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U.S. deports Indians as Trump tightens immigration rules

U.S. military aircraft takes off with 200 people; Indian side said to have confirmed nationality of all individuals before they were put on the plane

Kallol Bhattacharjee
NEW DELHI

Days before Prime Minister Narendra Modi's expected visit to the U.S., the Donald Trump administration has started the process of deporting illegal Indian immigrants.

Sources confirmed that a wide-bodied military aircraft took off from the U.S. early on Tuesday morning carrying around 200 Indian nationals. Official sources here said that the Indian side confirmed the nationality of all the individuals before the U.S. authorities went ahead with the deportation.

Mr. Modi had spoken to President Donald Trump last week following which the White House announced that the Prime Minister was expected to visit Washington DC in February. "We will work together for the welfare of our people and towards global peace, prosperity, and security," Mr. Modi said after the telephone conversation.

Shortly thereafter, Mr. Trump addressed the issue



Major crackdown: A file photo of detained immigrants being boarded on a U.S. C-17 military aircraft last month. REUTERS

of illegal immigration from several countries, including India, and said, "He [Mr. Modi] will do what's right when it comes to taking back illegal Indian immigrants from America."

The conversation was held against the backdrop of reports that the two sides were in discussion over the presence of at least 18,000 Indian nationals in the U.S. who were being viewed as illegal immigrants by the Trump administration.

"The United States is vigorously enforcing its border, tightening immigration laws, and removing

illegal migrants. These actions send a clear message: illegal migration is not worth the risk," a U.S. Embassy spokesperson said here on Tuesday in response to a question on the deportation of the Indian nationals.

Indian sources, however, pointed out that while the deportation of Indian nationals who had landed in the U.S. through dubious means was not new, the use of a military aircraft to carry out the task was a new method.

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China hits back at the U.S. with goods tariffs, Google investigation

Agence France-Presse
BEIJING

China said on Tuesday it would impose tariffs on imports of U.S. energy, vehicles and equipment, firing a return salvo in an escalating trade war between the world's two biggest economies.

U.S. President Donald Trump on Saturday had announced sweeping measures against major trade partners Canada and Mexico, while goods from China were hit with an additional 10% tariff on top of the duties they already endure.

Minutes after they came into effect, Beijing unveiled levies of 15% on imports of coal and liquefied natural gas from the U.S., while crude oil, agricultural machinery, big-engined vehicles, and pick-up trucks face 10% duties.

China is a major market for U.S. energy exports and according to Beijing customs data, imports of oil, coal and LNG totalled more than \$7 billion last year.

Beijing said the measures were in response to the "unilateral tariff hike" by Washington.

The U.S. decision, China said, "seriously violates World Trade Organization rules, does nothing to resolve its own problems,

Sensex rebounds as Canada, Mexico get tariff breather

MUMBAI

The Indian stock market bounced back sharply on Tuesday with its biggest uptick in a month, fuelled by the U.S.'s decision to pause the blanket tariffs on imports from Canada and Mexico that had spooked global markets and currencies on Monday. » PAGE 13

and disrupts normal economic and trade cooperation between China and the United States". Beijing said it would file a complaint with the WTO over the "malicious" levies.

Alongside its tariffs, China announced a probe into U.S. tech giant Google and the addition of U.S. fashion group PVH Corp. and biotech giant Illumina to a list of "unreliable entities".

Beijing also unveiled fresh export controls on rare metals and chemicals, used in a range of industrial appliances.

Mr. Trump has said his tariffs aimed to punish countries for failing to halt flows of illegal migrants and drugs into the U.S. He said on Monday that he planned a call with Chinese counterpart Xi Jinping in the next 24 hours.

After Indore, Bhopal also bans begging, giving alms

The Hindu Bureau

BHOPAL

The Bhopal district administration has imposed a ban on begging, giving alms and purchasing any goods from beggars in the Madhya Pradesh capital, authorities said on Tuesday, a month after a similar order was issued in Indore.

In an order dated February 3, Bhopal Collector Kaushalendra Vikram Singh invoked the Bharatiya Nagrik Suraksha Sanhita (BNSS) Section 163(2) to completely prohibit begging, giving alms or purchasing any items from beggars. The order also stated that those who violate the regulations will be prosecuted under BNSS Section 223.

‘Involved in crime’

Earlier on January 2, Indore Collector Ashish Singh had also imposed a similar ban in the district.

“These people (involved in begging) are disobeying the government’s order to curb begging and creating hindrance in traffic management. People from other States and cities are also involved in begging in the city, many of whom have a criminal history. Most of the people involved in begging are also involved in drugs,” the order by Bhopal Collector reads.

The Collector said that a shelter home at a community health centre in Bhopal’s Kolar area has been reserved to rehabilitate the beggars.

The order further read: “Under Section 163 of BNSS 2023, begging is completely banned within the entire revenue boundary area of Bhopal district. Legal action will be taken against the person who gives anything or buys any goods from them in violation of this order.”

Meanwhile, a man in Indore was also booked on Tuesday for giving ₹10 to a beggar near a temple, police said.

Gujarat govt. forms panel to assess need for UCC; Oppn. calls it a diversionary move

Press Trust of India
GANDHINAGAR

The BJP government in Gujarat on Tuesday formed a committee headed by a retired Supreme Court judge to assess the need for the Uniform Civil Code (UCC) in the State, and also draft a Bill for the same.

While the Opposition said the decision was aimed at diverting attention from pressing issues ahead of the upcoming local body polls, the government claimed rights of the tribal communities will be protected if the UCC is implemented.

The five-member committee, to be headed by Justice (retired) Ranjana Desai, will submit its report within 45 days, following which a decision about implementation of the UCC will be taken, Chief Minis-

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ter Bhupendra Patel told reporters here.

The committee will meet religious leaders, including those from the Muslim community, for consultations.

Other members of the committee are retired IAS officer C.L. Meena, advocate R.C. Kodekar, former Vice Chancellor of Veer Narmad South Gujarat University Dakshesh Thakar and social worker Gita Shroff.

Mr. Patel said his government is committed to fulfil Prime Minister Narendra Modi’s resolve to implement the UCC across

the country.

Ms. Shroff and Mr. Thakar said the State government’s approach is sensitive and shows it is committed to closing the loopholes in laws and ensuring justice to all.

However, Leader of Opposition in the State Assembly Amit Chavda said the BJP is more interested in the “politics of minority and majority”.

‘UCC will hit tribal life’

“In Gujarat, there are 14% tribals. The UCC will affect the culture, customs, religious rites and marriage system of the tribal society. Similarly, the Jain community, and the Devipujaks will also be affected,” he claimed.

Aam Aadmi Party State chief Isudan Gadhvi said the BJP raises the UCC issue whenever there is an election.

Telangana Cabinet gives nod to Caste Survey report

CM Revanth Reddy says official information regarding the weaker sections was not available in the country till date; Backward Classes, including Muslims, constituted 56.33% of population, he adds

The Hindu Bureau
HYDERABAD

The Telangana Cabinet approved the Socio, Caste, Economic, Education, Employment and Political Survey report on Tuesday. Chief Minister A. Revanth Reddy made a statement regarding it in the special session of the Legislative Assembly.

Mr. Revanth Reddy said that official information regarding the weaker sections was not available in the country till date, which made it difficult to implement reservation for Backward Classes (BCs). After 1931, enumeration of the



Wide coverage: Chief Minister A. Revanth Reddy showing the form used for the survey in the Telangana Assembly on Tuesday.

weaker sections was not conducted in India. The details of the weaker sections were not included in the national Census report, he said.

Reading out key findings

of the survey conducted covering 3,54,75,554 people, the Chief Minister said that Backward Classes, including Muslims, constituted 56.33% in the State.

The survey was

launched on November 6, 2024 to assess Socio, Caste, Economic, Education and Political status of people in households across the State. Enumerators [1.03 lakh] visited door-to-door with forms containing 57 questions (75 fields including sub-questions) to collect details. A total of 1,12,15,134 families were covered in 50 days, including 66,99,602 families in rural areas. The coverage was 96.9%.

The Chief Minister said that the Cabinet approved report was introduced exactly one year after the State Cabinet on February 4, 2024 approved to conduct the survey.

The U.S.'s WHO exit, a chance to reshape global health

On January 20, 2025, the United States government issued an executive order to withdraw from membership of the World Health Organization (WHO). This has raised apprehensions that reduced funding for WHO would impact the functionality of the organisation. However, as the executive decision by the U.S. government has already been made, it is time to reflect on some fundamental questions such as why a single country's exit from WHO is causing so much concern. How can the U.S.'s exit from WHO be converted into an opportunity to create a stronger WHO? Why is there a need for an increasingly greater role of countries in Asia and Africa in global health.

Funding intricacies

To understand the impact of the U.S.'s withdrawal on WHO funding, we need to understand WHO's funding system. There are two broad categories of funding sources. In the first, the assessed contribution (or AC) is a fixed amount each WHO member-state must pay annually as a sort of membership fee. This is what the U.S. President has argued as being disproportionately high (for the U.S.) and cited as one of the four reasons for the U.S.'s decision regarding its withdrawal. The assessed contributions ensure assured funding, which WHO uses to pay the salaries of regular staff, both technical and administrative, and maintain day-to-day functioning. This is the minimum resources the organisation needs to ensure a continuity of operations.

