

9 PM Current Affairs Weekly Compilation

For UPSC CSE mains examination



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Features :

Arranged as per syllabus Topics
Most complete coverage of major
News Papers editorials

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Myanmar faces conflict and suffering without solution

Source: The post Myanmar faces conflict and suffering without solution has been created, based on the article “Four years on, Myanmar and its continuing nightmare” published in “The Hindu” on 1st February 2025

UPSC Syllabus Topic: GS Paper2- International Relations - India and its neighbourhood- relations.

Context: The article discusses Myanmar’s ongoing crisis since the 2021 military coup. Armed conflict continues, displacing millions. ASEAN and the UN failed to mediate. China’s influence has grown. Elections seem unlikely to bring peace. Myanmar’s people suffer while leaders refuse dialogue.

For detailed information on **On The Myanmar Crisis** read [Article1](#), [Article2](#)

What is the current situation in Myanmar?

1. **Ongoing Conflict:** Armed battles continue across Myanmar between the military, ethnic armed organizations (EAOs), and people’s defense forces (PDFs).
2. **High Casualties and Arrests:** The military has arrested **28,405 people**, with **21,683 still detained**. It has killed **6,224 people**, while **2,900 deaths** remain unverified.
3. **Mass Displacement:** Over **3.3 million people** are internally displaced due to violence.
4. **Failed Elections:** The military’s attempts to hold elections have failed. Half of the country is beyond its control.

Who are fighting in Myanmar?

1. **Myanmar’s Military (Junta):** The military seized power in a coup on February 1, 2021, overturning the 2020 election results. It uses force to suppress opposition.
2. **Ethnic Armed Organizations (EAOs):** These groups control parts of Myanmar, especially near borders. They have long resisted military rule.
3. **People’s Defense Forces (PDFs):** Civilian groups formed after the coup to fight the military. They operate across the country, including in central regions.
4. **National Unity Government (NUG):** An unrecognized government coordinating resistance.

What role is ASEAN playing?

1. ASEAN was given the responsibility to mediate Myanmar’s crisis after the 2021 coup.
2. It introduced the Five-Point Consensus (5PC) to stop violence and start dialogue.
3. The plan failed because both the military and resistance groups rejected negotiations.
4. ASEAN foreign ministers advised Myanmar’s military to focus on dialogue instead of elections.
5. The military ignored ASEAN’s advice and continued violent suppression.
6. Elections under current conditions will not represent the people, as half the country is outside military control.

7. ASEAN's mediation remains ineffective, leaving Myanmar in deep crisis.

How are Myanmar's Neighbors Responding?

1. **China's Influence is Growing:** Since the coup, China has expanded its role in Myanmar. It remains the most powerful external player.
2. **Border Areas Under Rebel Control:** Myanmar's borders with India and Bangladesh are controlled by Ethnic Armed Organizations (EAOs). The government has lost authority there.
3. **India-Bangladesh Issues:** Relations between India and Bangladesh are strained. This prevents coordinated action.
4. **Thailand's Limitations:** As an ASEAN member and neighbor, Thailand is well-placed to help but lacks sufficient influence.
5. **Lack of Regional Consensus:** Due to mistrust, neighbors have not formed a unified strategy to resolve Myanmar's crisis.

What is the future for Myanmar?

Myanmar's people cannot rely on outside help. If leaders continue fighting instead of negotiating, the suffering will continue. Without dialogue, the conflict will not end, and civilians will keep paying the price.

Question for practice:

Examine the role of ASEAN in mediating Myanmar's crisis and the reasons for its failure.

Trump's Policies Impact India's Economy and Workers

Source: The post Trump's Policies Impact India's Economy and Workers has been created, based on the article "A note for New Delhi on dealing with 'Trumperica'" published in "The Hindu" on 1st February 2025

UPSC Syllabus Topic: GS Paper2- International Relations-Effect of policies and politics of developed and developing countries on India's interests,

Context: The article discusses the impact of Donald Trump's policies on India. It covers immigration crackdowns, trade tariffs, and AI developments. It highlights risks for Indian workers, businesses, and diplomacy. India must adjust policies to handle these economic and geopolitical changes effectively.

For detailed information on **Trump's Re-election and India US Relations** [read this article here](#)

How Will Trump's Immigration Policies Affect India?

1. **Strict Immigration Rules:** Trump has ordered border security, visa restrictions, and mass deportations.
2. **High Number of Undocumented Indians:** 7.25 lakh undocumented Indians live in the U.S.; 18,000 face deportation.
3. **Loss of Remittances:** Deportation will reduce remittances and increase unemployment in India.
4. **Trade Penalties Risk:** Trump forced Colombia to accept deportees by threatening 25% tariffs; India could face similar pressure.

5. **H-1B Visa Restrictions:** Trump removed spousal work rights and opposed birthright citizenship, affecting skilled Indian workers.

How Will Trump's Trade Policies Impact India?

1. Trump's "**America First Trade Policy**" prioritizes U.S. industries.
2. India lost its **Generalized System of Preferences (GSP)** benefits under Trump's first term.
3. The U.S. forced India to **stop oil imports** from Iran and Venezuela.
4. Trump's **10% tariff on China** may shift global trade dynamics.
5. U.S. withdrawal from global agreements may **reduce economic cooperation** with India.

What Is Trump's Strategy Toward China?

1. Trump proposed a lower tariff of 10% on China, which is significantly less than his previous threat of 60%.
2. He invited China's President Xi Jinping to the U.S. inauguration, signaling a possible shift towards more favorable relations.
3. The softer approach contradicts his previous harsh stance on China, including reversing the TikTok ban.
4. His approach hints at a revival of the U.S.-China "G-2" concept, which would impact India's position in U.S.-China tensions, previously beneficial for India's economic strategy.

How Will Trump's AI Policies Impact Indian Workers?

1. Trump launched a **\$500 billion** AI project to boost U.S. technology.

2. Impact on Indian workers:

- Reduced demand for migrant tech workers due to increasing automation.
- Potential job losses for mid-level engineers as AI takes over coding and other tasks.
- **Example:** Google CEO Sundar Pichai said AI generates 25% of new code.

3. India's IT sector (40% of exports) depends on U.S. demand for skilled workers.

What Should India Do?

1. India must prepare for reduced migration opportunities and job losses.
2. Trade policies must adapt to potential U.S. tariffs and changing global partnerships.
3. The government should focus on skilling workers for AI and automation.
4. India needs to reassess its foreign policy to protect economic interests in "Trumperica."

Question for practice:

Examine how Donald Trump's immigration and trade policies affect India.

NIPUN Bharat Mission improves foundational learning outcomes

Source: The post NIPUN Bharat Mission improves foundational learning outcomes has been created, based on the article “**Behind NEP’s success story, the real heroes**” published in “**Indian Express**” on 1st February 2025

UPSC Syllabus Topic: GS Paper2-Governance-Issues relating to development and management of Social Sector/Services relating to Education.

Context: The article highlights improvements in foundational learning in India, driven by the NIPUN Bharat Mission. It explains government efforts, funding, and teacher training. It shares success stories from states and suggests extending the program to 2030 for sustained impact.

For detailed information on **Annual Status of Education Report (ASER) 2024** [read this article here](#)

How has foundational learning improved?

1. For the first time in years, ASER 2024 data shows positive trends in Grade III learning outcomes. More students can read and solve basic math problems.
2. In Uttar Pradesh, the percentage of Grade III students reading Grade II texts increased from 24% to 34%. The percentage of students solving subtraction problems improved from 29% to 41% between 2022 and 2024.
3. Odisha has also seen progress due to its innovative use of workbooks.

What is NIPUN Bharat, and how does it work?

1. **NIPUN Bharat** (National Initiative for Proficiency in Reading with Understanding and Numeracy) was launched in **2021** to improve foundational literacy and numeracy.
2. The program **allocates Rs 500 per child** for teaching-learning materials.
3. **Rs 5,000 per teacher** is given for capacity-building workshops, and **Rs 150 per teacher** for resource materials.
4. **States receive Rs 10-20 lakh** for assessments to track learning outcomes.
5. **Rs 25 lakh to Rs 1 crore** is provided for Project Management Units at state and district levels.

For detailed information on **Union Education Minister to launch NIPUN Bharat** [read this article here](#)

What are some success stories?

1. Uttar Pradesh: Learning Through Songs

- Ravi Sharma, a primary school teacher, uses songs to teach math.
- Students chant, “ek-do thaila lo, teen-chaar chalo bazaar” while learning numbers.

2. Odisha: Confidence in Reading

- Second-grader Shragatika Ghosh now reads Odia stories confidently.
- Colourful and contextualised workbooks improved foundational literacy.

What challenges remain?

1. **Struggles with Advanced Concepts:** Many children face difficulties in higher grades after early learning gains.
2. **Gaps in Learning Readiness:** Marginalised children often start school without basic skills.
3. **Need for Long-Term Support:** NIPUN Bharat took four years to show results. Expanding it to 2030 will deepen impact.
4. **Bridging the Gap:** Extending learning support to Grades III–V and **investing in Early Childhood Education (ECE)** is essential.

Question for practice:

Discuss the impact of the NIPUN Bharat Mission on foundational learning outcomes in India, including improvements, success stories, and remaining challenges.

India's Economic Growth Challenges and Policy Reforms

Source: The post India's Economic Growth Challenges and Policy Reforms has been created, based on the article “**Donald Trump, climate change: Global threats to India's growth story**” published in “**Indian Express**” on 1st February 2025

UPSC Syllabus Topic: GS Paper3-Indian Economy and issues relating to planning, mobilisation, of resources, growth, development.

Context: The article discusses India's economic growth, fiscal policies, and investment trends. It highlights slower GDP growth, inflation concerns, and private investment challenges. It stresses the need for deregulation, better capital spending, energy transition, and policy reforms to sustain long-term economic growth.

