



# **DAILY NEWS PAPER ANALYSIS**

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**CIVILS WITH AKASH  
SECTOR 25 CHANDIGARH**

# India, Australia move to deepen cooperation in the Indo-Pacific

Amid geostrategic uncertainties, Prime Minister Modi, his Australian counterpart, Albanese, adopt declaration to expand maritime security ties and defence collaboration; the countries also seal pacts on civil nuclear energy and critical minerals

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India and Australia on Thursday adopted a Joint Declaration on Defence and Security Cooperation, committing to significantly deepen military engagement, strengthen defence industrial collaboration, and expand maritime security cooperation amid growing geostrategic uncertainty in the Indo-Pacific region. The two countries also sealed pacts on civil nuclear energy and critical minerals sectors.



**Tactical ties:** Prime Minister Narendra Modi being greeted by his Australian counterpart, Anthony Albanese, in Melbourne on Thursday. AP

The declaration, adopted by Prime Minister Narendra Modi and his Australian counterpart, Anthony Albanese, outlines an ambitious road map to elevate defence ties through strategic consultations, enhanced interoperability between the armed forces, expanded military exercises, and greater collaboration in defence science, technology, and industrial supply chains.

The deal also envisages deeper personnel exchanges through education, training, and liaison appointments, while exploring opportunities to cooperate in recruiting skilled personnel for their respective defence workforces.

Mr. Modi emphasised the importance of a free and stable Indo-Pacific and highlighted the growing engagement between the two nations in the defence domain. "The Indo-Pacific is not just the confluence of two oceans. It also symbolises the shared aspirations of like-minded democracies like India and Australia," he said.

The agreement on civil nuclear energy to facilitate the commercial supply of uranium from Australia to India to fuel nuclear power projects came nearly 12 years after the two countries inked a historic civil nuclear cooperation pact.

Under the provisions of the energy security framework, India and Australia vowed to strengthen energy security by maintaining a stable, secure and reliable supply of coal, diesel, other liquid fuels and natural gas. The two countries

- Cooperation in lithium, cobalt and rare earth elements.
- Launch of Australia-India Partnership on Cyber, Critical Technologies & Supply Chains.

## Energy & Regional Cooperation

- Reliable supply of coal, natural gas and liquid fuels.
- Reaffirmed support for Quad, IORA, ASEAN-led architecture and Pacific Islands Forum.

## Static Linkages

- Quad: India, Australia, Japan & USA.
- SAGAR (2015): India's maritime vision.
- Indo-Pacific Oceans Initiative (IPOI): Launched in 2019.
- Australia is a major producer of uranium, lithium, cobalt and rare earths.
- India is not a signatory to the NPT but is a member of the IAEA.
- Critical minerals are essential for EVs, semiconductors, renewable energy and defence manufacturing.

## Critical Analysis

### Significance

- Strengthens India's Indo-Pacific strategy.
- Diversifies defence partnerships.
- Enhances maritime and energy security.
- Secures critical minerals for clean-energy transition.
- Promotes Aatmanirbhar Bharat in defence.

### Challenges

- Strategic competition in the Indo-Pacific.
- Dependence on imported critical minerals.
- Technology-transfer and implementation challenges.
- Balancing strategic autonomy with deeper security partnerships.

## Way Forward

- Fast-track defence industrial collaboration.
- Operationalise the Critical Minerals Corridor.
- Expand joint military exercises and interoperability.
- Strengthen Maritime Domain Awareness (MDA).
- Deepen cooperation under Quad and IORA.
- Build resilient critical mineral and technology supply chains.

## KEY HIGHLIGHTS:

### Context

- India and Australia adopted a Joint Declaration on Defence & Security Cooperation to strengthen strategic ties in the Indo-Pacific.
- Signed by PM Narendra Modi and Australian PM Anthony Albanese.
- Agreements signed on:
  - Civil Nuclear Energy
  - Critical Minerals
  - Cyber & Critical Technologies
- Builds on the Joint Declaration on Security Cooperation (2009) and Comprehensive Strategic Partnership (2020).

## Key Highlights

### Defence & Security

- Enhanced military interoperability and defence information sharing.
- Expansion of bilateral & multilateral military exercises.
- Cooperation in defence industry, technology, innovation and resilient supply chains.
- Regular consultations on Indo-Pacific security.
- Greater personnel exchanges, training and aircraft deployments.

### Maritime Security

- Implementation of the India-Australia Maritime Security Collaboration Road Map.
- Focus on Maritime Domain Awareness (MDA), Sea Lanes of Communication (SLOCs) and a rules-based Indo-Pacific.

### Civil Nuclear Energy

- Commercial supply of Australian uranium to India.
- Based on the India-Australia Civil Nuclear Cooperation Agreement (2014).
- Supports India's clean-energy transition.

### Critical Minerals & Technology

- Establishment of a Critical Minerals Corridor.

# Australia announces repatriation of three antiquities taken from Tamil Nadu temples

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CHENNAI

Australia will repatriate three ancient artefacts stolen from temples in Tamil Nadu, including a Chola-era bronze trident, a granite Nandi idol and a Karthikeya sculpture, in a move announced during Prime Minister Narendra Modi's visit to the country.

The Union Ministry of Culture said in a press statement, "In a profound testament to the civilisational resonance anchoring modern diplomacy, Australia is set to repatriate three culturally significant ancient antiquities to India. These artefacts include a ceremonial bronze trident of Goddess Bhadrakali, a majestic granite idol of Nandi, and a basalt sculpture depicting the six-headed Karthikeya." All these items date back to the 11th and 12th Centuries and were originally sourced from temples in Tamil Nadu. The official



**Precious legacy:** A Nandi sculpture, a Karthikeya (Shanmukha) idol and a Bhadrakali trident are among the antiquities that are to be returned. SPECIAL ARRANGEMENT

announcement of the repatriation coincides with Prime Minister Narendra Modi's visit to Australia, further emphasising the strong cultural alignment between the two nations, the Ministry said.

The three antiquities, currently housed in the National Gallery of Australia, are being repatriated under the Mutual Legal Assistance Treaty (MLAT) after investigations by the Tamil Nadu Idol Wing CID established that they had been removed from temples in Tamil Nadu and trafficked

overseas.

Commenting on the repatriation of the idols, S. Vijaya Kumar, cultural enthusiast and co-founder of India Pride, said the return of these three artefacts marks the conclusion of a process that should have happened many years ago.

More than a decade has passed since the National Gallery of Australia's independent provenance review by former High Court Justice Susan Crennan AC identified significant shortcomings in the provenance of these objects. The re-

view concluded that the ownership histories of two idols did not establish lawful export from India.

The Bhadrakali Trident was acquired from Temple Gallery, New York, with a provenance tracing ownership only to Dr. P.S. Rao, Chennai, before entering the gallery in 1993. Justice Crennan's review concluded that this ownership history did not establish that the object had been legally exported. It has now been identified as originating from Sri Kasi Viswanatha Swamy Temple, Kolluman-

gudi, Tiruvarur district.

