

Rupee-dollar fluctuations driven by global, domestic factors: Sitharaman

BENGALURU, June 14 (PTI)

UNION Finance Minister Nirmala Sitharaman on Sunday said fluctuations in the rupee against the USD are driven by multiple global and domestic factors, including geopolitical uncertainties, foreign capital movements and India's import dependence on crude oil, fertilisers and gold.

She underlined that the Reserve Bank of India (RBI) intervenes only to curb excessive volatility and not to maintain a fixed exchange rate. Addressing reporters at Devanahalli near Bengaluru during a programme marking 12 years of Prime Minister Narendra Modi-led NDA Government, Sitharaman said exchange rates were influenced by a range of external developments and market conditions. "Whenever there is a severe fluctuation or volatility, the Reserve Bank intervenes in the market not to fix a price. Only



Union Finance Minister Nirmala Sitharaman

to stop any kind of fluctuation. The Reserve Bank comes into picture, stabilises it, and comes out, for which it uses foreign exchange from the Reserve. So it does it sparingly," she said.

The Finance Minister said factors such as US Federal Reserve policy decisions, global currency movements and foreign investment outflows affected the rupee. "The rupee and its fluctuations are because of various factors: uncertainties outside, the US Fed talking about increasing or decreasing inter-

est rates in their country, the Japanese yen crashing against the dollar and the Korean won crashing. So there are several reasons which determine the exchange rate between countries and currencies," she said.

Sitharaman said foreign institutional and direct investors booking profits and shifting funds due to developments in the US also impacted reserves and currency movements.

She added that India's need to import crude oil, fertilisers and gold required substantial dollar payments, making foreign exchange management.

Highlighting fertiliser subsidies, she said, Since the time of Covid, we have been giving a bag at Rs 300. After Covid, when we imported it from foreign countries, the same quantity, which is one bag, touched Rs 3,000, which means per farmer, per bag, we are giving anywhere between Rs 2,700 as subsidy.

Inflation, IMF debt trap plunge 70 mn Pakistanis into poverty

■ Pakistan faces renewed inflation pressure as rising energy costs hit households

ISLAMABAD, June 14 (Agencies)

PAKISTAN'S worsening economic crisis has pushed millions of citizens into poverty, exposing the severe social consequences of years of economic instability, inflation, and policy failures. According to the Economic Survey 2025-26, the country's poverty rate has climbed sharply over the past six years, leaving nearly 70 million Pakistanis living below the poverty line, as reported by 'Dawn'.

The national poverty rate increased from 21.9 per cent in 2018-19 to 28.9 per cent in 2024-25. The rise translates into nearly 27 million additional people falling into poverty during the period, highlighting the worsening living conditions across



the country.

Pakistan is once again grappling with mounting inflationary pressures, with rising food, fuel and utility costs putting renewed strain on households and raising concerns over the sustainability of the country's economic recovery, a report has said. Official data showed that short-term inflation, measured by the Sensitive Price Index (SPI), increased by 14.75 pc year-on-year for the week ending June 4, as per Pakistan Observer report.

The rise was largely driven by higher retail prices of perishable food items, highlighting the growing cost-of-living burden faced by consumers across the country.

The resurgence of double-digit inflation comes after a period of relative stability and has reignited fears among millions of Pakistanis already struggling with the aftermath of years of economic turbulence.

The survey revealed that rural communities have been hit par-

ticularly hard.

Poverty in rural areas rose from 28.2 per cent to 36.2 per cent, while urban poverty climbed from 11 per cent to 17.4 per cent.

Provincial data shows that poverty has increased across all major regions.

Balochistan remains the poorest province, with 47 per cent of its population living in poverty, followed by Khyber Pakhtunkhwa at 35.3 per cent, Sindh at 32.6 per cent, and Punjab at 23.3 per cent.

Each province recorded a significant rise compared to figures from 2018-19, highlighting the nationwide nature of the crisis.

The Economic Survey attributes the surge in poverty to a combination of economic shocks, including soaring inflation, depreciation of the Pakistani rupee, austerity measures linked to International Monetary Fund programmes, devastating floods, and disruptions caused by conflicts in the Middle East.

India's Russian oil imports rise in May as refiners boost purchases

NEW DELHI, June 14 (PTI)

INDIA remained the world's second-largest buyer of Russian fossil fuels in May, importing an estimated 5.8 billion euros (USD 6.7 billion) worth of Russian hydrocarbons as refiners stepped up crude purchases from Moscow, European think tank Centre for Research on Energy and Clean Air (CREA) said in a report.

Crude oil accounted for about 83 per cent of India's imports from Russia during the month, valued at 4.8 billion euros, while oil products and coal imports stood at 550 million euros and 429 million euros, respectively.

"India's total crude import volumes recorded an 8 per cent month-on-month increase in May. This is partially explained by a 21 per cent month-on-month increase in Russian imports," CREA said.

Some of India's largest refin-



ing hubs recorded notable increases in Russian crude arrivals.

