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DAILY CURRENT AFFAIRS

The Hindu & The Indian express

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India's Kabul mission to be upgraded to embassy

Jaishankar makes announcement during meeting with Taliban Foreign Minister, raises concerns over forced repatriation of Afghan refugees by Pak., calls 'cross-border terror' a common challenge

Kallol Bhattacharjee
NEW DELHI

India will upgrade its 'technical mission' in Kabul to the status of an embassy, External Affairs Minister S. Jaishankar said on Friday.

The announcement came during Mr. Jaishankar's meeting with Amir Khan Muttaqi, Foreign Minister of the Taliban administration in Afghanistan, at Hyderabad House. Mr. Jaishankar also raised India's concerns over the forced repatriation of Afghan refugees by Pakistan and described "cross-border terrorism" as a common challenge to both India and Afghanistan.

"India is fully committed to the sovereignty, territorial integrity and independence of Afghanistan.



Reaching out: S. Jaishankar with Afghanistan's Foreign Minister Amir Khan Muttaqi in New Delhi on Friday. ANI

Closer cooperation between us contributes to your national development, as well as regional stability and resilience. To enhance that, I am pleased to announce today the upgrading of India's technical mission in Kabul to the sta-

tus of Embassy of India," said Mr. Jaishankar.

India had shut its embassy in Kabul in 2021 after the U.S.-led forces withdrew from Afghanistan.

In an interaction at the Embassy of Afghanistan, Mr. Muttaqi welcomed the

Pak. violating Kabul's sovereign territory: Taliban

KABUL

The Taliban regime on Friday accused Pakistan of "violating Kabul's sovereign territory", a day after two explosions were heard. The Taliban have previously accused Islamabad of border strikes, but this is the first time they have alleged an incursion deep into their territory, calling it an "unprecedented act". » **PAGE 14**

decision and said, "We will send our diplomats to the Embassy of Afghanistan." He clarified that the Taliban may not send an ambassador at the beginning.

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India's Kabul mission to be upgraded to embassy

Source: The Hindu: Page: 1

GS Paper: International Relations (India-Afghanistan Relations)

Context:

After shutting its Kabul embassy in 2021 following the Taliban takeover, India reopened a limited technical mission in 2022 for humanitarian aid. In October 2025, India announced it will upgrade this mission to a full embassy, signaling renewed diplomatic engagement with the Taliban administration to address issues like refugee repatriation, cross-border terrorism, and regional stability - while still not formally recognizing the Taliban government.



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SC hints at revisiting cracker ban in Delhi-NCR

Aaratrika Bhaumik
NEW DELHI

The Supreme Court on Friday indicated that it may revisit its April 3 order imposing a year-long ban on the manufacture, storage, sale and use of firecrackers in the Delhi-National Capital Region (NCR), while reserving its verdict on pleas seeking permission to allow their production and sale in the region.

A Bench of Chief Justice of India B.R. Gavai and Justice K. Vinod Chandran said it would examine allowing the sale and use of green firecrackers certified by the National Environmental Engineering Research Institute and the Petroleum and Explosives Safety Organisation during Deepavali. "We will permit them on a trial basis during Deepavali," the Chief Justice told the Centre.

SC hints at revisiting cracker ban in Delhi-NCR

Source: The Hindu: Page: 1

GS Paper: Environment - Pollution Control & Judiciary's Role

Why in News

- The Supreme Court indicated it may revisit its April 3 order that imposed a year-long ban on the manufacture, storage, sale, and use of firecrackers in Delhi-NCR.
- The Court is considering allowing the sale and use of "green crackers" on a trial basis during Deepavali, if they are certified by competent authorities.

What are Green Crackers?

- Green crackers are environment-friendly firecrackers that produce less emissions (30%-40% lower particulate matter, SO₂, NO₂).
- Developed by CSIR-NEERI (National Environmental Engineering Research Institute).
- They do not use banned chemicals like lithium, arsenic, or lead.

