Association for Global Economic Development-India

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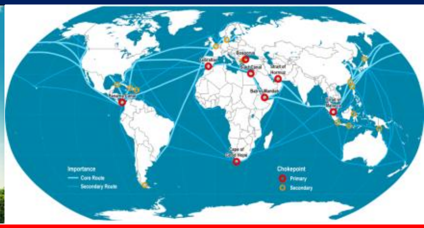
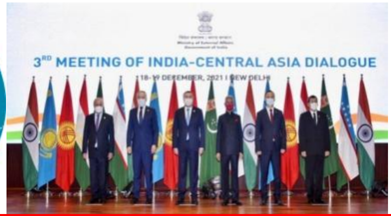




Indian International News Express

28th July 26 Mumbai-India

US, India expanding cooperation in defence, civil nuclear, US official

The United States and India are expanding defense and civil nuclear cooperation. Trusted AI and emerging technologies are being adopted to power their economies. India has acquired numerous US defense equipment since 2002.

American nuclear power companies are exploring civil nuclear sector collaboration. This engagement strengthens supply chains critical to both nations.

Washington: The US and India are expanding defence and civil nuclear cooperation, including the adoption of trusted AI and other emerging technologies powering the economy, US Assistant Secretary of State S Paul Kapur said.

Kapur made these remarks at a roundtable on India at the Hoover Institution, which saw the participation of former Secretary of State Condoleezza Rice and former US Ambassador to India David C Mulford.

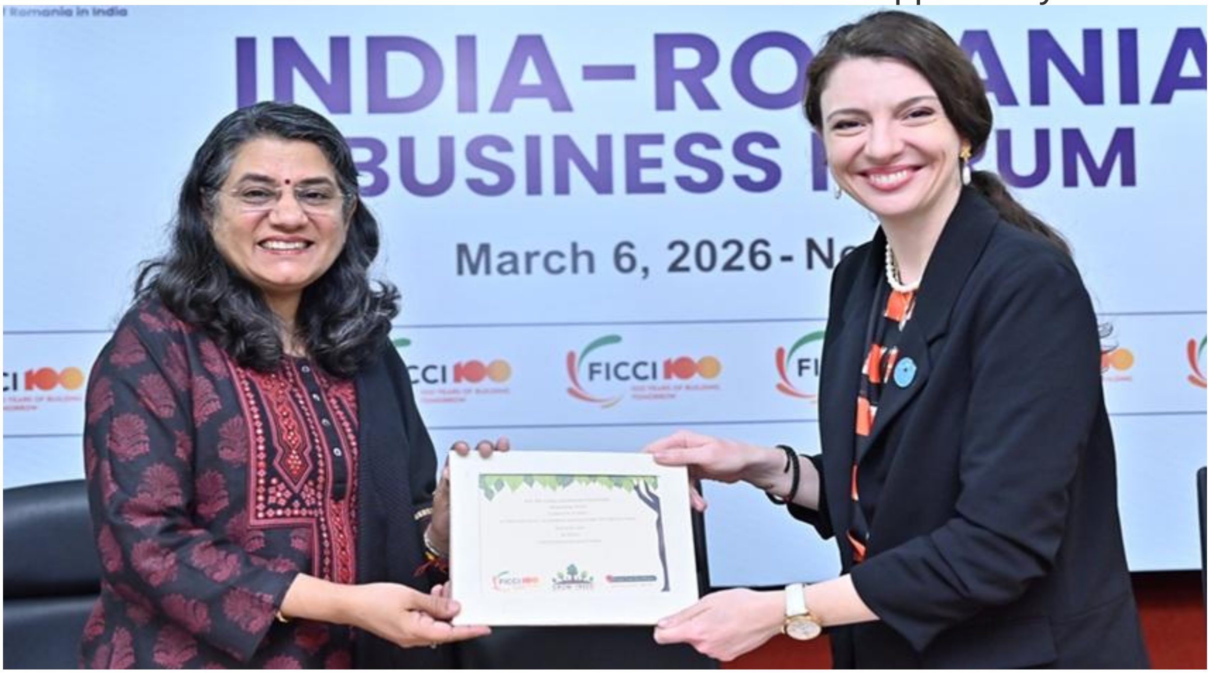
"Under this (Trump) Administration, US engagement with India is creating jobs at home and strengthening supply chains that are critical to both the United States and the region," Kapur said in a post on X on Monday.

"We are expanding defence and civil nuclear cooperation, including the adoption of trusted AI and other emerging technologies powering the economy," the senior US official said.

Since 2002, India has acquired numerous US defence equipment, including Apache and Chinook helicopters, C-17 and C-130J transport aircraft, P-8I maritime patrol aircraft, and M777 howitzers.

