action is in place. Users, or downstream buyers, are vital engines of employment, often generating more jobs than producers, and they also contribute substantially to government revenues and economic growth. In a sense, protection is a form of economic justice, and before passing judgment, the government needs to give due recognition to all, the producers and the users.

Third, the government must safeguard users with the same spirit as it protects producers. Therefore, any protectionist measure must be accompanied by rigorous and continuous monitoring of its impact on both producers and users. The government must also commit to swift corrective actions if such measures result in inflated prices, profiteering, or any other adverse effects that undermine the interests of downstream users within the affected product segment.

Fourth, a casual analysis of protective action will show that in many cases protection leads to persistent dependence on the government. This dependence is a drain, for it eats into the long-term growth of India, and must be eliminated. Therefore, whether it is a quality control order, a higher-than-usual tariff rate, or an anti-dumping measure, there must be a sunset clause on all such measures. Moreover, and this is critical, the sunset of one form of protection should not be replaced by another. And for this, the government must keep a close watch on who is petitioning for what form of protection and at what time.

Overall, there are many ways to support and promote India's manufacturing sector. One method is absorbing some costs, another is providing subsidies, yet another is smoothing the process of doing business, and still another is protectionism. Each has its pros and cons.

Given high land costs in India, absorbing these costs through a rental or land-cost subsidy would directly correct an anomaly created by our flawed land laws, which are difficult to reform. The production-linked incentive is a form of subsidy that is aimed at correcting the scale-of-production problem, as greater scales enable lower costs. It's a very specific solution to a specific problem. The ease of doing business reforms were aimed at smoothing the process of doing business. Again, these are targeted solutions for specific problems. Protectionism, however, is not like that. It may appear to be targeted, but is not. It benefits some at the cost of others, reduces competitive forces, creates dependence, encourages lobbying and politicking by industry. Therefore, protectionist measures should be used very carefully. The fear that Chinese products have the potential to flood India gives a great tool to those who want protection for their self-serving interests. The government must guard India against such domestic forces as much as it needs to guard against Chinese flooding.

The author heads CSEP Research Foundation. The views are personal

Measuring India's true economy

India's economy recorded 7.8 per cent gross domestic product (GDP) growth in the first quarter of FY26, outpacing expectations and reinforcing the government's optimism about the country's growth trajectory. The headline numbers are based on currently available, measurable data and represent the best possible estimates within the existing system.

Yet, we align with experts who caution that these headline figures may not fully reflect reality, as the informal or unincorporated sector — employing more than 90 per cent of India's workforce and contributing nearly half of GDP — remains inadequately measured. This gap risks overstating or understating economic strength and misleading policy. To fix this, India must move from a top-down model of GDP estimation to a bottom-up approach that begins at the district level, where most unorganised sector activities take place.

A truly bottom-up exercise would ideally build GDP estimates starting from the village level, but given the enormous complexity and resource requirements of such an approach, the most feasible starting point is the smallest administrative unit with structured data systems — the district.

Bottom-up vs top-down: India currently follows a top-down method. National gross value added (GVA) is first estimated and then apportioned to states and districts. States use local data mainly for agriculture, while manufacturing and services are allocated using central indicators that often bear little relation to actual local output. Some states compile district GDP (DDP), but this is again done by distributing state-level numbers rather than directly measuring district-level activity. While this provides timely estimates, it fails to capture ground realities.

A bottom-up approach would instead build GDP directly from district-level data. Agriculture can be measured from local records, manufacturing from pooled Annual Survey of Industries samples, mining from e-way bills, and organised services from Ministry of Corporate Affairs (MCA) and goods and services tax data. Public sector value added can

be apportioned from balance sheets and budgets of central and state undertakings. The most critical gap is the unincorporated sector, which can only be captured through dedicated surveys: 1. Labour force survey (LFS): A district-representative survey, capturing unemployment rate, worker population ratio, labour force participation rate, and participation in unincorporated manufacturing and services. 2. Survey of unincorporated sector enterprises (SUSE): Estimates value added per worker in informal enterprises, offering a granular view of their contribution.

Together, industry-wise data on workers (from LFS) and value added per worker (from SUSE) would enable precise estimates of district-level GVA. Aggregating across districts would yield more reliable GSDP and, ultimately, a GDP that reflects India's true economic structure.

Lessons from Uttar Pradesh: Uttar Pradesh piloted this bottom-up model in four districts — Meerut, Varanasi, Gorakhpur, and Kanpur Nagar. The contrasts with top-down estimates were striking. Manufacturing output was nearly double under the bottom-up method, while services and trade, conversely, were often lower, reflecting how top-down methods overestimate in some districts. Overall GVA was 10.3 per cent higher than top-down estimates. These divergences highlight why states need their own measurement systems: The same proxies cannot represent Varanasi's services economy, Gorakhpur's manufacturing, and Meerut's trade.

Why health and education matter: Within services, health and education are especially important, yet they remain buried under "other services." With a large private-sector presence, their contribution must be measured accurately, as higher investment in these sectors builds a skilled, healthier workforce that boosts productivity across the economy. Their value is both immediate and long-term. District surveys in UP showed how undercounted they have been: GVA in health and education was higher than top-down estimates by 13.6 per cent in Meerut, 9.5 per cent in

Varanasi, and 6.7 per cent in Kanpur Nagar. Recognising these sectors as productive human capital formation, not just social spending, is critical to capturing the true growth story.

Using new data to measure economic activity: To strengthen bottom-up GDP, we must encourage it to systematically integrate alternative data sources into national accounts. Administrative datasets such as the corporate identification number filings with the MCA can help refine estimates for registered companies. Similarly, goods and services tax network data, which captures monthly turnover across millions of establishments (including small firms otherwise invisible to surveys) can provide dynamic measures of output. At the same time, electricity consumption data from discoms can serve as a proxy for unincorporated manufacturing and service activity, especially in districts with high informal enterprise density. Linking these datasets with labour force surveys would not only reduce reliance on extrapolation but also ensure better measurement of GVA across sectors. Together, these innovations would significantly improve the credibility and granularity of GDP compilation.

The way forward: The pilot survey in UP has now emerged as a robust proof of concept, and the state has rolled out bottom-up district domestic product (DDP) surveys across all 75 districts. Building on this momentum, states like Assam, Maharashtra, and Madhya Pradesh have also decided to estimate GSDP using bottom-up DDP. We are sure that other states would adopt a similar approach, ensuring that economic planning is firmly grounded in the realities of where growth and livelihoods actually take place: Small firms, local services, and unincorporated enterprises that are often undercounted in conventional data systems. If all states were to institutionalise this process, India could, for the first time, build a truly representative GDP (aggregated from bottom-up DDP) that reflects the full depth and diversity of its economy.

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ASHISH KUMAR & PAYAL SETH

ITEC as an instrument of diplomacy



SUBHOMOY BHATTACHARJEE

When was the last time you got hold of a book that talks of a specific Indian policy? No, I don't mean the memoirs mostly IAS officers write about their term in offices with dollops of personal life thrown in. I mean a good hard look at any Indian government policy spanning several decades.

It will be almost impossible to find one. You can be sure, for instance, coming out of the Trump term, a furious avalanche of books will plaster the United States bookshelves soon. Hardly

any book will be written about the comparable period of Indian policy. This is true of not only this era, but books on Indian government policies hardly ever get written, except for foreign policy where there has been a plethora of well-written books, including by the current External Affairs Minister S Jaishankar.

Yet as the Indian economy gathers critical mass in the world, it would be unrealistic to say Indian public policy does not merit such a deep-down study. In the circumstances, the role falls on observers from outside the government. *ITEC at 60: India's International Development Partnerships* is one of those. Shimreisa Chahongnao, Maria Elizabeth Joseph and Swati Sinha of Ananta Aspen Centre have made a brave attempt to understand a vital piece of Indian policy — Indian Technical and Economic Cooperation. The book

examines how India, despite domestic constraints, has tried to offer assistance to a large band of nations in the so-called Global South since 1964. It was and continues to be a global university system developed by India but without any bells and whistles.