How They Are Approved

- Must be certified by:
 - CSIR-NEERI, and
 - Petroleum and Explosives Safety Organisation (PESO).
- Only those meeting prescribed safety and emission standards can be manufactured & sold.



Hydropower project on Chenab gets clearance

The Sawalkote project was first accorded an environmental clearance in 2017; the suspension of the Indus Waters Treaty with Pakistan added momentum to the approval process, says official

Jacob Koshy
NEW DELHI

An apex committee of the Environment Ministry has accorded a fresh environmental clearance to the Sawalkote hydroelectric project, proposed to come up on Chenab river in Ramban, Jammu and Kashmir.

Planned as a run-of-the-river project utilising the flow of the Chenab to generate electricity, it is reportedly the first major hydropower project on the Indus rivers to be accorded environmental clearance following India's suspension of the Indus Waters Treaty (IWT) on April 23, following the Pahalgam terror attack.

"The Expert Appraisal Committee (EAC), after examining the information submitted and detailed deliberations, reiterated its earlier recommendation on the project and recommended the proposal for grant of prior Environmental Clearance to Sawalkote H.E. Project," said the minutes of a meeting conducted on September 26.

The project was first accorded an environmental clearance by a designated committee in 2017, when it



Earliest project: A view of the Salal Dam on the Chenab river in Jammu and Kashmir. ANI

was originally being steered by the Jammu and Kashmir Power Development Corporation (JKPDC). However, the JKPDC signed a deal with the National Hydro Power Corporation (NHPC) Ltd. in 2021 to build and commission the project and be effectively in charge of it until 2061.

Despite the designated committee's nod, the Environment Ministry could not clear the project as the JKPDC could not procure a forest clearance - which follows a parallel approval process. In September 2023, the project was first accorded a 'stage 1 forest clearance' as per publicly

available records.

While the process of transferring the project to the NHPC has been on since 2021, a slew of approvals from the Central Electricity Authority and the Central Water Commission were accorded in July 2025. Public hearings, required to be done under the provisions of the Forest Rights Act, were done between December 2022 to February 2023.

"The Sawalkote project was already going through various stages of approval. Given its size - though it does not have a storage dam - it will be the largest project of its kind and has always had certain strateg-

ic importance. The suspension of the IWT and the plan to utilise the full potential of the eastern Indus rivers have added momentum to the approval process," a senior official, aware of the approval process of hydroelectric projects, told *The Hindu*, but declined to be identified.

Project cost goes up

From an earlier estimate of about ₹22,000 crore, estimated cost of the project has ballooned to ₹31,380 crore.

It is projected to have an installed power capacity of 1,856 MW and generate about 8,000 million units of electricity annually.

Hydropower project on Chenab gets clearance

Source: The Hindu: Page: 12

GS Paper: GS2 - International Relations | GS3 - Infrastructure & Environment

Why in News

- The Environment Ministry's Expert Appraisal Committee has granted a fresh environmental clearance to the Sawalokote Hydroelectric Project on the Chenab River in Ramban, Jammu & Kashmir.
- This is the first major hydro project on the Indus rivers to get clearance after India suspended the Indus Waters Treaty (IWT) with Pakistan in April 2025, post the Pahalagam terror attack.
- The project will have an installed capacity of 1,856 MW, generating about 8,000 million units of electricity annually.

About the Indus Waters Treaty

- Signed: 1960, between India and Pakistan, brokered by the World Bank.
- Purpose: To manage and share the waters of the Indus River system.

Allocation:

- India - Eastern rivers: Ravi, Beas, Sutlej
- Pakistan - Western rivers: Indus, Jhelum, Chenab (India can use them for non-consumptive purposes, like hydropower).
- Significance: A rare example of water-sharing cooperation despite political tensions.
- Recent Context: India suspended participation after cross-border terrorism, and is now accelerating hydropower development on western rivers within treaty limits.