The other funding pool is from voluntary contributions (or VC) which comes from a range of donor agencies and additional contributions from WHO member-states. VCs are broadly for projects and other time-bound activities. WHO uses VC funds in the hiring of short-term staff and consultants. However, the problem with VC funds is that these are – as the name suggests – voluntary, always time-bound, linked to specific activities, and, thus, unpredictable.

For example, many member-states and donors provide funds for polio elimination, patient safety, primary health care or antimicrobial resistance-related work. These contributions are tight-jacketed and non-transferable to other activities. With the U.S.'s withdrawal from WHO, the VC would also be impacted, as many U.S.-based or U.S.-aligned donors may either reduce, or worse, completely stop the funding to WHO. As an example, the ongoing turmoil and uncertain fate of USAID would additionally impact WHO funding. Clearly, the financial impact on WHO is likely to be far greater than the direct share of the U.S. government funds for WHO.

Another argument given for the U.S.'s withdrawal, which has been used frequently by some others to criticise WHO, is that the organisation is highly bureaucratic, acts slow and in need of urgent reforms. This is partially true



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and to be fair in assessment, every global institution needs some reforms and WHO is not any different. In fact, there is far more to WHO's credit than the occasional systemic blips it has faced. In this era of emerging and multi-sectoral challenges such as antimicrobial resistance, climate change, global warming and animal health, increasing re-emergence of diseases and a steep rise in lifestyle diseases, the world needs a stronger WHO, more than ever.

Why institutions fail

In their book, *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*, Daron Acemoglu and James A. Robinson (they were conferred the Nobel Prize in Economics in 2024) hypothesize, *inter alia*, that nations thrive upon the foundation and the strengths of functioning and stronger institutions.

Expanding the analogy at a global level, the world needs stronger institutions for peace and global health. However, in the last few decades, the fibres of global collaboration have been damaged. There is rising nationalism in many countries and 'Nation first' is becoming a vote-catcher for many leaders. This phenomenon of hyper-nationalism is global but relatively new, and, thus, arguably more virulent in high-income countries. Hyper-nationalism often undermines global institutions.

With the U.S.'s exit from WHO, the likelihood of key multi-country alliances such G-7, G-20 and others stepping in to support and fund WHO are feeble. Yet, for its tremendous body of work in the last 75 years, it is a moral imperative for all countries that the alternatives are explored to protect and save global institutions. The legitimate governments and elected political leaders in the global south and countries such as India, Brazil, South Africa, Thailand, Egypt and many others need to step up to support WHO in specific, and the United Nations in general.

There is another important consideration – the inexcusable gap in global health priorities and funding. The health challenges which affect the countries in Asia and Africa are grossly underfunded; mPox did not get global attention till it started affecting people in high-income countries in 2022. The vaccines and drugs against mPox are barely available in the Democratic Republic of the Congo and other settings where disease is most rampant but offered liberally in the U.S. which has a few mPox cases. This is a reminder that high-income countries continue to shape the policies, health agenda and command influence in global health, inadvertently widening health inequities. Global health has arguably been a case of 'He who pays the piper calls the tune'.

The decision to recall U.S. government personnel who have been seconded to WHO and subsequent apprehension that such a step would slow down ongoing programmes reflect how

global health agencies are a little too dependent on subject experts originating from a single or select few countries. Global health will be better off if a pool of subject experts in various areas of public health are available from different countries and in the majority of the countries. There are a few things which should be considered immediately.

The global south must act

First, countries in the global south, especially Asia and Africa, must team up to supplement WHO funding gap after the U.S.'s exit. BRICS could be one such platform. Second, countries such as India, Ethiopia, Ghana, and others in the global south need to invest in training of experts not just in public health but also global health (these are different areas). For example, India should have trained experts in conditions which affect Africa and diseases which are not prevalent in our country. The era of providing only financial support to any country is behind us. It is time for 'pooled' technical expertise in health, as in any other sector). Third, the countries in the global south should set up a few premier institutions at the country or at regional levels through inter-country collaboration to train their experts in global health. It is the expertise from low- and middle-income countries which will be of help to each other and to WHO by the secondment of such experts. That way, global health can improve at a much lower cost than by expertise from high-income countries.

Fourth, we have been hearing of reforms in WHO for a long time. One of the steps which should be considered urgently is to trim staff and move the headquarters to one of the regional offices in Brazzaville (Congo), Cairo, Manila or New Delhi. This would reduce the headquarters' operational costs. Though this might be a problem in terms of air connectivity, the time and the focus of WHO's work needs to be on geographies where attention is needed: Africa and Asia. It would be a very strategic move to scale down the headquarters and move specific divisions to the regional offices.

It is very likely that four years later or some time in future, when there is a new U.S. President, the U.S. would rejoin WHO. However, till then, the U.S.'s withdrawal should be explored as an opportunity for the public health community and political leadership in the global south to initiate country and regional level and collaborative actions to reshape the global health agenda, which is much under the influence and the guidance of high-income countries. Global health should not be at the mercy of funding or the expertise from one or a handful of high-income countries. It must be truly a joint venture for the entire world, led by the global south.

The views expressed are personal

It is time for the countries in the global south to support WHO and initiate collaborative actions to reshape the global health agenda

Learning steps

India must further strengthen its investment in school education

Besides some high-profile announcements, such as an AI Centre of Excellence for education with an allocation of ₹500 crore, broadband connectivity for schools, the expansion of five third-generation IITs, and increased funding for Indian knowledge systems, Budget 2025 has promised higher allocations for education compared to last year's revised estimates. There was a 7% increase for higher education, although the actual expenditure for 2023-24 was 10% more than the 2025-26 Budget estimates. A key challenge in higher education is that the ambitious UGC reforms, modelled on advanced nations, require significant funding. For instance, introducing four-year degree programmes, allowing students to take courses across multiple institutions, implementing bi-annual admissions, and other structural changes demand substantial finances, which will inevitably fall upon State governments. However, Budget 2025 does not appear to adequately address these financial concerns. The release of the ASER 2024 report in the same week as the Union Budget highlighted gaps in India's school education system, particularly in foundational literacy and numeracy (FLN). While the report indicated that learning losses from the COVID-19 pandemic have been recovered, and, in some cases, FLN levels are at their highest ever, India still has some way to go before achieving full FLN, the 2026-27 target under the NIPUN Bharat scheme.

Compared to the 2024-25 revised estimates (RE), school education has been allocated an additional ₹11,000 crore, a 16% increase. However, as a percentage of the total Budget, this increase is only 0.12 percentage points, bringing the allocation to 1.55%. In higher education, the Budget fraction remains unchanged at 0.99%. While institutions such as Kendriya Vidyalaya Sangathan continue to receive significant funding, the increase does reflect higher inflows to States, which are the primary implementers of school education programmes. The Centre has been keen on fully implementing the National Education Policy (NEP), which proposes a 5+3+3+4 system that includes five years of early education up to Class 3. Early education is being prioritised as the key to achieving full FLN, but a critical gap remains: the two years before Class 1 are managed by underpaid anganwadi workers, who are already overburdened and often lack adequate training to deliver on FLN goals. A focused FLN drive is pivotal to achieving full FLN, a prerequisite for building a highly skilled workforce and leveraging India's demographic dividend. Over the next few years, depending on the progress made, the government must further strengthen school education investments to ensure India meets its full FLN target. Time is of the essence.

India-Indonesia ties as a beacon for global relations

It was a great honour for this writer to have accompanied President Prabowo Subianto of Indonesia, who was the chief guest at India's spectacular 76th Republic Day celebrations. The magnificence of the occasion was not only reflected in the vibrant displays of India's democracy, diversity and military strength, but was also a timely reminder of the deep and enduring relationship between the countries, which can be a beacon for wider international relations.

The evolution of ties

Indeed, as India celebrated its first Republic Day in 1950, marking its new destiny as a sovereign and democratic nation, it was Indonesia's founding father, President Sukarno, who graced the occasion as chief guest.

In subsequent decades, as the two countries embraced their independence, they have built strong ties, spanning economics, politics and culture. In fact, this year was the fourth time that an Indonesian President has been chief guest at the Republic Day celebrations. Mr. Prabowo's visit, and his meeting with Indian Prime Minister Narendra Modi, highlighted the shared ambition of the two leaders to further increase collaboration in areas that include trade, maritime security, health and technology.

As two of the world's largest and fastest growing economies, Indonesia and India have immense potential to become the cornerstone for prosperity and security for the entire Indo-Pacific region and beyond. In particular, this writer's visit convinced him that there are three key areas of trade, security and geo-politics.

First, whilst the two countries signed a trade agreement back in 1966, from today's vantage point there is a huge amount that can be done to grow economic ties between the two countries. As Chairman of the Indonesian Chamber of Commerce, this writer co-chaired the CEOs Forum alongside Indian business leader Ajay S. Shriram in New Delhi. Bringing together senior



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business leaders from India and Indonesia, we identified five key sectors that should be prioritised to unlock mutual growth, boost innovation and strengthen bilateral ties, i.e., in energy, food and agriculture, health care, manufacturing and technology.

Trade and security as pillars

Throughout the discussions, it became clear that there are immense opportunities to increase bilateral trade, which currently stands at just under \$30 billion. There is the potential to quadruple the volume of trade in the next 10 years. Ambitious growth targets reflect the confidence the two nations have in each other's potential and in their continued partnership.

Against a backdrop of global economic uncertainty, India and Indonesia are forecast to grow by 6.5% and 5.1%, respectively, this year, which is well above the global growth average of 3.3%. This reflects their expanding markets, young and dynamic workforces as well as growing consumer demand.