This slim book of 216 pages starts an interesting conversation on an often forgotten corner of India's efforts to reach out to nations with a form of cooperation that was actually unique for those times. "This decision to set up the ITEC programme was based on the belief that it was essential to foster relations grounded in mutual concern and interdependence... technical and economic cooperation was viewed as a vital element of an integrated and forward thinking foreign policy," the authors write. The Trumpian tariff and H1B visa dystopia would have looked less so from India's point of view if these

initiatives were sustained, it now seems. Indian chip, smart weapons and pharma products would have found easier access where ITEC made significant strides.

When the Indian government under Lal Bahadur Shastri started the ITEC programme, this was the same period when the US government was either offering food aid or arms to topple "unfriendly" governments. The Central Intelligence Agency, among other things, had organised a massive books programme to seed ideas of freedom behind the Iron Curtain. Europe was torn about what to offer without raising hackles in the countries it had till then recently, kept colonised. India's efforts, despite the small sums it could offer, was a brave offer in this context. The programme became better organised



ITEC at 60: India's International Development Partnerships by Maria Elizabeth Joseph, Swati Sinha & Shimreisa Chahongnao Published by Thomson Press/Ananta Aspen Centre/Gates Foundation 216 pages Price not stated

formation of the Economic Coordination Unit (ECU). Yet, they write, the ECU's efforts were constrained by institutional ambiguity within the Ministry of External Affairs

from the early 1980s when the ITEC started financing visits of economic delegations from partner countries, including training in Indian military facilities. Despite avowedly non-political themes, local issues did impact. "In Algeria, India supported independence efforts and later provided expertise in education, agriculture and industry, culminating in agreements on economic and technical cooperation".

Despite these promising starts, India often stepped back at crucial points instead of building on the reach ITEC provided. A reassessment of India's foreign policy orientation led to the

(MEA) and overlapped with the line ministries, limiting its effectiveness and perpetuating an "institutional void in managing international development assistance at MEA headquarters".

The numbers ITEC has trained so far are not chicken feed. Nearly half a million people from 161 countries have been through this global knowledge network. Generations of Indian leaders pass through the pages of this book. In fact, it is a pity that the authors did not consider adding colour by bringing these leaders to life in this analysis. The other absence is the mention of similar efforts by other countries from Asia, both Japan and now China. Did the ITEC make any substantial effort to tailor their efforts in response? A comparison would have really helped to steer the policy in fresh directions. It is difficult but the absence of voices from the recipient countries would have added perspective to this account of a vital Indian global outreach. These are questions that would be hopefully addressed in a subsequent edition.

Opinion

FRIDAY, OCTOBER 3, 2025



REMEMBERING BAPU

Prime Minister Narendra Modi

Gandhi Jayanti is about paying homage to the extraordinary life of beloved Bapu...He demonstrated how courage and simplicity could become instruments of great change. He believed in the power of service and compassion as essential means of empowering people

Challenger's test

Arattai must not only match the incumbents but also surpass in ways that matter locally

ZOHU'S HOME-GROWN messaging app Arattai, which is designed as a privacy-first alternative to WhatsApp, has drawn attention in a manner few domestic digital products have. Within just three days, daily sign-ups jumped from around 3,000 to nearly 350,000, on the back of high-profile endorsements by Union Cabinet ministers and social media chatter. Quietly launched in beta mode in early 2021, Arattai now finds itself at the centre of the recurring quest for digital sovereignty and credible native alternatives to global platforms. The app's appeal rests on Zoho's tested philosophy of building for scale, efficiency, and privacy. Unlike many hurried ventures, Arattai has been engineered to work not just on flagship smartphones but also on low-end devices and patchy networks. Its focus on local data storage and an ad-free, spyware-free experience provides a differentiator at a time when concerns about surveillance and monetisation loom large. Founder Sridhar Vembu's admission that infrastructure is being upgraded "on an emergency basis" underscores not only the unexpected intensity of demand but also a genuine product-market fit.

But history urges caution. Several home-grown platforms like Hike Messenger, Koo, and others, enjoyed initial surges only to fade. Hike, celebrated once as the country's answer to WhatsApp, never overcame the challenge of scale and engagement, shutting down its core messaging service in 2021. Koo, styled as a local language alternative to Twitter, enjoyed its moment when ministers and celebrities embraced it amid regulatory disputes. Yet its trajectory revealed the limits of such positioning. As marketing scholars Al Ries and Jack Trout argued decades ago, me-too products seldom work—it is better to be first in a category than to convince users you are a better version of something they already know.

That lesson is relevant even now. Arattai's challenge is not simply to ride a viral wave but to avoid the trap of being seen as a WhatsApp clone. If it is to succeed, it must carve out its own space in the digital landscape. Here lies the real test, whether it can create a category where it is first in the mind of users, rather than competing head-to-head with an entrenched global giant. WhatsApp's success, whether in India or globally, is rooted not only in messaging but also in its integration with payments, business communication, family groups, and media sharing. For Arattai to endure, it must build such breadth too, along with its promise of privacy and ad-free values. That requires deep investment, product innovation, and partnerships that past home-grown ventures underestimated.

Thus, the broader lesson is that political patronage can lead to initial adoption but cannot sustain it. Koo's rise and fall showed the limitations of muscular nationalism in consumer tech. True digital sovereignty will not come from symbolic endorsements but from products that users trust, value, and return to daily. Zoho's patient approach and proven track record mark Arattai as different from past experiments. Unlike venture-backed start-ups chasing quick exits, Zoho is known for discipline and long-term focus. That could give Arattai resilience. Yet the road is steep. To move from hype to habit, it must create a category of its own, scale seamlessly, and cultivate trust. Arattai's rise is therefore both inspiring and cautionary. Whether it succeeds in becoming a durable symbol of digital sovereignty or ends up as another footnote like Hike and Koo will depend on Zoho's ability to innovate, differentiate, and lead in its own right.

Altman's AI power grab is tone-deaf and infeasible

SAM ALTMAN MAY be a visionary but he could use some help reading the room.

The OpenAI CEO has made yet more headlines for reportedly telling employees he targets 250 gigawatts of data-centre capacity by 2033. In power terms, that is like building a not-small country, equivalent to roughly one-third of peak demand on the entire US grid. This is the same US grid already morphing into a political third rail amid fast-rising bills and warnings of blackouts, with proliferating data centres linked to both. A bit more nuance and creativity, plus a dash of realism, is in order.

Building dispatchable generation—non-renewable and, in practice, natural gas-fired plants—to power Altlandia in under a decade is infeasible. Looking back over the past 15 years, the fastest, sustained level of gas-fired deployment has been 12.5 Gw per year, according to Hugh Wynne of Sector and Sovereign Research. If we somehow achieved double that pace, immediately, it would result in only 200 Gw over eight years. Even that overstates things since turbines, unlike data centres, don't run flat out (so you need more than 1 gigawatt of generating capacity for a given gigawatt of data centre demand).

Now consider the cost—\$450 billion for the turbines at today's upwardly mobile prices—and the vast quantity of gas required. Plus all those emissions the hyperscalers claim to care about as well as the fact that competitors also want dozens of gigawatts each to feed their own artificial intelligence ambitions.

Altman's mooted moonshot forms part of a broader AI arms race. Even a quarter of those 250 Gw would be bigger than California's all-time peak demand for electricity. Data centres, including for AI, needed about 30 Gw last year and the consensus of a very broad range of estimates is that this might reach 176 Gw by 2035, according to CreditSights analyst Andy DeVries. This comports with a 121 Gw backlog of data centre capacity that is already planned or under construction, as reported by the utilities he tracks. But those utilities also report expressions of interest from data centre developers that add up to another 601 Gw.

There's a lot of double-counting and wishful thinking in that figure. But utilities, which earn a regulated return on what they build, are motivated to turn as much of that as possible into new power plants, transformers, and wires. As it is, utilities' planned capital expenditure for 2025 through 2027 is \$532 billion, up 91% from the prior three years, Wynne calculates.

These costs ultimately flow into bills businesses and households pay. Regulators are touting new tariff structures to ensure data centres pay their own way. But that's hard to do in practice, given the complexity of ratemaking on grids, and this collision between monopoly utilities serving the public and impatient, deep-pocketed technology giants creates potential for households to end up subsidising the AI frenzy, as Eliza Martin and Ari Peskoe of Harvard University lay out in a recent analysis.

