

Army set to establish, operationalise first Integrated Battle Groups next month

Amrita Nayak Dutta
New Delhi, June 28

THE ARMY is set to establish and operationalise its first Integrated Battle Groups (IBG) by next month, marking a significant transformation under which self-contained, agile, brigade-sized fighting units will be carved out of the Panagarh-based XVII Corps — the mountain strike corps (MSC) facing China — for swift deployment in mountainous areas, *The Indian Express* has learnt.

Sources privy to the development told *The Indian Express* that the earlier plan was to create four IBGs under the two divisions operating under the XVII MSC — the 59 Division and the

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EXPLAINED

Self-contained, rapid deployment

Each IBG, comprising over 5,000 troops, will have battalions of infantry, artillery regiments, Corps of Electronics and Mechanical Engineers, Combat Engineers, Army Service Corps and a field hospital. The IBGs will be especially crucial in mountainous terrains, as their agile nature allows rapid deployment, eliminating the wait for the entire corps to mobilise.

First IBG next month

23 Division — by September. However, this is now learnt to have been advanced to July 1.

The Indian Express had first reported in January this year that the long-drawn plans to create IBGs had gathered pace and may be implemented soon.

According to the existing plans, four IBGs and a fire support group will be created under the XVII MSC. Each of the five will be commanded by a Major General rank officer. Each IBG will comprise over 5,000 troops, with 12-13 units, and may have a Brigadier-rank officer as the Chief Operations Officer.

While the four IBGs will be created from the two divisions of the XVII MSC, the fire support group comprising artillery platoons will likely operate directly under the corps headquarters. The newly created Divyastra batteries of the Army could be placed under this group.

Each IBG will have battalions of infantry, artillery regiments, as well as elements of the Corps of Electronics and Mech-

anical Engineers (EME), Combat Engineers, Army Service Corps, and a field hospital or others.

The creation of the IBGs is part of a larger restructuring plan of the Army, which includes the creation of Bhairav battalions, Rudra brigades, Divyastra batteries and Shaktibaan units. The Rudra brigades, commanded by a Brigadier, will also have multiple elements, but will be dependent on the division for more support. IBGs will be larger in size and more self-contained and independent in nature.

These will be the first IBGs of the Army -- a move proposed in one of the four studies initiated by then Army Chief General Bipin Rawat on the restructuring of the Army. The plans to establish IBGs have been under discussion for about seven years now. These plans of capability development are premised on capacity, and not a threat-based model.

The IBGs would be capable of carrying out both offensive

and defensive roles against an adversary's attack.

The concept was test-bedded at the IX Corps on the western border with Pakistan around 2019, but remains to be implemented. The IBG concept was also experimented with multiple exercises conducted in the eastern theatre, including Exercise Him Vijay in 2019.

The IBGs can be rapidly deployed in the mountainous areas, thus reducing the time for an entire corps to mobilise. A corps comprises up to a lakh troops and takes a longer time to get deployed.

Sources had earlier indicated that the strength of an IBG lies in its swift application and flexible nature, and its creation would ensure better cohesiveness for various combined arms operations. Once established, they can also be deployed under specific theatre commands.

Over the last decade, China, too, has transitioned from older divisions to smaller, more versatile Combined Arms Brigades (CABs), integrated with tanks, artillery, air defence and support units, designed for joint operations.

From seas to skies, India is becoming self-reliant: Modi

PM highlights indigenously built missile systems, says June was a 'landmark month' for India's defence sector; he thanks people for responding to his call for austerity amid the West Asia crisis

Saurabh Trivedi

NEW DELHI

P rime Minister Narendra Modi on Sunday hailed India's growing self-reliance in defence manufacturing, pointing to the maiden flight of the first made-in-India C-295 transport aircraft and the successful test of the indigenous Long-Range Land-Attack Cruise Missile (LRLACM).

He also thanked citizens for supporting his appeal for austerity amid the West Asia crisis.

Addressing the nation in his monthly radio programme *Mann Ki Baat*, Mr. Modi said June had been a "landmark month" for India's aviation and defence sectors.

