

## India-China Relations

### SCO Summit Explained



#### Context:

- The annual **Shanghai Cooperation Organization** summit has wound down in **Tianjin** with signals of a closer relationship among its members at a time when the world has been roiled by U.S. trade policies and tariffs.
- **Prime Minister Narendra Modi** met **China's President Xi Jinping** on Sunday, August 31, 2025 ahead of the SCO summit in Tianjin, China, both leaders emphasised upon the need to **look beyond border disputes and collaborate in diverse areas.**



## 1. What is SCO?

WORLD

### What is the SCO?

The Shanghai Cooperation Organisation is a Eurasian political, economic and international security group comprised of 10 countries. It was established in 2001.



CHINA



KAZAKHSTAN



KYRGYZSTAN



RUSSIA



TAJIKISTAN



UZBEKISTAN



INDIA



PAKISTAN



IRAN

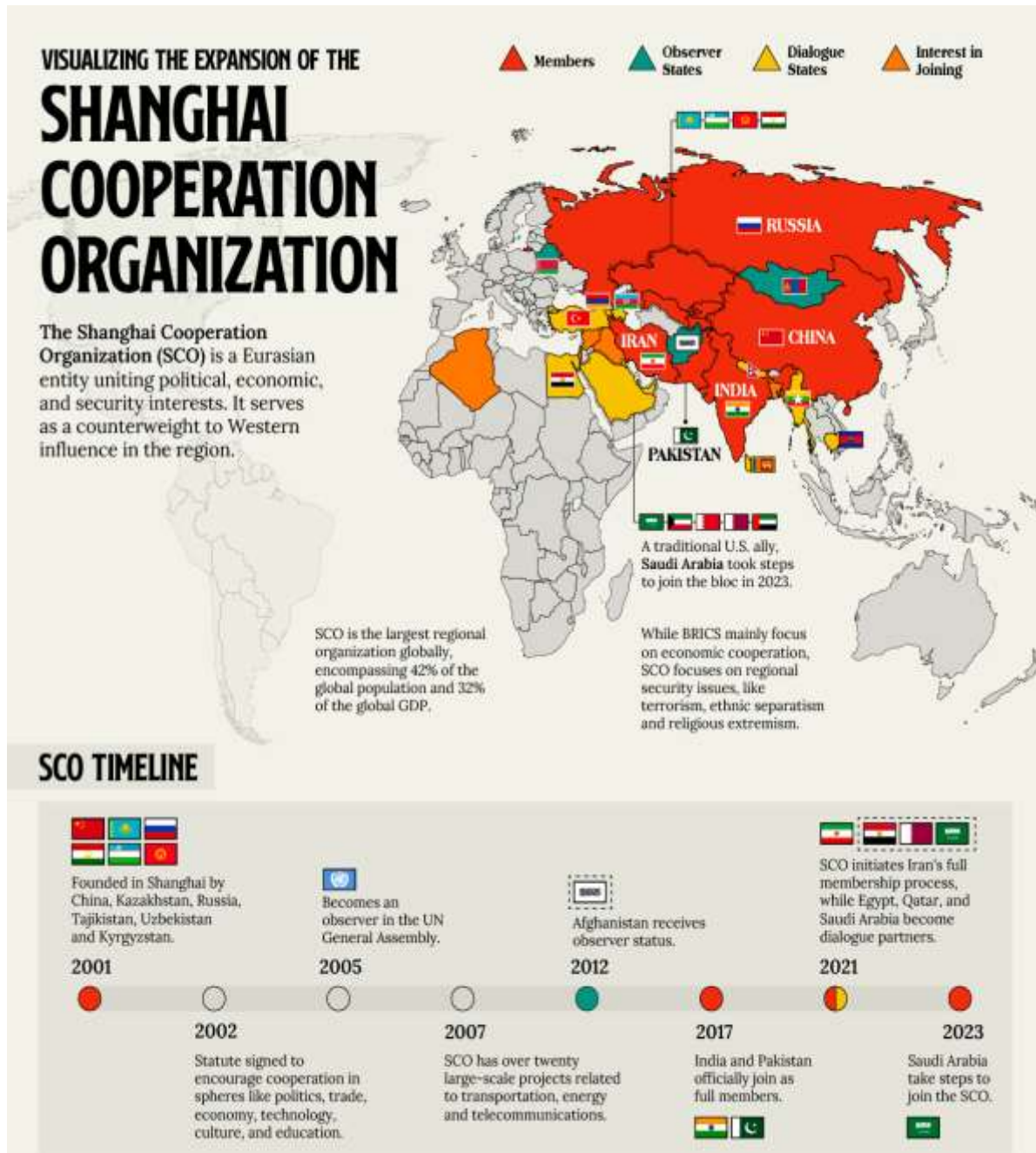


BELARUS

The SCO members  
account for  
**23%**  
of global GDP

along with  
**43%**  
of the world's  
population

- The **Shanghai Cooperation Organisation** is a **Eurasian political, economic and international security organization** of **ten member states**.
- It was established in **2001** by **China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan**.
- In **June 2017**, it expanded to eight states, with **India and Pakistan**.





## 2. Mention about the members of the SCO?

# SHANGHAI COOPERATION ORGANISATION

**KEY DATES**

**JUNE 15, 2001**  
The Shanghai Cooperation Organisation established.

**2002**  
The Charter of the SCO signed at the meeting of the Council of Heads of States in St Petersburg.

**2003**  
The charter entered into force.

**2017**  
The organisation expanded to eight member countries with the inclusion of India and Pakistan.

**2023**  
Iran joined the group.




**2024**  
Belarus became its 10th member state.

# Belarus to Join So-Called "Anti-NATO" SCO

Member states of the Shanghai Cooperation Organization, by year of accession

2001

- China
- Kazakhstan
- Kyrgyzstan
- Russia
- Tajikistan
- Uzbekistan

(Founding members)

