

# In unusual move, US to take cut of AI chips sold to China

**Nvidia, AMD To Pay 15% Of Sales; Govt Could Earn \$2Bn**

**N**vidia and Advanced Micro Devices are expected to pay the US 15% of the money they take in from selling artificial intelligence chips to China, as part of a highly unusual financial agreement with the Trump administration.

The deal, which was described by three people familiar with the agreement who spoke anonymously, comes a month after Nvidia received permission to sell a version of its artificial intelligence chips to China. While the Trump administration publicly said a month ago that it was giving the green light to Nvidia to sell an AI chip called H20 to China, it did not actually issue the licenses making those sales possible. The deal could funnel more than \$2 billion to the US govt.

President Trump confirmed the terms of the unusual arrangement in a Monday press conference while noting that he originally wanted 20% of the sales revenue when Nvidia asked to sell the "obsolete" H20 chip to China. The president credited Nvidia CEO Jensen Huang for negotiating him down to 15%. "So we negotiated a little deal. So he's selling a essentially old chip," Trump said.

Last week, Jensen Huang,



**CHIPPING IN:** President Trump with Nvidia CEO Jensen Huang

## Dealing nicely with China on tariff: Prez

**U**S President Trump on Monday dodged a question about whether he would extend an Aug 12 deadline for higher US tariffs on Chinese goods to kick in, telling reporters, "We'll see what happens." "We've been dealing very nicely with China... they have tremendous tariffs that they are paying to the USA," Trump said. "They've been dealing quite nicely," he said, adding that he had a good relationship with Chinese President Xi Jinping. **REUTERS**

Nvidia's CEO, met with President Trump at the White House and agreed to give the federal govt its 15% cut, essentially making the federal govt a partner in Nvidia's business in China, said the people familiar with the deal. The commerce department began granting licenses for AI chip sales two days later, these people said. Though Huang has led negotiations with the White House, Nvidia isn't the only

## China: Hope US strives for positive outcomes

**C**hina on Monday said it hoped the US will strive for "positive" trade outcomes, a day before a trade truce was due to expire. "We hope that the US will work with China to follow the important consensus reached during the phone call between the two heads of state... and strive for positive outcomes on the basis of equality, respect and mutual benefit," foreign ministry spokesman Lin Jian said. **AFP**

company that sells AI chips to China. AMD has an AI chip called the MI308 and in April the Trump govt also banned sales of it to the Chinese.

There are few precedents for the commerce department agreeing to grant licenses for exports in exchange for a share of revenue. But the unorthodox payments are consistent with Trump's interventionist role in international deals involving US firms. **NYT**

# China to build Xinjiang-Tibet rail link 'near' LAC: Report

■ By K J M Varma

BEIJING, Aug 11 (PTI)

CHINA is set to build the most ambitious rail link connecting Xinjiang province with Tibet, part of which will "run near" the Line of Actual Control (LAC) with India, according to a media report.

Work is expected to get underway this year on one of the world's most ambitious rail projects with the launch of a state-owned company to oversee the construction and operations of a line that will link Hotan in Xinjiang and Lhasa in Tibet, the Hong Kong-based *South China Morning Post* reported.

The Xinjiang-Tibet Railway Company (XTRC) had been formally registered with 95 billion yuan (USD 13.2 billion) in capital and wholly owned by China State Railway Group to build the project, the report said, quoting the state-run Shanghai Securities News.

"This ambitious project aims to establish a 5,000 km plateau rail framework centred on Lhasa by 2035," Hubei-based Huayuan

Securities said in a research note on Friday.

The project's registered capital represents initial funding, not total project costs. For example, the 1,800km Sichuan-Tibet Railway required an estimated 320 billion yuan (USD 45 billion) to build, according to the report published on Saturday.

"Parts of the route will also run near the China-India Line of Actual Control (LAC), the de facto border between the two countries, giving it defensive importance in a frontier area with less infrastructure than the rest of China," the report said.

China's mega infrastructure project in the route, the Xinjiang-Tibet highway, also known as G219 highway, was built through the disputed Aksai Chin area, which was a major flashpoint in the 1962 war.

India asserts Aksai Chin as an integral part of its territory based on historical claims and past treaties.

The Xinjiang-Tibet Railway is one of four lines planned to connect Tibet with the rest of the country, with the other services

linking the western region to Qinghai, Sichuan and Yunnan provinces, the report said.

The Qinghai-Tibet line is up and running while construction continues on the other two, it said.

The Tibet region in China is well connected by air, road and rail networks. Its high-speed rail network from Lhasa stretches close to the Arunachal Pradesh border.

Significantly, China's plans for the new Xinjiang-Tibet rail link come just after Beijing and New Delhi began a normalisation of relations after over four years of a freeze in ties due to the military standoff in the sprawling Eastern Ladakh. Aksai Chin is part of the region.

The relations began looking up after last year's meeting in Russia between Prime Minister Narendra Modi and Chinese President Xi Jinping on the sidelines of the BRICS summit.

Modi is expected to attend the two-day Shanghai Cooperation Organisation (SCO) summit beginning August 31.

Tibet continues to be the focus of China's mega constructions.

# US designates Pakistan's Baloch separatists as foreign terrorist group

**Washington:** The US is designating the Pakistani separatist Baloch Liberation Army as a foreign terrorist organisation, the US department of state said on Monday.