The Stone Nandi was purchased from Carlton Rochell Asian Art based on an elaborate provenance claiming that Mexican diplomat Mario Calderon had assembled the sculpture in Goa before it passed through inheritance to Pedro Silva Villaseñor in Mexico. The Crennan Review found that this ownership chain was not convincingly corroborated, and subsequent investigation identified the sculpture as originating from the temple in Tamil Nadu.

The Karthikeya (Shanmukha) followed a provenance similar to the Bhadrakali Trident, again relying upon ownership through Dr. P.S. Rao and Temple Gallery. Justice Crennan's review concluded that there was insufficient evidence to establish a lawful export from India. It has now been identified as originating from Naganathaswamy Temple, Manambadi, Thanjavur.

## KEY HIGHLIGHTS:

### Context

- Australia will repatriate three stolen Indian antiquities during PM Narendra Modi's visit.
- Artefacts:
  - Bronze Trident (Bhadrakali)
  - Granite Nandi Idol
  - Basalt Karthikeya (Shanmukha) sculpture
- Belong to the 11th–12th Century CE (Chola period) and originated from temples in Tamil Nadu.
- Returned from the National Gallery of Australia under the Mutual Legal Assistance Treaty (MLAT) after investigation by the Tamil Nadu Idol Wing CID confirmed illegal trafficking.

### Key Points

- Origin: Temples in Tiruvarur and Thanjavur, Tamil Nadu.
- Period: Imperial Chola Dynasty (11th–12th Century CE).
- Reason for Return: Provenance review found no proof of lawful export.
  - Significance: Strengthens India–Australia cultural diplomacy.
  - Supports recovery of India's stolen cultural heritage.

### Static Linkages

- Chola Bronzes: Made using the Lost-Wax (Cire Perdue) technique.
- Antiquities and Art Treasures Act, 1972: Regulates export, trade and registration of antiquities.
- UNESCO 1970 Convention: Prevents illicit import, export and transfer of cultural property.
- Archaeological Survey of India (ASI): Nodal agency for protection of antiquities.

- MLAT: Facilitates international cooperation in criminal investigations and recovery of stolen property.

### Critical Analysis

#### Significance

- Demonstrates India's growing success in recovering stolen heritage.
- Enhances India's cultural soft power.
- Strengthens India–Australia strategic partnership.
- Promotes ethical museum practices and provenance verification.

#### Challenges

- Thousands of Indian antiquities remain abroad.
- Poor documentation of temple artefacts.
- Lengthy legal and diplomatic procedures.
- Limited coordination among enforcement agencies globally.

### Way Forward

- Create a comprehensive National Digital Register of Antiquities.
- Strengthen implementation of the Antiquities and Art Treasures Act, 1972.
- Enhance coordination among ASI, Customs, Idol Wing CID and Interpol.
- Expand bilateral agreements for repatriation of stolen antiquities.
- Promote scientific documentation (GIS, 3D scanning, digital archives) of heritage assets.
- Improve provenance verification standards for museums and auction houses.

# SIR in Manipur & a pathway to exclusion

Manipur is one of the States covered under Phase III of the Special Intensive Revision (SIR) of electoral rolls being implemented by the Election Commission of India (ECI) currently. The SIR has already drawn adverse criticism from civil society organisations and the Opposition, particularly after the recent Bihar and West Bengal elections, due to its hasty, disproportionate and summary deletion of voters from voters' lists, resulting in the disenfranchisement of large sections of politically "undesirable" communities and voters. Concerns have been expressed by informed citizens about the lack of transparency and often blatant bias of the State and the ruling party in relation to the SIR, and its relationship with the planned delimitation, the 2023 elections and perhaps even an oddly timed Census. These concerns apply to Manipur as well. In addition, there are features of the situation in Manipur that are little known outside – and even within – the State, making the implementation of the SIR in Manipur even more egregious.

**Fractured social fabric**  
First, Manipur has been in the throes of an intense ethnic conflict involving the majority Meiteis (54% of the population, inhabiting the dense Imphal Valley), the Kuki-Zo peoples (35%, inhabiting the surrounding hills) and, more recently, the Manipuri Nagas (26%, mainly in the northern part of Manipur). It has resulted in over 260 deaths in pogroms, attacks, and retaliatory violence; displaced some 60,000 people within and outside Manipur; led to the burning of hundreds of villages and places of worship; and witnessed unimaginable atrocities, including beheadings, dismemberment, and rapes as forms of collective punishment, disproportionately inflicted on the Kuki-Zo.  
It has led to a demand by the Kuki-Zo for a 'Separate Administration' for themselves – and an equally stout opposition by the Meiteis to it – while many Manipuri Nagas led by the National Socialist Council of Nagalim (Isak-Muhaw), or NSCN-IM, remain committed to their decades old demand for integration of Naga-inhabited areas in a sovereign 'Nagaland'. Many are backed by political, militant and proscribed insurgent groups of diverse persuasions.  
Three years after the start of the conflict, not a single case of violence has been brought to book through the courts. An Inquiry Commission



**Gustom Makhosapathra**  
Former Ambassador of India to Myanmar, Afghanistan and Syria, and engaged in issues facing the northeast of India

formed by the Ministry of Home Affairs (MHA) has yet to present its report. Thousands of internally displaced persons languish in camps with little relief.

Ethnic divisions have worsened and spread. Long-standing Naga-Kuki hostilities have been added to the three-year-old Meitei-Kuki conflict marked by the burning of villages (mostly Kuki), ambushes, and recently in May, the killing of three Thadou Kuki pastors, and, in retaliation, tit-for-tat hostage-taking and the horrific killing of six Nagas in Kuki custody that has in turn set off a full economic blockade of Kangpokpi district. In response, State and central security forces have appeared passive, paralysed and at times, biased. The conduct of the State government has been widely viewed as partisan, but the role of the Centre and even courts cannot be said to be above board. Conducting the SIR under these conditions, under a pretence of normalcy, is inexcusable.

**Narratives driving electoral exclusion**  
Second, unlike the rest of the country, where the SIR is being driven by the central government through the ECI with the partisan support of the ruling party, in Manipur the demand to "cleanse" the State of alleged "illegal migrants" – a code word for Kukis – is in line with perceptions of politically radicalised Meiteis and Manipuri Nagas, who together constitute about 80% of the population. These allegations have no basis in Census figures for over a century, and are based on recent distortions of history, fake narratives and loud propaganda that feed directly into the SIR exercise. They create a very negative environment for a fair SIR, particularly in mixed areas, that is itself, *ipso facto*, biased against certain communities.

Third, there are several features peculiar to the Kukis themselves that lend themselves to their victimisation by the SIR. The first reason is that close to 50,000 Kuki-Zo remain displaced and scattered in Manipur and outside. There does not seem to be any provision in place for their fair enumeration.

The second reason is that together with their displacement, many are known to have lost many of their identity, residence, election, education and other documents that could have helped establish voter credentials. There are visual records of Kuki-Zo educational certificates, Aadhaar cards, and driving licences in Imphal being destroyed after the violence of May 2023.