For detailed information on **India's Economic Challenges and Policy Reform Needs** read [Article1](#), [Article2](#), [Article3](#)

How is India's GDP Growth and Global Economic Environment Changing?

1. India's **first advance GDP growth estimate** for this fiscal year is **6.4%**, lower than last year's 2. 2. Economic Survey projection of **6.5-7%**.
3. This is slightly below the pre-pandemic **decadal average of 6.6%**.
4. Nominal GDP growth is **9.7%**, lower than the **10.5%** target in the budget.
5. The **US** is growing near its trend rate of **2%** in 2025, while **China** is slowing and **Europe** is below trend.
6. **Donald Trump's tariff threats** could impact India's trade with the **US**.
7. The **World Bank** forecasts India's growth at **6.7%** next year, while the **IMF** expects **6.5%**.

What is Driving India's Investment and What Challenges Remain?

1. Public and household investments are driving post-pandemic recovery.

2. Private corporate investments are still weak.
3. The Economic Survey notes that **India competes for investments with both emerging and advanced economies**.
4. The budget projected **17.1%** growth in **capital expenditure (capex)**, down from **28.2%** last year.
5. Capex growth is lagging due to slow spending by the Centre and states.
6. Nearly **40%** of central projects (costing over ₹150 crore) exceeded budgets and deadlines.

How Can India Improve Manufacturing and Trade?

1. India needs a **clear, long-term tariff policy** for inputs, intermediates, and final products.
2. A **stable tariff regime** will boost investment, especially in manufacturing.
3. The Economic Survey stresses the need for **deregulation** to unlock **domestic-led growth**.

What are the Inflation and Energy Transition Challenges?

1. Inflation is expected to moderate next year.
2. **Crisil forecasts 4.4% retail inflation**, assuming a **normal monsoon** and crude oil at **\$75 per barrel**.
3. **Food inflation remains high (8.4% in December 2024)**, delaying interest rate cuts.
4. India must strengthen **food processing, climate-resilient crops, and cold storage** to control food inflation.
5. India faces an **energy transition challenge**, as **industry and infrastructure sectors** are carbon-intensive.
6. India **depends on imports** for **solar energy components** like polysilicon, ingots, and wafers.
7. A **strategic policy shift** is needed to build domestic capacity.

What Reforms are Needed for Growth and Fiscal Stability?

1. India must ease regulatory hurdles in **labour laws, land acquisition, taxation, and dispute resolution**.
2. The **PM Gati Shakti** plan improved logistics; a similar approach can accelerate broader reforms.
3. High **nominal GDP growth (14.2% between 2022-24)** helped fiscal consolidation.
4. This fiscal year, **nominal GDP grew only 9.7%**, below budget expectations.
5. Fiscal consolidation should be **gradual** to maintain economic momentum.

Question for practice:

Examine the factors affecting India's GDP growth and the policy measures needed to sustain long-term economic growth.

AI is transforming genomics and healthcare

Source: The post AI is transforming genomics and healthcare has been created, based on the article “**The various challenges associated with AI-driven genetic testing**” published in “**The Hindu**” on 3rd February 2025

UPSC Syllabus Topic: GS Paper3-Science and Technology- developments and their applications and effects in everyday life.

Context: The article discusses how AI is improving genomics by analyzing large genetic data quickly. It highlights advancements in cancer research and personalized healthcare. It also warns about ethical concerns, inaccurate predictions, and data security risks, citing past breaches in genetic testing companies.

For detailed information on **Generative AI (Artificial Intelligence): Benefits and Challenges** [read this article here](#)

How Has AI Transformed Genomics?

1. **Faster Genetic Analysis:** AI speeds up genetic data processing, allowing researchers to analyze vast amounts of information quickly.
2. **Discovery of Junk DNA's Role:** In March 2024, Johns Hopkins University researchers used AI to analyze 1,200 types of junk DNA and found links to tumors.
3. **Personalized Healthcare:** Gene Box uses AI to predict genetic predispositions and provide personalized recommendations based on scientific research.
4. **Enhanced Cancer Research:** AI helps detect genetic patterns in tumors, improving diagnostics and treatment options.
5. **Improved Genetic Testing:** AI-driven models continuously update with new research, ensuring more accurate genetic insights.

What Are the Challenges in Genetic Predictions?

1. **Genetics is Only a Partial Factor:** Genetics influences only 30% of traits like academic success or career outcomes. This makes genetic predictions unreliable for such complex traits.
2. **Uncertain Diagnostic Value:** Some genetic variations fall into a "grey zone of significance," meaning their impact is unclear. Family members may also need testing to confirm results.
3. **Risk vs. Certainty:** About 80 genes are linked to Alzheimer's, but carrying these genes does not guarantee developing the disease. Conversely, someone without these genes may still develop it.
4. **Unexpected Findings:** Genetic tests may reveal health risks a person was not looking for, raising ethical concerns, especially in cases like mental health conditions.

What Is the Future of AI in Genomics?

1. The future of AI in genomics looks promising. AI speeds up genetic data analysis, as seen in Johns Hopkins University's research on "junk DNA" and cancer. Startups like Gene Box use AI to predict genetic risks and personalize healthcare.

2. However, challenges remain. Genetic tests cannot guarantee diseases like Alzheimer's, and security risks exist, as seen in 23andMe's 2023 data breach affecting 6.9 million users.

3. Despite risks, AI-driven genomics is attracting investment due to its potential for personalized medicine.

Question for practice:

Examine how AI has transformed genomics and the challenges associated with genetic predictions.

Fossil fuel subsidies reshape global energy usage

Source: The post Fossil fuel subsidies reshape global energy usage has been created, based on the article "How much in subsidies do fossil fuels receive?" published in "The Hindu" on 3rd February 2025

UPSC Syllabus Topic: GS Paper3- Infrastructures- Energy

Context: The article explains fossil fuel subsidies and their impact. In 2022, explicit subsidies were \$1.5 trillion, mostly for consumers. Some countries, especially oil producers, give large subsidies. The total, including hidden costs like pollution, reaches \$7 trillion. Reducing subsidies requires better policies.

For detailed information on **Energy Transition: Challenges and Solutions** [read this article here](#)

What are fossil fuel subsidies?

1. Fossil fuel subsidies make these fuels cheaper. Governments provide money to producers or consumers. Producers get funds to lower extraction costs. Consumers get funds to buy fuel at a lower price.
2. In 2022, explicit subsidies for fossil fuels were **\$1.5 trillion**. This amount equals the GDP of **Russia or Australia**.
3. **80%** of these subsidies went to consumers, while **20%** went to production.

Why did fossil fuel subsidies increase in 2022?

In 2022, energy prices spiked due to **Russia's invasion of Ukraine**. Gas prices increased by **400%**. Governments helped people by putting price caps on energy. This increased subsidies, but they decreased again in 2023.

Which countries give the most subsidies?

Large fossil fuel producers give the highest subsidies. In 2021:

- **Saudi Arabia, Turkmenistan, Libya, and Algeria** gave over **\$500 per person**.
- **India** gave only **\$3 per person**, down from **\$9 in 2015**.
- **Europe, North and South America, and East Asia** gave less than **\$100 per person**.
- **Africa and South Asia** gave less than **\$20 per person**.

Why do some sources say fossil fuel subsidies are \$7 trillion?

1. The **\$7 trillion** figure includes both **explicit and implicit** subsidies.

2. **Explicit subsidies (18%)**: Includes consumer subsidies (14%) and producer subsidies (4%).

3. **Implicit subsidies (77%)**: These are hidden costs from fossil fuel use. **Air pollution (30%)**: Causes health problems, **Climate change (30%)**: Increases global warming, **Road use impacts (17%)**: Includes traffic congestion and accidents.

How can governments reduce fossil fuel subsidies?

1. Governments can take different steps:

- **Reduce direct subsidies** to producers and consumers.
- **Introduce carbon or pollution taxes** to reflect the true cost of emissions.
- **Implement road taxes or congestion pricing** to manage transport emissions.

2. Reducing subsidies is difficult without **cheap and clean energy alternatives**. Removing them suddenly can lead to **fuel poverty** in some countries.

Question for practice:

Discuss what fossil fuel subsidies are and why they increased in 2022.

Budget Boosts Agriculture but Structural Issues Persist

Source: The post Budget Boosts Agriculture but Structural Issues Persist has been created, based on the article “Ashok Gulati, Raya Das on Budget 2025: Stopping short of the farm” published in “Indian Express” on 3rd February 2025

UPSC Syllabus Topic: GS Paper3-Government Budgeting and Agriculture

Context: The article discusses the Union Budget 2025-26's impact on agriculture. It highlights key initiatives like credit expansion, crop diversification, and climate-resilient seeds. However, it notes funding gaps, structural issues, and the need for market reforms to improve productivity and farmer incomes.

For detailed information on **Union Budget 2025-2026 Highlights** [read this article here](#)

What are the Key Agricultural Initiatives in the Union Budget 2025-26?

1. **Focus on 100 districts** to boost agricultural productivity, promote sustainable farming, and support crop diversification.
2. **Kisan Credit Card limit increased** from ₹3 lakh to ₹5 lakh, improving access to credit for farmers.
3. **Pulses Mission launched** to achieve self-sufficiency in **tur, moong, and urad**, reducing import dependence.
4. **Makhana Board set up in Bihar** to support farmers engaged in makhana cultivation.
5. **Agriculture budget increased** by 4% to **₹1.49 trillion**, but inflation may reduce its real impact.
6. **PM-Kisan allocation remains ₹60,000 crore**, unchanged since 2019, reducing its real value.

7. **109 climate-resilient seed varieties released** for 32 crops, but **agri-R&D spending remains below 0.5% of agri-GDP**.

8. **₹500 crore allocated for Fruits and Vegetables Mission**, but higher investment is needed.

