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DAILY CURRENT AFFAIRS 17-10-2025

NATIONAL NEWS

Government Extends Tenure of the 16th Finance Commission to November 30, 2025

The Government of India has extended the tenure of the 16th Finance Commission by one month, moving the report submission deadline from October 31 to November 30, 2025.

The 16th Finance Commission, chaired by Arvind Panagariya, is responsible for recommending the distribution of tax revenues between the Centre and states for the 2026–2031 period, and reviewing fiscal arrangements for disaster management financing.

Constituted on December 31, 2023, the Commission is a constitutional body that provides guidance on Centre-State fiscal relations, influencing revenue allocation across all states and Union Territories.

Its key responsibilities include recommending the share of taxes, suggesting measures for revenue augmentation, and reviewing financing mechanisms for disaster management under the Disaster Management Act, 2005.

The Commission comprises Chairperson Arvind Panagariya, full-time members Annie George Mathew (retired bureaucrat) and Manoj Panda (economist), and part-time members Soumya Kanti Ghosh (Chief Economic Advisor, SBI) and T. Rabi Sankar (Deputy Governor, RBI), supported by Secretary Ritvik Pandey, two Joint Secretaries, and an Economic Advisor.

Recommendations will cover the fiscal period April 1, 2026 to March 31, 2031, focusing on balanced tax-sharing, post-pandemic fiscal realities, strengthening Disaster Response and Mitigation Funds, debt sustainability, and incentives for fiscal discipline and performance-based grants.

The 15th Finance Commission, chaired by N.K. Singh, had recommended 41% devolution of central taxes to states for 2021–2026, consistent with the 14th Finance Commission under Y.V. Reddy.

For the 16th Commission, states expect greater fiscal autonomy and clarity on central scheme financing, and the extension allows additional deliberation amid macroeconomic uncertainties and policy shifts.

The National School of Drama and Bharat Bhawan Sign MoU

The National School of Drama (NSD) and Bharat Bhawan, Bhopal, have signed a Memorandum of Understanding (MoU) to revive the Rangmandal Repertory, which has been inactive for over two decades.

The initiative aims to strengthen theatre practice, training, and performance in Madhya Pradesh and across India.

Rangmandal is the repertory theatre wing of Bharat Bhawan, a renowned multi-arts complex in Bhopal that promotes visual arts, folk arts, theatre, literature, and cultural archives.

Historically, Rangmandal has functioned as a production centre, training space, and a repository of theatre resources such as scripts and stagecraft materials.

The MoU was signed on 11 October 2025 in the presence of Union Minister for Culture Gajendra Singh Shekhawat and Madhya Pradesh Chief Minister Mohan Yadav.

Under this agreement, NSD and Bharat Bhawan will jointly operate a “Joint NSD-Bharat Bhawan Rangmandal/Repertory”.

The revived repertory will serve as a centre for high-quality theatre productions and as a training ground for actors, directors, and technicians.

The collaboration will bring quality theatre to Madhya Pradesh and beyond, utilizing Bharat Bhawan’s legacy as a cultural hub.

The arrangement is expected to include sharing of resources, faculty, performance spaces, script libraries, and joint programming between NSD and Bharat Bhawan.

INTERNATIONAL NEWS

Armenia Joins IUCN as Newest State Member

Armenia has become the newest State Member of the International Union for Conservation of Nature (IUCN) during the 2025 World Conservation Congress in Abu Dhabi, marking a major step in its global environmental engagement.

The membership will provide Armenia access to global expertise, innovative conservation tools, and international partnerships, strengthening its capacity to advance biodiversity conservation and sustainable development.

Armenia’s IUCN membership supports preparations for hosting COP17 of the Convention on Biological Diversity in 2026, a key event for showcasing its environmental leadership.

Located at the crossroads of Europe and Asia, Armenia hosts diverse ecosystems alpine meadows, mountain forests, semi-deserts, and freshwater habitats supporting rare species like the Critically Endangered Caucasian leopard, Bezoar goat, and Sevan trout.

Armenia has implemented policies such as the National Biodiversity Strategy and Action Plan and the Red Book of Armenia, aimed at species protection and habitat conservation.

The membership aligns with Armenia’s green transition goals, including plans to restore forests covering 12.9% of its territory by 2030, protect freshwater ecosystems, and integrate Nature-based Solutions (NbS) into national policy.

