01/03/2025 SATURDAY

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DAILY NEWS ANALYSIS

POLITY

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22 missing after avalanche hits BRO project site

DISASTER MANAGEMENT



A glacier avalanche struck a Border Roads Organisation (BRO) project site in Mana village, Uttarakhand's Chamoli district, around 5 a.m. on Friday, trapping 22 workers under the ice. Of the 57 civilian workers present, some managed to escape, while others, including machine operators and earth mover drivers, were buried. A dedicated rescue team from the Indian Army and Indo-Tibetan Border Police (ITBP), comprising 174 personnel, was deployed at 8 a.m. Equipped with medical and engineering support, they have rescued 10 workers so far, with injured individuals receiving treatment at an army hospital.

Adverse weather, including continuous snowfall, has hindered rescue efforts, and the India

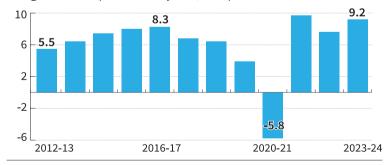
Meteorological Department has warned of further avalanches. The Uttarakhand government has issued helpline numbers for families of the trapped workers. Chief Minister Pushkar Singh Dhami and Defence Minister Rajnath Singh acknowledged the tragedy, with ongoing relief efforts by ITBP, BRO, and other agencies

GDP grows 6.2 % on rising government, consumer spending

ECONOMICS & DEVELOPMENT

Slow rebound

The chart shows the annual growth rate of GDP at constant market prices (in %). Real GDP has grown by 9.2% in 2023-24, highest in the previous 12 years, except for 2021-22



India's real GDP grew by 6.2% in Q3 of FY 2024-25, up from 5.6% in the previous quarter but lower than the 9.5% growth in the same period of 2023. The growth was driven by an 8.3% rise in government spending and a 6.9% increase in private consumption, along with a strong 10.4% export growth. However, investment growth slowed to 5.7%, and imports declined by 1.1%, partly due to rupee depreciation.

To achieve the full-year GDP target of 6.5%, Q4 growth must reach 7.6%, which Chief Economic Adviser V. Anantha Nageswaran believes is possible if exports rise, capital expenditure increases, and private consumption surges, particularly due to the Maha Kumbh event.



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INDIA'S TOP MOST CIVIL SERVANTS FOR COACHING

01/03/2025 Saturday — March

Make a deal or we're out, Trump tells Zelenskyy

INTERNATIONAL RELATIONS



U.S. President Donald Trump and Ukrainian President Volodymyr Zelenskyy had a heated argument in the Oval Office over efforts to end the war with Russia. Trump insisted that Ukraine must make a peace deal or risk losing U.S. support, accusing Zelenskyy of disrespect and gambling with global security. The meeting, originally intended to ease tensions, escalated after Vice President J.D. Vance emphasized diplomacy, prompting further disputes.

Zelenskyy was in Washington to sign a mineral resource-sharing deal and discuss peace negotiations, amid concerns that the U.S. might withdraw support. Trump criticized Ukraine's attitude and linked continued U.S. backing to preferential access to Ukraine's rare-earth resources, without offering security

guarantees. The dispute casts uncertainty over future U.S. support for Kyiv.

India, European Union set year-end deadline for trade deal

INTERNATIONAL RELATIONS



India and the European Union aim to finalize their long-pending Free Trade Agreement (FTA) by the end of 2025, as announced by Prime Minister Narendra Modi after meeting European Commission President Ursula von der Leyen in Delhi. They are also working on a new strategic security and defense partnership to replace the existing 2020-2025 roadmap.

FTA negotiations, first initiated in 2007 and relaunched in 2022, have faced delays. A new directive seeks to accelerate talks, with the next round scheduled for March 10-14 in Brussels. If concluded, the agreement, including an Investment Protection Agreement and Geographical Indications Agreement, would be the "largest"

in the world." However, major differences, particularly over tariffs, remain unresolved.

Key tariffs

An EU official stated that India's Free Trade Agreement (FTA) with the European Union hinges on reducing tariffs on European cars and alcohol, without which the deal may not materialize. The official emphasized that a substantive commitment on cars is essential for the agreement.