'Indigenous' industry

Referring to the C-295 programme, he said 40 aircraft are being manufactured in India, giving a major boost to the country's MSMEs and aerospace industry while creating employment opportunities.

The first C-295 transport aircraft manufactured in India completed its maiden flight on June



As many as 40 such aircraft [C-295] are being built right here in India and this is giving new strength to MSMEs and the aerospace sector ... From the seas to the skies, our India is becoming increasingly secure and self-reliant

NARENDRA MODI
Prime Minister



10. The Indian Air Force is procuring 56 aircraft under a ₹21,935-crore deal, with 40 being manufactured by Tata Advanced Systems Limited in partnership with Airbus at a facility in Gujarat's Vadodara.

The Prime Minister cited the successful flight-test of the indigenous LRLACM conducted by the Defence Research and Development Organisation earlier this month.

"From the seas to the skies, our India is becoming increasingly secure and self-reliant," he said, adding that all major subsystems of the missile had been indigenously developed.

Mr. Modi referred to the recent induction of *INS Durgam*, *INS Shanshak*, and

INS Agrya into the Indian Navy, saying the warships were designed and built entirely in India.

West Asia conflict

The Prime Minister thanked citizens for responding positively to his appeal for conserving resources amid the conflict in West Asia. He said many people had begun car-pooling, using public transport, postponing foreign travel and increasing the use of natural fertilizers. He noted that several families had decided to recycle old gold instead of buying new jewellery for weddings.

"I am grateful to every citizen of the country; not only have they supported my appeal, they are also actively cooperating in ev-

The PM praised Nagaland's 'Baby League' football initiative for children aged 5 to 12

ery way," he said.

Highlighting environmental conservation, Mr. Modi praised the efforts of biologist Purnima Devi Barman in changing public perceptions about Assam's *hargila* bird (greater adjutant) and lauded community initiatives in Meghalaya to preserve the State's living root bridges, for which India has sought UNESCO World Heritage status.

The Prime Minister commended women in Madhya Pradesh's Rajgarh district for converting plastic waste into eco-bricks used for beautifying public spaces and praised Nagaland's 'Baby League' football initiative for children aged five to 12.

For Ganesh Chaturthi, Mr. Modi urged people to purchase idols crafted by Indian artisans, calling on buyers to check the both the material used and the country of manufacture before making their purchase.

Govt. rejects Pak. allegations over Karachi terrorist attack

Kallol Bhattacharjee

NEW DELHI

The Centre on Sunday “categorically” rejected “baseless allegations” Pakistan has made about India being involved in an attack on a security installation in Karachi.

“We have seen Pakistani reports making baseless allegations against India regarding the recent incident in Karachi. We categorically reject them. Instead of pointing fingers at others, Pakistan would do better to look inwards, take credible actions (against) the terror infrastructure on its territory and rid of its proclivity to rely on terrorism as an instrument of state policy,” said Randhir Jaiswal, official spokesperson of the External Affairs Ministry.

Saturday’s attack in Karachi’s Gulistan-e-Jauhar neighbourhood killed at least three and injured four personnel of Pakistan Rangers (Sindh), the country’s



Pakistan security personnel inspecting the rooftop of a compound in Karachi on Sunday following an alleged militant attack. AFP

DGISPR had said. “The assailants, after a blast at the main gate of the camp, attempted to breach the perimeter security,” it said.

Following Saturday’s attack, Pakistan’s Information Minister Mohsin Naqvi had said, “These terrorists are normal terrorists. India is supporting them.”

Multiple attacks

Multiple terror attacks rocked Pakistan this weekend that spread from Karachi to Balochistan,

where groups such as Jamaatul Ahrar and Baloch Liberation Army (BLA) were allegedly involved.

Throughout June, Pakistan has carried out operations in the Khyber Pakhtunkhwa, Balochistan, and Sindh regions against groups that it has linked with India. The BLA said it had carried out an attack on a Pakistani military camp in Ziarat, Balochistan. In a message to the media, it vowed to continue such attacks.

Indian diplomats hold talks with officials of Chinese news agency

Press Trust of India

BEIJING

Officials of the Indian Embassy in Beijing have met representatives of China's state-run Xinhua news agency amid ongoing efforts between the two countries to normalise relations.

