

India's Proximity Archives July 2, 2025









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Delhi Policy Group

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ABOUT US

Founded in 1994, the Delhi Policy Group (DPG) is among India's oldest think tanks with its primary focus on strategic and international issues of critical national interest. DPG is a non-partisan institution and is independently funded by a non-profit Trust. Over past decades, DPG has established itself in both domestic and international circles and is widely recognised today among the top security think tanks of India and of Asia's major powers.

Since 2016, in keeping with India's increasing global profile, DPG has expanded its focus areas to include India's regional and global role and its policies in the Indo-Pacific. In a realist environment, DPG remains mindful of the need to align India's ambitions with matching strategies and capabilities, from diplomatic initiatives to security policy and military modernisation.

At a time of disruptive change in the global order, DPG aims to deliver research based, relevant, reliable and realist policy perspectives to an actively engaged public, both at home and abroad. DPG is deeply committed to the growth of India's national power and purpose, the security and prosperity of the people of India and India's contributions to the global public good. We remain firmly anchored within these foundational principles which have defined DPG since its inception.

India's Proximity Archives

India's Proximity Archives covers major developments in South Asia, East Asia, Southeast Asia, West Asia, Central Asia and Indian Ocean Region of strategic relevance to India, compiled from open-source media. The research team includes Shreyas Deshmukh, Sanket Joshi, Jayantika Rao T.V, Divya Rai and Arshiya Chaturvedi, Research Associates. Your comments and feedback can be addressed to Sanket Joshi at sanket@dpg.org.in.

Cover Images:

South Asia: During his visit to Bhutan, the Chief of the Indian Army, General Upendra Dwivedi, held a meeting with King Khesar Namgyel Jigme Wangchuck on July 1st, 2025. Source: <u>X/@adgpi</u>

East Asia: Mr. IWAYA Takeshi, Minister for Foreign Affairs of Japan met with Dr Subrahmanyam Jaishankar, the Minister of External Affairs of India, for a Japan-India Foreign Ministers' Meeting in Washington, D.C. Source: Ministry of Foreign Affairs of Japan

Central Asia: China's Defence Minister Dong Jun and India's Defence Minister Rajnath Singh met on the sidelines of the SCO Defence Ministers' Meeting in Qingdao on June 27, 2025. Source: Official X Handle/Rajnath Singh

Indian Ocean Region: INS Tamal is the Indian Navy's latest multi-role stealth guided missile frigate, commissioned on July 1, 2025 at the Yantar Shipyard in Kaliningrad, Russia. Source: X/@indiannavy

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South Asia

by

Shreyas Deshmukh

The India-Bhutan Development Cooperation Dialogue was convened in New Delhi on June 30. The bilateral talks included deliberation on the various elements of support and an assessment of the implementation progress of projects previously sanctioned. Implementation of 61 PTA projects (INR 49.58 billion) and 283 HICDPs (INR 4.17 billion) is underway in Bhutan, spanning numerous sectors. The Bhutanese delegation submitted the second installment of project proposals for the PTA initiative, slated for execution within the 13th FYP. Approval was granted by both sides for ten projects, valued at a total of 11.13 billion INR, and encompassing healthcare, connectivity, urban infrastructure, and the livestock sector. India's Chief of Army Staff (COAS), General Upendra Dwivedi, is undertaking a four-day visit to Bhutan, commencing June 30th. Gen. Dwivedi held meetings with the King of Bhutan Jigme Khesar Namgyel Wangchuck and Lt. Gen. Batoo Tshering, Chief Operations Officer of the Royal Bhutan Army, during his visit.

Bangladesh has officially designated August 8th as "New Bangladesh Day," commemorating the inauguration of the interim administration under Professor Muhammad Yunus. Also, the government has formally proclaimed August 5th to be observed as "July Uprising Day." To oversee the observance of the July and August mass uprisings, commemorating the anniversary of last year's student-led movement, a national committee of thirty-six members was convened. A 36-day program will be conducted from July 1st through August 5th to commemorate the anniversary.