Ministry of External Affairs Secretary (West) Tanmay Lal acknowledged differing concerns but noted that both sides have received a clear mandate to proceed. While India has accelerated trade negotiations with various countries, past FTAs, including those with the UK and Australia, have often missed deadlines.

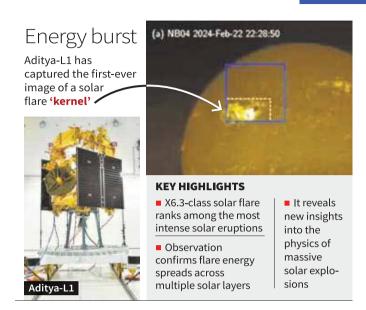
Geopolitical context

European Commission President Ursula von der Leyen highlighted the need for decisive action in EU-India relations, categorizing discussions into economic, technology, and security issues. She referenced geopolitical challenges, including U.S. trade tariff threats, policy shifts on the Russia-Ukraine conflict, and Europe's efforts to reduce reliance on China.

Speaking at an event on EU-India ties, she emphasized how global supply chain dependencies are being leveraged for influence and destabilization. She described India-EU relations as a potential defining partnership of the century and a key pillar of Europe's foreign policy, urging for deeper cooperation.

ISRO's Aditya-L1 mission captures first-ever image of a solar flare 'kernel'

SCIENCE & TECHNOLOGY



India's first space-based solar mission, Aditya-L1, has made a significant discovery by capturing the first-ever image of a solar flare 'kernel' using the Solar Ultraviolet Imaging Telescope (SUIT). The observation, made on February 22, detected brightening in the Near Ultraviolet wavelength range (200-400 nm), providing unprecedented insights into solar eruptions.

The Indian Space Research Organisation (ISRO) stated that this confirms how energy from solar flares spreads across different layers of the Sun's atmosphere. Notably, the captured brightening in the lower atmosphere corresponds with an increase in plasma temperature in the solar corona, validating existing theories and offering new data to enhance understanding of solar flare physics. Launched on September 2, 2023, Aditya-L1 was successfully placed in a halo orbit around the Earth-Sun Lagrange Point L1 on January 6, 2024.

We need to add 35-40 fighter jets every year, private sector can play bigger role: IAF chief

INTERNAL SECURITY

Indian Air Force (IAF) Chief Air Chief Marshal A.P. Singh stated that the IAF needs to add 35-40 fighter jets annually to bridge the gap in its fleet. While Hindustan Aeronautics Limited (HAL) has committed to producing 24 Tejas Mark-1A jets next year, he emphasized that this is insufficient and called for increased private sector involvement to boost production.

Additionally, Defence Research and Development Organisation (DRDO) Chairman Samir V. Kamat acknowledged delays in defence acquisitions and mentioned that a faster procurement process could be in place by the end of the year, aligning with the Defence Ministry's 2025 reform agenda. He also highlighted the private sector's low risk appetite for investing in cutting-edge defence technologies. Marshal Singh stressed that while self-reliance is crucial, the slow pace of production may require alternative solutions to meet operational needs.

India to go past U.S. in scientific publications by 2029, says Minister

SCIENCE & TECHNOLOGY

Union Minister Jitendra Singh stated that India is projected to surpass the U.S. in scientific publications by 2029. He cited a 2023 ranking by the U.S. National Science Foundation, which currently places India third in global scientific output after China and the U.S. Additionally, he highlighted India's growing presence in the 'Top 2% Scientists' list compiled by Stanford University and Elsevier, with 5,351 Indian scientists ranking 10th globally. He also emphasized the substantial increase in India's science budget, with the Department of Science and Technology's allocation rising from ₹2,777 crore in 2013-14 to ₹28,509 crore in 2024-25, marking a 926% increase.



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

-Benjamin Franklin

The necessity of mainstreaming wetland conservation

ECOLOGY & ENVIRONMENT

The Meghalaya High Court's suo motu PIL on wetland conservation has brought attention to their importance. Wetlands, covering 6% of the earth's surface, provide 40.6% of global ecosystem services but face severe threats from urbanization, industrialization, and climate change. Since 1900, 50% of wetlands have been lost, with coastal and inland wetlands declining by 35% between 1970 and 2015.

