

## India- Canada Relations

### Context:

- The **diplomatic situation** between **India and Canada** remains **tense**, with **both sides accusing** the other of wrongdoing.
- **Canada has alleged** that India was involved in the **murder of Hardeep Singh Nijjar**, a Canadian citizen, in Vancouver earlier this year.
- Meanwhile, **India has accused Canada of providing refuge** to individuals it **views as terrorists**, further complicating relations between the two nations.

### 1. What is the history of India-Canada relations?




- **Canada and India** have long standing bilateral relations built upon shared traditions of **democracy, pluralism and strong interpersonal connections**.
- In the early 19th century, **Canada and India** were part of the **British Empire**.
- The **Indo-Canadian community** was formed in the late **19th century** due to the **Indian emigration to Canada**, majority of whom were Punjabis, which included veterans of the British Indian Army.
- **India-Canada diplomatic relations** were established in **1947** and developed well when **Prime Minister Jawaharlal Nehru** visited **Canada in 1949**.
- **After Indian Independence in 1947**, the relations between the countries were furthered with **Canada keen to act as a bridge between India and the Western World**.
- **Canadian foreign aid** to India started in 1951 and grew substantially under the **Colombo Plan**.
- Both are member nations of the **Commonwealth of Nations** and are part of **G20**, a group of world's largest economies.
- Also the **Canadian Constitution** heavily influenced the **Indian Constitution**, with many of the **same principles adopted, including the idea of a federal system**.
- **Year 1974** saw the **deterioration of India-Canada relations** due to **India's Smiling Buddha nuclear test**.

## 2. What is the significance of India-Canada relations?


### INDIA AND CANADA, IN NUMBERS

**Canada accounts for just 0.56% of the total FDI in India.**




DPIIT data show total FDI equity inflow between April 2000 to June 2023 was \$645,386.0884 mn, of which only \$3,642.5243 mn came from Canada.

**But Canada is home to 5.26% of overseas Indians**




Of the 3,21,00,340 overseas Indians, 5.26% (16,89,055) are in Canada, including 1,78,410 NRIs and 15,10,645 PIOs, according to MEA data.

**And every 7th Indian student abroad is in Canada**




In 2022, of the estimated 13,24,954 Indian students abroad, 13.83% (1,83,310) were in Canada, according to Ministry of External Affairs data.

**Canada is 4th largest source of tourists in India (2021)**



Canada accounted for 5.3% (80,437) of Foreign Tourist Arrivals (FTAs) in India in 2021; 72.6% of Canadian FTAs were members of the Indian diaspora. FTAs from Canada rose to 3,51,859 in the pre-pandemic year 2019 from 88,600 in 2001. Arrivals from Canada fell sharply post pandemic.

**Bilateral trade is tiny; its balance is in India's favour**






India's trade with Canada was \$8,161.02 mn during FY 2022-23, just 0.70% of India's total trade of \$1,165,000.88 mn. Canada was India's 35th biggest trading partner. The balance of trade is in India's favour; in 2022-23, India's exports to Canada stood at \$4,109.74 mn, and imports at \$4,051.29 mn.

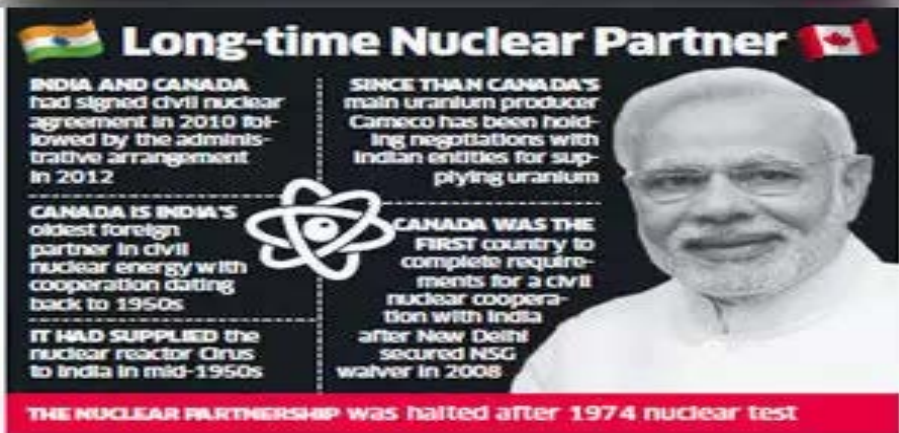
**HARIKISHAN SHARMA**

Significance	Analysis
<b>Bilateral relations</b>	<ul style="list-style-type: none"> <li>• <b>Canada and India</b> have long standing <b>bilateral relations</b> built upon <b>shared traditions of democracy, pluralism and strong interpersonal connections</b>.</li> <li>• Canada is home to <b>one of the largest communities of Indian origin</b>, with approximately <b>4% of Canadians being of Indian heritage</b> (1.3 million people).</li> </ul>

	<ul style="list-style-type: none"> <li>• The deep cultural and political ties between <b>Canada and India</b> are strengthened by a growing network of official dialogues, agreements, memoranda of understanding and working groups.</li> </ul> <p><b>DEMOGRAPHICS</b>  <b>Canada's Indian population</b>          Canada is home to nearly 1.4 million people of Indian origin, making up roughly 3.7 percent of the country's total population of 37 million.</p> <p><b>Canada's 10 largest self-reported ethnic groups:</b></p> <table border="1"> <thead> <tr> <th>Ethnic Group</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Canadian</td> <td>15.6%</td> </tr> <tr> <td>English</td> <td>14.7%</td> </tr> <tr> <td>Irish</td> <td>12.1%</td> </tr> <tr> <td>Scottish</td> <td>12.1%</td> </tr> <tr> <td>French</td> <td>11%</td> </tr> <tr> <td>German</td> <td>8.1%</td> </tr> <tr> <td>Chinese</td> <td>4.7%</td> </tr> <tr> <td>Italian</td> <td>4.3%</td> </tr> <tr> <td>Indian</td> <td>3.7%</td> </tr> <tr> <td>Ukrainian</td> <td>3.5%</td> </tr> </tbody> </table>	Ethnic Group	Percentage	Canadian	15.6%	English	14.7%	Irish	12.1%	Scottish	12.1%	French	11%	German	8.1%	Chinese	4.7%	Italian	4.3%	Indian	3.7%	Ukrainian	3.5%
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<p><b>Trade relations</b></p>	<ul style="list-style-type: none"> <li>• A priority market for Canada, in 2022, <b>India was Canada's 10th largest trading partner.</b></li> <li>• The bilateral trade between <b>India and Canada in 2022 was \$9 billion</b>, with <b>India exporting \$6.4 billion and importing \$4.1 billion</b> in goods.</li> <li>• The Bilateral reached <b>US\$ 8.27 billion in FY23</b> and <b>US\$ 5.3 billion during April-November 2023.</b></li> <li>• In <b>2024 (January – April)</b>, total bilateral trade in goods amounted to <b>USD 3.11 billion (India's exports: USD 1.90 billion and India's imports: USD 1.21 billion).</b></li> <li>• <b>Canadian pension funds</b> have pledged over <b>USD</b></li> </ul>																						