9. **Agriculture Infrastructure Fund increased** from ₹600 crore to ₹900 crore to improve storage and logistics.

What Structural Issues Remain Unaddressed?

1. **Low Agricultural Budget Growth:** The agriculture budget increased **only by 4%**, which may be ineffective if **inflation remains 4-5%**. PM-Kisan's **₹60,000 crore allocation** has not increased since 2019, reducing its real value.

2. **Declining Farm Incomes:** Agriculture's **share in GDP is 17.7%**, but **46.1% of the workforce** depends on it. **Farm wages remain low** as the workforce in agriculture has increased from **42.5% (2018-19) to 46.1% (FY24)**.

3. **Weak R&D Investment:** India spends **less than 0.5% of agri-GDP on R&D**, far below the **1% needed**. Without proper research and extension, new climate-resilient seeds may not boost farm incomes.

4. **Limited Crop Diversification:** MSP-based policies still **favor rice and wheat**, limiting pulses, oilseeds, and horticulture growth.

5. **High Post-Harvest Losses:** India **loses 8.1% of fruits and 7.3% of vegetables**, costing **₹1.53 trillion annually**. The **₹900 crore Agriculture Infrastructure Fund** may help, but large gaps remain.

6. **Import Dependence:** India imports **pulses, oilseeds, cotton, and maize**, increasing vulnerability. Expanding pulses in **rice-fallow areas** and incentivizing private investment could help.

7. **Market Inefficiencies:** Farmers receive **only 30% of consumer spending** on fruits and vegetables due to weak supply chains. **e-NAM integration with ONDC** could help, but logistics remain a challenge.

Conclusion

The budget makes incremental changes but lacks a **bold strategy**. It still relies on subsidies instead of investment-driven growth. **Private-sector participation, better market access, and technology adoption** are necessary to make Indian agriculture more resilient and globally competitive.

Question for practice:

Discuss the key agricultural initiatives in the Union Budget 2025-26 and the structural issues that remain unaddressed.

Supreme Court urges law for domestic workers

Source: The post Supreme Court urges law for domestic workers has been created, based on the article "**India needs a law to protect domestic workers' rights**" published in "**Indian Express**" on 3rd February 2025

UPSC Syllabus Topic: GS Paper2- Governance-mechanisms, laws, institutions and Bodies constituted for the protection and betterment of these vulnerable sections.

Context: The article discusses the Supreme Court's directive to the Union government to consider a law for domestic workers. It highlights their low wages, job insecurity, and lack of social security. It stresses the need for legal protection, fair wages, and better working conditions.

For detailed information on **Domestic Workers in India: Status and Issues** [read this article here](#)

What is the Supreme Court view on Domestic Workers?

1. The Supreme Court directed the Union government to examine the need for a law for domestic workers.
2. It ordered an inter-ministerial committee to consider a legal framework for their rights.
3. The Court noted that domestic workers lack legal protection and are excluded from laws like the Minimum Wages Act and the Equal Remuneration Act.
4. It highlighted that wages vary even within the same locality.
5. It stressed the need for a national law applicable to all states.

What Problems Do Domestic Workers Face?

1. **Low Wages:** Their wages are not fixed. The same work may have different wages even in the same area.
2. **Unfair Working Conditions:** They are often forced to do extra work without pay.
3. **No Social Security:** They lack pensions, insurance, or job security.
4. **Harassment and Mistreatment:** Many face abuse and humiliation from employers. These cases rarely reach the media.
5. **Lack of Recognition:** Society views their work as unskilled. Their work is undervalued.

Why Is a National Law Needed?

1. **State-Level Disparities:** Some states like Kerala and Delhi have regulations, but there is no uniform law.
2. **Enforcement Challenge:** Employers do not register workers, making proof of employment difficult.
3. **Judicial Interventions:** Courts have directed documentation and registration of placement agencies, but these efforts have had little impact.

Has India Taken International Steps?

India has **not ratified ILO Convention 189**, which protects domestic workers' rights. This convention recognizes domestic work as decent work. Many countries have ratified it, but India has not.

What Are the Challenges in Implementing a Law?

- **Employer Resistance:** Many employers may refuse to register workers.
- **Proof of Employment:** Workers may struggle to provide proof.
- **Enforcement Issues:** Even if a law exists, ensuring compliance will be difficult.

Conclusion

The government's response to the Supreme Court's directive is crucial. The committee's report will be key in shaping policies. The law must consider the concerns of domestic worker unions. It must also address local and regional issues.

Question for practice:

Evaluate the need for a national law to protect the rights of domestic workers in India.

India Must Create Jobs for a Better Future

Source: The post India Must Create Jobs for a Better Future has been created, based on the article "The kind of jobs needed for the 'Viksit Bharat' goal" published in "The Hindu" on 4th February 2025

UPSC Syllabus Topic: GS Paper3- Economy-growth, development and employment.

Context: The article discusses three types of jobs India must create for long-term growth: **climate-resilient jobs** to tackle climate change, **AI-resilient jobs** to adapt to automation, and **aspiration-centric jobs** to meet youth aspirations and boost rural employment.

For detailed information on **Contrasting trends in job growth and unemployment** [read this article here](#)

How Can India Create Climate-Resilient Jobs?

1. **Climate Impact:** India lost **\$159 billion in 2021** due to climate change and may face **\$1 trillion adaptation costs by 2030** (RBI).

2. India can create climate-resilient jobs by focusing on sustainable development and leveraging technology to address environmental challenges. Here's how:

- **E-Rickshaws in Villages:** Deploy three to four state-subsidized e-rickshaws in each of India's 600,000 villages, creating approximately two million jobs, particularly for women drivers, enhancing mobility and reducing carbon emissions.
- **Biogas Plants:** Promote private investments in compressed biogas plants to meet the ambitious target of setting up 5,000 plants by FY23-24; currently, only 82 have been established.
- **Renewable Energy Jobs:** Accelerate the goal of achieving 500GW of non-fossil energy capacity, focusing on decentralized and rooftop solar installations, which are seven times more labor-intensive than traditional energy sources, potentially creating over one million jobs (as noted by CEEW).

Why Should India Focus on AI-Resilient Jobs?

1. **High Automation Potential:** AI has the potential to automate 50% of jobs in India within the next decade, as per McKinsey.

2. **Impact on IT and Business Services:** IT and business services, which are vital for India's exports, comprising over 70% of service exports, face challenges from automation.

3. **Examples of AI Impact:** Software like metaGPT and AI systems writing 25% of Google's code show the increasing capabilities of AI, leading to layoffs.

4. **Need for Human-Centric Jobs:** Jobs emphasizing human creativity and interaction, such as in education and healthcare, are less likely to be replaced by AI.

5. **Government Support:** Increased budgeting for education and health could address shortages and leverage India's human resources effectively.

For detailed information on **Preparing India's Workforce for Technological Job Changes** [read this article here](#)

How Can India Create Jobs That Match Youth Aspirations?

1. **Addressing Educational Gaps:** Rural youth face low confidence due to poor foundational education. Improving education, especially in English and digital skills, is essential.

2. **Creating Aspirational Jobs:** Develop jobs that are attractive and match the dynamic aspirations of youth influenced by digital media and their socio-economic backgrounds.

3. **Infrastructure Development:** Build 70,000 integrated pack-houses, addressing a 95% infrastructure gap, which will create over two million jobs.

4. **Promoting Local Manufacturing:** Boost productivity in high import/export-share items and support local manufacturing of agri-inputs like soybean and sunflower, vital for rural processing industries.

5. **Public-Private Partnerships (PPP):** Facilitate large-scale business opportunities through PPPs, especially in rural areas, to provide sustainable employment and reduce dependency on government jobs.

What Should the Government Do?

1. Tax relief may **temporarily** boost urban demand, but **long-term reforms** are needed.

2. The government should focus on **climate-resilient, AI-resilient, and aspiration-driven** jobs.

3. These efforts will help achieve the vision of **Viksit Bharat** (Developed India).

Question for practice:

Examine how India can create climate-resilient, AI-resilient, and aspiration-driven jobs to ensure long-term economic growth and sustainable employment.

India's efforts to develop its maritime sector

Source: The post India's efforts to develop its maritime sector has been created, based on the article "**Some wind behind the sails of India's shipping industry**" published in "**The Hindu**" on 4th February 2025.

UPSC Syllabus Topic: GS Paper3- Infrastructures

Context: The article discusses India's efforts to develop its maritime sector through the Sagarmala program. Despite investments in ports, Indian shipping remains weak due to financial, regulatory, and tax challenges. Recent budget measures help, but more reforms are needed for real progress.

For detailed information on **India's Maritime Atmnirbharta** [read this article here](#)

How is the government developing the maritime sector?

1. The government has focused on improving the maritime sector through the **Sagarmala program**. 2. As of **September 2024**, the program included **839 projects** requiring **₹5.8 lakh crore** by 2035.

- **241 projects** (₹1.22 lakh crore) are completed.
 - **234 projects** (₹1.8 lakh crore) are under implementation.
 - **364 projects** (₹2.78 lakh crore) are in development.
3. The investment distribution is:
- **₹2.91 lakh crore** (50%) for port modernization.
 - **₹2.06 lakh crore** (35%) for port connectivity.
 - **₹55.8 thousand crore** (10%) for port-led industrialization.
 - **5%** for coastal community development and inland water transport.

How has India's economy and trade grown?

1. India's **GDP** increased from **₹1.53 trillion (2016-17)** to **₹2.72 trillion (2022-23)**, with a **7% annual growth rate**.
2. It is projected to reach **\$5 trillion by 2027** and **\$7 trillion by 2030**.
3. India's **EXIM trade** rose from **\$66 billion (2016-17)** to **\$116 billion (2022)**, growing **12.83% annually**.
4. The goal is **\$2 trillion exports by 2030**.