Unloaded volumes at the Vadinar refinery in Gujarat rose 36 per cent from April levels, while deliveries to the Jamnagar refining complex in the State increased 14 per cent.

According to CREA, State-run refiners also expanded purchases after resuming imports earlier this year.

The New Mangalore and Visakhapatnam refineries, which had halted Russian crude imports at the end of November 2025, continued buying Russian oil after restarting purchases in March.

Russian crude deliveries to New Mangalore rose 13 per cent month-on-month in May, while imports at Visakhapatnam jumped 42 per cent, it said.

The Paradip refinery on Odisha's east coast also unloaded its highest volume of Russian crude in two years, underscoring the continued attractiveness of discounted.

Russian barrels for Indian refiners despite evolving geopolitical and sanctions-related pressures.

India emerged as one of the largest buyers of Russian oil since Western sanctions and trade restrictions reshaped global energy flows following Moscow's invasion of Ukraine.

Indian refiners have consistently increased purchases of discounted Russian crude, helping offset higher energy costs while boosting refining margins and exports of petroleum products.

India, France to double trade to USD 32 billion

NICE (France), June 14 (PTI)

INDIA and France on Sunday set a five-year target to double their annual bilateral trade from the current USD 16 billion and unveiled an innovation roadmap and a joint artificial intelligence framework to expand ties in critical sectors following talks between Prime Minister Narendra Modi and President Emmanuel Macron.

The talks between the two leaders yielded 13 outcomes, including a high-speed railway cooperation declaration, a security pact for classified data, and an agreement to expand India's UPI payment network to the Paris and Nice airports. Modi landed in this Mediterranean French city on Saturday night as part of his week-long tour of France and Slovakia. Foreign Secretary Vikram Misri said the Modi-Macron discussions covered the entire range of bilateral relations, including civil nuclear energy, defence, security, space, trade and investment, technology, innovation, education, mobility and people-to-people ties. In the meeting, India's plan to procure 114 Rafale fighter jets from French defence major Dassault Aviation figured with Misri asserting that the underlying focus was on having "maximum local content" in joint defence projects.

Misri said talks between the two countries on the Rafale jet programme have advanced, adding



Prime Minister Narendra Modi poses for selfie with French President Emmanuel Macron. (R) PM Modi during an interaction with venture capitalists during the 'Bharat Innovates' event in France. (PTI)

PM Modi has been pushing for taking forward the "Make-in-India concept" as well as to follow "co-development, co-design, co-production" framework for defence projects.

"There were talks on Rafale and other issues in today's discussions but I will say the underlying theme was that in case of any defence platform we will move forward on the basis that there should be maximum local content, local manufacturing and our cooperation should be designed keeping this in mind," he said. The talks between Modi and Macron focused heavily on shoring up ties in technology and innovation, with PM Modi emphasising the need for a human-centric approach to scientific advancement. "A key focus of the discussions was also on strengthening

and diversifying bilateral ties in the fields of economic growth, technology and innovation. This is especially relevant in view of the conclusion of negotiations earlier this year on the India-EU free trade agreement," Misri said.

The two sides also deliberated extensively on expanding cooperation in the civil nuclear energy sector, including with regard to the project in Jaitapur. "The discussion has primarily been carried on between EDF, Electricity de France and the Nuclear Power Corporation of India Limited on both the technical aspects of this project and the very important financial aspects of the project."

Misri said there was a "rich vein" of discussions opened on the aspect of small modular reactors and advanced modular reactors. "There was a discussion on

nuclear cooperation. And the Prime Minister in particular underlined the recent developments on the Indian front in terms of the enactment of the Shanti legislation in India," Misri said.

"With that in view, the field is open for French nuclear companies to start looking at direct participation in the Indian nuclear sector or do so in participation with Indian private sector companies, whether in conventional nuclear power reactors or in the more advanced small modular reactors," he said. The Foreign Secretary also touched upon the expansion of UPI in France.

"I understand that in the next few days, in the coming week, UPI is going to be available at Charles de Gaulle Airport in Paris and interestingly enough right here at the airport in Nice," he said.

El Nino to increase food prices

NEW DELHI, June 14 (IANS)

THERE is 80 per cent likelihood of an El Nino event during the June–August period and probabilities for this, to continue until at least November, are near or above 90 per cent, according to

a new report. However, the reservoir level is more than normal storage (till June 11) in the country and the arrivals statistics of veg-



etables are also satisfactory. According to economist Dipanwita Mazumdar, CPI inflation is projected to settle in the range of 5.2 per cent–5.5 per cent in FY27, assuming some impact from El Nino and an average crude oil price of \$90–100 per barrel.

Headline CPI inflation came in at 3.9 per cent in May 2026, lower than BoB Research's estimate of 4.1 per cent and up from 3.5 per cent in April. The increase was largely driven by higher food and fuel prices, with food inflation rising to 4.8 per cent.

