

U.S. NEGOTIATORS EXPECTED IN DELHI LATER THIS MONTH

Trump doubles India tariff to 50%, opens 21-day window

US tariff on India highest among countries; puts world on notice over Russian oil

RAVI DUTTA MISHRA & SUKALP SHARMA
NEW DELHI, AUGUST 6

RAMPING UP pressure ahead of the expected arrival in India of US trade negotiators on August 25, President Donald Trump Wednesday doubled the tariffs on India to 50 per cent, but opened a 21-day window before the additional tariff of 25 per cent kicks in.

A White House statement said the US will impose "additional 25 per cent ad valorem duty" above the 25 per cent reciprocal tariffs announced on August 1 to "deal with the national emergency stemming from Russia's actions in Ukraine". This tariff is deemed necessary and appropriate due to India's "direct or indirect import of Russian Federation oil", which the President judges will more effectively address the national emergency, the executive order said.

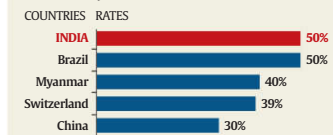
The additional tariff dramatically raises pressure on India as most of its competitors such as Vietnam, Bangladesh and now

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President Donald Trump shouts to reporters as he surveys the grounds from the roof above the Colonnade that goes to the West Wing of the White House, Tuesday. AP

INDIA, BRAZIL HEAD U.S. TARIFF LIST



Source: White House

INSIDE

IN INDIA TARIFF, TRUMP SIGNAL TO OTHER IMPORTERS OF RUSSIAN OIL

RAHUL: ECONOMIC BLACKMAIL, BID TO BULLY INDIA
PAGES 17, 8

Unreasonable, unjustified, unfair: India hits back at Trump tariff

DIVYA A & SHUBHAJIT ROY
NEW DELHI, AUGUST 6

INDIA ON Wednesday hit back at the United States for doubling the tariff to 50 per cent, reiterating that the action was "unfair, unjustified and unreasonable". The government said it would take "all actions necessary" to "protect its national interests".

"The United States has in recent days targeted India's oil imports from Russia. We have already made clear our position on these issues, including the fact that our imports are based on market factors and done with the overall objective of ensuring the energy security of 1.4 billion people of India," the Ministry of External Affairs (MEA) official spokesperson, Randhir Jaiswal, said in a statement on Wednesday evening.

"It is therefore extremely unfortunate that the US should choose to impose additional tariffs on India for actions that several other countries are also

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PM Narendra Modi inaugurated Kartavya Bhavan, which will house offices of ministries, on Wednesday. PTI REPORT, PAGE 9

PM likely to be in China for SCO meet, his first visit in 7 yrs

SHUBHAJIT ROY
NEW DELHI, AUGUST 6

PREPARATIONS ARE underway to schedule a visit by Prime Minister Narendra Modi to China where leaders of the Shanghai Cooperation Organisation will gather for the Summit in Tianjin from August 31 to September 1, sources said Wednesday.

On the sidelines of the Summit, if the visit materialises, Modi is also expected to hold bilateral talks with Chinese President Xi Jinping, a meeting that will take place amid rising tensions with the US over trade tariffs and purchase of Russian oil.

The two leaders last met on October 23, 2024 on the margins of the BRICS Summit in the Russian city of Kazan, setting the stage for the disengagement of troops at two friction points along the Line of Actual Control in eastern Ladakh and resumption of patrolling.

The Prime Minister's visit, which sources said is still being planned, will be his first to China in seven years — the last visit was in 2018. The military standoff along the LAC in eastern Ladakh began in May 2020 following Chinese incursions. The disengagement process was completed in November 2024, days

CONTINUED ON PAGE 2

RBI Governor: Reduced Russia oil purchase won't impact inflation

SIDDHARTH UPASANI
NEW DELHI, AUGUST 6

THE RESERVE Bank of India (RBI) sees no major impact on domestic inflation if India reduces its purchases of oil from Russia amid US President Donald Trump's threats of a "penalty" and announcement slapping a combined tariff of 50 per cent on India.

Speaking to reporters Wednesday at the conclusion of the Monetary Policy Committee's (MPC) three-day meeting — hours before Trump

ECONOMY



RBI HOLDS REPO RATE AT 5.5%, RETAINS FY26 GDP GROWTH AT 6.5%
PAGE 17

slapped another 25 per cent tariff on India — RBI Governor Sanjay Malhotra said it was important to keep in mind that India did not buy oil only from Russia.

"It's not only Russian oil that we are taking; we are taking oil from many other countries. If the mix changes, what is its impact on prices, what is the global commodity prices of crude, it will depend on all that. And the other thing it will depend on is how much of its impact, downwards or upwards, is actually taken by the government in the

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Agri a stumbling block in talks, but India-US trade in sector sees surge

HARISH DAMODARAN
NEW DELHI, AUGUST 6

EVEN AS agriculture, along with purchase of Russian oil, has emerged as a key sticking point in the trade talks between India and the United States, here's an interesting fact: Trade in farm produce between the two countries is actually booming and poised to touch a new record this year.

During January-June 2025, India's imports of agricultural products from the US were, at \$1,693.2 million, a whopping

INDIA, U.S. AGRICULTURE EXPORTS

Total Exports	2022	2023	2024	Jan-Jun 2024	Jan-Jun 2025	Growth in %
US	2,348.5	2,040.7	2,378.8	1,135.8	1,693.2	49.1
India	6,658.8	5,811.5	6,211.9	2,798.9	3,472.7	24.1

Exports in millions of dollars; Source: US Department of Agriculture

49.1% more than the \$1,135.8 million for the same six months of the last calendar year. India's agricultural exports to the US, too, were up 24.1%, from \$2,798.9 million in January-June

2024 to \$3,472.7 million in January-June 2025 (see chart).

With US President Donald Trump doubling the tariff on import of goods from India to

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In Maharashtra port, ship waits to be sunk, start new life as artificial reef

PAGE 1
ANCHOR

SONAL GUPTA
MUMBAI, AUGUST 6

AT THE Vijaydurg port, a natural harbour in Maharashtra's coastal Sindhudurg district, an 81-metre-long piece of naval history lies still against the blue of the Arabian Sea, awaiting its second innings.

INS Guldar, a decommissioned Navy warship, will soon be deliberately sunk — or 'scuttled' — to breathe new life into

its metal bones, transforming it into an artificial reef and an underwater tourist attraction.

Though scuttled ships have been used to create artificial reefs elsewhere in the world, this is the first such attempt in India.

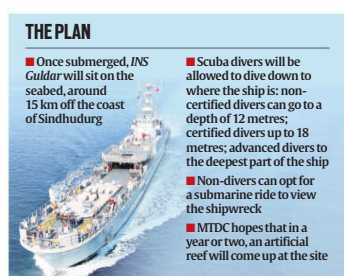
"The idea behind this project is to develop tourism in Sindhudurg. When the ship is submerged, it will gradually form an underwater reef that attracts various kinds of fish. Once that happens, people from all over the world, especially avid scuba divers, will come to the district," says an official of the Maharashtra Tourism Development Corporation (MTDC) who is associated

with the project.

Home to MTDC's Indian Institute of Scuba Diving and Aquatic Sports (IISDA), Sindhudurg, 120 km from Goa, has been a training centre for scuba diving enthusiasts for over a decade.

Had all gone according to plan, INS Guldar would have been scuttled in April. Officials said its scuttling was postponed in view of tensions between India and Pakistan after the April 22 terror attack in Pahalgalam.

An official at the Mazagon Dock Shipbuilders Limited, the government-run firm responsible for the scuttling, said the



E A first for India

THE MAHARASHTRA Tourism Development Corporation hopes to transform INS Guldar into an underwater tourist attraction. Scuttling is usually a wartime tactic involving the deliberate sinking of a vessel — in case of an emergency or to prevent it from falling into enemy hands.

process was delayed further due to the early arrival of monsoon in Maharashtra.

"Too much wind or rough seas can topple the ship, which means it won't go down as planned. We are waiting for a lull in the monsoon (to carry out the scuttling)," the official adds.

The ageing INS Guldar, a Kumbhir-class landing ship designed for amphibious warfare and capable of beach landings, was once part of India's peace-keeping mission in Sri Lanka, combating attacks from the Liberation Tigers of Tamil Eelam (LTTE), the Tamil separatist group, across the beaches of Jaffna and

Trincomalee in the island nation.

The plan to acquire a ship for scuttling took off in December 2023, when the MTDC hosted Prime Minister Narendra Modi, Defence Minister Rajnath Singh, then Maharashtra Chief Minister Eknath Shinde and then Deputy CM Devendra Fadnis in Sindhudurg on the occasion of Navy Day. Chief of Naval Staff Admiral Dinesh Kumar Tripathi, who was then the Flag Officer Commanding-in-Chief, Western Naval Command, was also in attendance.

The MTDC is learnt to have asked Admiral Tripathi for a

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• India hits back: 'Unreasonable'

taking in their own national interest," said the statement, in a reference to Europe and China also buying energy from Russia but not facing any consequences. "We reiterate that these actions are unfair, unjustified and unreasonable. India will take all actions necessary to protect its national interests," the MEA statement said.

On Monday, too, soon after US President Donald Trump warned that he would raise the tariff on India "substantially" for buying Russian oil, the MEA had said the targeting of India was "unjustified and unreasonable", adding that the country would take "all necessary measures" to safeguard its "national interests and economic security".

Pointing out the "double standards", India had said that both the US and the EU were continuing their trade relations with Russia. "Where the US is concerned, it continues to import from Russia uranium hexafluoride for its nuclear industry, fertilisers as well as chemicals," the MEA had said in a statement.

"It is revealing that the very nations criticising India are themselves indulging in trade with Russia. Unlike our case, such trade is not even a vital national compulsion (for them)," it had said.

According to estimates, since the beginning of the Russia-Ukraine war, Moscow earned US\$ 923 billion in revenue from fossil fuel exports. The EU countries are estimated to have accounted for over US\$ 212 billion of these exports.

Such strong statements are rare between India and US. The situation presents the biggest diplomatic challenge for New Delhi on its ties with Washington since the 1998 nuclear tests when the US had imposed sanctions against India.

Sources said that while the government is keeping its door open for negotiations, it is also looking at a range of options, including subsidies to keep Indian products competitive in the international market.

Sources pointed out that India has about three weeks to negotiate with the American interlocutors, during which high-level conversations are expected to take place. The Indian mission in Washington DC will be reaching out to the US establishment to discuss the situation and see how they can overcome the crisis, sources said.

