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# ***Daily News Feed***

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# 'Disinflation is a greater force right now than inflation'

## OPINION

Jamie McGeeve  
ORLANDO, FLORIDA

Investors, consumers and policymakers may justifiably fear the spectre of tariff-fueled inflation later this year and beyond, but it's powerful global disinflationary forces that are weighing most heavily right now.

The OECD said on Tuesday it expects collective annual headline inflation in G20 economies to moderate to 3.6% this year from 6.2% last year, cooling further in 2026 to 3.2%.

But the United States is an "important exception," the OECD argues, and it sees inflation there rising to just under 4% later this

year and remaining above target in 2026.

While annual PCE consumer inflation in the U.S. cooled to 2.1% in April, the slowest rate in four years and virtually at the Fed's 2% target, consumer inflation expectations are the loftiest in decades. The Fed has paused its easing cycle as a result, and U.S. bond yields are higher than most of their G10 peers.

### U.S. inflation to rise

Economists at Goldman Sachs share the OECD's view that U.S. inflation will pick up to near 4% this year, with tariffs accounting for around half of that. Many others also agree that the U.S. appears to be the exception, not the rule.

The world's next two largest economies, China



Study in contrast: China and the euro zone, find themselves trying to stave off disinflation. REUTERS

and the euro zone, find themselves trying to stave off disinflation. Deepening trade and financial ties between the two may only intensify these forces, keeping a lid on price increases.

Annual inflation in the euro zone cooled to 1.9% in May, below the European Central Bank's 2% target, essentially setting the seal on another quarter-point rate cut later this week.

More easing appears to be in the cards.

As economists at Nomura point out, inflation swaps are priced for inflation undershooting the ECB's target for at least the

next two years. This, combined with weakening growth due to U.S. tariffs and disinflationary pressure from China, could force the ECB to cut rates another 50 basis points to 1.5% by September.

China's war on deflation is, of course, well-known to investors, but it has appeared to slip off their collective radar given how protracted it has become.

The last time annual inflation in China eclipsed 1% was more than two years ago, and it has remained near zero, on average, ever since. China's 10-year bond yield remains anchored near January's record low below 1.60%, reflecting investors' skepticism that price pressures will accelerate any time soon.

They have reason to be

doubtful. Deflation and record-low bond yields continue to stalk the economy despite Beijing's fiscal and monetary stimulus efforts since September. And punitive tariffs on exports to the U.S., one of its largest export markets, are generating massive uncertainty about the country's economic outlook moving forward.

### Rear view mirror

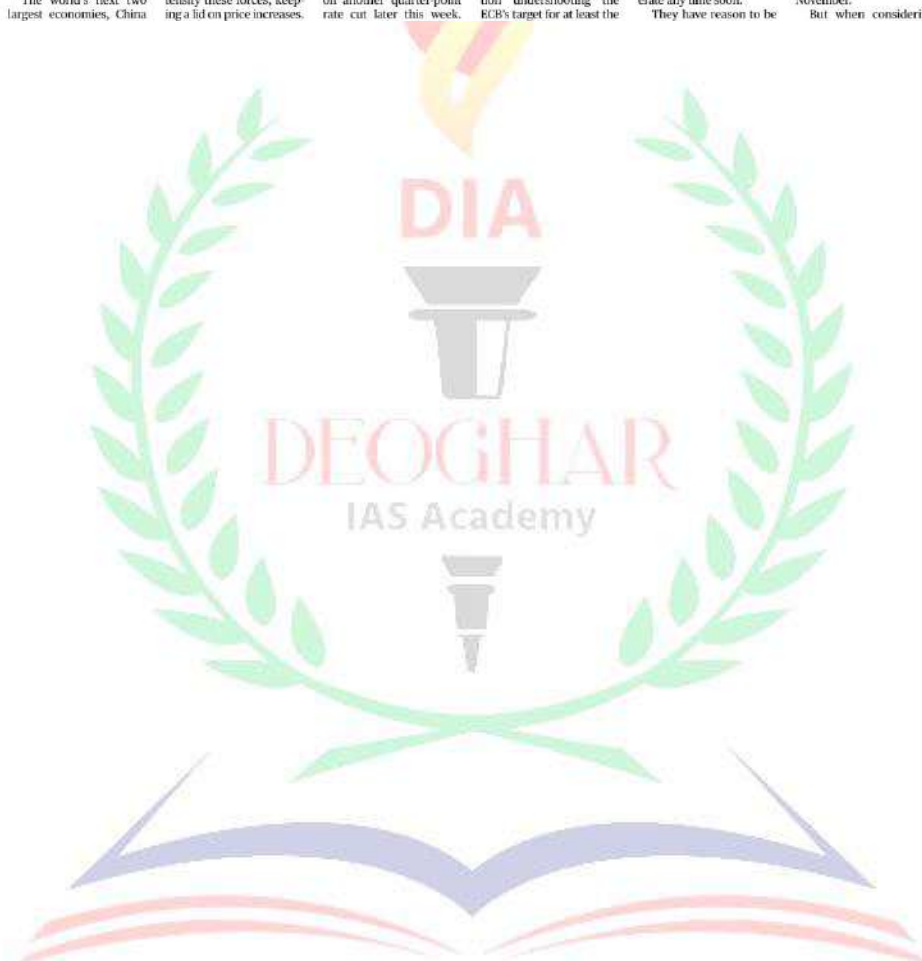
This is where the exchange rate becomes important. On the face of it, Beijing appears to have resisted mounting pressure on the yuan this far, with the onshore and offshore yuan last week trading near their strongest levels against the dollar since November.

But when considering

the yuan's broad real effective exchange rate (REER), an inflation-adjusted measure of its value against a basket of currencies, the Chinese currency is the weakest since 2012. Robin Brooks at The Brookings Institution reckons it may be undervalued by more than 10%.

With China's goods so cheap in the global marketplace, China is essentially exporting deflation. And the yuan's relative weakness could put pressure on other Asian countries to weaken their currencies to keep them competitive, even as the Trump administration potentially encourages the governments to do the exact opposite.

(The opinions expressed here are those of the author, a columnist for Reuters)



# Is IBC an effective resolution tool?

Why was the Insolvency and Bankruptcy Code introduced in 2016? Has IBC changed borrower behaviour and credit discipline? What are the key challenges affecting IBC's effectiveness? What does the Bhushan Steel verdict mean for resolution certainty?

## EXPLAINER

Sanjay Vijayakumar

### The story so far:

**M**ore than eight years have passed since the enactment of India's Insolvency and Bankruptcy Code (IBC). According to data from the Insolvency and Bankruptcy Board of India (IBBI), creditors have realised ₹3.89 lakh crore under the framework, with a recovery rate of over 32.8% against admitted claims.