The third reason is that customary naming systems – where names are derived from the last syllable of complex parental names, nicknames often substitute formal names, and names are converted from tribal names to English orthography – create vast scope "logical discrepancies", making people far more vulnerable to exclusion than in States such as West Bengal. Possibly, more than 90% of Kuki-Zo people are unlikely to be able to produce a single, consistent spelling of their own names, let alone maintain consistency across generations.

The fourth reason is that by some historical anomaly, Manipuri tribals, both Kuki-Zo and Naga, do not enjoy Sixth Schedule status, although they enjoy some measure of autonomy under Article 371C and very weak Autonomous Councils.

This served them well during periodic bouts of violence and displacement, most recently during the Naga-Kuki violence of the 1990s, which again disproportionately affected the Kukis. Village chiefs and local authorities were then able to certify the identities of villagers under their jurisdiction. Such arrangements are unlikely to be recognised in the present exercise and prevailing atmosphere.

Finally, the Kuki-Zo leadership appears, for some reason, unaware of the nature, motivations, and implications of the SIR exercise. They seem to believe, perhaps naively, that as Indian citizens who have lived here all their lives and in possession of necessary documents, including voter ID cards, they have nothing to fear, and that opposing the exercise would amount to an admission of guilt. The dangers of the SIR now appear to be dawdling on them, with some Kuki-Zo civil society organisations issuing statements highlighting its shortcomings, although opposition has yet to take a political form.

**Safeguarding belonging**  
A nationwide SIR is now a fait accompli following the ruling by the Supreme Court of India in its favour. However, the process can still be made fairer and more sensitive to the risks of exclusion. Unless measures are adopted to limit its potential harm, by 2023 we may see a pathway to statelessness not only for the Kuki-Zo but also for other tribal communities in the Northeast, with their plight obscured amid the broader exclusion and disenfranchisement of Muslims labelled as "illegal migrants".

## Static Linkages

- Article 324 – Election Commission of India.
- Article 326 – Universal Adult Suffrage.
- Article 14 – Equality before Law.
- Article 21 – Protection of Life and Personal Liberty.
- Article 371C – Special provisions for Manipur.
- Representation of the People Act, 1950 – Electoral rolls.
- Representation of the People Act, 1951 – Conduct of elections.
- Electoral Roll is constituency-specific and revised periodically by the ECI.
- Free and Fair Elections form part of the Basic Structure Doctrine.

## Critical Analysis

### Significance

- Improves accuracy of electoral rolls.
- Removes duplicate and ineligible entries.
- Strengthens electoral integrity.

### Challenges

- Verification of internally displaced persons.
- Loss of identity documents.
- Risk of exclusion of genuine voters.
- Administrative difficulties in conflict-affected areas.
- Need to ensure neutrality and transparency.

## Way Forward

- Special verification mechanism for internally displaced persons.
- Accept legally valid alternative identity documents.
- Strengthen grievance redressal.
- Ensure transparency and due process.
- Conduct voter awareness campaigns.
- Balance electoral integrity with constitutional rights.

## KEY HIGHLIGHTS:

### Context

- Manipur is covered under Phase III of the Special Intensive Revision (SIR) of electoral rolls by the Election Commission of India (ECI).
- The exercise has gained attention due to concerns over verification of displaced persons amid the ongoing ethnic conflict in Manipur.
- The issue has wider relevance in the context of electoral integrity, universal adult franchise, internal displacement, and constitutional safeguards.

### Key Points

- Special Intensive Revision (SIR): Comprehensive verification of electoral rolls to ensure inclusion of eligible voters and deletion of ineligible entries.
- Conducted under the Representation of the People Act, 1950 and Registration of Electors Rules.
- Why Manipur is significant? Ethnic violence since May 2023 has caused:
  - Over 260 deaths.
  - Around 60,000 internally displaced persons (IDPs).
- Many displaced persons reportedly lost:
  - Voter ID
  - Aadhaar
  - Residence certificates
  - Educational documents
- Verification is challenging because many displaced persons are living outside their original constituencies.
- Tribal communities in Manipur are governed under Article 371C, but do not enjoy Sixth Schedule status.

# Building a durable India-Australia partnership

Prime Minister Narendra Modi's visit to Australia this week has been big on substance and high on optics. The choreography is familiar now given the warmth in the relationship: a forward-leaning leadership interaction, a massive diaspora event and a joint statement packed with deliverables and road maps. The Australian government sees India as central to its economic diversification strategy. Its new economic road map and packed ministerial calendar for India underwrite this intent. The elite consensus seems bipartisan and the convergence only growing.

## Turning convergence into alignment

Yet, the harder part for most strategic relationships is drawing the line between convergence and alignment. The two might sound like synonyms, but they are not. Convergence is two countries arriving at similar conclusions about the world for their own reasons. Alignment is what happens when those separate conclusions are built into matching capabilities, institutions and habits of engagement. India and Australia have achieved a great deal of the first. The real test of this, and of the years after it, is whether it endures by delivering the second.

The convergence is not in doubt, and it is easy to see why it has deepened. Both countries are hedging against overdependence in a global order in transition. Australia's dependence on China, and its alliance dependence on an unpredictable Washington, have come under visible strain. This year's Lowy Institute Poll found trust in the United States at a record low of 31%, with a narrow margin of Australians saying that Canberra should distance itself from Washington under U.S. President Donald Trump. India is running its parallel diversification across energy suppliers, defence platforms and critical minerals processing, driven by a similar instinct.

New Delhi wants to limit its exposure; the Iran and Ukraine conflicts have driven home that any single-point dependency, however longstanding, is now a liability. No country can single-handedly balance China or hedge against American unpredictability. Together, and alongside partners such as Japan, they improve their odds. That is genuine convergence.

This visit has produced tangible evidence of that strategic lock-in. A Joint Declaration on Defence and Security Cooperation delivers a memorandum of understanding (MoU) between Australia's Maritime Border Command and the



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Indian Coast Guard and adopts an India-Australia Maritime Security Collaboration Roadmap to address shared threat perceptions. These are practical mechanisms that deepen interoperability without altering the basic character of the relationship. India remains a trusted security partner, not an ally. On energy security, Australian uranium has been legally available to India since the bilateral 2014 civil nuclear agreement, but it never actually moved commercially, largely because India's own nuclear liability law made foreign suppliers nervous about exposure.

That changed with the SHANTI Act last December, which reformed that liability regime. The agreement on uranium has operationalised a deal lying dormant for a decade. The summit also launched the Australia-India Partnership on Cyber, Critical Technologies and Supply Chains (PACTS), while reaffirming the complementarity to the Australia-Canada India Technology and Innovation Partnership by focusing on building resilient technology partnerships through flexible multilateral arrangements. These are examples of alignment beginning to take institutional form.