'17

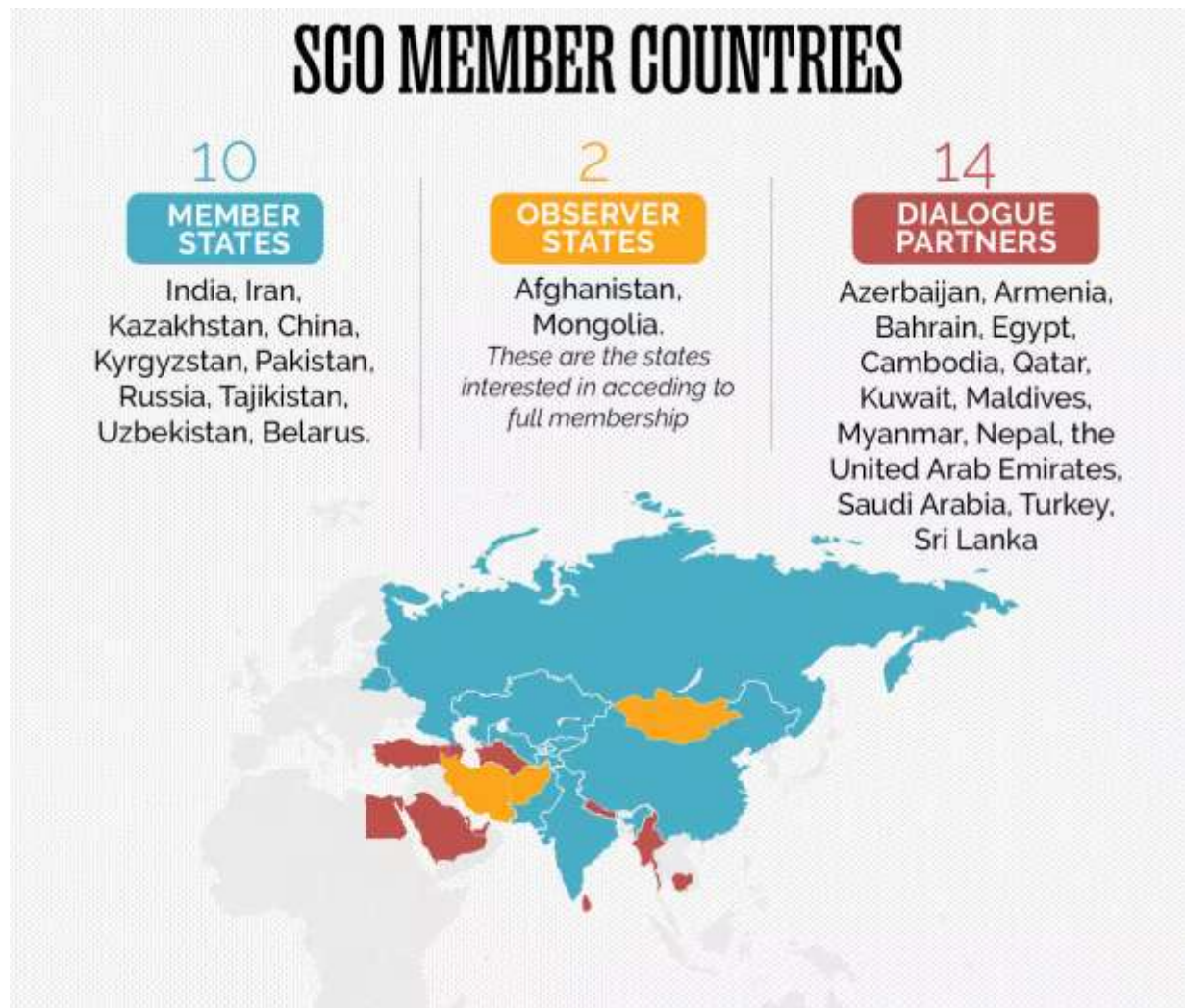
- India
- Pakistan

'23 '24

- Belarus
- Iran



In addition to official member states, the SCO has one observer state and **14** dialogue partners



### 3. What are the objectives of SCO?

- The primary objectives of the **SCO** include **fostering mutual trust and enhancing cooperation** among member states.
- The organization underscores collaboration in various sectors such as **politics, trade, culture, education, energy, and environmental protection.**
- Furthermore, the **SCO is committed to maintaining regional peace and stability** and aims to create a **balanced international political and economic order.**
- It is often perceived as a **counterweight to NATO, with China and Russia positioning** it as a non-Western geopolitical platform.



## THE SCO: OBJECTIVES

- The Shanghai Cooperation Organisation (SCO) prioritises fostering mutual trust and good relations among its Member States.
- It works to enhance effective collaboration in areas such as politics, trade, economics, research, technology, culture, education, energy, transportation, tourism, and environmental protection, among others.
- It is committed to joint efforts aimed at maintaining regional peace, security, and stability, while advancing the creation of a democratic, just, and balanced international political and economic order.



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### 4. What is the venue of the SCO meet, and who all attended it?

- This year's summit is set to take place from **August 31 to September 1 in Tianjin**, a northern Chinese city on the **Bohai Sea**.
- According to the **Chinese reports**, the summit will gather more than **20 foreign leaders** and the **heads of 10 international organizations**.
- It was attended by **Prime Minister of the Republic of India Narendra Modi**, **President of the Republic of Belarus Alexander Lukashenko**, **President of the Islamic Republic of Iran Masoud Peseshkian**, **President of the Republic of Kazakhstan Kassym-**

**Jomart Tokayev, President of the Kyrgyz Republic Sadyr Japarov, Prime Minister of the Islamic Republic of Pakistan Shahbaz Sharif, President of the Russian Federation Vladimir Putin, President of the Republic of Tajikistan Emomali Rahmon, President of the Republic of Uzbekistan ShavkatMirziyoyev, SCO Secretary General NurlanYermekbayev and Director of the Executive Committee of the SCO Regional Anti-Terrorism Structure Ularbek Sharsheev.**



## **5. What makes this year SCO summit especially relevant?**

- This year's summit comes amid **Russia's ongoing war in Ukraine, Israel's genocide in Gaza** and continued occupation of the West Bank, **security tensions in South Asia** and the **Asia Pacific region**, and **Trump's global trade war**.
- "The summit is also **significant** because **I think that there is a belief amongst many that multilateralism is facing existential threats** because of the **United States's policies**, and that **SCO countries still stand for multilateralism and not for unilateralism**".
- The significance also lies in the optics and symbolism of the summit with China as the host.

- This is a time when the **US is burning bridges** with almost every country.
- So, in **President Xi's mind**, it is a **good time for China to position itself as a world power by showcasing** it has productive relations with many countries.

## 6. Enlist key takeaways from SCO summit 2025?

- The annual **Shanghai Cooperation Organization** summit has wound down in **Tianjin with signals of a closer relationship** among its members at a time when the world has been roiled by **U.S. trade policies** and tariffs.

Key takeaways	Description
<b>Thawing India-China relations</b>	<ul style="list-style-type: none"> <li>• <b>Indian Prime Minister Narendra Modi and Chinese President Xi Jinping</b> held their first meeting on <b>Chinese soil in seven years</b>, sharing a vision of being partners not rivals.</li> <li>• The leaders of the <b>world's two most populous nations</b>, representing some <b>2.8 billion people</b>, pledged to <b>step up cooperation</b> and work toward resolving their <b>long-running border dispute</b>.</li> <li>• The rapprochement comes as <b>both countries face pressure from steep U.S. tariffs</b>.</li> <li>• Still, <b>India remains wary of a flood of cheap Chinese imports</b> threatening its <b>domestic industries</b> and <b>border disputes</b> are far from resolved. <b>China's relationship</b> with Pakistan also remains a sticking point in the <b>New Delhi-Beijing relationship</b>.</li> </ul>





**Xi, Putin, Modi troika**

- The summit also captured **Xi, Modi and Russian President Vladimir Putin** holding hands and sharing a good laugh on the **sidelines of the SCO**, at a time when the **U.S. has charged India and China of fueling Moscow's war against Ukraine.**
- The **symbolism of the three leaders together projects China as an alternative to the U.S. as a partner.**



- **Trump** is “breathing new life” into the summit, giving **China a chance to frame its diplomacy** as more dependable than Washington's, said **Jeremy Chan**, a senior analyst at Eurasia Group.
- **PM Modi** told his **Russian counterpart** that **India and Russia stood side by side** even in difficult times after **Putin** called **Modi** his “dear friend,” describing their relations as “friendly and trusting.”

	
<p><b>AI partnership roadmap</b></p>	<ul style="list-style-type: none"> <li>• The <b>Tianjin Declaration of the SCO Council</b> reaffirmed commitments to <b>strengthen artificial intelligence cooperation</b>, underscoring “<b>equal rights of all countries to develop and use AI.</b>”</li> <li>• The <b>SCO members</b>, in a <b>joint declaration</b>, pledged to <b>cooperate on reducing risks and improving the security and accountability of AI</b> for the benefits of humanity</li> </ul>
<p><b>A new development bank</b></p>	<ul style="list-style-type: none"> <li>• Some member states agreed to set up an <b>SCO development bank</b>, what would be a <b>significant step in the bloc’s long-standing goal of establishing an alternative payment system</b> that reduces reliance on the U.S. dollar.</li> </ul>

	<p>⚡ <b>BREAKING</b></p> <p>SCO has agreed to set up a Development Bank to end the use of the dollar</p> <p>Member countries will link their payment systems through this bank</p> <p>The SCO Development Bank will also fund major infrastructure projects</p> 
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## 7. What is the importance of SCO for India?

- **India's** involvement in the **SCO** enhances its **international standing** and provides better access to **regional markets** while **strengthening politico-strategic ties**.
- The organisation serves as a platform for **India to engage in multi-level cooperation** concerning **security, trade, investment, and energy needs**.
- Participation in the **SCO's Regional Anti-Terrorist Structure (RATS)** is particularly beneficial, as it allows India to gather **crucial intelligence on terrorism and drug trafficking**, addressing shared security challenges effectively.





## WHY IS IT IMPORTANT FOR INDIA


**India's presence** in a Eurasian body enhances its international standing, granting better access to regional markets and strengthening politico-strategic ties. This membership serves as a natural extension of India's ties with Eurasia.

**The SCO offers India** a platform for multi-level engagement and cooperation -- for security, trade and investment, energy needs etc.

**It helps India** address the shared security challenges. By participating in the SCO's Regional Anti-Terrorist Structure (RATS), India gains critical intelligence on terrorist and drug-trafficking activities.