FROM PAGE ONE FULL REPORTS ON WWW.INDIANEXPRESS.COM
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China are at lower tariffs. However, exporters said that the US tariff-related uncertainty is already disrupting trade. About half of India's total exports of \$80 billion are, however, in the exemption list that include products such as pharma and electronics goods.

While the fresh order takes the total US tariffs to its highest on any country globally, it also offers a fresh window for discussion. Last Saturday, The Indian Express reported that key economic ministers had been asked for inputs to sweeten the trade deal stuck on India's resistance to US demand for access to the Indian agriculture market. "This 25 per cent ad valorem duty will be effective for goods entered for consumption, or withdrawal from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on September 17, 2025," the order stated.

Hours before the announcement of additional tariff, Trump, while responding to a question from news agency ANI on US import of Russian chemicals and fertilisers, said: "I don't know anything about it. I'd have to check, but we'll get back to you on that." On Wednesday, The Indian Express reported that US imports from Russia had been rising, growing 23 per cent year-on-year to \$2.1 billion between January and May this year. The surge was led by a sharp increase in the import of palladium (37%), uranium (28%) and fertilisers (21%).

While Delhi has called the targeting of India over the purchase of Russian oil "unjustified and unreasonable" and vowed to take "all necessary measures" to safeguard its "national interests and economic security", Indian exporters are in a fix, scrambling to retain access to the US, their most valuable export market, accounting for nearly 20 per cent of India's total outbound shipments.

Reacting to higher than expected US tariffs, Indian exporters said they are not in a position to absorb such high tariffs. Federation of Indian Export Organisations (FIEO) president, S C Ralhan, said: "This [US] move is a severe setback for Indian exports, with nearly 55 per cent of our shipments to the US market directly affected. The 50 per cent reciprocal tariff effectively imposes a cost burden, placing our exporters at a 30-35 per cent competitive disadvantage compared to peers from countries with lesser reciprocal tariff," he said.

Ralhan said many export orders have already been put on hold as buyers reassess sourcing decisions in light of higher landed costs. For a large number of MSME-led sectors, absorbing this sudden cost escalation is simply not viable and margins are already thin, and this additional blow could force exporters to lose long-standing clients, he said.

CTI Chairman Rakesh Mehra said, "The US tariff announcement of August 6 is a huge setback for India's textile and apparel export sector." The US tariff announcement of August 6 is a huge setback for India's textile and apparel export sector.

Incidentally, China is the largest buyer of Russian oil, at about 2 million barrels per day, followed by India (just under 2 million barrels a day) and Turkey. The US had agreed to lower tariffs on Chinese goods to 30 per cent from 145 per cent in May.

The executive order does not make any mention of China, but stipulates a mechanism wherein the US Secretary of Commerce, in coordination with other senior officials, "will monitor if any other country (beyond India) is directly or indirectly importing Russian Federation oil and recommend further action".

New Delhi-based think tank Global Trade Research Initiative (GTRI) said that in 2024 alone, China bought \$62.6 billion of Russian oil, more than India's \$52.7 billion.

Washington avoids targeting Beijing because of China's leverage over critical materials such as gallium, germanium, rare earths and graphite, vital for US defence and technology, GTRI said.

"The US has also overlooked its allies' trade with Russia: the EU imported \$39.1 billion of Russian goods last year, including \$25.2 billion in oil, while the US itself purchased \$3.3 billion in strategic materials from Russia. The tariffs are expected to make Indian goods far costlier in the US, with potential to cut US-bound exports by 40-50 per cent."

At the time of Russia's invasion of Ukraine in February 2022, the former's share in India's oil imports was under 2 per cent, with Delhi relying heavily on the likes of Iraq and Saudi Arabia. Since then, Indian refiners have lapped up discounted Russian oil that was shunned by developed nations, resulting in its share in India's oil imports jumping to 35-40 per cent.

According to the RBI's most recent Monetary Policy Report, published in April, if crude oil prices are 10 per cent higher than the Join FREE Whatsapp Channel https://t.me/+jUYKqAFHBAwMGQ1

decommissioned ship as a "token gift" to the state tourism department so that it could be turned into an "underwater museum and artificial reef" at Sindhudurg.

On November 26, 2024, the Union Finance Ministry green-lit the project, followed by a decision from the Maharashtra government on December 19, 2024. On February 21, 2025, the Navy handed over INS Guldar to the MTDC on an "as is where is" basis at Karwar in Karnataka.

Built at Poland's Gdynia Shipyard, INS Guldar was commissioned into the Indian Navy nearly four decades ago, in 1985. It was first based in Visakhapatnam, where it was used for amphibious warfare, transferring troops and equipment and for disaster relief operations. In 1995, it joined the Andaman and Nicobar command, where it served until its decommissioning on January 12, 2024, according to a statement by the Navy.

The underwater museum-cum-artificial reef project is estimated to cost Rs 78 crore. The Centre will bear nearly 60% of the total cost and the state government the rest, said an MTDC official.

According to the Detailed Project Report (DPR) accessed by The Indian Express, the Sindhudurg site will have a carrying capacity of 2,773 divers daily, spread over six diving sessions in an eight-hour operational period. The MTDC expects at least 71,000 tourists to visit the site in the first year, with the figure projected to go up to 1.10 lakh within a decade.

Talking about the underwater museum-cum-artificial reef project, an official said every ship has a scuttling plan that the captain follows to deliberately sink the ship - usually "in case of an emergency or to prevent it from falling into enemy hands".

The process of scuttling, he

porters as it has further complicated the challenging situation they were already grappling with and will significantly weaken our ability to compete effectively vis-a-vis many other countries for a larger share of the US market."

Mehra appealed to the government to urgently take steps to come to the aid of India's textile and apparel sector during these hugely testing times given the government's strong commitment to increase the competitiveness of local industry and help our companies become major players on the world stage.

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• 'Reduced Russia oil purchase won't impact inflation'

forms of excise duties and other tariffs. So, we don't see any major impact as of now because of this on inflation because I think the government will take an appropriate decision on the fiscal side in case there is any shock," he said.

Delhi has called the targeting of India over the purchase of Russian oil "unjustified and unreasonable" and said these imports began as its traditional supplies were diverted to Europe, with the US having "actively encouraged such imports by India for strengthening global energy markets stability".

At the time of Russia's invasion of Ukraine in February 2022, the former's share in India's oil imports was under 2 per cent, with Delhi relying heavily on the likes of Iraq and Saudi Arabia. Since then, Indian refiners have lapped up discounted Russian oil that was shunned by developed nations, resulting in its share in India's oil imports jumping to 35-40 per cent.

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• In Maharashtra port, ship waits to be sunk

said, follows the Archimedes principle, which states that the buoyant force keeping an object afloat is equal to the weight of the water the object displaces. Simply put, for a ship to sink, it must be filled with water to achieve negative buoyancy.

"To achieve that, the ship's sea chest (a compartment built into the hull below the waterline) will be opened to flood the engine room. The front section will also be flooded simultaneously in a controlled manner," the official says, adding that the process will take up to 10 hours.

According to the DPR, the ship, which has been stripped of all pollutants that may harm marine life, will be sunk to a depth of nearly 30 metres.

Once submerged, INS Guldar, which has a flat bottom, will simply sit on the seabed, around 3 km from existing scuba diving sites near Malvan and Tarkali beaches or around 15 km off the coast of Sindhudurg, near the Vengurla Rocks in the Arabian Sea.

The DPR states that non-certified divers who have completed pool training will be allowed to dive down to a depth of 12 metres; certified divers up to 18 metres, which will give them access to the middle parts of the ship; and advanced divers to the deepest part of the ship, including the hull and the seabed.

For non-divers, the MTDC plans to acquire a 24-seater submarine, offering tourists a 20-minute panoramic underwater view of the shipwreck.

To enhance employment prospects in Sindhudurg, the MTDC plans to train locals in scuba diving, boat handling and as tourist guides.

If successful, this could become India's first operational submarine tourism experience. Gujarat had announced a similar project at the Bet Dwarka island

when it cut the GDP growth forecast in April to 6.5 per cent from 6.7 per cent. "However, there is still a lot of uncertainty," he said.

According to Sakshi Gupta, principal economist at HDFC Bank, GDP growth is seen inching down to 5.3 per cent this year from 6.5 per cent in FY25. "However, in the case where tariffs remain elevated at current levels and/or are further raised we see a downside risk of 20-25 bps to our GDP growth forecast for the year," she said.

Asked if the RBI, in addition to cutting interest rates, was prepared to support Indian business amid the current uncertain global trade scenario, Malhotra said the central bank had taken a number of measures to support growth, including on the regulatory and foreign exchange management norms front to make it easier for companies to do business and take part in international trade.

"We will continue to do whatever is required to be done in such a scenario. Of course, trade negotiations are still continuing. We are hopeful that we will have an amicable solution," he said.

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• SCO meet

after the meeting in Kazan.

The two countries have since sought to repair ties, resuming the Mansarovar Yatra, visas for Chinese tourists and looking at revival of direct flights. But these efforts took a hit in May when India came across evidence of active Chinese assistance to the Pakistan military during the hostilities that followed Operation Sindoor.

Incidentally, Modi's last visit to China in 2018 was also for a Summit of the SCO leaders in Qingdao in June that year. Xi travelled to India in October 2019, months before the Chinese incursions in eastern Ladakh.

The government, sources said, will be taking a final call on Modi's visit and an announcement will be made once the plans are finalised.

In the months after the meeting in Kazan, National Security Advisor Ajit Doval, Defence Minister Rajnath Singh and Foreign Secretary Vikram Misri travelled to China.

External Affairs Minister S Jaishankar also travelled to China last month for a meeting of the SCO Foreign Ministers in Tianjin.

While the disengagement process has been completed in eastern Ladakh, Indian and Chinese troops, some 50,000-60,000 on each side, remain deployed along the LAC in the region. Delhi and Beijing are discussing the roadmap to de-escalation and de-induction of military forces.

US farmers mostly grow only GM maize (corn) and soybean. India currently permits imports of non-fuel ethanol and oil, produced from GM corn and soybean respectively, but not the whole grain and oilseed as such.

Although the trade negotiations between the two sides are stuck due to India not yielding on GM crops, US exports of both corn-derived ethanol and soybean oil to India have posted strong growth. The huge jump in soybean oil exports from the US

50 per cent on Wednesday, the impact remains to be seen, but the trends so far suggest two-way farm trade at least surpassing previous highs.

If the current growth rates hold, India's agricultural exports to the US could top \$7.7 billion, and that of the US to India could be over \$3.5 billion in 2025.