## There are focus areas, there are problems

But for alignment to be durable, convergence must translate into operational overlap. This is most consequential in the Indian Ocean, a region where Australian and Indian interests overlap most naturally. Both are Indian Ocean states with real stakes in the region's sea lanes. India's Information Fusion Centre-Indian Ocean Region has emerged as a key hub for maritime domain awareness, even as Australia pays closer attention to its western seaboard and Indian Ocean approaches. The two navies have converged on similar risk assessments of shadow fleets, threats to undersea cables and coercive activity below the threshold of conflict.

The new Coast Guard MoU and Maritime Security Collaboration Roadmap narrow the gap between strategic intent and operational cooperation. Yet, Australia's most consequential force-structure decisions, from AUKUS (trilateral security partnership between Australia, the United Kingdom, and the U.S.) to its broader defence posture, remain oriented towards the Western Pacific, while India's strategic planners continue to divide attention between continental threats and maritime challenges. The shared ground is real; it is simply narrower than the political convergence sometimes suggests.

Economically, the pattern is similar. Trade has

grown sharply since the Economic Cooperation and Trade Agreement came into force, but industry voices behind closed doors argue that growth sits disproportionately with large firms. Smaller exporters on both sides remain unaware of how to use it. Track 1.5 dialogues have flagged this as an operationalisation gap.

The knowledge deficit is more obvious when one looks at Australian public consciousness on India. This year's Lowy Poll found only 5% of Australians expect India to be the world's most important power a decade from now, against 54% for China, even as trust in India remains comparatively high. Convergence at the top has not yet trickled down into wider awareness of India's strategic belt.

## The diaspora opportunity

The diaspora remains the biggest opportunity to change this, but with a caveat. Indian-origin Australians are now the country's largest cultural asset, or an electoral constituency, is not alignment. Alignment would require translating that diaspora leverage into a public case for why India matters economically to the average Australian. It would require institutionalising the diaspora's comparative advantage in helping Australian Small and Medium-sized Enterprises navigate Indian regulatory and business culture, and vice versa, rather than leaving that work to individual champions. It would also mean untangling the mobility of Indian professionals from Australia's increasingly fraught migration policies.

Mr. Modi's visit has provided fresh ballast for these conversations about the future of the India-Australia partnership. His message on Australian Pension Funds investing in India particularly resonated in the room when he said India would not just treat them as capital but as a marker of strategic trust imposed by Australian families in India. These statements matter because they build the broader public consciousness of India as a trusted partner for the future. Convergence got India and Australia to the table; it is these steps that institutionalise engagement incrementally that build alignment that endures.

- Artificial Intelligence
- Trusted supply chains

## Energy Security

- Operationalisation of Australian uranium exports to India.
- Facilitated by reforms in India's nuclear liability framework.
- Supports India's clean energy transition.

## Economic Cooperation

- Expansion of bilateral trade under the India–Australia Economic Cooperation and Trade Agreement (ECTA).
- Focus on:
  - Supply chain resilience
  - Investment
  - Critical minerals
  - Manufacturing cooperation

## Indian Ocean

- Greater cooperation on:
  - Maritime security
  - Anti-piracy
  - Illegal fishing
  - Undersea cable protection
  - Maritime domain awareness
- Builds upon India's Information Fusion Centre–Indian Ocean Region (IFC-IOR).

## Diaspora

- Indian-origin Australians constitute Australia's largest immigrant-born community.
- Acts as a bridge for trade, investment, education and innovation.

## Static Linkages

- Comprehensive Strategic Partnership (2020) between India and Australia.
- Economic Cooperation and Trade Agreement (ECTA) came into force in 2022.
- Quad: India, Australia, Japan and USA.
- AUKUS: Australia, UK and USA.
- SAGAR (Security and Growth for All in the Region).
- Act East Policy and Indo-Pacific Oceans Initiative (IPOI).
- Information Fusion Centre–Indian Ocean Region (IFC-IOR) for Maritime Domain Awareness.
- Australia is a major global supplier of lithium, cobalt, uranium and rare earth minerals.

## Critical Analysis

### Significance

- Strengthens India's Indo-Pacific strategy.
- Diversifies defence and energy partnerships.

## KEY HIGHLIGHTS:

### Context

- During Prime Minister Narendra Modi's visit to Australia, both countries adopted the Joint Declaration on Defence and Security Cooperation.
- Agreements were signed to strengthen cooperation in defence, maritime security, civil nuclear energy, cyber security, critical technologies, critical minerals, and supply chains.
- The visit reflects the evolution of India–Australia relations from strategic convergence (shared interests) to strategic alignment (institutionalised cooperation).

### Key Points

#### Strategic & Defence

- Adoption of Joint Declaration on Defence and Security Cooperation.
- MoU between Australia's Maritime Border Command and the Indian Coast Guard.
- Adoption of India–Australia Maritime Security Collaboration Roadmap.
- Enhanced cooperation in:
  - Maritime Domain Awareness (MDA)
  - Maritime law enforcement
  - Search & Rescue (SAR)
  - HADR
  - Information sharing

#### Technology & Critical Minerals

- Launch of Australia–India Partnership on Cyber, Critical Technologies and Supply Chains (PACTS).
- Cooperation in:
  - Critical minerals
  - Semiconductor ecosystem
  - Cyber security

- Enhances maritime security in the Indian Ocean.
- Secures critical mineral supply chains.
- Expands cooperation in emerging technologies.
- Promotes resilient supply chains.

#### Challenges

- Different strategic priorities (Indian Ocean vs Western Pacific).
- Limited utilisation of ECTA by MSMEs.
- Regulatory barriers to investment.
- Migration-related policy uncertainties.
- Need for deeper people-to-people engagement.

#### Way Forward

- Conclude the Comprehensive Economic Cooperation Agreement (CECA).
- Expand maritime exercises and information sharing.
- Enhance cooperation in critical minerals and semiconductor manufacturing.
- Improve MSME awareness regarding ECTA.
- Deepen collaboration in AI, cyber security and clean energy.
- Strengthen diaspora-led trade and innovation partnerships.

## A perfect storm

A combination of natural calamity and human failure laid Wayanad low

The fragile hills of Kerala's Wayanad district turned into the theatre of yet another weather-induced disaster when a heavy downpour, on July 7, triggered what looked like a debris slide at the entrance to the under-construction twin tunnel at Kalladi in Meppadi panchayat, in the vicinity of Chooralmala, which was wrecked by massive landslides two years ago. Six workers were confirmed dead. The Kerala government has suspended construction work until the completion of a comprehensive probe into the causes and whether the work complied with the conditions set by the Expert Appraisal Committee under the Union Ministry of Environment, Forests and Climate Change (MoEFCC) while granting environmental clearance for the project. Ever since the great floods of 2018, Meppadi panchayat, which is over 7,000 ft above sea level, has witnessed severe climate-induced catastrophes. Landslides hit the Puthumala area in 2019, within hours of an equally lethal landslide across the hills in Kavalappara in Malappuram district. Environmentalists, therefore, made an impassioned plea against the ₹2,100 crore (approximately) 8.73-km-long twin-tube tunnel road, linking Anakkampoyil in Kozhikode to Meppadi, flagging it as a recipe for disaster. It was instead fast-tracked, citing the need for accelerated mobility for the people of Wayanad, which does not have tertiary care facilities. In April this year, the Supreme Court cited the project's 'national importance' and rejected the Wayanad Prakrithi Samrakshana Samithi's plea to halt it. The group is planning to seek a review of the order.