The meeting took place between Shweta Singh, Minister of the Embassy, and Wang Jianxin, Deputy Director-General of the Foreign Affairs and International Cooperation Department of Xinhua.

“On 24 June 2026, Embassy officials met representatives of Xinhua News Agency at its headquarters in Beijing and exchanged views on issues of mutual interest,” the Indian Embassy said in a post on X, along with a photo on Sunday, without providing details.

Enhancing engagement

Indian officials described the meeting as part of efforts to enhance engagement with Chinese media.

Both countries are currently in the process of normalising relations post the Eastern Ladakh conflict in 2020, which had frozen their ties.

Currently, both countries have resumed Kailash-Manasarovar Yatra, vi-



Shweta Singh with Wang Jianxin at Xinhua News Agency, in Beijing, China. PTI

sas and flights. China, for its part, has been calling for restoration of visas for its journalists.

Chinese Foreign Minister Wang Yi, in his meeting with National Security Adviser Ajit Doval last week in New Delhi, called for both countries to promote exchanges in various fields, including media.

Mr. Wang was in New Delhi to attend the BRICS NSA meeting.

In April 2023, China froze the visas of two Beijing-based Indian journalists while they were on leave in India, alleging that Chinese scribes were not receiving visas.

Later, Beijing also declined to renew the visa for one more Indian journalist while permitting the PTI bureau to continue.

Recently, China has given a journalist visa to *The Hindu* Correspondent to work from Beijing.

Indian Army contingent to participate in Seychelles' 50th National Day event

Saurabh Trivedi

NEW DELHI

An Indian Army marching contingent will participate in the 50th National Day celebrations of the Seychelles on Monday, marking the golden jubilee of the island nation's Independence.

Prime Minister Narendra Modi will attend the event as the guest of honour, underscoring the close bilateral ties between the two countries.

The Army said the contingent of 32 personnel from the Assam Regiment will be led by Captain Aryan H. Deolekar.

An Indian Navy marching contingent, accompanied by a military band, will take part in the ceremonial parade, reflecting the strong and enduring defence partnership between India and the Seychelles.



The contingent of 32 personnel from the Assam Regiment is led by Captain Aryan H. Deolekar. SPECIAL ARRANGEMENT

The two nations share long-standing historical ties that have grown into a robust strategic partnership spanning defence cooperation, development assistance, maritime security, culture, and trade, it added.

The participation of Indian armed forces personnel in the celebrations is seen as a symbol of mutual trust, military camaraderie, and the shared commitment of both countries

to deepen bilateral relations. Such ceremonial engagements also reinforce defence cooperation and highlight India's role as a reliable partner in promoting peace and security in the Indian Ocean region.

Officials said India's participation in the Seychelles' golden jubilee celebrations reaffirmed the special partnership between the two countries and reflected the expanding scope of bilateral engagement.

Shared responsibility must for Indian Ocean, says Modi

Indian Ocean a 'shared home', says PM after meeting the President of the Seychelles; two sides unveil 19 outcomes in areas including defence, maritime security, space, and digital payments

Press Trust of India

VICTORIA

India envisioned an Indian Ocean where maritime security was ensured alongside economic prosperity and where partnership was defined not by size, but by mutual respect and trust, Prime Minister Narendra Modi said on Sunday during his visit to the Seychelles.

Mr. Modi, who held wide-ranging talks with President Patrick Herminie of the archipelago, said they agreed that the Indian Ocean was "our shared home" and therefore "its security, sustainability and prosperity are our shared responsibility".

"Our vision is to make the Indian Ocean an ocean of opportunity," Mr. Modi said after delegation-level



Sea of opportunities: Prime Minister Narendra Modi addressing the National Assembly of the Seychelles in Victoria on Sunday. ANI

talks with Mr. Herminie, during which they took stock of the economic partnership between the two countries and discussed new opportunities in industries, connectivity, technology, digital infrastructure, and other areas.

After the talks, the two sides unveiled 19 outcomes, expanding cooper-

ation in areas ranging from defence and maritime security to digital payments, space, healthcare, agriculture, and education.