India, a Ramsar Convention signatory, has 75 Ramsar sites covering 1.33 million hectares, only 8% of its total wetlands. Despite recognition, wetland loss continues, especially in urban areas—Mumbai lost 71% of its wetlands from 1970 to 2014, East Kolkata lost 36% from 1991 to 2021, and Chennai lost 85%. The loss leads to severe economic and ecological consequences.

Current conservation efforts focus mainly on ecological aspects, but wetlands also contribute to economic and social security, carbon sequestration, and climate change mitigation. The Ramsar COP14 emphasized integrating wetland conservation into broader development plans. More comprehensive, ecosystem-based approaches are needed to address increasing pressures on wetlands.

The steps that will shape India's AI ambition

SCIENCE & TECHNOLOGY

Indian software developers in Bengaluru face intense competition from Chinese rivals for Al-driven projects with international clients. Despite a skilled workforce, Indian firms often lose deals due to capability gaps. India is caught in a three-way race—competing with Silicon Valley while being challenged by China and Southeast Asia. To lead in Al, India must focus not just on local versus foreign Al platforms but also on ensuring that market regulations do not hinder its growth and competitiveness.

The issues in India

India's export competitiveness depends on adopting Al-driven productivity-enhancing technologies, especially in services and consultancy. However, concerns persist over job losses, biased algorithms, and risks like deepfakes, which threaten trust and political stability. Al-related issues, including misinformation and intermediary liability, dominate discussions, with Indian startups struggling against foreign tech giants that set market rules.

Recent complaints against Google at the Competition Commission of India highlight tensions, but regulatory pressures alone may not curb monopolistic practices. Over-regulation could hinder AI adoption, affecting India's global competitiveness. While India has localized much of the AI value chain, additional compliance costs may slow its progress against rivals like China and the U.S., which have chosen not to regulate AI.

Navigating the global AI race

India's IT leadership gives it a unique edge in the AI era, but it must carefully navigate between the EU's strict AI regulations and the U.S.'s innovation-first approach. Unlike the EU, which legislates AI due to structural deficiencies, India does not face the same constraints and must tailor its policies to its services-driven economy.

Overregulation could weaken India's AI competitiveness, risking business relocations and strengthening China's dominance in hardware and cloud technologies. Instead, India should leverage diplomacy to ensure open-source AI remains accessible and commercially viable while forging global partnerships for energy, computing, and standardization to maintain its edge in the global market.

A case for regulatory clarity

As AI adoption accelerates, Indian policymakers must address political and social concerns while avoiding fragmented regulations. Unlike the EU's strict ex-ante AI rules, India has relied on existing laws, though conflicting agency policies have led to regulatory inconsistencies.

Lessons from the EU and U.S. suggest strengthening and future-proofing current laws rather than introducing Al-specific legislation. India's legal framework on antitrust, corporate liability, free speech, and public order already covers Al-related issues, making additional regulations like those in the IT Act unnecessary. Instead, India should focus on rapid Al adoption, supporting open-source models, and ensuring accessibility for IT firms to stay competitive in the global market.

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01/03/2025 SATURDAY

Truce under fire

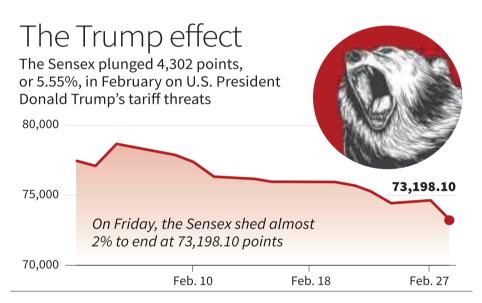
INTERNATIONAL RELATIONS

The Israel-Hamas ceasefire, which was structured in three phases, is under strain as the first phase nears its end. The agreement required Israel to reposition troops and release over a thousand prisoners in exchange for 32 hostages, while later phases aimed to end the war and rebuild Gaza. Both sides largely adhered to the deal in the initial 42 days, but tensions have risen. Talks for the second phase were delayed, and an Israeli official's statement rejecting a troop withdrawal from the Philadelphi corridor has cast doubt on the ceasefire's future.