## 8. What is the history of India- China relation?

Pre Independence	
<b>Antiquity</b>	<ul style="list-style-type: none"> <li>• <b>China and India</b> have also had some contact before the <b>transmission of Buddhism</b>.</li> <li>• References to a people called the <b>Chinas</b>, are found in <b>ancient Indian literature</b>.</li> <li>• The Indian epic <b>Mahabharata (c. 5th century BCE)</b> contains references to "<b>China</b>", which may have been referring to the <b>Qin state which later became the Qin dynasty</b>.</li> </ul>

	
<b>Middle Ages</b>	<ul style="list-style-type: none"> <li>• From the 1st century onwards, many Indian scholars and monks traveled to China, such as <b>Batuo (464–495 CE) first abbot of the Shaolin Monastery and Bodhidharma founder of Chan/Zen Buddhism</b>—while many Chinese scholars and monks also traveled to India, such as <b>Xuanzang ( 604) and I Ching (635–713)</b>, both of whom were students at <b>Nalanda University in Bihar</b>.</li> </ul>
<b>Tang and Harsha dynasties</b>	<ul style="list-style-type: none"> <li>• During the <b>7th century, Tang dynasty China</b> gained control over large portions of the <b>Silk Road and Central Asia</b>.</li> <li>• In <b>649, the Chinese general Wang Xuance</b>, along with thousands of recruited <b>Tibetan and Nepalese troops</b>, briefly invaded North India and won the battle.</li> <li>• During the <b>8th century, the astronomical table</b> of sines by the Indian astronomer and mathematician, <b>Aryabhatta (476–550)</b>, were translated into the <b>Chinese astronomical and mathematical book of the Treatise on Astrology of the Kaiyuan Era (Kaiyuan Zhanjing)</b>, compiled in <b>718 CE</b> during the Tang dynasty.</li> </ul>

	<ul style="list-style-type: none"> <li>• The <b>Kaiyuan Zhanjing</b> was compiled by <b>Gautama Siddha</b>, an astronomer and astrologer born in Chang'an, and whose family was originally from India.</li> <li>• He was also notable for his translation of the <b>Navagraha calendar into Chinese</b>.</li> </ul>
<b>Yuan dynasty</b>	<ul style="list-style-type: none"> <li>• <b>Tamil Hindu Indian merchants</b> traded in <b>Quanzhou</b> during the <b>Yuan dynasty</b>.</li> <li>• Hindu statues were found in <b>Quanzhou</b> dating to this period.</li> </ul>
<b>Ming dynasty</b>	<ul style="list-style-type: none"> <li>• Between <b>1405 and 1433</b>, <b>Ming dynasty</b> China sponsored a series of seven naval expeditions led by <b>Admiral Zheng He</b>.</li> <li>• <b>Zheng He</b> visited numerous Indian kingdoms and ports, including the <b>Malabar coast, Bengal, and Ceylon, the Persian Gulf, Arabia</b>, and later expeditions ventured down as far as <b>Malindi in what is now Kenya</b>.</li> </ul>
<b>Qing dynasty</b>	<ul style="list-style-type: none"> <li>• The <b>Bhois of Orissa</b> maintained minor maritime trade links with <b>China</b>.</li> <li>• Many of the <b>gosains entering Tibet from China</b> passed through the territory of <b>Birakisore Deva I of Khurda (1736–1793)</b> who styled himself as <b>Gajapati, the ruler of Utkala</b>, when visiting the <b>Jagannath temple at Puri</b>.</li> <li>• The reign of <b>Tipu Sultan in Mysore</b> saw <b>Chinese technology used for sugar production</b>, and sandalwood was exported to <b>China</b>.</li> </ul>



	<ul style="list-style-type: none"> <li>• <b>Tipu's and Mysore's tryst with silk</b> began in the early <b>1780s</b> when he received a silk cloth from an ambassador from the <b>Qing dynasty-ruled China</b> at his court.</li> <li>• <b>Tipu was said to be enchanted</b> by the item to such an extent that he resolved to introduce its production in his kingdom.</li> <li>• He sent a return journey to <b>China, which returned after twelve years</b></li> </ul>
<b>Sino-Sikh War</b>	<ul style="list-style-type: none"> <li>• In the <b>18th to 19th centuries</b>, the Sikh Empire expanded into neighbouring lands. It had annexed <b>Ladakh into the state of Jammu in 1834.</b></li> <li>• In <b>1841</b>, they had some <b>conflicts with Chinese</b> forces; neither side wished to <b>continue the conflict</b>, as the <b>Sikhs were embroiled in tensions with the British</b> that would lead up to the <b>First Anglo-Sikh War</b>, while the Chinese were in the midst of the <b>First Opium War</b>.</li> </ul>
<b>British Raj</b>	<ul style="list-style-type: none"> <li>• <b>Epitaph of Major Hsiao Chu Ching at Jairampur cemetery Indian soldiers</b>, known as "<b>sepoys</b>", who were in British service participated in the <b>First and Second Opium Wars against Qing China.</b></li> <li>• Indian sepoys were also involved in the suppression of the <b>Boxer Rebellion in 1900</b>, in addition to serving as guards in the <b>British colony of Hong Kong and foreign concessions</b> such as the <b>Shanghai International Settlement.</b></li> </ul>
<b>Republic of China</b>	<ul style="list-style-type: none"> <li>• In <b>1924</b>, on his major tour of <b>several major Chinese cities</b>, <b>giving lectures</b> about using their shared <b>Asian</b></li> </ul>

	<p><b>values and traditional spirituality</b> to help together promote world peace, <b>Rabindranath Tagore was invited to Canton by Sun Yat-sen</b>, an invitation which he declined.</p> <ul style="list-style-type: none"> <li>• There was considerably mixed reception to Tagore from the <b>Chinese students and intellectuals</b>.</li> </ul>
<b>Post Independence</b>	
<b>1950s</b>	<ul style="list-style-type: none"> <li>• India established diplomatic relations with the <b>PRC on 1 April 1950</b>, the first <b>non-communist/socialist nation in Asia to do so</b>.</li> <li>• <b>Pakistan</b> continued to recognize the <b>ROC until 1951</b>.</li> <li>• <b>Jawaharlal Nehru</b>, the <b>first prime minister of India</b>, and <b>PRC premier Zhou Enlai</b> articulated a vision of an <b>internationalist foreign policy</b> governed by the ethics of the <b>Panchsheel (Five Principles of Peaceful Coexistence)</b>.</li> <li>• It is the popular perception that the catchphrase of <b>India's diplomacy with China in the 1950s</b> was <b>Hindi-Chini bhai-bhai</b>, which means, in Hindi, "<b>Indians and Chinese are brothers</b>".</li> <li>• Nehru sought to initiate a more direct dialogue between the peoples of <b>China and India in culture and literature</b>.</li> <li>• After signing the <b>1954 agreement</b>, India published new maps showing defined borders, as it became apprehensive that <b>China might make claims on Indian territory</b>.</li> <li>• <b>Two major territorial disputes</b> existed between <b>China and India</b>, which remained dormant until <b>1959</b>.</li> </ul>

	<ul style="list-style-type: none"> <li>• In the northeast, Indian territory included the <b>Assam Himalayan region up to the McMahon Line</b>, which China did not recognise as a legal boundary.</li> <li>• In the <b>western sector</b>, Indian territory inherited from the <b>British Raj included the Aksai Chin plateau</b>, which <b>Chinese maps started showing as Chinese territory in the 1940s</b>.</li> <li>• In March 1959, the <b>Dalai Lama, spiritual and temporal head of the Tibet</b>, sought sanctuary in <b>Dharmasala, Himachal Pradesh</b>, where he established the <b>Tibetan government-in-exile</b>.</li> </ul>
<b>1960s</b>	<ul style="list-style-type: none"> <li>• <b>Sino-Indian War, (October 20–November 20, 1962)</b>, conflict between <b>India and China</b>, centered primarily on the disputed <b>Aksai Chin region</b> along those countries' borders.</li> <li>• The <b>partition of India (1947)</b>, which took place just as the <b>Cold War</b> began transforming the <b>landscape of international relations</b> worldwide, left a set of border disputes in the <b>Indian subcontinent</b> where <b>India, Pakistan, and China converged</b>.</li> <li>• The regime in <b>Beijing, after suppressing the buffer state of Tibet in 1950</b>, began disputing the border with India at several points between the <b>Himalayan countries of Nepal, Bhutan, and the state of Sikkim</b>.</li> <li>• <b>Aksai Chin</b> in particular had been a <b>long-ignored corner of the subcontinent</b> because of its remoteness and isolation.</li> <li>• However, this changed when the <b>Chinese</b> tried to connect <b>Tibet with Xinjiang</b> by building a <b>military road through the region</b>.</li> </ul>