### Why was the IBC enacted?

India enacted the IBC, its first comprehensive bankruptcy law, in 2016 to improve the overall corporate insolvency resolution process. Shifting control from debtors to creditors, the IBC introduced a time-bound resolution mechanism to streamline bankruptcy proceedings, reduce judicial delays, and improve creditor recoveries. According to current provisions, a maximum timeline of 330 days is allowed to find a resolution for a company admitted into the insolvency resolution process. Otherwise, the company goes into liquidation.

### Is IBC a preferred route for debt recovery?

As per the Reserve Bank of India report on Trend and Progress of Banking in India released in December 2024, the IBC emerged as the dominant recovery route, accounting for 48% of all recoveries made by banks in the Financial Year 2023-24. The realisation under IBC is more than 170.1% as against the liquidation value. Resolution plans, on average, are yielding 93.41% of the fair value of the Corporate Debtors (CDs), IBBI said.

Further, 1,276 cases have been settled through appeal, review, or settlement, and 1,154 cases have been withdrawn under section 12A. The Code has referred 2,758 companies for liquidation, as per IBBI data. Nearly 10 companies are being resolved against five going into liquidation.



Crucial action: India enacted the IBC, its first comprehensive bankruptcy law, in 2016. GETTY IMAGES

### Has IBC been an effective recovery mechanism?

Akshat Khetan, Founder, AU Corporate Advisory and Legal Services, pointed out that IBC has changed the underlying credit culture. As the Supreme Court once observed, "the defaulter's paradise is lost" and the Code has created a credible threat that ensures timely repayment.

On the recovery rate of 32.8%, Mr. Khetan pointed out that it must be interpreted in light of the distressed nature of the assets that come into the IBC process, often after years of erosion.

As the National Company Law Appellate Tribunal has rightly remarked in one of its rulings, "IBC is not a recovery mechanism; it is a resolution framework." Compared to legacy systems, where recovery rates were often below 20% with timelines extending into decades, a 32.8% realisation is a leap forward, he said.

The provisions of the IBC have prompted debtors to take early action in distress situations, marking a shift in their behaviour. National Company Law Tribunal (NCLT) data show that 30,310 cases were settled prior to admission, covering underlying defaults worth ₹13.78 lakh crore till December 2024.

A study by the Indian Institute of Management, Bangalore, said IBC has injected discipline in the credit allocation process and has prompted borrowers to

adhere to stipulated payment schedules. The gross non-performing assets of the scheduled commercial banks have declined from a peak of 11.2% in March 2018 to 2.8% in March 2024. A part of that reduction is attributable to resolution processes enabled under IBC, it said.

The study also indicated a 3% reduction in the cost of debt for distressed firms post-IBC, compared to non-distressed firms, indicating an improved credit environment for distressed firms. The IBC has had a positive impact on corporate governance, reflected in the increased proportion of independent directors on the boards of companies resolved under the Code.

### What are the major challenges?

In a recent report, India Ratings and Research said that judicial delays and post-resolution uncertainties continue to affect confidence in the IBC framework. Even when resolution applicants are ready and the Committee of Creditors has granted approval, delays at the NCLT continue to push recovery timelines. In several cases, such delays result in extended litigation or failed implementation, increasing the risk of liquidation for a viable asset that requires timely execution, it said.

The future insolvencies also raise questions about the Code's readiness to

handle non-traditional enterprise defaults. While the IBC is legally broad enough to accommodate various resolution strategies, key commercial elements such as intellectual property valuation, treatment of employee dues, and tech continuity require a clearer treatment under the framework to make it future-ready, India Ratings said.

To enhance its effectiveness, India must invest in strengthening tribunal infrastructure, allow for pre-packaged insolvency, and establish jurisprudential guardrails to protect *bona fide* commercial decisions from post-resolution uncertainty, Mr. Khetan said.

### Does the SC verdict on Bhushan Steel pose a challenge to IBC?

The recent developments in the Bhushan Power and Steel Ltd. case have reignited concerns around the finality of resolution outcomes and the predictability of the framework.

While the decision upholds compliance standards, its timing and implications highlight the need for judicial clarity and faster adjudication to sustain investor confidence in the process in the long term, India Ratings said.

By questioning a transaction that had been closed and operational for years, it risks unsettling the core principle of commercial certainty. If resolution applicants fear judicial reversals even after significant investment, they may hesitate to bid, undermining the IBC's very purpose. The Bhushan verdict thus underscores the need for legal sanctity once a resolution plan is approved and implemented, Mr. Khetan said.

The IBC is not merely a piece of economic legislation, it is the backbone of India's credit ecosystem. Its future lies in striking a fine balance between judicial oversight and economic pragmatism. As India aspires to become a \$5 trillion economy, robust and predictable insolvency mechanisms are indispensable. The Code must remain nimble, continually evolving to meet emerging realities while ensuring that commercial wisdom is not second-guessed endlessly, he said.

## THE GIST

▼ The IBC, enacted in 2016, introduced a time-bound mechanism shifting control from debtors to creditors, with a 330-day limit to resolve insolvency cases.

▼ It has changed the underlying credit culture by injecting discipline in credit allocation, prompting early action by borrowers, and reducing gross NPAs from 11.2% (2018) to 2.8% (2024).

▼ Despite rescuing companies and emerging as the dominant recovery route, the IBC faces judicial delays, post-resolution uncertainty, and concerns over handling new-age business models.





# Should India amend its nuclear energy laws?



**Ashley J. Tellis**  
Tata Chair for Strategic Affairs and a senior fellow at the Carnegie Endowment for International Peace



**D. Raghunandan**  
is with the Delhi Science Forum and the All India People's Science Network

## PARLEY

**D**iscussions are ongoing in India to amend the nuclear liability framework, regulated by the Civil Liability for Nuclear Damages Act (CLNDA), 2010, and the Atomic Energy Act (AEA), 1962, to allow private companies to build and operate nuclear energy-generation facilities. This move is part of a broader strategy to expand India's nuclear energy capacity from the current 8 GW to 100 GW by 2047, aligning with the country's clean energy goals. Should India amend its nuclear energy laws? Ashley Tellis and D. Raghunandan discuss the question in a conversation moderated by Kunal Shankar. Edited excerpts:

### Do you support the proposed amendments to India's nuclear energy laws?

**Ashley Tellis:** If India has set for itself a goal of expanding nuclear energy, it cannot reach that goal without expanding its domestic capacity. If we are talking of a timeline that is, say, 20 years, we must supplement those indigenous capabilities with foreign participation. This is where there is a roadblock. Current Indian law prevents foreign participation. The imagined future when we negotiated the U.S.-India civil nuclear deal in 2008 was that foreign companies would participate in India's nuclear renaissance. That dream has been frustrated by the legal evolution in the liability regime in India since 2000. So I would cheer the Prime Minister on, with respect to getting these amendments done.