SCIENCE & TECHNOLOGY

AdaniConnex Partners with Google

AdaniConnex, a joint venture of Adani Enterprises, has partnered with Google to build India's largest data centre campus in Visakhapatnam, Andhra Pradesh, marking a \$15 billion investment over five years.

The project aims to create a gigawatt-scale AI hub, powered by clean energy and a subsea cable network, boosting India's digital and AI infrastructure.

The data centre will begin operations at 1 gigawatt (GW) capacity and scale to multiple gigawatts, making it Google's largest AI hub outside the United States.

The campus will include a new international subsea cable gateway, solar and energy storage systems, and enhanced transmission infrastructure in Andhra Pradesh, ensuring sustainable power for high-performance AI computing.

The initiative is a strategic collaboration among Google, AdaniConnex, and Airtel, aimed at developing a next-generation digital backbone for India and accelerating AI innovation.

India is rapidly emerging as a global data centre hub, with players like Microsoft, AWS, Reliance Jio, and Hiranandani Yotta expanding operations.

BANKING

Reserve Bank of India Paper Finds Telangana Leading All States in UPI Transaction Usage Intensity

A Reserve Bank of India (RBI) bulletin paper found that Telangana records the highest usage intensity of Unified Payments Interface (UPI) transactions in per capita terms among all Indian States.

The study used PhonePe transaction data as a proxy for assessing UPI usage intensity, since PhonePe accounts for 58% of total UPI transaction volume and 53% of total transaction value.

Other states with high UPI usage intensity include Karnataka, Andhra Pradesh, Delhi, and Maharashtra, driven by urbanisation and economic activity.

The paper notes that UPI's growth has significantly reduced cash demand, as reflected in the steady fall of ATM withdrawals as a percentage of GDP.

There is a rise in peer-to-merchant (P2M) payments, showing that UPI is increasingly used for low-value, everyday transactions.

The average value of UPI transactions (ticket size) has been declining over time, while most P2M transactions are below ₹500.

Cash withdrawal intensity remains higher in northeastern States, Kerala, Goa, and Delhi, likely due to tourism, service-sector cash use, remittance inflows, and rural cash dependence.

The paper concludes that southern and western States lead UPI adoption, reflecting urban economic hubs and employment-driven migration, whereas cash reliance persists in regions with limited digital infrastructure.

ECONOMY

World Bank Raises India's FY26 Growth Projection To 6.5%

The World Bank has raised India's GDP growth forecast to 6.5% for FY26, up from 6.3% projected in June 2025, citing resilient domestic demand, rural recovery, and the impact of GST reforms.

India is expected to remain the world's fastest-growing major economy, supported by strong consumption and economic formalization.

However, the World Bank revised India's FY27 growth forecast down to 6.3%, attributing it to the 50% tariff imposed by the U.S. on Indian exports.

The South Asia Development Update (October 2025) projects South Asia's growth at 6.6% in 2025, but expects it to slow to 5.8% in 2026, a 0.6 percentage point downward revision from April's forecast.

The report highlights downside risks to regional growth due to global economic uncertainty, trade protectionism, political unrest, and AI-related labour disruptions.

India's domestic consumption continues to be a major growth driver, with services and manufacturing sectors benefiting from rising incomes and urban expansion.

IMF Ups India's FY26 GDP Growth Projection to 6.6%

The International Monetary Fund (IMF) has raised India's Gross domestic product (GDP) growth forecast for 2025–26 to 6.6% from 6.4% earlier, despite US punitive tariffs on Indian exports.

The upward revision is attributed to a strong first-quarter performance, which offset the impact of higher US effective tariffs on imports from India since July 2025, according to the IMF's World Economic Outlook

In the April–June quarter of FY26, India's GDP grew 7.8%, the fastest pace in at least a year, driven by robust private consumption.

The government's GST reforms, including reduced tax rates on consumer goods and services, are expected to boost domestic demand further and counter external demand weakness due to the US tariff hike.

The IMF's revised projection aligns closely with the World Bank's forecast, which recently raised India's FY26 growth estimate to 6.5% from 6.3%.

The IMF projected that emerging markets and developing economies will see slower growth, moderating from 4.3% in 2024 to 4.2% in 2025 and 4% in 2026.

DEFENCE

Indian Navy Conducts 5th Edition of Bilateral Maritime Exercise 'Samudra Shakti - 2025'

The Indian Navy is hosting the 5th edition of the Indo-Indonesian Joint Bilateral Maritime Exercise 'Samudra Shakti - 2025' at Visakhapatnam from 14-17 October 2025.