The US's exports to India have been led by tree nuts - mainly almonds and pistachios - which were valued at \$1.1 billion-plus in 2024, and registering further 42.8% annual growth during the first six months of this year.

The other three big-ticket items are ethanol, soybean oil and cotton.

Ethanol exports from the US to India, worth over \$420 million last year, are basically for manufacturing alcohol-based chemicals, medicines and other industrial uses. The US wants India to open up imports of ethanol also for fuel use, i.e. blending with petrol and diesel. India has been resisting that, just as much as it is allowing imports of genetically modified (GM) maize and soybean.

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Although the trade negotiations between the two sides are stuck due to India not yielding on GM crops, US exports of both corn-derived ethanol and soybean oil to India have posted strong growth. The huge jump in soybean oil exports from the US

50 per cent on Wednesday, the impact remains to be seen, but the trends so far suggest two-way farm trade at least surpassing previous highs.

If the current growth rates hold, India's agricultural exports to the US could top \$7.7 billion, and that of the US to India could be over \$3.5 billion in 2025.

The US's exports to India have been led by tree nuts - mainly almonds and pistachios - which were valued at \$1.1 billion-plus in 2024, and registering further 42.8% annual growth during the first six months of this year.

The other three big-ticket items are ethanol, soybean oil and cotton.

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INDIA AGRICULTURE EXPORTS TO U.S.

	2022	2023	2024	Jan-Jun 2024	Jan-Jun 2025	% Growth
Seafood	3016.5	2545.1	2483.8	1062.5	1407.9	32.5
Spices	333.9	359.3	410.2	194.7	206.9	6.3
Rice	301	347.4	391.2	176.8	199.6	12.9
Processed F&V	206.5	202.5	227.6	102.8	134.6	30.9
Baked Goods*	190.3	219.4	247.5	115.4	123.5	7.1
Essential Oils	228.9	180	212.1	109	114.2	4.8
Sugars**	218.5	174.6	171	84.6	119	40.8
Vegetable Oils	208.2	151.3	174.8	76.4	77.9	2
Food Preparations	81.1	105.2	137.9	62.5	58.7	-6
TOTAL	6,658.8	5,811.5	6,211.9	2,798.9	3,472.7	24.1

Exports in millions of dollars
Source: US Department of Agriculture
*Includes Cereals & Pasta; **Includes Sweeteners & Beverage Bases.

U.S. AGRICULTURE EXPORTS TO INDIA

	2022	2023	2024	Jan-Jun 2024	Jan-Jun 2025	Growth in %
Tree Nuts	1,001.4	1,095.5	1,116.1	532	759.6	42.8
Ethanol	182.7	245.9	420.9	213.7	246	15.1
Soyabean Oil	207.6	0.2	37.5	0.1	212.4	1,42,997.6
Cotton	491.2	223.7	209	86.9	181.5	108.8
TOTAL	2,348.5	2,040.7	2,378.8	1,135.8	1,693.2	49.1

Exports in millions of dollars
Source: US Department of Agriculture

this year is likely to be sustained by India's move, on May 31, to slash the tariff on essential oils to 16.5%. Cotton exports from the US have also been growing on the back of India turning into a net importer of the natural fibre.

India's agricultural exports to the US are somewhat more diversified. While seafood (primarily

frozen shrimp) has been the top item, there are others as well - from soybean and essential oils to basmati rice, processed fruits & vegetables and baked foods - that have been doing well, with annual shipment value exceeding \$200 million each.

It's not clear how much of all these exports would be affected,

especially with the new Trump tariff.

Take seafood, where India's exports of \$2,483.8 million in 2024 was just behind Canada (\$3,956.9 million) and Chile (\$3,030.1 million), and ahead of Indonesia (\$1,907.9 million), Vietnam (\$1,790.4 million) and Ecuador (\$1,616.4 million). As of now, the 50% tariff on India is above that of all these competitors: Chile (10%), Ecuador (15%), Indonesia (19%), Vietnam (20%) and Canada (35%).

While seafood exports from India have remained buoyant, growing by 32.5% year-on-year in January-June, sustaining that may not be easy as the tariff differentials bite. But the fact that agriculture trade per se between India and the US is booming should be some consolation in the present situation where talks are at a standstill.

Assam to launch portal for indigenous people to seek arms licences

EXPRESS NEWS SERVICE
GUWAHATI, AUGUST 6

TWO MONTHS after the Assam Cabinet approved a scheme to issue arms licences to "indigenous people" in parts of the state where their "population is in the minority," Assam Chief Minister Himanta Biswa Sarma announced Wednesday that the government will soon roll out an online portal where eligible people can apply for the licences.

When the Cabinet decision was announced in May, Sarma had named districts where Bengali-origin Muslims account for a majority, such as Dibrugarh, Morigaon, Nagaon, Barpeta and South Salmara, and said that "indigenous people are in minority" in these areas and often "have to confront the question of their security."

On Wednesday, he announced on social media that the government is in the process of rolling out a dedicated portal where "indigenous people, who perceive threat to their lives and reside in sensitive areas" can ap-

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ply for arms licences.

He announced three key eligibility criteria for the issue of arms licences under this scheme: that the applicant has to be an "original inhabitant or indigenous citizen of Assam," they must "perceive a genuine threat to life and safety due to the vulnerability of the area of residence," and that they must "reside in a vulnerable or remote area, as notified by the District Administration, or assessed as such by authorized security agencies." He also said the applications would be subject to a security assessment, verification and vetting and that once issued, the licences would be subject to periodic review and "monitoring and reporting."

This portal is likely to be rolled out this month and this comes at a time when vigilantes, particularly those of a group called Bir Lachit Sena, have been issuing ultimatums to Bengali-Muslims living in different parts of Upper Assam in the past few days, giving calls for "all Bangladeshis to leave Upper Assam within seven days."

Carriage of Goods by Sea Bill clears House

EXPRESS NEWS SERVICE
NEW DELHI, AUGUST 6

RAJYA SABHA on Wednesday passed the Carriage of Goods by Sea Bill by voice vote amid protests by Opposition demanding a discussion on the SIR.

The House was adjourned for the day, within half-an-hour of the afternoon proceedings beginning, soon after the Bill was passed.

The Bill, which will replace the 100-year-old Indian Carriage of Goods by Sea Act, simplifies maritime regulations, aligns India's maritime law with international conventions and seeks to modernise provisions governing the transport of goods by sea,

the government has said. Lok Sabha passed it in March.

Opposition parties have said, however, that the Bill gives too much power to the Centre and have called for more protections for shippers.

Moving the Bill, Shantanu Thakur, Minister of State for Ministry of Ports, Shipping and Waterways, said the repeal of the pre-Constitution legislation and its replacement with a new legislation is "a part of the government's effort to rid ourselves of the vestige of colonial mindset, and to ensure ease of doing business through simple and rationalised law".

He said under PM Narendra Modi, the government has replaced more than 1,500 old laws.

9 GOVT & POLITICS

CCS not just new buildings, direction of country will be set from here: PM

Modi inaugurates Kartavya Bhavan 3, first of the 10 new Common Central Secretariat buildings

EXPRESS NEWS SERVICE
NEW DELHI, AUGUST 6

UNDERLINING THE administrative reforms undertaken by his government over the past 11 years, Prime Minister Narendra Modi on Wednesday said the new central secretariat building he inaugurated was not merely a building, but would be the site of deliberations for making India a developed country.

"These are not only some new buildings and ordinary infrastructure. In Amrit Kaal, the policies of Viksit Bharat will be made here, important decisions for Viksit Bharat will be taken. In the coming decades, the direction for the country will be set from here," he said.

Over the past 11 years, he said around 1,500 obsolete laws and 40,000 compliances had been done away with. He said with the use of Jan Dhan, Aadhaar and mobile, delivery of government schemes had become transparent and free of leakages. He said

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The illuminated Kartavya Bhavan 3 on Kartavya Path on Wednesday night. PTI

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10 crore fraudulent names had been removed from the list of beneficiaries of various schemes, saving ₹4.3 lakh crore.

Earlier in the day, the PM inaugurated Kartavya Bhavan 3, the first of the 10 Common Central Secretariat (CCS) buildings proposed by the govern-

ment as part of its Central Vista redevelopment plan. The building, located on Janpath, will house offices of the Ministries of Home Affairs, External Affairs, Rural Development, Petroleum and Natural Gas and Micro, Small and Medium Enterprises. In the evening, he addressed

a gathering on Kartavya Path, with ministers including Housing and Urban Affairs Minister Manohar Lal, MPs, bureaucrats and government employees in attendance. At Kartavya Path, he said it was time to change the way the government thinks of files. To the em-

ployees who will be shifting into the new building, he said if a file that affects one lakh people is delayed on their desk, it means that one lakh human days are wasted.

He said important ministries of the Union government, including Home Affairs, were working out of buildings constructed by the British colonial government. "Workers here did not have adequate space, light or ventilation," he said. He said those working at the new complex would a good working environment. He said Union government ministries operate out of 50 different locations across Delhi, with some working from rented spaces that cost the government ₹1,500 crore a year in rent. The PM also said 8,000 to 10,000 employees have to go from one building to another every day, leading to higher expenditure and traffic congestion.

"The grand Kartavya Bhavan and other major infrastructure projects are not only a testament to India's pace but also a reflection of its global vision," he said.

Don't know anything about it, says Trump on US imports from Russia

DIVYAA

NEW DELHI, AUGUST 6

DAYS AFTER India called out the United States and European Union for continuing trade with Russia — countering Washington's criticism of New Delhi's energies with Moscow — President Donald Trump has said that he doesn't "know anything" about the US imports of Russian uranium, fertilisers and chemicals.

Responding to a question from ANI on US imports of Russian chemicals and fertilisers, Trump said at a press conference at the White House on Tuesday night: "I don't know anything about it. I'd have to check, but we'll get back to you



"I'd have to check, we'll get back to you," Trump told ANI

on that."

He also said that he would soon decide on tariffs to be imposed on countries buying Russian energy.

The Indian Express reported on Wednesday that US imports from Russia are quietly rising — growing 23 per cent year-on-year to \$2.1 billion between January and May this year. The surge was led by a sharp increase in the import of palladium (37%), uranium (28%) and fertilisers (21%).

Earlier on Tuesday, Trump

threatened to raise the tariff on India "very substantially over the next 24 hours" for buying Russian oil. Earlier this week, he said that India was not only buying "massive amounts of Russian oil" but also selling it "on the open market for big profits". He also accused India of "fuelling the Russian war machine".