	<ul style="list-style-type: none"> <li>• India objected to the <b>Chinese presence in the sector</b>, which it claimed as part of the <b>Ladakh region under Indian administration</b>.</li> <li>• Relations between the <b>PRC and India</b> deteriorated during the rest of the <b>1960s and the early 1970s</b>, while <b>China–Pakistan relations</b> improved and <b>Sino-Soviet relations</b> worsened.</li> </ul>
<b>1970s</b>	<ul style="list-style-type: none"> <li>• In <b>August 1971</b>, India signed a <b>Treaty of Peace, Friendship, and Co-operation with the Soviet Union</b>.</li> <li>• The <b>PRC sided with Pakistan</b> in its <b>December 1971 war with India</b>.</li> <li>• India and the PRC renewed efforts to improve relations after <b>Indian Prime Minister Indira Gandhi's Congress party lost the 1977 elections</b> to <b>Morarji Desai's Janata Party</b>.</li> <li>• In 1978, the <b>Indian Minister of External Affairs Atal Bihari Vajpayee</b> made a landmark visit to Beijing, an impetus to both countries to officially <b>re-establish diplomatic relations in 1979</b>.</li> </ul>
<b>1980s</b>	<ul style="list-style-type: none"> <li>• In <b>1981</b>, the <b>Minister of Foreign Affairs of the People's Republic of China, Huang Hua</b>, made a landmark visit to <b>New Delhi</b>.</li> <li>• In <b>1980</b>, <b>Indian Prime Minister Indira Gandhi approved</b> a plan to upgrade the deployment of forces around the <b>Line of Actual Control</b>.</li> <li>• India also undertook <b>infrastructural development in disputed areas</b>.</li> <li>• In 1984, squads of <b>Indian soldiers began</b> actively patrolling the <b>Sumdorong Chu Valley in Arunachal Pradesh</b>.</li> </ul>

	<ul style="list-style-type: none"> <li>• In the winter of 1986, the <b>Chinese deployed their troops to the Sumdorong Chu</b> before the Indian team could arrive and built a helipad at Wandung.</li> <li>• Surprised by the <b>Chinese occupation</b>, India's then <b>Chief of Army Staff, General K.Sundarji</b>, airlifted a brigade to the region.</li> <li>• India and the <b>PRC held eight rounds</b> of border negotiations between <b>December 1981 and November 1987</b>.</li> <li>• A warming trend in relations was facilitated by <b>Rajiv Gandhi's visit to China in December 1988</b>.</li> <li>• The two sides issued a joint communiqué that stressed the need to <b>restore friendly relations on the basis of the Panchsheel</b>.</li> <li>• India and the <b>People's Republic of China agreed to achieve a "fair and reasonable settlement while seeking a mutually acceptable solution"</b> to the border dispute.</li> </ul>
<b>1990s</b>	<ul style="list-style-type: none"> <li>• Top-level dialogue continued with the <b>December 1991</b> visit of PRC premier <b>Li Peng to India</b> and the <b>May 1992 visit to China</b> of Indian president <b>R. Venkataraman</b>.</li> <li>• Six rounds of talks of the <b>Indian-Chinese Joint Working Group</b> on the <b>Border Issue</b> were held between <b>December 1988 and June 1993</b>.</li> <li>• Progress was also made in reducing tensions on the border via mutual troop reductions, regular meetings of local military commanders, and advance <b>notification about military exercises</b>.</li> </ul>

	<ul style="list-style-type: none"> <li>• In <b>July 1992</b>, <b>Sharad Pawar</b> visited <b>Beijing</b>, the first Indian Minister of Defence to do so.</li> <li>• <b>Consulates reopened in Bombay (Mumbai) and Shanghai in December 1992.</b></li> <li>• China-Indian relations hit a low point in <b>1998</b> following <b>India's nuclear tests.</b></li> <li>• During the <b>1999 Kargil War</b>, <b>China</b> voiced support for <b>Pakistan</b>, but also counseled <b>Pakistan</b> to <b>withdraw its forces.</b></li> </ul>
<b>2000s</b>	<ul style="list-style-type: none"> <li>• In <b>2004</b>, the two countries proposed opening up the <b>Nathula and Jelepale Passes in Sikkim.</b></li> <li>• <b>2004</b> was a milestone in <b>India-China</b> bilateral trade, surpassing the <b>US\$10 billion</b> mark for the first time.</li> <li>• In the <b>South Asian Association for Regional Cooperation (SAARC) Summit in 2005</b>, China was granted observer status.</li> <li>• While other countries in the region are ready to consider <b>China for permanent membership</b> in the <b>SAARC</b>, <b>India</b> seemed reluctant.</li> </ul>
<b>2010s</b>	<ul style="list-style-type: none"> <li>• <b>Chinese Premier Wen Jiabao</b> paid an official visit to India from <b>15 to 17 December 2010</b>, at the invitation of <b>Prime Minister Manmohan Singh.</b></li> <li>• In <b>April 2011</b>, during the <b>BRICS summit in Sanya, Hainan, China</b>, the two countries agreed to restore <b>defence cooperation</b> and <b>China</b> had hinted that it may reverse its policy of administering stapled visas to residents of <b>Jammu and Kashmir.</b></li> <li>• The <b>2013 Depsang standoff</b> lasted for three weeks, before being defused on <b>5 May 2013.</b></li> </ul>



- **General Secretary of the Chinese Communist Party Xi Jinping** was one of the top world leaders to visit **New Delhi** after **Narendra Modi** took over as **Prime Minister of India** in 2014.
- In **September 2014**, the relationship took a sting as troops of the **People's Liberation Army** reportedly **entered two kilometres** inside the **Line of Actual Control** in the **Chumar** sector.
- The next month, **V. K. Singh** said that **China** and **India** had come to a "**convergence of views**" on the threat of terrorism emanating from **Pakistan**.
- Disruptions have risen again due to **China** building trade routes, the **China–Pakistan Economic Corridor**, with **Pakistan** on disputed **Kashmir** territory.
- On **16 June 2017**, **Chinese** troops with construction vehicles and road-building equipment began extending an existing road southward in **Doklam**, a territory which is claimed by both **China** as well as **India's ally Bhutan**.
- On **28 August 2017**, **China** and **India** reached a consensus to end the border **stand-off**.
- In **May 2018**, the two countries agreed to coordinate their **development programmes in Afghanistan** in the areas of **health, education, and food security**.
- On 11 October 2019, **Chinese leader Xi Jinping** met with Indian **Prime Minister Narendra Modi** at **Mahabalipuram, Tamil Nadu, India**, for a second informal meeting between **India and China**.
- **Modi and Xi Jinping** met **18 times** between **2014 and 2019**.




2020s	<ul style="list-style-type: none"><li>• On <b>10 May 2020</b>, <b>Chinese and Indian troops clashed in Nathu La, Sikkim</b>, leaving 11 soldiers injured.</li><li>• On <b>29 June 2020</b>, the Indian government banned <b>59 widely used Chinese mobile phone</b> and desktop applications in response to rising tensions and escalating diplomatic dispute between the two nations.</li><li>• On <b>27 October 2020</b>, the <b>United States and India signed the Basic Exchange and Cooperation Agreement</b>, enabling greater information-sharing and further <b>defense cooperation</b>, to counter China's growing military power in the region.</li><li>• In <b>September 2022</b>, <b>India and China</b> pulled back soldiers from a friction point along the line of actual control.</li><li>• According to <b>India's Ministry for External Affairs</b>, the situation on the Line of Actual Control is "still not normal".</li><li>• On <b>25 August 2023</b> during the <b>15th BRICS summit in Johannesburg, South Africa</b>, <b>Modi and Xi</b> spoke on the <b>summit's sidelines</b> where they agreed to deescalate tensions at the border.</li></ul>
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## 9. What are the five principles of Panchsheel?