**D. Raghunandan:** The idea of amending the law to attract foreign investment to expand nuclear power generation capacity in India is based on two flawed arguments or assumptions. The first is that the roadblock to expansion of nuclear power is one of investment. The second is that no major nuclear supplier country has shown domestic capacity expansion at the rate at which we assume India will expand. We have not seen that happen in the U.S. or France. Britain does not have much capacity anyway; Japan is on a slow track. Only China, perhaps, has the capacity to expand at scale and I don't see major Chinese investment coming into India.

So even if we assume that changes are made to the Indian legal framework, will that really enable fresh investments to come in, especially from the U.S.? There is no comparable U.S. trend of expansion of nuclear energy to show that any major American company or corporation has that kind of capacity. Westinghouse has filed for bankruptcy and is owned by a Canadian company. Neither France nor Russia has asked for a change in Indian law.



A view of the Kudankulam nuclear power plant in Tamil Nadu, N. RAJESH

This seems to be a purely American problem. The regulatory and legal framework in India is not a major obstacle here at all. Investments will come if the investor thinks he will get returns.

On the issue of liability... investing and not taking liability leaves open the suspicion that you want to come in and leave everything else to the operator and the host country. In 2012, when the UPA government proposed to amend the nuclear liability laws, it was the NDA that had objected on the grounds that a multinational was being allowed to get away with liability, citing the Bhopal gas tragedy.

**AT:** The Indian nuclear liability law is a genuine impediment to foreign participation in the sector. Companies from France, Japan, and the U.S. have said they cannot enter the market if the current law stands. Russia is an interesting case because Rosatom is a parastatal. Even Rosatom refused to accept India's liability law. India indemnified Rosatom through a contractual agreement reached in 2008 before the liability law was passed. After 2010, that is not an option available to the government because to indemnify through a private contract would violate parliamentary intention. This law affects Indian industry as well. The Department of Atomic Energy (DAE) had NPCIL (Nuclear Power Corporation of India Ltd) indemnify Indian private suppliers through contractual agreements. The problem started at Kovvada; after the civil liability legislation was passed, domestic suppliers refused to supply components. So NPCIL, through contractual agreements, waived liability using a rationale that if there is a failure in components made to their specifications, it is NPCIL's fault, a logic that is suspect and never tested in court. Raghun is right: the U.S. is driving this pressure, partly for political and economic reasons. If we want foreign participation, we have to amend the law.

Regarding supply-side capacity, whether we have it now is suspect. But this investment in



The Indian nuclear liability law is a genuine impediment to foreign participation in the sector

ASHLEY TELLIS

India is over a long horizon. Western nuclear suppliers are responsive to market signals and will build up capacity if demand presents itself.

**One of the reservations with private companies' participation has been about technology transfer, particularly as this is considered a strategic space with attendant security risks. Even if India were to amend the AEA, would the level of technology transfer that took place under agreements in the past between Russia and India take place in future? Particularly in the case of the Small Modular Reactors (SMRs) that appear to be gaining ground as a safer alternative to large nuclear reactors?**

**AT:** This is a commercial question. If your suppliers are private entities, their technology transfer decisions will be based on profitability. Governments don't have powers to force a private entity to transfer technology. The U.S. will have a role through its licensing process for what technology transfer is permitted. For example, the U.S. permitted Westinghouse to transfer certain reactor design technologies to China, a decision Westinghouse probably rued because the AP1000 technology was cloned by the Chinese. My expectation is that India will seek technology transfer and will probably get some, consistent with company profitability and what the U.S. government will want to protect for national security or proliferation reasons. Even Rosatom has not done a complete transfer of VVER-4000 technology to India; they have allowed India to build sub-components but maintain proprietary control over many elements, especially in the hot section, related to advanced materials and chemistry. This will not be a showstopper. Newer companies involved in SMRs are actually more enthusiastic about technology transfer than old majors because it is an economic decision to access the market, get economies of scale, and increase profit. This will not be a serious problem. The bigger problems are high capital costs and how much money will India be able to invest.

**DR:** A lot of this debate is based on hypotheticals and we cannot frame policies based on those. For 15 years, India has been chasing technology transfer and investment in defence, increasing FDI from 25% to 100%, yet

no major foreign company invested or transferred technology because it's not in their interest. So I am not convinced that new futuristic technologies such as SMRs, which India does not possess, will transform the nuclear energy landscape if they come to India. The argument often comes down to making smaller 200 MW or even 60-70 MW reactors instead of 500 MW ones. In its last Budget, India earmarked money for five small reactors based on the pressurised heavy water cycle that it is familiar with. The question is attracting investment to scale this up.

**Dr. Tellis, considering India is a developing country with other commitments, for these newer SMR suppliers, would it not be fair to seek compensation [if things go wrong] because it's an untested technology?**

**AT:** No, I don't think so. The Convention on Supplementary Compensation (CSC) is an international effort to create an environment conducive for expanding nuclear power production and understanding its inherent risks. The CSC's purpose in a nuclear accident is not to litigate who is responsible, but to rush compensation to those affected. It has three key principles: first, all liability is channelled to the operator. Second, a pre-accident fund is created (the Convention has a three-tiered fund). Third, supplier liability is permitted if it's through contract or if there are issues of wilful misconduct; there isn't an overarching principle of supplier liability because of the fear of litigation delays. This model assumes an environment with adequate design review and a neutral regulatory authority not linked to the operator or supplier.

If a real nuclear accident occurs, the sovereign on whose territory it occurs is the ultimate guarantor of protection. The question was how to create a regime allowing them to pick from a readily available pool of money, hence the insurance pool system. Regarding SMRs, the problem is not design immaturity. Many SMRs have very advanced passive designs. The real problem SMRs will face is economic: capital costs are still extremely high. We don't know if the SMR cost will be disproportionately smaller. A big assumption with SMRs is that they will be manufactured through an assembly line process in a factory and components transported and assembled on site. I have greater faith in the SMR technology than in the assembly line model of manufacturing just yet.



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# A Eurocentric reset, a gateway for India

In a diplomatic move, with far-reaching consequences, United Kingdom Prime Minister Keir Starmer's new agreement with the European Union (EU) signals a powerful "reset" of their relations, resuming cooperation on food standards, fishing rights, defence and border checks. While this development may appear Eurocentric, it opens a gateway to possibilities and challenges for India that demand urgent attention.

The U.K. and the EU are among India's most important trade and diplomatic partners, and their renewed alignment could redraw India's global strategy map. For Indian exporters, this could simplify compliance and revive supply chain fluidity. For policymakers, this presents an opportunity to strengthen strategic alliances. For the diaspora, this could reshape education and migration prospects. In short, the U.K.-EU reset is not just a regional recalibration. It is a moment that could redefine India's trade corridors, diplomatic engagements, and soft power leverage in the West.