New Delhi had hit back, saying the targeting of India was "unjustified and unreasonable", and the country would take "all necessary measures" to safeguard its "national interests and economic security". This was the sharpest statement since Trump announced a 25 per cent tariff on Indian goods from August 7, along with an unspecified penalty for its defence and energy imports from Russia.

Pointing out "the double standards", India had said that both the US and the EU are continuing their trade relations with Russia. "Where the US is concerned, it continues to import from Russia uranium hexafluoride for its nuclear industry, palladium for its EV industry, fertilisers as well as chemicals," the Ministry of External Affairs had said in a statement.

Meanwhile, at the press conference on Tuesday, Trump also reiterated his claim that he brought the ceasefire between India and Pakistan in May. India has maintained that the understanding on cessation of hostilities with Pakistan was reached following direct talks between the Directors General of Military Operations of the two sides.

11 EXPRESS NETWORK

Thadou, Meitei civil groups hold meeting to discuss peace

EXPRESS NEWS SERVICE
IMPHAL, AUGUST 6

IN A significant development towards restoring peace, a 16-member delegation of the Thadou community and Meitei civil society organisations held a closed-door meeting in a hotel in Imphal Wednesday as former CM N Biren Singh asserted that there is "a need for a popular government, and it should come".

This comes a day after the Rajya Sabha cleared a resolution extending the President's Rule in Manipur for another six months. Last week, it was passed in the Lok Sabha.

The Thadou Inpi Manipur (TIM) delegation arrived at Bir Tikendrajit International Airport around 9 am and was received by members of the Coordinating Committee on Manipur Integrity (COCOMI) and the Manipur Police. TIM described the meeting as a 'Roadmap to Peace: Covenant of Coexistence on Community Understanding'. This

marks the first visit by the Thadou community to Imphal since ethnic violence erupted in May 2023.

Meitei civil society organisations, including COCOMI, the All Manipur United Clubs' Organisation (AMUCO), the Federation of Civil Societies (FOCS), Arambai Tengol and students' bodies took part in the meet. This was the second such meeting between Thadou and Meitei representatives; the first one was held earlier this year in Guwahati.

Sources said the meeting focused on exploring strategies to restore peace, with special attention to the rehabilitation of internally displaced persons (IDPs) belonging to Meitei and Kuki-Zo communities. The representatives who attended the meeting hinted at a second round of talks.

The Thadou delegation comprised J K Singun, Minthang P. Sanuel, Lalitapui, James Thadou, Thangminlum, Joshur, Dr M Paosei, Jamkholum, Manggr, T Michael Lamjathang Haokip, Mehkhohal, Mangminlal, Mangchungmeng, Nelkam, and Janglen.

A statement by TIM said: "A major source of confusion between Thadou tribe and those identifying it as a Kuki tribe arises from the similarities... it is crucial to understand that the Thadou tribe is a distinct indigenous identity, while the Kuki nomenclature, as used today, has become a politicised and ideological label. The nomenclature Kuki is not a genuine ethnic identity." "This is a defining moment in our shared history... The path to lasting peace in Manipur begins with clarity of identity, rejection of extremism, and a renewed commitment to coexistence."

Meanwhile, on the sidelines of a programme in Imphal, Biren Singh said, "We all know how President's Rule came to be imposed... There is a need for a popular government... I have stood for popular government from the very beginning. Due to the situation, I was forced to resign..." "I understand people are facing hardship, and I wish for the presence of a popular government as well."

- WITH PTI INPUTS

HC puts Punjab land pooling policy on hold, to hear case today

MANRAJ GREWAL
SHARMA
CHANDIGARH, AUGUST 6

IN AN interim order on Wednesday, the Punjab and Haryana High Court directed the Punjab government to clarify whether Social and Environmental Impact Assessments (SIA and EIA) and were carried out before rolling out the Land Pooling Policy, 2025.

The court, acting on a plea by Gurddeep Singh Gill who questioned the policy's legality and its effect on landowners in Ludhiana's Phagla village, put it on hold till the next date on hear-

ing on August 7.

The interim order by Division Bench of Justice Anupinder Grewal and Justice Deepak Manchanda stemmed from concerns over compliance with provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (commonly referred to as LARR Act, 2013).

The court sought clarification on whether the state made any provisions to rehabilitate landless labourers and other dependent on the land, noting possible omissions in the policy's rollout.

The bench noted, "Learned Advocate General Punjab prays

for time to inform this court as to whether the Social Impact Assessment was carried out before notifying the policy and to respond to the arguments of the counsel for the petitioner as noticed in the order of this Court dated 30.07.2025. He shall also inform this court if the Environmental Impact Assessment had been carried out before notifying the policy."

During the hearing, the Advocate General of Punjab Maninderjit Singh informed the court that "the policy would be kept on hold and no further steps would be taken till the next date of hearing," which is August 7.



Steady amid turbulence



RAJANT SINHA

RBI's decision to not cut rates indicates that growth trajectory is largely insulated from tariff pressures

THE RBI'S MONETARY Policy Committee (MPC), in line with our expectations, left the policy rate unchanged and maintained the stance at neutral. The central bank highlighted that the sharp decline in inflation is primarily due to volatile food prices, specifically vegetable prices. Moreover, it cautioned that with the low base of this year, CPI inflation is projected to rise above 4 per cent and beyond in 2026, implying that there is limited room for further rate cuts in this cycle. The central bank was broadly optimistic about growth and kept the GDP growth projection unchanged at 6.5 per cent for FY26, while acknowledging the uncertain external demand scenario.

CPI inflation fell sharply to around 2 per cent in June 2025 and is estimated to remain benign at around 2.5 per cent in the next two quarters. With the sharper-than-expected fall in inflation, the RBI has lowered the CPI projection for FY26 to 3.1 per cent. Vegetable inflation that was very high in 2024, averaging 27 per cent, has recorded sharp deflation, averaging -15 per cent in the last three months. The vegetable price sub-index that contributes around 6 per cent to the overall CPI index has been particularly volatile in the past year. If we exclude vegetable prices, CPI inflation was in the range of 3-4 per cent for the entire FY25 and remains in the same range in Q1 FY26.

Apart from vegetables, many other components of the food basket are also seeing low inflation or deflation, supported by a good monsoon and a high base from last year. The point to note is that a large part of the fall in inflation is because of the statistical base effect. However, next year, we will see inflation rising again as the base effect reverses. We expect CPI inflation to breach the 4 per cent level in Q4 FY26 and average more than 4.5 per cent in FY27 — this is broadly in line with the RBI's projections.

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RBI remains optimistic, has maintained the GDP growth projection for FY26 at 6.5 per cent. Factors like recent interest rate cuts, strong agricultural activity boosting rural demand, benign inflationary conditions, favourable monsoon and lower income tax burden are supportive of growth. While the recently announced higher reciprocal tariff by the US has raised some growth concerns, it is to be noted that India is a domestic demand-driven economy, and merchandise exports to the US contribute only around 2 per cent to our GDP.

As far as growth is concerned, RBI remains optimistic and has maintained the GDP growth projection for FY26 at 6.5 per cent (broadly in line with our projection of 6.4 per cent). Factors like recent interest rate cuts, strong agricultural activity boosting rural demand, benign inflationary conditions, favourable monsoon and lower income tax burden are supportive of growth this year. While the recently announced higher reciprocal tariff by the US has raised some growth concerns, it should be noted that India is a domestic demand-driven economy, and merchandise exports to the US contribute only around 2 per cent to our GDP. We feel the adverse impact of tariffs through the export channel could be limited. It's also important to consider that there is still a lack of clarity on US trade policy, and hence it's difficult to assess the overall impact on GDP growth. It is quite possible that India manages to negotiate a trade deal with the US, leading to lower tariff barriers.

On the domestic front, there are some concerns around consumption and investment recovery not being broad-based. While a healthy monsoon has supported rural demand, subdued income growth in urban areas is concerning. This becomes specifically critical amidst weak hiring in the IT sector. Our study shows that aggregate headcount at the top five domestic IT firms plateaued in FY25 after a 4 per cent contraction in FY24. Growth in employee cost for IT firms in our sample (670 listed non-financial companies) slumped to just 5 per cent in FY25 from an average growth of 14 per cent between FY19 and FY24. We feel that the subdued household income growth is also getting reflected in weaker consumption growth, specifically in urban areas.

On the investment front, the Centre's push to capex has continued with a growth of 52 per cent recorded in Q1 FY26.

However, private players remain cautious in the midst of economic uncertainties. Even in the midst of these headwinds, India is likely to manage a healthy growth in FY26.

India's external sector will continue to face uncertainties given the risk posed by the US's reciprocal tariff. The benefit that India had vis-à-vis some of the other Asian peers has been reversed, with India now facing a higher tariff. We expect India's merchandise exports to contract in FY26. However, services exports will remain healthy, albeit with some moderation in growth. Overall, we expect India's current account deficit to be manageable at 0.9 per cent of GDP in FY26. However, capital flows could remain volatile in the midst of aggravated global uncertainties. With forex reserves at a comfortable level of \$689 billion covering 11 months of merchandise imports, we can say that India's external sector is broadly insulated, though we need to remain cautious.

What should we expect going forward? RBI had already cut the policy rate by 100 bps since February 2025 and taken measures to ensure ample liquidity in the system to facilitate rate transmission. Hence, the central bank would now like to wait and watch to see the impact of further transmission. Moreover, with average CPI inflation expected to be around 4.5 per cent or even more in 2026, we are already talking about a very low real interest rate of around 1 per cent. With growth momentum likely to be maintained at around 6.5 per cent, there is no need for further rate cuts. Only if the growth trajectory gets severely dented by the aggravation of trade risks can we expect a further rate cut by the central bank in this cycle.

The writer is chief economist, Care Edge Ratings

A CONSIDERED PAUSE

RBI keeps interest rates unchanged. Policy action depends on whether growth or inflation deviate from its assessment

IN ITS AUGUST meeting, the RBI's monetary policy committee voted unanimously to keep the benchmark policy repo rate unchanged — it stands at 5.5 per cent. Alongside, the members also voted to continue with the neutral stance. The decision, which came after the MPC had frontloaded the rate cuts in its previous meeting — in June it had reduced the rate by 50 basis points — was expected, given the prevailing global and domestic environment. As RBI Governor Sanjay Malhotra said, "the current macroeconomic conditions, outlook and uncertainties call for continuation of the policy".