One prominent risk is that forecasts turn out to be too ambitious and we overbuild power infrastructure, either because AI's capabilities are overhyped or efficiency gains reduce energy needs. This is what happened in the first decade of the 2000s, when we built more than 200 Gw of gas-fired plants just in time for power demand to flatline and bankrupt much of the merchant generation sector.

There is a case to be made that AI could help alleviate energy costs and emissions. Power grids are exceedingly complex exercises in optimisation, becoming more complex as demand rises and we incorporate more intermittent wind and solar power. This is the sort of parameter-rich problem AI seems made to solve. For AI to play a useful role, however, the industry would need to embrace more flexibility in its demands. Agreeing to adjust data centres' power consumption for a handful of hours a year could effectively free up 100 Gw of existing capacity, according to a widely-cited analysis from Duke University. How's that for a productivity leap?

Rather than extolling the potential for efficiency, however, Altman's giga-goal betrays an obsession with sheer size, and one that looks tailor-made to stoke, not relieve, the economic, physical, and political pressures building on the grid.



LIAM DENNING

Bloomberg

GLOBAL & DOMESTIC CHANGES INCLUDING TARIFFS WILL IMPACT BFSI WITH NEW OPPORTUNITIES, CHALLENGES

BANKING SHIFTS

From risk to resilience

RECENT GEOPOLITICAL TENSIONS, the US's major tariff impositions, and India's proactive response—both through trade diversification and new bilateral arrangements—and the recent goods and services tax (GST) changes are reshaping the opportunities and challenges faced by the Indian banking, financial services, and insurance (BFSI) sector. This article discusses the impacts with sector-specific insights.

The banking sector has fared well in the last couple of years in terms of both asset performance and its treasury operations. Against the backdrop of the developments mentioned above, it will have domestic growth and benefit from the Indian economy's resilience and robust domestic demand. It will be partly insulated from direct export stocks caused by new tariffs. The recent GST reforms will boost consumption and therefore the economy's credit needs. The second major opportunity will be digitalisation and financial innovation, seen via the rapid adoption of digital finance, United Payments Interface expansion, and fintech collaborations. The new bilateral agreements will also drive international trade finance opportunities with new international markets, which could be the third major opportunity. Diversified international partnerships and India's pivot toward Association of Southeast Asian Nations, Latin America, and Africa will reduce over-dependence on US and European Union trade, providing banks with new relationships and infrastructure opportunities. The fourth factor will be via regulatory support. The Reserve Bank of India is expected to induce liquidity and lower interest rates, fostering credit growth and potentially reducing borrowing cost for businesses and consumers. Policymakers are insisting that the GST benefits are passed on to the customers, which will lead to consumption and credit flow, particularly in the housing finance

ASHVIN PAREKH

Managing partner, Ashvin Parekh Advisory Services LLP



and vehicle loans segments.

However, some challenges persist, such as export-linked loan risks. Banks with a heavy exposure to export-oriented sectors (gems, textiles, chemicals, IT) are at risk of asset quality deterioration as US tariffs lead to shrinking exports and job losses. The second major challenge will be currency and capital flow volatility. Tariffs and a weaker Indian rupee may increase forex and capital flow volatility, challenging banks' treasury management. For forex, the major challenge will be the exchange rate volatility. Persistent depreciation impacts banks holding large FX positions. The balance-of-payments strain will cause an increase in hedging costs. The third major challenge will be that of deposit competition—elevated deposit interest rates will persist as banks compete for stable funding, potentially squeezing margins. Lastly, micro, small, and medium enterprises in the affected sectors may face a liquidity crunch, raising the possibility of non-performing asset risks for lenders, necessitating cautious underwriting and possible policy support.

As for asset management and mutual fund, the sector has been growing at a brisk pace, and the membership of retail investors is increasing by leaps and bounds. Tariff impositions and the recent rate cut by the Federal Reserve will have a direct impact on the investment flows in and out of Indian markets. The Fed's rate cut can have a positive impact on the markets as lower US yields reduce the incen-

tive for investors to keep assets in the US, encouraging inflows into emerging markets. The first major area of both opportunity and challenge is the volatility and flight to quality. Funds will look for more stable assets, with an increased preference for domestic and performing sectors such as financial services, healthcare, and industrials. The second impact will be on selective sectoral opportunities. Fund managers will scout for assets in counters minimally impacted by tariff impositions. Here, both managers and investors will

Reduced interest from investors could be due to changes in regulations in the last couple of years

look at exchange traded funds, particularly the gold and silver. However, considering the Indian economy's robust performance, long-term flows, particularly due to strong domestic retail participation and systematic investment plan flows, act as strong stabilisers. From the GST 2.0 reforms perspective, there is no significant change in the cost structure for unit holders or mutual fund companies.

Tariff impositions will perhaps have very little impact on the insurance sector, but that is not the case as far as GST reforms are concerned. The changes exempt GST on premia paid by policyholders for some products in life insurance and retail health insurance covers. This is apparently a welcome move as it may imply lower costs for the policyholder at the cost of the government exchequer to the extent of around ₹6,000 crore annually for life products and around ₹7,000 crore annually for health insurance. If we analyse this reform, we may see

that the implication of rate revision and exemptions offered to the insurance industry could have been studied before making such changes.

The government has a noble vision of ensuring that all Indians are covered under insurance by 2047. For this vision, policymakers recognise that the industry will have to augment the capacity or capital several times. This is to be done by encouraging the private sector domestic players as well as their strategic or financial foreign investors. The foreign direct investment reform of up to 100% foreign equity is a major step towards this. Large foreign capital can potentially or hypothetically flow into the economy. Unfortunately, the actual traction or inflow is insignificant.

Reduced interest from investors could be due to changes in regulations in the last couple of years. The reduction of the surrendering period for life policies to a year is one such example. The GST 2.0 changes will significantly reduce the returns and therefore investors' interest, both domestic as well as overseas. While the exemption of GST on life and health insurance will reduce the cover cost to policyholders, companies will be denied input credit for GST paid for acquisition and management expenses. The financial implications to the life insurance companies are expected to be around ₹13,000 crore annually and around ₹2,500 crore annually to health insurance companies. This may be an unintended consequence, and the government may perhaps examine the implication afresh.

The tariff impositions will impact the BFSI sector, offering new opportunities and challenges. The government's response in term of trade diversification and direct and indirect tax reforms will provide some additional cushion. The macro impact looks favourable to the sector, but players will realign their strategies to ensure the quality of their books.

Views are personal

Tokenisation: The new buzzword in finance



AMOL AGRAWAL

The writer teaches at the National Institute of Securities Markets

Technology and digitalisation are enabling this new transformation. But if we look at financial history, it resembles old wine in a new bottle

FRENCH WRITER JEAN-BAPTISTE Alphonse Karr in 1849 wrote that "the more things change, the more they remain the same". In a way, he summed up much of human history—we think we have progressed, yet the core foundations remain the same. We are witnessing a similar change in the financial system with tokenisation; yet at its core, nothing changes.

The International Monetary Fund's (IMF) magazine *Finance and Development* (F&D) is based on the theme of tokenisation of finance. It has also released a dictionary to simplify terms in this new world of finance, and it defines finance token as a "unique digital representation of ownership of a financial (money or bonds) or real asset (commodities) that exists on a distributed ledger". To simplify, tokens are plastic coins we get in amusement parks. In an amusement park, you exchange cash for a token and then take multiple rides across the park. On your return, you return the token and take back any remaining amount as cash. Tokenisation simplifies the economics of a theme park, where one does not have to deal with multiple counters and exchanges. In fact, the coins and banknotes are also like tokens used to settle transactions. Similar ideas apply to finance as well.

The digitalisation of finance is leading to its tokenisation. Itai Agur, senior economist at the IMF, in the same edi-

tion of F&D, explains that tokenisation is helping cut middlemen of finance. Trading in financial assets requires a broker-registrar to settle securities and money, and that takes time and involves transaction costs. Tokenisation will help reduce time and transaction costs via two additional features. First, a secure programmable code stores all the investors' assets and money on a decentralised ledger. When there is a financial transaction, the code is simply transferred from buyer to seller. The second is interoperability, wherein ledgers should be standardised.