## A reshaping of India's export dynamics

The renewed collaboration in areas such as food safety, customs coordination and fisheries is poised to significantly influence Indian exports to both regions. In FY2024, India's exports to the EU stood at \$86 billion, while exports to the U.K. totalled \$12 billion, highlighting their strategic role in India's external trade.

Post-Brexit, Indian exporters have grappled with navigating two separate regulatory regimes, especially in key sectors such as pharmaceuticals, textiles, seafood, and agro-based products. A harmonised U.K.-EU regulatory framework could simplify compliance, reduce redundancy and lower operational costs. India, a significant



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The U.K.-EU reset has the potential to redefine India's trade, diplomatic engagements and soft power leverage in the West

supplier of generic medicines to the U.K., fulfilling over 25% of its pharmaceutical needs, would benefit from a unified approval mechanism that accelerates clearances and enhances cost efficiency.

Similarly, Indian seafood exports, valued at ₹60,523.89 crore (approximately \$7.38 billion) in FY2024, could face fewer trade barriers if the food standards and fishing policies are aligned. However, tighter common standards might challenge Indian Small and Medium Enterprises, which often lack the capital and technical know-how. To remain competitive, India must strengthen its export ecosystem through initiatives such as the Remission of Duties and Taxes on Exported Products (RoDTEP) and the Production-Linked Incentive (PLI) scheme.

## A stronger voice in global diplomacy

Beyond trade, the geopolitical dimensions are significant for India. A more synchronised U.K.-EU foreign policy, particularly in defence and the Indo-Pacific, offers India an avenue to enhance its multilateral coordination with the EU. India already operates under the EU-India Strategic Partnership: A Roadmap to 2025, and in 2022, it renewed its Comprehensive Strategic Partnership with the U.K., covering cyber security, climate action, and maritime security.

As the U.K. realigns its policies with the EU, India could benefit from cohesive western support on global platforms, such as the United Nations, the G-20, and the World Trade Organization (WTO). Strategic ties with France, Germany and the U.K. are vital to India's defence modernisation and technological ambitions, especially regarding naval power.

Notably, India-France bilateral trade reached \$15.1 billion in 2024-25; landmark defence

agreements with Germany and the U.K. have focused on technology transfer and joint development. A coordinated U.K.-EU defence policy could open doors for deeper trilateral or multilateral engagements in the Indo-Pacific, where shared concerns over China's assertiveness persist.

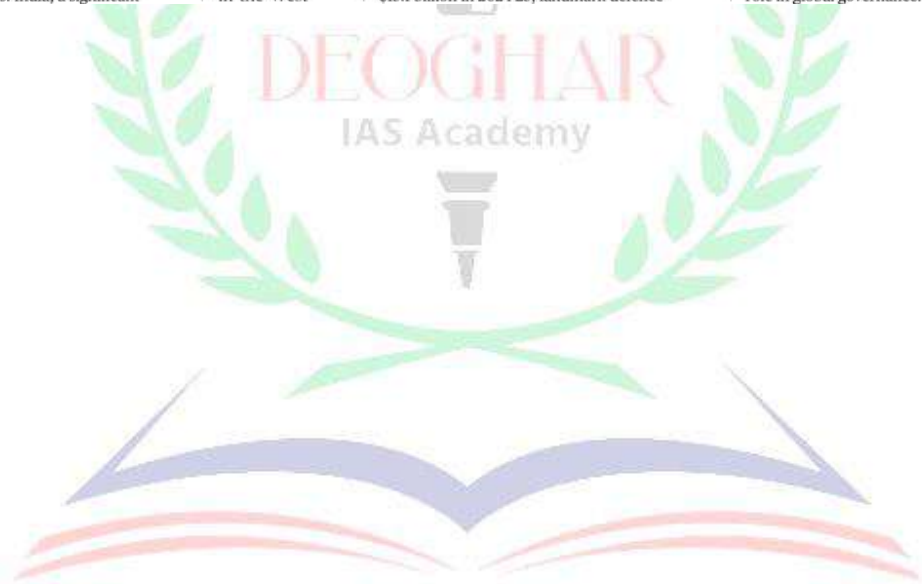
Additionally, India's leadership in the Global South – spotlighted during its G-20 presidency in 2023 – can be amplified by leveraging the U.K.-EU thaw to drive collective action on climate finance, digital infrastructure and global governance reforms. A unified West could become a more dependable ally for India if it engages with India, strategically and assertively, in the future

## Enhancing trade and talent power

On the mobility front, India has the world's largest diaspora, which includes large communities in the U.K. and across the EU. In 2024, the U.K. issued more than 1,10,000 student visas to Indian nationals, placing India among the top sources of international students.

While post-Brexit restrictions limited access for Indian professionals to EU markets, renewed U.K.-EU border coordination could enable partial mobility, creating a semi-integrated talent corridor. This could also bolster India's migration pacts with Germany, France and Portugal by embedding them within a broader U.K.-EU framework.

These converging shifts – trade liberalisation, mobility reintegration, and foreign policy alignment – present rare diplomatic and economic opportunities. To seize these opportunities, India must accelerate reforms, modernise its export infrastructure, and assert its role in global governance.





# The university versus constitutionally protected speech

**G**ive me the liberty to know, to utter, and to argue freely according to conscience, above all liberties," said John Milton in his famous pamphlet, *Areopagitica* (1644), opposing the licensing system (called imprimatur). Originally introduced in response to the introduction of the printing press in England in 1538 and reinstituted by the British Parliament in 1643, authors had to obtain permission or licence from the government prior to their publications. In India, several High Courts and even the Supreme Court of India are hearing petitions on the limits of freedom of expression. Should we really go back to that dated system where prior permission of the government or university is required to express one's views? Are university teachers mere robots who should write only research papers and not express their opinions on contemporary issues? Do we no longer consider free speech to be an integral part of human dignity and an individual's self-fulfilment? Is truth no more autonomous and the highest public good? Are not excessive restrictions on free speech based on the assumption of infallibility of the state or its stated positions? These are some of the pertinent issues that India must resolve because its position on these fundamental issues is bound to strengthen or weaken its ethical claim of being a true Vishwaguru. India's low rank of 151 out of 180 in the World Press Freedom Index does not enhance its stature in the comity of nations.

No doubt, 'nation first' should be the rule of thumb for all of us because no debate can survive if the nation itself perishes. We must be united in our fight against an enemy that has time and again been sponsoring and exporting terror to our country. A prompt and befitting response during Operation Sindoor has been given to the enemy nation.

