EDITORIALS - 11TH AUG 2026

1. For energy security, way forward is not public or private, but both (GS Paper III Economy)

This editorial '**For energy security, way forward is not public or private, but both**' was published in **The Indian Express** on 11th Aug 2026, highlights the need to **retain** strategic **public institutions** while expanding **private participation** and energy reserves.

Strategic Case for Public Ownership

- **ONGC and OIL** support energy security independently of strategic petroleum reserves; treating their ownership as an either-or choice is misplaced.
- High **finding costs** in Godavari, Mahanadi and Andaman basins reflect geology and oil prices, not the efficiency of public ownership.
- Completed exploration decisions depend on discovery size, future expenditure and revenues; past **exploration costs** are sunk and remain relevant only for performance evaluation and cost recovery.
- **Public sector undertakings** can pursue broader national objectives during crises, while private companies remain primarily guided by shareholder returns.
- Privatising ONGC would transfer interconnected **strategic assets**, including Petronet LNG, IOC, OTPC, Dahej SEZ and Mangalore SEZ, beyond public control.
- Public ownership preserves government influence over nearly **40 MMtoe** of domestic production and provides strategic leverage during supply disruptions.

Production, Reserves and Supply Resilience

- **Strategic reserves** insure against temporary disruptions, while domestic production continuously lowers imports and strengthens resilience throughout a field's operating life.
- India could require long-term suppliers to maintain **strategic stocks** for its market, reducing domestic storage costs through contractual or sovereign arrangements.
- Exploration is constrained mainly by access, not geology or technology; **99% of offshore no-go areas** have now been cleared and nearly one million square kilometres opened.
- **Seismic surveys** can identify prospects, technological advances can improve recovery, and ONGC's Mumbai High partnership demonstrates the value of global expertise.
- Geopolitical threats to maritime routes and **Bab-el-Mandeb** make sovereign production capacity essential for redirecting supplies, sustaining output and absorbing temporary losses.

Diversified Energy-Security Strategy

- **Ethanol blending**, already at 20%, displaced 310 lakh tonnes of crude, saved over ₹1.90 lakh crore in foreign exchange and transferred ₹1.6 lakh crore to farmers.
- Ethanol blending also avoided over **930 lakh tonnes of CO_2 emissions**, linking import reduction with a lower-emission energy transition.
- Renewable energy, domestic alternatives, strategic storage and **domestic blending** collectively reduce dependence on imported barrels, provided expansion is carefully coordinated.
- India needs a **two-pronged strategy** of strengthening domestic production and expanding reserves, making reform of ONGC and OIL preferable to privatisation.
- Government should avoid operational interference but retain instruments for guiding the **energy value chain** in the national interest while enabling private participation.

Beyond Editorial

Demand-Side Pathways for Energy Security

- **Efficiency-first approach:** UJALA distributed 36.87 crore LED bulbs, saving an estimated 47,883 million kWh of electricity annually by December 2025.
- **Industrial conservation:** The Perform, Achieve and Trade scheme generates annual energy savings worth about ₹55,000 crore across energy-intensive industries.
- **Transport transition:** Nearly complete broad-gauge railway electrification and Dedicated Freight Corridors can shift passenger and freight movement away from petroleum-intensive roads.
- **Vehicle electrification:** PM E-DRIVE's ₹10,900 crore outlay supports electric vehicles, while 13,800 e-buses have been allocated across seven major cities.
- **Smart energy pricing:** Time-of-Day tariffs provide electricity 20% cheaper during solar hours and impose 10–20% higher charges during peak periods.
- **Distributed generation:** By August 2026, PM Surya Ghar had enabled over 50 lakh rooftop installations, creating 14.8 GW of decentralised capacity.

2. The MSME opportunity lies in clustering them (GS Paper III Economy)

This editorial '**The MSME opportunity lies in clustering them**' was published in **The Indian Express** on 11th Aug 2026, and highlights **cluster-based ecosystem** development as the key to transforming MSMEs into engines of employment, productivity and exports.

MSME Potential and Structural Constraints

- Rising **youth unemployment** and AI-driven disruption make MSMEs crucial for generating large-scale employment.
- The **MSME Development (Amendment) Bill, 2026** addresses delayed payments, dispute resolution and compliance burdens, but leaves deeper structural weaknesses unresolved.
- India's **63 million MSMEs** employ over 320 million people and contribute 31% of GDP, 35% of manufacturing output and 49% of exports.
- Despite their scale, MSMEs remain **informal and fragmented**, concentrated in low-value activities with limited access to affordable credit.
- Smaller enterprises face heavy **compliance burdens** involving GST, labour, environmental and taxation requirements.

Economic Benefits of Industrial Clusters

- The US and China built industrial strength through **dense clusters** connecting suppliers, workers, research institutions and capital, rather than supporting isolated firms.
- North Carolina's **Research Triangle** linked universities and industry, creating strong biotechnology and pharmaceutical ecosystems.
- Guangdong's industrial zones combined land, infrastructure and **tax incentives**, enabling dense supplier networks and rapid designing, fabrication and prototyping.
- Clusters generate **knowledge spillovers** through worker mobility, informal interaction and shared service providers while attracting specialised talent.
- Shared testing laboratories, treatment plants, cold storage and logistics reduce **fixed costs** and improve smaller firms' competitiveness.
- China's **Little Giant programme** supports technically capable niche firms through finance, taxation and research assistance.