	<p><b>55 billion in investments between 2014 and 2020.</b></p> <ul style="list-style-type: none"> <li>• <b>Canada and India</b> are working toward a <b>Comprehensive Economic Partnership Agreement and a Foreign Investment Promotion and Protection Agreement (FIPA).</b></li> <li>• <b>Canada is India’s 17th largest foreign investor, pouring in more than \$3.6bn since 2000.</b></li> </ul> <p><b>BUSINESS</b></p> <p><b>Canada-India bilateral trade</b></p> <p>Canada-India bilateral trade in goods reached nearly \$9bn in 2022, a substantial 57 percent increase over the previous year.</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p><b>Top Canadian exports to India</b> (2021)</p>  </div> <div style="text-align: center;"> <p><b>Top Indian exports to Canada</b> (2021)</p>  </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <table border="1" style="width: 45%; text-align: center;"> <tr> <td rowspan="4" style="width: 30%; vertical-align: middle;">Mineral products 36%</td> <td style="width: 15%;">Vegetable products 11%</td> <td style="width: 15%;">Metals 10%</td> <td style="width: 10%;"></td> </tr> <tr> <td>Chemical products 7%</td> <td></td> <td>Instruments 3%</td> </tr> <tr> <td>Precious metals 7%</td> <td></td> <td>Transport 2%</td> </tr> <tr> <td>Machines 6%</td> <td></td> <td>Other 3%</td> </tr> <tr> <td style="vertical-align: middle;">Paper goods 15%</td> <td></td> <td></td> <td></td> </tr> </table> <table border="1" style="width: 45%; text-align: center;"> <tr> <td style="width: 20%; vertical-align: middle;">Chemical products 20%</td> <td style="width: 10%; vertical-align: middle;">Machines 10%</td> <td style="width: 10%; vertical-align: middle;">Precious metals 6%</td> <td style="width: 10%; vertical-align: middle;">Transport 6%</td> </tr> <tr> <td style="vertical-align: middle;">Textiles 16%</td> <td style="vertical-align: middle;">Vegetable products 6%</td> <td style="vertical-align: middle;">Animal products 4%</td> <td style="vertical-align: middle;">Furniture 3%</td> </tr> <tr> <td style="vertical-align: middle;">Metals 14%</td> <td style="vertical-align: middle;">Plastics 5%</td> <td style="vertical-align: middle;">Other 6%</td> <td></td> </tr> <tr> <td></td> <td style="vertical-align: middle;">Foodstuff 4%</td> <td></td> <td></td> </tr> </table> </div>	Mineral products 36%	Vegetable products 11%	Metals 10%		Chemical products 7%		Instruments 3%	Precious metals 7%		Transport 2%	Machines 6%		Other 3%	Paper goods 15%				Chemical products 20%	Machines 10%	Precious metals 6%	Transport 6%	Textiles 16%	Vegetable products 6%	Animal products 4%	Furniture 3%	Metals 14%	Plastics 5%	Other 6%			Foodstuff 4%		
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<p><b>Education</b></p>	<ul style="list-style-type: none"> <li>• <b>Since 2018, India has been the largest source country for international students in Canada.</b></li> <li>• <b>In 2022, Indian students number rose 47 percent to nearly 320,000, accounting for about 40 percent of overseas students, according to the Canadian Bureau for International Education.</b></li> </ul>																																	

	<p><b>EDUCATION</b>  <b>International students in Canada</b>          Of the more than 800,000 international students in Canada at the end of 2022, 40 percent were from India.</p>  <table border="1"> <caption>International Students in Canada by Country (2022)</caption> <thead> <tr> <th>Country</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>India</td> <td>40%</td> </tr> <tr> <td>China</td> <td>12%</td> </tr> <tr> <td>USA</td> <td>3%</td> </tr> <tr> <td>UK</td> <td>3%</td> </tr> <tr> <td>France</td> <td>3%</td> </tr> <tr> <td>Germany</td> <td>2%</td> </tr> <tr> <td>Japan</td> <td>2%</td> </tr> <tr> <td>South Korea</td> <td>2%</td> </tr> <tr> <td>Other countries</td> <td>20%</td> </tr> </tbody> </table>	Country	Percentage	India	40%	China	12%	USA	3%	UK	3%	France	3%	Germany	2%	Japan	2%	South Korea	2%	Other countries	20%
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<p><b>Development Cooperation</b></p>	<ul style="list-style-type: none"> <li>• <b>Canada has invested nearly \$24 million in 2018-2019 to support 75 projects in India through its Non profit organizations like Grand Challenges Canada.</b></li> </ul>																				
<p><b>Defense cooperation</b></p>	<ul style="list-style-type: none"> <li>• <b>An MoU between DRDO and Canadian Commercial Corporation (CCC) for development of military and defense related technology, infrastructure, training and services was signed in October 2016 which was renewed in 2021.</b></li> </ul>																				
<p><b>Civil Nuclear Cooperation</b></p>	<ul style="list-style-type: none"> <li>• <b>A Nuclear Cooperation Agreement (NCA) with Canada was signed in June 2010 and came into force in September 2013.</b></li> <li>• <b>The Appropriate Arrangement (AA) for the NCA was signed in March 2013, under which a Joint Committee on Civil Nuclear Cooperation was constituted.</b></li> </ul>																				

	 <p><b>Long-time Nuclear Partner</b></p> <p>INDIA AND CANADA had signed civil nuclear agreement in 2010 followed by the administrative arrangement in 2012</p> <p>SINCE THEN CANADA'S main uranium producer Cameco has been holding negotiations with Indian entities for supplying uranium</p> <p>CANADA IS INDIA'S oldest foreign partner in civil nuclear energy with cooperation dating back to 1950s</p> <p>IT HAD SUPPLIED the nuclear reactor Orus to India in mid-1950s</p> <p>CANADA WAS THE FIRST country to complete requirements for a civil nuclear cooperation with India after New Delhi secured NSG waiver in 2008</p> <p>THE NUCLEAR PARTNERSHIP was halted after 1974 nuclear test</p>
<p><b>Space Cooperation</b></p>	<ul style="list-style-type: none"> <li>• <b>ISRO and Canadian Space Agency (CSA) signed two MoUs in the field of exploration and utilization of outer space in October 1996 and March 2003, under which two implementing Arrangements regarding satellite tracking and space astronomy were signed.</b></li> <li>• <b>ANTRIX, the Commercial arm of ISRO, has launched several nanosatellites from Canada.</b></li> <li>• <b>ISRO in its 100th Satellite PSLV launched in January 2018, also flew the Canadian first LEO satellite.</b></li> </ul>
<p><b>COVID-19 vaccine collaboration</b></p>	<ul style="list-style-type: none"> <li>• <b>On the request from Canadian government in February 2021 for COVID-19 vaccines, India approved export of 2 million Covishield vaccines to Canada under commercial agreement between Serum Institute of India and Verity Pharmaceuticals of Canada.</b></li> <li>• <b>On March 3, 2021, the first tranche of 500,000 doses of vaccines arrived from India to Canada.</b></li> </ul>