American nuclear power companies are keen on exploring the civil nuclear sector in India. Earlier this year, a delegation of top nuclear sector executives visited India to explore collaboration with the private sector in the wake of New Delhi easing liability laws by enacti

The India–Romania Business Forum: New business opportunity



File photo FICCI

Recently, the Indian president visited Romania and addressed to India–Romania Business Forum

The participation of large Indian business delegation reflects the growing confidence of Indian industries in the opportunities that Romania offers and their desire to build enduring partnerships with Romanian businesses.

Romania, with its strategic location at the crossroads of Europe, highly skilled human resources, advanced industrial capabilities and strong integration with the European Union, remains a natural and valuable partner for India. Romania serves not only as an important destination for investment but also as a gateway to the wider European market.

There is also scope for cooperation in the chemical & fertilizers industry, given Romania's capabilities in these sectors. Our companies can explore opportunities for long-term partnerships in fertilizer manufacturing, supply chains, joint investments aimed at supporting sustainable agriculture and ensuring food security.

India's globally recognised Digital Public Infrastructure, thriving start-up ecosystem and leadership in information technology can complement Romania's strengths in software engineering, cyber-security, research and advanced technologies.

There are also opportunities for our companies to collaborate in transportation and logistics sectors including ports, railways, highways, logistics parks and multi-modal transport. We can also deepen cooperation in pharmaceuticals, healthcare, agriculture and food processing.

A new partnerships, greater investments and lasting business relationships that will elevate India–Romania economic cooperation to new heights. I wish the India–Romania Business Forum great success!

India’s FTA

India-U.K. FTA creates predictability for businesses on both sides:

City of London policy chief

The India-U.K. trade deal came into effect on July 15, 2026. In a written interview with *The Hindu*, Chris Hayward, Policy Chairman of the City of London Corporation, the U.K.’s financial and commercial hub, discusses the implications of the agreement, including what it means for manufacturing, infrastructure and financial services, as well as how investors can navigate changes in U.K. political leadership.

The U.K.-India Comprehensive Economic and Trade Agreement (CETA) is expected to drive a bigger surge in bilateral investment than trade alone, with British businesses likely to expand their presence in India while Indian firms accelerate investments into Britain, according to the Chris Hayward, Policy Chairman of the City of London Corporation.

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Speaking to *The Hindu*, Mr. Chris Hayward said the agreement created a more predictable business environment that would encourage long-term investments on both sides. “I think it will do both, but the bigger story is investment,” he said, referring to whether the deal would primarily boost British exports or encourage companies to manufacture and invest in India. (Source: The Hindu)

International Business

India’s tax treaty changes highlight need for Sri Lanka to modernise treaty network

Colombo-Jul25- India’s recent amendment to its Double Taxation Avoidance Agreement (DTAA) with Sri Lanka is more than a routine treaty update. According to Deloitte Sri Lanka, it reflects a global shift towards stronger measures to prevent tax avoidance and raises an important question, should Sri Lanka now modernise its own tax treaty framework to keep pace with international developments?

The Protocol amending the India–Sri Lanka DTAA was signed on 16 December 2024 and entered into force on 19 June 2026 after both countries completed their domestic procedures. India notified the Protocol on 16 July 2026, and the amendments will apply in India for fiscal years beginning on or after 1 April 2027.

The Protocol introduces two key changes that make it harder for businesses to use tax treaties purely to reduce their tax liabilities.

First, it updates the treaty’s preamble to clarify that the Convention is intended to eliminate double taxation without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance, including through treaty-shopping arrangements.

Second, it introduces the Principal Purpose Test (PPT), an internationally recognised rule designed to prevent treaty abuse. In simple terms, if a business structure has been set up mainly to gain a tax advantage, the tax treaty benefits may be denied. Genuine commercial investments remain protected, while arrangements with little real business purpose may no longer qualify for treaty benefits.

These amendments implement the OECD/G20 Base Erosion and Profit Shifting (BEPS) Action 6 minimum standard on preventing treaty abuse. Many of India’s treaty partners adopted these standards through the Multilateral Instrument (MLI). Sri Lanka, however, has not joined the MLI, meaning that treaty modernisation can only occur through bilateral negotiations. From Deloitte’s perspective, these developments highlight the growing importance of ensuring tax treaties support genuine business activity while preventing their misuse.

The changes also highlight a broader issue for Sri Lanka. As Sri Lanka has not adopted the Multilateral Instrument (MLI), updating its tax treaties requires separate negotiations with each treaty partner. This can slow treaty modernisation and create inconsistencies across Sri Lanka’s treaty network until broader reforms are introduced.

Sri Lanka’s domestic rules alone may not always be enough to address treaty abuse because eligibility for treaty benefits is usually determined by the treaty itself. Where a treaty does not contain modern anti-abuse provisions, uncertainty can arise over whether domestic rules alone are enough to prevent treaty abuse.