As with all major disasters, this, too, appears to have stemmed from a heady mix of failures. Kerala Public Works Minister hurriedly pointed to the company executing the construction on behalf of the contractor, Konkan Railways, alleging that it ignored the department's June 20 deadline to remove excavation debris from the area. The company fell back on the rainfall data and the region's landslide susceptibility. Security camera visuals suggest an avalanche-like flow of debris down the slope of the hill that was being bored. Whether a mudslip in the upper reaches caused the debris to cascade down will only be known after a geomorphological probe. On the face of it, the State's disaster management machinery was not up to the job. The synoptic conditions in the area on the eve of the present disaster were eerily similar to those on the eve of the 2024 calamity. Wayanad has a fragile ecology, and any infrastructure project must involve meticulous ecological and climate-resilience planning and uncompromising execution. As it investigates the lapses, the State should review the project's social and environmental costs and ensure that climate-induced catastrophe in Wayanad is prevented, not just responded to.

## KEY HIGHLIGHTS:

### Context

- On 7 July 2026, a debris slide occurred at the entrance of the under-construction 8.73-km twin-tube tunnel at Kalladi (Meppadi), Wayanad, following heavy rainfall, causing 6 fatalities.
- Kerala Government suspended construction pending investigation into:
  - Cause of the debris slide.
  - Compliance with Environmental Clearance (EC) conditions prescribed by the Expert Appraisal Committee (EAC), MoEFCC.
- The project connects Anakkampoyil (Kozhikode) with Meppadi (Wayanad) at an estimated cost of ₹2,100 crore.
- The incident has renewed concerns over infrastructure development in the ecologically fragile Western Ghats.

### Key Points

- Wayanad is highly susceptible to landslides due to:
  - Steep slopes.
  - Intense monsoon rainfall.
  - Fragile geology.
  - Land-use changes.

- Recent major disasters in the region:
  - Kerala Floods (2018)
  - Puthumala Landslide (2019)
  - Chooralmala-Mundakkai Landslides (2024)
- The project received Environmental Clearance subject to compliance with mitigation measures.
- Supreme Court (April 2026) allowed continuation of the project citing its national importance.
- A geomorphological investigation has been ordered to determine the exact cause of the debris slide.

### Static Linkages

- Western Ghats UNESCO World Heritage Site.
- One of the world's eight biodiversity hotspots.
- Environmental Impact Assessment (EIA) Notification, 2006 Prior Environmental Clearance for notified development projects.
- Expert Appraisal Committee (EAC) Technical body under MoEFCC for appraisal of projects seeking EC.
- Disaster Management Act, 2005 Institutional framework for disaster risk reduction and response.
- National Landslide Risk Management Strategy (2019) Hazard zonation.
- Monitoring and early warning.
- Regulation of development in landslide-prone areas.
- Sendai Framework (2015–2030) Emphasises disaster risk reduction and resilient infrastructure.

### Critical Analysis

#### Benefits

- Improves connectivity between Kozhikode and Wayanad.
- Enhances access to emergency healthcare.
- Supports tourism and regional economic development.

#### Concerns

- Construction in a landslide-prone ecosystem.
- Disturbance to fragile hill slopes.
- Poor excavation debris management.
- Increased disaster risk under extreme rainfall events.
- Weak monitoring of Environmental Clearance conditions.

#### Challenges

- Balancing development with ecological conservation.
- Integrating climate-risk assessment into infrastructure planning.
- Strengthening compliance and post-clearance monitoring.

### Way Forward

- Strict enforcement of Environmental Clearance conditions.
- Scientific disposal of excavation debris.
- Mandatory climate-risk and cumulative impact assessments.
- Real-time landslide monitoring and early warning systems.
- Periodic geotechnical and environmental audits.
- Adoption of nature-based slope stabilization measures.
- Integrate disaster-resilient standards into hill infrastructure projects.

## Far from over

### Iran and the U.S. must address the trust deficit for their talks to progress

It took only 20 days for the U.S.-Iran memorandum of understanding (MoU), which promised to extend the ceasefire by 60 days and launch talks about outstanding issues, including Iran's nuclear programme, to start unravelling. On Tuesday night, the U.S. carried out sweeping air strikes in Iran after three tankers were attacked in the Strait of Hormuz. Iran struck American bases in Kuwait and Bahrain after which Mr. Trump declared that the ceasefire was over. While he is known for making exaggerated claims, the current crisis poses the biggest challenge to the peace process since the June 17 MoU. The crisis did not emerge overnight. From the outset, the agreement had three major sticking points – Israel's war in Lebanon; Iran's access to its frozen funds and the status of the Strait of Hormuz. Tehran sees Israel's refusal to withdraw from southern Lebanon, along with Washington's push for a parallel trilateral framework involving the U.S., Lebanon and Israel, as violations of the spirit of the MoU. And, despite talks, Iran has yet to get access to its frozen funds. Finally, Iran appears determined to assert control over the Strait. It has opened a "safe passage route" along its coast, while the U.S. is backing an alternative route along Oman's coast.

Iran fears that the U.S. is trying to strip away the leverage it established over the Strait during the war by promoting an alternative route. The U.S. does not want Iran to emerge as the sole custodian of a strategic waterway. These conflicting positions trigger skirmishes, further undermining the MoU. What Mr. Trump, who senses strategic defeat, is trying to do is to mount economic and military pressure on Tehran to change its position on the Strait. He can continue his air campaign, but his years-long maximum pressure and 40 days of bombing have done little to alter Iran's negotiating positions. If he returns to war over Hormuz, Iran's stance on its nuclear programme – still unaddressed – would only get hardened. If war resumes, it would be bad news for the whole West Asia region and the entire global economy. Mr. Trump is at a strategic dead end, and instead of digging deeper, should stick to his way-out road map – the MoU. An obstacle in the peace process is the complete absence of trust. Mr. Trump's public tirades and abuses against Iran's leadership and hyperbolic threats, which are detached from ground realities, are not helping his cause. Equally, if Iran continues targeting commercial vessels, it risks being seen as an aggressor rather than a victim. Both sides should address the trust deficit, resolve the sticking points in the MoU and begin serious talks about the outstanding issues for a final settlement.

## KEY HIGHLIGHTS:

### Context of the News

- The U.S.-Iran Memorandum of Understanding (MoU) aimed to extend the ceasefire and facilitate negotiations on Iran's nuclear programme.
- The ceasefire came under strain after U.S. air strikes on Iran following attacks on oil tankers in the Strait of Hormuz.
- Iran retaliated by targeting U.S. military bases in Kuwait and Bahrain, raising fears of renewed conflict in West Asia.
- The major unresolved issues include:
  - Iran's nuclear programme.
  - Access to Iran's frozen overseas assets.
  - Israel's military presence in southern Lebanon.
  - Control and security of the Strait of Hormuz.