**CANADIAN PRIVATE EQUITY, PENSION FUNDS HAVE MADE SUSTAINED INVESTMENTS OVER THE YEARS**

## A Slice of Big Market, Bigger Returns

**Brookfield**, the Toronto-based asset manager, has deployed around **\$29 billion** since 2009

**Canada Pension Plan Investment Board** has invested **\$20 b** till date  
**Real estate exposure as of June 30, 2024**

**ONTARIO TEACHERS' PENSION PLAN (OTPP): \$3 BILLION** (Figures in \$M)

Company	Amount <sup>^</sup>	Date
Dailyhunt	805	Apr-22
Sahyadri Hospitals	315	Aug-22
Snapdeal	189	Jan-16
KKR Road Assets	175	Apr-22
Kogta Financial	148	Jun-24

**CDPQ: \$7 BN (TILL DEC'23)** (Figures in \$M)

Company	Amount <sup>^</sup>	Date
Prayagraj Power	828	Nov-18
Eastern Peripheral Expressway	770	Nov-22
PharmEasy	420	Nov-23
LOGOS India	400	Oct-17
Apraava Energy	368	Sep-18

**TOP INVESTMENTS** (Figures in \$M)

Company	Amount <sup>^</sup>	Date
Data Infra Trust	3,660	Jul-19
ATC India	2,521	Jan-24
Reliance Pipeline Infra	1,875	Mar-19
Avaada Ventures	1,000	Apr-23
Leela Hotels	563	Oct-19

**COMMERCIAL**

Bengaluru: **Startech** (₹1,800 cr)

Gurugram: **Intellion Edge**

Chennai: **Intellion Park**

Total Investment: ₹2,600 cr (2022)

**RETAIL**

Phoenix Mills Retail Portfolio **₹1,350 crore** (2021-23)

**INDUSTRIAL PROPERTIES**

- Indospace Industrial Portfolio
- Over **\$1 billion** investment including infusion in earlier ventures

**FAIRFAX HOLDINGS** (Figures in \$M)

Company	Amount <sup>^</sup>	Date
Bangalore Intl Airport	386	Mar-16
Sanmar Group	300	Apr-16
Bangalore Intl Airport	250	May-23
Sanmar Group	202	Sep-18
IIFL Finance	201	Dec-15

**OTHER INVESTMENTS** (Figures in \$M)

Company	Amount <sup>^</sup>	Date
Flipkart	3,600	Jul-21
Bharti Infratel	955	Mar-17
Dailyhunt	805	Apr-22
GlobalLogic	720	Jan-17
Eruditus	650	Aug-21
BYJUS	540	Dec-18

Compiled by: **Reghu Balakrishnan, Kailash Babar and Pranav Mukul**

Note: \*Data up to Oct 15, 2024. ^ This includes amounts contributed by co-investors. Source: Venture Intelligence, Company Data

### 3. What is the timeline of tension in India-Canada relations?

- The **diplomatic tensions** between **India and Canada** started much before **Nijjar’s killing**.
- Here is a timeline of events leading up to the latest developments.

Event	Analysis
<b>February 2018: Controversy over Trudeau’s India dinner.</b>	<ul style="list-style-type: none"> <li>• During a visit to India, <b>Trudeau attended a formal dinner</b> hosted by the Canadian High Commissioner in New Delhi.</li> <li>• The controversy over <b>Trudeau’s dinner with the Canadian High Commissioner</b> centered around <b>Jaspal Singh Atwal</b>, a Canadian-Indian</li> </ul>



	<p>former member of a <b>Sikh separatist group</b> called the <b>International Sikh Youth Federation</b>.</p> <ul style="list-style-type: none"> <li>• The group is listed on <b>Canada’s Public Safety Website</b> as a <b>“terrorist” organization</b>.</li> <li>• <b>Atwal, who was also invited to the dinner</b>, had been <b>convicted in Canada</b> for being <b>involved in a 1986 assassination attempt</b> of the <b>cabinet minister for India’s Punjab state</b>.</li> </ul>
<p><b>December 2020: Trudeau angers India with comments about farmers’ protests</b></p>	<ul style="list-style-type: none"> <li>• In late 2020, hundreds of thousands of <b>farmers in India marched to New Delhi to protest new agricultural laws</b> which they said would damage their livelihoods.</li> <li>• <b>Trudeau expressed his concern</b> about the situation at an <b>online event</b> to mark the <b>551st birth anniversary of Guru Nanak</b>, the founder of Sikhism.</li> <li>• The Canadian PM said that his country would always be there <b>to defend the rights of peaceful protest</b>.</li> </ul>
<p><b>June 2023: The killing of Hardeep Singh Nijjar</b></p>	<ul style="list-style-type: none"> <li>• <b>Sikh separatist Hardeep Singh Nijjar, 45, was shot dead</b> in Canada outside a Sikh temple on <b>June 18,2023 in Surrey, a Vancouver city</b> with a large population of Sikhs.</li> <li>• <b>In 2020, he was assigned “terrorist” status</b> by the <b>Indian government</b>.</li> <li>• At the time of his death, <b>Nijjar had been planning an unofficial referendum in India</b> for an independent Sikh state.</li> </ul>

<p><b>September 2023: Trade negotiations paused, G20 tensions</b></p>	<ul style="list-style-type: none"> <li>• <b>Canada unexpectedly paused trade negotiations with India on September 1.</b></li> <li>• <b>On September 9 and 10, the G20 conference held in New Delhi further highlighted tensions between the two countries.</b></li> <li>• <b>On September 19, Ottawa expelled an Indian diplomat and India retaliated by expelling a Canadian diplomat.</b></li> <li>• <b>India also suspended its visa operations in Canada on September 21, citing unspecified security threats.</b></li> </ul>
<p><b>October 2023: Canada pulls 41 diplomats out of India</b></p>	<ul style="list-style-type: none"> <li>• <b>On October 19, Canada recalled 41 of its diplomats from India after the Indian government said it would revoke their diplomatic immunity and security protection for their relatives.</b></li> <li>• <b>Canadian Foreign Affairs Minister Melanie Joly decried India's threat to revoke diplomatic immunity as a violation of international law.</b></li> </ul>
<p><b>May 2024: Three men are arrested and charged with Nijjar's death</b></p>	<ul style="list-style-type: none"> <li>• <b>The Royal Canadian Mounted Police (RCMP) said on May 3 that three men had been arrested in an ongoing investigation into Nijjar's killing, namely Kamalpreet Singh, Karanpreet Singh and Karan Brar.</b></li> </ul>
<p><b>October 2024: Canada expels six Indian diplomats</b></p>	<ul style="list-style-type: none"> <li>• <b>At a news conference in Ottawa, Trudeau said evidence showed that Indian government agents had engaged in activities that threaten public safety in Canada, including clandestine</b></li> </ul>

