10/02/2025 MONDAY

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DAILY NEWS ANALYSIS

POLITY

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ECOLOGY

Biren quits as Manipur CM after meeting Shah

POLITY & GOVERNANCE



Manipur Chief Minister N. Biren Singh resigned after meeting Union Home Minister Amit Shah in New Delhi. He submitted his resignation to Governor Ajay Kumar Bhalla upon returning to Imphal, and the Governor asked him to continue until alternative arrangements were made. The BJP leadership is considering its next steps, with President's Rule being a possibility if no party stakes a claim to form the government.

A virtual meeting chaired by Union Home Secretary Govind Mohan reviewed the security situation, with forces placed on high alert due to potential violence. Authorities were instructed to monitor insurgent activities, protests, and looted weapons in the state.

The resignation follows ongoing ethnic violence between the Kuki-Zo and Meitei communities, which has claimed over 250 lives

and displaced more than 60,000 people since May 2023. It also comes after a Supreme Court order to verify an alleged audio recording in which Singh is heard taking credit for violence against the Kuki-Zo community. Congress leader Rahul Gandhi criticized the BJP, accusing Singh of fostering division and blaming Prime Minister Modi for allowing him to remain in office despite the violence.

Sri Lankan Navy arrests 14 Tamil Nadu fishermen

INTERNATIONAL RELATIONS



Fourteen fishermen from Ramanathapuram, Tamil Nadu, were arrested by the Sri Lankan Navy for alleged poaching, and two trawlers were seized. The fishermen, who had received official tokens to fish, were expected to return on Sunday evening. This incident follows the arrest of over 50 fishermen in less than two weeks, prompting recent protests by the fishing community.

Fishermen leader Sesu Raja called for Union government intervention and diplomatic talks with Sri Lanka to find a permanent solution. He also suggested a high-level meeting between fishermen from Tamil Nadu and Sri Lanka's Northern Province to address the issue directly.



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BEST

INDIA'S TOP MOST CIVIL SERVANTS FOR COACHING

10/02/2025 Monday — February — February —

Plan to amend nuclear liability law may enthuse American, French firms

INTERNATIONAL RELATIONS

Ahead of Prime Minister Narendra Modi's visit to France and the U.S., the Indian government announced plans to amend the Civil Liability for Nuclear Damage Act (CLNDA), 2010, and the Atomic Energy Act, 1962, aiming to resolve long-standing legal hurdles for American and French nuclear firms. This move is expected to revive stalled projects, including France's EDF reactors at Jaitapur and Westinghouse's reactors at Kovvada. The amendments may also facilitate investment in small modular reactors (SMRs), with India targeting 100 GW of nuclear energy by 2047.

Western nuclear companies have been reluctant to invest due to high liability clauses in the CLNDA, which hold suppliers accountable—contradicting international norms that assign liability solely to plant operators. These clauses were introduced in 2012 after political debates citing the Bhopal gas tragedy and the Fukushima disaster. Experts suggest aligning the CLNDA with international conventions, particularly the Convention on Supplementary Compensation for Nuclear Damage (CSC), to attract investment.

The proposed amendments are expected to separate operator liability from supplier liability and liberalize nuclear power investments. While the External Affairs Ministry has not disclosed details, discussions will likely feature in Modi's upcoming meetings with French and U.S. leaders. Despite a 2015 government claim that the CLNDA was compatible with international standards, no major contracts materialized, making the current amendments a potential breakthrough after two decades of stalled nuclear agreements with the U.S. and France.

Panel recommends 'comprehensive security assessment' of Indian posts

POLITY & GOVERNANCE



A parliamentary panel has recommended that the Ministry of External Affairs (MEA) conduct a comprehensive security assessment of all Indian missions and posts, considering geopolitical threats and vulnerabilities. The Committee on External Affairs, led by Congress MP Shashi Tharoor, noted that India currently lacks resident missions in 42 countries and urged the government to accelerate efforts to establish missions in strategically important nations with significant economic, strategic, or diaspora interests.

The panel's Fourth Report (2024-25) on Demands for Grants highlighted ongoing efforts to operationalize new missions in Fukuoka (Japan), Kazan and Yekaterinburg (Russia), along with future

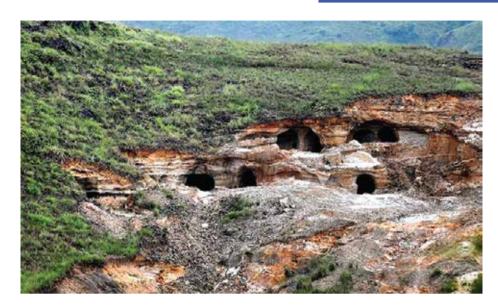
plans for five new missions in Europe and Latin America. It also recommended increased funding for the security of Indian missions, including both physical and digital infrastructure.