There has been a positive shift in US-Pakistan relations this week. Pakistan has declared its intention to propose former <u>United States President Donald Trump</u> for the Nobel Peace Prize, emphasizing his contributions to last month's India-Pakistan ceasefire negotiations. Following the US attacks on Iran, members of the Pakistani opposition voiced strong disapproval of the government's response and called for an explanation of this highly <u>contentious decision</u>. On June 26, Secretary of State Marco Rubio and Pakistani Prime Minister Shehbaz Sharif engaged in discussions concerning Middle Eastern developments. Press releases indicate that both leaders recognized the necessity of collaboration to foster lasting peace between <u>Israel and Iran</u>. On June 24th, a virtual event was co-hosted by the U.S. Chargé d'Affaires to Pakistan, Ms. Natalie Baker, and Pakistan's Federal Minister of Energy (Petroleum), Mr. Ali Pervaiz Malik, to



explore commercial prospects within Pakistan's mining industry. The event was announced on the U.S. Department of State website.

Other Developments

India imposes land and sea port restrictions on jute from Bangladesh

36 Bangladeshis held in Malaysia over alleged militant ties

<u>India's Mazagon Dock to acquire control of Colombo Dockyard for US \$ 52.96mn</u>

China rolls over \$3.4 billion loans to Pakistan



Southeast Asia

by

Jayantika Rao T.V.

The Thailand-Cambodia border dispute has led to political turmoil in Bangkok, with the Constitutional Court suspending Prime Minister Paetongtarn Shinawatra from her duties on <u>July 1, 2025</u>. In announcing the decision, the court raised the possibility that Thailand would be in danger if the prime minister continued her role, citing leaked audio of her phone call with former Cambodian leader Hun Sen that provoked public anger. Paetongtarn will be suspended until the court reaches a final verdict. The Constitutional Court has ordered Paetongtarn to send all documents and evidence to present her case within 15 days. The court is then expected to further investigate the case.

The court may ask for more evidence and call witnesses before deciding on whether to allow her to stay in office. Conservative lawmakers accuse her of kowtowing to Cambodia and undermining the military, and allege she breached constitutional provisions requiring "evident integrity" and "ethical standards" among ministers.

On June 30, the Indian Embassy in Indonesia issued a clarification, stating that remarks made by Defence Attache Captain Shiv Kumar regarding Operation Sindoor were taken "out of context" and constitute a "misrepresentation" of the content of his presentation. The Embassy further stated that "The presentation conveyed that the Indian armed forces serve under civilian political leadership, unlike some other countries in our neighbourhood. It was also explained that the objective of Operation Sindoor was to target terrorist infrastructure and the Indian response was non-escalatory."

On <u>June 30</u>, the Indonesian Ambassador to India and Bhutan, Ina H. Krisnamurthi lauded the local currency transaction agreement signed between <u>India and Indonesia</u>. She further stated "On Indonesian trade outlook, the global demand for commodities like steel, foil and gold is steadily increasing while the digital economy is expected to experience significant growth, potentially reaching USD 150 billion by this year. Indonesia has a long-term strategy focused on digital transformation, energy transition and social resilience. Similar to India, aiming for a more sustainable and inclusive economy are sectors which may be attractive to our Indian partners".



Other Developments

Lithuania, Philippines sign pact to build alliance against aggression

China sanctions Philippine leader who probed Chinese spying, contested Beijing's South China Sea claims

Thailand gets PM for only one day after Paetongtarn Shinawatra suspended over ethical misconduct



East Asia

by

Arshiya Chaturvedi

On July 1, <u>Japanese Foreign Minister Iwaya Takeshi met his counterpart Indian External Affairs Minister Dr S. Jaishankar</u> on the sidelines of the Quad Foreign Ministers' Meeting in Washington D.C. Expressing his condolences for the recent plane crash in Gujarat, Minister Iwaya emphasised on the growing importance of Japan-India cooperation amid global challenges and the relevance of the Free and Open Indo-Pacific (FOIP) vision. EAM Dr. Jaishankar echoed the desire to deepen the Japan-India Special Strategic and Global Partnership and enhance collaboration across security, economic and peopleto-people domains, especially in light of Prime Minister Modi's upcoming visit to Japan. The two ministers reiterated their commitment towards promoting peace and stability in the region through the Quad.