As international tax standards increasingly focus on whether a business has a genuine commercial purpose, rather than simply meeting legal requirements on paper, it becomes even more important for domestic laws and tax treaties to work together.(Source:ECONOMYNEXT)

India-Thailand Business Conclave 2026 Marks a Historic Milestone for Indian Businesses on the Global Stage

The India-Thailand Business Conclave 2026, organized by the Global Vision Trade Organization (GVTO), was successfully held on 12 June 2026, from 2:00 PM to 7:00 PM, at IMPACT Arena, Muang Thong Thani, Bangkok, Thailand, alongside ProPak Asia 2026 by Informa Markets, and proudly powered by People's Reflections as the Media Partner.

As GVTO's first flagship international business conclave, the event marked a defining milestone in strengthening economic cooperation between India, Thailand, ASEAN, and Africa. It created a high-impact platform for entrepreneurs, manufacturers, exporters, policymakers, investors, government representatives, and institutional leaders to develop meaningful cross-border partnerships.

The Conclave witnessed the participation of more than 130 delegates, over 50 business leaders, and representatives from 10+ countries. During the event, 25 distinguished entrepreneurs and organizations were honoured for their outstanding achievements in international trade, entrepreneurship, innovation, logistics, digital transformation, agribusiness, and professional excellence.

One of the most significant outcomes of the Conclave was the strong interest shown by Thai and other international manufacturing companies in exploring investment opportunities within India's industrial ecosystem.
SoutheastAsians & Pacific Islanders

Several overseas companies initiated preliminary discussions with Indian enterprises regarding manufacturing partnerships, technology collaborations, distribution networks, sourcing opportunities, and potential investments. These structured business matchmaking sessions laid the foundation for long-term international collaborations and increased market access for Indian MSMEs across ASEAN.

45% of India's exports to the US out of Section 301's 10% tariff net

The Centre said 45% of India's exports to the US remain outside the new 10% Section 301 duty. India was placed in the lower tariff tier after USTR cut the proposed levy from 12.5%

India's ministry of Commerce on Saturday said about 45 per cent of India's exports to the United States (US) will remain outside the scope of the additional 10 per cent tariff imposed by the US under Section 301 of the Trade Act, 1974, as several key export categories are exempt from its conditions.

The clarification came days after the Office of the United States Trade Representative (USTR) announced the final outcome of its Section 301 investigation into the acts, policies and practices of 60 economies, including India, related to the prohibition and enforcement of measures against goods produced with “forced labour”.

The final decision imposes an additional 10 per cent ad valorem (according to value) duty on imports from India, lower than the 12.5 per cent duty proposed on June 2 this year.
In a statement, the Ministry of Commerce and Industry said: "On account of these exemptions, an estimated 45% of India's exports to the United States remain outside the purview of the additional 10% Section 301 duty."

The ministry said products that continue to remain outside the additional duty include generic pharmaceuticals, smartphones, and certain other specified goods that already attract zero additional duties. It also said products already covered under Section 232 measures, including steel, aluminium and auto parts, will not face the new 10 per cent Section 301 duty because those tariffs already apply separately to imports from most countries.
According to the government, the remaining 55 per cent of India's exports to the US will attract the additional 10 per cent duty. However, it said India's overall tariff incidence under the final decision remains lower than that of most other economies covered by the investigation.(**Source: Business Standard)**

Govt Strengthens Export Diversification Through FTAs,

New Delhi,The Government has undertaken measures to diversify India's export markets through Free Trade Agreements (FTAs), trade negotiations, export promotion initiatives, e-commerce export infrastructure and logistics reforms.The information was provided by Minister for Commerce and Industry Jitin Prasada in a written reply to Lok Sabha.

Recent trade agreements include the India–Mauritius CECPA, India–UAE CEPA, India–Australia ECTA, India–EFTA TEPA, India–Oman CEPA, India–UK CETA and India–New Zealand FTA.India–EU FTA negotiations concluded on January 27, 2026, while negotiations are ongoing with several other countries and regional blocs. The FTAs aim to expand market access, promote bilateral trade and investment, address non-tariff barriers and support exports, particularly in labour-intensive sectors such as textiles, apparel and leather.

The Government is also engaging with trading partners on standards, sanitary and phytosanitary measures, technical barriers to trade and other regulatory requirements.
The Export Promotion Mission, launched in 2025 with an outlay of Rs 25,060 crore for FY 2025–26 to FY 2030–31, includes the NIRYAT PROTHSAHAN sub-scheme for improving access to trade finance and NIRYAT DISHA for export quality and compliance, international branding, market access, logistics, warehousing and trade intelligence.