Transport inflation accelerated following the recent petrol and diesel price hikes, while restaurant and accommodation services inflation also moved higher. Core inflation (excluding food and fuel) increased to 3.9 per cent, indicating emerging underlying price pressures.

India aims to co-manufacture Rafale jets: MEA on deal with France

NICE, June 14 (ANI)

INDIA'S approach in the defence sector is to increasingly advance the 'Make in India' initiative with a focus on co-development, co-design, co-production and co-manufacturing, the Ministry of External Affairs (MEA) said on Sunday, referring to ongoing discussions on Rafale aircraft with France, underscoring New Delhi's emphasis on enhancing indigenous capabilities.

Addressing a special briefing on Prime Minister Narendra Modi's first leg of his visit to France, Foreign Secretary Vikram Misri said that India's approach to defence co-operation, including discussions surrounding the Rafale fighter aircraft, is guided by the objective of maximising local production and manufacturing.

"The Indian Air Force operates the Rafale, and consequently, dialogue has progressed between the Governments and air forces



of both nations. Regarding the indigenisation of the Rafale, it has always been our stance and the Prime Minister has emphasised this in all his meetings, that India's perspective in the defence sector is to increasingly advance the 'Make in India' initiative," said.

"We aim to move towards co-developing, co-designing, co-producing, and co-manufactur-

ing. Therefore, maximising production, design, and manufacturing within India is desirable and remains our preference," he added.

The Foreign Secretary noted that discussions during the Prime Minister's visit extended beyond the Rafale platform and covered a broad spectrum of defence cooperation between the two

countries.

"While today's discussions covered various topics beyond the Rafale, the underlying theme was that for any defence platform under consideration, we must proceed with the fundamental objective of maximising local content and local manufacturing; our cooperation should be structured with this in mind," Misri said.

His remarks came after Prime Minister Narendra Modi concluded the first leg of his visit to France in Nice, during which he held bilateral and delegation-level talks with French President Emmanuel Macron and jointly inaugurated the Bharat Innovates 2026 conclave.

Earlier this month, India issued a Letter of Request (LoR) to France for the mega Government-to-Government deal worth around Rs 3.25 lakh crore to buy 114 Rafale fighter jets for the Indian Air Force.

Top Defence Ministry sources

told ANI that the Letter of Request was issued last month by the Acquisition Wing of the Defence Ministry to the French Government officials for the deal.

The deal would see 94 Rafale jets being manufactured in India by the French manufacturer Dassault Aviation in partnership with an Indian company.

The French side is expected to reply to the Indian Letter of Request or tender in the next two to three months, and the two sides are likely to conclude the negotiations and the deal within the next year, sources said.

India is facing a critical shortage of fighter aircraft squadrons in its inventory and has been making efforts to deal with the shortfall by inducting the advanced 4.5-generation-plus Rafale aircraft in large numbers.

While the Indian Air Force and the Indian Navy have placed orders for 62 Rafale planes already, the 114 Rafale order will take the numbers to 176.

Army drops colonial-era dress customs

NEW DELHI, June 14 (ANI)

THE Indian Army has removed several colonial-era vestiges from its dress regulations, the mandatory carriage of swords by Reviewing Officers, and the use of pouch belts with certain mess dresses. It has also dropped the use of archaic terminology such as "Royal".

The Army is introducing the indigenous Bandi jacket as part of civil formal dress in a broader effort to align military traditions with India's sovereign identity.

The changes are elaborated in the newly-issued Army

BRINGS IN BANDIS, BATTLEJACKETS UNDER NEW UNIFORM CODE



Uniforms-2026 Pamphlet, which standardises dress regulations across the force while introducing what the Army describes as a deliberate move away from residual colonial-era symbols and terminology.

The rationale behind the changes is explicitly outlined in a chapter titled "Indigenisation and Alignment with National Ethos." The manual states, "In keeping with the nation's sen-

timents and evolving sovereign identity, a number of deliberate refinements have been incorporated in this edition of Army Uniforms Pamphlet."

Among the changes is the introduction of a closed-neck coat, commonly known

as a Bandi jacket, to be worn over a full-sleeved shirt with matching formal trousers and closed footwear, bringing an indigenous element as part of formal civil attire for officers. The manual authorises that

the Army has also removed the pouch belt from Mess Dress Nos '5' and '6', made the carriage of swords by Reviewing Officers optional, and discontinued the use of archaic terminology such as "Royal", all of which had remained

embedded in military traditions inherited from the colonial period.

According to the manual, these measures are part of a wider review of legacy practices. The document states:

"These measures, reflected at appropriate places across this Pamphlet and further listed herein, include the introduction of the Bandi Jacket as part of civil formal dress, removal of the pouch belt from Mess Dress Nos. 5 and 6, the stipulation that sword carriage by Reviewing Officer is optional and discontinuation of archaic terminology such as 'Royal'."

In another major change, the manual narrows the occasions on which swords may be carried. Swords will now be carried only by parade commanders, contingent commanders and designated

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