- After **India's independence in 1947** and the creation of the **People's Republic of China (PRC)**, the two countries tried to **frame terms of engagement**. One of the sticking issues was the fate of Tibet.
- After many rounds of negotiations, on **April 29, 1954, Agreement on Trade and Intercourse between the Tibet region of China and India was signed**, which included the **delineation of Panchsheel**, or the **Five Principles of Peaceful Co-existence**.
- The principles are:
  - **Mutual respect for each other's territorial integrity and sovereignty.**
  - **Mutual non-aggression.**
  - **Mutual non-interference.**
  - **Equality and mutual benefit.**
  - **Peaceful coexistence.**

## 10. Enlist key milestones in India-China relations?

Milestones	Description
<b>Panchsheel Agreement (1954)</b>	<ul style="list-style-type: none"> <li>The five principles of peaceful coexistence laid a foundation for diplomatic engagement.</li> </ul> 
<b>Sino-Indian War (1962)</b>	<ul style="list-style-type: none"> <li>This conflict over border disputes severely damaged relations.</li> </ul>   <p><b>UNEVEN CLASH:</b> Crowds greet Indian troops; a protest march by Hindu Mahasabha against Zhou Enlai (left)</p> <p><b>3,250</b> Indian defence personnel killed</p> <p><b>43,000</b> SQ KM Of Indian territory lost</p> <p><b>1962</b> Hindi Chini bhai bhai. The euphoric chant that surged through India after its historic peace treaty with China in the mid-1950s turned into a chastising whimper when a border skirmish in 1962 ended in a shattering defeat for the Indian forces. It dealt a blow to prime minister Jawaharlal Nehru's invincibility, who died a sad leader two years later. It also changed India's policy on armed forces—money was pumped into building a strong army besides speeding up the nuclear weapons programme—and on non-alignment, that had India tilting towards the Soviet Union. Forty years on, the border dispute continues to frazzle India-China relations.</p>



### Normalization Efforts (1988-1993)

- Prime Minister **Rajiv Gandhi's 1988 visit to China** marked a **thaw**, leading to agreements on peace and tranquility along the border.



### Bilateral Trade Boom (2000s)

- **Economic engagement surged**, making **China** one of **India's largest trading partners**.

#### The Chinese-Indian Trade Relationship

Trade in selected goods between China and India in 2023\*



▲ ▼ % change since 2019

##### Chinese exports to India

Electronics and machinery	\$70.3B	▲ +104%
Chemical products	\$20.3B	▲ +56%
Metals	\$8.4B	▲ +42%
Plastics and rubber	\$6.4B	▲ +83%
Textiles	\$5.0B	▲ +35%

##### Indian exports to China

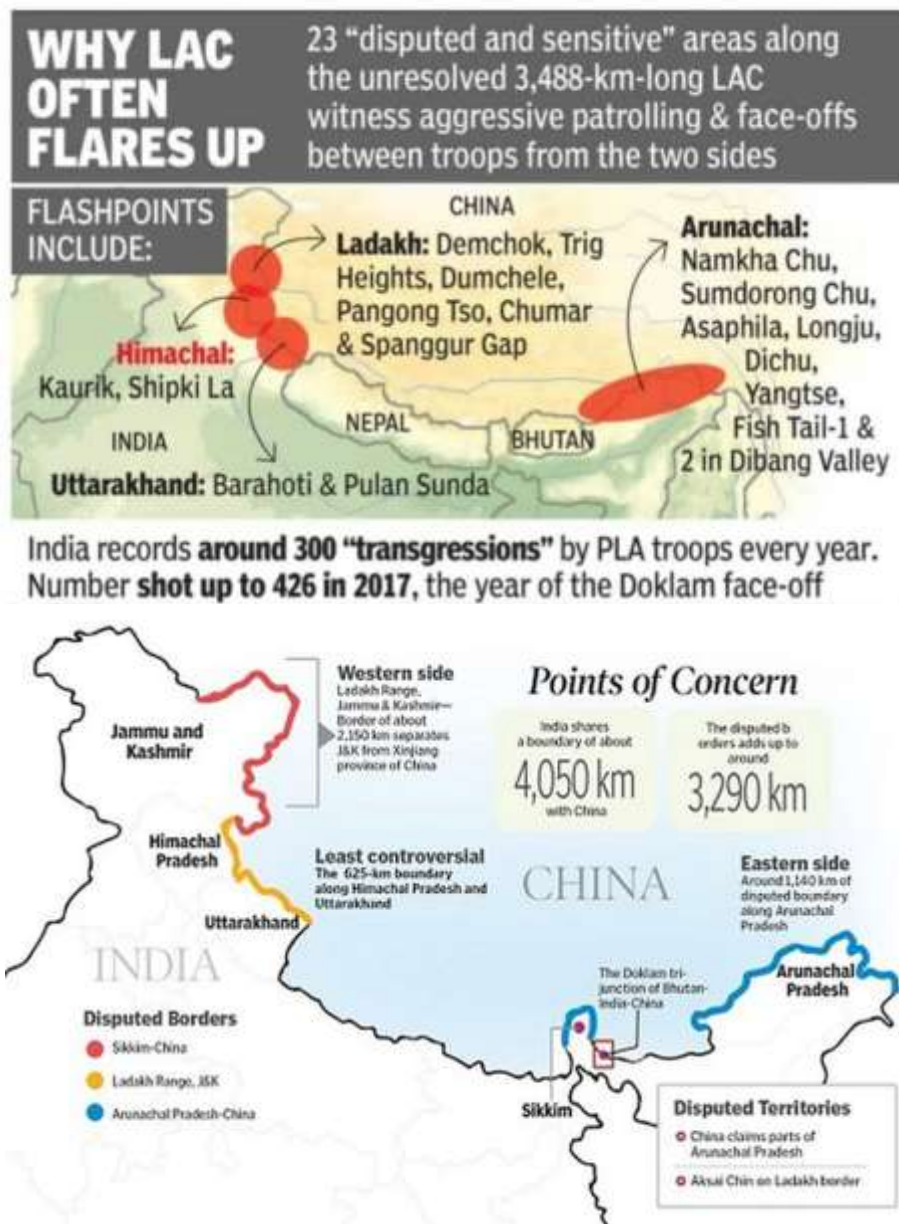
Minerals and oil	\$5.8B	▲ +9%
Chemical products	\$2.1B	▼ -43%
Electronics and machinery	\$1.9B	▲ +6%
Metals	\$1.3B	▲ +8%
Fish, Crustaceans, Molluscs	\$1.2B	▼ -8%

##### Total exports

China to India	\$125.0B	▲ +76%
India to China	\$18.1B	▼ -7%

## Border Clashes and Standoffs (2017 & 2020)

- The **Doklam standoff (2017)** and **Galwan Valley clashes (2020)** created fresh tensions.



## Recent Diplomatic Talks (2023-2024)

- Efforts have been made to **manage differences through diplomatic channels**.

## TIMELINE: INDIA-CHINA BORDER ROW

**June 2020**

20 Indian soldiers killed in the Galwan clash; India said ties won't normalize until disengagement is complete.



**Sept 2022**

India and China disengage from the Gogra-Hot Springs area after multiple rounds of talks.



**Dec 2022**

PLA soldiers intrude across the LAC in Yangtse, near Tawang; Indian troops confront incursion.

**Aug 2023**

PM Modi and President Xi agree to intensify disengagement efforts during Brics summit in Johannesburg.

**July-Aug 2024**

Back-to-back diplomatic talks held; Jaishankar meets Wang Yi twice to expedite disengagement.

**Oct 2024**

After over 4 years of heightened tensions and military standoffs in eastern Ladakh, India and China resolved their 54-month-long conflict. Both nations agreed to reinstate pre-2020 patrolling arrangements.