There is also huge untapped potential for both countries to benefit from intelligent investment that can position them as leaders in energy transition. While Indonesian investment in India stands at \$653.8 million and India has invested \$1.56 billion in Indonesia, this only scratches the surface of what is possible. By deepening their investments and supply chains in sectors such as clean energy, technology and manufacturing, the two countries can lead the global effort against climate change.

Security is the second pillar of the India-Indonesia partnership. In recent years, they have made significant strides in strengthening defensive ties, culminating in the Comprehensive Strategic Partnership in 2018, which is already yielding significant dividends, particularly in enhancing maritime security in their shared waters.

But defensive cooperation is only one aspect of their multifaceted relationship. During Mr.

In strengthening their bonds, the two countries can lay the foundation for a more prosperous and sustainable future for Asia and the world

Prabowo's visit, Mr. Modi and Mr. Prabowo committed to strengthening collaboration in areas such as counterterrorism and cyber security to keep the two countries safe.

As two large, populous nations with growing military capabilities, this is essential if the two countries are to address the complex geopolitical dynamics of the Indo-Pacific and safeguard its stability and prosperity for generations to come.

International relations

A third element of the bilateral relationship is how it fits in the global context. Outside of the Indo-Pacific, India and Indonesia are both navigating a geo-political environment that is constantly shifting. At the start of the year, Indonesia was formally invited to join the BRICS group of emerging economies. In that club of powerful emerging economies, it joins India and, of course, China too. At the same time, both Indonesia and India have important relationships with the United States and other western countries. The new U.S. administration led by President Donald Trump has threatened to introduce a new set of tariffs, and it remains to be seen what will happen.

It is obvious that tariffs and non-tariff barriers are impediments to free trade and carry risks for the global economy. Indonesia, as a key source of natural resources such as nickel, copper, tin and bauxite, wants to be able to export to the U.S., India and other markets.

President Prabowo's visit to India was a reminder of the importance of Indonesia's bilateral relationship with Indonesia. Their partnership, 76 years old, continues to grow in strength and their potential to shape the future of the Indo-Pacific and the global economy is vast. As the two countries continue to work together through trade, security and their geo-political ties, they will not just strengthen the bonds between the two great nations but also lay the foundation for a more prosperous and sustainable future for Asia and the world.

The financial toxicity of cancer care in India

“Sir, I don’t have the money for the test,” said Vijay, a low-income lung cancer patient from Hyderabad. His oncologist replied, “Without the money, he has only a few months left.” The test – a 12-gene next-generation DNA sequencing panel – could have guided a life-saving treatment plan.

Genomics-informed precision medicine, or targeted therapy, offers the right treatment to the right patient at the right time, making previously untreatable cancers treatable. Yet, these breakthroughs, along with the latest treatments such as immunotherapy, monoclonal antibodies, and proton therapy, remain out of reach for many people from low and middle-income backgrounds.

Take 70-year-old Aslam, who has oral cancer. Immunotherapy for him would cost nearly ₹10 lakh annually, adding to the ₹25 lakh he has already spent over five years. His son, an IT professional, exhausted insurance, savings, and even sold their ancestral land to continue the treatment.

Financial toxicity is the least assessed and most devastating toxicity of cancer. It impacts not just the person with the disease but also his family and the following generations. From selling assets to skipping meals to afford treatment, the burden often traps thousands of families in a cycle of generational poverty that is economic, social, and nutritional in nature.

Public and private healthcare

One of the key barriers to equitable cancer care is its cost, which includes both direct medical expenses, such as diagnostics, medicines, and hospitalisation, and non-medical expenses such as travel, lodging, and food. Areen, a cancer patient, exemplifies this struggle: “I had ₹500. I spent ₹200 on travel and ₹200 on medicines. I have ₹100 left. How will I go home?”

Private and public insurance



Vid Karmarkar

Founder of Canseva Foundation



Parth Sharma

Community physician, public health researcher and the Founder of Nivarana

schemes, such as Ayushman Bharat, pay only for inpatient costs. Outpatient expenses such as diagnostic workups, post-discharge care, and follow-up tests must be paid out-of-pocket (OOP) by patients. Such expenditure constitutes nearly 50% of total healthcare costs.

India’s public health expenditure has always been less than 2% of GDP. Consequently, public hospitals often face shortages of healthcare personnel, diagnostic and treatment facilities, and essential medications. Delays in diagnostic tests and surgeries further strain the system. This burden is compounded by the fact that many cancer cases are diagnosed at advanced stages, leading to higher treatment costs and poorer outcomes.

Given the limited public health facilities, private healthcare is a thriving business. The Indian hospital market is valued at close to ₹8 lakh crore with a CAGR of 8%. Is letting private healthcare thrive going to worsen the financial toxicity of cancer?

Addressing financial toxicity

In India, public healthcare is a State subject. To finance the direct medical cost of cancer care, some States such as Delhi, Maharashtra, Punjab, and Kerala have implemented several schemes. To support direct non-medical costs the Indian Railways and Air India offer discounted fares, whereas States such as Himachal Pradesh and Haryana provide free bus travel for cancer patients.

Additionally, efforts from NGOs and networks have also helped. For example, the National Cancer Grid has reduced the cost of 40 high-value cancer drugs by 82% through pooled procurement. The Cachar Cancer Hospital and Research Center in Assam has adopted a holistic approach to reduce OOP, along with accommodation, meals, and temporary employment opportunities for caregivers accompanying patients.

Only a strong political will and

strategic investment in the public health system will address the financial toxicity of cancer. However, until government spending on public health improves, nonprofits play a crucial role in reducing this problem. By working at the grassroots level and conducting pilot projects, they can generate evidence that governments can scale up to inform policies.

In India, nearly 3 lakh nonprofits are registered on the Darpan portal managed by NITI Aayog, with over 85,000 focused on health and family welfare. But only a fraction of these specialise in cancer care. Larger nonprofits work across the cancer care continuum, from prevention to treatment. Smaller ones often operate in niche areas, such as by assisting low-income patients with paperwork, securing funding, and arranging essentials.

Individual philanthropy, impact investments, and corporate social responsibility (CSR) funding are central to financing nonprofits. Under India’s CSR Act of 2014, companies meeting certain criteria must allocate funds for social causes. In 2022-23, the healthcare sector received over ₹6,800 crore in CSR funding. However, granular data on specific areas like cancer remains limited.

The Forbes’ 2024 report showed that the combined wealth of India’s 100 richest individuals surged to ₹8.4 lakh crore. A growing segment of the population has surplus wealth that can be donated while they benefit from tax exemptions. Critical catalytic capital would enable younger nonprofits to establish themselves and scale their impact. However, individual philanthropy is lagging far below its potential.

With a rising pollution, rapid urbanisation, and unhealthy lifestyle changes, the health and financial toll of cancer is set to rise significantly. Indian philanthropy, CSR initiatives, government funding, and nonprofits hold the power to alleviate the economic burden of cancer care.

Indian philanthropy, CSR initiatives, government funding, and nonprofits hold the power to alleviate the economic burden of cancer care

Cess and surcharge continue to shrink States’ tax share

The divisible pool of taxes has shrunk, and the share of southern States in it has also dwindled further

DATA POINT

Samreen Wani

Of every ₹100 that the Union government collects as tax, ₹10-11 is collected as cesses and surcharges, a trend unchanged since the pandemic year 2020-21. Also, the government spends ₹1-2 in collecting every ₹100 of tax; this is called the cost of collection. The amount collected as cesses and surcharges, along with the cost of collection, is not included in the divisible pool of taxes, a portion of which is meant to be shared with the States.

The share of cesses and surcharges, along with the cost of collection, reached a high of ₹13.5 for every ₹100 collected as taxes by the Centre in 2021-22 – the highest ratio in at least over a decade. Since then, it has gradually declined and is expected to be around ₹10.97 according to the latest Budget Estimates (BE) for 2025-26. In contrast, in many years before the pandemic, this figure ranged only between ₹5 and ₹7.

Divisible pool has shrunk

Let us now look at these figures from the perspective of the divisible pool. Given that the share of cesses and surcharges has increased over the years, the divisible pool has shrunk. Since the pandemic year 2020-21, the divisible pool has fallen to less than ₹90 for every ₹100 that the Centre collects. It is expected to remain below ₹90, according to BE for 2025-26, presented on February 1. In contrast, in many years before the pandemic, this figure ranged between ₹91 and ₹95.

Chart 1 shows the share (in %) of the divisible pool in the Centre’s gross tax collection over the years (left axis). It also shows cesses, surcharges, and the cost of collection of taxes as a share of the Centre’s gross tax collection over the years (right axis). Currently, all the States put to-

gether get 41% of the divisible pool, a figure arrived at as per the recommendations of the 15th Finance Commission for the FY 21-26 period. Before that, the share was pegged at 42% of the divisible pool between FY16 and FY20, a massive increase from the 32% share before FY16.

However, the consistent rise in the share of cesses and surcharges has meant that the Finance Commissions’ recommendations have been rendered less effective, as the divisible pool itself is shrinking. Many experts have previously pointed out that despite a formula in place, in practice the actual devolution to the States falls short of the agreed recommendations. In fact, many non-BJP ruling States now want this share to increase to 50% from 41%.

GST compensation cess was not included in the list of cesses considered, as it was collected to compensate the States for revenue loss due to implementation of GST.

Usage of cess

While the rise in cesses and surcharges is one part of the problem, they are often not used for the specific purposes for which they were collected.