On June 25, Chinese Foreign Minister Wang Yi met with EU diplomatic envoys in Beijing to mark the 50th anniversary of China-EU diplomatic ties and discuss the future of their relationship. Wang emphasising on the current turbulent world order, proposed three key principles: mutual respect for core interests, especially regarding the Taiwan issue; reaffirming the China-EU partnership as cooperative rather than competitive; and upholding multilateralism and the international order anchored in the UN system. He noted that China is committed to peaceful dialogue on global issues and its contributions through initiatives like the Belt and Road towards its vision of a shared future for humanity. EU envoys recognised China as a key global partner, and expressed their readiness to strengthen bilateral ties, collaborate in addressing global challenges, and promote peace and multilateral cooperation.

On June 25, Japanese Foreign Minister Iwaya Takeshi attended a meeting in The Hague with NATO Secretary General Mark Rutte and leaders from Indo-Pacific partners, including New Zealand, Australia, and South Korea. Iwaya emphasised the growing inseparability of security in the Indo-Pacific and Euro-Atlantic regions, highlighting threats such as unilateral changes to the status quo, Russia-North Korea military ties, and cyberattacks. Leaders from all participating countries discussed regional challenges, particularly concerns regarding the bellicosity of North Korea and Iran, and affirmed the need for deeper NATO-Indo-Pacific cooperation, including in the defence industrial complex. Secretary General Rutte expressed gratitude to the Indo-Pacific partners for supporting Ukraine and expressed commitment to strengthening practical collaboration moving forward.



Other Development

Taiwan jails 10 people for spying for China

Kim Jong-un pays rare public tribute to North Korean soldiers killed in Ukraine

South Korea's former president Yoon defies summons in martial law probe



West Asia

by

Sanket Joshi

On July 1, President Trump informed that Israel has "agreed to the necessary conditions" for a 60-day ceasefire in Gaza, during which the US will work with all parties to end the war. He warned Hamas that accepting the proposed ceasefire agreement would serve the broader interests of the Middle East; otherwise, the situation would likely deteriorate further for the Palestinian terror group. Hamas would receive the final ceasefire proposal from Qatar and Egypt, two Arab nations that have played a significant role in the peace negotiations in Gaza. Meanwhile, CIA Director John Ratcliffe confirmed that the US's airstrikes had delivered a major setback to Iran's nuclear program that would take years to overcome.

The Foreign Ministers of the G7, on June 30, called for the resumption of negotiations between Iran and the US to address Tehran's nuclear programme. Reacting to this, Iran's Foreign Minister, Abbas Araghchi, emphasised that Tehran is not prepared for an immediate resumption of talks with the US. He underscored that, in light of recent US airstrikes targeting Iranian nuclear facilities, Tehran is seeking assurances that Washington will refrain from conducting further military strikes during negotiations.

President Trump's executive order, signed on June 30, represents a notable policy shift toward Syria, as it <u>lifts sanctions on Syrian entities</u> deemed essential to the country's development, governmental operations, and the reconstruction of its social fabric. Israel and Syria's new regime are reportedly engaged in "advanced talks" aimed at <u>ending hostilities between the two countries</u>, with a specific focus on coordinating on security issues.

Other Developments

Iranian ambassador: Saudi Arabia played key role in preventing escalation

Lebanon drafts reply to US demand for Hezbollah to disarm, sources say

Saudi, Israel talks depend on ending Hamas rule in Gaza in favor of the Palestinian Authority

935 people killed in Israeli strikes on Iran, official says



Central Asia

by

Jayantika Rao T.V.

On June 26, India's Defence Minister Rajnath Singh refused to sign a joint statement at the Shanghai Cooperation Organisation (SCO) Defence Ministers' meeting held in Qingdao, China, as it would have diluted India's position on critical issues, particularly concerning terrorism and regional security. Ministry of External Affairs Spokesperson said that "Certain members, member countries, could not reach consensus on certain issues and hence the document could not be finalised on our side." He further stated that "India wanted concerns on terrorism reflected in the document, which was not acceptable to one particular country and therefore the statement was not adopted," he said, without naming the country. According to sources, Rajnath Singh refused to sign document as it did not mention anything about the Pahalgam terror attack, but it did mention militant activities in Balochistan.