### Key Points

- Strait of Hormuz Connects the Persian Gulf with the Gulf of Oman and Arabian Sea.
- Bordered by Iran (north) and Oman & UAE (south).
- World's most important oil transit chokepoint.

- Around 20% of global oil consumption passes through it (EIA).
- The U.S. supports freedom of navigation, while Iran seeks greater strategic control over the Strait.
- Any disruption can:
  - Increase crude oil prices.
  - Disrupt global supply chains.
  - Affect energy-importing countries like India.
- Continued instability may impact:
  - Global energy security.
  - Maritime trade.
  - Regional peace and security.

### Static Linkages

- UNCLOS, 1982 Provides the legal framework for transit passage through international straits.
- Strategic Maritime Chokepoints Strait of Hormuz
- Bab-el-Mandeb
- Strait of Malacca
- Suez Canal
- India's Interests West Asia is India's major source of crude oil and LNG.
- Large Indian diaspora resides in the Gulf region.
- India's maritime vision includes SAGAR (Security and Growth for All in the Region).
- Strategic Petroleum Reserves (SPR) help manage supply disruptions.

### Critical Analysis

#### Significance

- Stability in the Strait is critical for global energy markets.
- Essential for uninterrupted international maritime trade.
- Direct implications for India's energy security and inflation.

#### Challenges

- Trust deficit between the U.S. and Iran.
- Unresolved nuclear negotiations.
- Militarisation of strategic sea lanes.
- Threat to freedom of navigation.
- Risk of wider regional conflict involving multiple stakeholders.

#### Implications for India

- Higher crude oil import bill.
- Inflationary pressures.
- Current Account Deficit (CAD) may widen.
- Risks to Indian diaspora and shipping.
- Need for diversified energy imports and secure sea lanes.

### Way Forward

- Resume diplomatic negotiations on the nuclear issue.
- Ensure freedom of navigation under UNCLOS.
- Prevent attacks on commercial shipping.
- Strengthen regional maritime security cooperation.
- India should diversify energy sources and enhance Strategic Petroleum Reserves.
- Promote peaceful resolution through multilateral diplomacy.

# Lost in India's celebrations of trade pacts, the big deal

**I**N CASABLANCA, Humphrey Bogart observes that the problems of "three little people don't amount to a hill of beans in this crazy world". Trade policy is not cinema, but the line applies with some precision to India's current diplomatic enthusiasm for free trade agreements. Its recent trade deals with the EU and the UK and an earlier one with Japan have been widely celebrated, underlining the openness to global commerce. The celebrations are not entirely misplaced. But the arithmetic suggests India may be cheering for the hill of beans while the mountain stands unclimbed.

The mountain is the United States. For the period 2020-25, India's annual goods trade surplus with America averaged approximately \$42 billion. India's combined goods trade surplus with the EU, the UK and Japan together was approximately \$12 billion. The ratio is roughly 4 to 1 in favour of the US. One country, no trade agreement, nearly four times the commercial benefit of three large partners and three "celebrated" trade deals. This is the number that should be at the centre of India's trade strategy conversation. It is emphatically not.

The US surplus is not an accident. It reflects India's genuine comparative advantages in pharmaceuticals, software, electronics assembly, and skilled labour-intensive goods. An India-US FTA that zeroes remaining tariffs on these categories would cement demand for Indian exports. A full deal cuts both ways too, opening India's market wider to American agriculture, energy, and defence goods, so the \$42 billion surplus will not simply hold. But

even a partial narrowing of it would dwarf anything on offer from the EU, UK, or Japan deals combined. And the bigger prize is not goods at all. It is market access for Indian IT and professional services — a services negotiation, not a merchandise one.

These numbers cover only merchandise goods trade. India exports \$79 billion in goods to the US annually and imports \$37 billion, generating the \$42 billion surplus. These are not raw commodities but generic pharmaceuticals (India supplies roughly 40 per cent of US generic drug volumes), electronics (including Apple's iPhone assemblies now made in India, gems and jewellery, engineering goods, and chemicals. The US is India's most important destination for high-value, knowledge-intensive manufactured exports.

The EU is India's second-largest goods trading partner. The country runs a surplus of around \$13 billion annually with the bloc — a rising and growing, driven partly by petroleum re-exports after Russia's invasion of Ukraine, and partly by pharmaceuticals and engineering goods. The EU-India FTA matters: India pays 9-12 per cent tariffs on textiles and garments entering Europe, while Vietnam, which signed an EU deal in 2020, pays nothing — a legitimate grievance and real opportunity. But even a generous estimate of what the EU FTA adds to India's goods balance — perhaps \$8-10 billion annually at full implementation — leaves the US surplus in a categorically different league.

The UK deal is the one fur-



SURJIT S BHALLA

thest along. India and the UK signed the Comprehensive Economic and Trade Agreement (CETA) in July 2025. It delivers duty-free access for 99 per cent of India's exports to the UK by value — but India's current goods surplus with the UK is only around \$5 billion, a rounding error next to the American number.

The Japan story is more cautionary. India and Japan signed the Comprehensive Economic Partnership Agreement (CEPA) in 2021, with a trade target of \$25 billion by 2024. India's goods exports to Japan today — 15 years on — are approximately \$6 billion, and the trade balance has swung from a small deficit at signing to a deficit of roughly \$11 billion now. The CEPA removed most tariffs, what it could not remove were Japan's formidable non-tariff barriers. At the July 2026 Mode 1+Kaiaku summit, the two sides agreed only to review and negotiate a CEPA upgrade — a commitment to talk, not a negotiated reduction in non-tariff barriers. There is also the China question, which none of these deals addresses but which no serious discussion of Indian trade policy can ignore. India's goods trade deficit with China reached approximately \$99 billion in 2024-25 — a record, on imports of \$113 billion against exports of just \$14 billion. The combined surplus from all three of India's agreements with EU, UK and Japan would not cover an eighth of that deficit.

Which brings us back to the United States. The India-US goods relationship has strengthened every decade since 2000 — a sur-

plus of roughly \$7 billion in the 2000s, \$22 billion in the 2010s, \$42 billion now — without a single formal trade agreement, a sign of how much more could be achieved with one. An India-US agreement covering goods and services — with stable, near-zero tariffs across pharmaceuticals, electronics, gems, and engineering goods, plus provisions on IT services and professional mobility — would be the most consequential trade agreement India has ever signed, serving its broader ambitions. An economy more reliant on markets than bureaucrats, on the growth path Viksit Bharat requires. In India's trade policy universe, the US relationship is not one deal among several. It is the deal. The others are useful increments, this one a structural shift.

Given this, it's worth asking why the US deal is so difficult to achieve. Political economy supplies part of the answer: The likely losers are inefficient Indian producers who currently enjoy protection, and China, since deeper US-India integration would reinforce the global shift away from Chinese manufacturing dominance.