INS Kavaratti, an Anti-Submarine Warfare Corvette of the Eastern Fleet under Eastern Naval Command (ENC), and the Indonesian Navy Ship KRI John Lie, a Corvette with an integral helicopter, are participating in the exercise.

The harbour phase includes activities to build camaraderie and professional rapport, such as Cross Deck Visits, Joint Yoga Sessions, Friendly Sports Fixtures, and Professional Subject Matter Expert Exchanges (SMEE).

The sea phase involves dynamic and complex maritime operations to enhance tactical coordination, including Helicopter Operations, Air Defence Exercises, Weapon Firing Drills, and Visit, Board, Search and Seizure (VBSS)

Exercise Samudra Shakti aims to enhance interoperability, strengthen mutual understanding, and share best practices between the Indian and Indonesian Navies.

The first edition of the Indo-Indonesian Joint Bilateral Maritime Exercise 'Samudra Shakti' took place in 2018.

Netherlands to Host NATO's 2025 Annual Nuclear Deterrence Exercise 'Steadfast Noon'

NATO's annual nuclear deterrence exercise 'Steadfast Noon' is being hosted by the Netherlands in 2025, marking its role as this year's host nation.

'Steadfast Noon' is an annual nuclear exercise conducted by NATO (North Atlantic Treaty Organization) to test and strengthen the alliance's nuclear deterrence capabilities.

The main operating site for the 2025 edition is Volkel Air Base (Netherlands), with supporting bases at Kleine Brogel (Belgium), Lakenheath (UK), and Skrydstrup (Denmark).

Participating nations include Finland, Poland, the United States, Germany, Belgium, the UK, Denmark, and others, demonstrating broad allied cooperation.

The exercise involves around 70 aircraft from 14 allied nations, including conventional and dual-

capable aircraft, enhancing coordination and operational readiness among NATO forces.

APPOINTMENTS & RESIGNATIONS

India Wins Unopposed Seat on UN Human Rights Council for 2026-28 Term

India has been elected unopposed to the United Nations Human Rights Council (HRC) for the seventh time for a three-year term (2026-2028) starting next year.

The election reflects India's unwavering commitment to human rights and fundamental freedoms, as stated by Permanent Representative P. Harish.

India received 177 votes out of 188 cast in a proforma voting, even though it was unopposed for one of the Asia-Pacific group's 17 allotted seats.

The Human Rights Council (HRC) is a 47-member UN body based in Geneva, responsible for promoting and protecting human rights worldwide and reviewing situations in member countries.

India last served on the HRC in 2024, completing two consecutive terms, and took a mandatory break before contesting again.

India's philosophy of "Vasudhaiva Kutumbakam" (The world is one family) underlines its commitment to global unity, openness, and mutual respect.

India pledged to bridge divisions and reduce polarisation within the UN system and the Human Rights Council, aiming to strengthen multilateral cooperation.

The other 13 countries elected to the HRC include Angola, Britain, Chile, Ecuador, Egypt, Estonia, Iraq, Italy, Mauritius, Pakistan, Slovenia, South Africa, and Vietnam.

IMPORTANT DAYS

World Food Day

World Food Day 2025 is observed annually on the 16th of October.

The promotion of global food security, particularly during times of crisis, is the core idea that World Food Day honors.

The theme for this year, "Hand in Hand for Better Foods and a Better Future,"

The Food and Agriculture Organization (FAO), a specialized body of the United Nations, created World Food Day in 1945.

However, it would take another 34 years until the 20th FAO conference in November 1979, when it was declared a global holiday.

Following this, 150 nations continued to commemorate the day once it was given official UN recognition.

Since 2014, the day's popularity has been exploited to advance the causes of world hunger relief and eradicate poverty in developing countries.

World Anaesthesia Day

World Anaesthesia Day is observed on the 16th of October 2025.

The purpose of celebrating World Anaesthesia Day is to organise the global anaesthesia community and to act as a potent lobbying tool.

The World Anaesthesia Day 2025 theme is "Anaesthesiology in Health Emergencies,"

World Anaesthesia Day is observed on October 16 in remembrance of W.T.G. Morton, who made the first successful official demonstration of ether as an anaesthetic on this date 173 years ago.

This event ushered in the practice of anesthesiology.

Since 1903, unique occasions have been planned to commemorate this momentous day.

Given in an operating room at Massachusetts General Hospital, it is regarded as one of the pivotal moments in medical history.



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