Tensions flared between Baku and Moscow after two Azerbaijani nationals died under mysterious circumstances during a police raid on June 27 in the Siberian city of Yekaterinburg. Azerbaijan reacted by abruptly cancelling a Russian Deputy Prime Minister's visit to Baku and an Azeri parliamentary delegation's visit to Moscow. On June 30, Azerbaijani authorities detained two senior journalists from Sputnik Azerbaijan, the local arm of Russia's stateowned RIA news agency, after raiding their offices in Baku. Russia said that they were shocked at the actions of Azerbaijani security officials leading staff members away "with their arms twisted and their heads bowed, as though they were terrorists," adding, "This all looks like a deliberate step aimed at worsening relations between our countries".

On June 26, Almassadam Satkaliyev, the chair of Kazakhstan's nuclear energy agency, announced that the cost to build the country's first nuclear power station will be at least US\$ 14 billion. Kazakhstan has awarded the Russian nuclear entity Rosatom the contract to build the facility. Satkaliyev also dodged commenting on a statement made earlier by First Deputy Prime Minister Roman Sklyar, who suggested that a second nuclear power station due to be built by China's National Nuclear Corporation (CNNC) might actually be completed before the Rosatom facility.



Other Developments

Rumors of Chinese land deals spark public unease in Uzbekistan

<u>Defence Minister Rajnath Singh stresses defence collaboration with Belarus, Tajikistan, Kazakhstan at SCO meet</u>



Indian Ocean Region

by

Divya Rai

On July 1, the Indian Navy <u>commissioned</u> INS Tamal (F 71) at the Yantar Shipyard in Kaliningrad, Russia. INS Tamal is the eighth multi-role stealth frigate of Project 1135.6 and the second ship of the follow-on Tushil class, with the first ship, INS Tushil, commissioned in December 2024. All seven ships of this series are part of the Western Fleet, known as the "Sword Arm" of the Indian Navy. INS Tamal was built in Russia, it features 26% indigenous components, notably including the BrahMos long-range cruise missile system and the HUMSA-NG sonar system—both developed in India. Following commissioning, INS Tamal will embark on its maiden voyage to its homeport at Karwar, Karnataka.

India's Mazagon Dock Shipbuilders Limited (MDL) revealed that it has proposed to acquire a controlling stake (at least 51%) in Colombo Dockyard PLC (CDPLC), Sri Lanka's largest and most established shipbuilding and repair facility, for \$52.96 million. This acquisition is MDL's first international foray. In November 2024, Onomichi Dockyard, which had a 51% stake, exited from the entity after it failed to receive support from the Japanese and Sri Lankan governments. MDL's chairman, Captain Jagmohan, said that the acquisition of Colombo Dockyard will expand his company's presence in the Indian Ocean region, strengthening its ability to serve global maritime clients. Since the Colombo Dockyard's position within the Port of Colombo places MDL close to some of the world's busiest shipping lanes, giving India a stronger maritime presence in a region where China has been expanding its influence.

Udaygiri, the second warship of the <u>Project 17A</u> Nilgiri Class stealth frigates, was delivered to the Indian Navy on July 1, 2025, at Mumbai. Udaygiri is the 100th ship designed and delivered by the Indian Navy's Warship Design Bureau. Udaygiri is built with over 75% indigenous content, aligning with the Aatmanirbhar Bharat initiative, and is equipped with state-of-the-art weapons and sensors, including advanced missile systems, guns, and anti-submarine warfare capabilities. With enhanced stealth features and a modern propulsion system, Udaygiri significantly boosts the Indian Navy's combat readiness and ability to safeguard India's maritime interests in the Indian Ocean Region.

On June 29, 2025, the Indian Navy's stealth frigate INS Tabar, deployed on mission in the Gulf of Oman, <u>responded swiftly</u> to a distress call from the Pulauflagged merchant tanker MT Yi Cheng 6. The vessel, with 14 crew members of



Indian origin and en route from Kandla, India, to Shinas, Oman, suffered a major fire in its engine room, resulting in a total power failure onboard. Upon receiving the distress call, INS Tabar immediately launched a rescue operation.

Other Developments

Indian Navy hosted the Indian Ocean Naval Symposium (IONS) Working Group Meeting on Maritime Security (IWG-MARSEC) from in New Delhi.

QUAD Nations launched first-Ever 'At Sea Observer Mission' to boost maritime cooperation

INS Teg concluded a port visit at Port Victoria, Seychelles, on June 30, 2025



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