## 11. What kind of relationship do China and India have?

- **India and China** share a rivalry that stretches back to the years just after **India's independence in 1947**.
- They **initially enjoyed a brief friendship**, but when **China** took **control of Tibet in 1950** it left the two sides with their **first shared border in history**, giving rise to tensions.
- India's decision to grant asylum to the **Dalai Lama in 1959** following a failed uprising against Chinese rule led to the first major source of strain.
- Three years later, the two sides fought a **brief war over their disputed Himalayan border** that China decisively won.
- Left unresolved were competing claims in two key regions — **Aksai Chin in the west and Arunachal Pradesh in the east**.
- Ties remained strained through the **Cold War** as India grew closer to the **Soviet Union** — **China's then rival**.
- In recent decades, **China has pulled ahead rapidly** as the dominant economic power of the two, but the **post-Cold War** era also brought an **easing of tensions and growth in trade ties**.
- However, **Beijing's increasingly muscular foreign policy**, as well as its deepening intervention in **India's neighborhood** through its **Belt and Road infrastructure program**, sowed mistrust in New Delhi into the 2010s.
- Ties hit a fresh low after a border standoff in **Doklam, a region bordering Bhutan, in 2017**.
- Then, in **2020, a bloody border clash in Galwan** in the Indian region of **Ladakh** sent relations into a deep freeze.
- India suspended tourist visas for **Chinese nationals** and **erected restrictions against Chinese technology**.
- It banned the sale of telecom equipment made by **Huawei Technologies Co.** and **blocked Chinese video-sharing app TikTok**.

- More recently, India has applied increased scrutiny on inbound investments by **Chinese companies, including rejecting separate \$1 billion** investment proposals from **Chinese auto majors BYD Co. and Great Wall Motor Co.** to set up factories in the country.
- The renewed tensions also pushed India to cultivate closer ties with the **US, whose rivalry with China was also deepening.**
- Suspicions over **China** continue to simmer during India's brief clash with Pakistan this year.
- **Pakistan claimed Chinese-made J-10C jets** were used to shoot down five **Indian fighter jets during the conflict.**
- **India said China** also provided its enemy with air defense and satellite support.
- Separately, **China** has grown increasingly wary of India's push to take manufacturing market share, as **Beijing** makes it more difficult for employees and specialized equipment to leave its **shores and Chinese staff in India get recalled home.**
- Despite these frictions, **India and China have an important economic relationship.**
- China is **India's second-largest trading partner** behind the US thanks to India's appetite for Chinese consumer goods.
- The two sides traded **\$127 billion of goods** last year, although most of that **\$109 billion were Chinese exports to India.**

## **12. How does India need China?**

- India's **industrial ambitions increasingly hinge on access to Chinese technology.**
- For example, India imported nearly **\$48 billion worth of electronics and electrical equipment from China in 2024** which underscores just how much the country relies on **Chinese parts for its assembly of electronics, from smartphones to telecom networks.**
- Similarly, its **vaunted pharmaceutical industry** imports the majority of **active pharmaceutical ingredients from China.**

- India is also heavily reliant on **China for rare earth magnets** in order to meet its **ambitious goals in the electric vehicle, renewable energy and consumer electronics sectors**.
- **China's curbs on its rare earth magnet exports**, which hit India harder than other **manufacturing nations**, threatened to put its auto sector at a standstill.
- But it's not **just goods and hardware that India needs from China**.
- For its most critical technology needs **from EV batteries** to clean power storage and its ambitions to **build cheap, renewable solutions for its 1.4 billion people**, it also needs **China's skillset and technological know-how**.
- In these sectors, where **local expertise is lacking and alternatives are scarce**, some of the **country's biggest conglomerates** are quietly exploring partnerships with Chinese firms.
- Indian billionaire **Gautam Adani**, for example, **has visited China to meet executives at CATL**, the world's largest battery maker, and has held preliminary talks with **Chinese EV giant BYD** about a **potential battery manufacturing tie-up**.
- **Sajjan Jindal's JSW** has already struck a deal with **Chery Automobile Co.** to source **technology and components** for its **electric-vehicle push**.

### **13. How does China need India?**

- **Beijing too** has strong incentives to keep India close.
- With its **domestic growth slowing**, **China** sees India's consumer market, driven by its **mammoth population**, as one of its few **remaining expansion frontiers**.
- In 2024, India imported and sold approximately 156 million smartphones - this **rapid digital adoption** is a goldmine for Chinese device-makers **Xiaomi, Vivo and Oppo** that already dominate Indian sales.

- India, as the **world's third-largest car market** with roughly **4.3 million passenger vehicles sold in 2024**, is another target market.
- **Chinese automakers, notably BYD**, have openly targeted this growth, previously declaring ambitions to **capture up to 40% of India's auto market**.
- Beyond **supply chains**, **China's tech giants** have poured billions into India's startup ecosystem.
- Firms like **Alibaba Group Holding Ltd. and Tencent Holdings Ltd.** actively funded unicorns such as **Paytm, Zomato, Ola Electric and Byju's**, betting on India's **rising digital economy and consumer appetite**.
- And just as Indian firms see **benefits in partnering with Chinese companies**, **Chinese firms** too see advantages in **collaborating with their Indian counterparts** as they navigate **India's complex regulatory landscape** and seek access to one of the world's fastest-growing consumer markets.

#### **14. Are there signs that India and China's relationship is improving?**

- Steps by both countries to repair ties have **gained momentum in the last year**, with **high-level diplomatic visits** by officials from both sides and **greater outreach by business executives**.
- In July, **India's External Affairs Minister Subrahmanyam Jaishankar visited Beijing**, his first visit since 2020.
- In August, **China's Foreign Minister Wang Yi visited New Delhi** for the first time in three years.
- Both officials expressed a **renewed spirit of cooperation between the two countries**.
- There have been **other signs of a thaw**.


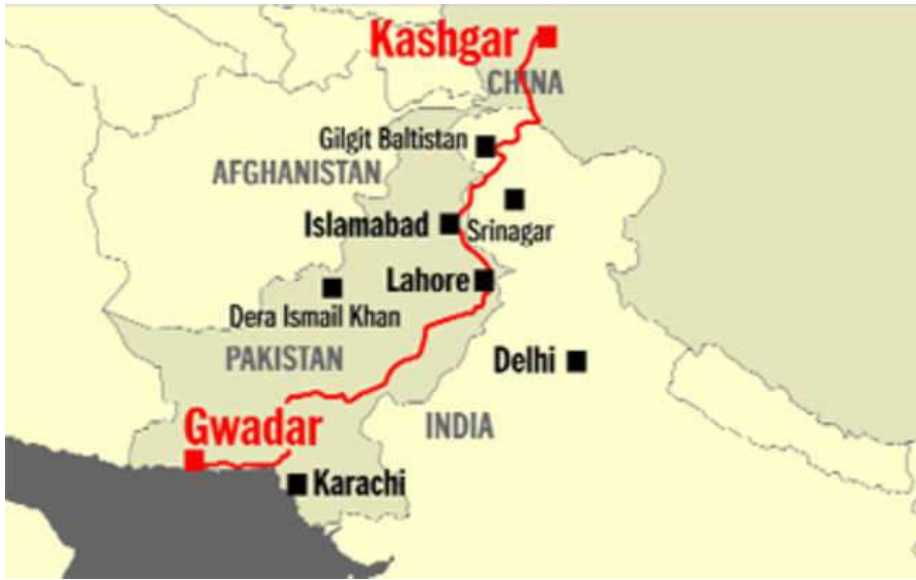



- Beijing has loosened **curbs on its urea exports to India**, New Delhi has reinstated tourist visas for **Chinese nationals and airlines** in India have been asked to prepare for the restoration of direct flights between the **two nations**.
- A big step toward improved relations came on **Aug. 31** when **Modi met with China's President Xi Jinping** at the **Shanghai Cooperation Organization summit in Tianjin**.
- During their meeting, according to **a top Indian official**, the leaders **discussed ways to increase and balance bilateral trade**, strengthen people-to-people ties, cooperate on **trans-border rivers and jointly fight terrorism**.
- Though the closer ties preceded the **beginning of the second Trump administration**, the thaw is driven to some extent by the **US's about-face on India**.
- **During Trump's first term** as president, the US saw India as a close partner in countering China.
- This time around Trump has taken a **tougher approach toward India**, slapping it with **high tariffs**, criticizing its **trade barriers and attacking it for its purchases of cheap Russian oil**.
- These moves have put **China and India in a similar corner** when it comes to **Trump's trade war**.

## 15. Highlight challenges in India- China relations?

- **India–China relations** are shaped by **cooperation in some areas** (trade, multilateral forums, climate negotiations) but **face deep-rooted challenges** that make the relationship one of cautious engagement mixed with rivalry.