	<p><b>information-gathering techniques, coercive behavior targeting South Asian Canadians, and involvement in over a dozen threatening and violent acts, including murder.</b></p> <ul style="list-style-type: none"> <li>• <b>India rejected the accusations, deeming them “absurd” and in turn ordering the expulsion of Canada’s acting high commissioner and five other diplomats.</b></li> </ul>
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#### **4. What is the role of the US in the India-Canada tussle?**

- After **Gurpatwant Singh Pannun, a Khalistani separatist, filed a civil lawsuit in US court alleging the Indian government of hatching a conspiracy to assassinate him, the District Court for the Southern District of New York issued a summons to the Indian government.**
- Apart from the Indian government, the lawsuit names **India's foreign intelligence agency personnel** and others, including **National Security Advisor Ajit Doval, former Research and Analysis Wing (R&AW) chief Samant Goel, R&AW agent Vikram Yadav, and Indian businessman Nikhil Gupta.**
- The **US Department of Justice charged Vikash Yadav with leading an unsuccessful plot to murder Khalistani terrorist Gurpatwant Singh Pannun last year.**
- **Gurpatwant Singh Pannun** is one of the main leaders of the **Khalistan movement, which advocates for a religion-based separate state** to be split out from Punjab and many neighboring areas in India, to be known as **Khalistan.**
- He holds **dual citizenship of the US and Canada.**
- The US accuses Yadav of directing another Indian citizen, **Nikhil Gupta, who it alleges paid a hitman \$15,000, to kill Pannun.**

- In November 2023, US federal prosecutors charged Nikhil Gupta of working with an Indian government employee in the **foiled plot to kill Pannun in New York**.
- The **FBI put Viaks Yadav on its wanted list** and said that a federal arrest warrant was issued for Yadav on October 10.
- **India**, while investigating the **allegations made by the US** , said **Yadav was no longer a government employee**, without saying whether he had been an intelligence officer.
- Records showed that **Viaks Yadav** spent **four months in Delhi's Tihar Jail** before being granted bail in April,2024.
- Amid diplomatic standoff, **India has informed Canada that Sandeep Singh Sidhu** aka Sunny Toronto who works as a border police official in Canada is **promoting terrorist activities in Punjab** and added him to the **list of fugitives sought for deportation**.
- The **National Investigation Agency (NIA)** said he was the mastermind behind the **assassination of Balwinder Singh Sandhu, a Shaurya Chakra awardee**, in Tarn Taran district of Punjab in **October 2020**.

## 5. What are the Challenges in India-Canada Relations?

- The recent deterioration of relations between **India and Canada** has **drawn attention** to a long-standing issue: **mutual distrust** stemming from the **tragic 1985 Air India Kanishka bombing**.
- The **killing of Hardeep Singh Nijjar on Canadian soil** has reignited accusations, with **Canada alleging Indian government** involvement while **India claims Canada harbors Khalistani extremists**.

Challenges	Analysis
Diplomatic Immunity Issue	<ul style="list-style-type: none"><li>• <b>Canada has invoked the Vienna Conventions</b>, emphasizing the <b>need to protect its diplomatic staff and citizens in India amid heightened tensions</b>.</li></ul>

<p><b>Khalistan Issue</b></p>	<ul style="list-style-type: none"> <li>• The major driver of the <b>visa and immigration issues</b> between the two countries stems from heightened <b>diplomatic tensions</b>.</li> <li>• The relationship became strained when <b>Canada accused the Indian government</b> of being involved in the assassination of a <b>Sikh separatist leader, Hardeep Singh Nijjar</b>, in June 2023 in British Columbia.</li> <li>• Nijjar, a prominent figure in the Khalistani separatist movement, was <b>designated a terrorist by India</b> but had <b>legal status in Canada</b>.</li> </ul>
<p><b>Economic and Trade Barriers</b></p>	<ul style="list-style-type: none"> <li>• Due to the growing political rift, <b>efforts to finalize the Comprehensive Economic Partnership Agreement (CEPA) have stalled</b>.</li> <li>• <b>Bilateral trade</b> between the countries <b>has slowed down</b>.</li> <li>• Canadian investments in India <b>have faced uncertainty</b> due to the diplomatic crisis.</li> </ul>
<p><b>Visa and Immigration Issues</b></p>	<ul style="list-style-type: none"> <li>• In September 2023, the <b>Indian government suspended visa services for Canadian citizens</b>.</li> <li>• This suspension includes several categories such as <b>tourist, business, and student visas</b>, severely impacting travel between the two countries.</li> <li>• <b>Canada's Stance:</b> <ul style="list-style-type: none"> <li>▪ The Canadian government has <b>not imposed direct visa restrictions on Indian citizens</b>, but the diplomatic row has raised concerns about the future of bilateral relations.</li> <li>▪ <b>India's Stance:</b> India's suspension of visas has <b>created anxiety for many Canadian citizens with connections to India</b>, especially</li> </ul> </li> </ul>