Many Comptroller and Auditor General of India (CAG) audit reports have pointed out that these cesses are not being completely transferred to the reserve funds or adequately utilised for the intended purposes. For instance, the crude oil cess is meant to be transferred to the oil industry development body, which is not followed. In the latest three such reports, the CAG pointed out that about ₹2.19 lakh crore in cesses meant for transfer to the designated Reserve Funds between FY20 to FY22 did not happen.

While all the States put together get 41% of the divisible pool, the share of each State in that is calculated based on a formula, which is decided by the Finance Commission. Predominantly, it is decided by income distance, which mea-

sures how far a State is from the State with the highest per capita income. Other factors such as population, demographic performance (population control), forest cover, area and efficiency in tax collection are also given weightage.

Certain States have also raised an issue with the way their share in the divisible pool is being calculated as they feel that the formula is subject to political bias and they are losing out on account of economic and social progress.

Share of States in divisible pool

The share of various States in the divisible pool has undergone significant changes since FY02, as shown in Table 2. The share of all the southern States has fallen. Kerala’s share fell from 3.08% in FY02 to 2.5% in FY17 and is estimated to fall even further to 1.9% in FY26 (BE). Tamil Nadu’s share shrunk from 5.46% in FY02 to 4.02% in FY17 and is expected to remain at the same level in FY26. Karnataka’s has come down from 4.98% in FY02 to 3.6% in FY26 BE. The share of Andhra Pradesh and Telangana together declined from 7.7% in FY02 to 6.75% in FY17 and is expected to drop to 6.1% in FY26. West Bengal and Odisha’s shares have also come down consistently in the period. In contrast, the shares of Madhya Pradesh, Maharashtra, Rajasthan, and Gujarat have increased in this period.

States such as Uttar Pradesh and Bihar continue to receive the bulk of the share. Bihar is expected to get 10.1% in FY26, slightly lower than 11.49% in FY02; and Uttar Pradesh is expected to get 17.9% in FY26, slightly lower than 19.15% in FY02.

As the data show, not only is the divisible pool shrinking, but the share allocated to certain States – most of which are in south India and parts of the east – is also dwindling. This imbalance explains why many of these States now feel short changed.

Smaller chunk

The data for the charts was taken from the Budget documents and CMIE. It also includes The Hindu’s calculations

Unfair share: Union Finance Minister Nirmala Sitharaman upon her arrival at the Parliament House complex to present the Budget



Chart 1: The chart shows the share of the divisible pool (left axis) and cesses, surcharges & the cost of tax collection (right axis) in Centre’s gross tax revenue (GTR). Both figures in %

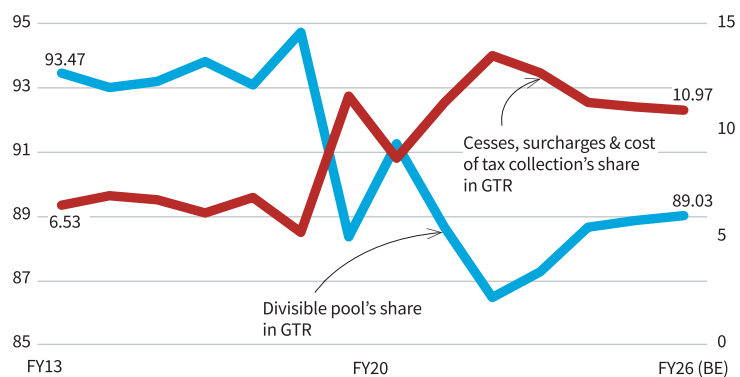


Table 2: State-wise distribution of the divisible pool in %

	FY02	FY07	FY12	FY17	FY22	FY26
AP & Telangana	7.73	7.36	6.94	6.75	6.15	6.1
Karnataka	4.98	4.46	4.33	4.71	3.65	3.6
Tamil Nadu	5.46	5.31	4.97	4.02	4.08	4.1
Kerala	3.08	2.67	2.34	2.5	1.93	1.9
West Bengal	8.2	7.06	7.26	7.32	7.52	7.5
Odisha	5.03	5.16	4.78	4.64	4.53	4.5
Maharashtra	4.71	5	5.2	5.52	6.32	6.3
Rajasthan	5.49	5.61	5.85	5.5	6.03	6.0
Gujarat	2.87	3.57	3.04	3.08	3.48	3.5
Madhya Pradesh	6.47	6.71	7.12	7.55	7.85	7.9
Chhattisgarh	2.4	2.65	2.47	3.08	3.41	3.4
Jharkhand	3.03	3.36	2.8	3.14	3.31	3.3
Bihar	11.49	11.03	10.92	9.67	10.06	10.1
Uttar Pradesh	19.15	19.26	19.68	17.96	17.94	17.9
Assam	3.25	3.24	3.63	3.31	3.13	3.1
Northeast*	1.85	2.18	2.52	4.6	5.42	5.4
Small States**	4.81	5.4	6.16	6.65	5.24	5.2

Note: *States include Arunachal Pradesh, Meghalaya, Mizoram, Nagaland, Manipur, Sikkim and Tripura
**Includes Goa, Haryana, Himachal Pradesh, Punjab, Uttarakhand and J&K. No data for J&K for 2021-22 and 2025-26 since it has become a Union Territory

Text & Context

Households that gained from PM Surya Ghar Muft Bijli Yojana

8.46 lakh households. The PM Surya Ghar Muft Bijli Yojana aims to boost rooftop solar installations in the country. A sum of ₹4,308.66 crore has been released as Central Financial Assistance to around 5.54 lakh residential consumers under the scheme, as of January.

Why the tax cuts are a one way gamble

In a world where expenditure by the government is directly linked to tax revenue, any shortfall on the tax side will show up on the expenditure side as well. Despite the fall of 8% in the effective tax rate, the Budget has estimated direct tax collection to go up by 14%

ECONOMIC NOTES

Rohit Azad
Indranil Chowdhury

It would not be an exaggeration to say that this is the biggest tax cut that the middle class has ever got in any Union Budget. To be sure, the tax-paying middle class in India is nowhere near “middle” of the income spectrum and, hence, those who would directly benefit from these cuts are a minuscule minority (between 2-3% of the population). Nevertheless, it is indeed a significant cut in tax rates for every class of taxpayer. For those earning between ₹7-₹12 lakh a year, it is a complete tax rebate, which was earlier applicable to only those below ₹7 lakh. For others earning more than ₹12 lakh, the exemption limit has increased from ₹3 to ₹4 lakh. The rest of the tax slabs have also changed favourably along with a cut in the marginal tax rates. So, everyone earning more than ₹7 lakh stands to gain in taxes payable. No wonder this step, as noted by the Finance Minister, will lead to a fall in tax revenue to the tune of ₹1 lakh crore. This is 8% of the direct income tax collection of ₹12.57 lakh crore in the current year.

Budgets are an exercise in both a redistribution of income (through differential variation in tax rates) and affecting the level of economic activity through its expenditure decisions.

Since the tax rebate has implications for both, and a lot of the plans of the 2025 Budget ride on it, this piece primarily focuses on this unprecedented fall in income tax rates.

The logic behind the tax rebates
Despite the fall of 8% in the effective tax rate as a result of this policy, the Budget has estimated direct tax collection to go up by 14%. A simple arithmetic calculation would tell us that this requires the rise of income to be around 24% (see Box 1). With a projected growth of 10.1% in nominal GDP, this means more than double the growth in taxpayers' income. This may or may not happen. Let's discuss each of the two scenarios.

First, the optimistic scenario. In the backdrop of higher tax exemption limits (from ₹7 to ₹12 lakh for zero tax and ₹3 to ₹4 lakh for those earning more than 12 lakh), this would require either a significant rise in the number of people earning more than ₹12 lakh and/or a significant rise in the income of the current taxpayers, that is, what economists would call higher tax buoyancy. If it's the latter, this means further concentration of income in the hands of the upper classes. This may just further the K-shaped growth that the country has witnessed since the pandemic. And if it's the former, this may reflect some upward mobility at the upper end of the income spectrum.

Worst-case scenario
Now, the pessimistic scenario. If the tax buoyancy does not quite work out, the implication of it is going to fall on the poor and disadvantaged of this country.

In a world where expenditure by the government is directly linked to tax revenue, any shortfall on the tax side will show up on the expenditure side as well. With the Fiscal Responsibility Budgetary Management Act (FRBM) in place, governments are bound by how much they can spend over and above their tax revenue and that deficit limit is set in the Budget every year (see Box 2). The state effectively loses control over how much it

Cut in taxes, rise in income?