## The labelling of opinion as activism

We must now return to the realm of constitutional vision as we need to win the battle of ideas as well. Of course, every writer has the duty to make a disclaimer that his views are personal and do not represent the views of the institution he serves. But then a mere expression of views cannot be termed by the corporate owners of the universities or vice-chancellors as 'activism'. An expression of opinion may be dissent but not necessarily activism. Public academic institutions do not mind even activism and active politics. A professor became the national president of the Bharatiya Janata Party (1991-93).

Certainly, no writer should expect any institutional support for his personal views. No court should ideally shy away from its duty of safeguarding constitutionally 'protected speech'. It must remain consistent with its own past pro-freedom of speech judgments. The U.S. Supreme Court, in *Texas vs Johnson*, 491 U.S. 397 (1989), had even considered burning of the national flag as a protected expression. India



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need not go that far. John Stuart Mill, in his celebrated essay on liberty, said that "If all mankind minus one, were of one opinion, and only one person were of the contrary opinion, mankind would be no more justified in silencing that one person, than he, if he had the power, would be justified in silencing mankind". British jurist William Blackstone in 1769 considered a free press was essential for a free state. Though the 1787 U.S. Constitution did not include freedom of the press as a right (because Roger Sherman had said in the Constitution Convention that adopted the U.S. Constitution, that there was no need to mention freedom of press as the powers of the Congress would not extend to press yet within four years), the First Amendment in 1791 on freedom of press made a categorical and explicit declaration that the "Congress shall make no law... abridging the freedom of speech, or of the press..."

Democracy is government by choice and people cannot exercise their choices if they are not told about all the available alternatives. Let alternative views be expressed and protected. Moreover, freedom of speech assures individual self-fulfilment. If a citizen is not allowed to express his emotions, his opinions, his frustration, and his happiness he will not feel self-fulfilled. University owners must understand that such suffocated individuals cannot produce scholarly research as knowledge cannot be created in a controlled environment. We produced greats such as Aryabhata, Chanakya, Gargi Vachaknavi and Charaka because the education in our ancient *gurukuls* was not controlled by the state. Within the portals of universities, all kinds of ideas, which include repulsive ones, must be expressed. Today, our universities are over regulated and grossly underfunded.

## Expression and the truth

Freedom of expression helps us in attaining the truth. It was Milton who said, "Though all winds of doctrine were let loose to play upon the earth, so truth be in the field, we do injuriously by licensing and prohibiting to misdoubt her strength. Let her and falsehood grapple, who ever knew truth put to the worse, in a free and open encounter". In an age of fake news, let everyone speak so that people can decide for themselves who is speaking the truth. Justice Oliver Wendell Holmes Jr. of the United States rightly observed that in a capitalist market place, the "best test of truth is the power of thought to get itself accepted in the competition of market". Thus, an expression of all views would basically serve the government's cause in fencing off people from what is false.

This is nobody's case that freedom of speech is an absolute right. Indeed, no one should indulge in unnecessary talk. The exercise of right must be aimed to serve the constitutional objects of free speech, i.e., the search for truth and helping people in forming opinions about governmental actions and thereby ensuring sovereign people's

participation in the governance.

## The extent of restrictions

The Constitution permits only 'reasonable restrictions' on the freedom of speech and expression. The all-important word 'reasonable' was inserted by the first constitutional Amendment in 1951. These restrictions can be in the interests of sovereignty and the integrity of India, security of state, public order, decency, morality, friendly relations with foreign countries, and defamation or incitement of an offence. 'Public order and friendly relations with foreign states' too were inserted in 1951. Interestingly, restrictions in the interests of 'sovereignty and integrity' were inserted by the Constitution (Sixteenth Amendment) Act, 1963.

No restriction on freedom of speech can be imposed even by the government through an executive order. Restriction on free speech requires legislation. To satisfy the test of 'reasonableness', courts invoke the 'doctrine of proportionality'. In *Anuradha Bhasin vs Union Of India* (2020), the Supreme Court not only held the right to Internet as a part of free speech but also reiterated that the restrictions on free speech can be imposed after considering alternative measures. It added that such restrictions must be legitimate, necessary and least intrusive. It is the state which has the burden of proof in establishing that the restriction is proportionate, and thus reasonable.

No institution has any right to restrict anybody's freedom of speech on any ground other than the ones mentioned in Article 19(2). Thus, restrictions cannot be imposed by any institution just because it is a private educational institution or because it is bound by the regulatory control of regulatory bodies. These are lame excuses that do not have a leg to stand on.

The Supreme Court, in *Dr. Janet Jeyapaul vs S.R.M. University and Anr.* (2015), had held private universities as 'state' because they too discharge 'public functions' and thus, any arbitrary dictate by them would be hit by Article 14, i.e., the right to equality which includes the right against arbitrariness.

Returning to the issue of an author/writer facing the consequences, the law is crystal clear – if his speech is not protected by the Constitution, no one can or should defend him. But when the speech is well within constitutional limits, ideally, the institution should not disown him as it would not only demotivate the faculty but also result in a situation where such an institution would not be able to attract outstanding scholars. A student is the real conscience keeper of a university. Private educational entrepreneurs must know that the Supreme Court has had the consistent view that education is an occupation and not a business. Let us celebrate a diversity of opinions as in a vibrant democracy, every opinion counts and the university truly signifies a universe of knowledge.

*The views expressed are personal*

No institution has any right to restrict anybody's freedom of speech on any ground other than those mentioned in Article 19(2)

# Injustice in the delay

The announcement of the Census is welcome, but the delay is unjust

**I**ndia's next decadal population census, initially delayed by the COVID-19 pandemic, is now scheduled to conclude by March 2027, after a further delay apparently fuelled by political motivations. The Census in 2021 did not take place as planned, thus impacting different aspects of governance, especially social security schemes for vulnerable populations that rely heavily on updated demographic data for effective and efficient delivery. For the first time, the Census will be digitally administered, enabling faster data gathering and easier accessibility for analysis, thereby allowing population-level data to be more dynamic. However, this technological adoption also heightens concerns regarding data theft and privacy. While the nature of the Census will evolve, transparency at all levels will be crucial to building public trust in the exercise. Preparations for this massive operation, which will reach every household, are underway, with more logistical details anticipated in the weeks ahead.