After 15 months of war following Hamas's October 7, 2023 attack, Israel has failed to dismantle Hamas or secure all hostages, leading Prime Minister Netanyahu to negotiate a ceasefire deal. A permanent end to the war requires Israel's withdrawal from Gaza, but doing so could leave Hamas in power, threatening Netanyahu's government. A U.S. proposal to "own Gaza" and expel Palestinians has further hardened Israel's stance. Despite its military superiority, Israel has been unable to eliminate Hamas. If Israel refuses to withdraw and extend the ceasefire, Gaza faces a prolonged war of attrition. Instead, Israel should uphold its commitments, and the U.S. should use its influence to enforce the ceasefire and plan for post-war governance and reconstruction.

Markets tumble on Trump tariff threat

INTERNATIONAL RELATIONS



Indian benchmark stock indices crashed nearly 2% on Friday, following a global market downturn triggered by new U.S. tariffs on China imposed by President Donald Trump. The BSE Sensex fell 1,414 points (1.90%) to 73,198, led by declines in IT, banking, and auto stocks. The NSE Nifty-50 dropped 420 points (1.86%) to 22,125. Investor sentiment weakened due to fears of a global trade war, as Trump announced tariffs on imports from the EU, Canada, Mexico, and China. Market volumes surged, and declining stocks outnumbered gainers for the fifth straight session, with mid-cap and small-cap indices continuing to underperform.



01/03/2025 SATURDAY — MARCH

India must hasten reforms to speed up growth: World Bank

ECONOMICS & DEVELOPMENT

The World Bank stated that India needs to grow at an average rate of 7.8% over the next 22 years to achieve high-income status by 2047. While this target is attainable, it requires ambitious reforms and effective implementation. The report, *India-Country Economic Memorandum: Becoming a High-Income Economy in a Generation*, highlighted India's strong growth history, averaging 6.3% from 2000 to 2024, as a solid foundation for future progress.

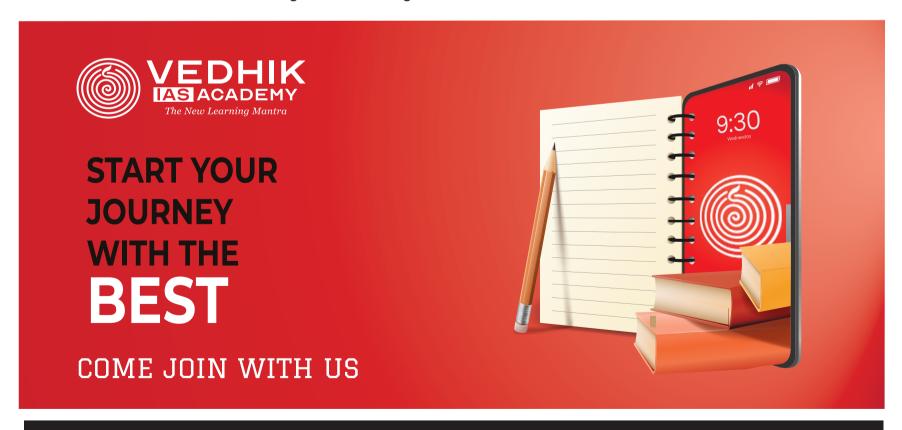
Global integration

The World Bank emphasized that India can achieve high-income status by 2047 by accelerating reforms and learning from countries like Chile, Korea, and Poland. Key requirements include faster and inclusive growth across states, raising investment from 33.5% to 40% of GDP by 2035, increasing labour force participation from 56.4% to over 65%, and boosting productivity. Additionally, India must leverage its demographic dividend by investing in human capital and raising female labour force participation from 35.6% to 50%. The *Country Economic Memorandum* suggests four policy focus areas: increasing investment, fostering job creation, promoting structural transformation and trade, and enabling states to grow collectively.

A.P. Moller-Maersk commits to invest \$5 billion in Indian port infrastructure

ECOLOGY & ENVIRONMENT

A.P. Moller-Maersk (Maersk) announced a \$5 billion investment in India's ports, terminals, and land-side infrastructure to enhance efficiency and global connectivity. At the naming ceremony of its latest dual-fuel methanol container vessel, *Albert Maersk*, at Jawaharlal Nehru Port Authority, CEO Keith Svendsen reiterated Maersk's commitment to low-emission ports. The vessel, part of Maersk's Net Zero by 2040 initiative, was named by Union Minister Raksha Khadse. Union Shipping Minister Sarbananda Sonowal highlighted India's potential to become a major producer of green fuels like methanol and ammonia. Maersk's investment aligns with India's goal of a sustainable maritime future.



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