The Union Budget for 2025-26 gave a significant cut in tax rates for every class of taxpayer. For those earning between ₹7-₹12 lakh a year, it is a complete tax rebate, which was earlier applicable to only those below ₹7 lakh. For others earning more than ₹12 lakh, the exemption limit has increased from ₹3 to ₹4 lakh



Box 1

$$T = t \cdot Y$$

$$\frac{\Delta T}{T} = \frac{\Delta t}{t} + \frac{\Delta Y}{Y} + \left(\frac{\Delta t}{t} \cdot \frac{\Delta Y}{Y} \right)$$

$$\therefore 0.14 = -0.08 + 0.92 \frac{\Delta Y}{Y}$$

$$100 \cdot \frac{\Delta Y}{Y} = 23.9\%$$

where,
T = income tax revenue
t = average income tax rate
Y = total taxpayers' income

Box 2

$$G - T = d \cdot Y$$

$$G = T + d \cdot Y$$

$$G = (t + d) \cdot Y$$

where,
G = total government expenditure
T = total tax revenue
Y = Output (GDP)
d = FRBM deficit target
t = total tax-GDP ratio

Chart 1: Delivery versus promises in fiscal expenditure

	RE 2024 minus BE 2024	BE 2025 minus RE 2024
Total expenditure	-1,04,025	3,48,858
Capital expenditure	-92,682	1,02,661
Rural development	-75,133	76,142
Urban development	-18,907	33,107
Education	-11,584	14,596
Agriculture	-10,992	30,578
Food subsidy	-7,830	6,000
Health	-1,255	10,279

RE: Revised Estimate; BE: Budget Estimate

Source: Authors' calculations, various budget documents, Government of India

can spend, and the fiscal policy becomes pro-cyclical (it increases or decreases with GDP) instead of countercyclical as it is supposed to be. The idea of fiscal policy arose in economics from the assumption that it could be expanded in conditions of slowdown and contracted during booms. Adherence to FRBM does the exact opposite.

This government's track record on strictly adhering to its deficit targets is quite telling. In a year, when the government was worried about a four-year low in economic growth, it has dared to revise its deficit target down from 5% as announced in the 2024 Budget to 4.8%. No wonder this fall in deficit has been managed through an almost across the board cut in expenditures compared to the figures announced in Budget 2024 (Chart 1 shows categories of expenses where there has been a fall). The left column in the chart shows the difference between what the Finance Minister announced last year and what the revised expenses actually were. As is evident, there has been a fall of ₹1 lakh crore in total expenditure. So, the government fell way short of its 2024 promises in terms of its commitments. The promises made in Budget 2025 (the right column of chart 1) are a significant jump from the revised figures of the last Budget. These promises

can only be fulfilled if revenue plans turn out to be correct otherwise there would have to be similar (or more) cuts in the actual expenses made in 2025-26.

That the government is extremely serious about managing its deficit becomes clearer if one looks at some of the schemes that have been associated with the Prime Minister. Chart 2 presents the difference between the Budget and Revised Estimates for some of these important schemes. It can be seen that the cut has been across most of the flagship schemes. So, when this government promises fiscal consolidation, it really means it, no matter what the underlying economic circumstances are. The only exception to this rule is perhaps the pandemic where fiscal consolidation was paused for a brief while.

Fiscal consolidation or contraction?
What is additionally worrying on this count is that the Finance Minister has announced an even lower deficit target this Budget, down from 4.8% (RE 2024) to 4.4% (BE 2025). It's not fiscal consolidation alone, it's fiscal contraction. If a 4.8% couldn't deliver a turnaround in growth, a 4.4% is less likely to. Even if you were a fiscal hawk, now is not the time to be one. With growth slowing down, the

economy requires exogenous stimuli (exogenous to the current level of activity), which propels the economy. Such an exogenous stimulus usually comes from exports, corporate investment or government expenditure. With the last lever gone (as expenditure becomes pro-cyclical), the government is effectively banking on exports and corporate investment to bring about a turnaround in growth. If we go by the 2025 Economic Survey, policymakers are not very optimistic about global demand, so it is clear they are expecting the corporate sector to take up the slack.

If corporate investment has not picked up despite tax cuts or aggressive capex spending over the last four years, there has to be the expectation that the income tax cuts would increase consumption demand, which would require an increase in investment, thereby setting a virtuous cycle of growth begetting growth. Yet again, we are back to income tax cuts. Does putting all your eggs in one basket make sense when things are not going your way? And yet, this is what the government seems to have done. It's a one way gamble.

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THE GIST

Budgets are an exercise in both a redistribution of income (through differential variation in tax rates) and affecting the level of economic activity through its expenditure decisions.

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KEYWORD



ISTOCKPHOTO

How beggar-thy-neighbour policies can make global trade come to a standstill

The term is attributed to Scottish economist Adam Smith who first used it in his book in 1776. A trade war in which a government imposes heavy tariffs and strict quotas on the import of foreign goods into the country is the most common example of beggar-thy-neighbour policies

Prashanth Perumal

Beggar-thy-neighbour policies refer to protectionist economic policies adopted by governments that are aimed at benefiting a country's economy at the expense of other countries. A trade war in which a government imposes heavy tariffs and strict quotas on the import of foreign goods into the country is the most common example of beggar-thy-neighbour policies. Central banks of countries can also engage in beggar-thy-neighbour policies through currency wars wherein they depreciate the value of their domestic currencies against foreign currencies in an attempt to boost their domestic exports and to discourage the import of foreign goods.

Origins of the idea

The term is attributed to Scottish economist Adam Smith who first used it in his well-known 1776 book *The Wealth of Nations*. He coined the term to criticise mercantilists of his time who advocated protectionist policies such as the imposition of tariffs and other forms of trade barriers in order to achieve a trade surplus with other countries. The mercantilists believed that a country can grow its wealth through international trade but at the cost of impoverishing other nations. Mr. Smith, on the other hand, believed that free trade in the long-run enriches all nations engaged in such trade.

Supporters of beggar-thy-neighbour policies argue that these policies help boost a country's domestic economy by aiding certain important industries and protecting jobs. They usually point out that countries need to protect certain industries due to national security reasons and also in order to help protect them from foreign competition during their nascent development stages. Central banks engaged in beggar-thy-neighbour policies, on the other hand, argue that depreciating the national currency will make the country's exports look cheaper to foreigners, thus boosting exports. They also argue that a depreciation in the value of a nation's currency will make it more expensive for domestic citizens to purchase foreign goods, thus discouraging imports. Higher exports and lower imports, in turn, are expected to lead to a trade surplus which is said to be good for the domestic economy. It should be noted that supporters of beggar-thy-neighbour policies see exports as a good thing because exports are seen as boosting demand for the goods manufactured by domestic firms. At the same time, imports are considered bad because they are seen as boosting demand for foreign firms.

Opposing voices

Critics, however, argue that beggar-thy-neighbour policies can make all countries poorer, particularly when countries begin to retaliate against each other by imposing tit-for-tat tariffs and currency devaluations. Such tit-for-tat

policies were implemented most notably during the interim period between the two major World Wars. Retaliatory tariffs and competitive currency devaluations during the period led to a significant drop in global trade and investment. In fact, economic historians consider such protectionist policies to be one of the major reasons behind the Great Depression that affected countries across the globe. In recent decades, countries such as China and Japan have been accused of devaluing their currencies to help their exporters, and to achieve a trade surplus with other major economies such as the United States. The rise of populist movements in recent years, particularly in the United States under Donald Trump's presidency, has led to renewed fears that we could see the return of tit-for-tat economic policies that caused global trade to come to a standstill.

It should be noted that beggar-thy-neighbour policies are generally targeted at benefiting domestic producers and their workers who possess significant political influence rather than consumers, who are in fact severely harmed by such policies. For example, U.S. President Trump's latest tariffs this week against Chinese imports are expected to help American producers who may now likely face lesser competition from Chinese firms. However, the same tariffs and other trade barriers are expected to affect American consumers who will now likely have to

pay higher prices for goods due to reduced foreign supplies. Similarly, when a central bank depreciates the exchange value of its currency by flooding the forex market with its currency, it puts more domestic currency in the hands of foreigners, thus reducing the purchasing power of domestic consumers who will now be able to purchase fewer domestic goods.

Some critics of beggar-thy-neighbour policies also argue that countries should not retaliate when a foreign country imposes tariffs or other trade barriers on their exporters or devalues its currency in order to favour its own domestic exporters. They believe that countries that adopt unilateral free trade can avoid the damage caused by retaliatory tariffs, and in fact even benefit from the protectionist policies of other countries. Take the case of a country like China that is hit by tariffs imposed by the United States. While U.S. tariffs would make life hard for Chinese producers, imposing retaliatory tariffs against U.S. goods will only make things worse for China because Chinese consumers will then have to pay more for goods and services imported from the U.S. Retaliatory tariffs can thus turn out to be a double whammy for China. Similarly, according to this view, if the U.S. Federal Reserve depreciates its currency to boost its exports, it would be best for the Chinese central bank to avoid competitive devaluation because the U.S. Federal Reserve is actually subsidising Chinese consumers.

THE DAILY QUIZ

World Cancer Day is observed on February 4 every year. Here is a quiz on cancer

Sindhu Nagaraj

QUESTION 1

_____ is the cause of about 22% of cancer deaths. Another 10% are due to obesity, poor diet, lack of physical activity or excessive alcohol consumption. Fill in the blank. This is responsible for about one in five cancer deaths worldwide.

QUESTION 2

This is a type of lymphoma in which cancer originates from a specific type of white blood cell called lymphocytes, where multinucleated Reed-Sternberg cells (RS cells) are present in the patient's lymph nodes. The

condition was named after an English physician who first described it in 1832. What is it called?

QUESTION 3

What is the term used to define the spread of cancer to other locations in the body?

QUESTION 4

This is a type of cancer that develops from the thin layer of tissue that covers many of the internal organs. The area most commonly affected is the lining of the lungs and chest wall. What is it called?

QUESTION 5

Which U.S. President declared a 'war on cancer' leading to new research in the fields of molecular biology and cellular biology?



Visual question: For which type of cancer, is this vaccine provided?