In the end, Bogart gave up the hill of beans and chose the larger cause. India's trade negotiation faces a version of the same choice: Keep celebrating agreements that improve the margin, or master the political will for the one that changes the game. The arithmetic has been clear for some time. The question is whether the strategy has caught up with it.

The writer is chairperson of the Technical Expert Group for the first official Household Income Survey for India. Views are personal

## Static Linkages

- Free Trade Agreement (FTA)
- Comprehensive Economic Partnership Agreement (CEPA)
- Tariff and Non-Tariff Barriers (NTBs)
- Trade Surplus vs Trade Deficit
- Comparative Advantage Theory
- Balance of Payments (Current Account)
- WTO Principles:
  - Most Favoured Nation (MFN)
  - National Treatment
- General Agreement on Trade in Services (GATS)
- Global Value Chains (GVCs)

## Critical Analysis

### Advantages

- Expands market access for Indian exports.
- Boosts manufacturing and exports.
- Strengthens India's position in Global Value Chains.
- Enhances investment and technology transfer.
- Supports diversification away from China-centric supply chains.
- Increases opportunities for India's services sector.

### Challenges

- Greater competition for domestic industries.
- Pressure on agriculture and sensitive sectors.
- US demands on Intellectual Property Rights (IPR).
- Persistence of Non-Tariff Barriers.
- Trade deficit with China remains a major concern.

## Way Forward

- Conclude a balanced India-US trade agreement.
- Prioritise market access for services and skilled professionals.
- Reduce Non-Tariff Barriers through regulatory cooperation.
- Improve export competitiveness through logistics and manufacturing reforms.
- Diversify export markets while strengthening domestic industries.
- Align FTAs with India's long-term strategic and economic interests.

## KEY HIGHLIGHTS:

### Context

- India has recently concluded/advanced FTA negotiations with the UK and the European Union, while reviewing the India-Japan CEPA.
- The debate highlights that, despite these agreements, an India-US FTA could provide the largest economic gains because the US is India's largest export destination.

### Key Points

- India's average annual merchandise trade surplus with the US (2020-25): ~US\$42 billion.
- Combined merchandise trade surplus with EU, UK and Japan: ~US\$12 billion.
- India exports to the US:
  - Pharmaceuticals (India supplies about 40% of US generic medicines by volume)
  - Electronics
  - Engineering goods
  - Gems & Jewellery
  - Chemicals
- India-EU FTA aims to improve market access by reducing tariffs, particularly on textiles and garments.
- India-UK CETA (2025) provides duty-free access for nearly 99% of Indian exports (by value).
- India-Japan CEPA (2011) has not significantly increased Indian exports due to Non-Tariff Barriers (NTBs).
- India's merchandise trade deficit with China reached nearly US\$99 billion (2024-25).
- A future India-US FTA is expected to focus on:
  - Goods trade
  - Services (IT & professional mobility)
  - Digital trade
  - Supply chain resilience
  - Investment

# Lessons from a Chinese supercomputer



SUBRAM BHATTACHARJEE

ON JUNE 23, at the International Supercomputing Conference, a machine almost no one had heard of vaulted to the top of computing's most-watched scoreboard. LineShine, housed at the National Supercomputing Centre in Shenzhen, clocked 2.198 exaflops on the High Performance Linpack benchmark — more than 20 per cent faster than the United States' El Capitan at 1.809.

It is the first Chinese system to top the TOP500 since Sunway TaihuLight in 2017, and the first machine ever to cross two exaflops using only general-purpose CPUs, no GPUs. That last detail is the story. China did not win by buying the best chips; it was barred from doing so. LineShine runs on a fully domestic stack — custom 304-core LX2 processors built on the Arm architecture, a proprietary LingQi interconnect, the home-grown LingKun platform and Kylin OS, across nearly 13.8 million cores. China stopped submitting to the TOP500 as the US export controls bit re-entering it is a deliberate signal that the chokehold did not work as intended. The export controls since 2022 triggered a state-backed self-sufficiency drive. Chip self-sufficiency, just 33 per cent in 2024, is targeted at 80 per cent by 2030. TrendForce expects domestic chips to supply half of China's AI-chip market in 2026. Three roadmakers, Nauri, AMEC and ACM Research, entered the global top 20 for the first time in 2025; Huawei's AI-chip revenue is projected to jump 60 per cent to \$12 billion.

This is the value-chain ascent in miniature: China climbing from assembly into design, tooling, materials and architecture — the high margin, hard-to-replicate links where strategic leverage sits. For India, the moment is instructive. Launched in 2021 with a Rs 76,000-crore outlay, the India Semiconductor Mission has approved 13 projects across seven states. The Tata-Powerchip fab in Dholera, a Rs 9,000-crore, 28nm bet on 50,000 wafers a month, anchors the effort, with first silicon due around 2028.

Three lessons can be drawn from this result. First, an ecosystem is not a fab. China's edge came from depth across equipment, materials, interconnects, software and design IP built over a decade. BIM 2.0's focus on equipment, materials and Indian IP suggests the lesson is absorbed; execution is the test. Second, design is leverage, up to half of value addition, and India already hosts the R&D centres of Nvidia, Intel, Qualcomm and Texas Instruments, a fabless strength that may pay faster than chasing leading-edge fabs. Third, patient capital and talent win. With a 700,000-strong skills shortage looming by 2030, the country that trains engineers fastest compounds its advantage.

The deeper takeaway is geopolitical. Washington's denial strategy assumed that withholding technology would preserve its lead indefinitely. China's answer is that denial accelerates substitution, fragmenting the global stack into parallel, incompatible ecosystems. For India, that fracturing is an opening: As multinationals seek alternatives to China-Taiwan concentration, a non-aligned, English-speaking India grows attractive, provided it does not mistake assembly for autonomy.

LineShine's lesson is not that China has won the computing race. It is that a determined state, denied the best tools, can build adequate ones and weaponise the symbolism. Washington must weigh whether controls that catalyse a rival's industrial policy are worth their cost. New Delhi should read the result plainly: Sovereignty in silicon is bought with sustained investment. Indigenous IP and engineering talent, and not subsidies alone.

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Washington's denial strategy assumed that withholding technology would preserve its lead indefinitely. China's answer is that denial accelerates substitution, fragmenting the global stack into parallel, incompatible ecosystems

## KEY HIGHLIGHTS:

### Context

- China's LineShine became the world's fastest supercomputer, achieving 2.198 ExaFLOPS on the High Performance Linpack (HPL) benchmark.
- It surpassed the U.S.'s El Capitan (1.809 ExaFLOPS).
- First Chinese system to top the TOP500 rankings since Sunway TaihuLight (2017).
- First supercomputer to cross 2 ExaFLOPS using only CPUs (without GPUs).
- Demonstrates China's progress in semiconductor self-reliance despite U.S. export restrictions.