In a nutshell, in the near future all our assets will be stored in a programmable token on an interoperable ledger that will enable seamless trading. Even physical assets such as land and real estate will be represented via tokens. These assets will still need to be maintained physically, and tokenisation will be hybrid.

Tokenisation is already underway in the monetary world. Central banks have issued central bank digital currencies, private companies have issued stablecoins, and banks have issued tokenised deposits. According to a Citigroup report (*Stablecoins 2030: The 3 to Wall Street*), the issuance of stablecoins has grown

10-fold from \$28 billion to \$282 billion in 2025 and is expected to touch \$4 trillion by 2030.

Tokenisation is obviously no free lunch, and it will bring its own risks. Agur points out that faster automated finance, like faster driving, will also be prone to sudden crashes. The programmability will add another layer of complexity to complicated financial products. The programmable assets can also fall like dominoes, as seen in the 2008

crisis where the collapse of one entity/asset triggered the collapse of other entities/assets too. Helene Rey of London Business School in another F&D article writes that stablecoins pose risks concerning dollarisation, capital flows, and exchange rate volatility, as well as the potential weakening of the banking system, money laundering, and other financial crimes. Likewise, Yao Zeng of Wharton

School notes that the financial landscape may have changed, yet the rules remain the same. He highlights that stablecoins may falter under stress. Interestingly, despite these large-scale changes in finance, the latter remains the same. The title of Ugar's article is "Tokens Are Finance's Newest and Oldest Innovation". It highlights how cowries, a type of seashell, were physical tokens

which didn't need a middleman to verify the transaction, stating that "cowries were the first financial innovation". They have been followed by coins, cash, payment cards, and more, which are nothing but some forms of token.

Historians of money will also argue that tokenisation is hardly new. Many historians disagree that money evolved not out of barter but as a token to settle debts. They cite Yap Island's stone money as an example. American anthropologist William Henry Furness III spent several months on the Micronesian islands and wrote *The Island of Stone Money* in 1910. He highlighted how the islanders transacted through large stones, but the stones remained wherever they were. Natives simply believed that the stone belonged to them. The island money drew attention from both John Maynard Keynes and Milton Friedman. (Interested readers should look up David McWilliams's *The History of Money: A Story of Humanity*). In a way, Yap money is nothing but physical tokenisation. It is a mere coincidence that the island's stone money looks like a token!

In sum, tokenisation is the new buzzword of finance. It is interesting how technology and digitalisation are enabling this new transformation. However, if we look at financial history, it resembles old wine in a new bottle.

Views are personal

LETTERS TO THE EDITOR

Coordinated growth

Apropos of "Dovish pause" (FE, October 2), the Reserve Bank of India's decision to hold rates reflects caution, but it has not calmed bond markets where yields remain elevated despite successive cuts. Liquidity may be ample, yet banks remain hesitant to lend, with less than half of past repo cuts passed on to borrowers. Bond yields mirror this disconnect, weighed down by heavy government borrow-

ing and doubts over fiscal discipline. While goods and services tax cuts on domestic products can enhance purchasing power, the benefit will remain shallow unless credit flows revive. Now, banks must come forward to sanction loans, supported by risk-sharing frameworks, while the government accelerates infrastructure spending, clears arrears to industries, and manages its borrowing programme prudently. —A Myilsami, Coimbatore

Emerging India

Apropos of "India's great economic transformation" (FE, October 2), the seeds of transformation sown since 2014 have started yielding results. Some visible ones include rising to being the fourth-largest economy from the 11th as well as global credit rating companies' recognition of India's long-term policies for sustained growth. The inclusion of Indian bonds in the global indices is

yet another sign. Several welfare schemes, restructuring of goods and services tax rates, and liberal investment on infrastructure (roads and railways) are enabling factors for robust nation-building. Now, we must eliminate duplicity in policies, prune costs, and improve quality and trust on industrial products to expand India's presence globally. —RV Baskaran, Pune

● Write to us at feletters@expressindia.com

RBI Lending a Firm Lending Hand

Measures for banks to expand corporate books

RBI's most comprehensive reforms of bank lending to companies and individuals aims to address disintermediation, while feeding growth of the capital market. Banks can now fund acquisitions that brings down cost of corporate takeovers. Higher cap on loans for individuals investing in IPOs will maintain interest among domestic investors for young companies with proven performance. Leveraged buyouts and a strong supply of new issues improve capital access to sustain economic growth. Bank lending hasn't been keeping pace with growth. These measures set up the base for banks to expand their corporate books.

Withdrawal of the framework on lending to large companies will direct bank credit to more productive economic activity, while lower risk weights for infra loans ought to sustain capex. The ceiling on lending against debt securities gives more elbow room to bank lending.

Higher limits for lending against shares for individuals should likewise improve liquidity. RBI's broad theme is to improve access to capital for investors and producers, with banks in the middle. RBI is nudging banks to broaden their horizons without losing sight of core risk management.

At a systemic level, risk management is moving towards macroprudential regulation and away from lending disincentives. The phased transition to international credit risk management is designed to minimise disruption.

A raft of changes in rules for external commercial borrowing is meant to widen the funnel for lenders and borrowers, while keeping compliance burden low. Norms for export credit target ease of doing business. There is a bit in RBI measures for most sectors the policy establishment is trying to speed up. Cumulatively, the effects could have a snowball effect on financial markets. Deeper integration of bank lending with capital markets will be accretive to both. Timing of these structural adjustments to credit delivery fits into the broader effort to insulate it from rising global uncertainty.



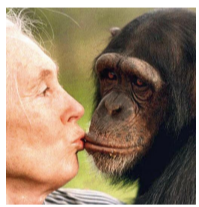
We Are Not the Only Residents of Earth

A week before passing away at 91 on Wednesday, primatologist Jane Goodall had been addressing top business leaders, recounting the story of her life and work. What sets humans apart, she had said, from other species is intellect. But intellect does not always translate into intelligence. The proof, she added, lies in destruction of the very nature that sustains us. Turning to CEOs, she noted that if they truly want their businesses to be sustainable, they'll need one sentient quality to stand up to their boards and shareholders: courage.

Courage was something Goodall had in abundance. Traveling from London to Tanzania in 1960 to study chimpanzees after an opportunity from Kenyan archaeologist-paleontologist Louis Leakey arose, her discoveries revolutionised the field of animal cognition, revealing chimpanzees' complex emotional lives, problem-solving abilities and intricate social structures. These insights shattered human-centric notions of intelligence, underscored the urgency of respecting other species, and paved the way for long-term studies of animal cognition and behaviour.

She essentially dealt a body blow to rampant speciesism. Today, scientists are rethinking conservation, urging policymakers to design strategies that recognise animals as sentient planners. In March, LSE opened a Centre for Animal Sentience to study animal behaviour and impact of human actions, aiming to develop better policies and laws for animal care.

Goodall, recognising that dwindling public funds threaten conservation efforts, was rallying corporates to step up for sustainability. Now, one of the natural world's biggest champions is gone. But her plea remains: true sustainability requires courage, thoughtful action, and stepping out of our acute anthropocentrism to respect all creatures we share the planet with.



JUST IN JEST

What's the point in being rich if you can't sidestep third-worldliness?

Avoiding America is The New Cool Thing

Rich peeps, you do know that there are other countries in the world worth living in and travelling to than the US of MAGA, right? If as billionaires, or even millionaires, you're visa-blessed, it's high time you look beyond that country rapidly descending into third-worldliness. Why? One, because it's downright cool to avoid a country that generations have been hankering to live in. Two, because you can. MAGAland, not comfy with people who don't look, speak, walk, smell MAGA, has resorted to taking bribes at the entrance. Do you really want to fall for the 'more exclusive club, the more precious getting entry' gag? Try Japan. Australia. Germany. Argentina. China... It's not as if the US speaks your language outside an occupied Wall St anyway. In Europe, your accent is charming. Canada will apologise for giving you a less-than-perfect chilly day. In New Zealand, you can jolly well go about your business with a window view to live (rather than to die) for.