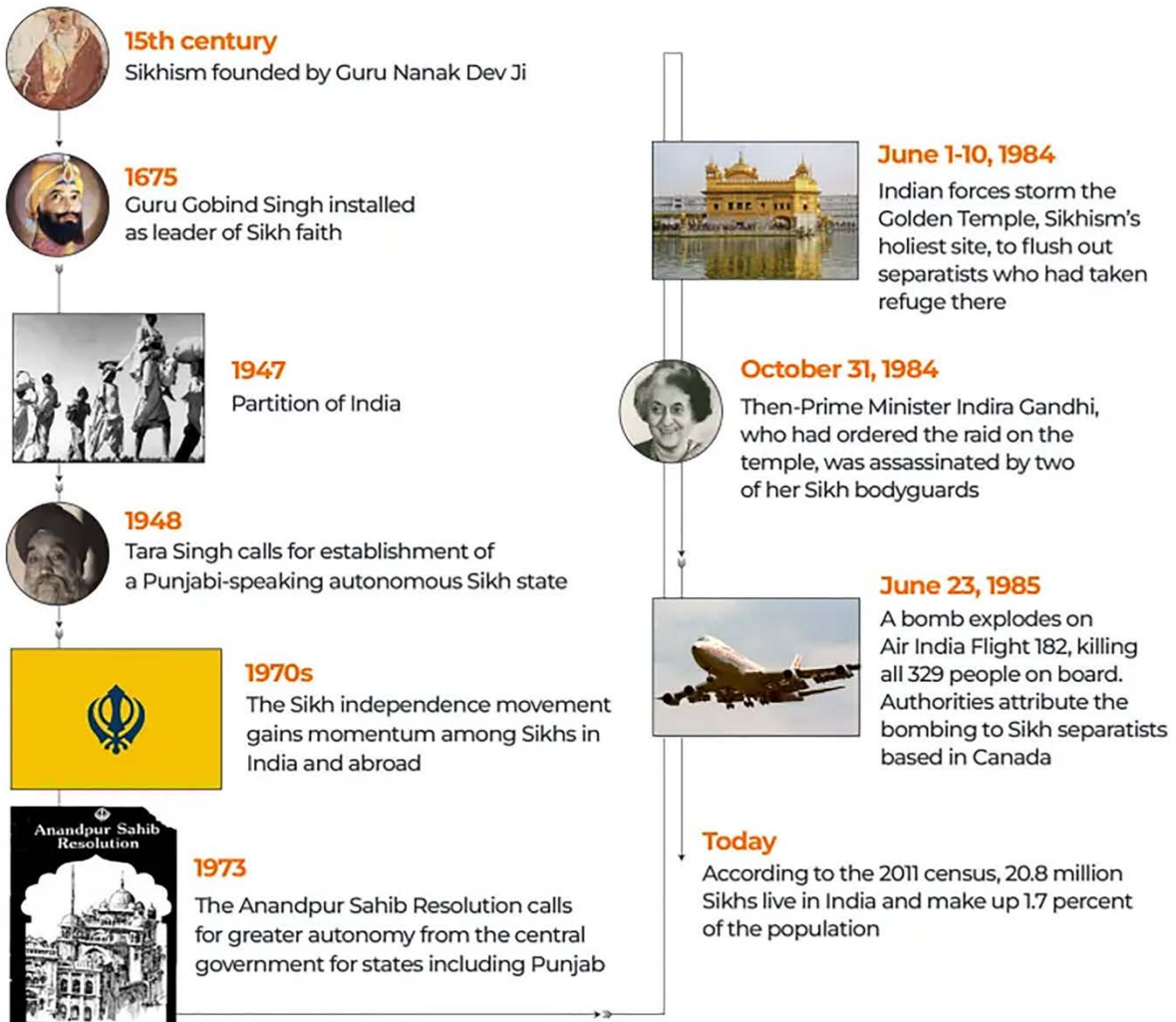
	for families, tourists, and students.
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## 6. What is the Khalistan movement?

- **Khalistan** is the name of the **proposed state** envisioned by **some Sikhs, incorporating the Indian state of Punjab** as well as other **Punjabi-speaking areas of northern India** to establish a **Sikh nation**.
- The **ethno-religious liberation** movement gained traction in the **1970s and early 80s in India**.

### HISTORY

## Sikh independence movement

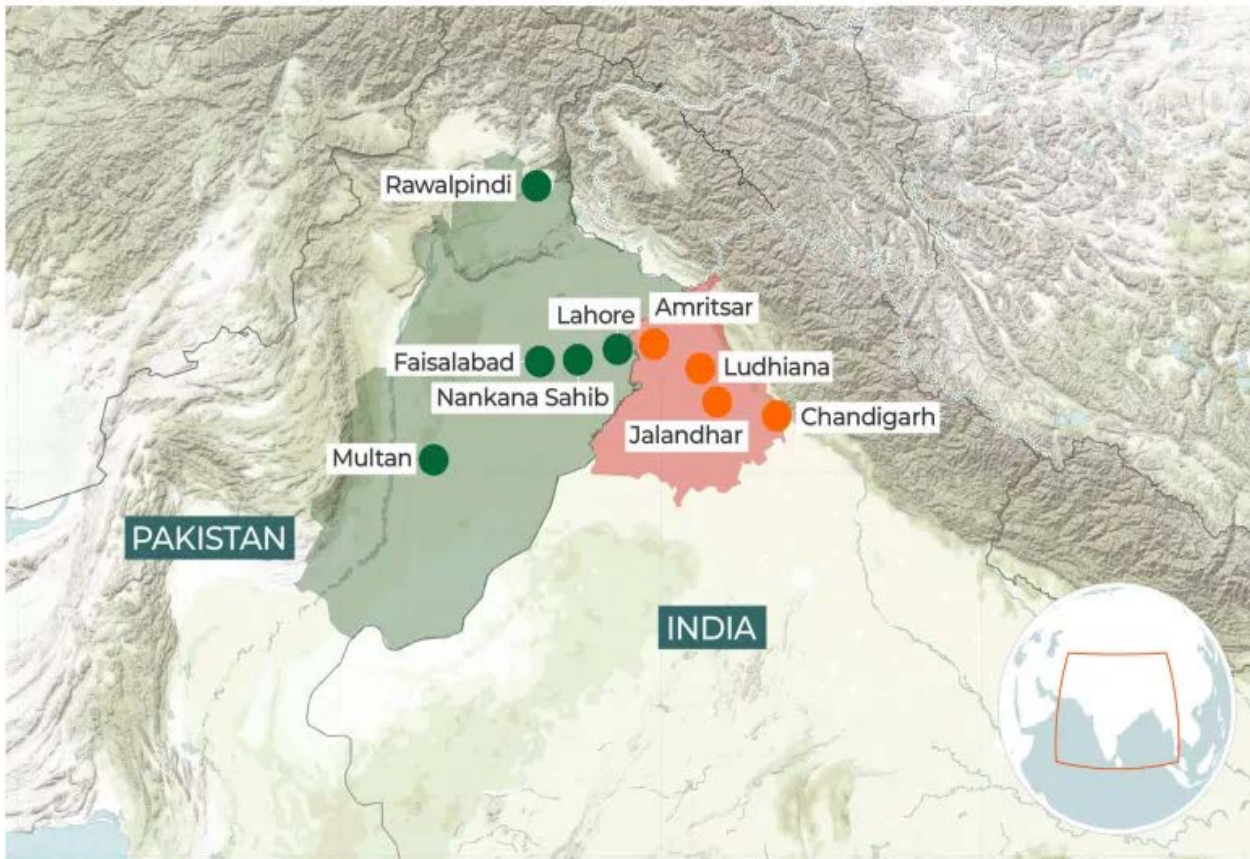


- There is **division among supporters of Khalistan** on the **boundaries of a sovereign Sikh state**, but **most agree that it would encompass the state of Punjab in India.**

ASIA


## Where is the Punjab region?

Punjab is a geographical and cultural region located in the northern part of the Indian subcontinent. It includes states in eastern Pakistan and northwestern India.