Why is the Indian shipping sector not growing?

1. Despite high investments, the Indian shipping sector remains stagnant.
 - **Cargo handled at major ports** increased only **14.26% (2016-2021)**, with **2.85% annual growth**.
 - **Number of vessels handled** decreased **5.93%**, from **21,655 (2016-17)** to **20,371 (2020-21)**.
 - **Indian-registered ships** increased by **16.77%**, from **1,313 (2016-17)** to **1,526 (2024)**.
 - **Gross tonnage** increased **17.44%** in the same period.
2. India's **global ranking in ship ownership** fell from **17 to 19**.
3. The fleet is aging, with the average vessel age **improving from 26 years (2022-23) to 21 years (2024)** due to the addition of **34 younger vessels**.

What challenges does Indian shipping face?

1. **Lack of capital and high borrowing costs**.
2. **Short loan tenures and rigid collateral rules**.
3. **Unfavorable taxation**, making foreign ships more competitive.

4. **High costs for training seafarers and higher port charges.**
5. **Limited shipbuilding capacity, high steel costs, and customs duties on spare parts.**
6. **Foreign-flag vessels** benefit from **low taxes and lenient regulations**, making Indian ships uncompetitive.

What reforms have been announced?

The **Union Budget 2025** introduced several measures:

1. **₹25,000 crore Maritime Development Fund (MDF)** (government will contribute 49%).
2. **Infrastructure status** for large vessels.
3. **Shipbuilding clusters** and **financial aid for shipbuilding.**
4. **10-year exemption on customs duty** for shipbuilding spare parts.
5. **Credit incentives for shipbreaking.**
6. **Tonnage tax extension to inland vessels.**

What needs to be done?

1. **MDF funding is unclear** (whether it will be available in one year or multiple years).
2. **More investment is needed** for ship replacement and green shipping technologies.
3. **Fix Tax Disparities:** **5% IGST on Indian-flagged ships** should be removed. **TDS on seafarers' salaries** should be eliminated.
4. **Enhance Competitiveness:** Reduce **borrowing costs**, provide **long-term financing (7-10 years)**, and ease **loan collateral rules**.
5. **Improve Infrastructure:** Expand **shipyards** and modernize **existing ports** under **Sagarmala**.

Question for practice:

Examine the key challenges hindering the growth of the Indian shipping sector despite significant investments and policy reforms.

Labour Laws Must Include Mental Health Protection

Source: The post Labour Laws Must Include Mental Health Protection has been created, based on the article “**Eliminating elitism in mental health**” published in “**The Hindu**” on 4th February 2025

UPSC Syllabus Topic: GS Paper2- Governance-Issues relating to development and management of Social Sector/Services relating to Health.

Context: The article discusses the need to include mental health protections for blue-collar workers in India's labour laws. It highlights gaps in existing laws, challenges workers face, and suggests policy changes to ensure their well-being, including employer responsibility and better awareness programs.

For detailed information on **Issues with Mental Health and Mental Healthcare in India** [read this article here](#)

Why Should Mental Health Be Included in Labour Laws?

1. Mental health is important for workers, especially blue-collar workers.
2. In 2024, the Economic Survey recognized mental health as an important factor for development.
3. It reported that **10.6% of Indian adults** suffer from mental disorders.
4. The **treatment gap is between 70% and 92%** (National Mental Health Survey, 2015-16).
5. The **WHO** identified job insecurity, poor working conditions, and excessive workloads as key mental health risks. These risks mainly affect blue-collar workers.

What Are the Gaps in Existing Labour Laws?

1. No Recognition of Mental Health in OSHWC, 2020

- The **Occupational Safety, Health, and Working Conditions Code (OSHWC), 2020** focuses only on **physical safety**.
- **Section 6(1)(d)** mentions a safe work environment but does not clearly include mental health.
- **Sections 23 and 24** define health only as **physical well-being**.

2. Mental Health Not Covered Under CSC, 2020

- **Section 2(28) and the third schedule** of the **Code on Social Security (CSC), 2020** do not list mental health conditions as occupational diseases.
- Workers must prove a **direct link between mental illness and work**, making claims difficult.
- The **Bombay High Court (1953)** ruled that if work contributes to illness, it should be covered, but this is not reflected in the law.

3. Unequal Mental Health Support

- **White-collar employees** have structured mental health programs (**Infosys' HALE, Wipro's Mitra, and TCS' Employee Assistance Program**).
- **Blue-collar workers** lack similar protections and **do not benefit from corporate mental health policies**.
- **Government's Tele Manas initiative** exists but **many workers are unaware of it or hesitant to use it**.

What Can Be Done to Improve Mental Health Support for Workers?

1. **Enact a Mental Health Law** – Labour laws should protect both physical and mental health (**OSHWC, 2020** ignores mental well-being).
2. **Expand Occupational Disease List** – **CSC, 2020** should include work-related mental illnesses to reduce legal hurdles (**Bombay High Court, 1953** recognized mental stress as an occupational risk).

3. Employer Responsibility – Employers should provide mental health support like **Infosys' HALE Program, Wipro's Mitra, and TCS' Employee Assistance Program.**

4. Regulate Long Work Hours – CEOs promote **70–90-hour workweeks**, affecting worker well-being.

5. Increase Awareness – Employers must inform workers about **Tele Manas**.

6. Recognize Blue-Collar Workers – Include them in mental health policies.

Question for practice:

Examine the challenges blue-collar workers face due to the lack of mental health protections in India's labour laws and suggest possible solutions.

Election Commission is Losing Its Neutrality in India

Source: The post Election Commission is Losing Its Neutrality in India has been created, based on the article **"Yogendra Yadav writes: As CEC Rajiv Kumar retires, his legacy casts a dark cloud"** published in **"Indian Express"** on 4th February 2025

UPSC Syllabus Topic: GS Paper2-Appointment to various Constitutional posts, powers, functions and responsibilities of various Constitutional Bodies.

Context: The article criticizes the Election Commission of India for losing neutrality and favoring the ruling party. It discusses past phases of the ECI's independence and decline. It urges the Supreme Court to ensure a fair process for appointing the next Chief Election Commissioner.

For detailed information on **Changes to the process of selecting election commissioner** [read this article here](#)

How Has the Election Commission of India Lost Its Neutrality?

1. Biased Handling of Delhi Elections:

- The ECI assured that the Budget would not impact the Delhi elections.
- However, BJP promoted tax exemptions as a "gift for Delhi" in campaign ads.
- The ECI acted aggressively against AAP but ignored BJP leaders' remarks.

2. Politically Influenced Appointments:

- Since 2014, politically loyal bureaucrats have been appointed as election commissioners.
- Ashok Lavasa was sidelined and later sent to the Asian Development Bank.
- Arun Goel resigned abruptly and was appointed Ambassador.

3. Manipulation of Electoral Processes

- **Assam delimitation:** Electoral boundaries were redrawn to favor BJP.
- **Surat 2024 election:** A rare uncontested election in a non-conflict area.

- **Vote transparency:** The ECI withheld turnout data and changed disclosure rules.

What Are the Main Allegations Against the Current ECI?

1. **Delimitation in Assam:** Electoral boundaries were redrawn in a way that helped the BJP. This is a clear case of **US-style communal gerrymandering**.
2. **Surat 2024 Election:** A parliamentary election was held **uncontested** in a non-conflict area, which is rare and controversial.
3. **Vote Counting Opacity:** The ECI did not disclose **turnout data** properly and diluted transparency rules.
4. **Biased Electoral Calendar:** The **four-phase polling in Odisha** aligned with BJP's campaign priorities.
5. **Declining Public Trust:** Lokniti-CSDS surveys show a sharp fall in trust in the ECI.

How Does India's ECI Compare to Other Countries?

- **Russia:** Under Vladimir Churov (2007-16), Russia's election body openly supported Putin.
- **Pakistan:** Elections there face vote counting manipulations and opposition disqualifications.
- **India:** While not as extreme, India's ECI shows signs of bias and erosion of trust.

Conclusion

The Supreme Court must ensure an independent appointment process for the next CEC. If the current government continues to control appointments, democracy in India may suffer further.

Question for practice:

Discuss how the Election Commission of India has lost its neutrality and the impact of its actions on democratic processes.

The US exit from WHO changes global health

Source: The post The US exit from WHO changes global health has been created, based on the article "**The U.S.'s WHO exit, a chance to reshape global health**" published in "**The Hindu**" on 5th February 2025

UPSC Syllabus Topic: GS Paper2- International Relations-Important International institutions, agencies and fora- their structure, mandate.

Context: The article discusses the U.S. withdrawal from WHO and its impact on global health funding. It urges Asian and African countries to step up, invest in public health expertise, and reform WHO. It sees this as an opportunity to reduce reliance on high-income countries.

For detailed information on **US withdrawal from the WHO and its potential** [read this article here](#)

Why is the U.S.'s exit from WHO a concern?

1. **Loss of Major Funding:** The U.S. was one of the biggest contributors to WHO. Its exit will reduce both **Assessed Contributions (AC)** and **Voluntary Contributions (VC)**.

2. **Impact on WHO Programs:** U.S.-based donors may stop funding projects like **polio elimination and antimicrobial resistance**.

3. **Uncertain Future of USAID:** USAID's instability will further impact WHO funding.

4. **Global Health Inequality:** Diseases in **Asia and Africa**, like **mPox in the Democratic Republic of the Congo**, receive less attention.

5. **Weakening Global Institutions:** The book *Why Nations Fail* explains that strong institutions help countries grow. Similarly, the world needs strong global institutions. But nationalism is rising in many countries. Leaders now prioritize their own nations over global cooperation. This weakens institutions like WHO.

How can the global south strengthen WHO?