Challenges	Description
<b>Border and Territorial</b>	<ul style="list-style-type: none"> <li>• The <b>Line of Actual Control (LAC)</b>, especially in <b>Aksai Chin</b> (claimed by India but controlled by</li> </ul>

<p><b>Disputes</b></p>	<p>China) and <b>Arunachal Pradesh</b> (claimed by China as “<b>South Tibet</b>”), remains disputed.</p>  <ul style="list-style-type: none"> <li>• Incidents like <b>Doklam (2017)</b> and the <b>Galwan clash (2020)</b> have heightened <b>mistrust and militarization along the border.</b></li> </ul>
<p><b>Strategic and Security Concerns</b></p>	<ul style="list-style-type: none"> <li>• <b>China’s close ties with Pakistan</b>, including the <b>China-Pakistan Economic Corridor (CPEC)</b> through PoK, threaten India’s sovereignty and security.</li> </ul> 

	<ul style="list-style-type: none"> <li>• <b>China's</b> naval presence and <b>“string of pearls”</b> strategy are seen as <b>attempts to encircle India</b>.</li> </ul>  <ul style="list-style-type: none"> <li>• India resists the <b>Belt and Road Initiative (BRI)</b> but deepens ties with <b>QUAD (US, Japan, Australia)</b>, which <b>China</b> perceives as <b>containment</b>.</li> </ul>
<p><b>Trade Imbalance and Economic Dependence</b></p>	<ul style="list-style-type: none"> <li>• <b>India</b> has a <b>large trade deficit</b> with <b>China</b>.</li> <li>• <b>India's trade deficit</b> with <b>China</b> for the fiscal year <b>2024-25</b> (April to March) reached a record <b>USD 99.2 billion</b>.</li> <li>• Dependence on <b>Chinese imports</b> in <b>critical sectors</b>: electronics, <b>APIs (pharmaceuticals)</b>, <b>solar equipment</b>, and <b>telecom gear</b>.</li> </ul>


## India's Trade Deficit with China



## India's Dependence on China


Sector / Product	Dependence on China
Erythromycin	97.70%
Antibiotics	88.10%
Silicon Wafers	96.80%
Flat Panel Displays	86.00%
Computer Monitors	66.80%
Solar Cells	82.70%
Solar Panels	79.00%
Lithium-Ion Batteries	75.20%
Battery Chargers	68.20%
Electric Inverters	72.00%
Laptops & Tablets	80.50%
Smartphones	58.80%
Smartphone Components	55.40%
Smartphone Parts	51.70%



<p><b>Geopolitical Rivalry in Asia and Beyond</b></p>	<ul style="list-style-type: none"> <li>• <b>China's growing presence in Nepal, Sri Lanka, Bangladesh, and Maldives</b> reduces <b>India's influence</b> in its own neighborhood.</li> <li>• <b>India seeks UNSC permanent membership</b>, but <b>China blocks</b> or delays initiatives.</li> </ul>
<p><b>Use of veto to support pakistan based terrorist</b></p>	<ul style="list-style-type: none"> <li>• <b>China</b> has frequently blocked or <b>delayed the United Nations (UN)</b> from <b>designating Pakistan-based individuals</b> or groups as <b>global terrorists</b>.</li> <li>• <b>China</b> has been <b>criticized for using its UN Security Council veto power</b> to block attempts to list <b>Pakistan-based terrorists</b> and terrorist organizations, such as <b>Masood Azhar and Sajid Mir</b>, thereby providing a "<b>shield</b>" to Pakistan-based groups like <b>Lashkar-e-Taiba (LeT)</b>.</li> </ul>
<p><b>Water and Environmental Issues</b></p>	<ul style="list-style-type: none"> <li>• <b>China</b> controls the <b>upper reaches of major rivers</b> (Brahmaputra, Indus tributaries).</li> <li>• Concerns over <b>Chinese dams and diversions</b> on the Brahmaputra could <b>impact India's water security</b>.</li> </ul> 

## 16. Enlist key recent initiatives to restore India-China relationship?

Initiatives	Description		
<b>Border Confidence-Building Measures (CBMs)</b>	<ul style="list-style-type: none"> <li> <b>2024 Border Patrol Agreement (October 2024):</b> <ul style="list-style-type: none"> <li>India and China agreed to <b>restore pre-2020 patrolling arrangements</b> in sectors like <b>Depsang Plains and Demchok</b>, helping defuse long-standing face-offs.</li> </ul> </li> </ul> <div style="border: 1px solid black; padding: 10px; margin: 10px 0;"> <p style="text-align: center;"><b>BORDER MILESTONES</b></p> <table style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p><b>OCTOBER 2024:</b> Border patrol deal restores pre-2020 rights in sensitive areas like Depsang Plains and Demchok.</p> <p><b>JUNE 2025:</b> At Defence Ministers' meeting, India seeks "structured road-map" for better border management.</p> </td><td style="width: 50%; vertical-align: top;"> <p><b>AUGUST 2025:</b> 24th round of boundary talks held with Chinese FM Wang Yi's visit; focus on easing tensions, boosting economic ties and addressing India's concerns over Chinese export curbs. Both pledge to maintain 'peace and tranquility' along the LAC.</p> </td></tr> </table> </div> <ul style="list-style-type: none"> <li> <b>Special Representative (SR) Mechanism Reinforced (Dec 2024 onward):</b> <ul style="list-style-type: none"> <li>SR dialogues restarted, <b>boosting structured engagement.</b></li> <li>Agreements were reached on regulated patrolling and disengagement at sensitive points along the LAC.</li> </ul> </li> </ul>	<p><b>OCTOBER 2024:</b> Border patrol deal restores pre-2020 rights in sensitive areas like Depsang Plains and Demchok.</p> <p><b>JUNE 2025:</b> At Defence Ministers' meeting, India seeks "structured road-map" for better border management.</p>	<p><b>AUGUST 2025:</b> 24th round of boundary talks held with Chinese FM Wang Yi's visit; focus on easing tensions, boosting economic ties and addressing India's concerns over Chinese export curbs. Both pledge to maintain 'peace and tranquility' along the LAC.</p>
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	 <p>India, China agree on New Border Mechanisms, Trade and Travel boost in 24th SR talks</p> <ul style="list-style-type: none"> <li>• <b>New Working-Level Border Mechanisms (August 2025):</b> <ul style="list-style-type: none"> <li>▪ Established expert groups under the <b>Working Mechanism for Consultation and Coordination (WMCC)</b>.</li> <li>▪ Aimed at enhancing <b>stability across western, middle, and eastern sectors of the LAC</b>.</li> </ul> </li> </ul>
<p><b>People-to-People and Cultural Connectivity</b></p>	<ul style="list-style-type: none"> <li>• <b>Resumption of Kailash Mansarovar Yatra (Summer 2025):</b> <ul style="list-style-type: none"> <li>▪ <b>Pilgrimage</b> reopened after a <b>hiatus since 2020</b>, symbolizing <b>cultural outreach</b> and goodwill.</li> </ul> </li> </ul>

India & China has agreed on  
Resumption of 'Kailash Mansarovar  
Yatra' 🏴

Both countries also agrees Cross  
border river cooperation & Nathula  
border trade 🔥



- **Reopening of Direct Flights & Visa Facilitation:**
  - Both countries **agreed in principle to restore air connectivity.**
  - Efforts underway to revise **Air Services Agreement** and speed up visa issuance for tourists, journalists, and businesses.



	 <p><b>Key Diplomatic &amp; Travel Updates</b></p> <ul style="list-style-type: none"> <li>• India and China have agreed to resume direct flights between the two countries</li> <li>• Border trade will reopen at three points, boosting economic exchange</li> <li>• Visa facilitation will ease travel for citizens</li> <li>• Talks continue on boundary management and de-escalation</li> </ul>
<p><b>High-Level Engagements &amp; Dialogue Resumption</b></p>	<ul style="list-style-type: none"> <li>• <b>Foreign Minister Wang Yi's visit to New Delhi (August 18–19, 2025):</b> <ul style="list-style-type: none"> <li>▪ Co-chaired the <b>24th round of Special Representatives (SR)</b> talks with NSA Ajit Doval.</li> <li>▪ Resulted in <b>concrete agreements</b> to resume <b>direct flights</b>, <b>border trade</b>, <b>Kailash Mansarovar Yatra</b>, and improve visa facilitation.</li> <li>▪ Enhanced <b>mechanisms for border and river data sharing</b> were also agreed upon.</li> </ul> </li> </ul>





**Economic and Trade Confidence Building**


- **Reopening Border Trade Routes:**
  - Discussions underway to resume trade through Lipulekh, Shipki La, and Nathu La border passes.