India stands at a demographic crossroads, facing the challenges of growing populations of the young and the old alongside significant regional variations in key indicators. Fresh data from the Census can help address many issues. For the first time since 1931, caste categories will be enumerated. While more reliable data on the socio-economic standing of caste groups can inform development planning, the potential for further social segmentation makes caste enumeration a double-edged sword. A critical aspect of the upcoming Census is its link to the next delimitation of Lok Sabha and Assembly constituencies, which will redraw India's electoral map. The Constitution mandates that the next inter-State delimitation be based on population figures from the first Census after 2026. The current distribution of Lok Sabha seats is based on the 1971 population spread. With the reference date for the Census set as March 1, 2027, for most of the country, this can pave the way for the next delimitation exercise. States that have experienced lower population growth in recent decades, particularly in the peninsular region, have expressed concern that their parliamentary representation will diminish if population becomes the sole criterion for redistribution. The Centre has yet to clarify its stance on this matter. With the Census now in motion, it is imperative for the Centre to engage with all stakeholders and build consensus on the sensitive issue of delimitation. Otherwise, the delay in the announcement of the Census will be taken to mean as an attempt to ensure that the ruling BJP benefits from the increased representation for the Hindi-speaking States.





# Jaishankar stresses need to boost India-Central Asia links

More resources are required for that, the External Affairs Minister says, presses for intensifying trade through Chabahar port; he also calls for 'mutual settlement of trade' in national currencies

**Kallol Bhattacharjee**  
NEW DELHI

**M**ore efforts and resources need to be invested in improving India's connectivity with Central Asia, External Affairs Minister S. Jaishankar said on Thursday highlighting the need to intensify trade through the Chabahar port in Iran.

At the India-Central Asia Business Council meeting ahead of the fourth India-Central Asia Dialogue scheduled for Friday, Mr. Jaishankar expressed support for "mutual settlement of trade" in national currencies.

"We are discussing this under the Joint Working Group on Chabahar Port under the India-Central Asia platform," said Mr. Jaishankar at the event organised by the Federation of Indian Chambers of Commerce & Industry (FICCI), referring to the requirements to energise the International North South Transport Corridor (INSTC), and greater use of Chabahar port to reduce travel distance and costs between India and Central Asia. Mr. Jaishankar spoke at the event which was also addressed by Murat Nur-



S. Jaishankar and Kazakhstan Deputy Prime Minister Murat Nurtleu signed an MoU to strengthen bilateral ties. @DRSJAISHANKAR/X

tleu, Deputy Prime Minister and Foreign Minister of Kazakhstan; Sirojiddin Muhridin, Foreign Minister of Tajikistan; Rashid Meredov, Foreign Minister of Turkmenistan; and Saidov Bakhtiyor Odilovich, Foreign Minister of Uzbekistan.

At Friday's dialogue, the Ministers are expected to discuss trade, connectivity, technology, and development cooperation. "They will also share perspectives on challenges to regional security and other regional and global issues of mutual interest," said the Ministry of External Affairs in an announcement regarding the Minister-level meeting. The Foreign Minister-

level dialogue is being seen as significant as it comes a month after India conducted Operation Sindoor against terror targets in Pakistan and reached out to the Taliban administration in Afghanistan.

## 'Come up with ideas'

Mr. Jaishankar further urged the business chambers to come up with ideas for enhancing bilateral ties between India and Central Asia ahead of a possible India-Central Asia leadership summit that he said could be held "sometime in the not so distant future". In the near future, Prime Minister Narendra Modi is expected to travel for the Shanghai Cooperation Or-

ganization (SCO) meet in Tianjin, China. The first India-Central Asia summit was held in virtual mode on January 27, 2022 when Mr. Modi had hosted the heads of governments of the Central Asian countries. The third meeting of the Foreign Ministers was held during December 18-20, 2021 in New Delhi.

"I would say closer engagements between our banks and financial sector will definitely strengthen our economic interaction. Some beginnings have been made in terms of opening of Special Rupee Vostro Accounts in Indian banks by Central Asian banks and there has also been some discussions about use of UPI [Unified Payment Interface]. I would certainly support that very strongly as also the steps we could take to facilitate mutual settlement of trade in our national currencies," he said.

Mr. Jaishankar said India-Central Asia bilateral trade had touched \$2 billion and added the figure did "not reflect full potential". "The need to address this is today more urgent because of the uncertainties of the international economy," he said.



# India didn't need persuading to stop the conflict, Tharoor says in U.S. on Trump claims

**Sriram Lakshman**

India did not want to jeopardise its relationship with the U.S. over details about the level of U.S. President Donald Trump's involvement in brokering the May 10 ceasefire between India and Pakistan, Congress MP Shashi Tharoor has said.

Mr. Tharoor also pushed back against repeated claims by Mr. Trump that he had resolved the latest round of fighting and used trade leverage in the process.

Mr. Tharoor, who is a Congress MP in the Lok Sabha, is leading a multi-party delegation to the Americas in the wake of the Pahalgam terror attack and India's response via Operation Sindoor. He was speaking at the National Press Club in Washington DC on Wednesday along with Milind Deora (Rajya Sabha, Shiv Sena), Tejasvi Surya (Lok Sabha, BJP), and former Ambassador to the U.S., Taranjit Singh Sandhu, who is a member of the BJP.

Mr. Tharoor was asked if India had been firm enough in its response to Mr. Trump's repeated insistence that he had brokered a deal to end the



As long as they [Pakistan] use the language of terrorism, we will use the language of force... and that doesn't require a third party

**SHASHI THAROOR**  
Congress MP

fighting. He was also asked about Congress leader Rahul Gandhi's recent jibe that Mr. Trump had asked Mr. Modi to "surrender".

Mr. Tharoor chuckled and Mr. Deora, who quit the Congress over differences with its leadership after a decades-long association with the party, could be seen smiling at this point.

## **'Enormous respect'**

Mr. Tharoor was careful to underscore the "enormous respect" for the American presidency and the American President and said disagreeing with the claims was not a negative comment against the goodwill of others.

"As long as they [Pakistan] use the language of terrorism, we will use the language of force... and that doesn't require a third

party," he said.

"If, on the other hand, they were to dismantle the infrastructure of terrorism, we can talk to them... again, without needing an intermediary," he added.

India did not need persuading to stop the conflict, Mr. Tharoor said, adding that India was willing to stop fighting the moment Pakistan stopped, a position conveyed to the U.S. If the U.S. had in turn spoken to Pakistan and told them to stop fighting, suggesting that India would also then stop, that was a matter for the U.S. and Pakistan to comment on.

India had a "valuable strategic partnership" with Washington that "we wouldn't want to jeopardise over a matter of detail", Mr. Tharoor said.

"So small matters can go by and we can focus on tomorrow," he said.

At this point, Mr. Deora remarked, "I would just like to express my admiration for Dr. Tharoor, whom I've known for a long time. He always puts country before party."

The delegates are engaging with U.S. lawmakers, think tanks, the press and Indian diaspora while they are in Washington DC.