1. **Fill WHO's funding gap** – Countries in Asia and Africa must increase contributions. **BRICS** can help coordinate funding.

2. **Train more public health experts** – Countries should invest in training experts, including those specializing in diseases affecting Africa.

3. **Create regional health institutions** – New training centers in Asia and Africa will reduce dependence on experts from high-income countries.

4. **Reform WHO headquarters** – Moving WHO headquarters to regions like **Brazzaville (Congo)**, **5. Cairo, Manila, or New Delhi** will lower costs and focus efforts where needed most.

Conclusion

U.S. might rejoin WHO under a future president. Until then, it views the U.S. withdrawal as a chance for lower-income countries to lead in global health and reshape the agenda, making it less dependent on high-income nations.

Question for practice:

Examine how the U.S. withdrawal from WHO impacts global health funding and the role of the Global South in strengthening WHO.

India and Indonesia strengthen trade and security ties

Source: The post India and Indonesia strengthen trade and security ties has been created, based on the article "**India-Indonesia ties as a beacon for global relations**" published in "**The Hindu**" on 5th February 2025

UPSC Syllabus Topic: GS Paper2- International Relations-Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.

Context: The article talks about Indonesia-India relations. It highlights their trade, security, and geopolitical ties. It mentions economic growth, investment potential, and defense cooperation. It also discusses global trade challenges and their role in the Indo-Pacific and BRICS.

For detailed information on **India and Indonesia strengthen ties under Prabowo** [read this article here](#)

Why is Indonesia-India Relations Important?

1. Indonesia and India have a long and strong relationship. Their partnership began in 1950 when Indonesia's first President, Sukarno, attended India's first Republic Day.
2. In 2024, Indonesian President Prabowo Subianto was the chief guest at India's 76th Republic Day.
3. This marked the fourth time an Indonesian president participated in this event, emphasizing the strong relationship between the two countries.

How Strong is Their Trade Relationship?

India and Indonesia signed a trade agreement in 1966. However, their trade potential is still not fully used. In 2023, bilateral trade was just under **\$30 billion**. Business leaders from both countries identified five key sectors for growth:

- **Energy** – Investment in clean energy is needed.
- **Food and Agriculture** – Expanding trade in essential goods.
- **Healthcare** – Strengthening medical collaboration.
- **Manufacturing** – Boosting industrial ties.
- **Technology** – Improving digital and AI cooperation.

What is the Trade Growth Potential?

1. India and Indonesia plan to **quadruple trade volume in 10 years**. Both economies are growing fast:
2. Indonesia's investment in India is **\$653.8 million**, while India has invested **\$1.56 billion** in Indonesia.
3. Both economies are growing rapidly: **India (6.5%)** and **Indonesia (5.1%)**, higher than the **global average (3.3%)**.
4. Stronger supply chains in **clean energy, technology, and manufacturing** can drive mutual prosperity.

Why is Security Important in Their Relationship?

1. **Comprehensive Strategic Partnership (2018)**: India and Indonesia strengthened defense ties, enhancing maritime security in their shared waters.
2. **Maritime Security**: Both countries made significant strides in securing their sea routes, crucial for regional stability.
3. **Counterterrorism & Cybersecurity**: During President Prabowo's visit, both leaders committed to improving collaboration in these areas.
4. **Growing Military Capabilities**: As two large nations with expanding defense strength, cooperation is vital for regional security.
5. **Indo-Pacific Stability**: Their partnership helps address complex geopolitical challenges and ensures long-term prosperity.

How Do They Fit in Global Politics?

1. Indonesia joined **BRICS in 2024**, which includes India and China. Both countries have strong relations with the **U.S. and Western nations**.

2.,However, U.S. trade policies, such as new tariffs, may create challenges. Indonesia is a major exporter of **nickel, copper, tin, and bauxite** and wants to expand trade with India and other global markets.

What is the Future of This Partnership?

India and Indonesia have a **76-year-old relationship**. Their focus on **trade, security, and global cooperation** will strengthen their ties. Their partnership can help shape the **future of the Indo-Pacific** and contribute to a **stronger global economy**.

Question for practice:

Examine the significance of India-Indonesia relations in trade, security, and global geopolitics, highlighting key developments and future potential.

Schools Must Adapt to AI with Values

Source: The post Schools Must Adapt to AI with Values has been created, based on the article “**What AI could do in the classroom**” published in “**Indian Express**” on 5th February 2025

UPSC Syllabus Topic: GS Paper3-Science and Technology- developments and their applications and effects in everyday life.

Context: The article discusses the role of AI in education, inspired by the World Economic Forum's theme, *Collaboration for the Intelligent Age*. It emphasizes balancing intelligence and consciousness in learning. Schools must integrate AI while nurturing human values and guiding students responsibly.

For detailed information on **Significance of AI for Education Sector** [read this article here](#)

How Can Schools Adapt to the Intelligent Age?

1. Integrate Intelligence and Consciousness: Schools must connect **intelligence (problem-solving, reasoning, decision-making)** with **consciousness (metacognition, introspection, emotions, imagination, and sensory perception)** to develop responsible citizens. (*Eckhart Tolle's perspective*)

2. Ensure AI Access for All: Every child, irrespective of place or status, must have access to **adaptive learning and AI tools** to bridge learning gaps. (*Mentioned in the article: AI should be available to all students, not just privileged ones.*)

3. Manage AI's Impact on Learning: The launch of **ChatGPT** changed education, enabling students to complete assignments **without effort or understanding**. Teachers remain hesitant due to **AI hallucinations** and the technology's vast implications.

4. Promote Citizenship and Social Responsibility: Schools must emphasize **citizenship, interdependence, and mutual interest** to build cohesive societies. (*Only schools can integrate universal values, as mentioned in the article.*)

5. Evolve Teaching Methods: Education must shift towards **collaborative intelligence**, where AI assists rather than replaces **natural learning**. (*Inspired by Khalil Gibran: “Children live in the house of tomorrow.”*)

What Should Educators Do Next?

1. Educators must **accept AI while ensuring deep learning**.
2. They should refine teaching methods and build a system where **AI enhances learning without replacing critical thinking**.
3. Collaboration between **teachers, students, and AI** will create **strong societies and better education systems**.

Question for practice:

Discuss how schools can adapt to the Intelligent Age by integrating AI while nurturing human values.

India's nuclear power challenges and proposed reforms

Source: The post India's nuclear power challenges and proposed reforms has been created, based on the article "C Raja Mohan writes: The story of India's atomic slide – and an opportunity to bounce back" published in "Indian Express" on 5th February 2025

UPSC Syllabus Topic: GS Paper3- Infrastructure

Context: The article discusses India's nuclear energy challenges and reforms. It highlights past policy mistakes, global restrictions, and outdated laws. It supports amending the Atomic Energy Act and CLNDA to allow private investment, boost nuclear power, and drive technological growth like the space sector.

For detailed information on **India's Nuclear Energy Program** [read this article here](#)

What are the key issues in India's nuclear power sector?

1. **Historical Achievements and Current Stagnation:** India was the second Asian nation to build a nuclear power plant in 1969 but has failed to meet its nuclear energy goals. Currently, India's nuclear power capacity stands at about 8,200 MW, significantly less than its 2000 target of 10,000 MW.

2. **International and Domestic Challenges:** The Nuclear Non-Proliferation Treaty (NPT) in 1970 restricted India's access to nuclear technology. Furthermore, India's 1974 nuclear test led to sanctions and reduced international cooperation, negatively impacting nuclear capacity growth.

3. **Legislative Obstacles:**

- The **Civil Liability for Nuclear Damage Act (CLNDA)** in 2010 made nuclear projects risky. It allowed power plant operators to sue equipment suppliers in case of accidents. This was different from global norms, where only operators handle liability. Foreign and private investors avoided India's nuclear sector due to this law.

- **Atomic Energy Act of 1962 :** This law makes nuclear energy a **government monopoly**. The **Department of Atomic Energy (DAE)** controls all nuclear activities and funding. This limits private investment, slows innovation, and prevents the creation of a strong nuclear industry.

4. **Comparison with Other Countries:** Nations like China and South Korea have far surpassed India in nuclear capacity, with 58,000 MW and 32,000 MW respectively. This stark contrast highlights the effects of India's constrained nuclear policy and regulatory environment.

What changes did the Finance Minister propose?

Amendment of Two Laws: The Finance Minister proposed changes to the *Atomic Energy Act (1962)* and the *Civil Liability for Nuclear Damage Act (2010)* to revive India's nuclear sector.

Increase in Nuclear Power Capacity: She set a target of **100,000 MW by 2047**, a major increase from **8,200 MW** today.

How could these changes impact India's technological growth?

Encouraging Private Participation: The reforms aim to remove **government monopoly** and allow private companies like Tata, L&T, and BHEL to build nuclear power plants.

Lessons from Space Reforms: Similar to space sector liberalization, nuclear reforms could boost investment, innovation, and efficiency.

Question for practice:

Examine the key challenges in India's nuclear power sector and how proposed legislative reforms could impact its growth.

India's Budget 2025-26 Focuses on Growth Challenges

Source: The post India's Budget 2025-26 Focuses on Growth Challenges has been created, based on the article "A Budget that is mostly good but with one wrong move" published in "The Hindu" on 6th February 2025

UPSC Syllabus Topic: GS Paper3- Economy-Government Budgeting.

Context: The article discusses India's Union Budget 2025-26. It highlights GDP growth projections, tax revenue trends, government spending, and fiscal policy changes. It praises capital expenditure growth but criticizes the shift from fiscal deficit targets to a less transparent debt-GDP ratio approach.

For detailed information on **Union Budget 2025-2026 Highlights** [read this article here](#)

What is the GDP Growth Projection for 2025-26?