### 7. Which prominent Khalistan activists have been killed recently?

Khalistan activists	Analysis
<p><b>Hardeep Singh Nijjar</b></p>	<ul style="list-style-type: none"> <li>• <b>Hardeep Singh Nijjar</b>, 45, was shot dead outside a <b>Sikh gurdwara</b> on June 18,2023 in</li> </ul>


	<p><b>Surrey, a Vancouver suburb</b> with a large <b>Sikh population</b>, three years after India had designated him a <b>“terrorist”</b>.</p> <ul style="list-style-type: none"><li>• <b>Nijjar was born in 1977 in Punjab’s Jalandhar district</b> and he moved to <b>Canada in 1997</b>.</li><li>• He was initially associated with the <b>Babbar Khalsa International (BKI) Sikh separatist group</b>, according to <b>India’s counterterrorism National Investigation Agency</b>.</li></ul>
<p><b>Avtar Singh Khanda</b></p> 	<ul style="list-style-type: none"><li>• In June, 2023, <b>Avtar Singh Khanda, 35</b>, the <b>alleged head of the Khalistan Liberation Force</b> and aide to <b>Amritpal Singh</b>, <b>died in the UK</b>, following a diagnosis of terminal cancer.</li><li>• But the <b>circumstances of his death</b> were described as <b>“mysterious”</b>, with some attributing his <b>demise to poisoning</b>.</li><li>• He was the <b>face of the March 19 protest at Indian high commission in London</b>.</li></ul> 



<p><b>Paramjit Singh Panjwar</b></p> 	<ul style="list-style-type: none"> <li>• <b>Paramjit Singh Panjwar</b>, 63, was the alleged head of the <b>Khalistan Commando Force (KCF)</b>, a <b>Sikh Khalistani</b> armed organization operating in Punjab.</li> <li>• <b>Panjwar was gunned down in Lahore, Pakistan</b> by two unidentified gunmen in May, 2023.</li> <li>• <b>Panjwar played a significant role in the Sikh rebellion in India during the 1980s and 90s.</b></li> </ul>
<p><b>Harmeet Singh</b></p>	<ul style="list-style-type: none"> <li>• In <b>January 2020</b>, the alleged leader of the <b>Khalistan Liberation Force (KLF)</b>, <b>Harmeet Singh 38</b>, was <b>killed near Lahore, Pakistan.</b></li> <li>• He was <b>succeeded by Avtar Singh Khanda</b>, who took over as the <b>KLF leader in 2020</b>, according to reports.</li> <li>• He was <b>accused of murders in India and training fighters for the Khalistan movement.</b></li> </ul>

## 8. Why is Canada’s PM Justin Trudeau supporting Khalistan extremism?

Reasons	Analysis
<p><b>The NDP alliance</b></p>	<ul style="list-style-type: none"> <li>• <b>Canada's Prime Minister Justin Trudeau's ally is NDP Leader Jagmeet Singh</b>, who is a <b>Khalistan sympathizer.</b></li> </ul>

	<ul style="list-style-type: none"><li>• According to the recent poll, <b>Singh's popularity has slipped four points</b> since September 2022, with <b>22 percent of respondents saying he's the best choice to lead the government.</b></li></ul> 
<p><b>The 2025 Canadian elections</b></p>	<ul style="list-style-type: none"><li>• The <b>Conservative Leader Pierre Poilievre's</b> polling momentum continues to chug along with <b>40 percent of Canadians saying he's the best choice to be prime minister</b>, according to a new Ipsos poll done exclusively for Global News.</li><li>• Regionally, <b>Poilievre's favourables top the list in every province and region except for Quebec.</b></li><li>• The poll shows <b>Poilievre has pulled ahead as preferred PM in Ontario at 42%</b>, compared to <b>Trudeau's 38%.</b></li><li>• Notably, on the <b>ongoing diplomatic stand-off between India and Canada</b>, <b>Poilievre</b> had stated that the <b>Canadian PM should come out clean with all the facts.</b></li></ul>

## 9. What is the Kanishka Air India bombing?



- On 23 June 1985, an Air India flight traveling from Canada to India via London, exploded off the Irish coast, killing all 329 people on board.
- Air India Boeing 747 was named after the Kushan dynasty emperor Kanishka.
- The cause was a **bomb in a suitcase** that was transferred to the flight even though the ticket holder had not boarded.
- The victims included **268 Canadian citizens**, mostly of Indian origin, and **24 Indians**.
- Canadian investigators **have alleged** that the **bombings were planned by Sikh separatists** who wanted to **take revenge** for the **Indian army's deadly 1984 storming of the Golden Temple in Punjab state**.
- A few months after the attack, the **Royal Canadian Mounted Police (RCMP)** arrested **Talwinder Singh Parmar** who was the leader of

an extremist group called **Babbar Khalsa** that is now banned in **Canada**.

- **Parmar was the founder, leader, and Jathedar of Babbar Khalsa International (BKI), better known as Babbar Khalsa, a Sikh militant group involved in the Khalistan movement.**
- **After the bombing, the Canadian government did not cooperate as Justin's father Prime Minister Pierre Trudeau refused to extradite him to India on the specious plea that India.**
- **But the case against Parmar whom India had unsuccessfully tried to get extradited from Canada in the early 1980s was flimsy and he was released.**
- **In 2000, police arrested Ripudaman Singh Malik and Ajaib Singh Bagri on a number of charges including mass murder and conspiracy but in 2005, after an expensive trial that lasted almost two years, both men were acquitted of all charges**
- **Canadian authorities have been accused of not doing enough to prevent the attack and of bungling the investigation.**
- **The Canadian government set up a public inquiry in 2006, headed by a former Supreme Court judge, to look into the bombing.**
- **It concluded in 2010 that a "cascading series of errors" had led to the "largest mass murder in Canadian history".**
- **In 2010, after the inquiry report was released, then Canadian Prime Minister Stephen Harper offered a public apology to the families of the victims.**



## **Like father, like son**

- This isn't the first time that separatists have caused major friction in ties between India and Canada.
- Justin Trudeau's father Pierre Trudeau, a former PM, was accused of mishandling ties with India as Canadian authorities had failed to act against Khalistani extremists in the 1980s.
- Pierre had refused India's request for the extradition of Talwinder Singh Parmar, a member of Babbar Khalsa, who fled to Canada after being accused of killing two cops in Punjab.
- An alleged mastermind of the 1985 Kanishka bombing, Singh was killed in Punjab seven years later.

## 10. How Canada became a hub for separatists?

- During the **eighties and nineties** when **Sikh movement** was at its **peak** in Indian Punjab, it needed funds, support and people who could formulate their strategy for them.
- Canada has the **second largest** Sikh population in the world **after India**, and hence ever since the **Khalistan separatist movement started in Indian Punjab**, Canada has been in the news
- **Canada proved to be an ideal place** which had a similar ratio of Sikh population as India and **strong anti-Indian sentiments** fueled by **Pakistan ISI** and **separatists who ran away from India** to seek shelter.
- An important factor for them to take shelter in Canada itself was that the **Canadian laws were so weak** that it was **difficult to prosecute anyone who has committed a crime** elsewhere.
- India was in **political doldrums** for **over two decades** and due to **weak foreign policy**, could not put a check on this.