So, dear jet-setters, skip that scaled-up hicksville. Go where your money buys grace, comfort and ease, now that you're no longer kids hankering for green cards and HBS stickers for your SUVs. Go where the quality of life is great, the streets are walkable, and you can watch America from afar. Avoid, to use a great leader's wise word, shitholes. Isn't that the whole point of being rich?

Why a global 'Made in India' brand on the lines of Apple or Prada remains elusive, and how to fix it

Can We Get Worldly Wise?



Harsh Goenka

Today, India is the world's 4th-largest economy, a rising power, and a nation with talent and entrepreneurial energy. And, yet, it has not been able to create a single global brand.

From Japan, there's Toyota, Sony and Uniqlo. South Korea has Samsung, Hyundai and LG, while China has created Huawei, Xiaomi, Tik Tok and Shein. From Europe, there's Louis Vuitton, IKEA, BMW and Zara. And from the US, Apple, Uber, Google, McDonald's and Nike. These are not just products or companies, they are cultural ambassadors. They represent their nations' values, aspirations and capabilities. Their brand equity translates into pricing power, customer loyalty and sustained profitability.

We do have strong names within India — Amul in dairy, Haldiram's in snacks, Titan in watches, and Asian Paints in home interiors. But these are domestic champions, not global household names. There have been attempts: Taj and Oberoi hotels are admired, but remain niche and restricted to luxury travellers.

Despite our size, creativity and global reach, we have not birthed a single brand that commands universal recognition. The reasons are complex.

Miserly about R&D Our R&D spend is 0.66% of GDP compared to 2.7% in China and 3.5% in the US. A global brand requires intellectual property, cutting-edge design and constant innovation. India has historically prioritised cost optimisation over disruptive research. It is no surprise, then, that we are good manufacturers, but rarely originators of breakthrough products.

Weak B2C branding Our muslin was legendary, our spices priceless, but were almost always marketed under foreign

labels. We have perfected B2B excellence, but faltered at B2C branding. Our greatest global successes — TCS, Infosys and Wipro — are invisible to the end user.

Domesticity With 1.4bn consumers, companies have found ample scale. Then why struggle with Europe's exacting standards, or the US' brutal competition, when India's tier-2 and tier-3 cities promise growth? Most Indian companies are content with 20-30% export revenue. Investors also tend to reward steady domestic growth over risky global bets.

Divest-erested Building global brand equity requires decades of investment in design, customer experience and developing identity, investments that yield little in the short run. Our promoters often prefer putting money into another factory over a brand campaign. Coca-Cola spends more on advertising annually than the turnover of some of India's largest FMCG players.

No style statement Our education system has failed to nurture original design thinking and creative sensibility. Many Indian products of high quality are let down by clumsy packaging, mediocre interfaces and lacklustre design. To be truly global, brands must appeal to universal aesthetics.

Quality gaps While Made in Switzerland evokes precision, and Made in Germany connotes engineering excellence, Made in India does not carry aspirational pull. This perception problem is as much about the global mindset created over years of unreliability as it is about our deficient marketing. To change it, we must deliver products that are exceptional in quality and design, tailored to rigorous international standards and consistently reliable.



Brande Mataram

an Apple or a Patagonia brand generates immense economic value. Indian companies must shed their utilitarian advertising and under-investing in branding. Rather, they must become adept at storytelling that connects across cultures.

Hardsell soft power Yoga, ayurveda, cuisine, cinema and spirituality are assets the world associates with India. But we have allowed Western intermediaries to monetise them. Why should an American brand like Lululemon be the global face of yoga?

Go-ndia Inc Japan's erstwhile ministry of international trade and industry (MITI) — reformed and merged with other agencies to form ministry of economy, trade and industry (METI) in 2001 — and South Korea's state support for chaebols, show how policy can create global champions. India should launch a 'Global Indian Brands' initiative, offering fiscal incentives for international expansion, using diplomatic channels to open doors for consumer companies, and funding 'Design in India' programmes to uplift our aesthetic sensibility.

Brand belief Building a global brand is a marathon, not a sprint. It requires sustained commitment, deep continual investment and unyielding faith. Trust is the foundation of any great global brand, and it must be earned and retained consistently.

Creation of global brands is the final frontier of India's economic ascent. It is how we move from being the world's back office and factory to being its cultural and consumer beacon. We already have the ingredients — entrepreneurial zeal, vast domestic market to test ideas, and cultural heritage second to none. What we need now is a synthesis of ambition, vision, patience, storytelling, and the courage to see branding not as an expense but as an investment.

The day an Indian brand sits on the same shelf as Coca-Cola or Samsung, not as an ethnic curiosity but as a global choice, will be the day 'Made in India' truly comes of age.

The writer is chairman, RPG Enterprises



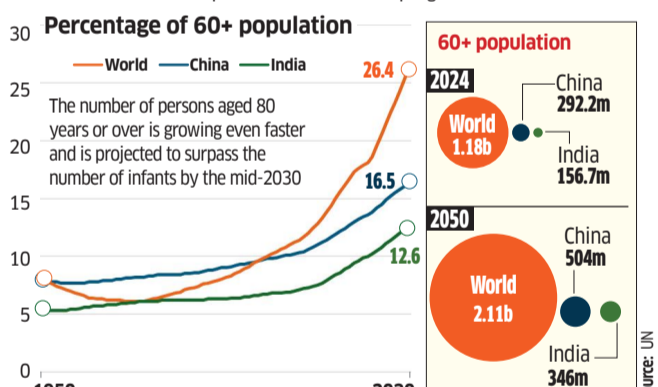
By creating global brands, we can move from being the world's back office and factory to being its cultural and consumer beacon

ChatGPT SHAIRI OF THE DAY

There once was a Dussehra clash,
Of folks in a last-minute selfie dash —
By the goddess they'd pose,
In ten filters of glows,
Then upload the pics before their WiFi could crash!

Growing Older

The world's population is not only growing older but doing so at an unprecedented pace and scale. The number of people aged 60 years or over has more than doubled, from around 541 million in 1995 to 1.2 billion in 2025, and is projected to reach 2.1 billion by 2050. This transformation is most pronounced in developing countries



Bell Curves



R&D Needs a Smoother Ride



Varun Aggarwal & Aditya Sinha

A decade ago, subsidies and payments for services meant long queues, excessive paperwork and widespread leakages. Today, DPI enables these tasks to be completed instantly, securely and at scale. UPI, with its open protocols and interoperable APIs, has reduced transaction costs, expanded financial inclusion and transformed payments into a growth driver.

Simultaneously, the Aadhaar stack has streamlined welfare delivery by authenticating beneficiaries. It's now time to extend the logic of DPI to knowledge creation and innovation.

Innovation today is both catalyst for growth and cornerstone of national power. India faces a twin deficit. Its share of the top 1% of global scientific publications barely exceeds 1%, despite R&D spending surpassing 0.5% of GDP. Absence of interoperable systems linking research inputs — programmes, grants, capital allocations — with outputs — publications, patents, translational outcomes — hinders systematic performance evaluation and course correction.

Foundation for Advancing Science and Technology's (FAST) 'Ease of Doing Research' survey shows that researchers perceive the greatest friction not in designing or executing experiments, but in the expenditure process. A major constraint arises from General Financial Rules (GFR)

2017. Its rigid procurement and utilisation protocols are structurally misaligned with inherently uncertain, time-sensitive and iterative nature of scientific research. While recent amendments have partially eased GFR provisions for procuring specialised equipment, challenges remain: delayed fund disbursement, protracted procurement cycles and fragmented approval pathways that erode efficiency and undermine productivity.

DPI is the right tool to address these twin challenges and is well-suited to enabling frictionless transactions in knowledge creation for three reasons: **Fragmented and discretionary guidelines** India's innovation ecosystem operates under multiple rules, including GFR, its amendments and ministry-specific regulations. These dictate how funds should be allocated, spent and reported. Guidelines, however, remain interpretive and discretionary. They have not been codified into objective, interoperable, algorithmically enforceable standards, and embeddable into digital systems. **High-volume, complex transactions** Researchers, institutions and funders navigate multiple steps, including raising and disbursing funds, procuring research inputs (infra, equipment, materials), reporting outputs and meeting compliance checks. These processes, spanning grant-making agencies, universities and labs, account for over 0.75% of India's GDP each year. Yet, they remain fragmented and inefficient.

