

The third report in the series looks at how the foundry and casting units are rushing last shipments before the 50% US tariff takes effect

Howrah races against the clock

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Tarak Saha, a veteran in Howrah's foundry and casting industry, has never heard of Donald Trump, let alone the steep tariff the US president has slapped on the goods made at the



**TARIFF
TURBULENCE
PART-III**

Saha is oblivious to the tug-of-war over tariffs. He is simply racing to meet a tight deadline for orders bound for the United States — a story repeated across the export-focused units of Howrah.

manufacturing unit where he works. Yet he is one of its quiet beneficiaries, clocking overtime ahead of Durga Puja next month. But with a total of 50 per cent tariff set to come into force in days, those extra hours — and extra pay — may soon vanish.

Facing disruption

- 500 foundry and forging units in West Bengal
- 75% are in Howrah; around 20% involved in exports
- Around 100 units are linked to the US market
- 40,000–45,000 employed directly and indirectly; a total 90,000 if ancillaries are included
- Bengal foundries specialise in sanitary castings, railway components, and more

Once hailed as the “Sheffield of the East”, Howrah is West Bengal's foundry and forging hub, its landscape studded with hundreds of workshops. They are clustered along National Highway 6 and its feeder, Benaras Road — a narrow, congested stretch choked with cycle vans and workshops spilling onto the street.

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Price erosion weakens pharma's US prescription

Pricing pressure in a key cancer drug, coupled with a steep rise in March shipments to the US ahead of potential tariffs, has led to a mixed performance for top drug exporters to the US in Q1FY26. Pharmaceutical majors like Dr Reddy's Laboratories, Cipla, and Aurobindo Pharma have posted a fall in US exports.

TAKE TWO

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Pragmatism over payback

Any sectoral costs of a US trade deal must be traded off with the rising costs of not having a deal. External pragmatism coupled with internal reforms can yet turn this impasse into an opportunity, writes SAJJID Z CHINYO

■ MSME bodies seek emergency liquidity, faster refunds

Howrah races against the clock

Some of these units export directly, others supply exporters — and right now, all are waiting with bated breath.

Surge before the slump

On the surface, units tied to US orders are working at full tilt — the clang of metal ringing out against the lull they fear is coming.

“We are rushing to get products to the US on the vessel before the August 28 deadline. Workers are putting in overtime, and those with long commutes have been asked to stay nearby,” said Ravi Sehgal, mentor at Essen International. “But after August 28, we don’t know what will happen.”

Essen International exports cast iron products such as manhole covers, valve boxes, and meter boxes — all for the US market.

Dinesh Seksaria, who owns two foundry units — Govind Steel and Dinesh Brothers — said the number of finishing workers had doubled. “Shift timings have increased and we are now working seven days a week. I have to ship everything before the deadline.”

Exports account for 70 per cent of Seksaria’s production; of this, 60 per cent goes to the US.

Navneet Agarwal, managing partner of R B Agarwalla & Company, has redeployed resources to prioritise the US. “Even if we ship out 10 containers more, our customers can save that much on tariff.”

About 98 per cent of R B Agarwalla’s output, which includes manhole covers and allied products, is exported; nearly 30 per cent is for the US.

Why the clock is ticking

On August 6, the Trump administration had imposed a further 25 per cent tariff on Indian exports to the US as punishment for New Delhi’s purchase of Russian oil. This was above the 25 per cent reciprocal tariff announced by the US on August 1 and implemented on August 7.

These tariffs are being levied on top of existing World Trade Organization-compatible duties.

The Russia penalty applies to shipments arriving after a 21-day window — from August 28 onwards. Hence the frenzy to get consignments on ships before the cut-off.

The castings Howrah specialises in fall under the classification of iron and steel products, part of the broader engineering goods category.

According to International Trade Centre (ITC) data, sourced via trade body EEPIC India, India’s exports of ferrous castings to the US averaged \$1.7 billion between 2022 and 2024.

“Everyone’s shipping whatever they have to the US, any which way,” said EEPIC India Chairman Pankaj Chadha. “Even without firm orders, exporters are sending products across. But after August, the trouble will start. From October to December, exports could fall by at least 50 per cent.”

Clouds over the future

For exporters, the short-term future is entirely uncertain. “We are hoping for a trade deal between India and the US. But the big question is what the final tariff will be — that is creating anxiety,”

said Agarwal, adding it will decide which products remain competitive and which do not. “What we don’t want is for our customers to start looking for alternatives as that would put the medium- to long-term viability of the business in doubt.”

Sehgal agreed: “About 15–20 per cent higher prices may be accepted in the US. But above 20 per cent is a no-go. We are building inventory of items we believe cannot be easily manufactured in the US.”

The ecosystem

An industry veteran, speaking on condition of anonymity, said the timing was especially sensitive given the upcoming festival season. “If uncertainty persists, the entire ecosystem will feel the hit -- from raw material suppliers to the rickshaw pullers hauling goods. Owners will bear the brunt because they will have to make bonus payments and so on.”

Industry estimates suggest 40,000–45,000 people are directly and indirectly employed by Howrah’s foundry units. Factoring in ancillaries, the number rises to 90,000 or more, according to Agarwal, who is also president of the Institute of Indian Foundrymen.

Exporters expect the situation could take six to nine months to stabilise — a long time in manufacturing. For now, all eyes are on a high-stakes meeting between Trump and Vladimir Putin on Friday. A Russia–Ukraine peace deal, exporters say, is their best hope.