The MEA informed the panel that it is continuously reviewing mission security and is using concurrent accreditation arrangements for countries without resident missions. The report emphasized that India's growing global stature demands consistent investments in diplomacy, economy, and culture, urging the government to protect key diplomatic areas from budgetary cuts.

WE AIM TO INSPIRE YOU

In poll-bound Meghalaya, rat-hole coal mining hopes ride on Article 371

POLITY & GOVERNANCE



A regional party in Meghalaya, the Voice of the People Party (VPP), has suggested that bringing the state under Article 371 could help resume rat-hole coal mining, which has been banned since 2014 by the National Green Tribunal (NGT). VPP candidate Strong Pillar Kharjana cited Nagaland's Article 371A, which grants special protections over land and resources, as a model for Meghalaya.

Kharjana argued that NGT cannot interfere with mining in Nagaland due to Article 371A, whereas in Meghalaya, the Sixth Schedule allows state laws to override district council laws under Paragraph 12A. However, Nagaland's Chief Minister Neiphiu Rio recently stated that Article 371A has made it difficult to regulate illegal coal mining in his state.

While the VPP and Congress advocate strengthening the Sixth Schedule with some provisions of Article 371, other parties believe the two are incompatible. Discussions on this issue gained momentum after the Coal Controller under the Ministry of Coal signed escrow agreements for mining sites in three districts of Meghalaya.

Elections for the Khasi Hills and Jaintia Hills Autonomous District Councils will be held on February 21, with results on February 24.

U.S. aircraft to be a major draw at Aero India

POLITY & GOVERNANCE



The U.S. will participate in Aero India 2025, Asia's largest air show, in Bengaluru from February 10 to 14. Key U.S. aircraft on display will include the F-35 fighter jet, KC-135 Stratotanker, B-1 bomber, and F-16 fighter jets.

Over 20 U.S. exhibitors will engage with Indian counterparts, showcasing unmanned aerial systems, fighter aircraft, avionics, and defence electronics. The U.S. delegation will be led by Jorgan Andrews, Chargé d'Affaires of the U.S. Embassy, and will include senior officials from State, Defence, and Commerce Departments.

Since Aero India 2023, India and the U.S. have strengthened defence ties, expanding cooperation in technology, maritime security, cybersecurity, and counter-terrorism. General Kevin Schneider, Commander of U.S. Pacific Air Forces, highlighted the growing defence

trade and interoperability between the two nations.

Additionally, the U.S. Air Force Band of the Pacific, "Final Approach", will perform at Aero India on February 13 and 14 and at Christ University on February 11.



"If you invest more in your education, then you are likely to get more interest in it."

-Benjamin Franklin

10/02/2025 Monday — February — February —

In a first, chiefs of Air Force and Army fly together in light combat aircraft Tejas

INTERNAL SECURITY



Air Chief Marshal A.P. Singh and Chief of the Army Staff General Upendra Dwivedi created history on Sunday as they flew together on the light combat aircraft Tejas on the eve of Aero India 2025.

The two service chiefs, who were course mates at the National Defence Academy in Pune, took off on a Tejas trainer aircraft from the Air Force Station, Yelahanka, Bengaluru, and landed a few minutes later upon completion of a successful sortie. This is the first time that two service chiefs were aboard a military jet.

General Dwivedi termed the flight the best moment of his life. Former Chief of the Army Staff General Bipin Rawat had also flown in the trainer version of the Tejas during Aero India 2019.

An aerospace expo to further India's global presence

SCIENCE & TECHNOLOGY

Aero India 2025, held at the Indian Air Force station in Yelahanka, Bengaluru (February 10-14), is a major aerospace and defence exhibition, promoting innovation, strategic alliances, and self-reliance in defence production. The theme, "The Runway to a Billion Opportunities," underscores India's commitment to cutting-edge defence technology and international collaboration.

This 15th edition has evolved from a modest 1996 event into a global defence and aerospace hub, attracting top manufacturers, policymakers, and industry leaders. 106 OEMs, including 55 foreign OEMs from 19 countries (e.g., U.S., U.K., Russia, Israel, Japan), along with 16 DPSUs and 35 Indian OEMs, will showcase advanced defence technologies.