The two sides also announced the gifting of a fast patrol vessel to the Seychelles, the handover of 10 utility vehicles and five Laser Radial class boats to the Seychelles Defence

Force, the completion of the refit of *PS Zoroaster* for the Seychelles Coast Guard and the upgrading of a Dornier aircraft with a glass cockpit.

Climate impact

Mr. Modi also addressed the National Assembly of the country, where he emphasised that the Global South, especially island nations, was the most impacted by climate change.

He reiterated that those who had contributed the least to climate change should not bear the greatest burden of its consequences and said climate action must be guided by "fairness, responsibility, and equity".

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ARMY EVENT

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‘Shared responsibility must for Indian Ocean’

“The Global South, and especially the island nations, are the most impacted by climate change. Its effects are already visible on our coastlines, in the marine ecosystems, in weather patterns, and in our communities,” he said.

“We will continue to explore new opportunities for the industries of both our countries. We will also work towards enhancing connectivity between India and the Seychelles. This will not only boost our bilateral trade but also strengthen our ties with East Africa and the Indian Ocean region,” he said.

The Prime Minister, who is on a three-day visit to the archipelagic nation, attended the golden jubilee celebrations of the National Day of Seychelles as the Guest of Honour.

Earlier in the day, at a special ceremony, Mr. Modi was also conferred with ‘Guardian of the Blue Horizon’ by Mr. Herminie for his “green leadership and efforts towards advancing the interests of developing countries and his longstanding commitment towards promoting the blue economy”.

The outcomes after the talks on Sunday included an extradition treaty, an agreement on cooperation in the peaceful uses of outer space, an agreement to advance UPI-based digital payments in the Seychelles, an umbrella line of credit agreement with the Export-Import Bank of India and an agreement for preliminary preparations for a new the Seychelles National Hospital, according to the Ministry of External Affairs.

DGS stands by removal of restrictions on Indian shippers despite strikes in the Gulf

S. Vijay Kumar
M. Kalyanaraman
CHENNAI

India's maritime regulator will stand by its June 26 directive removing curbs on Indian seafarers and ship owners operating in the Persian Gulf, despite a fresh surge in regional hostilities.

The Directorate General of Shipping (DGS) clarified its stance as the International Maritime Organization (IMO) halted its evacuation of stranded ships following recent attacks.

Indian officials say that negotiations are under way on restarting the IMO's plan and expect a resolution soon.

The Friday notification superseded a June 13 notification that imposed restrictions after the U.S. attacks on *Marivex*, *Settebello*, and *Jalveer* carrying Indian crew and was based on the Indian government's threat assessments and advice from the External Affairs



Some Indian-flagged vessels are waiting for transit permission from Omani authorities and Iran's Persian Gulf Strait Authority. AFP

Ministry.

Some Indian-flagged vessels have asked for transit permission from Omani authorities and Iran's Persian Gulf Strait Authority, and approval is awaited, said an official.

These vessels are LPG carrier *BW Loyalty*, container ships *CMA CGM Manaus* and *CMA CGM Diamond*, and *Volvox* dredger.

While removing restrictions, the DGS has asked Masters of vessels operating in or transiting through

the Gulf region, including the Strait of Hormuz and adjoining waters, to maintain heightened security vigilance, closely monitoring navigational warnings and other warnings or instructions received from security agencies. Indian-flagged vessels have been advised to coordinate with the United Kingdom Marine Trade Operations and Maritime Information Cooperation Centre and keep the Indian Navy, missions in respective countries, as well as

Iran launches new attacks, threatens to halt discussion

DUBAI

Iran on Sunday launched drone and missile attacks targeting Bahrain and Kuwait in response to U.S. air strikes against the Islamic Republic, and threatened a "complete halt" in negotiations to end the war if Washington continues its attacks. » PAGE 14

the DGS updated on transit.

Calling the DGS notification a mature one, Anil Devli, CEO of Indian National Shipowners Association, said every shipowner would be vigilant and would only proceed after doing a total risk assessment.

The IMO had announced an evacuation plan in which it said it would facilitate the sequencing of the evacuation of ships.