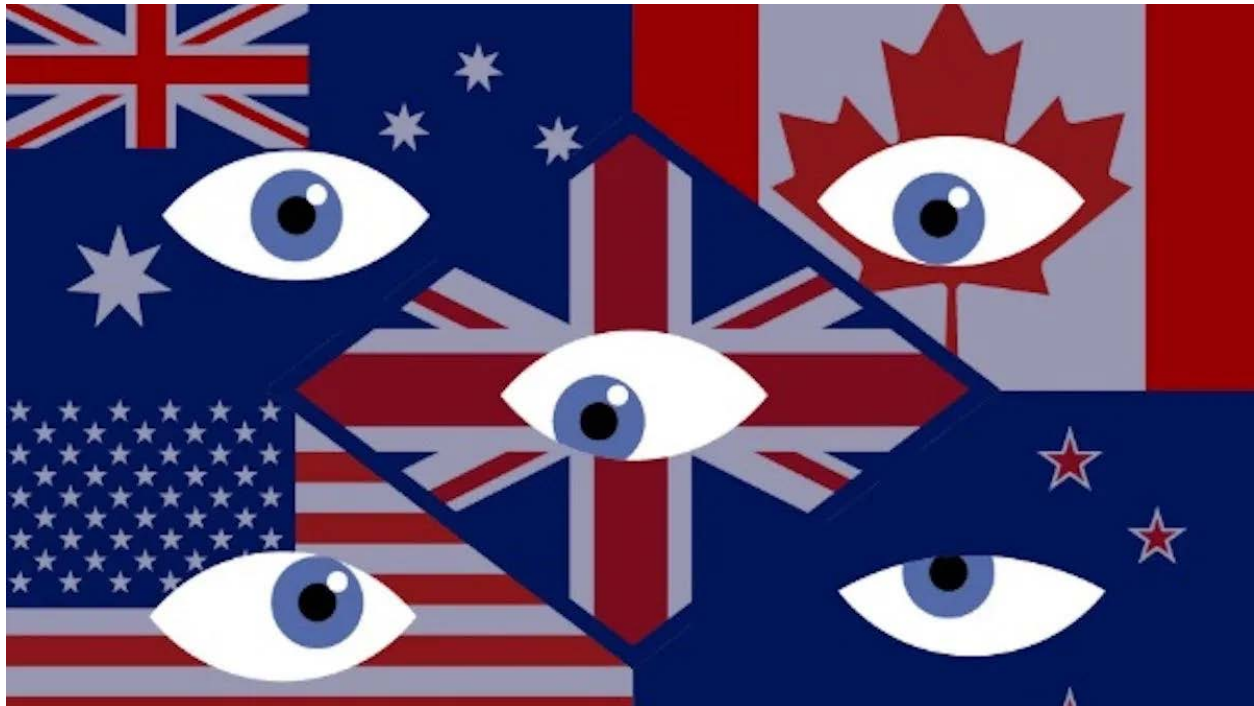
## 11. How has Canada become a haven for Punjabi gangsters?

- Since the 1980s, when a large number of **Punjabis began to move to Canada**, **ethnic Punjabi gangs** have become **part of the Canadian landscape**.
- **Canadian soil has now become fertile land for gangsters** and in recent years, their **activity has increased significantly**, paving the way for **gang wars to break out**.
- The strong presence of **Khalistani leaders and terrorists in Canada** help **fund these gangsters** and also enable their movement from India to the foreign land.
- It is reported that **Sikhs for Justice**, a **pro-Khalistani group** which is banned in India, is backing **these gangsters**.

- Additionally, the **Canadian authorities, under the Justin Trudeau government**, have taken **little to no action against them**.
- It's also known that **gangster Satinderjit Singh Brar, alias Goldy Brar**, who is also a **key accused in the murder of Sidhu Moose Wala**, resides in Canada.
- In May, he was placed among the **top 25 most wanted fugitives in Canada**.
- **Brar reached Canadian shores in 2017**, is also accused of orchestrating the targeted killings of at least two more persons, **attempt to murder, conspiracy to commit murder, and illegal arms trafficking in India**.

**GOLDY BRAR, 30****Real Name:** Satwinder Singh**From:** Muktsar Sahib City, Punjab**Operating in:** Canada, US**Gang Affiliation:** Babbar Khalsa International, Lawrence Bishnoi gang**Crimes:** Multiple targeted Killings, creating terror modules, smuggling high-grade arms and explosives

## 12. What is the Five Eyes group?



- **The Five Eyes (FVEY)** is an Anglosphere intelligence alliance comprising **Australia, Canada, New Zealand, the United Kingdom, and the United States.**
- Its genesis lies in the post-war **1946 UKUSA Agreement**, intended as a **cooperative arrangement for sharing signals intelligence (SIGINT).**
- These nations collaboratively work on intelligence matters, pooling their resources and sharing sensitive information to **ensure collective security and combat global threats.**
- Beyond the core Five Eyes, there are also **extended alliances** known as the **Nine Eyes and Fourteen Eyes.**
- **The Nine Eyes alliance** includes the original Five Eyes countries along with countries **Denmark, France, the Netherlands and Norway.**
- **The Fourteen Eyes** further extends this group by also including **Germany, Belgium, Italy, Spain and Sweden.**



- These alliances enhance **global surveillance capabilities**, but also spark debates about **privacy and the boundaries of national security**.

### 13. What could be the implications of an escalating India-Canada diplomatic row?

- The deepening **acrimony in India-Canada bilateral ties** could not only affect the bilateral relations but also **harm India's global reputation**.