## Lipulekh Pass

### To Reopen India-China Border Trade


India and China agreed to reopen border trade through the **Lipulekh Pass** in Uttarakhand, reviving a route closed since the **1962 war**






The **trade route** was active between India and Tibet since 1954.

The pass connects **India to Tibet's Taklakot market**, enabling export of local handicrafts, herbs, and agricultural goods from India and imports of electronics and clothes from China



This reopening is expected to **create jobs**, **revive deserted border villages**, and support the Kailash-Mansarovar pilgrimage



- **Lifting Export Restrictions:**

- China agreed to ease curbs on **rare-earth magnets, fertilisers, and tunnel-boring machines**—helping ease pressure on Indian industries.



## 17. How Modi-Xi meet will impact Indian stock market?

- According to market analysts, the **new leaf in India-China relations** has scope to positively impact the **Indian stock market**.
- From **sectoral impact to sentiments**.
- Here are 5 ways in which the **Modi-Xi meeting** may prove to be a mood booster for **Dalal Street bulls**.

Impact	Analysis
<b>Hedge against Trump tariff tensions</b>	<ul style="list-style-type: none"> <li>• The <b>2025 SCO Summit</b> comes at a critical juncture for <b>India's capital markets</b>, as <b>Donald Trump's steep 50% tariff package</b> on Indian exports has shaken investor confidence and raised fears of prolonged trade friction with the US.</li> <li>• According to <b>Ajit Mishra, SVP, Research, Religare Broking</b>, the <b>Russia-India-China (RIC) axis is a positive signal</b> as we grapple with the US tariffs issue.</li> </ul> <div data-bbox="545 800 1411 1656" data-label="Image"> <p><b>HEDGE AGAINST US TARIFFS</b></p> <ul style="list-style-type: none"> <li>■ RIC axis seen as positive amid Trump's steep tariff package</li> <li>■ Stronger trade with China, Russia may offset pressure on expo</li> </ul> <p>上海合作组织成员国元首理事会第二十五次会议</p> </div> <ul style="list-style-type: none"> <li>• It is further highlighted that both <b>China and Russia are now opening their economies</b> further to India, helping redirect trade flows and reduce the <b>sting of US tariffs</b>.</li> </ul>



<p><b>Reduced uncertainty in India-China relations</b></p>	<ul style="list-style-type: none"> <li>• <b>India-China relations</b>, which had soured over the years <b>amid border escalations</b> and the latter's support for <b>Pakistan</b>, <b>underwent a shift this week.</b></li> </ul> <div data-bbox="548 428 1414 1430"> <p><b>REDUCED UNCERTAINTY IN INDIA-CHINA TIES</b></p> <ul style="list-style-type: none"> <li>■ Border tensions and support for Pakistan had strained ties</li> <li>■ Talks signal lower geopolitical risk for markets</li> </ul> <p>上海合作组织成员国元首理事会第二十五次会议</p>  </div> <ul style="list-style-type: none"> <li>• This is another factor, according to <b>Mishra</b>, <b>that could bode well for the markets.</b></li> </ul>
<p><b>Boost for EVs and renewable sectors</b></p>	<ul style="list-style-type: none"> <li>• Rare earths are a big concern because they impact several sectors, <b>especially EVs and renewables.</b></li> </ul>

	<div data-bbox="548 205 1414 1129" data-label="Image"> </div> <ul style="list-style-type: none"> <li>■ <b>China assures India of rare earth supply</b></li> <li>■ <b>EV and renewable energy stocks rally on optimism</b></li> </ul> <ul style="list-style-type: none"> <li>● An official in New Delhi told reporters earlier in August that <b>China had assured India of supplies of fertiliser, rare earth and tunnel boring machines.</b></li> </ul>
<p><b>From aviation to tourism - Multiple sectors to gain</b></p>	<ul style="list-style-type: none"> <li>● <b>Closer coordination between Asia's largest economies offers India access to Chinese expertise in solar technology, electric mobility, and large-scale infrastructure execution, accelerating renewable capacity growth and reducing costs for green energy adoption,</b> said Harshal Dasani, Business Head at INVasset PMS.</li> </ul>

	<div data-bbox="548 205 1404 1218" data-label="Image"> </div> <ul style="list-style-type: none"> <li>• Sectors like <b>shipping and logistics</b> could see <b>tailwinds</b> as this <b>trilateral alliance</b> promotes Eurasian trade routes and reduces Western dominance over supply chains, he added.</li> <li>• Meanwhile, the <b>opening of direct flights between India and China</b> also bodes well for sectors like <b>aviation and tourism</b>.</li> </ul>
<p><b>Long-term energy security</b></p>	<ul style="list-style-type: none"> <li>• <b>India</b> is the <b>world's third-largest oil consumer and importer</b>, and <b>cheap Russian crude oil</b> has helped keep a check on overall energy import costs.</li> </ul>

- Consequently, from a mere **1.7% share in total oil imports in 2019-20 (FY20)**, Russia's share increased to **35.1% in FY25**, and it is now the **biggest oil supplier to India**, according to a PTI report.



## 18. Will India and China fully mend their relationship?

- There are reasons to be skeptical that **India and China are headed for a full rapprochement** and there is **little indication that India plans to ditch** its tech curbs and other investment restrictions on **China anytime soon**.
- Memories of the **2020 border clash remain fresh on both sides**, and the border disputes that fueled the clashes remain unresolved.



- For India, **Becoming too dependent on China** risks repeating the vulnerabilities of the past.
  - Supply chain shocks, from **rare earth curbs** to export restrictions on key components, have shown how **Beijing can just as easily cut access as provide it.**
- For China, the **risk is more strategic.**
- **Beijing knows India** is on the same **development path China** once took, importing foreign know-how to **leapfrog into new industries.**
- That history makes **Beijing cautious about transferring** too much expertise, since India could emerge as a direct competitor in **green tech, electronics and clean mobility.**
- At stake is whether India can secure the technology it needs to meet **climate goals and build affordable solutions** for its vast population, or whether **China will limit access to protect its global dominance.**
- For **Chinese companies, the lure of India's market is immense**, but so too is the fear that today's partnerships could eventually seed a powerful rival.

## 19. What is the relevance of the topic for UPSC CSE?

- **For Prelims:** Shanghai Cooperation Organisation, Pahalgam attack, Kailash Manasarovar Yatra, BRICS, Line of Actual Control
- **For Mains:** India's foreign policy and strategic autonomy, India–China bilateral relations and border management

## Some previous years prelims questions.

- Q1. Belt and Road Initiative' is sometimes mentioned in the news in the context of the affairs of (2016)
- (a) African Union
  - (b) Brazil
  - (c) European Union
  - (d) China

**Ans: (d)**

## Some previous years mains questions.

- Q1. The China-Pakistan Economic Corridor (CPEC) is viewed as a cardinal subset of China's larger 'One Belt One Road' initiative. Give a brief description of CPEC and enumerate the reasons why India has distanced itself from the same. **(2018-15Marks)**
- Q2. "China is using its economic relations and positive trade surplus as tools to develop potential military power status in Asia". In the light of this statement, discuss its impact on India as her neighbour. **(2017-10Marks)**

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

### Board Suman Sharma mam:

- Are you aware about China's five finger policy?
- What is our status of trade with China? Can the volume of trade be sized down abruptly?
- China recently barred some Indian athletes, are you aware of the issue?

### Board Preeti Sudan mam:

- From which countries did we face the most cyber attacks? Apart from usual suspect China?

### Board Suman Sharma mam:

- What is five finger policy of China?

### Board Dinesh Dasa sir:

- You know China is facing Economic crisis and Pakistan is having internal turmoil, how do you see the future of CPEC?

## Some questions for QUIZ.

Q1. Consider the following Countries:

1. Pakistan
2. India
3. Iran
4. North Korea
5. Tajikistan

How many of the above countries are part of the SCO multilateral group?

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

**Ans: (c)**

## Some questions for POLL.

Q1. Do you think it is the right time to launch BRICS currency?

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

Q2. Should India quit QUAD grouping?

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