CJP stir: Wangchuk goes on fast at Jantar Mantar

The activist starts strike calling for Dharmendra Pradhan's resignation; says he cannot not remain silent when young people raised concerns over the education system; AISA joins hunger strike

Ashna Butani
NEW DELHI

Environmentalist and educator Sonam Wangchuk began a hunger strike on Sunday afternoon at the Jantar Mantar here, where the Cockroach Janta Party (CJP) has been protesting since June 20, demanding the resignation of Union Education Minister Dharmendra Pradhan for multiple irregularities in the examination system.

Prior to the hunger strike, CJP founder Abhijeet Dipke had said on social media platform X that he had visited Rajghat with Mr. Wangchuk to pay tribute to Mahatma Gandhi. Soon after that, Mr. Wangchuk began his hunger strike, seeking justice for students and calling for the Minister's resignation.

'Water cut off'

The Delhi Police had cut off the water and sanitation facilities at Jantar Mantar after Mr. Wangchuk announced his strike, Mr. Dipke alleged.

The police termed the allegation "falsehoods and misinformation". The Deputy Commissioner of Pol-



Activist Sonam Wangchuk having a word with CJP founder Abhijeet Dipke at Jantar Mantar in New Delhi on Sunday, demanding the resignation of Dharmendra Pradhan. SHIV KUMAR PUSHPAKAR

ice, New Delhi said online that the Delhi Police, being a law enforcement agency, had no role to play in providing these facilities.

Explaining his decision to join the protest, Mr. Wangchuk said education had been close to his heart for the last 40 years and that he could not remain silent when young people raised concerns over the education system.

"I have been forced to sit here, I am not doing this happily. I am sitting on a fast in support of both issues. Many people ask me, you were doing a move-

ment in Ladakh, why are you with CJP now. Education, which is the issue here, has been close to my heart for the last 40 years, since I was a student," he said. Many others, including farm leaders, joined the protest on Sunday. At least six student activists have joined Mr. Wangchuk in the hunger strike, demanding Mr. Pradhan's resignation.

"I am not alone. I have been told that some youth are also going on hunger strike. Wherever you are, I salute you," he said. The All India Students' Associa-

tion (AISA), which previously expressed solidarity with the CJP's protest, on Sunday said six students associated with the AISA have decided to go on the hunger strike, too.

"Students have called for the strike in complete solidarity with the call by Sonam Wangchuk, and will fight shoulder to shoulder in the struggle for Dharmendra Pradhan's resignation, repeal of NEP (National Education Policy) 2020, and scrapping of the National Testing Agency," the AISA said in a statement.

(With PTI inputs)

Ram Temple graft case concerns assets of a 'juristic person'

NEWS ANALYSIS

Krishnadas Rajagopal

NEW DELHI

The Ram Temple embezzlement case raises serious allegations of misappropriation of cash and valuables donated by devotees as an "expression of piety" to a Hindu deity, uniquely considered a 'juristic person' who is a minor in law.

Series of judicial decisions, right from the days of the Privy Council to Supreme Court's judgments in the Sree Padmanabhaswamy Temple and the Ramjanmabhoomi Temple cases, hold the deity as a legal entity capable of holding property.

The Padmanabhaswamy Temple case saw the Supreme Court hold that donations given by wor-



The embezzlement case is based on the alleged misappropriation of devotees' donations at the Ram Mandir in Ayodhya. ANI

shippers belong strictly to the deity. By detailing Maharaja Marthanda Varma's act of dedication of his kingdom to the deity, the 2020 judgment provided an insight into the acceptance of the deity as a separate entity as far back as in the 18th century.

The importance of the act of donating to a deity as

an expression of Hindu piety was discussed by the Privy Council in *Vidya Varuthi Thirtha Swamikal v. Balusami Ayyar and Others*, a case law which dates back to 1921. "Hindu piety finds expression in gifts to idols and images consecrated and installed in temples," the judgment said.

It noted that these gifts

or donations by devotees were made to the deities *eo nomine* (in the name of the deity itself), providing proof that a deity was a juristic entity vested with the capacity of receiving gifts and holding property.

The courts have, however, recognised that a dedicated property vests in the idol only in an "ideal sense". The physical possession and management of that property must be taken over by a "human agency". But this person or group of individuals have the status of a mere 'manager'. The ownership of a dedicated property vests entirely with the deity.