1. The **Union Budget 2025-26** projects a **nominal GDP growth rate of 10.1%**.
2. The **Economic Survey 2024-25** estimates **real GDP growth between 6.3% and 6.8%** for 2025-26.
3. If growth improves, this provides a **buffer for economic stability**.
4. The government aims to **accelerate growth to push India towards developed country status**.
5. The **Economic Survey suggests an 8% real growth rate** is needed for this goal.

How Have Capital Expenditure and Revenues Changed?

A. Capital Expenditure Trends

1. **Capital expenditure for 2025-26 is ₹11.2 lakh crore**, slightly higher than the **₹11.1 lakh crore** projected in Budget 2024-25.
2. The **increase over the 2024-25 revised estimates is ₹1.03 lakh crore**.

3. The share of capital expenditure in total expenditure has improved by 10 percentage points since 2020-21.

4. Higher capital spending helps economic growth through infrastructure investments.

5. Total government expenditure will grow by 7.6% in 2025-26 (BE). This is lower than the 10.1% nominal GDP growth.

B. Revenue Trends

a. Tax Revenue Trends:

1. Gross tax revenue (GTR) growth has declined:

- 2023-24: 13.5%
- 2024-25 (RE): 11.2%
- 2025-26 (BE): 10.8%

2. GST growth also fell from 12.7% in 2023-24 to 10.9% in 2025-26 (BE).

3. Direct taxes now contribute 59% of total tax revenue, up from 52% in 2021-22.

4. Personal income-tax growth fell due to tax concessions, declining from 25.4% in 2023-24 to 14.4% in 2025-26 (BE).

5. Corporate tax growth improved from 7.6% in 2024-25 (RE) to 10.4% in 2025-26 (BE).

b. Non-Tax Revenue Trends:

1. Non-tax revenue rose from ₹5.3 lakh crore (RE) to ₹5.8 lakh crore (BE).

2. The increase of ₹35,715 crore mainly came from higher dividends from RBI and public sector companies.

Why Is the Shift Away from Fiscal Deficit Targets a Concern?

1. **Less Transparency:** The 2025-26 Budget replaces fiscal deficit targets with debt-GDP ratio projections, making fiscal planning less clear.

2. **Past Commitment Ignored:** The 2024-25 Budget planned to reduce the fiscal deficit below 4.5% by 2025-26, but the new budget removes this glide path.

3. **Vague Assumptions:** The budget provides alternative debt-GDP ratio paths based on nominal GDP growth assumptions of 10.0%, 10.5%, and 11.0%, making fiscal discipline uncertain.

4. **Risk to Private Investment:** A larger government claim on available funds may reduce private sector investments, slowing economic growth.

Conclusion

The **Budget 2025-26** balances growth and fiscal discipline. It focuses on capital spending and direct tax growth but reduces transparency in fiscal targets. The government should invest in AI and ensure clear fiscal policies to sustain long-term growth.

Question for practice:

Examine the impact of the shift from fiscal deficit targets to debt-GDP ratio projections on fiscal transparency and economic growth.

US Deportations Affect India and Relations Significantly

Source: The post US Deportations Affect India and Relations Significantly has been created, based on the article "Not worth the risk: On the U.S., India and illegal emigration" published in "The Hindu" on 6th February 2025

UPSC Syllabus Topic: GS Paper2- International Relations-Effect of policies and politics of developed and developing countries on India's interests, Indian diaspora.

Context: The article discusses the deportation of illegal Indian immigrants from the U.S. under stricter immigration policies. It highlights the use of military flights, diplomatic concerns, and India's responsibility to prevent illegal migration by addressing economic issues and raising awareness.

For detailed information on **Trump's Policies Impact India's Economy and Workers** [read this article here](#)

Why Are These Deportations Significant?

1. **Large Scale:** The U.S. deported **1,60,000 individuals** between June and October 2024 to **over 145 countries**, including India.
2. **Undocumented Indians:** There are **7,25,000 undocumented Indians** in the U.S., making them a key group affected. States like Gujarat, Punjab, and Haryana have high numbers of illegal immigrants.
3. **Use of Military Flights:** For the first time, military flights were used, showing strict enforcement.
4. **Diplomatic Concerns:** The deportations coincided with **Prime Minister Modi's U.S. visit**, creating tensions.
5. **Harsh Treatment:** Reports of **shackling migrants** led to protests, including from **Colombian President Gustavo Petro**.

What is the impact on India-U.S. relations?

1. These deportations happened just before Prime Minister Narendra Modi's U.S. visit.
2. This suggests that diplomatic talks may not stop such actions. It could create tensions between India and the U.S.

What should India do?

1. India must verify and accept deported citizens.
2. The government must also stop illegal migration by:
 - Educating youth in states with high deportation rates.

- Highlighting the risks of illegal migration.
- Addressing economic distress, unemployment, and the agricultural crisis.
- Preventing people from traveling to dangerous regions for work.

Conclusion

India cannot change U.S. immigration policies. But it must solve the root causes of migration. This needs urgent action from both the central and state governments.

Question for practice:

Evaluate the impact of the U.S. deportation of illegal Indian immigrants on India-U.S. relations and India's responsibility in addressing illegal migration.

Implications of Supreme Court order on sacred groves

Source: The post Implications of Supreme Court order on sacred groves has been created, based on the article "What is the Supreme Court directive on sacred groves?" published in "The Hindu" on 6th February 2025

UPSC Syllabus Topic: GS Paper3- Environment- Conservation

Context: The article discusses the Supreme Court's order to map and classify Rajasthan's sacred groves as forests and community reserves under the Wildlife Protection Act. This contradicts the Forest Rights Act, which grants control of such lands to local gram sabhas for conservation.

For detailed information on **Sacred Groves** [read this article here](#)

What are Sacred Groves and what Are they Important?

1. **Definition:** Sacred groves are community-protected forest patches, conserved through customs and traditions.
2. **Number in India:** India has an estimated 1-10 lakh sacred groves, the highest in the world.
3. **Names in Different Regions:** Known as *orans* in Rajasthan, *devara kadu* in Karnataka, *sarna* in Chota Nagpur, *kavu* in Kerala, *devban* in Himachal Pradesh, and *devgudi* in Maharashtra and Chhattisgarh.
4. **Biodiversity and Conservation:** They protect unique flora and fauna, support perennial streams, and serve as medicinal plant sources.
5. **Environmental Benefits:** Help stabilize soil, prevent erosion, and mitigate floods, landslides, and droughts.
6. **Cultural and Religious Significance:** Communities maintain them through traditions, myths, and local beliefs.

What Are Community Reserves?

1. **Definition:** Community reserves are protected areas under the **Wildlife Protection Act (WLPA) 2002**, created on **community or private land** to conserve **fauna, flora, and cultural values**.

2. Control and Management: The **Chief Wildlife Warden** has overall authority, while a **Community Reserve Management Committee** manages the reserve.

3. Legal Responsibilities: Communities must **prevent offenses** like **wildlife harm, boundary damage, littering, and illegal fires**.

What Did the Supreme Court Order on Sacred Groves?

1. The Supreme Court ordered the Rajasthan Forest Department to map all sacred groves using ground and satellite methods.

2. It directed that all groves, regardless of size, be classified as 'forests' and notified as 'community reserves' under the Wildlife Protection Act (WLPA), 1972.

3. The court recommended forming *Community Reserve Management Committees* with local representatives.

4. It suggested that the Union Environment Ministry map sacred groves nationwide.

5. The order follows *T.N. Godavarman v. Union of India*, where forests were defined broadly.

What are the implications of this order?

1. **Shift of Control:** Sacred groves will move from community governance to the Forest Department, reducing community participation in conservation.

2. **Conflict with FRA 2006:** Under FRA, **gram sabhas manage forests**, but under WLPA, the **Forest Department** gains control, limiting community participation.

3. **Large-scale Impact:** Rajasthan has 25,000 sacred groves covering six lakh hectares, now under official control.

4. **Traditional Practices Affected:** Community conservation, rooted in beliefs, will be disrupted.

5. **Legal Precedence:** The court upheld its 2018 directive, enforcing its broad definition of 'forest land' under the Forest (Conservation) Act, 1980.

6. The Rajasthan government's **Forest Policy 2023** removed earlier protection rules for sacred groves.

Question for practice:

Evaluate the impact of the Supreme Court's order to classify Rajasthan's sacred groves as forests and community reserves on local community governance and conservation practices.

India and Bangladesh relations after government change

Source: The post India and Bangladesh relations after government change has been created, based on the article "**Bangladesh foreign adviser writes: India, let's work together**" published in "**Indian Express**" on 6th February 2025

UPSC Syllabus Topic: GS Paper2-International Relations-India and its neighbourhood- relations.

Context: The article discusses India-Bangladesh relations after Sheikh Hasina's government fell. The new interim government, led by Muhammad Yunus, wants good ties with India. It addresses concerns about Hindus, SAARC revival, trade, border issues, and cooperation in energy and regional stability.

For detailed information on **India-Bangladesh Relations** [read this article here](#)

What is the Current State of India-Bangladesh Relations?

1. **Political Shift:** Sheikh Hasina's government fell in **July-August 2024** due to a **student-led mass uprising**. The Indian government **failed to anticipate** this change. **Professor Muhammad Yunus** is now the **Chief Adviser** of the interim government.

2. **Efforts for Cooperation:** The interim government wants **good relations** with India based on **mutual respect**. Foreign Secretary **Vikram Misri's visit in December** was seen as a **positive step**.

3. Trade and Economic Strengths:

- India is the **fifth-largest economy** with a **strong technology sector**.
- Bangladesh is the **second-largest garments exporter** after China.
- Bangladesh contributes **the highest number of UN peacekeepers**.
- **Professor Yunus' microcredit model** has influenced financial systems globally, including in India.