Highlights include the debut of Russian Su-57 and American F-35 fighter jets, and India's Advanced Medium Combat Aircraft (AMCA), a fifth-generation stealth fighter under development. "Manthan", a platform for start-ups, will foster innovation under the iDEX (Innovations for Defence Excellence) pavilion, promoting 'Make in India' and 'Aatmanirbhar Bharat'.

Visitor experience enhancements include traffic management, transport services, security, comfort-driven amenities, and a dedicated Aero India 2025 app. The event will feature aerial displays, live technology demonstrations, and defence seminars, reinforcing India's growing air combat and defence capabilities.

Aero India 2025 is a milestone event, solidifying India's position as a global leader in defence and aerospace manufacturing while fostering technological advancements and international partnerships.

A gift horse's teeth

ECONOMICS & DEVELOPMENT

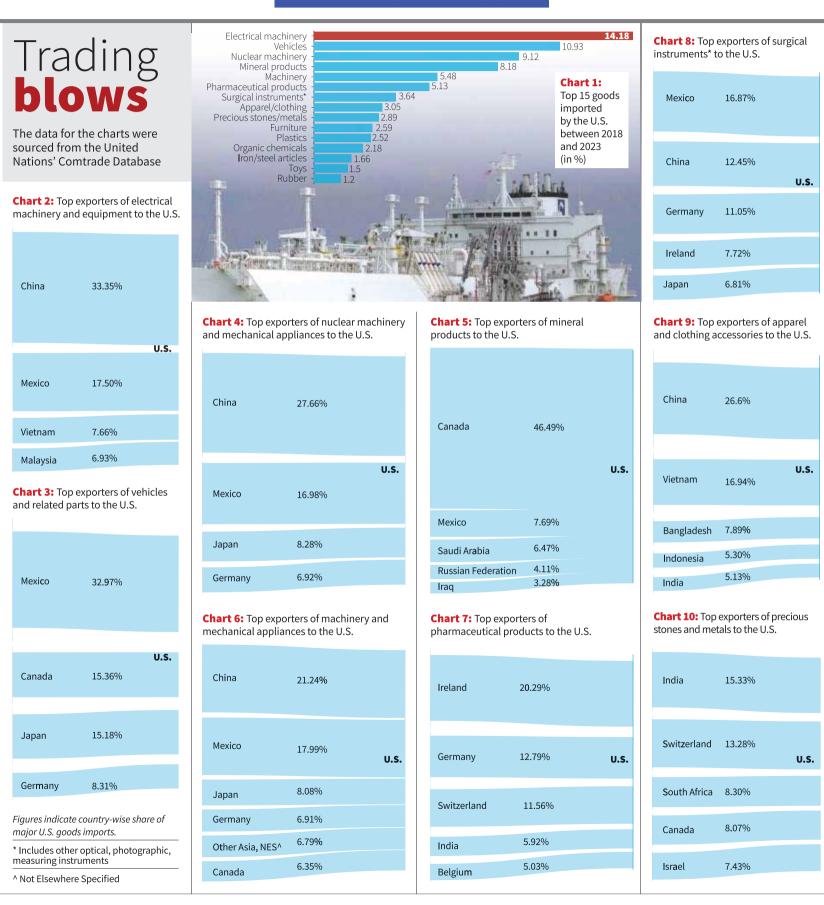
The Budget 2025-26 proposes a ₹ 20,000 Cr investment for small modular reactors, targeting five operational reactors by 2033. Additionally, the Research, Development, and Innovation fund, included in the Department of Science and Technology (DST) budget, aims to boost start-ups and emerging sectors, though specifics remain unclear. The initiative seeks to enhance private sector participation in R&D, which has historically been government-driven, with private contribution at just 36 % of total R&D spending.

This budgetary boost raises DST's allocation to ₹28,000 Cr, a threefold increase from last year. However, concerns remain about India's ability to effectively absorb these investments, given weak core R&D returns and inadequate infrastructure in semiconductors, chipsets, skilled workforce, and innovation ecosystems. Despite government efforts in quantum computing, AI, and other technologies, structural deficiencies could hinder progress.

To achieve meaningful R&D growth, the government must clarify fund access for private players, address structural bottlenecks, and incentivise long-term industry engagement. Mere funding is insufficient; strengthening foundational infrastructure and fostering private innovation is key to transforming India into a global research powerhouse.