This legal principle was reinforced by Justice B. K. Mukherjea in his lead judgment in *Angurbala Mullick versus Debabrata Mullick* in 1951. "In a Hindu religious endowment, the en-

tire ownership of the dedicated property is transferred to the deity or the institution itself as a juristic person, and the she-bait or mahant is a mere manager."

Position of a minor

The Supreme Court in *Bishwanath and Others v. Sri Thakur Radhaballabhji* had declared a deity to be in the legal position of and requiring the protection afforded to a 'minor'. "An idol is in the position of a minor. When a person representing it leaves it in the lurch, a person interested in the worship of the idol can certainly be clothed with an ad hoc power of representation to protect its interest," the court held in the 1967 judgment.

The Constitution Bench in the Ram Janmabhumi Temple case described a

Hindu idol as the "material embodiment of a testator's pious purpose".

Even the Income Tax law recognises a deity as a legal person and considers it a material manifestation of the devotee's belief and prayers. The 1969 case law of *Yogendra Nath Naskar versus Commissioner Of Income-Tax, Calcutta*, has termed a Hindu deity as an 'individual' to be treated as a unit of assessment under the Income Tax Act.

"Neither God nor any supernatural being could be a person in law. But so far as the deity stands as the representative and symbol of the particular purpose which is indicated by the donor, it can figure as a legal person and in that capacity alone the dedicated property vests in it," the top court had held.

Iran attacks Bahrain and Kuwait after U.S. strikes, threatens to halt talks

IRGC strikes target Gulf nations hosting U.S. military; U.S. Central Command says it struck key Iranian military infrastructure after Saturday's ship attack; Araghchi says any attempt to bypass arrangements in Hormuz will lead to 'increase in tensions'

Associated Press

DUBAI

Iran again launched drone and missile attacks on Sunday targeting Bahrain and Kuwait in response to new U.S. air strikes against the Islamic Republic, and threatened a "complete halt" in negotiations to end the war if Washington continues its attacks.

Iran's paramilitary Revolutionary Guard (IRGC) claimed responsibility for the attacks in Bahrain and Kuwait.

Kuwait's military said air defences intercepted Iranian drones and missiles just after the U.S. strikes in Iran. Kuwait, which hosts a



In ruins: Rescue personnel work in a residential building hit by an alleged Iranian drone in Muharraq, Bahrain, on Sunday. REUTERS

major U.S. military base, said it intercepted two ballistic missiles.

Bahrain's Interior Ministry said the Iranian strikes damaged a residential building near the international airport. Bahrain is

home to the U.S. Navy's 5th Fleet, whose base came under repeated attack during the war.

The U.S. military's Central Command said it struck Iranian military "surveillance infrastruc-

ture, communication systems, air defence sites, drone storage facilities and minelay capabilities" following an attack on a ship at sea on Saturday.

Trump threats

Meanwhile, U.S. President Donald Trump on social media accused Iran of violating the ceasefire and warned of a point where the U.S. may no longer be reasonable "and will be forced to militarily complete the job."

"If that happens, the Islamic Republic of Iran will no longer exist!" Mr. Trump wrote.

Efforts to reopen the Strait of Hormuz without Iran's direct oversight

sparked the days of cross-fire and have imperilled the talks for a lasting ceasefire.

Iran insists that it alone must govern the strait, the narrow mouth of the Persian Gulf that once carried a fifth of the world's oil and natural gas.

Iranian Foreign Minister Abbas Araghchi reiterated the claim on Sunday.

"Any attempt to establish new or separate arrangements from those currently being carried out by the Islamic Republic of Iran will only lead to further complications, delay the reopening of the Strait of Hormuz and increase the level of tension," Mr. Araghchi said.

Israel strikes south Lebanon despite framework accord

Agence France-Presse

BEIRUT

Israel renewed its strikes on Lebanon on Sunday, Lebanese state media reported, two days after an agreement was signed by the two countries, which a Hezbollah lawmaker warned would lead to “internal conflict”.