The central bank's forecasts accompanying the August policy indicate that inflationary pressures in the economy are expected to remain muted. The RBI has, in fact, lowered its inflation forecast for the year to 3.1 per cent, from 3.7 per cent earlier. In recent months, food price pressures have eased considerably, and a good monsoon season and trends in kharif sowing indicate that the outlook is benign. Core inflation, which excludes food and fuel, has, however, inched upwards to 4.4 per cent in June. But the price pressures are not broad-based. Inflation was muted in several non-food categories such as clothing and footwear, household goods and services. But the central bank's forecasts have pegged inflation to rise to 4.4 per cent in the fourth quarter of 2025-26 and further to 4.9 per cent in the first quarter of 2026-27, as "unfavourable base effects, and demand side factors from policy actions come into play". With some projecting inflation at around 4.5 per cent in 2026, which translates to a real interest rate of around 1 per cent, it reduces the space for further rate cuts.

On the issue of growth, it is surprising that the central bank has retained its projections. It continues to forecast that the economy will grow at 6.5 per cent this year, in line with its expectations in April and June, even as the global environment has changed considerably since then. US President Donald Trump's trade and tariff policies have already led to some analysts lowering their estimates of growth. The RBI acknowledges these concerns. Governor Malhotra pointed to the uncertainty of "external demand", and the headwinds from "geopolitical tensions" and "volatility in global financial markets". Considering that the uncertainty over tariffs continues, and that the transmission of the interest rate cuts so far is still working through the system, further policy action will possibly depend on whether growth and/or inflation deviate significantly from the central bank's current assessment.

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13 THE IDEAS PAGE

Nuclear dialogue, sans politics

Given emerging dual-capability arsenals, heightened risk post Op Sindoor, Subcontinent needs a conversation on atomic weapons' use



ARUN PRAKASH

LOST IN THE thrust and parry of the parliamentary debate on Operation Sindoor were PM Narendra Modi's several references to Pakistan's "nuclear threats" and "nuclear blackmail". They reflected a deliberate articulation of India's more assertive security doctrine, representing a calculated move to redefine the deterrence equation in South Asia. That India is prepared to act against terrorism regardless of Pakistan's "nuclear bluff" is ostensibly intended to enhance India's deterrent credibility.

The three-way China-India-Pakistan nuclear relationship has created a complex web of interlocking deterrence. All three countries are modernising and expanding their nuclear arsenals and delivery systems. Given the lack of transparency regarding nuclear arsenals and doctrines, and a marked reluctance to engage in a dialogue on measures to mitigate nuclear risk, the ongoing arms race can further destabilise the region, especially in a crisis such as Pahalagam. August 6, the 80th anniversary of the bombing of Hiroshima, was a reminder of the horrors of a nuclear holocaust. We need to focus on the management of this complex dynamic and on the prevention of accidental or intentional escalation.

China, while officially maintaining principles of both "credible minimum deterrence" and "no first use" (NFU), is engaged in rapid expansion of its nuclear arsenal — predicted to reach 1,000 warheads by 2030. At the same time, the PLA's Rocket Force (PLARF) is fielding increasingly sophisticated missile systems, such as the 12,000-15,000 km range DF-41 and the hypersonic DF-17. PLARF's inventory consists of both conventionally armed and nuclear-tipped missiles, raising a question about China's posture: Is this "dual-capability" a deliberate strategic choice or merely an organisational detail?

Pakistan's nuclear arsenal is aimed exclusively at India, and apart from reserving the right to "first use", it has refrained from declaring an official nuclear doctrine. Pakistan's transition from "minimum credible deterrence" to "full spectrum deterrence" (FSD), which envisages the deployment of low-yield or tactical nuclear weapons, has been rationalised as a measure to counter the Indian army's "Cold Start" doctrine. The latter, it may be recalled, was a conceptual remedy for India's slow general mobilisation during the 2001-2002 Operation Parakram. However, it is only now that this concept of integrated battle groups is seeing daylight in the form of recently announced "Rudra" brigades.

India's political leadership has stood by its two long-held beliefs: (a) that the sole purpose of nuclear weapons is to deter a nuclear attack, by holding out a threat of "massive retaliation" and (b) nuclear weapons were political instruments rather than military warfighting tools. As a status quo power, India's declarations of NFU and its intention of maintaining a "credible minimum deterrent" made eminent sense. But much has changed since this doctrine was promulgated in 2003. Moreover, emerging technologies have added to the complexity of existing nuclear conundrums.

The "dual-use" potential of technologies such as AI, advanced computing, and hyper-

sonic delivery systems could blur the traditional distinction between conventional and nuclear. For example, a precise surface-to-surface missile could carry either a conventional or a nuclear warhead, making it difficult to ascertain the nature of an incoming attack and decide an appropriate response.

The development of smaller, "dial a yield" nuclear warheads permits calibration of a single warhead to be detonated with a range of explosive effects, varying from sub-kiloton to hundreds of kilotons. The availability of such options could make their use more thinkable in a conventional conflict scenario, potentially lowering the nuclear threshold.

Since 1998, the Subcontinent has seen a few sporadic attempts at evolving confidence-building measures and nuclear risk reduction measures (NRRMs), including the 1999 Lahore MoU on measures to prevent accidental or unauthorised use of nuclear weapons, the 2005 Agreement on Pre-Notification of Missile Tests, and the 2007 Agreement to Reduce Nuclear Risks. But these are not enough, and a sustained dialogue is essential.

In the context of NRRMs, serious note needs to be taken of media reports citing open-source intelligence that during Operation Sindoor, some of the Indian missiles that targeted Mushaf air base in Pakistan's Sargodha region and the Nur Khan air base near Rawalpindi had impacted in the close vicinity of either nuclear warhead storages or Pakistan's nuclear command and control nodes. While the IAF's DG Air Operations firmly denied the targeting of any of Pakistan's nuclear installations, mischievous speculation has persisted about India's "warning strike", implying that it was a demonstration of capability rather than an attempt to destroy the underground facilities.

The planners and custodians of nuclear weapons must note that targeting an adversary's nuclear assets, even inadvertently, with conventional weapons, can be misinterpreted as a "counter-force" strategy, which is fraught with the risk of rapid escalation to nuclear war. The hazards and doctrinal confusion that would arise from such an action bear consideration.

First, a conventional strike against a nuclear facility would be indistinguishable from a nuclear first strike. Given the extremely short timelines for decision-making in a nuclear crisis, the "use them or lose them" syndrome may cut in, leading the targeted party to launch its nuclear arsenal before it is destroyed. Desperate options like "launch on warning" or "launch under attack" may be considered.

Second, while it may not trigger a nuclear detonation, a conventional attack or "near-miss" on a nuclear storage facility could cause a massive release of radioactive material, simulating a "dirty bomb", with devastating humanitarian and environmental consequences.

Finally, conventional attacks aimed at command-and-control nodes could render the adversary deaf and blind, depriving him of the ability to assess the situation accurately, communicate with his forces or issue rational orders.

These are amongst some of the manifold reasons why there is an urgent need for initiation of a sustained nuclear dialogue between India and Pakistan, insulated from the vagaries of politics. Such an interaction, by reducing mutual suspicion and enhancing transparency, might slow down the nuclear arms race and the mindless build-up of arsenals.

The writer is a former Indian Navy chief

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Citizens and others

Targeting of Bengali-speaking migrants is part of a cynical, pessimistic politics



PAROMITA CHAKRABARTI

IN RECENT MONTHS, a disturbing pattern has emerged across several states: The conflation of language, religion, and citizenship into a mechanism of exclusion. In the aftermath of the Pahalagam terror attack in May, the Union Home Ministry had directed states to identify and deport illegal migrants, especially those from Bangladesh and Myanmar. Across states such as Haryana, Odisha, Maharashtra, Gujarat, Chattisgarh and Delhi, the security imperative has often disquietingly bypassed due process and led to the targeting of vulnerable communities — often Bengali-speaking Muslims who are Indian citizens. In Gurgaon, blue-collar workers were rounded up and detained, many allegedly despite valid identity documents. In Delhi's Jai Hind Camp, essential services were cut off to facilitate evictions. In Odisha, over 400 Bengali migrants were detained on suspicion of being illegal Bangladeshis.

While the national security imperative is beyond dispute, the response to immigration needs to be grounded in justice, transparency, and compassion. Yet, from the former AAP-led Delhi government's campaign to identify "illegal Bangladeshi" students in schools to Assam Chief Minister Himanta Biswa Sarma's routine targeting of "outsiders" and inflammatory references to land, flood and love "jihad", to Amit Malviya, head of BJP's IT cell, claiming "Bengali" denotes ethnicity, not linguistic uniformity" on social media to defend Delhi Police's reference to Bengali as the "language of Bangladeshis"

Assam's own history of exclusion is steeped in post-colonial anxieties. The anti-Bengali sentiment in the state has roots in the mass migrations following Partition and the formation of Bangladesh in 1971. The Bongal Kheda movement of the 1960s solidified in the Assam Agitation (1979-1985) and the subsequent Assam Accord sought to protect indigenous identity — but it came often at the expense of long-settled Bengali-speaking communities. The 2019 National Register of Citizens (NRC) exercise stoked old fears. Over 19 lakh people were excluded from the final list, a majority of them Bengali-speaking, and Muslim. The process — opaque, inconsistent, and marred by bureaucratic hurdles — devolved into a Kafkaesque ordeal marked by detention

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And yet, Banerjee herself has played into this narrative earlier. In January, she accused the BSF at Bengal's border with Bangladesh of letting in Bangladeshis illegally to pin the blame of infiltration on the state government. This rhetoric of "infiltrators" and "outsiders" may reap electoral dividends in the short term, but in the long run, it foments division, distrust and a breakdown of order. In Pune last week, for instance, a mob, several of them allegedly belonging to the Bajrang Dal, barged into the home of a Kargil War veteran's relative, and demanded identity proofs, calling the family Bangladeshis.

Migration is a natural phenomenon in a country as diverse and dynamic as India. Article 19 of the Constitution guarantees all citizens the right to move and reside freely within the country. For many, migration is not a choice but a compulsion, driven by economic hardship, displacement, or historical patterns of mobility. To reduce individuals to narrow markers of language, faith, or ethnicity is to chip away at the pluralistic foundations of Indian democracy. The warning bells are loud and clear: If identity continues to be weaponised, India risks further shrinking its civic space into something narrow, brittle, and unjust. When a system focuses on binaries — citizen vs infiltrator, us vs them — it erodes the nuanced, layered understanding of what it means to be Indian.