The BLA is the strongest of a number of insurgent groups long operating in the area bordering Afghanistan and Iran, a mineral-rich region that is home to Beijing's investment in Gwadar deep water port and other projects.



Recently, the BLA took responsibility for hijacking a Pakistani Jaffar Express train travelling from Quetta to Peshawar in March, killing 31

civilians and security personnel and holding over 300 train passengers hostage, US secretary of state **Marco Rubio** said in a statement. The foreign terrorist organisation designation by the US triggers restrictions on providing financial support and other aid to the group. REUTERS

## Pak suspends railway ops to Balochistan

Pakistan's railways on Monday suspended all train services to and from an insurgency-hit southwestern province for four days after separatists blew up a railway track, derailing six cars of a passenger train, officials said. No one was injured in the attack on Sunday in Mastung, a district in Balochistan, said railways spokesman Ikram Ullah. Engineers were repairing the track, he said. AP

# Iranian President warns of 'serious' water crisis

TEHRAN, Aug 11 (IANS)

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IRAN'S President Masoud Pezeshkian warned that parts of the country, including the capital Tehran, are faced with a "serious" water crisis.

He made the remarks in a meeting with several Iranian media directors in Tehran on Sunday, while highlighting the measures his administration is implementing to tackle the crisis, according to the semi-official Fars news agency.

Pezeshkian said round-the-clock efforts were being made to transfer water from the nearby Taleqan Dam to Tehran to ensure sufficient water in the province during the autumn. He noted it was not clear whether the move would help resolve the capital's water crisis, as the province's precipitation had dropped by 45 per cent, Xinhua news agency reported.

The Iranian dams' water reserves constitute only 42 per cent of their total capacities, state-run IRIB news agency reported on Sunday. The report said since the beginning of the current water year, which started on September 22, 2024, only 23.56 billion cubic meters (bcm) of water had entered the country's dams, a 42 per cent decline compared to the figure for the same period last year, which stood at 40.55 bcm.

# India slams Pak's 'nuclear threat'

NEW DELHI, Aug 11 (PTI)

**NUCLEAR** sabre-rattling is Pakistan's "stock-in-trade", New Delhi said on Monday, in a strong response to Pakistan Army Chief Field Marshal Asim Munir's nuclear threat directed at India from the US soil.

India said Munir's remarks reinforced the well-held doubts about the integrity of nuclear command and control in Pakistan where the military is "hand-in-glove" with terrorist groups. In a statement, the Ministry of External Affairs (MEA) said India has already made it

clear that it will not give in to nuclear blackmail and that it will continue to take all steps necessary to safeguard national security. It is also regrettable that these remarks should have been made from the soil of a friendly third country, the MEA said in an apparent message to the US.

In an address to Pakistani diaspora in Florida's Tampa, Munir reportedly made the nuclear threat in case his country faced an existential threat in a future war with India. The Pakistani Army chief also warned that Islamabad would destroy Indian infrastructure, if they hit water

"We are a nuclear nation. If we think we are going down, we'll take half the world down with us. Munir warns that Islamabad would destroy Indian infrastructure, if they hit water flow to Pakistan."

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Pak Army chief Asim Munir

reports quoted him as saying. The Pakistan Army chief's comments are part of a pattern in Pakistan as whenever the US supports the Pakistan military, they always show their true colours

of aggression, Government sources said.

It is a symptom that democracy does not exist in Pakistan and it is their military which controls the country, they said.

"Emboldened by reception and welcome by the US, the next step could possibly be a silent or open coup in Pakistan so that the Field Marshal becomes the President," said a source. Munir is currently on a visit to the US, his second in two months. His comments are reflective of Pakistan's record of nuclear sabre rattling from time

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# Udaygiri, Himagiri set for commissioning on 26th

VISAKHAPATNAM, Aug 11 (PTI)

THE Indian Navy is set to commission two advanced frontline frigates, Udaygiri (F35) and Himagiri (F34), on August 26 here, Eastern Naval Command officials said.

The commissioning of these two frigate warships will mark the first time that two major surface combatants from two prestigious Indian shipyards are being commissioned at the same time at Visakhapatnam.

"Indian Navy is preparing for the simultaneous commissioning of two advanced frontline frigates - Udaygiri (F35) and Himgiri (F34) - on 26 August," said a press release issued late on Sunday.

According to the Eastern Naval Command (ENC), Udaygiri is the second ship from Project 17A stealth frigates and was built by



Udaygiri



Himagiri

Mazagon Dock Shipbuilders Limited (MDL) in Mumbai.

While Himagiri is the first of P17A ship to be constructed by Garden Reach Shipbuilders & Engineers (GRSE), Kolkata. Both the frigates represent a generational leap over earlier designs.

Displacing about 6,700 tons, the P17A class frigates are roughly five per cent larger than their predecessor Shivalik-class frigates, incorporating a sleeker

form with a reduced radar cross section, said the press release.

They are powered by Combined Diesel or Gas (CODOG) propulsion plants using diesel engines and gas turbines which drive controllable-pitch propellers and are managed through an Integrated Platform Management System (IPMS).

The weapons suite of these frigates includes supersonic surface-to-surface missiles, medi-

um-range surface-to-air missiles, 76 mm MR Gun and a combination of 30 mm and 12.7 mm close-in weapon systems and anti-submarine/underwater weapon systems, said the press release. Rigorous sea trials have validated the frigates' hull, machinery, firefighting, damage control, navigation and communication systems, ensuring that they are ready for operational deployment.