China contributes substantially to U.S.' biggest imports

INTERNATIONAL RELATIONS



FEBRUARY -

Last week, U.S. President Donald Trump announced additional tariffs on imports from China, Canada, and Mexico, citing a national emergency related to illegal immigration and drugs. In response, China vowed counter tariffs.

Between 2018 and 2023, China accounted for 18% of U.S. imported services, the highest share, followed by Mexico (14%) and Canada (13%). During this period, the U.S. imported \$17,000 billion worth of goods, with electrical machinery (15%), vehicles (11%), and nuclear machinery (9%) being the top categories.

China led in eight out of 15 key imported products, including electrical and nuclear machinery, iron/steel, plastics, clothing (20-30%), furniture (40%), and toys (80%). Mexico dominated vehicle and measuring instrument imports and was a major exporter of machinery, furniture, and iron/steel. Canada supplied nearly half of U.S. mineral imports, along with significant shares of plastic, vehicles, and iron/steel. The new tariffs could disrupt trade relations between the U.S. and its top trading partners.

What does the Budget offer Railways?

ECONOMICS & DEVELOPMENT



Since the merger of the Railway Budget with the Union Budget in 2017, the Indian Railways (IR) has been sidelined, receiving no mention in the 2024-25 Budget. Despite ₹13 lakh Cr invested in infrastructure over the past decade, returns remain poor—freight traffic is sluggish, and passenger patronage has yet to recover to pre-COVID levels. The expected capital expenditure push did not materialize, signaling a pause for reassessment.

In a post-Budget press conference, the Railways Minister highlighted ongoing efforts in modernization, connectivity, and safety, including ₹1.16 lakh Cr for safety measures. However, critical projects like the Kavach safety system have seen no expansion beyond the initial rollout. Station redevelopment projects, such as New Delhi's transformation, remain stalled due to execution delays.

Despite achieving record electrification rates, concerns arise over idle diesel locomotives and reliance on fossil-fuel-based electricity. The announcement of 200 more Vande Bharat trains

lacked a clear timeline, and major projects like the Mumbai-Ahmedabad Bullet Train and the Western Dedicated Freight Corridor saw no updates.

A vision of a 7,000-km high-speed rail network by 2047 seems ambitious but vague. The claim that IR will become the world's second-largest freight carrier lacks clarity on how freight share and speeds will improve. Ultimately, the Budget offers no real transformation for the Railways, instead relying on grand announcements without a clear execution strategy.

How has the Budget allocated funds for urban development?

POLITY & GOVERNANCE

The 2025-26 Budget allocates ₹96,777 Cr for urban development, up from ₹82,576.57 Cr last year. However, when adjusted for inflation, this represents a real decline. Additionally, ₹63,669.93 Cr is expected to be spent by March, reflecting 22.9% underutilization. Notably, the Pradhan Mantri Awas Yojana (Urban) [PMAY(U)] saw its allocation slashed from ₹30,170.61 Cr to ₹13,670 Cr, highlighting a gap between policy goals and execution.

Funding reductions impact urban areas through three main channels:

- **Urban Local Bodies (ULBs):** Direct transfers fell from ₹26,653 Cr to ₹26,158 Cr, despite revenue losses from GST implementation.
- Centrally Sponsored Schemes (CSS): Key programs like PMAY, Swachh Bharat Mission (SBM), AMRUT, and Smart Cities received lower allocations, with PMAY (CSS) facing a 30% cut and only 44% of the SBM budget being utilized.
- Central Sector Schemes: Funding prioritizes metro projects, which saw a 46% budget increase to ₹31,239.28 Cr, over comprehensive urban mobility solutions.

A ₹10,000 Cr Urban Challenge Fund has been introduced, with an ambitious ₹1 lakh Cr redevelopment goal, half of which depends on private investment—a challenge given past private sector disengagement. The Budget favours

capital-intensive infrastructure while neglecting employment, green jobs, and equitable urban development, risking widening disparities in India's urban landscape.

Kandla aims to build 50 VLCCs a year

ECONOMICS & DEVELOPMENT



The Deendayal Port Authority (DPA) in Gujarat plans to lease 2,000 acres in Kutch to develop a ₹ 27,000 Cr shipbuilding cluster at Veera village, near Tuna Tekra. The proposed facility aims to construct 50 very large crude carriers (VLCCs) annually, each with a 3.2 lakh DWT capacity.