Microfinance loan defaults surged in 2024-25: Sa-Dhan data

Bihar performed the worst, not only accounting for the highest amounts of loans outstanding, but also the highest rates of default on these loans

The Hindu Bureau
NEW DELHI

The rate of delinquencies of microfinance loans rose sharply in 2024-25, according to the latest report by microfinance self-regulatory body Sa-Dhan. The percentage of microfinance loans overdue by more than 30 days increased to 6.2% from 2.1% in 2023-24.

Similarly, the share of loans more than 90 days overdue increased to 4.8% by the end of March 2025 compared with 1.6% in the previous year.

"Delinquency levels have risen across the industry," the 2025 edition of the annual Bharat Microfinance Report by Sa-Dhan said. "The Portfolio at Risk (PAR) 30+ days past due (dpd) surged to 6.2%, up significantly from 2.1% in the last financial year."

'Bad' debts

Delinquency levels have risen across the industry, says the annual Bharat Microfinance Report by Sa-Dhan

■ The data showed that rural borrowers fared the worst in terms of loan repayment

■ Of the ₹2.3 lakh crore of loans outstanding for rural customers, 6.4% were overdue by more than 30 days

■ This is compared with 6.1% and 6% for semi-urban and urban borrowers, respectively



"State-wise data further corroborate this upward trend in delinquency across the industry," the report added.

According to the data, Bihar had ₹57,712 crore worth of microfinance loans outstanding as of March-end 2025.

Of these, 7.2% were more than 30 days overdue compared with the national average of 6.2%. About 4.6% of the loans were overdue by more than 90

days, the conventional benchmark used to categorise a loan as a non-performing asset.

The data also showed that rural borrowers fared the worst in terms of loan repayment.

Of the ₹2.3 lakh crore of loans outstanding for rural customers, 6.4% were overdue by more than 30 days, compared with 6.1% and 6% for semi-urban and urban borrowers, respectively.

Microfinance loan defaults surged in 2024-25: Sa-Dhan data

Source: The Hindu Page: 13

GS Paper: GS3 - Economy (Financial Inclusion & Banking Sector)

Why in News

- As per Sa-Dhan's Bharat Microfinance Report 2025, loan defaults in the microfinance sector have risen sharply.
- Loans overdue by more than 30 days jumped from 2.1% (2023-24) to 6.2% (2024-25).
- Loans overdue beyond 90 days increased to 4.8% (from 1.6%).
- Bihar recorded the highest defaults and ₹57,712 crore worth of microfinance loans outstanding as of March 2025.

What is Microfinance?

- Microfinance refers to small loans and financial services (like credit, savings, insurance) provided to low-income households and small entrepreneurs who lack access to traditional banking.
- It aims to promote financial inclusion and empower women and rural communities.



India may open retail power to private firms

Reuters

India plans to open up its retail electricity market for private companies nationwide, ending the dominance of State-run distributors in most States, a draft bill by the federal power ministry showed.

The move will allow private companies such as Adani Enterprises, Tata Power, Torrent Power and CESC to strengthen their presence across India. A similar attempt in 2022 faced opposition from State distribution companies (discoms).

Only a handful of India's electricity distribution zones – including the national capital region, Odisha and industrial States like Maharashtra and Gujarat – are currently privatised as the rules do not specifically provide for it. Most are under State con-



State power utilities owed power generators \$6.78 billion.

trol and are burdened with deep financial losses.

New Delhi has been pushing State-run power utilities to cut losses, clean up balance sheets and upgrade age-old infrastructure. Earlier this year, the country's most populous State Uttar Pradesh invited bids to privatise two of its four power distribution companies.

As of June, State discoms owed power generators about \$6.78 billion.