The strikes come a day after one person was killed in an Israeli strike on the south, according to Lebanon’s Health Ministry, with the Israeli military saying it targeted Hezbollah members near its self-proclaimed “security zone”, which reaches 10 kilometres into Lebanon.

Lebanon’s state-run National News Agency (NNA) reported several strikes on Sunday.

The Israeli Army said a soldier “fell in combat” in



Status quo: An Israeli flag hoisted atop a destroyed building in southern Lebanon on Sunday. AP

southern Lebanon. In a later statement, Israeli military chief Eyal Zamir approved plans for “continued operations in the security zone, in accordance with the ceasefire agreement”.

Lebanese President Joseph Aoun said on Saturday that his country “would assume its responsibilities” in implementing the framework agreement.

Hezbollah lawmaker Hassan Fadlallah said on Sunday that “the agreement of humiliation and disgrace signed by the authorities will never see the light of day”.

He added that what “the authorities have done amounts to sedition aimed at pushing the country into chaos and shifting the conflict from one with the enemy to an internal conflict”.

July opens the biggest chapter in India-U.K. trade ties

Trade deals are important for accelerating prosperity but not every deal is a game changer. One that drives shared growth across key sectors, unlocks opportunity for businesses of all sizes, and pushes the envelope for bilateral trade qualifies to achieve that tag. And so, it is no surprise to see businesses and trade associations using the term in relation to the United Kingdom-India Free Trade Agreement (FTA) which is formally known as Comprehensive Economic and Trade Agreement (CETA). **India remains the fastest-growing economy in the G-20 and it is on track to become the world's third-largest economy within the next five years.** Complementing this the U.K. remains one of the top global destinations for investment and was the third fastest-growing economy in the G-7 in 2025. Securing preferential access to each other's market is not an abstract diplomatic win; it is an economic advantage that will deliver significant returns in both countries over time. **This FTA is forecast to boost Indian GDP by £5.1 billion, the U.K.'s GDP by £4.8 billion and increase bilateral trade by £25.5 billion every year in the long run.**

Bilateral trade was already worth £48 billion a year in 2025. From July 15, it will be cheaper, quicker, and easier for businesses to trade across both countries. Even before this deal came into force, we have seen the creation of thousands of new jobs on both sides and that is showing no signs of slowing down, as the countdown to entry into force closes and a new era of growth between the two nations begins. We should all be excited to see what the two countries and businesses on both sides can achieve in the years ahead. These are the hallmarks of a historic deal; but it is not just about the numbers.

A story of scale and depth

From day one, both sides agreed that this deal must be broad, deep, and a driving force that brings long-term growth for both countries. Nearly three years of intensive negotiations



Harjinder Kang

His Majesty's Trade Commissioner for South Asia and the British Deputy High Commissioner for western India

The U.K.-India Free Trade Agreement, the 'gold standard of modern trade deals', comes into force on July 15

preceded this deal and there is no doubt that the agreement reached is the most economically significant trade deal that the U.K. has done since leaving the European Union; it is also one of the most comprehensive trade deals that India has ever done. In short it is a win-win for businesses and consumers and for both economies. **To give readers just a flavour of the far-reaching benefits – 99% of U.K. tariff lines will be duty-free for Indian products and India will remove or reduce tariffs on 90% of its tariff lines for U.K. products.**

For India, this could support jobs in labour-intensive sectors such as textiles, leather, jewellery and, equally, it will boost exports in services such as IT and finance by a large margin.

Similarly, tariff duties on U.K. exports to India are estimated to fall by around £400 million when the deal comes into effect, and further to £900 million in later phases. Critical industries such as aerospace, automobiles, medical devices, and whiskies will all benefit significantly, adding billions to the U.K. economy. This is transformational and it is also just the beginning.

Benefits beyond Mumbai and London

One of the most persistent criticisms of trade policy is that the gains created are only concentrated in a few places. We have ensured that this deal benefits all aspects of the local economy beyond the major cities in both countries. Several unprecedented and dedicated provisions across high-growth and high-value sectors from each side are agreed in a deal spanning 30 chapters. In practical terms, that means manufacturers, innovators, supply chain businesses, and service exporters – often based far away from the major cities – can compete more effectively with cheaper imports and fewer barriers. For instance, a textile manufacturer from Indore, Madhya Pradesh, will now be able to trade more efficiently into the U.K. just like an auto-parts manufacturer from Birmingham will be able to trade more cost effectively into India.