**Comprehensive economic partnership agreement (CEPA)**  
Diplomatic standoff puts India-Canada trade pact on hold



Proposed trade treaty aims to boost trade by **\$6.5 bn**

Talks to finalise trade pact discontinued in September

Trade pact could boost Canada's GDP to **\$5.9 bn by 2035**

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**Long-term investors not spooked, yet**  
Canada is among India's top foreign investors

FPIs have an exposure of ₹ 1.77 lakh crore to Indian markets

Equity exposure of ₹ 1.51 lakh crore and debt exposure of ₹ 21,443 crore

Leading investors include CPPIB, CDPQ, Ontario Teachers' Pension Plan, Brookfield

Key investment sectors include real estate, renewables, financial services

- The potential consequences of the escalating dispute are:

Implications	Analysis
<p><b>Impact on Economic Relations</b></p>	<ul style="list-style-type: none"> <li>• The <b>trade and investment</b> linkages between India and Canada form an <b>integral component</b> of the multi-faceted <b>partnership</b> between the two countries.</li> <li>• The escalating <b>tension between India and Canada</b> could affect <b>Canadian pension fund</b> investments <b>worth \$75 billion in India</b>, the fate of paused negotiations for a proposed trade agreement, and the <b>inflow of remittances into India</b>.</li> <li>• In 2022, <b>India was Canada’s ninth-largest merchandise trading partner</b> in the Indo-Pacific region, the <b>13th-largest merchandise trading partner globally</b> and the <b>14th-largest destination for merchandise exports</b>.</li> <li>• As a report by think tank <b>Global Trade Research Initiative (GTRI)</b> pointed out <b>despite</b> these significant political frictions, the on-ground impact on <b>trade between India and Canada has been minimal</b>.</li> <li>• This is largely because <b>trade happens at the private sector level</b>, and <b>neither India nor Canada has introduced regulations</b> that restrict the flow of goods or services.</li> </ul>
<p><b>Geopolitical implications</b></p>	<ul style="list-style-type: none"> <li>• The <b>diplomatic standoff</b> also has <b>geopolitical implications for India</b>.</li> <li>• The <b>diplomatic crisis</b> also <b>extends to countries</b> which <b>share ties with both India and Canada</b>.</li> </ul>

	<ul style="list-style-type: none"> <li>• <b>Canada</b> is a part of the <b>G7 grouping</b> and shares the table with the <b>US, UK, Germany, France, Italy, and Japan.</b></li> <li>• <b>Canada</b> also shares <b>intelligence with the Five Eyes grouping</b> — with the <b>US, UK, Australia, and New Zealand.</b></li> <li>• All these countries are <b>also close strategic partners of choice for India.</b></li> <li>• <b>India has the Quad partnership</b> with the <b>US, Australia, and Japan,</b> and strong and growing bilateral ties with each of them.</li> </ul>
<p><b>Impact on Students and Workers</b></p>	<ul style="list-style-type: none"> <li>• <b>Indian Students in Canada: Over 300,000 Indian students were studying in Canada by 2023, making up one of the largest international student populations.</b></li> <li>• The <b>visa suspension has left many families and students in limbo,</b> especially those planning to study or attend family events in India.</li> <li>• <b>Workforce: Many Indian nationals contribute significantly to Canada's tech and healthcare industries.</b></li> <li>• The <b>diplomatic standoff has the potential to disrupt this flow of skilled workers and professionals.</b></li> </ul>

## 14. What Should be the Way ahead?

Way ahead	Analysis
<p><b>Resolving Khalistani issue</b></p>	<ul style="list-style-type: none"> <li>• <b>Resolving the irritants</b> related to the <b>Sikh diaspora and Khalistani separatism</b> is beyond any doubt crucial for <b>improving the bilateral relations</b> between India and Canada.</li> <li>• Towards this, both the <b>governments need to engage in active dialogue</b> to address the concerns while <b>respecting each other's sovereignty</b> and legal frameworks.</li> </ul>
<p><b>Balancing the geopolitical interests</b></p>	<ul style="list-style-type: none"> <li>• Balancing the <b>geopolitical interests of India and Canada</b> in context of their <b>respective relationships</b> with major powers like the <b>United States, China, and Russia</b> is essential too.</li> <li>• With a cautious approach, <b>both the countries need to navigate these dynamics duly being careful to avoid conflicts</b> so as to enhance their strategic partnership.</li> </ul>
<p><b>New Framework of Cooperation.</b></p>	<ul style="list-style-type: none"> <li>• There is a need to <b>develop a new framework of cooperation</b> that is more pragmatic and that <b>emphasizes mutually beneficial areas</b>, such as <b>trade, energy, infrastructure and transport</b>, for better Indo-Canadian relations.</li> </ul>
<p><b>Strengthen the economic ties</b></p>	<ul style="list-style-type: none"> <li>• Besides improving the diplomatic relations, it would also be <b>desirable to strengthen the economic ties</b> through the revival and effective execution of agreements like <b>Comprehensive Economic Partnership Agreement (CEPA)</b></li> </ul>

	focusing on <b>sectors like technology, renewable energy and infrastructure</b> which can <b>create mutually beneficial opportunities</b> and make the frameworks for <b>boosting trade and investment</b> between the two nations even stronger.
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## 15. What is the relevance of the topic for UPSC CSE?

**For Prelims:** Comprehensive Economic Partnership Agreement (CEPA), Commonwealth, G20, Space Collaborations.

**For Mains:** Bilateral Relations, India - Canada, Trade Pacts and Agreements, Multilateral Institutions, Security and Growth.

### Some previous years prelims questions.

Q1. In which one of the following groups are all the four countries members of G20? (2020)

- (a) Argentina, Mexico, South Africa and Turkey
- (b) Australia, Canada, Malaysia and New Zealand
- (c) Brazil, Iran, Saudi Arabia and Vietnam
- (d) Indonesia, Japan, Singapore and South Korea

**Ans: (a)**

### Some previous years mains questions.

Q1. 'Indian diaspora has a decisive role to play in the politics and economy of America and European Countries'. Comment with examples. (UPSC CSE 2020)

## Some questions from this year and previous years interview transcripts.

### Board Dinesh Dasa sir:

- Tell us about India Canada relations.
- What is the Khalistan issue?
- What is Canada's stance on khalistan?

### Board Lt Gen. Raj Shukla sir:

- Were India Canada relations sour even before the Nijjar issue?
- How did amritpal singh get so much following in such short period of time

### Board Dinesh Dasa sir:

- India-Canada and India-US issue with regards to allegations on India.
- Few follow up questions.

### Board Sheel Vardhan sir:

- Tell me something about the Nijjar issue and Canada's role in it?
- Why US has double Standard
- Does Canada have all party support?
- How can we improve the Canada-India relation?

### Board Lt Gen. Raj Shukla sir:

- You are a student of PSIR, tell me about the deteriorating Indo-Canada relationship
- There was an assassination too, what about that?
- What is your long term view on the Indo Canada relationship?

**Board TCA Anant sir:**

- What can Indian education systems learn from your university in Canada?
- What are the contributions of Indians in Canada?
- Is there a regional variation among the Indian diaspora there?

**Some questions for QUIZ.**

Q1. Consider the following Countries:

1. USA
2. Canada
3. France
4. UK
5. Australia

How many of the above countries are part of the Five Eyes group?

- (a) Only two
- (b) Only three
- (c) Only four
- (d) All five

**Ans: (c)**

**Some questions for POLL.**

Q1. Do you think that India has given a strong response to Canada's allegation?

- (a) YES
- (b) NO
- (c) Can't say.

Q2. Should India end all diplomatic relations with Canada?

- (a) YES
- (b) NO
- (c) Can't say.