DPA has issued an Expression of Interest (EoI) to attract a private industry partner to build the shipyard, while DPA will provide land, a 1.2-km waterfront, connectivity, and infrastructure on a 30-year lease. DPA is open to various partnership models, including joint ventures with equity participation.

However, Gujarat's shipbuilding sector has struggled, with six major shipyards shutting down over the past decade. Pipavav Shipyard, once India's largest private facility,

resumed limited operations after being acquired by Swan Energy. ABG Shipyard and Alcock Ashdown, once leading players, remain idle. Despite 5.4 lakh DWT of existing capacity, much of Gujarat's shipbuilding infrastructure remains underutilized.

Will do the job of executing Trump's Gaza plan: Israel PM

INTERNATIONAL RELATIONS



Israeli Prime Minister Benjamin Netanyahu has endorsed U.S. President Donald Trump's controversial plan to relocate Palestinians from war-torn Gaza, calling it a "fresh idea" with the potential to transform the region. In a Fox News interview, Netanyahu defended the proposal, which has faced global criticism, stating that Israel is willing to handle the relocation process rather than relying on U.S. troops.

Netanyahu argued that the plan breaks from past failed strategies, preventing Gaza from falling back under terrorist control. However, he acknowledged the challenge of finding a country willing to accept displaced Gazans. Despite widespread condemnation, he insisted that the plan should be pursued.



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Trump's tariffs could hit Canada, Mexico hard, while China appears to be prepared

INTERNATIONAL RELATIONS



Trump's Gaza Plan Threatens Saudi-Israel Ties and Regional Stability. U.S. President Donald Trump's proposal to take over Gaza and relocate its 2 million Palestinians has triggered a global backlash and could derail efforts to normalize Saudi-Israel relations, analysts warn.

Saudi Arabia, a key regional power, faces heightened instability if neighbouring Jordan and Egypt absorb displaced Palestinians. The kingdom also seeks to balance relations with Washington, its long-time security ally, while ensuring regional stability for its ambitious economic transformation plans.

Saudi leaders swiftly rejected Trump's plan, reaffirming their stance that normalization with Israel requires the establishment of a Palestinian state. Analysts argue that Trump's approach, alongside Israeli PM Benjamin Netanyahu's stance, risks destabilizing the region, fuelling

anti-American sentiment, and making normalization harder.

Despite U.S. pressure, Saudi Arabia is unlikely to compromise on Palestinian statehood, given its strategic influence in the Arab and Muslim world. Crown Prince Mohammed bin Salman is expected to proceed cautiously, leveraging energy

Trump's Al ambition and China's DeepSeek overshadow an Al summit in Paris

INTERNATIONAL RELATIONS

A major AI summit in France will bring together world leaders, tech executives, and experts to discuss the future of artificial intelligence governance. The event, co-hosted by French President Emmanuel Macron and Indian Prime Minister Narendra Modi, aims to ensure AI benefits everyone while addressing its risks.

High Stakes and Global Participation

U.S. Vice President J.D. Vance and Chinese President Xi Jinping's special envoy will attend, highlighting the event's significance. Leaders from 80 countries, including Germany, Canada, and top tech CEOs from OpenAI, Google, and Microsoft, will participate. Elon Musk and DeepSeek founder Liang Wenfeng have been invited, though their attendance is uncertain.

Key Issues and Goals

The summit seeks commitments for ethical, democratic, and environmentally sustainable Al. A €2.5 billion public-private partnership is being proposed to provide open-source Al tools. Al safety remains a major concern, with expert reports on potential risks.

Trump's AI Strategy and Global Tensions

U.S. President Donald Trump aims to make the U.S. the "world capital of AI", focusing on energy-intensive AI growth and deregulation. His administration is withdrawing from global AI governance efforts, which may undermine a unified agreement at the summit. China, meanwhile, is stepping up AI leadership, with Vice Premier Zhang Guoqing representing President Xi.

DeepSeek and U.S.-China Rivalry

China's DeepSeek AI chatbot has disrupted the AI industry, rivalling ChatGPT at lower costs. Trump has called DeepSeek a "wake-up call", with U.S. officials accusing it of stealing OpenAI data. Investigations and bans on DeepSeek have begun in the U.S. and other nations over privacy and security concerns.

The Paris AI Summit reflects growing geopolitical competition over AI governance, with China asserting its influence while the U.S. moves toward deregulation. The event will test whether nations can agree on ethical AI policies amid rising tech rivalries.



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