

# Pak PM rejects US sanctions on Pak missile programme

Omer Farooq Khan | TNN

**Islamabad:** Pakistan PM Shehbaz Sharif criticised the US on Tuesday for imposing sanctions on his country's ballistic missile programme, saying there was "no justification" for it. Washington had announced on Dec 12 that it was imposing more restrictions on Pakistan's long-range ballistic-missile system, including on the state-owned National Development Complex (NDC), which oversees the programme. The sanctions had frozen any US property owned by the targeted entities and barred US nationals from doing business with them.

"Pakistan does not harbour any intention in which its nuclear system is aggressive, it is 100% in Pakistan's defence. It is just intended for deterrence purposes and nothing else," Sharif told cabinet members during a meeting.

Noting that his foreign affairs ministry had given a "comprehensive response" to Washington on the matter, Sharif said, "This programme is not mine, nor any politi-

cal party's; it belongs to the 240 million people of this country, and it is dear to them. There will be no compromise on this programme, and the entire nation is united on this issue."

According to a US state department fact-sheet, the Islamabad-based NDC had sought to obtain components for Pakistan's long-range ballistic-missile programme and missile-testing equipment. It stated the NDC "is responsible for the development of Pakistan's ballistic missiles", including the Shaheen family of missiles.

The US sanctions were preceded by high-level military engagements between China and Pakistan. Last month, a top Chinese military official, General Zhang Youxia, visited Pakistan along with a high-ranking delegation. Youxia, who is vice-chairman of the Central Military Commission (CMC), the overall command of the Chinese military headed by President Xi Jinping, had held one-on-one talks with Pakistan army chief Gen Asim Munir during his visit.



# Eco growth likely to pick up on festive, rural demand: RBI

## 'Time To Act Is Now... To Excoriate Inflation, Revive Investment'

TIMES NEWS NETWORK

### STATE OF THE ECONOMY

High-frequency indicators available so far suggest that the slowdown in domestic economic activity bottomed out in Q2 FY25 and has since recovered

Time to act is now to excoriate inflation and revive investment strongly, especially as the usual winter easing of food prices sets in and the prospects for private consumption and exports accelerating are getting brighter

The prospects for agriculture, and hence rural consumption, are certainly looking up with a large part of the kharif harvest

— RBI's state of the economy report

and revive investment strongly, especially as the usual winter easing of food prices sets in and the prospects for private consumption and exports accelerating are getting brighter. The prospects for agriculture, and hence rural consumption, are certainly looking up with a large part of the kharif harvest," the report, co-authored by RBI deputy governor Michael Patra, said.

On the external front, the report notes how the "mercantilist rhetoric" from the

incoming Donald Trump administration in the US is pushing down the value of all currencies against the dollar.

The report also notes challenges faced by China. "China's long-term bond yields grapple with Japanification as they have fallen below Japanese yields, with wider implications for financial stability."

Warning of the firming up of trade tensions, the authors said there could be broader spillovers in the form of "engineered devaluations of currencies, national self-in-

terest in reshoring supply chains and critical materials, tariff-struck countries moving their companies overseas, and fractures in the world of finance."

In India, the report expresses concern about the slowdown in government capital expenditure and suggests that fiscal spending, including on capital expenditure, could be hindered by the slowing rate of nominal GDP.

According to the authors, India's GDP growth is projected to recover to 6.8% and 6.5% in Q3 and Q4 of 2024-25, respectively. Growth for 2025-26 is projected at 6.7%, while headline CPI inflation is projected to average 3.8% in 2025-26.

While acknowledging some moderation in consumption growth, the report highlights several positive factors, such as strong rural demand, recovering urban demand, and an increasing preference for quick commerce platforms. This implies that policies supporting consumption could further boost growth.

**Mumbai:** India's economic growth is likely to improve in the second half of the current fiscal, driven by festive activity and an upswing in rural demand, RBI's state of the economy report said. It also expects a moderation in the prices of food items, including rice, pulses, and vegetables.

"Going forward, high-frequency indicators available so far suggest that the slowdown in domestic economic activity bottomed out in Q2 FY25 and has since recovered, aided by strong festive demand and a pickup in rural activities. Agricultural growth is supported by healthy kharif crop production, higher reservoir levels, and better rabi sowing. Industrial activity is expected to normalize and recover from the lows of the previous quarter," the report said.