Questions and Answers to the

- previous day's daily quiz: 1. Her alter ego is Sasha Fierce. **Ans: Beyonce**
 2. This genre of music was recognised at the Grammy Awards in 1989. **Ans: Rap**
 3. This poet, lyricist, author, and director was born in Jhelum district of present-day Pakistan. He won a Grammy Award in 2010 as well as an Academy Award. **Ans: Gulzar**
 4. This song was written and sung more than a quarter of a century ago. Name the song and the famous band that won the Grammy Award. **Ans: Now and Then; The Beatles**
 5. This artist's stage name used to be K. Dot. **Ans: Kendrick Lamar**
 Visual: Name the woman, her husband, and the man presenting the award to her. **Ans: Coretta Scott King, Martin Luther King Jr., and Jackie Jackson**
Early Birds: Piyali Tuli| Rajib Ganguly| Prashant Nain| Tamal Biswas| Sumana Dutta

From Page One

U.S. deports Indians as Trump tightens rules

The U.S. Department of Homeland Security had flown out a “large-frame charter removal flight” on October 22, 2024 carrying Indian nationals who had attempted to enter the U.S. illegally.

In a statement, the DHS had informed that since June 2024, the outfit had “removed or returned” over 1,60,000 individuals and operated around 495 international repatriation flights to “more than 145 countries - including India”.

Tuesday’s exercise indicates a continued dialogue between the Trump administration and the Indian authorities. External Affairs Minister S. Jaishankar had met the new U.S. Secretary of State, Marco Rubio, soon after the January 20 swearing-in of Mr. Trump.

Emphasising the policy of the Trump administration regarding illegal immigration, Mr. Rubio said on January 26, “President Trump has made it clear that under his administration, America will no longer be lied to nor taken advantage of. It is the responsibility of each nation to take back their citizens who are illegally present in the United States in a serious and expeditious manner.”

Though Mr. Rubio had made that comment in the context of the U.S.-Colombia war of words over illegal migrants, he made the general context of the remark clear by reiterating that the U.S. was “unwavering” in its “commitment to end illegal immigration.”

Responding to a question from the media regarding the U.S. position, External Affairs Ministry spokesperson Randhir Jaiswal clarified last week that India would take back its citizens only after confirming their nationality.

“... Not just in the United States but anywhere in the world, if they are Indian nationals, and they are overstaying or they are in a particular country without proper documentation, we will take them back, provided documents are shared with us so that we can verify their nationality that they are indeed Indians,” Mr. Jaiswal said., adding, “If that happens to be the case, then we will take things forward, we will facilitate the return to India.”

Since the inauguration of Mr. Trump on January 20, the issue of “illegal immigration” has been in the spotlight. It was a major poll plank during his campaign.

Indian sources informed that New Delhi is “duty bound” to take back Indian citizens if they are found to be staying in foreign countries by using illegal means but also pointed out that there is an air of uncertainty within the U.S. over the tough immigration policy and because of defunding of several federally funded projects as a result of the activities of the Elon Musk-led DOGE (Department of Government Efficiency).

It has been learnt that Mr. Modi is expected to reach the U.S. on February 12. He is among a number of foreign leaders like U.K. Prime Minister Keir Starmer and Japanese Prime Minister Shigeru Ishiba who are scheduled to meet Mr. Trump in the next few days.

Deport foreigners, do not detain them for eternity: SC

Top court asks Assam if it is waiting for an auspicious time to deport people declared foreigners; it directs the Union government to give details of declared foreigners, how many were deported

The Hindu Bureau
NEW DELHI

The Supreme Court on Tuesday pulled up the Assam government for detaining indefinitely people declared as foreigners in detention camps, asking the State whether it was waiting for an auspicious time to deport them.

A Bench of Justices A.S. Oka and Ujjal Bhuyan expressed surprise at the State’s affidavit that it was not sending nationality verification forms to the Ministry of External Affairs as the addresses of the detainees in their country were not known.

Noting that once the detainees were identified as foreigners they ought to be deported immediately, the Bench asked whether the addresses of the foreigners should be of any concern to the authorities here.

“Why should it be our concern? You deport to their foreign country. Are you waiting for some *muhurat* (auspicious time)? Once you declare a person as a foreigner, then you have to take the next logi-



Legal push: The court highlighted that the prolonged detention of these individuals is a financial burden on the public exchequer. AP

cal step. You cannot detain them for eternity. Article 21 of the Constitution is there. There are many foreigners lodged in detention centres in Assam. How many have you deported?” the Bench asked counsel appearing for Assam.

The Bench further ordered the Centre to inform the court in what manner the cases of persons [whose nationality is not known] were being dealt with. The court also directed the Union government to place on record the details of declared foreigners, and the details and the number of persons who had so far been deported.

The court directed the State to file a proper affidavit reporting compliance.

“If the State government finds that nationality verification forms have been sent two months ago, it will immediately issue a reminder to the Ministry of External Affairs. As soon as such reminder is received by the Ministry, effective action shall be taken by the Ministry on the basis of nationality status verification,” the court ordered.

The Bench questioned Assam Chief Secretary Ravi Kota, who appeared via video-conferencing, about the delay in deportation. The court reminded the

State that the public exchequer was bearing the cost of the detention of the foreigners in the detention centres.

“My information is that attempts are being made to figure out if Bangladesh will take these people out. Bangladesh is refusing. India says they are not Indians. Bangladesh says they are not Bangladeshis. They have become stateless. They are in detention for over 10 years. Bangladesh says they won’t accept anyone who lived in India for many years,” senior advocate Colin Gonsalves, appearing for a petitioner who raised the issue of deportation of declared foreigners and facilities at the detention centres in Assam, submitted.

Solicitor-General Tushar Mehta said he would sit with the highest authorities to sort out the issue. “Let me sit with the Ministry of External Affairs. It is not a State subject. It is a Central subject which is dealt with by the Centre,” Mr. Mehta said.

The court listed the case for February 25.

M.P. CM to release 5 cheetahs into the wild at Kuno today

Madhya Pradesh Chief Minister Mohan Yadav will release five cheetahs into the wild at the Kuno National Park in Sheopur district on Wednesday, after the cheetah Veera gave birth to two cubs on Tuesday, a senior official said. Speaking to *The Hindu*, the official, who requested anonymity, said, "The Chief Minister will release five cheetahs into the open forest tomorrow [Wednesday]." Earlier on December 4, 2024, two male cheetahs – Vayu and Agni – were released into the wild, more than two years after eight cheetahs were brought to KNP from Namibia. With the Wednesday's release, a total of seven cheetahs will roam freely into the KNP.

Ahead of civic polls, BMC presents over ₹74,000-cr. budget

Snehal Mutha
MUMBAI

The Brihanmumbai Municipal Corporation (BMC), country's richest civic body, on Tuesday presented a ₹74,427.41 crore budget for the financial year 2025-26 without any hike in taxes.

Ahead of the crucial civic polls likely to be held this year, BMC Commissioner Bhushan Gagarin presented the budget. This is the third consecutive year when the budget was presented by a State-appointed administrator as civic polls have not been held after the expiry of the House term in March 2022. Maharashtra Deputy Chief Minister Eknath Shinde, who is also holds the Urban Development portfolio, said the budget has taken care of the common man.

Objections from Border Guard Bangladesh, land acquisition issues stalling fencing: govt.

Vijaita Singh
NEW DELHI

The Union Home Ministry informed the Lok Sabha on Tuesday that over 800 km of the border along Bangladesh was yet to be fenced, adding that objections from the Border Guard Bangladesh (BGB) was one of the challenges being faced in completion of the work.

Minister of State for Home Nityanand Rai said in a written reply that the total length of the India-Bangladesh border is 4,096.7 km, out of which 3,232.218 km has been fenced.

"Construction of fencing is an important security measure for securing the border. Fencing helps in ensuring a crime-free border by effectively ad-



Nityanand Rai

ressing the challenges of cross-border criminal activities, smuggling, movement of criminals and trafficking," the reply said.

India has conveyed to the Government of Bangladesh that with regard to security measures at the border, India observes all protocols and agreements between the two governments and between the Border Security Force and the Border Guard Bangladesh.

The reply added that India's expectation that all earlier understandings will be implemented by Bangladesh and there will be a cooperative approach to combating cross-border crimes has also been conveyed to Bangladesh.

"A length of 864.482 km of the India-Bangladesh border is yet to be fenced which includes a length of 174.514 km of non-feasible gap. The challenges faced in completing the feasible stretches of fencing projects relate to land acquisition, Border Guard Bangladesh (BGB) objections, limited working season and landslides/marshy land," the reply said.

After political changes in Bangladesh last year, several instances of disputes have erupted over border fencing.

‘Monetary and fiscal policies need to work in tandem’

Ahead of RBI's monetary policy review, Finance Secretary indicates that growth impulses would get a bigger boost if interest rates are reduced

Vikas Dhoot
NEW DELHI

With a non-inflationary Budget marked by fiscal discipline, the Centre has done its bit to support growth and aid monetary policy making, India's top Finance Ministry official said on Tuesday, signaling that monetary and fiscal policies must not work at ‘cross purposes’ as the economy will gain more traction if interest rates are eased once inflation is reined in.

The subtle nudge to the central bank assumes significance, as it comes a day before the Reserve Bank of India's Monetary Policy Committee (MPC) convenes for its bi-monthly review. The six-member MPC's decision on whether to hold interest rates yet again or kick off a rate cut cycle, will be announced by RBI Governor Sanjay Malhotra on Friday.