### Key Points

#### LineShine Supercomputer

- Located at National Supercomputing Centre, Shenzhen.
- Performance: 2.198 ExaFLOPS.
- Uses 13.8 million cores.
- Built entirely on China's indigenous technology:
  - LX2 (304-core) Arm-based processors
  - LingQi interconnect
  - LingKun platform
  - Kylin OS

#### China's Semiconductor Strategy

- U.S. semiconductor export controls imposed since 2022 accelerated domestic innovation.
- Chip self-sufficiency:
  - 33% (2024)
  - Target: 80% by 2030

- TrendForce: Domestic firms may supply 50% of China's AI chips by 2026.
- China's focus extends beyond chip fabrication to:
  - Semiconductor equipment
  - Materials
  - Design IP
  - AI chips

#### India's Semiconductor Mission (ISM)

- Launched in 2021.
- Outlay: ₹76,000 crore.
- 13 approved projects across 7 States.
  - Tata Semiconductor Fab, Dholera (Gujarat): Investment: ₹91,000 crore
  - 28 nm fabrication technology
  - Capacity: 50,000 wafer starts/month
  - Commercial production expected around 2028.

### Static Linkages

- Semiconductor value chain includes:
  - Chip Design
  - Electronic Design Automation (EDA)
  - IP Cores
  - Wafer Fabrication
  - Assembly, Testing & Packaging (ATMP/OSAT)
- Fabless Model: Designs chips but outsources fabrication.
- Foundry: Manufactures chips designed by fabless firms.
- Moore's Law: Transistor density approximately doubles every two years.
- High Performance Computing (HPC) is a strategic technology for economic growth and national security.
- Semiconductor industry is a strategic and capital-intensive sector with long gestation periods.

### Critical Analysis

#### Significance

- Demonstrates success of indigenous semiconductor ecosystem.
- Highlights importance of technology sovereignty.
- Strengthens AI and defence capabilities.
- Shows limitations of technology-denial strategies.

#### Challenges for India

- Heavy dependence on imported semiconductor equipment.
- Weak domestic semiconductor manufacturing ecosystem.
- Limited fabrication capability.
- Shortage of skilled semiconductor workforce.
- High capital and R&D requirements.

### Way Forward

- Strengthen India Semiconductor Mission (ISM 2.0).
- Develop indigenous semiconductor equipment and materials ecosystem.
- Promote fabless chip design and semiconductor IP creation.
- Expand semiconductor R&D through academia-industry collaboration.
- Build skilled manpower through specialised semiconductor programmes.
- Increase investment in High Performance Computing (HPC) infrastructure.
- Diversify trusted semiconductor supply chains through international partnerships.

## A global crackdown and a chance for India

THE MULTI-agency operation carried out by federal law enforcement agencies from several countries, with networks spanning continents, against transnational crime syndicates, is welcome. India has actively cooperated in the investigations. The findings also vindicate Delhi's long-held stand that it had no role in terror cells operating abroad. For years, the Indian establishment had to contend with allegations that it was involved in the assassination of Khalistani separatist Hardeep Singh Nijjar in Surrey in June 2023. The killing, and the public smear campaign by the then Justin Trudeau government, plunged bilateral ties into a deep freeze. Now, public statements by senior officials of the Royal Canadian Mounted Police, the agency whose investigations were earlier cited to cast suspicion on the Indian security establishment, reflect the maturity of the new Canadian leadership under Prime Minister Mark Carney. He has moved not merely to mend relations between the two countries but to fast-track cooperation in trade and education. Canadian universities were long the preferred destination for many Indian students, but the diplomatic freeze had disrupted the educational exchange. The new signals from Ottawa should provide a fresh impetus to people-to-people ties.

Operation Hard Ball has also exposed the transnational reach of criminal syndicates targeting the Indian diaspora not only in Canada but also in the US, Europe and Australia. Indian security agencies were among the first to point to the emerging nexus between organised crime and terror networks. This convergence enabled separatist groups to finance and sustain their agenda, while forcing security agencies to confront syndicates dealing simultaneously in drugs, terror and separatism. Extortion calls, once associated with Mumbai's underworld of a bygone era, have become the preferred weapon of criminal syndicates to terrorise Indians settled abroad. While victimising fellow Indians, these networks have also tarnished the reputation of the diaspora, often by exploiting vulnerable students as foot soldiers.

The operation offers an opportunity to make the Indian diaspora safer. It is also a chance for India to dismantle the domestic gangs and extortion rackets that are increasingly targeting businessmen across parts of the country. The message should be unambiguous. Youngsters lured by the glamour of gang culture must realise that the path leads not to power or prosperity but to prison or deportation. Syndicates that once appeared untouchable are now being hunted across jurisdictions. India must seize this moment to ensure that organised crime ceases to be a lucrative enterprise, and is seen for what it really is — a high-risk, zero-reward proposition.

### KEY HIGHLIGHTS:

#### Context

- Operation Hard Ball is a recent multi-agency international law enforcement operation targeting transnational organised crime syndicates operating across Canada, the USA, Europe and Australia.
- India cooperated with international agencies during the investigations.
- The operation exposed the growing nexus between organised crime, terrorism, drug trafficking, money laundering and separatist networks.
- It has also helped improve India-Canada security cooperation following diplomatic tensions after the 2023 Hardeep Singh Nijjar case.

#### Key Points

- Organised crime networks are involved in:
  - Drug trafficking
  - Extortion
  - Money laundering
  - Arms smuggling
  - Human trafficking
  - Terror financing
- Criminal groups increasingly target the Indian diaspora, particularly businessmen and students.
- The operation highlights the need for:
  - Intelligence sharing
  - Joint investigations
  - International law enforcement cooperation
  - Financial tracking of criminal proceeds.

- Strengthened India-Canada cooperation may improve:
  - Counter-terrorism efforts
  - Intelligence exchange
  - Security cooperation
  - Protection of overseas Indians.

#### Static Linkages

- United Nations Convention against Transnational Organized Crime (UNTOC/Palermo Convention), 2000 – Global treaty against organised crime.
- Financial Action Task Force (FATF) – Sets global standards to combat money laundering and terror financing.
- Prevention of Money Laundering Act (PMLA), 2002
- Unlawful Activities (Prevention) Act (UAPA), 1967
- Financial Intelligence Unit-India (FIU-IND) – Tracks suspicious financial transactions.
- INTERPOL facilitates international police cooperation through information sharing and Red Notices.
- Mutual Legal Assistance Treaties (MLATs) assist in cross-border criminal investigations and evidence sharing.

#### Critical Analysis

##### Significance

- Strengthens global action against organised crime.
- Reinforces India's position on combating cross-border terrorism.
- Improves security of the Indian diaspora.
- Encourages greater intelligence and law enforcement cooperation.

##### Challenges

- Encrypted communication and cryptocurrency aid criminal networks.
- Slow extradition and legal cooperation across jurisdictions.
- Organised crime-terror nexus complicates investigations.
- Cyber-enabled financial crimes are increasing.

#### Way Forward

- Strengthen international intelligence-sharing mechanisms.
- Improve coordination through MLATs and extradition treaties.
- Enhance financial surveillance under FATF standards.
- Strengthen cybercrime and anti-money laundering capabilities.
- Increase protection and outreach for the Indian diaspora.
- Deepen cooperation with international law enforcement agencies.