4. Concerns Over Minority Rights:

- **Violence occurred** after Hasina's fall, affecting **Muslims and Hindus**.
- The interim government **acted strictly** against the perpetrators.
- Citizens **helped protect Hindu families and temples**.
- Indian media exaggerated incidents, according to the article.
- A **Voice of America survey** found that **two-thirds of Bangladeshis** felt minority rights had improved.

5. **SAARC Revival Efforts:** The interim government **wants to revive SAARC**, but **India is not supporting it**. It suggests **small symbolic steps**, like leaders **posing for a photograph together** at a global event.

6. Positive Developments:

- Exchange of fishermen between both countries.
- Trilateral energy agreement allows Bangladesh to access hydroelectric power from Nepal.
- **Border Issues:** The article calls for **ending the killing of unarmed civilians at the border** to **strengthen ties**.

7. India and Bangladesh have **shared interests** and **historical ties**. Despite challenges, **opportunities for cooperation** remain open.

Conclusion

The interim government of Bangladesh, led by Professor Muhammad Yunus, aims to strengthen relations with India, focusing on mutual respect and regional cooperation. Key initiatives include the trilateral energy agreement with Nepal and improved conditions for minorities, demonstrating a commitment to pragmatic and positive engagement.

Question for practice:

Discuss the impact of the political shift in Bangladesh on its relations with India.

Trump freezes foreign aid affecting global help

Source: The post Trump freezes foreign aid affecting global help has been created, based on the article “Crippling aid work: The fallout of U.S. foreign assistance freeze will be far-reaching” published in “The Hindu” on 7th February 2025

UPSC Syllabus Topic: GS Paper2- International Relations-Effect of policies and politics of developed and developing countries on India's interests,

Context: The article discusses U.S. President Donald Trump's decision to freeze foreign aid. It explains that USAID funding is crucial for global aid. The freeze disrupts humanitarian efforts. The move is seen as inward-looking and could harm millions who depend on U.S. assistance.

For detailed information on **Trump's America First Policy and Global Impact** [read](#) this article here

What is USAID and why is it important?

1. USAID (United States Agency for International Development) was established in 1961 under the Foreign Assistance Act.
2. It provides humanitarian and development aid worldwide. According to USASpending.gov, USAID was allocated **\$44.2 billion** in the 2024 budget.
3. This is 0.4% of the U.S. federal budget, but media reports say USAID provided nearly 42% of UN-tracked humanitarian aid in 2024.

How does USAID help different countries?

1. USAID funds programs in health care, food aid, and policy advocacy.
2. In India, it has supported **education, immunization, HIV/TB prevention, polio eradication, and child health** since the 1960s. In the latest fiscal year, USAID contributions to India were **over \$150 million**.
3. In conflict-ridden regions, USAID is a lifeline for food and medical aid.

What actions has the Trump administration taken?

1. **Foreign Aid Freeze:** On his first day in office, President Donald Trump **imposed a 90-day freeze on foreign aid**.
2. **Justification for the Freeze:** The administration cited **inefficiencies and ideological opposition to USAID** as reasons.

3. **Criticism of USAID:** Elon Musk, head of the Department of Government Efficiency, called USAID a “viper’s nest of radical-left Marxists.”

4. The government has also:

- **Removed content from the USAID website**
- **Placed USAID personnel on administrative leave**
- **Ordered the return of overseas USAID staff within 30 days**

What are the consequences of this decision?

Withdrawing from foreign aid will **disrupt global humanitarian structures**. Millions of people will lose access to **food, healthcare, and critical resources**. This decision shows an **inward-looking approach** and weakens U.S. leadership in global development.

Question for practice:

Evaluate the impact of President Donald Trump’s foreign aid freeze on global humanitarian efforts and U.S. leadership in development.

Should India build its own AI model

Source: The post Should India build its own AI model has been created, based on the article “**Should India build a sovereign, foundational AI model?**” published in “**The Hindu**” on 7th February 2025

UPSC Syllabus Topic: GS Paper3-Science and Technology-indigenization of technology and

developing new technology And Awareness in the fields of IT, Computers

Context: The article discusses whether India should build its own AI foundation model. Experts debate if it is necessary for sovereignty or just national pride. They highlight high costs, research challenges, and the need for smart investments in AI infrastructure and applications.

For detailed information on **On Building Sovereign AI in India – India’s challenge** [read this article here](#)

Does India need to develop its own foundational AI model?

1. Experts debate whether India should build a sovereign AI model. Some argue that sovereignty concerns, such as **U.S. sanctions on AI chips**, make it necessary.
2. Others believe that **open-source models like DeepSeek R1** reduce this need. Instead of focusing on sovereignty, India should ensure it has the **capability to build and utilize AI models effectively**.

Can India afford to build an AI model, and does it have the technology?

1. Developing a foundational AI model requires **huge investments and advanced technology**. **DeepSeek V3 cost \$5.6 million**, while **Big Tech firms spend \$80 billion annually** on AI infrastructure.
2. India lacks **semiconductor manufacturing** and has no contracts with **TSMC**.
3. Unlike **Huawei’s 910C chips**, India does not have **high-performance GPUs** needed for AI model training.

4. Additionally, **the Indian AI market is smaller** than the U.S., making it harder to recover the investment.

What is the best AI strategy for India?

1. **Focus on AI applications:** Instead of building a costly foundational AI model, India should develop **AI solutions** for governance, businesses, and Indian languages. (*Example: AI for Bharat is training IndicTrans2 and a text-to-speech system for Indian languages.*)

2. **Invest in R&D and infrastructure:** The **IndiaAI Mission** is providing **subsidized GPUs** to startups and academia to **lower AI development costs**. However, India's **public procurement system lacks error tolerance**, making private investment and research critical.

3. **Leverage open-source models:** **DeepSeek R1** and other open-source models reduce dependency on proprietary AI. If the U.S. applies sanctions, India can "fork" existing open-source AI models and modify them.

4. **Be realistic about AI investments:** **DeepSeek V3's training cost \$5.6 million**, and **Big Tech spends \$80 billion annually on AI infrastructure**. India's limited AI budget is **less than the cost of training Meta's Llama 4 model**, so resources must be **spent wisely**.

5. **Prioritize language and industry needs:** Developing AI models tailored to **Indian language processing** and **enterprise applications** will offer better returns. Competing directly with **ChatGPT or DeepSeek** is impractical.

Question for practice:

Examine whether India should prioritize building its own foundational AI model or focus on AI applications and infrastructure development.

Tax Cut Boosts Spending and Economic Growth

Source: The post Tax Cut Boosts Spending and Economic Growth has been created, based on the article "**Budget 2025's tax cuts for middle class will boost consumption many times over**" published in "**Indian Express**" on 7th February 2025

UPSC Syllabus Topic: GS Paper3- Economy- Growth and Development

Context: The article explains how the Budget 2025 tax cut of ₹1 lakh crore for the urban middle class will boost spending. This extra money will create more demand, increasing consumption and GDP growth. It is a short-term stimulus, not a replacement for long-term infrastructure investment.

For detailed information on **How to Boost Investment and Economic Growth** [read this article here](#)

What are the Multiplier effects of tax cut of ₹1 lakh crore?

The multiplier effects of the ₹1 lakh crore tax cut are substantial and can be understood through the following points:

1. **Increased Disposable Income:** The tax cut directly increases the disposable income of urban middle-class households by ₹1 lakh crore, empowering them to spend more.

2. **High Consumption Multiplier:** The estimated consumption multiplier for the urban middle class is 5. This suggests that every ₹1 of tax cut could generate ₹5 in new consumption. This multiplier is derived from a

marginal propensity to save (MPS) of 20%, indicating these households typically save 20% of any additional income.

3. Total Economic Impact: Applying the consumption multiplier, the ₹1 lakh crore tax cut could lead to an additional ₹5 lakh crore in consumption. This would significantly boost the economy by increasing demand for goods and services.

4. Boost to GDP: The additional consumption could enhance GDP growth. A ₹5 lakh crore increase in consumption translates to about a 2.7% increase in GDP, based on India's current GDP of ₹185 lakh crore.

5. Supports Private Investment: By increasing demand, the tax cut encourages businesses to invest and expand, potentially leading to more job creation and higher incomes, further stimulating economic growth.

What can be done to support this growth?

1. Implement Easy Monetary Policies: The RBI should adopt easier monetary policies to lower interest rates and encourage private investment, supporting businesses in expanding and creating jobs.

2. Encourage Local Consumption: Promote purchasing domestically produced goods to ensure that the increased spending benefits the local economy.

3. Maintain Fiscal Discipline: Continue managing the fiscal deficit effectively, which is projected to be below 4.4% of GDP, to maintain economic stability and investor confidence.

4. Support Private Investment: The tax cut can stimulate demand, encouraging firms to launch new projects and hire more, thus increasing consumer spending and further boosting growth.

Question for practice:

Discuss the multiplier effects of the ₹1 lakh crore tax cut for the urban middle class and how it can impact economic growth.

India prioritizes growth and adaptation over emissions

Source: The post India prioritizes growth and adaptation over emissions has been created, based on the article **“Excessive preoccupation with temperature goal’: How India has signalled shift in approach to climate crisis”** published in **“Indian Express”** on 7th February 2025

UPSC Syllabus Topic: GS Paper3- Environment- Conservation

Context: The article discusses India's changing approach to climate action. It prioritizes economic growth and adaptation over emission cuts. India argues that rich countries have failed to meet climate goals. It plans to develop first and decarbonize later. It also aims to expand clean energy technologies independently.

Why is India changing its climate strategy?

India has shifted its climate policy focus. It now prioritizes economic growth and adaptation over immediate emission cuts. This shift is due to the failure of developed countries to meet climate targets. Global emissions are still rising, and climate finance commitments remain unfulfilled.

What is India's new argument on climate action?