“We have maintained the fiscal consolidation part that's important, because we need to be non-inflationary in our approach,” Finance Secretary Tuhin Kanta Pandey said at an event hosted by Assocham. He was referring to the Centre going beyond its fiscal deficit targets in this year, as well as next year, for which the fiscal



Tuhin Kanta Pandey

Jan. inflation likely cooled to 4.5%-4.7%

India's retail inflation likely eased to a five month low of 4.5%-4.7% in January, from 5.2% in December, Bank of Baroda (BoB) economists said on Tuesday, citing a significant cooling in the price rise of essential commodities to 4% compared to 5.4% in the previous month. On a sequential basis, the bank's monthly Essential Commodities Index declined by a sharp 2.4%, after 0.5% dip in December, BoB economist Aditi Gupta said in a note.

gap has been pegged at 4.4% of GDP.

“We have to work within a certain fiscal regime, and we have, to that extent,

aided the monetary authorities to see that if they have to do what they have to do, we are supportive. The fiscal policy and monetary policy need to work in tandem, not at cross purposes... because a lot more benefit will come with monetary easing if we are able to maintain the inflation under control,” Mr. Pandey remarked.

“In any case, inflationary policies can really work only in the short term in terms of pushing growth, but for sustained growth, we need to have a good grip on inflation,” the Secretary underlined.

Dismissing concerns about India's tax base shrinking due to the breaks on annual incomes of up to ₹12 lakh, Mr. Pandey said the government has to be “compassionate” to taxpayers “who have been compassionate to us”.

“We have had a 20-25% growth in personal income tax in the last three years. Are we shrinking the tax base? The point is that incomes must rise with the economy, and so will the taxes. We don't really gain very much loading taxes on the same people over and over again,” he said, promising further reforms in the tax administration regime in the coming years so it won't be seen as ‘extortionist’ or ‘insensitive’.

Tax cuts to boost demand, growth: S&P

Vikas Dhoot
NEW DELHI

Budget 2025-26 will boost India's growth over the next few years, thanks to domestic demand driven by income tax cuts for households, S&P Global Ratings said on Tuesday, even as it pared the 2024-25 growth projection to 6.7% from an earlier predicted 6.8%, and flagged a lack of clarity on the fiscal consolidation path forward.

The rating major mildly raised its growth forecast for 2025-26 to 6.8% from 6.7% projected last November. This is at the higher end of the 6.3%-6.8% real GDP growth projected for 2025-26 in this year's Economic Survey.

India is expected to meet its fiscal deficit targets of 4.8% of GDP for this year and 4.4% of GDP in 2025-26, despite revenue losses from income tax breaks and slower economic growth, the rating firm said. These revenue losses may be offset by “support” stemming from “continued large dividends from the central bank and potential capital under-spending”, the agency remarked, adding that the expected growth rates “continue to place India above sovereign peers at similar income levels and should continue to support fiscal revenue increase despite the income tax cuts”.

The Budget's math remains in line with the firm's expectation of gradual fiscal consolidation and “undergirds our positive outlook on the sovereign credit ratings”, it said in a bulletin titled ‘India re-

S&P Global has raised India's growth forecast for 2025-26 to 6.8% from 6.7% estimated earlier

mains on fiscal consolidation course despite Income tax cuts’. But the agency is not so sanguine about the government's move to a new fiscal anchor of debt to GDP ratio, instead of the fiscal deficit, from 2026-27.

Debt to GDP ratio goal
Over the five years from 2026-27 to 2030-31, the government has set a goal to achieve a debt to GDP ratio of 50% (plus or minus 1%). In 2025-26, this ratio is estimated to be around 56.1% of GDP, as per a fiscal policy statement mandated by the Fiscal Responsibility and Budget Management (FRBM) Act of 2003 tabled by Finance Minister Nirmala Sitharaman in the Parliament last Saturday.

“How the change will affect India's fiscal consolidation path is still unclear. The upgrade trigger for our sovereign ratings rests on a meaningful narrowing of India's fiscal deficits, such that the net change in its general government debt falls below 7% of GDP on a structural basis,” the agency averred.

“This may improve the fiscal flexibility and performance score. But a lower debt-to-GDP ratio for India would not necessarily lead to an improved debt burden score. This is due to the country's very high ratio of government interest servicing to revenue,” S&P Global pointed out.

SEOUL

OpenAI signs deal with S. Korea's Kakao after DeepSeek shocker



REUTERS

OpenAI chief Sam Altman signed a deal with tech giant Kakao in South Korea after Chinese rival DeepSeek shook the global AI industry. Kakao, which owns an online bank, South Korea's largest taxi-hailing app, and a messaging service, announced a partnership allowing them to use ChatGPT for its new AI services. AFP

Gaza ceasefire on agenda as Netanyahu and Trump meet

Israeli PM will be the first foreign leader to be hosted by the U.S. President after assuming office; Tel Aviv vows to send a team to mediator Qatar to discuss second phase of ceasefire agreement

Agence France-Presse
WASHINGTON

Israeli Prime Minister Benjamin Netanyahu was set to meet Donald Trump on Tuesday, the first foreign leader hosted by the new U.S. President, with the pair poised to address the fragile Gaza truce.

After Mr. Trump claimed credit for securing the Israel-Hamas truce after more than 15 months of fighting and bombing, he was likely to urge his ally to stick to the deal – parts of which have yet to be finalised.

In a possible sign of progress, Israel said hours ahead of the White House



Protracted battle: Supporters rally for the return of all hostages held in Gaza, outside the U.S. Embassy in Tel Aviv. REUTERS

meeting that it was sending a team to mediator Qatar to discuss the second phase of the ceasefire agreement, which could lead to a more permanent end to the war.

Palestinian group Hamas said on Tuesday that negotiations for the second phase had begun, with spokesman Abdel Latif al-Qanou saying the focus was on “shelter, relief and

reconstruction” for the war-ravaged Gaza Strip.

Mr. Trump has touted a plan to “clean out” Gaza, calling for Palestinians to move to Egypt or Jordan.

Both countries have flatly rejected his proposal, as have the territory's own residents.

‘Gaza not garbage’

“Trump thinks Gaza is a pile of garbage – absolutely not,” said Hatem Azzam, a 34-year-old resident of the Gaza Strip.

“Trump and Netanyahu must understand the reality of the Palestinian people and the people of Gaza. This is a people deeply rooted in their land. We will not leave,” he added.

Trump halts Canada and Mexico tariffs for a month, while China still remains a target

Agence France-Presse
WASHINGTON

U.S. President Donald Trump on Monday delayed the start of tariffs on neighbours Mexico and Canada for a month on Monday – but China remained in the

firing line for levies.

Mexican President Claudia Sheinbaum and Canadian Prime Minister Justin Trudeau both struck last-minute deals with Mr. Trump to tighten border measures against the flow of migrants and the drug

fentanyl into the U.S.

Tensions appeared higher between the U.S. and Canada – but after two calls with Mr. Trudeau, Mr. Trump said Canada had “agreed to ensure we have a secure Northern Border, and to finally end the dead-

ly scourge of drugs like Fentanyl”. Mr. Trudeau said Canada would deploy nearly 10,000 frontline officers to help secure the border, list drug cartels as terrorists, appoint a ‘Fentanyl Czar’ and crack down on money laundering.

Scans of seemingly empty space reveal black holes not far from earth

If a star orbits a black hole, it will appear from a distance to be orbiting empty space. Gaia projects the star's orbit on a plane in the sky while ground-based telescopes meanwhile track how light from the star is shifted by the Doppler effect. Astronomers put these details together to infer the masses of the star and of the 'blank' space

Shamim Haque Mondal

Astronomers have discovered a gigantic black hole named Gaia BH3 hiding close to the earth, the third of its kind. All three were discovered by the European Space Agency's Gaia telescope, which has been constantly monitoring the motions of billions of stars in our galaxy since 2013.

Black holes are fascinating to non-scientists and astronomers alike. They warp spacetime around them such that anything that gets close enough to the centre, even light, cannot escape back to the universe. Yet black holes are still "visible" because of the unique effects they have on their surroundings. As matter swirls around a black hole, it is compressed, heated up, and emits X-rays.

In the Milky Way, there are around a thousand black holes accompanied by X-ray emissions. Cygnus X-1 is probably the most well known.

Cosmic geometry

Of late, the Gaia spacecraft has also been spotting the quiet ones not associated with X-ray emissions.

If a (light-emitting) star orbits a black hole, it will appear from a distance to be orbiting empty space. Gaia projects the star's orbit on a plane in the sky. Ground-based telescopes meanwhile track how light from the star is shifted by the Doppler effect to reveal its motion along our line of sight, which is perpendicular to the plane of the sky.

Putting these observations together, astronomers can determine the orientation of the star's orbit in space and based on that estimate its mass and then the mass inside the 'blank' space.