# Multi-party team puts emphasis on India's fight against terror

Delegation led by Tharoor meets U.S. Senators and Representatives in Washington, briefs them about Pakistan-sponsored terrorism, Pahalgam attack, and Operation Sindoor; delegates focus on contrasting the trajectories of the two countries

**Sriram Lakshman**

**T**he multi-party delegation led by Congress MP Shashi Tharoor began its official engagements in Washington DC with a visit to Capitol Hill to meet U.S. Senators and Representatives, to explain India's experience of Pakistan-sponsored terrorism, especially the April 22 Pahalgam attack and India's retaliatory strikes (Operation Sindoor).

At a press conference on Wednesday afternoon at the National Press Club, the delegates focused on contrasting the countries' trajectories – India as a place to do business and partner with and Pakistan which was an exporter of terror.

The group had met Senators with the Foreign Relations and Intelligence Committees and India Caucus, including Jim Risch, Jacky Rosen, Dave McCormick, Mark Warner, John Cornyn and Elissa Slotkin. Mr. Tharoor said that in every meeting, their interlocutors condemned the terrorist attacks and also



**Warm greetings:** Congress MP Shashi Tharoor and others during a meeting in Washington DC on Thursday. ANI

supported India's right to self-defence.

"The fact is that there can be no equivalence between terrorists and their victims," said Mr. Tharoor, who chairs the Parliamentary Standing Committee on External Affairs.

India was focused on economic growth and development and the April 22 attack was a "distraction", he said. "India is fighting the battle [against terrorism] on behalf of the world, especially United States," said India's erstwhile Ambassador to the U.S. and BJP member Ta-

ranjit Singh Sandhu, who is part of the delegation. Terrorists have threatened the U.S. in the past, and could do so again in the future, Mr. Sandhu said.

Mr. Sandhu was asked about the U.S. position on the stand-off between India and Pakistan. Without naming any country (but presumably referring to China), he said, "I think one of the biggest neighbours of India is very much involved, and I think that has a certain clarity in the United States."

Mr. Sandhu urged Pakistan to move away from ter-

rorism, return to the comity of nations and develop relationships like the U.S. had with India.

Shiv Sena MP Milind Deora, referring to Pakistani lawmaker Bilawal Bhutto Zardari who is leading a Pakistani delegation to the U.S., said, "It's unfortunate that a young politician from Pakistan, who should be spending more of his time in fixing his own country, is in the U.S., defending some of those who may be responsible for assassinating his mother [Benazir Bhutto]."

Asked by *The Hindu* if there were any concrete outcomes that the delegation and U.S. lawmakers had agreed, Mr. Tharoor said the group's mandate was not to negotiate outcomes – that was for the government to do. The delegation was there to clarify and explain the situation between India and Pakistan right now.

The other delegates are Sarfaraz Ahmad (JMM), Ganti Harish Madhur Balayogi (TDP), Bhubaneswar Kalita (BJP), Shashank Mani Tripathi (BJP) and Tejasvi Surya (BJP).

**'Pakistan likes to dangle nuclear bogey'**

**Sriram Lakshman**

There was no significant risk that the recent fighting between India and Pakistan was approaching a nuclear threshold, according to Congress MP Shashi Tharoor.

"I think what happened was so far short of anything remotely approaching a nuclear threshold that the proposition, frankly, is laughable," he said at a discussion at the Council on Foreign Relations in Washington DC on Thursday.

"Our Pakistani friends, I think, like to dangle this nuclear bogey to get all of you excited and anxious," he said.

"We've got a nuclear power engaged in the war right now for two-and-a-half years in Europe, and no one has talked about nukes yet," he said, asking why there was such a discussion just after a few days of fighting in India.





# Modi to inaugurate Kashmir's first all-weather rail link with Delhi today

Vande Bharat service to Srinagar to begin tomorrow; projects estimated at ₹46,000 crore to be launched; security beefed up for PM's first visit to J&K since Pahalgam attack; Chenab and Anji Khad bridges have been hailed as engineering marvels

**The Hindu Bureau**  
SRINAGAR

**K**ashmir is set to finally have a rail link with the rest of the country, as Prime Minister Narendra Modi will inaugurate the Srinagar-Jammu-Delhi rail link on Friday at Katra in Udhampur district of Jammu. The Vande Bharat Express between Shri Mata Vaishno Devi Katra and Srinagar will begin regular operations from Saturday, officials said.

**Boost to infrastructure**  
Mr. Modi, in a post on X, said: "Tomorrow, 6th June is indeed a special day for my sisters and brothers of Jammu and Kashmir. Key infrastructure projects worth ₹46,000 crore are being inaugurated which will have a very positive impact on people's lives."

Considered an engineering marvel, the Chenab rail bridge will improve connectivity between Jammu and Srinagar, he said. "The Anji bridge stands tall as India's first cable-stayed rail bridge in a terrain that is challenging," he added.



Security forces at the Nowgam railway station in Srinagar ahead of the launch of J&K's first Vande Bharat train on Friday. IMRAN NISSAR

The Udhampur-Srinagar-Baramulla Rail Link (USBRL) project, which will now be fully operational, ensures all-weather connectivity. "The Vande Bharat trains from Shri Mata Vaishno Devi Katra to Srinagar will boost spiritual tourism and create livelihood opportunities," the Prime Minister said.

J&K Chief Minister Omar Abdullah also shared his anticipation on X. "Visited the tallest railway bridge in the world, the Chenab Bridge, to review arrangements for the visit of the Hon PM Modi ji tomorrow. Tomorrow is a landmark day for J&K when, finally, the valley will be connected to the rest of the coun-

try by a railway link to be inaugurated at the hands of the Hon PM," he said.

"I have been waiting for this moment for a long time. This rail project began when I was in the 7th or 8th class. Now, even my children have started working after completing school and college. But better late than never," Mr. Abdullah said, expressing hope for the positive impact of the project on the region's economy. "Whenever the highway gets blocked, the airlines start selling tickets of ₹5,000 for ₹20,000. Such issues will be solved from now on. Our horticulture produce like cherry and apple will be ferried."

Union Railway Minister Ashwini Vaishnaw clarified that a direct rail service between Srinagar and Delhi would commence in September once platforms 5 and 6 are ready at the Jammu railway station. Meanwhile, from Saturday, following the inauguration by the Prime Minister, two pairs of Vande Bharat Express will begin regular operations between Katra and Srinagar.

## Train schedule

Following the inauguration, two pairs of Vande Bharat Express trains – 26404/26403 and 26401/26402 – will run on the Srinagar-Katra-Srinagar route with intermediate stops at Banihal. The 26404 train will depart Srinagar at 8 a.m., halt at Banihal at 9.02 a.m., and reach Katra at 10.58 a.m. The return service (26403) will leave Katra at 2.55 p.m., reach Banihal at 4.40 p.m., and arrive in Srinagar at 5.53 p.m. These trains will run six days a week, with no run on Wednesdays.