The Government is also implementing the E-Commerce Export Hub initiative on a pilot basis to support logistics, customs clearance and other export-related services. The Districts as Export Hubs initiative identifies 3–5 products or services with export potential in each district for targeted interventions.

Export procedures have also been simplified. The RBI has relaxed export reconciliation requirements for small-value exports up to Rs 10 lakh, while the per-consignment value limit for courier exports has been removed. Customs procedures have also been eased for the re-import of export rejects and returned goods related to cross-border e-commerce exports.

The Ministry of MSME has established 65 Export Facilitation Centres to provide mentoring and handholding support to MSMEs. Its International Cooperation Scheme also supports MSMEs in participating in international exhibitions, fairs, conferences and buyer-seller meets abroad.

India's engineering exports rise 21%: shipments to China 74%

The growth in engineering exports provides a buffer for India's broader merchandise trade, which faces mounting pressure from higher freight, insurance and transit costs

India's engineering goods exports rose 21 per cent year-on-year in June to $11.48 billion, led by demand from China, the United States, Germany and Oman, engineering exporters' body EEPC India said on Monday, amid concerns over Red Sea and Strait of Hormuz shipping disruptions.

Shipments to China climbed 74 per cent from a year earlier to $361.47 million. India's overall exports to China rose nearly 37 per cent in the fiscal year ended March to about $20 billion.

The growth in engineering exports provides a buffer for India's broader merchandise trade, which faces mounting pressure from higher freight, insurance and transit costs after disruptions in the Red Sea and Strait of Hormuz affected shipping routes, exporters said.

For April-June, the first quarter of fiscal 2026/27, engineering exports, which account for more than a quarter of India's total merchandise exports, increased 18.09 per cent to $34.14 billion from $28.91 billion a year earlier.

The United States remained the largest market for Indian engineering goods, with exports worth $1.95 billion during the month, while exports to Oman more than quadrupled to nearly $259 million.

Engineering products accounted for 28.4 per cent of India's total merchandise exports in June, according to government quick estimates cited by EEPC India.

The sector has remained resilient despite disruptions to trade flows arising from the crisis in West Asia and the Middle East, EEPC India Chairman Pankaj Chadha said.

"Engineering goods exports in the last three months of the current fiscal have stayed above $10 billion," Chadha said, adding that continued government support would be needed to maintain growth amid emerging risks.

Exports rose across all regions in June, although shipments to the United Arab Emirates and Saudi Arabia declined. A sharp increase in exports to Oman helped keep engineering exports to the West Asia and North Africa region in positive territory, EEPC India said.

India also recorded export growth to Turkey, reversing a significant decline last year.

Twenty-seven of 34 engineering product categories registered year-on-year growth in June, while there were declines ??in lead and lead products, internal-combustion engines, cranes, lifts and office equipment, the EEPC said.

Finance Ministry imposes anti-dumping duty on low ash met coke

Directorate General of Trade Remedies had concluded in April 2026 the product under consideration has been exported to India from the subject countries at dumped prices. This had caused harm to the domestic industry.

New Delhi: The finance ministry has imposed an anti-dumping duty of $42.95 to $128.83 per tonne on import of low ash metallurgical coke. This levy covers exports from Australia, China PR, Colombia, Indonesia, Japan and Russia. There is less than 18% ash in the met coke being targeted.

"The anti-dumping duty imposed under this notification shall be effective for a period of five years from the date of imposition of the provisional anti-dumping duty, unless revoked, amended or superseded earlier, and shall be payable in Indian currency," the notification said.

Directorate General of Trade Remedies had concluded in April 2026 the product under consideration has been exported to India from the subject countries at dumped prices. This had caused harm to the domestic industry.

The duty will raise costs for steel producers. This high-purity carbon fuel is used primarily as a thermal energy source and chemical reducing agent. Its primary applications include blast furnaces for iron production, cupola furnaces for foundries, and ferro-alloy manufacturing.

India exports UP mangoes to Dubai by sea route

India has successfully exported 12.5 tonnes of Dashehari and Langra mangoes from Amroha, Uttar Pradesh, to Dubai by sea, marking a significant milestone in fresh fruit exports and demonstrating the commercial viability of a new sea-freight export protocol developed jointly by the ICAR–Central Institute for Subtropical Horticulture (ICAR-CISH) and the Agricultural and Processed Food Products Export Development Authority (APEDA).

The consignment, shipped in a 40-foot refrigerated container, was exported by Shehnaz Export, Amroha, in association with Attashi Global, to Lulu Group, one of the Gulf region's leading retail chains. APEDA provided logistical support, while ICAR-CISH offered technical guidance throughout the process.(*India Seatrade News)*

Compiled by Dr.Sham Choughule through various sources for private circulation

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