India may open retail power to private firms

Source: The Hindu | Page: 13 |

GS3 - Economy (Infrastructure & Energy Reforms)

Why in News

- The Power Ministry plans to open India's retail electricity market for private companies nationwide.
 - Goal: End state-run DISCOM monopoly and improve efficiency & service quality.
 - A similar 2022 attempt failed due to opposition from state utilities.
- Uttar Pradesh has already invited bids to privatize two power distribution firms.
- State DISCOMs owe \$6.78 billion to power generators and face deep financial losses.

How Retail Power Works (Current System)

- State-owned DISCOMs buy electricity from producers (like NTPC, private generators) and sell to consumers.
- Most states have only one distributor per area (monopoly).
- Only a few regions - Delhi, Gujarat, Odisha, Maharashtra - have private distributors.

Trump threatens 'massive' tariffs on China amid Beijing's rare earth move

Agence France-Presse

WASHINGTON

U.S. President Donald Trump said on Friday he no longer feels the need for a summit with Chinese leader Xi Jinping this month, slamming Beijing for hostile trade practices and threatening "massive" tariffs.

In a lengthy and unexpected Truth Social post, Mr. Trump railed against China imposing export controls on rare earth minerals – a critical component in modern technology.

"Some very strange things are happening in China! They are becoming very hostile," Mr. Trump said in the post. "I was to meet President Xi in two



Tighten control: Donald Trump says there is no reason to meet Xi Jinping after China restricts key exports. FILE PHOTO

weeks, at APEC, but now there seems to be no reason to do so," he said.

Mr. Trump added: "One of the policies that we are calculating at this moment is a massive increase of tariffs on Chinese products coming into the United

States of America."

Wall Street stocks quickly tumbled into negative territory as traders worried the simmering trade war between Washington and Beijing could reignite.

As recently as last week, Mr. Trump had stressed

the importance of his plans to meet Mr. Xi at the Asia-Pacific Economic Cooperation (APEC) summit, which was to be their first encounter since the U.S. president returned to power in January.

But on Friday, Mr. Trump said China had sent letters to countries detailing export controls on "each and every element of production having to do with Rare Earths, and virtually anything else they can think of, even if it's not manufactured in China."

"Dependent on what China says about the hostile 'order' that they have just put out, I will be forced, as President of the United States of America, to financially counter their move," he said.

Trump threatens 'massive' tariffs on China amid Beijing's rare earth move

Source: The Hindu | Page: 14

GS Paper: GS2 - International Relations | GS3 - Science & Tech (Strategic Minerals)

China's Order:

China imposed export controls on rare earth minerals-key inputs for electronics, EVs, and defense tech-by restricting "each element of production" linked to rare earths, sending notices to other nations.

Trump's Response:

Trump called China's move "hostile trade behavior," cancelled his planned APEC meet with Xi, and warned of "massive tariffs" on Chinese goods to counter it.

About APEC:

Formed in 1989, APEC has 21 Pacific economies (India not a member) aiming to promote free trade and regional economic cooperation through consensus-based dialogue.



Mains Enrichment

Example of low-cost governance innovation using existing resources for social empowerment.

MCD schools to host skill training after class hours

The Hindu Bureau
NEW DELHI

The Municipal Corporation of Delhi (MCD) has approved a plan to open its school premises for vocational training and skill development programmes after regular school hours, Standing Committee chairperson Satya Sharma announced on Friday.

A proposal for the initiative was presented during Thursday's Standing Com-

mittee meeting. "The idea is to make better use of existing school infrastructure while promoting government-led skill development schemes in collaboration with reputed institutions, NGOs, and agencies," said Ms. Sharma.

'Youth empowerment'
Currently, the MCD operates 1,514 schools and serves nearly seven lakh students. Many of these

schools function in a single shift, leaving classrooms and facilities vacant for the rest of the day. "By opening these spaces between 3 p.m. and 8 p.m., we can create opportunities for vocational training that empower youth and women," an MCD official said. The civic body will "bear no financial responsibility" for trainers or resources, and partner institutions must also remove all equipment daily after use.