For Indian policymakers, the report suggests that this is the right time to support growth. "The time to act is now to excoriate inflation

# China changes army general overseeing political loyalty

China named a new political commissar for its large ground forces, an unexpected move that signals President Xi Jinping is tightening military discipline.

General Chen Hui has been appointed to instill political loyalty and manage manpower in the ground forces of the People's Liberation Army, the official Xinhua News Agency reported on Monday. The 61-year-old previously served in the Air Force and in April was named political commissar of the new PLA Aerospace Force.

Chen's appointment is surprising because he had only been at the Aerospace Force for less than a year and has no experience in the ground forces. He replaces the 61-year-old Qin Shutong. No official reason was given for Qin's departure and his next posting wasn't announced. Qin's predecessor stepped down at the de facto retirement age of 65.

Qin, along with Ground Force Commander Li Qiaoming, were not seen at Chen's promotion ceremony, according to footage from state broadcaster China Central TV, an apparent break with tradition. The de-



AP

The abrupt and unexpected move signals President Xi Jinping is tightening military discipline

fence ministry didn't reply to a request for comment.

The world's biggest military by the number of active personnel has been mired in corruption scandals that impacted figures including the last two defence ministers, several officials with ties to the secretive Rocket Force and the suspended Miao Hua, who served on the top military body, the Central Military Commission. The targeting of Miao, a political leader from the navy who shot up the ranks of the PLA under Xi, signalled an expanding circle of mistrust in the armed forces. It also comes as Xi ramps up drills around self-ruled Taiwan, which Beijing has vowed to reclaim someday, by force if necessary. BLOOMBERG

# Revival of 7-8% growth in focus at pre-Budget meet

## PM, Economists Discuss Jobs, Skill, Agri Boost

TIMES NEWS NETWORK

**New Delhi:** The need to get back to 7-8% growth against the backdrop of global challenges, geopolitical tensions and to ensure that the country remains on track to reach developed nation status by 2047 dominated deliberations at a meeting of economists with PM Modi Tuesday.

At pre-Budget consultations under the theme — 'Maintaining India's growth momentum at a time of global uncertainty' — the PM emphasised that the 2047 goal co-



FM Nirmala Sitharaman and PM Modi meet economists on Tuesday

uld be achieved with changes in mindset.

The PM's remark came in the context of plans needed for grabbing opportunities that may open up for the country in the wake of a possible tariff war between the US

and China and how India can benefit and be part of the global value chain.

Economists underlined the need to step up growth and offered suggestions on a range of issues, including employment generation, skill development, raising farm productivity, attracting investment and boosting exports.

Growth has slumped to a

► **Growth likely to pick up on festive, rural demand, P 23**

► **Insurance as share of GDP shrinks to 3.7%, P 23**

seven-quarter low of 5.4% in the July-Sept quarter of the current financial year, raising alarm among policymakers and triggering calls for a cut in interest rates.

► **Continued on P 23**

# Bangladesh launches ~~probe~~ against Hasina

DHAKA, Dec 24 (PTI)

**AN ANTI-GRAFT** panel in Bangladesh has launched an investigation against former Prime Minister Sheikh Hasina

## USD 5 billion graft probe

and her family in connection with the allegations of embezzling USD 5 billion in the Rooppur nuclear power plant,

according to a media report.

Indian companies are participating in constructing the Rooppur nuclear power plant which is being built by Rosatom, Russia's state-run corporation, in Bangladesh.

The first Bangladeshi nuclear power plant, the Russian-designed Rooppur, is being built 160 km west of the Bangladeshi capital of Dhaka.

Rosatom has refuted the "provocative statements" in the media about the Rooppur NPP project.

Along with Hasina, her son,

There are accusations of embezzling USD 5 billion in the Rooppur Nuclear Power Plant project by former Prime Minister Sheikh Hasina and her family. Indian companies are participating in constructing the Rooppur nuclear power plant which is being built by Rosatom, Russia's state-run corporation, in Bangladesh.



Sajeeb Wazed Joy, and Tulip Siddiq, her niece and the UK's Treasury Minister, were also questioned, *BDNews* reported on Sunday.

There are accusations of embezzling USD 5 billion in the Rooppur Nuclear Power Plant project, the report added.

The development came two days after the High Court issued a rule asking why the Anti-Corruption Commission's (ACC) inaction over an alleged transfer of USD 5 billion from the Rooppur Nuclear Power Plant

(Contd on page 3)