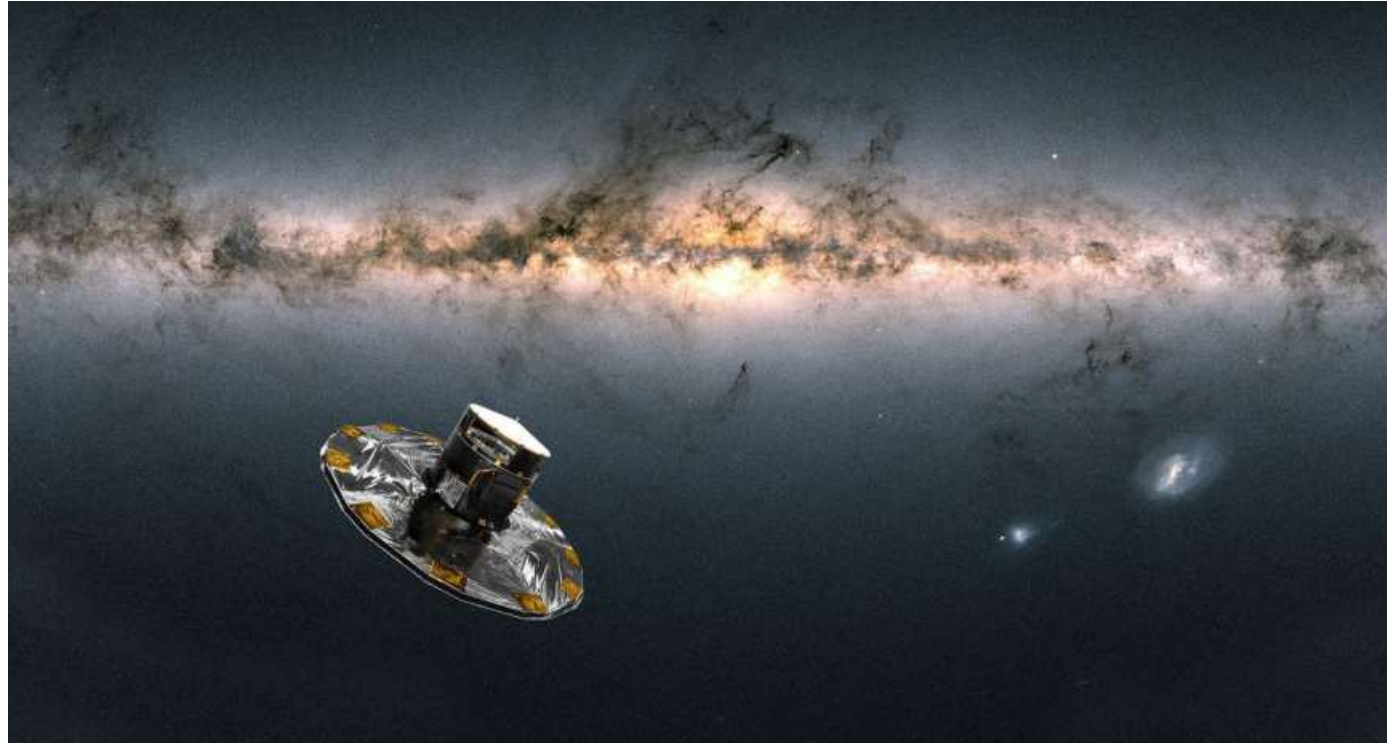
When a sufficiently massive star dies, a black hole forms.

The star's death may happen as a violent supernova explosion or a more prosaic collapse. Most supernova explosions leave behind neutron stars rather than black holes, but neutron stars can have no more than about three solar masses.

If Gaia and Kepler's third law together reveal a luminous star orbiting a dark object whose mass exceeds this threshold, it must be a black hole.

Gaia's first black hole

On June 13, 2022, Gaia scientists published the spacecraft's third data collection comprising more than a billion stars. This dataset revealed a star going around something dark every half earth-year. Its measured velocity matched data collected by the Large Sky Area



An artist's impression of the ESA Gaia spacecraft observing the Milky Way galaxy. ESA/ATG MEDIALAB/A. MOTINHIO, CC BY-SA

Multi-object Fiber Spectroscopic Telescope (LAMOST) in China.

The Magellan Clay telescope in Chile observed the star on July 6, 2022, and reported a much greater velocity. These and subsequent measurements, made by other telescopes more than three weeks later, suggested the star was racing around something no one could see.

The dark object and the yellow star were as far apart as the sun and Mars are. But the star was orbiting the dark region three-times faster.

For a given separation, Kepler's third law says the pair's total mass is related to the square of the orbital velocity. Because the star was moving three-times faster than Mars, the dark object must have been about nine-times as massive as the sun – which meant it could only have been a black hole.

Astronomers called the system Gaia BH1. It is located about 1,560 light years away and is the closest black hole to the earth yet. This distance is 1.4% of the Milky Way's width. The black hole at the galaxy's centre is 26,670 light years away.

A third is revealed

A team of scientists headed by Kareem El-Badry from the California Institute of Technology observed a second black hole with a mass of nine solar masses on August 22, 2022, again by tracking a star rapidly orbiting a seemingly empty volume of space.

The team announced the discovery,



Further data from ground-based telescopes confirmed that it is many times more massive than any black hole previously found in our galaxy. Such a discovery is a rare occurrence in astronomical research

called Gaia BH2, in early 2023.

BH1 and BH2 are quite similar but Gaia BH3 – the newest – is completely different. It is the first black hole astronomers have found in the Milky Way galaxy's outer reaches and the largest known stellar-mass black hole in the galaxy.

In July 2023, astrophysicist Pasquale Panuzzo at the Paris Observatory was examining unreleased Gaia data. He was looking at what he called "binary fake solutions": stars that seemed to be orbiting massive dark objects but only because of undetected errors.

But one of the fakes turned out to be real. In fact, Panuzzo and his colleagues soon realised they had discovered the largest stellar-mass black hole to date.

Its 33 solar masses easily surpasses Cygnus X-1, the galaxy's prevailing heavyweight, by 12 solar masses. A yellow giant star nearby orbited the black hole every 11.6 years. On average, the star and the black hole are slightly closer together

than the sun and Uranus are. The team reported the discovery in April 2024.

In the sky, Gaia BH3 is located about 2,000 light years away in the constellation Aquila and appears to be a passive black hole: it is not actively pulling material in from its surroundings.

Scientists have interpreted this to mean it lacks a significant supply of matter in its neighbourhood. It does not have associated X-ray emissions either.

Studies of the composition of the star orbiting it suggested that it was very old. Harvard University astrophysicist Avi Loeb suggested in a statement that this means black holes as massive as BH3 "were made early in the universe."

Black holes of this class were first revealed in 2015 when the LIGO and VIRGO experiments detected gravitational waves emitted by a pair of black holes merging. Each possessed 30 solar masses and were located 1-2 billion light years away from the earth.

Panuzzo said in a statement, "We finally have an equivalent in our galaxy that we can study because it is so nearby."

"Further data from ground-based telescopes confirmed that it is many times more massive than any black hole previously found in our galaxy. Such a discovery is a rare occurrence in astronomical research," he added.

(Shamim Haque Mondal is a researcher in the Physics Division, State Forensic Science Laboratory, Kolkata. shamimmondal709@gmail.com)

THE GIST

Black holes warp spacetime around them such that even light cannot escape. Yet they are 'visible' because of the effects they have on their surroundings. As matter swirls around a black hole, it is compressed, heated up, and emits X-rays

A black hole forms when a star dies. It may happen as a supernova or a collapse. Most supernovae leave behind neutron stars, but these are no more than three solar masses. If a luminous star is orbiting a dark object with greater mass, it must be a black hole

On June 13, 2022, scientists discovered a star orbiting something dark. They were as far apart as the sun and Mars. But the star was moving three times faster than Mars, so it must have been nine-times as massive as the sun – which meant it was a black hole. The Gaia BH1 is the closest black hole to earth yet

QUESTION CORNER

A piercing eye in the desert



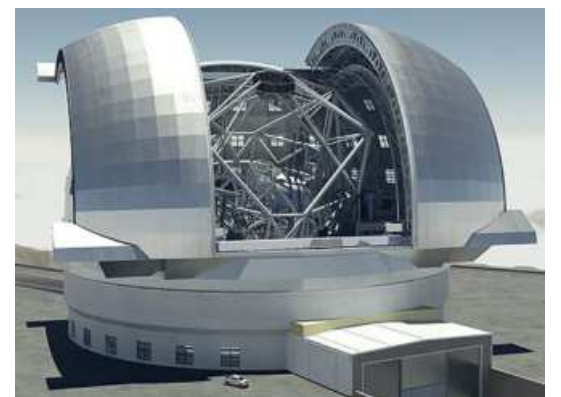
Q: What is the Extremely Large Telescope?

A: The Extremely Large

Telescope is planned to be one of the most capable astronomical observatories ever assembled. The telescope, currently about 60% complete, is intended to search for evidence of potential life on exoplanets and peer back in time to look for the universe's earliest stars and galaxies. Its first scientific observations are expected by the end of 2028.

It is a \$1.51 billion project of the European Southern Observatory (ESO) intergovernmental research organisation and is under construction in northern Chile. "It is going to impact practically all areas of astronomy. We are going to be able to see how the first galaxies were formed at the beginning of the universe," said astrophysicist Itziar de Gregorio, the ESO representative in Chile.

He added that researchers plan to use it to "characterise stars in other galaxies" and advance their understanding of exoplanets. In particular, we



The Extremely Large Telescope is under construction in northern Chile. Image is an illustration of the completed telescope. CREDIT: ESO

are going to be studying the atmospheres" of exoplanets for signs of life, he added.

The telescope's giant primary mirror will be made of 798 small mirrors and collectively be about 39.3 metres wide. It is situated in the middle of the arid Atacama Desert, considered one of the best places on the earth for astronomy. The telescope is located on Armazones Hill, about 3 km above sea level and about 1,000 km north of Chile's capital.

The telescope is expected to be the largest optical-infrared facility in the world for decades. The mirrors are ready and awaiting installation. — Reuters