Required Shift towards Ecosystem Building

- Existing initiatives such as the **MSME Cluster Development Programme** and PM MITRA parks often provide infrastructure without building complete industrial ecosystems.
- India should replace generic industrial estates with **specialised clusters** for sectors such as auto components in Pune and electronics in Sriperumbudur.
- An Indian **Little Giant programme** should identify hidden champions and offer dedicated credit, faster patents, R&D support and procurement preference.
- **Cluster-based lending** can assess shared collateral, buyer-supplier relations and collective performance, reducing information asymmetry and financial risk.
- The Tiruppur textile cluster model could be expanded through **SIDBI and NBFCs** focused specifically on cluster financing.
- Universities must anchor MSME clusters by supplying **skilled talent**, laboratory infrastructure and innovation, following successful Chinese and American models.

Beyond Editorial

Climate-Resilient MSME Clusters

- **Common green infrastructure:** MSE-CDP supports shared testing centres and effluent-treatment facilities, making environmental compliance affordable for small cluster-based enterprises.
- **Circular production:** MSE-SPICE provides a 25% capital subsidy for circular-economy investments, encouraging recycling, material recovery and productive waste reuse.
- **Green finance:** MSE-GIFT offers 2% interest subvention for adopting green technologies, reducing the financing burden on resource-constrained micro and small enterprises.
- **Climate-risk planning:** NITI Aayog's 2026 MSME roadmap highlights resource scarcity, rising insurance costs and supply disruptions, requiring cluster-level vulnerability assessments.
- **Export preparedness:** Carbon accounting and cleaner production can protect MSMEs from exclusion as global buyers increasingly impose sustainability requirements across value chains.
- **Technology adoption:** ADEETIE covers 14 energy-intensive sectors across 60 industrial clusters, providing audits, bankable project reports and 3–5% interest subvention.
- **Quality transition:** The MSME Sustainable ZED programme provides eligible units up to ₹2 lakh for consultancy and ₹3 lakh for technology upgrades.

3. Ten years later, looking back and ahead at a true GeM (GS Paper II Governance)

This editorial '**Ten years later, looking back and ahead at a true GeM**' was published in **The Indian Express** on 11th Aug 2026, highlights GeM's decade-long transformation of **public procurement** through transparency, efficiency and inclusive participation.

GeM's Procurement Transformation

- Launched on **August 9, 2016**, GeM connects 1.37 lakh government buyers with 25 lakh sellers and service providers.
- **Government e-Marketplace** integrates major procurement functions into one digital platform, supporting inclusive development and Viksit Bharat 2047.
- GeM replaced the opaque **Directorate General of Supplies and Disposals**, opening procurement previously dominated by privileged suppliers.

- End-to-end **procurement digitisation**, covering discovery, bidding, contracts and payments, reduces discretion and promotes fair competition.
- Every transaction creates an **auditable trail**, strengthening accountability, integrity and public trust in government procurement.
- Simplified registration, standardised processes and removal of **Caution Money Deposit** and transaction charges have reduced participation barriers.

Inclusive Growth and Self-Reliance

- Priority for **domestic enterprises** strengthens local value chains, indigenous production and economic self-reliance.
- **Micro and small enterprises** constitute nearly 60% of orders by volume and over 45% of GeM's Gross Merchandise Value.
- Direct access to government buyers enables **start-ups and women-led enterprises** to compete without intermediaries or established-market advantages.
- Democratised procurement makes small businesses active development partners, advancing **entrepreneurship and equitable growth**.
- Efficient procurement of medicines, vaccines, defence supplies, drones and infrastructure improves **public-service delivery** and resource utilisation.

Scale, Gains and Future Direction

- GeM crossed **₹5 lakh crore annual GMV** in each of the last two financial years, taking cumulative value to about ₹20 lakh crore.
- The marketplace now covers **10,644 product categories** and 350 service categories, reflecting its expanding procurement scope.
- An **IIT Delhi study** estimated monetised price and process-efficiency benefits of ₹86,571.69 crore over three financial years.
- GeM's second decade seeks a **smarter and greener platform**, globally benchmarked and powered by emerging technologies.
- Future expansion will deepen **stakeholder participation**, particularly among innovators, start-ups, women, youth, small-town entrepreneurs and disadvantaged groups.

Beyond Editorial

Safeguards against Digital Procurement Risks

- **Cybersecurity protection:** GeM should follow CERT-In's six-hour incident-reporting requirement and undertake periodic security audits to protect sensitive procurement and vendor data.
- **Algorithmic transparency:** Since GeM seller ratings can influence selection among multiple L1 offers, rating criteria must remain explainable, reviewable and bias-free.
- **Collusion detection:** GeM warns sellers against cartelisation, while CCI's Diagnostic Toolkit helps procurement officials identify suspicious bidding patterns and coordinated quotations.
- **Digital inclusion:** GeM already offers interactive seller-training courses in 12 languages; assisted onboarding can further include rural enterprises with limited digital capacity.
- **Data protection:** GeM's handling of financial and commercial information should follow the Digital Personal Data Protection Act, 2023, including purpose limitation and secure processing.
- **Market concentration:** Online Udyam verification enables MSE purchase benefits, but procurement analytics must prevent repeated contract capture by a few dominant vendors.
- **Grievance accountability:** GeM's Incident Management Policy and pending-payment escalation mechanism should ensure time-bound review of delisting, payment and contractual complaints.