After inaugurating the train service, Mr. Modi is expected to visit the deck

of the Chenab bridge around 11 a.m., followed by a visit to the Anji Khad bridge. The Chenab rail bridge, which stands 359 metres above the riverbed – 35 metres higher than the Eiffel Tower – is being hailed as the world's highest railway arch bridge. The 1,315-metre-long structure, designed to withstand wind speeds of up to 260 kmph, is built at a cost of ₹1,486 crore.

The Anji Khad bridge, meanwhile, is India's first cable-stayed railway bridge. Towering 331 metres above the riverbed and stretching 725 metres, it features 96 high-tensile cables and a 193-metre inverted Y-shaped pylon.

Central Reserve Police Force personnel have been deployed for security across the USBRL, especially on the Katra-Baramulla stretch and around the Chenab bridge. The Army, Railway Protection Force, and Government Railway Police are involved in the security arrangements. This visit marks Mr. Modi's first trip to J&K since the Pahalgam terror attack.



# Tamil Nadu government notifies greater flamingo sanctuary at Dhanushkodi

It spans over 500 hectares and is part of the Gulf of Mannar Biosphere Reserve; the move aims at preserving a critical stopover point along the Central Asian Flyway for migratory wetland birds

**The Hindu Bureau**  
CHENNAI

**T**he Tamil Nadu government has officially declared a greater flamingo sanctuary at Dhanushkodi in Ramanathapuram district.

Chief Minister M.K. Stalin inaugurated the sanctuary via video conferencing at an event organised by the Departments of Environment, Climate Change and Forests in Chennai on Thursday to celebrate World Environment Day.

Thangam Thennarasu, holding additional charge as Minister for Environment; R.S. Rajakannapan, Minister for Forests; and Supriya Sahu, Additional Chief Secretary to Departments of Environment, Climate Change, and Forests, participated in the event.

## Rich biodiversity

The move aims to preserve a critical stopover point along the Central Asian Flyway for thousands of migratory wetland birds.

The sanctuary spans 524.7 hectares and encompasses both revenue and forest lands within Ra-



**Safe zone:** Flamingos in Dhanuskodi, Ramanathapuram district. As per the latest bird survey, Dhanushkodi region has over 10,700 wetland birds, representing 128 species. L. BALACHANDAR

meshwaram taluk.

The designated area, part of the ecologically sensitive Gulf of Mannar Biosphere Reserve, is home to a variety of ecosystems, including mangroves, sand dunes, mudflats, and marshes.

These unique features support a rich biodiversity, from migratory birds and marine life to nesting sea turtles.

A Government Order (G.O.) issued on June 4, by Ms. Sahu, noted that ac-

cording to the recent 2023-2024 Wetland Bird Survey, the Dhanushkodi region recorded over 10,700 wetland birds, representing 128 species, including herons, egrets, sandpipers, and both greater and lesser flamingos.

## Ecologically crucial

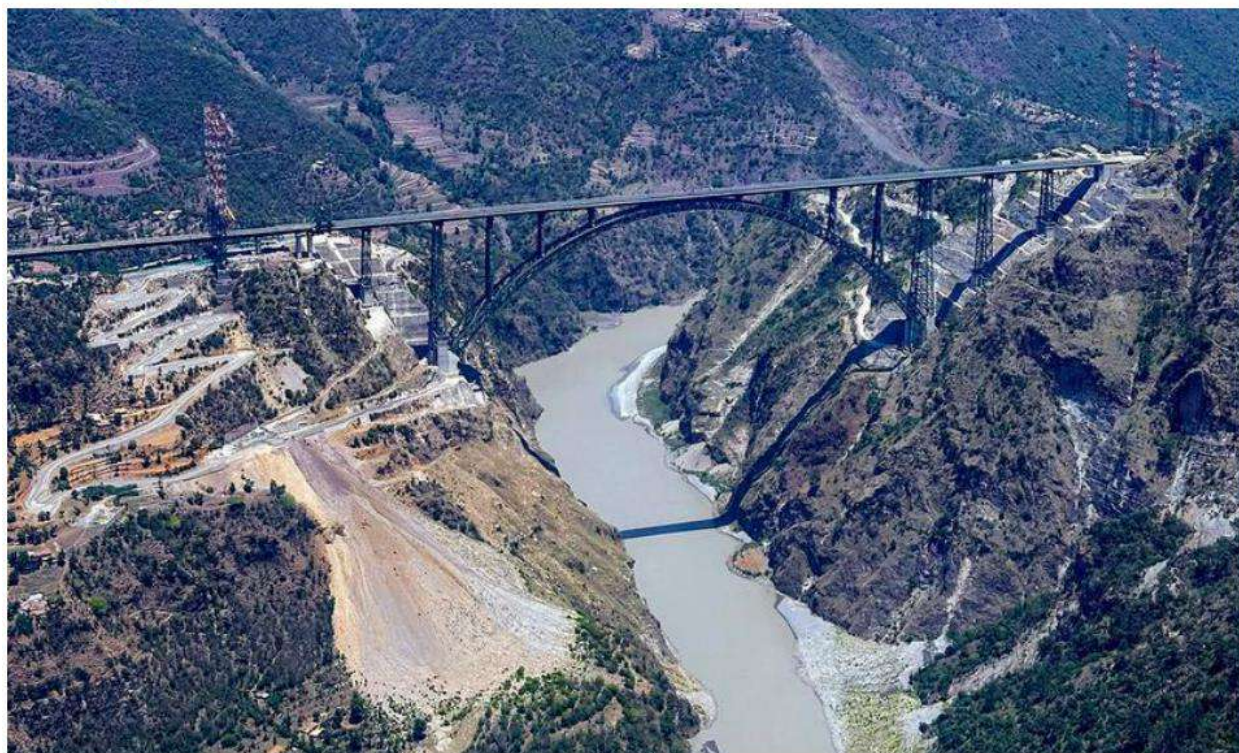
Mangrove species such as *Avicennia* and *Rhizophora* dominate the Dhanushkodi lagoon, providing essential breeding grounds and natural defenses against

coastal erosion. The sanctuary status is expected to encourage responsible ecotourism, generate local employment, and raise public awareness about wetland conservation, the G.O. said.

T.M. Anbarasan, Minister for Micro, Small and Medium Enterprises, Srinivas Reddy, Principal Chief Conservator of Forests (Head of Forest Force), Rakesh Kumar Dogra, Chief Wildlife Warden, also participated.



## ***Valley gets closer***



**All set:** The Chenab Bridge, the world's tallest railway bridge, is set to be inaugurated by Prime Minister Narendra Modi in Jammu and Kashmir's Reasi district on Friday. The bridge is part of the Udhampur-Srinagar-Baramulla rail link, which will provide direct connectivity to the Kashmir Valley. SPECIAL ARRANGEMENT (REPORT: PAGE 4)