Lack of ROI measurement Absence of a common taxonomy across 12 central ministries and agencies means grants are tagged inconsistently, outcomes classified arbitrarily, and investments can't be aggregated or benchmarked.

India must build an innovation stack: a set of standards and protocols for algorithmic transactions in the innovation ecosystem. Its architecture rests on three interoperating layers: **Standards** Encodes grants, peer review, disbursement, procurement and reporting as machine-readable schemas, enabling calls for proposals to be queried and integrated across agencies. **Integration** Connects these protocols to existing ERPs, registries and finance systems in universities and labs via APIs. **Infrastructure** Builds on India Stack — Aadhaar for identity, Digital Locker for credentials, Government eMarketplace (GeM) for procurement, and Account Aggregator for financial flows — enabling interoperability across researchers, institutions and funders.

Currently, applying for or managing a grant often means poring over PDFs, manually entering data into separate portals and waiting weeks for approvals. Policymakers, in turn, struggle to answer questions such as how much funding is flowing to drones or AI.

Defining grants as digital objects with standardised metadata on purpose,

eligibility, evaluation, timelines and outcomes will make this process seamless. Agencies can retain their front-ends while operating on shared APIs.

For researchers, this means discovering relevant calls in real time, receiving automated alerts and submitting proposals programmatically instead of wrestling with portals. On the agency side, expenditure tracking becomes rule-based, small purchases could be auto-cleared within hours, while larger equipment requests would move to designated officers with defined timelines. Every step would be auditable. Benefits are substantial:

Lower transaction costs through shared taxonomies and auto-filled applications.

Greater transparency via peer-review protocols with traceability and feedback.

Faster fund flows using Account Aggregator and auto-generated utilisation certificates.

Streamlined procurement through research-specific GeM catalogues.

Enhanced collaboration and policy alignment through federated registries of projects, instruments and outputs, enabling researchers to identify partners while allowing the government to link inputs, outputs and outcomes.

Real-time dashboards tracking approval cycle health, pending requests, average processing time and bottlenecks, helping funders and researchers monitor progress and accountability.

India has already demonstrated how DPIs have transformed economic growth and social welfare. Now, it must show the power of the stack for innovation.

Aggarwal is co-founder, FAST India, and Sinha is a public policy professional



THE SPEAKING TREE

Two Doors To Infinity

SHIBANI BELWALKAR

Sage Ashtavakra once guided King Janak, who was deeply troubled by the truth of his dreams, restless to know whether his experiences were real or illusory. Ashtavakra reminded him of the three states that every human being cycles through each day — sleeping, dreaming and waking. Yet, instead of treating these as fixed realities, the sage urged King Janak to see them as passageways, conduits, not destinations.

"You are not the dream, nor the sleeper, nor even the one who wakes," he said gently. "You are the consciousness that flows through all these states." A concept from Advait Vedant, this consciousness, the state of *Turiya*, when strengthened, cannot be shaken by any external conditions. It is this strength of consciousness that makes us invulnerable to life's turbulence. Buddhism offers another lens — *Shunyata*, beyond dualities, beyond existence/non-existence.

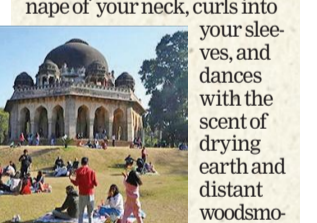
Shunyata urges us to search for nothingness within experiences of our existence. It is a fertile space, where all forms appear, dissolve and reappear, without ever binding the essence. While *Turiya* whispers of the fullness beneath all the states, encouraging us to fortify the essence flowing through states of our daily being, *shunyata* nudges us towards emptiness. It tells us, "There is nothing solid to cling to, no essence to grasp; let go, and discover the vastness that remains." One reaffirms the presence of the essence and the other dissolves the illusion of substance. The Buddhist emptiness and the Vedantic fullness appear as opposites — yet both are the doors to the same room of infinity. We learn not merely to pass through our states of 'being' but to rise above them — untouched, unshaken and deeply alive.

ALGO OF BLISSTECH

Nip in the Air

When the monsoons retreat, leaving behind a landscape rinsed clean and skies scrubbed of their sulk, the first nip in the air arrives like a whispered promise. It's not a gust, not a chill — just a subtle shift, a flirtation of coolness that brushes past your skin and makes you pause. The humidity loosens its grip, and the breeze carries a crispness that feels like nature exhaling after months of torrential breath.

This nip is a mood, a memory, a moment. It tingles on the nape of your neck, curls into



your sleeves, and dances with the scent of drying earth and distant woodsmoke. Morning tea tastes sharper, the sun seems gentler. Even the birds sound more deliberate in their song. People begin to wear their smiles differently — less wilted, more expectant.

It's the season's soft drum-roll before autumn unfurls its golden tapestry. The air, now tinged with coolness, invites long walks, quiet thoughts, and the rediscovery of sweaters tucked away in cedar-scented trunks. There's a collective sigh in the city, a shared joy in the subtle shift. It's a blissful punctuation between monsoon's drama and winter's hush.

Chat Room

Pause, Play, Fast-Forward

Aprópos the news report, 'RBI Rings in Banking Changes, Leaves Key Rate Unchanged' (Oct 2), in line with market expectations, RBI has kept the policy interest rate unchanged at 5.5% for the second consecutive time even while deciding to continue with the neutral stance. This wait-and-watch will give more time to assess the impact of the recent global developments on the Indian economy and derive more clarity before the next monetary policy action. The point is to continue supporting growth while maintaining policy credibility and keeping a constant vigil on developments on all fronts. It is a well-studied pause and a pragmatic review. While signalling the softer inflation path, the real GDP growth for FY26 is realistically projected at 6.8%.

Srinivasan Umashankar Nagpur



CONTRAPUNTO

I haven't reported my missing credit card to the police because whoever stole it is spending less than my wife

- ILIE NASTASE

Remote Control

Lenders want to kill defaulting borrowers' phones, but RBI must regulate apps used for this

That your smartphone is not really yours became clear when Samsung killed its fire-prone Galaxy Note 7 devices in US with an update in Dec 2016. All connected devices are essentially services. Russian troops who stole \$5mn worth of John Deere tractors from Ukraine in 2022 learnt this the hard way. So, news that RBI might allow lenders to disable financed phones when EMIs aren't paid, isn't alarming technologically. All that needs to be considered are the ethics of it.

Over the past five years, purchase of phones and white goods on credit has increased massively – going from 1% in 2020 to 37% last year. Very often, these devices – and phones especially – are sold to people with poor paying capacity. For lenders, the lure is that sub-prime borrowers can be charged high rates, but with a high risk of default. So, on their own, without regulatory clearances, many lenders were installing kill apps on financed phones until RBI banned the practice last year. However, it's rethinking its stand now to balance customer data privacy with lenders' interests.



The question of data privacy is paramount though. The way these apps have worked so far is highly invasive. They siphon user data – contacts, photos, messages, location, etc – creating opportunities for misuse long after a loan has been paid off. In an interview to a website in 2021, the chief of one such app maker said their most effective "nudging" strategy was to change the wallpaper of a phone – 70% of defaulters paid within a week. But as we've seen with instant loan apps, data in the wrong hands leaves borrowers vulnerable to blackmail. Two years ago, it was reported that at least 60 Indian borrowers had killed themselves after being blackmailed with morphed photos, etc.

That's why strict regulation of apps installed by lenders is crucial. And RBI's intervention will hopefully ensure that. The other question – central to RBI's remit – is the extent of sub-prime lending itself. Creating an invasive system to protect lenders who are driven by greed to tap the most unviable customers seems wrong. Perhaps, it's time for RBI to drill in prudential norms. 'Phone' is a misnomer when your sim is your digital identity, and key to your social networks and bank accounts. There will be strong temptation to collateralise it for other loans – home and car loans, for instance – but that idea should be nipped in the bud.