1. **Economic Growth First:** India argues that **rapid economic growth is the best defense** against climate change. Adaptation provides immediate benefits, unlike emission cuts.
2. **Failure of Global Efforts:** Global emissions are still rising, and developed countries have failed to meet targets. **US withdrawal from the Paris Agreement (2025)** weakens global action.
3. **Economic Survey for 2024-25 Recommend:** The Economic Survey suggests that India should first reach the development level of richer countries by 2047 and then focus on achieving a net-zero emission goal by 2070. This approach follows China's model.
4. **China's model:** China focused on economic growth first. Its emissions **quadrupled since the mid-1990s**. However, this also helped it build the world's largest clean energy sector. India sees this as a model. Once China peaks emissions, it can reduce them faster than others.
5. **Energy Independence:** India plans 100 GW nuclear energy by 2047 and focuses on solar, wind, hydrogen, and SMRs to control its transition.

What challenges does India face?

Dependence on Coal: Coal remains essential for energy needs, but restrictions could slow economic growth.

Global Climate Inaction: Developed nations failed to meet emission targets, reducing India's incentive for aggressive decarbonization.

Technology Dependence: India lacks local manufacturing for clean energy. Without scaling up, it will depend on foreign supply chains.

Slow Nuclear Expansion: Despite the **India-US civil nuclear deal**, nuclear energy growth has been sluggish.

Question for practice:

Discuss India's changing approach to climate action and the reasons behind its shift in strategy.

Digital technology is changing rural India's education

Source: The post Digital technology is changing rural India's education has been created, based on the article "**Technology and the challenge of equitable education**" published in "**The Hindu**" on 8th February 2025

UPSC Syllabus Topic: GS Paper2- Governance-Issues relating to development and management of Social Sector/Services relating to Education.

Context: The article discusses how digital technology, especially smartphones, is expanding in rural India. It highlights the potential of AI and digital tools in education. It stresses the need to educate mothers and create a roadmap to use technology for underprivileged students.

For detailed information on **Measuring digital literacy -Why India must measure digital literacy** [read this article here](#)

What Is the Impact of Digital Technology on Rural India?

1. **Smartphone Penetration:** Rural smartphone ownership surged from **36% in 2018 to 84% in 2024**, showing rapid digital adoption.

2. **Educational Tools:** During the **COVID-19 pandemic**, smartphones delivered texts, worksheets, and videos, ensuring educational continuity.

3. **Long-Term Impact:** The digital skills learned during the pandemic have persisted, **shaping new learning methods** in rural communities.

4. **New Digital Trends:** Post-pandemic, interest in **AI-based education** is growing, opening new possibilities for learning in rural India.

What Challenges Remain in Educating the Underprivileged?

1. **Limited Education of Mothers:** Over **40% of mothers** have studied less than class five, affecting their ability to help children.

2. **Unclear Smartphone Ownership Among Mothers:** The article does not clarify whether **mothers of young children** own smartphones, impacting digital learning at home.

3. **School Attendance Issues:** Many villages have a **fragmented education system** where students attend different types of schools or **do not attend at all**.

4. **Profit-Driven Technological Innovations:** Most **education technologies are designed for profit**, making access difficult for underprivileged communities.

How Can Technology Further Enhance Education?

1. **Smartphone Accessibility:** As **84% of rural households now own smartphones**, digital education can expand further.

2. **Sustained Digital Learning:** Digital resources like **virtual training and AI tools** can continue enhancing education beyond pandemic use.

3. **Supporting Mothers' Education:** Educating **mothers with limited schooling** can help strengthen children's learning at home.

4. **Organized Learning Models:** **Broadcast learning**, tested in Maharashtra, can help **organize group learning** for rural students without access to structured education.

What Are the Economic Implications of Technological Innovations in Education?

1. **Growing Digital Market:** With most households already owning a smartphone, **purchasing second devices** may boost the **digital economy**.

2. **Technology and Profit Barriers:** **For-profit models** limit access to educational innovations where profit potential is low, restricting benefits for the poor.

3. **AI and Hardware Costs:** **AI-driven education requires high-end hardware**, increasing financial inequality and creating a **new cost burden**.

4. **Investment for Equitable Access:** **Philanthropy alone is not enough**; India **needs a clear roadmap** to ensure that technology benefits the most disadvantaged.

Question for practice:

Examine how digital technology is transforming education in rural India and the challenges that remain for underprivileged students.

RBI cuts repo rate to support growth.

Source: The post RBI cuts repo rate to support growth. has been created, based on the article “**Growth over inflation: The interest rate cut signals a shift in the RBI’s immediate priorities**” published in “**The Hindu**” on 8th February 2025

UPSC Syllabus Topic: GS Paper3- Indian Economy and issues relating to planning, mobilisation of resources, growth Development

Context: The RBI cut the repo rate from 6.50% to 6.25% to support growth. Inflation fell to 5.2%, but growth is slow. Global economic risks remain. The RBI expects inflation to ease. The policy aligns with the Budget. A scheduling change could improve decision-making.

Why did the RBI cut the repo rate?

1. The RBI reduced the **repo rate from 6.50% to 6.25%**, the first cut in **nearly five years**. This decision prioritizes **economic expansion over inflation control**.
2. In the previous bi-monthly review, the **MPC had opted for the status quo with a 4:2 vote**. At that time, inflation was **6.2% (October 2023)**, and **GDP growth was 5.4% (Q2 2023-24)**.
3. Now, **inflation has moderated to 5.2% (December 2023)**, but **growth projections for 2024-25 have slipped to 6.4%**, the lowest in four years.

What global and domestic factors influenced this decision?

1. Globally, **stalled disinflation, a strong U.S. dollar, and diminished prospects of U.S. rate cuts** have put pressure on **emerging markets, including India and the rupee**.
2. Domestically, inflation is expected to **average 4.8% in 2024-25 and 4.2% in 2025-26**, based on **assumptions of a normal monsoon and a bumper harvest of key vegetables (tomato, onion, potato)**, which historically **cause price spikes**.

How does the policy align with the government’s economic strategy?

1. The RBI’s post-Budget stance indicates **closer coordination with fiscal policy**.
2. The government has called for **monetary and fiscal policies to work in tandem**.
3. The rate cut is expected to **stimulate consumption, attract private investment, and boost growth**, though its effectiveness remains **uncertain**.

Should the RBI change its review schedule for better decision-making?

1. Had the **MPC met a week later**, it might have had **additional justification for the rate cut**, as **January inflation was expected to cool to around 4.5%**.
2. A **slight adjustment in the MPC’s bi-monthly meeting schedule** could make monetary policy **more data-driven and responsive**, helping the committee base decisions on **real-time economic indicators**.

Question for practice:

Evaluate whether the RBI's decision to cut the repo rate aligns with both domestic economic conditions and global economic trends.

India can lead AI with innovation and strategy

Source: The post India can lead AI with innovation and strategy has been created, based on the article “AI race: What India should do” published in “Indian Express” on 8th February 2025

UPSC Syllabus Topic: GS Paper3-Awareness in the fields of IT, Space, Computers.

Context: The article discusses India's potential to lead in AI. It highlights India's strengths in AI talent, startups, and digital infrastructure. It stresses the need for AI hardware independence, open-source models, and global leadership. It calls for urgent innovation and policy changes.

For detailed information on **India's Strategy for AI Leadership** [read this article here](#)

Why is AI important for India?

1. **Strong AI Workforce:** India has **4,20,000 AI professionals**, more than many countries' entire tech sectors.
2. **High AI Adoption:** **92% of Indian enterprises use AI**, the highest in the world.
3. **Growing AI Market:** India's AI market is worth **\$17 billion**.
4. **Leading AI Startups:** **Sarvam AI** (Indian languages), **Niramai** (breast cancer detection), and **BHASHINI** (22+ language translations) are driving innovation.
5. **Digital Growth:** **49% of global real-time payments** come from India, with **\$568 billion in monthly UPI transactions**.
6. **Government Support:** The **IndiaAI Mission** aims for AI leadership.

How has India built a strong digital foundation?

India has transformed its digital landscape in the last decade.

1. **Financial Inclusion:** Bank account penetration rose from 30% to 80% in seven years, while costs dropped from \$23 to 15 cents per account.
2. **Digital Payments:** India handles **49% of global real-time payments**, with **\$568 billion in monthly UPI transactions**.
3. **Startups & Innovation:** India has 108 unicorns, using DPI to develop fintech, health-tech, and commerce platforms.
4. **Crisis Management:** During COVID-19, India transferred **\$4.5 billion to 160 million people** instantly.

What are the global AI trends?

1. **US Investment in AI & Semiconductors:** The **Stargate initiative** commits **billions of dollars** to AI and semiconductor research. It aims to create **1,00,000 jobs** and secure US dominance in AI.
2. **China's Cost-Effective AI Development:** **DeepSeek** built an **open-source AI model** with just **200 employees** and **\$10 million**, competing with **OpenAI**, which has **4,500 employees** and **\$6.6 billion** in funding.
3. **US AI Hardware Restrictions:** The **AI diffusion rule** limits **advanced GPU** exports to India, placing it under **Tier II** restrictions despite being a Quad partner.

What should India do to lead AI?

1. **Build cost-effective AI solutions** like ISRO, maximizing output with fewer resources.
2. **Promote open-source AI** to foster innovation, like **DeepSeek's low-cost AI success**.
3. **Develop sovereign AI models** using Indian data to avoid biases.
4. **Strengthen multilingual AI** for India's **22+ official languages**, like **BHASHINI**.
5. **Gain Tier I AI status** to remove **US-imposed GPU restrictions**.
6. **Invest in AI hardware** to ensure self-reliance in computing power.
7. **Act urgently** with a **mission-driven approach**, leveraging **India's 4,20,000 AI professionals** and **92% enterprise adoption rate**.

Question for practice:

Discuss how India can achieve AI leadership by leveraging its strengths and addressing key challenges.