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Uttarkashi flash flood site is in eco-sensitive zone, experts flagged violations over past year

NIKHIL GHANEKAR
& AISWARYA RAJ
NEW DELHI, DEHRADUN,
AUGUST 6

DHARALI IN Uttarkashi district of Uttarakhand, the ground zero of the flash flood and debris avalanche Tuesday, is located in the fragile Bhagirathi eco-sensitive zone (ESZ), and experts believe that unregulated activities, like construction on river floodplains, could have contributed to making the disaster more severe. Over 60 people are reported to be missing in the flash floods in Uttarkashi as the rescue operations entered the second day Wednesday.

The Bhagirathi Eco-Sensitive Zone is a 4,157 sq km expanse between Gangotri and Uttarkashi town, and it was notified in 2012 to protect the Ganga river's ecology and watershed near its origin. The Bhagirathi river is one of the main headstreams of the Ganga. It joins with the Alaknanda river in Devprayag to form the Ganga river.

The ESZ tag provides the region with a safety net against unregulated development. However, the region has been in the spotlight due to the construction of the Centre's flagship Char Dham all-weather highway project, which faced legal challenges due to ecological threats, and was cleared by the Supreme Court.

Members of the BSEZ monitoring committee routinely flag



ITBP personnel during rescue operations after the flash floods in Dharali, a village in Uttarkashi district of Uttarakhand, on Wednesday. AP

issues of unregulated development, two members told *The Indian Express*.

Malika Bhanot, a member of the Bhagirathi ESZ monitoring committee from Ganga Ahvaan, a non-profit organisation, said, "This is a natural event turned into a disaster which is due to man-made reasons. Unregulated construction along the sides of small tributaries and rivers leads to devastation downstream. If BESZ Notification is implemented effectively, then construction along flood plains will be regulated and disasters can be prevented in case

of these natural events."

Last year, Bhanot and other independent members of the ESZ monitoring committee flagged the construction of a helipad in Jhala village of Uttarkashi. They had also flagged "illegal structures" in Maneri, jamak, near Uttarkashi town, along the banks of Ganga, which are "multi-storey" hotel buildings. These structures violate the ESZ norms and compromise the safety of the region, they said.

There have also been issues with the stretch of the Char Dham project passing through this area.

One of the key sticking points on Char Dham was the stand of the Border Roads Organisation that is executing the project that the road widening on the Gangotri stretch did not require a separate Environmental Impact Assessment (EIA). The monitoring committee members had cautioned that, in light of the Silkyara tunnel episode in 2023, disregarding precautionary aspects and laws in place was "totally unacceptable".

The Ministry of Road Transport and Highways and Border Roads Organisation has taken up widening of the

Dharasu-Gangotri stretch, and Dharali falls on this route.

Over the past year, several citizen groups in Uttarkashi have opposed the proposed construction of a bypass between Hina and Tekhla on NH-34, which is located south of Dharali. People even wrote to a Supreme Court-appointed committee, opposing the plan to fell 6,000 Deodar trees for the bypass.

Ravi Chopra, who headed an SC-appointed high-powered panel which appraised the Char Dham project in-depth, said, "On the stretch from Dharasu to Gangotri, the headquarters of Bhatwari block is located. The slope here has been sliding away over a period of time... We had said the road widening was not recommended and advised (the authorities) not to touch it."

"The route to Haridwar is narrow and composed of igneous rock, making it extremely dangerous. Rather than widen it, we suggested that the rock be shaped in the form of a half-tunnel. We imposed a lot of strict conditions on the widening—we recommended not to widen it at all—and if insisted, it should be under strict conditions," Chopra said.

Cause not clear

The Dharali disaster is suspected to have been triggered by heavy rain in an area which is already prone to unstable slopes and thus landslides.

In fact, as per a bulletin of the Central Water Commission's

JCO AMONG 9 ARMY PERSONNEL MISSING

New Delhi: At least nine Army personnel, including one JCO, are still missing following a massive cloudburst in Dharali. The Army has been conducting rescue and relief operations for the second consecutive day and has intensified efforts, it said Wednesday. **ENS**

Himalayan Ganga Division, three different spots—Dharali, an area near Sukhi top (between Haridwar and Gangnani), and the area near Haridwar Army camp witnessed rain-triggered floods and debris flow. The IMD data, though, shows that neither Uttarkashi nor the surrounding districts received anomalous extreme rain, with maximum rainfall of 43 mm recorded at Sankri Tuesday.

Explaining the process behind debris and mud slides, Dipali Jindal, senior consultant, landslides, NDMA, said, "From the videos, it looks like a mudslide, a type of landslide which involves rapid flow of mud, debris. The cause of the failure is not clear as of now. But it could have been triggered by a cloudburst-type event in areas above the disaster spot, in the catchment of the Kheer Ganga river... will be confirmed only after an investigation." She added, "Prolonged rainfall may have caused saturation of the topsoil."

SC quashes Madras HC order banning use of Stalin name for scheme

EXPRESS NEWS SERVICE
NEW DELHI, AUGUST 6

THE SUPREME COURT Wednesday set aside the Madras High Court order that stopped Tamil Nadu's DMK government from naming a scheme after Chief Minister MK Stalin.

Stating that the petition was "misconceived in law" and amounted to "abuse of the process of law", the bench of Chief Justice of India B R Gavai and Justices K Vinod Chandran and NV Anjaria cautioned, "Time and again, we have observed that political battles should be settled before the electoral roll and courts should not be used for this."

The top court also made clear its displeasure with the petitioner, AIADMK leader and MPC Ve Shanmugam, for approaching it within three days of making a representation to the Election Commission of India in this regard.

The bench imposed a cost of ₹10 lakh on the petitioner and asked him to pay it to the Tamil Nadu government, directing that the amount be spent for the welfare of the underprivileged.

The petitioner had sought a ban on the state's use of the chief minister's name in public outreach programmes such as Ungaludan Stalin (With You, Stalin), which he claimed violated judicial guidelines and the Election Commission's code.

The court took into account submissions by the state govern-



Tamil Nadu Chief Minister MK Stalin

ment that governments of other political parties too have named schemes after their political leaders. The state referred to schemes named after 'Amma' in this regard. Former Tamil Nadu chief minister J Jayalitha was popularly referred to as 'Amma'. A division bench of the high court had on August 1 restrained the state government from naming or rebranding any public scheme after living individuals. The court also barred the use of portraits of ideological figures or former chief ministers, and any insignia or emblem of the ruling Dravida Munnetra Kazhagam (DMK) in government advertisements promoting such schemes.

The Supreme Court bench said, "The naming of schemes in the name of political leaders is a phenomenon which is followed across the country. When such schemes are floated in the name of all leaders of political parties, we do not appreciate the anxiety of the petitioner to choose only one political party and one political leader."

"If the petitioner was so concerned about the misuse of political funds, the petitioner could have made a challenge to all such schemes. However, singling out only one political leader shows the intentions of the petitioner," it said.

Organ transplants up, donations after death below mark

ANONNA DUTT
NEW DELHI, AUGUST 6

ORGAN TRANSPLANTS increased in 2024 in India, but the share of deceased donor transplants—transplant of organs to another person after the donor's death—continued to be abysmally low, according to latest data from the National Organ and Tissue Transplant Organisation (NOTTO).

There were around 18,911 organ transplants across hospitals last year, around 3% increase from 18,378 in 2023. Of these, organs donated by living relatives of the patients accounted for a

ORGAN DONATIONS IN INDIA

ORGAN	2024	2023
Total transplants	18911	18378
Living donor transplants	15505	15435
Deceased donor transplants	3403	2935
DECEASED DONATIONS		
Kidney	13467	13,426
Liver	4901	4491
Heart	253	221
Lung	228	197
Pancreas	44	27
Small bowel	9	16

Source: NOTTO

majority 15,505 transplants, but, compared with the previous year, the increase was just 0.45%.

The spike in total transplants, the NOTTO data showed, was largely due to deceased donor transplants, which saw a 16% increase from 2,935 in 2023 to 3,403 in 2024.

Despite the increase, however, deceased donor transplants are—just around 18% of the total transplants. This highlights a critical gap in availability of organs in a country with around 1.73 lakh traffic deaths every year, most of them of eligible donors.

Although there is no official data, in India, there are an estimated 1.5-2 lakh people in need

of kidneys, around 80,000 need liver transplant, around 10,000 patients need hearts. The NOTTO data showed that last year, there were only 13,467 kidneys transplants from deceased donors, 4,901 liver transplants, and 253 heart transplants (see chart).

By population, the number of deceased donations is 0.77 per million people in India, below Thailand (6.21), China (4.5), Sri Lanka (3.38), and Japan (1.18). For comparison, Spain has 48 deceased donations per million population. In terms of living donor transplants, though, India ranks at top, data says.

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EXPLAINED SCIENCE

HOW SCIENTISTS FINALLY IDENTIFIED THE ELUSIVE KILLER OF STARFISH

TWELVE YEARS after a mysterious disease started killing starfish in droves — more than 5 billion are estimated to have died since 2013 — scientists have identified a bacterium to be the culprit.

The starfish, or sea stars, of various species died due to a wasting disease, in which their limbs fell off and their bodies melted away to leave just a pile of gunk. The epidemic was found along the Pacific coast of North America.

A study, published in the journal *Nature* on August 5, revealed that the starfish were falling victim to *Vibrio pectenicida*, which is related to the bacterium that causes cholera in humans.

How did scientists find the bacterium responsible?

It was a long process. While studies earlier focused on a virus type called the densovirus, it was later found to occur naturally in some starfish. Also, some studies were examining the tissue samples of the dead starfish, when the bacterium was in fact present in the coelomic fluid, which is the starfish blood.

The breakthrough came at the Hakai Institute in British Columbia, Canada, where scientists raised sunflower sea stars in the labs, and then exposed them to the infected starfish in various ways, such as bringing them physically in contact with diseased body parts or injecting mixtures from such parts. It was found that injections passed on the infection, but not when their contents had been treated with heat. In effect, boiling was killing the cause of the disease, pointing to a bacterium.

The scientists then examined the coelomic fluid — a fluid that fills the body cavity and surrounds the internal organs



Sunflower starfish off the coast of California, US. Wikimedia Commons

— of both healthy and infected starfish. Dr Alyssa Gehmanopens, co-author of the study, was quoted by the UK's National History Museum as saying, "When we compared the coelomic fluid of exposed and healthy sea stars, there was basically one thing different: *Vibrio*. We all had chills. We thought, 'That's it. We have it. That's what causes wasting.'"

Why is this significant?