Us With Them

India should set up centres to study animal sentience, revive its lost culture of species co-existence

At the just-launched LSE Jeremy Collier Centre for Animal Sentience, a central question is how to ensure AI – that could transform our relationship with animals – does not undermine other species' interests? The idea that AI might soon 'translate' animal expression is no longer far-fetched. AI could even be used to train pets – an unregulated and hugely controversial field. At the heart of the LSE centre's research is studying animals' point of view, what they are thinking, not what humans assume they're thinking, and thereafter develop ethical standards to measure how policy, including endeavours using AI, affects non-humans. This will also provide a scientific framework for UK's 2022 Animal Welfare (Sentience) Act, which recognises animals, including some molluscs and crustaceans, as sentient beings.



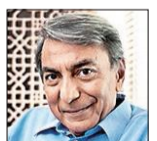
Legal recognition of animal sentience is about worldview. It holds govts accountable for impact of policy on other species. This perspective was once deeply ingrained in Indian societies – empathy, coexistence, primacy of ecology, and refusal to see humans as superior, but as fellow travellers across species. Urbanisation has stripped away that philosophy. Control has replaced coexistence; convenience drives pet care. Fear has replaced respect for species deemed not 'friendly' or 'cute'. Even the term 'animal lover' is not sufficient. It is about love, for sure, it is also about acknowledging that human-only policies can harm every other species.

As tech grows subtler, AI risks deepening human-centred approach to the animal world. Cruelty itself could be outsourced: collars can punish dogs remotely, the human at a distance. These are real dangers. Which is why India, too, must create centres to empirically understand animal consciousness. It need not be all high-tech. Jane Goodall's legacy lies in her unobtrusive observation of chimpanzees. The conservationist helped science move beyond human judgment on animal behaviour, towards objective reality. That clarity, that pragmatism, is what must be revived in India today, nurtured and furthered.

Cricket outcast

The pitfalls of belonging to a minuscule minority which isn't mad about the game

Jug Suraiya



Whenever an epidemic of cricket (preferred pronunciation kirkit, an activity bearing the remotest of resemblances to the game played on village greens in a long-vanished England) fever grips the country, I find myself an outcast, a member of a minuscule minority which is allergic to the game that the great majority adores.

The celebrated game of glorious uncertainties is for me a tiresome tedium of inglorious certainty wherein bouts of catatonic somnolence, both on the field and in the spectator stands, are interspersed at periodic intervals with volcanic upheavals, as missiles are flung about hither and thither with much brandishing of wooden cudgels, the entire exercise punctuated by war whoops, fist pumping, chest thumping, and similar gladiatorial gesticulations. And so on and on till the great suspenseful finale which centres around the crucial point as to whether the participants involved will shake each others' hands or not.



It's as spellbinding a spectacle as watching a traffic light change from red to amber to green, and back again.

"You don't like cricket? What do you mean? How can you not like cricket?" my interrogators ask in tones in which astonishment vies with righteous ire, and both compete against a suspicion that I am some form of anti-national subversive, an urban naxal, a seditious element thumbing my not inconsiderable nose at the accepted canon that India Eleven is an alternative spelling for patriotism.

I might even be a Pakistani infiltrator, except that Pakistan is as crazy about cricket as we are, and my stated aversion to the game rules me out as an undercover agent for Islamabad's ISI.

There might be others like me who feel the way I do about cricket, but if there are I haven't met any, or if I have, I didn't realise it at the time because they haven't let their deviancy emerge from the closet of secrecy.

As I plough my lonely furrow of anti-cricket pathology I wonder if I can find kindred souls, maybe on a Dark Web site run by FAF, Fanatical About Football...

Bihar Polls: Niyat & Networks

The state's politics is neither backward nor parochial. Its electoral democracy rests more on local connections & grounded assessments of leaders than on money & media blitz

Uday Chandra and Vignesh Karthik KR



With the release of Bihar's final electoral rolls, the stage is set for the final month of campaigning before multi-phased polls. This is an opportunity to understand how democracy actually works in India, varying according to the social fabric of each state and its relations with New Delhi. Only then can we appreciate the distinctive character of Bihar's politics.

In metropolitan cities, we often imagine politics as a spectacle mediated by loud TV debates, newspaper reports, front-page advertisements, and WhatsApp forwards. National campaigns are calibrated for the evening news cycle and algorithmic virality.

Bihar, by contrast, offers a strikingly different model of democracy. Superficially, here as elsewhere, caste remains the fundamental grammar of politics. But fierce electoral competition has ensured that no single *jati* dominates others. Over the past 30 years, Bihar's hierarchical society has been transformed by struggles over social justice, symbolic empowerment, and a round of welfarist redistribution. The upshot is a deeply contested and participatory democratic arena.

Money matters | Money, as a mediator of social relations, lies at the heart of Bihar's politics. Campaign money in the state has evolved since 2015 in ways that mirror yet resist national trends. BJP runs, as one analyst put it, on "local boots with a Delhi wallet". Its cadres and leaders are firmly embedded in Bihar's soil, but big cheques come from the party HQ. Unsurprisingly, much of this money is channelled into public spectacles: roadshows, giant stages, LED screens, helicopters. These events are designed to project authority via big shows that can be easily circulated on old and new media.

Prashant Kishor's Jan Suraj represents a different experiment. Funded by Kishor's consulting income and disclosed donors inside and outside Bihar, JS has sought to professionalise local politics by paying its organisers. In a state where political mobilisation has historically depended on voluntary networks and caste brokers, this is a sharp break.

JS has fewer resources than BJP, but its spending choices on organisers, back-office systems, and tight

event management signal a shift away from spectacle. Whether JS can survive Bihar's electoral marketplace remains to be seen, but its presence has already raised the costs of competition for established parties.

Crowds in Bihar are a slippery metric. A packed maidan is more about logistics than persuasion: buses, fuel, food packets, and per diems ensure people come. Parties with thin networks must pay more per head to fill a ground; parties with dense caste-community networks can summon crowds more cheaply.

This is why rallies are best read as a measure of organisational depth rather than as predictors of votes. An overflowing rally with modest spend suggests a living network. A half-empty show after heavy expenditure implies a brittle one.



Micro-social networks | Despite the growing role of money in Indian elections, Bihar continues to reward ground networks over raw spending power. Minds change in ward meetings, mohalla sabhas, and repeat visits by known intermediaries. In this intimate social world, a thick web of community brokers lowers mobilisation costs and increases persuasion per rupee. Big lights may help with visibility; familiar faces close the deal.

Social coalitions driving Bihar's politics have also shifted. BJP has invested heavily in non-dominant OBCs and Dalits, extending tickets, recognition, and welfare messaging. These communities, once mobilised by symbolic gestures, now demand material outcomes: jobs, land, housing, better infrastructure. Symbolism has done its job; delivery is now the test of a politician's mettle.

RJD, rooted in the earlier wave of Yadav and Muslim empowerment, faces similar pressures from its base. In this sense, all major parties in Bihar are caught in the

same crucial, symbolic empowerment transitioning to tangible outcomes.

An implication is that national parties are forced against their wishes to play second fiddle to regional actors. BJP may command a large vote share in Bihar, but it cannot dictate terms without negotiating with even a small party like Chirag Paswan's LJP, let alone JDU. Congress, as a junior partner in Maha Gathbandhan, must also abide by alliance arithmetic.

Yet regional parties and leaders, most notably RJD and JDU, rely on their embeddedness in micro-social networks of community and locality. Even small outfits such as HAM and VIP may matter enormously: they swing close contests, extract concessions, and compel national parties to spend heavily on mobilisation.

Kishor's presence is significant not because he will sweep seats, but because JS is a disruptor. His startup tightens contests and raises costs for established parties. Tamil Nadu offers a parallel: Seeman's modest 7% vote share narrowed margins across dozens of constituencies and reshaped alliance calculations for DMK and AIADMK. Bihar might see similar dynamics, where new entrants do not replace existing players but complicate their election strategies.

Politics of niyat | At the heart of this democratic model is a distinctive ethic. Biharis often speak of a leader's *niyat*, a word that conveys both recognisability and moral intent. *Niyat* is familiarity combined with an ethical stance that can be assessed and critiqued.