Modern trade goes beyond just tariffs and that is why this agreement's provisions on customs, digital trade, and services are central to its exceptional standard. Improved customs provisions will help goods reach markets faster – particularly valuable for small and medium-sized enterprises (SMEs) that cannot afford excessive red tape. On services, where the U.K. is globally renowned, the agreement locks in market access across key sectors, providing the predictability that U.K. businesses need to expand in India and vice versa. The deal also includes India's first-ever standalone chapters on anti-corruption, gender, and development – and one of the most comprehensive labour and environmental commitments that India has ever made in a trade deal. But it is not just about access; it is also about securing appropriate protections for domestic producers, which is what this deal does so well.

For instance, India maintains protections for dairy products and edible oils, while the U.K. shields sugar, milled rice, pork, chicken, and eggs. In an era where trade agreements are judged not only on growth but also on sustainability and fairness, this deal shows how it is done.

Making the deal count

It is clear that this landmark deal combines measurable economic gains, deep market access in the sectors of the future, practical trade facilitation, strong domestic protections, and the first-of-their-kind values chapters. It sets a template for what modern trade agreements should look like: pro-growth, pro-worker, pro-innovation – a gold standard for trade deals.

As we close in on entry into force, the task is clear: let us maximise it. Businesses from both countries should champion exports, explore procurement opportunities, map supply chains against new rules of origin, and move quickly because in trade, first-mover advantage is real, and it rarely comes twice.

Reprieve to rupee, bond markets is short-term

THE RUPEE has recovered to 94.4 to the US dollar, from an all-time-low of 96.6 on May 20. Over this period, 10-year Indian government bond yields, too, have softened from over 7.1 per cent to below 6.8 per cent. Brent crude prices closed on Friday at \$72.6 per barrel, having risen as high as \$126.4 in end-April. India's latest urea import contracts have been at \$444.9-449.3 per tonne, as against \$935-959 in April. Foreign portfolio investors (FPI) have started putting money again in India, investing nearly \$5.2 billion into debt so far in June, compared to \$291 million, minus 1.2 billion and minus \$926 million in the preceding three months. All these are suggestive of the Indian economy returning to the pre-war situation, with an easing of tensions in West Asia and the associated supply shocks.

The reduction in macroeconomic stress may, however, be temporary, and arguably as fragile as the US-Iran truce. The renewed hostilities since Thursday — with daily vessel crossings through the Strait of Hormuz still half of what they were in peacetime — are a reminder of that. The Rs 10/litre excise duty cut on transport fuels in late-March, and the fertiliser subsidy outgo, likely to significantly overshoot budget estimates despite the recent global price dip, will continue to exert pressure on the Centre's finances. FPIs remain net sellers in Indian equity markets, with outflows of \$5.5 billion-plus this month on top of \$3.5 billion, \$6.5 billion and \$12.7 billion in May, April and March respectively. The rupee's stabilisation for now is courtesy the coordinated government-Reserve Bank actions to attract foreign inflows through sovereign debt, non-resident/FCNR(B) deposits and external commercial borrowings (ECB). These measures — whether offering complete tax exemption on FPI investments in government bonds or at-par/concessional dollar-rupee swap facilities on FCNR(B) deposits and ECBs — aren't costless. A deficit monsoon — 43 per cent below-rainfall in June even before El Niño is to fully bite — adds to the vulnerabilities.

Simply put, the reprieve to the rupee and bond markets is short-term at best. As a large lower middle-income emerging economy, India should be attracting foreign investment more in the form of equity than debt. That is conditional upon investor confidence, both domestic and foreign, in the country's growth story as well as macroeconomic stability. All the more reason for policymakers to double down on domestic reforms — economic, legal and institutional — even amid global uncertainty and fiscal consolidation in order to reduce the general government debt-GDP ratio to 60 per cent, from the current not-so-sustainable 80 per cent levels. The task is cut out, with or without the impact of the Iran conflict and El Niño.