Understanding the cause of a disease is the first step to treating it. Scientists will now see if starfish in the sea can be given probiotics to fight off the bacteria, and if *Vibrio*-resistant starfish can be grown in labs and introduced into the wild, among other measures.

Protecting the population of starfish is crucial for the marine ecosystem as they help maintain a stable food chain. When billions of starfish died, the population of sea urchins, which they feed on, exploded. These sea urchins started eating away whole forests of kelp, a seaweed other marine animals thrive on and which helps sequester carbon. **ENS**



HARISH DAMODARAN

CROP PROTECTION chemicals, commonly known as "pesticides", are classified based on the pest they target. Insecticides target insects that cause damage by feeding on crops or transmitting disease, fungicides control fungal diseases, and herbicides kill or inhibit the growth of weeds.

India's organised domestic crop protection chemicals market is valued at roughly Rs 24,500 crore with insecticides, at Rs 10,700 crore, being the largest segment followed by herbicides (Rs 8,200 crore) and fungicides (Rs 5,600 crore).

That said, it is also the market for herbicides that, at 10% per annum, is growing at the highest rate. Here's why.

The herbicide market

Much of India's herbicide market is controlled by multinationals: German Bayer AG (which has an estimated 15% market share), Chinese state-owned Syngenta (12%) and ADAMA (10%), American Corteva Agriscience (7%), and Japanese Sumitomo Chemical (6%). Major Indian players include Dhanuka Agritech (6%) and Crystal Crop Protection Ltd (CCPL, 4%).

CCPL recently purchased the rights to Ethoxysulfuron, a herbicide used against broad-leaved weeds and sedges in rice and sugarcane, from Bayer AG for sales in India, Pakistan, Bangladesh and Southeast Asian countries. The deal, announced in January, covered Bayer's 'Sunrice' trademark for mixture products containing this active ingredient.

Earlier, in December 2023, CCPL had acquired 'Gramoxone', a broad-spectrum herbicide containing the active ingredient Paraquat, from Syngenta for sale in India.

"We are very bullish on herbicides. While the all-India market for this segment grew by 10% in 2024-25 (from Rs 7,460 crore to Rs 8,200 crore), the demand for this chemical has increased due to a shortage of labour for manual weeding

EXPLAINED ECONOMICS

Rise of the herbicides

The growth in India's pesticide market is being led by not insecticides or fungicides, but herbicides. In recent years, the demand for this chemical has increased due to a shortage of labour for manual weeding



Pavan Khengre

INDIA'S CROP PROTECTION CHEMICALS MARKET

	Market Size	Annual Growth
Insecticides	₹10,706 cr	5.3%-5.5%
Fungicides	₹5,571 cr	5.5%-6%
Herbicides	₹8,209 cr	10%-11%

Source: Industry estimates for 2024-25. Growth is for last five years.

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8,209 crore), our own sales rose over 47%," said Ankur Aggarwal, managing director of the Delhi-based company that recorded a turnover of Rs 2,201 crore from crop protection chemicals last fiscal.

Growth driver: labour shortage

Weeds, unlike insect pests and disease-causing pathogens, do not directly damage or destroy crops. Instead, they compete with them for nutrients, water and sunlight. Yield losses happen because the crops are deprived of these essential resources. Besides growing at their expense, weeds sometimes even harbour pests and pathogens inflicting further harm.

By keeping their fields free from weeds, farmers can ensure that the benefits of the fertilisers and irrigation water go to crops and not these unwanted plants.

Weed control has traditionally been manual: either by hand or by simple tools with flat blades such as *khurpi*. There are also power weeders that can be run between rows of standing crops to remove weeds in and around those spaces.

There's a certain economic threshold level,

where the cost of controlling the pest/disease using chemicals is justified by the extent of anticipated crop loss. In herbicides, too, farmers tend to mostly spray only after the weeds appear, that is, "post-emergence".

In recent times, however, farmers have also been resorting to prophylactic application of "pre-emergent" herbicides around or just after crop sowing. These stop the weeds from coming out, helping keep the field clean from the very start. Alternatively, they may use "early post-emergent" herbicides to control weeds at the crop's initial sensitive growth stage. In both cases, the spraying is preventive, as opposed to being reactive.

And it is this segment that is leading growth, as farmers increasingly opt for timely and smart weed control amid rising labour shortages. Currently, out of the estimated Rs 1,500-crore paddy herbicide market, the "pre-emergent" sub-segment accounts for roughly Rs 550 crore. That share is about a fifth in the Rs 1,000-crore market for wheat herbicides.

Monopoly concerns

Unlike seeds and fertilisers, where there are enough Indian public as well as private sector players, the crop protection chemicals industry is practically a multinational monopoly.

But some Indian companies, nevertheless, are attempting to break through, by acquiring the rights to active ingredients and brands from big global majors or introducing innovative formulations.

CCPL, for instance, has collaborated with the Ohio (US)-based Battelle and Japan's Mitsui AgriScience to develop a new paddy herbicide called 'Silkosa'. Containing two active ingredients, Bensulfuron-methyl and Pretilachlor, in a patented oil-dispersion formulation, 'Silkosa' spreads quickly in water and works well when sprayed within 0-3 days after transplanting.

"The product cost is Rs 850-900 per acre, compared to Rs 2,000-plus with manual weeding," Aggarwal claimed. That said India is still some distance away from having its own Sinochem, which owns both Syngenta and ADAMA.

LONGER VERSION ON
indianexpress.com/explained

FRENCH FIREFIGHTERS were battling on Wednesday to control the country's biggest wildfire in almost 80 years, with the blaze in the southern Aude region having already swept through an area bigger than Paris. One person died in the village of Saint-Laurent-de-la-Cabrerisse, about 30 kilometers from the city of Perpignan, the prefecture said.

AP

WILL WORK TOWARDS ENDING WAR IN UKRAINE: U.S. PRESIDENT

Trump says 'great progress' made in envoy Witkoff's meeting with Putin

ANDREA SHALAL
& DOINA CHIAICU
WASHINGTON, AUGUST 6

US PRESIDENT Donald Trump on Wednesday said his special envoy Steve Witkoff had made "great progress" in his meeting with Russian President Vladimir Putin, as Washington continued its preparations to impose secondary sanctions on Friday.

Trump, in a post on Truth Social, said he had briefed some European allies about Witkoff's meeting with Putin, which was focused on ending the 3-1/2-year war that began with Russia's full-scale invasion of Ukraine in February 2022.

"Everyone agrees this War must come to a close, and we will work towards that in the days and weeks to come," Trump added, without providing further details.

A White House official said earlier that the meeting had gone well, and Moscow was eager to continue engaging with the United States.

The official said secondary sanctions that Trump has threatened against countries doing business with Russia were still expected to be implemented on Friday. No details were provided.

Witkoff met Putin for around three hours on a last-minute mission to seek a breakthrough in the war. Trump has threatened sanctions on Moscow and secondary sanctions on countries that buy its oil if no moves

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Russian President Vladimir Putin with US envoy Steve Witkoff in Moscow, Wednesday, Reuters

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are made to end the war in Ukraine.

Trump took a key step in that direction on Wednesday when he imposed an additional 25% tariff on imports from India, citing New Delhi's continued imports of Russian oil. No similar order was signed for China, which also imports Russian oil.

The new measure raises tariffs on some Indian goods to as high as 50% — among the steepest faced by any U.S. trading partner. US Treasury Secretary Scott Bessent last week warned Chinese officials that purchases of sanctioned Russian oil would lead to big tariffs due to legislation in Congress.

REUTERS

EXPLAINED

No signs of Russia scaling back

Vladimir Putin has given no hint that he might be ready to make concessions. Instead, senior Kremlin officials have talked up the country's military strength. The Kremlin has also been insisting that international sanctions imposed since its February 2022 invasion have had a limited impact. Russia had also threatened Tuesday that it would use nuclear-capable intermediate range missiles in the war.

17 ECONOMY

SENSEX: 80,543.99 ▼ 166.26 (0.21%) NIFTY: 24,574.20 ▼ 75.35 (0.31%) NIKKEI: 40,794.86 ▲ 245.32 HANG SENG: 24,9

INFLATION PROJECTION FOR CURRENT FISCAL REVISED DOWNWARD TO 3.1% FROM 3.7%

Reserve Bank holds repo rate at 5.5%, retains FY26 GDP growth at 6.5%

HITESH VYAS
MUMBAI, AUGUST 6

IN LINE with expectations, the Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) on Wednesday left the repo rate — the key policy rate — unchanged at 5.5 per cent.

Despite growing uncertainties related to US tariffs and geopolitical tensions, the RBI retained its real GDP growth projection for FY26 at 6.5 per cent, with Governor Sanjay Malhotra asserting that the economy was performing "very well" and would "continue to further improve" when asked to respond to US President Donald Trump calling the Indian economy "dead".

Meanwhile, the central bank sharply lowered its Consumer Price Index (CPI) inflation forecast for the current fiscal by 60 basis points (bps) to 3.1 per cent, compared to an earlier estimate of 3.7 per cent. After cutting the repo rate by 100 bps over the last three consecutive monetary policies, the six-member MPC's unanimous decision to keep the repo rate unchanged offers no additional relief to borrowers ahead of the upcoming festive season, as they will have to continue paying higher interest



RBI Governor Sanjay Malhotra at the RBI headquarters in Mumbai on Wednesday.

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rates on their loans. However, Malhotra said the transmission of past rate cuts is "continuing". "The current macroeconomic conditions, outlook and uncertainties call for continuation of the policy repo rate of 5.5 per cent and wait for further transmission of the front-loaded rate cut to the credit markets and the broader economy. Accordingly, the MPC unanimously voted to keep the repo rate unchanged," the RBI Governor said while announcing the monetary policy. The rate-setting panel also decided to continue with the "neutral" policy stance. Despite the global uncer-

even though some high-frequency indicators showed mixed signals in May and June. The supportive monetary, regulatory, and fiscal policies including robust government capital expenditure should also boost demand, he added. In the medium-term also, Malhotra said the prospects of the economy are "bright" amid a changing world order, aided by its inherent strength, robust fundamentals, and comfortable buffers. "Opportunities are there for the taking, and we are making all efforts to create enabling conditions through a multi-pronged yet cohesive approach to policy making," he added.

However, he warned that while financial market volatility and geopolitical uncertainties have abated from their peaks in recent months, trade negotiation challenges continue to linger.

"Prospects of external demand, however, remain uncertain amidst ongoing tariff announcements and trade negotiations. The headwinds emanating from prolonged geopolitical tensions, persisting global uncertainties, and volatility in global financial markets pose risks to the growth outlook," the Governor said.