People know their politicians intimately: what they promise, what they deliver, how they behave. Unlike the manufactured charisma of mediated campaigns, *niyat* emerges from proximity, repetition, and memory. It is a democratic metric grounded in everyday life.

As we follow US politics, another PR circus orchestrated by big media houses, Bihar insists on another path. Its elections are messy, expensive, often cynical, but also irreducibly local. Symbolic empowerment mattered; material delivery now matters more. Networks and brokers remain powerful; money plays a role, but not a decisive one. National parties must bow to regional satraps, and even the smallest parties can alter outcomes.

In that sense, Bihar's model of democracy is neither backward nor parochial. It reminds us that mass politics in India still depends on one's *niyat* and networks, not on money and media.

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How Snack Inc Sneaks In The Munchies

ICMR's survey showed the scale of India's obesity problem. But when companies that make unhealthy food have as much say as scientists in policymaking, public health will lose

Arun Gupta and Vandana Prasad



What will be gov't response to ICMR-INDIAB survey on diabetes and heart health? Only a scientifically informed nutrition and food policy can correct Indians' alarming dietary conditions. Yet, food policy in India has a troubling contradiction. The very corporations whose products drive obesity and disease are invited to help write the rules meant to regulate them. This happens under the familiar banner of 'stakeholder consultation'. But the Food Safety and Standards Act (FSA), 2006, never envisaged such deep industry involvement.

The term 'stakeholder' sounds neutral. But in food policy it has become a convenient cover for capture by industry. By clubbing corporations, consumers and public health groups in the same basket, the process tilts the power equation. Stakeholder consultations have been projected as a magic wand over the last two to three decades.

FSA 2006 was brought into force ostensibly to "ensure availability of safe and wholesome food for human consumption". Section 2 declares "it is expedient in public interest that the Union should take under its control the food industry". Section 13 details a scientific panel must consist of independent scientific experts; they may invite industry to deliberate. Significantly, Section 18 provides general principles to guide authorities on risks, assessment, management & communication, transparent public consultation, protection of consumer interests and so on.

Nowhere does the Act define the term 'stakeholder'. Nor does

it suggest that stakeholder consultation means granting equal weightage to experts and the food industry. The Act demands independence of its decision-making bodies – informed by science, and not market considerations. This implies that the very corporations that are to be regulated cannot, logically, be at the table while framing regulations.

At FSSAI's latest national consultation on labelling, advertisement, and claims regulations, food industry representatives and their associations argued for minimal oversight. The history of India's draft Front-of-Pack Labelling (FOPL) regulation (2022) shows how industry influence dominates. Of six key stakeholder meetings during the FOPL drafting process, 80% of participants were from the food industry. Their preferred option – a health star rating – directly shaped the draft notification. Even though FSSAI received around 14,000 public comments, none were ever made public.

A similar pattern appeared when FSSAI was regulating foods for special medical purposes (FSMPs). It partnered with the Infant and Young Child Nutrition Council of India (IYNCI), an industry body representing four major baby food companies. IYNCI even secured a seat on the steering committee before eventually being dropped.

Oversight of food advertisements reflects the same conflict. I&B ministry relies on Advertising Standards Council of India – an industry-funded body made up of the very advertisers it monitors. Unsurprisingly, I&B ministry reported no misleading food ads between Sept 2023 and March 2025.

Such arrangements blur the line between regulator and regulated, often resulting in delayed or diluted rules. Compounding this is the absence of any govt-wide policy or guidelines to prevent or manage conflicts of interest in departments handling food, health, and nutrition, per an RTI.

Ultra-processed foods high in fat, sugar, and salt lie at the center of the non-communicable disease (NCD) crisis. Their consumption is strongly linked to obesity, diabetes, and related conditions. WHO has repeatedly cautioned govts against partnering with such industries in shaping nutrition policy, precisely because corporate obligations to shareholders clash with the state's duty to protect public health.

India's unfolding crisis – laid bare in ICMR's detailed study on diabetes and hypertension – makes this warning urgent. Allowing industry to influence or draft the rules weakens regulation and erodes public trust in the very institutions meant to safeguard our food.

Global standards reinforce this principle. OECD advises govts to insulate regulatory decisions from conflicts of interest. Similarly, Article 5.3 of WHO's tobacco control code FCTC requires parties to shield health policies from commercial and vested interests. Many countries have built legal frameworks to manage these conflicts. India cannot afford to lag.

The food industry has the right to be heard, so it is important to be clear where the lines must be drawn. Key to discard *joint* 'stakeholder' consultations/dialogues in food and nutrition policy as powerful food companies dominate these. Consumers, scientists, civil society and public health institutions must not be placed at the same table as those manufacturing and selling harmful food products.

I&B ministry must revisit its arrangement with the advertising council. Disclosure of all public submissions, expert committee reports, and rationales for final regulatory decisions must be mandatory. A Conflicts of Interest law modelled on WHO's tobacco code is essential for all departments deciding on food, health and nutrition.

India has to choose – either let food corporations dictate rules, or uphold independence and transparency the FSS Act demands. Ending joint stakeholder dialogues is the first step towards reclaiming food policy for public health.

The writers are paediatricians and members of Nutrition Advocacy in Public Interest

Calvin & Hobbes



Nonviolence: A Force Stronger Than War

Farida Khanam

The International Day of Non-violence is observed on Oct 2, MK Gandhi's birthday. It encourages us to pledge 'the universal relevance of the principle of nonviolence' and the goal 'to establish a culture of peace, tolerance, understanding, and nonviolence'. In fact, nonviolence is more powerful than the strongest weapon of destruction created by human beings.

Nonviolence is considered a high human value across all castes and religions; for example, the Mahabharat contains multiple references to *ahimsa paramo dharm*, meaning that non-violence is the greatest virtue. The Prophet of Islam said, God grants to nonviolence what he does not grant to violence, Sahih Muslim: 2593.

In an era when violence frequently makes headlines, Gandhi's legacy reminds us that lasting revolutions are won not on battlefields but in the realm

of ideas. His philosophy not only changed the course of India's independence movement but also provided the world with a model of resistance based on patience, tolerance, and moral courage.

When Gandhi launched his non-violent struggle, the British found themselves powerless. Accustomed to crushing violent revolts with force, they lost the moral ground. So baffled was one officer that he reportedly wired London: "Kindly advise how to kill a tiger nonviolently." Gandhi had moved the fight from battlefield to the moral realm, where the empire had no weapon.

By 1947, India had gained its independence, but Gandhi's contribution was far greater than just the political freedom of one country. He proved to the world that peace can be a more powerful force than war.

Gandhi believed violence was the

lowest use of human potential, while peace was the highest. Peace creates stability, freedom, and growth, whereas violence only breeds fear, suppresses creativity, and closes the door to progress.

Austrian psychologist Alfred Adler once wrote that human beings alone possess the ability to "turn a minus into a plus". Gandhi's life embodied this truth. He showed that setbacks, when met with patience, tolerance and determination, could be turned into opportunities. Nonviolence, therefore, was not a passive retreat but an active use of human potential through discipline and restraint.

"Where there is tolerance, peace prevails; where there is intolerance, war and chaos follow." Gandhi's principles remain just as relevant within families as they are between nations. Without tolerance, peace remains just an imaginable dream. "Peaceful revolution is the outcome

of peaceful thinking," Maulana Wahiduddin Khan wrote. According to him, Gandhi's struggle was rooted in patience and forbearance. He believed that Gandhi had shown the world how truth could triumph without bloodshed.

For Maulana, peace was not just desirable but intrinsic to human nature. "Man was born in peace. Man must die in peace. Peace is man's birthright — God's greatest blessing to humanity," he said. In this sense, Gandhi's legacy extended beyond India's freedom movement. It was a universal call for humanity to rediscover its natural state of harmony.

Gandhi's philosophy has since inspired many movements, from the American civil rights movement led by Martin Luther King Jr to Nelson Mandela's fight against apartheid. Gandhi's legacy of nonviolence endures as a reminder that peace, tolerance and moral courage remain the strongest forces for lasting change.

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Sacredspace



Lord, make me an instrument of thy peace. Where there is hatred, let me sow love.

Francis of Assisi