FULL REPORT ON
www.indianexpress.com

We are doing very well: Malhotra on Trump's 'dead economy' jibe

Mumbai: Days after US President Donald Trump described the Indian economy as "dead", RBI Governor Sanjay Malhotra asserted that the domestic economy is performing "very well" with its contribution to global growth at 18 per cent, significantly higher than America's 11 per cent.

"We have a very robust growth rate of 6.5 per cent. In fact, as per International Monetary Fund (IMF), it (India's growth) is 6.4 per cent, and 3 per cent growth rate for the world... we are contributing about 18 per cent (to global growth), which is more than the US, where the contribution is expected to be much lesser, I think about 11 per cent. We are doing very well and we will continue to further improve," Malhotra said when asked for his comment on Trump's reference to the Indian economy as "dead".

HITESH VYAS

SUKALP SHARMA
NEW DELHI, AUGUST 6

THE EXECUTIVE order issued by US President Donald Trump to impose 25 per cent additional tariffs on goods from India includes a warning of sorts for other countries importing oil from Russia—the risk of attracting 25 per cent additional tariffs from the US. A specific section of the executive order—section 5—states that senior Trump administration officials can recommend action against countries importing Russian oil "directly or indirectly", including the additional ad valorem import duty of 25 per cent. Apart from India, other key importers of Russian crude oil include China and Turkey.

"The Secretary of Commerce, in coordination with the Secretary of State, the Secretary of the Treasury, and any other senior official the Secretary of Commerce deems appropriate, shall determine whether any other country is directly or indirectly importing Russian Federation oil," Trump's executive order read. The order came shortly after US envoy Steve Witkoff held talks with Russian President Vladimir Putin in Moscow over the Russia-Ukraine war, which Trump wants to end swiftly.

"If the Secretary of Commerce finds that a country is directly or indirectly importing Russian Federation oil, the Secretary of

EXECUTIVE ORDER

■ "The Secretary of Commerce, in coordination with the Secretary of State, the Secretary of the Treasury, and any other senior official the Secretary of Commerce deems appropriate, shall determine whether any other country is directly or indirectly importing Russian Federation oil," Trump's executive order read

State, in consultation with the Secretary of the Treasury, the Secretary of Commerce, the Secretary of Homeland Security, the United States Trade Representative, the Assistant to the President for National Security Affairs, the Assistant to the President for Economic Policy, and the Assistant to the President and Senior Counselor for Trade and Manufacturing, shall recommend whether and to what extent I should take action as to that country, including whether I should impose an additional ad valorem rate of duty of 25 percent on imports of articles of that country," it added.

As per the executive order, the term "Russian Federation oil" is defined as crude oil or petroleum products "extracted, refined, or exported" from the Russia, "regardless of the nationality of the

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entity involved in the production or sale of such crude oil or petroleum products". It defines indirect imports of Russian Federation oil as "purchasing Russian Federation oil through intermediaries or third countries where the origin of the oil can reasonably be traced to Russia, as determined by the Secretary of Commerce in consultation with the Secretary of State and the Secretary of the Treasury".

According to the Finland-based think-tank Centre for Research on Energy and Clean Air (CREA), China, India, and Turkey are the major importers of Russian crude oil. Other importers of Russian crude included the European Union and Myanmar. As for Russian petroleum products, major importers include Turkey, China, Brazil, India, Saudi Arabia, the United Arab Emirates, Libya, Taiwan, Tunisia, Egypt, Malaysia, Ghana, South Korea, and Nigeria.

Over the past few weeks, Trump—frustrated with Putin over the continuation of the Russia-Ukraine war—had threatened imposing secondary tariffs or penalties on countries that have been importing large volumes of Russian energy. While these threats from Trump initially were made largely against both China and India, the top two importers of Russian crude oil, the past few days saw the US President singling out and targeting India specifically.

FULL REPORT ON
www.indianexpress.com

Amid tariffs and trade talks, external demand prospects uncertain: RBI Gov

SIDDHARTH UPASANI
NEW DELHI, AUGUST 6

RESERVE BANK of India (RBI) Governor Sanjay Malhotra warned on Wednesday that the prospects of external demand remain "uncertain" amid the ongoing tariff announcements and trade negotiations, although there were "opportunities ... for the taking" in the medium-term as the world order changed.

While announcing the Monetary Policy Committee's (MPC) decision to leave the policy repo rate at 5.5 per cent—with all six members of the rate-setting panel in favour of leaving the interest rate unchanged—Malhotra said the Indian economy is "navigating a steady growth path with price stability" despite a "challenging" external environment.

"Over the medium-term also, the Indian economy holds bright prospects in the changing world order drawing on its inherent strength, robust fundamentals, and comfortable buffers. Opportu-

Over the medium-term also, the Indian economy holds bright prospects in the changing world order drawing on its inherent strength, robust fundamentals, and comfortable buffers. Opportunities are there for the taking ..."

— SANJAY MALHOTRA
GOVERNOR, RBI

unities are there for the taking, and we are making all efforts to create enabling conditions through a multi-pronged yet cohesive approach to policymaking," Malhotra said, adding that the uncertainties of tariffs "are still evolving".

Even as the RBI Governor cited headwinds from prolonged geopolitical tensions, persisting global uncertainties, and volatility in global financial markets posing risks to India's growth outlook,

the RBI on Wednesday retained its GDP growth forecast for the current fiscal at 6.5 per cent, days after the International Monetary Fund (IMF) on July 29 raised its own forecast for India to 6.4 per cent for both 2025-26 and 2026-27 on account of easing global trade tensions. Malhotra echoed these views on Wednesday, saying that geopolitical uncertainties have "somewhat abated, even though global trade challenges continue to linger".

However, US President Donald Trump sent shockwaves a day later on July 30 by slapping a 25 per cent tariff on India—along with an additional "penalty" for its defence and energy imports from Russia—even as the two countries negotiated a bilateral trade agreement. Trump said India has "the most strenuous and obnoxious non-monetary Trade Barriers of any Country". Since then, the US President has threatened raising the tariff on Indian goods substantially higher. This culminated in the doubling of the tariff to 50 per cent late Wednesday after the

RBI announced its monetary policy decision.

In 2024, total goods trade between India and the US stood at \$129.2 billion. While the US exports to India in the last calendar year rose 3.4 per cent from 2023 to \$41.8 billion, its imports from India increased by 4.5 per cent to \$87.4 billion, resulting in a goods trade deficit of \$45.7 billion. India primarily exports electronics, gems and jewellery, pharmaceuticals, machinery, textiles, and refined petroleum products to the US. According to EY Global Financial Services, India's exports to the US could fall by \$30 billion-\$33 billion at tariff levels of above 25 per cent. This estimate does not account for any cross-country responses. While the RBI has not changed its growth forecast due to the 25 per cent tariff, economists have warned in recent days that India's growth rate in the current fiscal could be hit by 20-40 bps and could even fall below 6 per cent.

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Amendment in Sports Bill to keep BCCI out of RTI Act

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The Board of Control for Cricket in India (BCCI) will not be subject to provisions of the Right to Information (RTI) Act, after the government introduced amendments to the National Sports Governance Bill that has been tabled in Parliament.



The union sports ministry has cited a provision of the RTI Act, according to which only bodies 'substantially financed' by the government can be defined as a 'public authority'.

When the Bill was tabled in Parliament on July 23, it had a provision in Clause 15(2) that ensured that all sports bodies recognised by the National Sports Bill would be considered a public authority under the Right to Information Act (RTI), 2005. However, *The Indian Express* has learnt that the clause stating, "a recognised sports organisation shall be considered a public authority under the Right to Information Act, 2005 with respect to the exercise of its functions, duties and powers under this Act," has been omitted from the Bill via an amendment.

The omitted clause would have brought every national Sports Federation (NSF) under the RTI Act. The BCCI has always resisted coming under the purview of the Act arguing that it's not dependent on government funds, unlike other sports governing bodies. The RTI Act defines a "public authority" as any institution or body created by any law made by Parliament or a State Legislature, including bodies owned, controlled, or

substantially financed by the government, with 'substantially financed' being the key word in this case.

The amendment has introduced a new clause that states, "A recognised sports organisation, receiving grants or any other financial assistance from the Central Government under sub-section (1) or from a State Government, shall be considered as a public authority under the Right to Information Act, 2005, with respect to utilisation of such grants or any other financial assistance."

The change would mean that all NSFs will be under the RTI Act, but the only queries they are required to answer will be related only to government aid and other financial assistance, unlike the previous clause that allowed questions on duties and powers of the NSF, including selection.

"The amended clause will ensure that we don't violate the RTI Act. With the amendment, we have defined a public authority as an entity relying on government funds and assistance. We have removed the grey area from the Bill that could have resulted in it getting held up or being challenged in court," a sports ministry source told this paper.

However, the BCCI will come under the purview of the Bill and can be questioned if there is any kind of government assistance involved.

"The BCCI will still come under the Bill and they will have to form an Ethics Commission, an Athletes Committee and implement the Safe Sports policy. They can also be questioned if government assistance of any kind is involved, like the usage of infrastructure," the source said.

Another significant amendment in the Bill is that it has included the Societies Registration

Act of a state as one of the criteria for recognition of an NSF.

Earlier Clause 8(2) stated, "No sports organisation shall be recognised under sub-section (1) unless such organisation is a society registered under the Societies Registration Act, 1860 or is a not-for-profit company incorporated under Section 8 of the Companies Act, 2013 or is a trust created under the Indian Trusts Act, 1882."

Now the clause will also add the Societies Registration Act of a state bringing the BCCI under the purview of the Bill as it's registered under the Tamil Nadu Societies Registration Act, 1975.

Sports minister **Mansukh Mandaviya** tabled two Bills in the monsoon session of Parliament — the National Sports Governance Bill and the National Anti-Doping (Amendment Bill). Both Bills are expected to be passed by the Lower House in the next couple of days.

In 2016, the Supreme Court-appointed RM Lodha Committee, looking into cricket reforms, had recommended bringing the BCCI under the RTI Act. While considering the recommendation, the apex court had referred the specific issue to the Law Commission in July 2016.

In its 275th report in 2018, the Law Commission too had recommended bringing the BCCI under the RTI Act. The Commission had underlined BCCI's monopolistic character, the public nature of its functions, and the 'substantial financing' it has received from appropriate governments over the years (through tax exemptions, land grants, etc.) to hold that the cricket body can be termed a 'public authority' under the existing legal framework and brought within the purview of the RTI Act.

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