Indian Prime Minister Mr. Narendra Modi is expected in Toronto and Ottawa on Dec. 11–12, and negotiators are racing to finish a Comprehensive Economic Partnership Agreement, or CEPA, before he lands. The sixth negotiating round closed in New Delhi on Nov. 20, and both sides are targeting a deal by Dec. 31.

The numbers are already sizable. Two-way trade in goods and services reached $21.3 billion in 2025, according to Global Affairs Canada. The governments want to more than double that to roughly $49 billion by 2030, a goal Indian officials round to $50 billion.

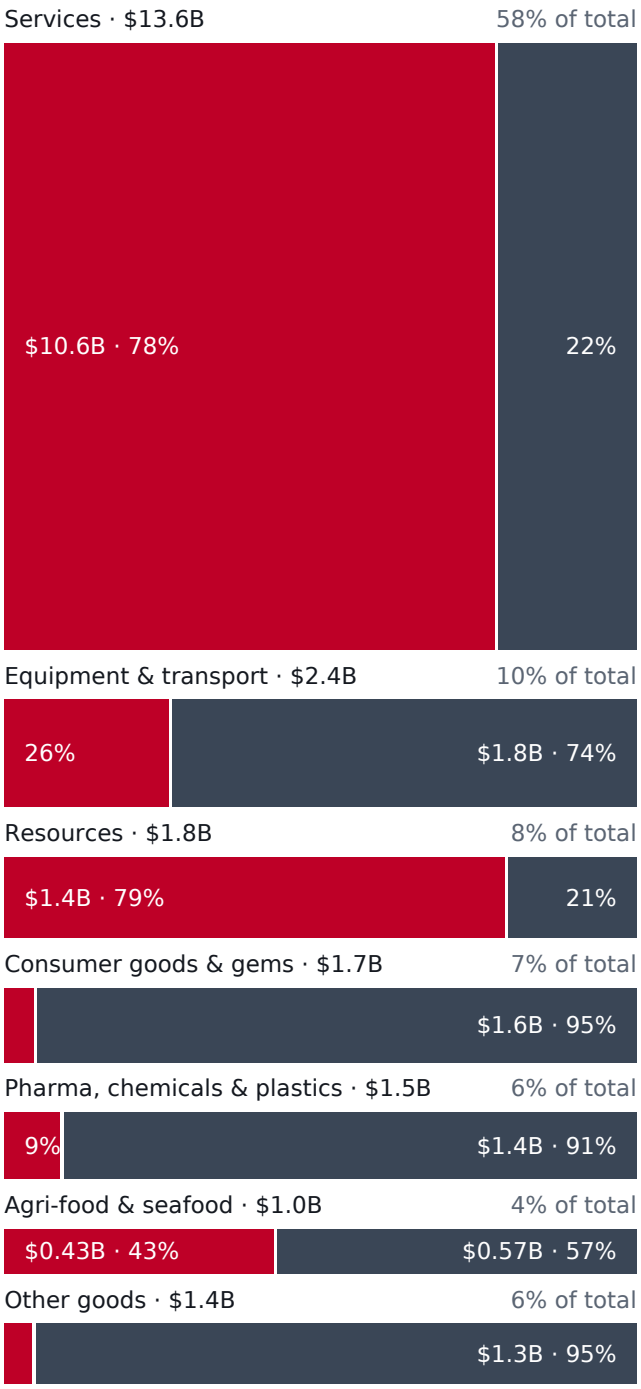
CANADA–INDIA TRADE, 2025

Canada sells India services and raw materials; India sells Canada manufactured goods

Two-way trade by sector, US$ billions. Row height = size of the sector; bar split = who is the seller.

Canada’s sales to India
India’s sales to Canada

Canada and India are Rebuilding a Partnership, Sector by Sector



So what: Services are 58% of the $23.3 billion relationship and Canadian-sold. Energy, minerals and

> farm goods, the sectors CEPA is built around, are still only about 12% of the total, which is where the room to grow sits.

View data table

Sector	Canada→India	India→Canada	Total	Canada share
Services (education-led travel and other)	$10.57B	$3.01B	$13.58B	78%
Equipment & transport	$0.63B	$1.77B	$2.41B	26%
Resources (energy, ores, metals, fertilizer, pulp)	$1.44B	$0.37B	$1.81B	79%
Consumer goods & gems	$0.08B	$1.58B	$1.66B	5%
Pharma, chemicals & plastics	$0.14B	$1.35B	$1.49B	9%
Agri-food & seafood	$0.43B	$0.57B	$1.00B	43%
Other goods	$0.06B	$1.29B	$1.35B	5%
Total	$13.35B	$9.95B	$23.30B	57%

Source: UN Comtrade via Trading Economics (goods by product, customs basis, 2025, retrieved Nov. 28, 2026); Global Affairs Canada and Statistics Canada (services, converted from C$ at US$0.70). Notes: Sector groupings are the author's. "Resources" = energy, ores, metals, fertilizer, pulp and paper. "Other goods" is the long tail not itemised in the source. The $23.3 billion total exceeds the $21.3 billion headline figure because goods here are on a customs basis, while the headline uses balance-of-payments goods. Figures may not sum due to rounding.

The logic is as much strategic as commercial. The U.S. took 71.7% of Canada's merchandise exports in 2025, down from 75.9% a year earlier, according to Statistics Canada, and Canadian Prime Minister Mr. Mark Carney has made reducing that dependence a centrepiece of policy. India, which Mr. Carney calls the fastest-growing major economy, wants secure supplies of fuel, food and minerals from a stable partner.

The fit is unusually good. Canada has uranium, natural gas, potash, pulses, minerals and deep pools of pension capital. India has 1.4 billion consumers, a vast engineering workforce, a world-class generic drug industry and a diaspora of 1.8 million Canadians of Indian origin.

The reset has so far produced more memoranda than shipments. But across energy,

agriculture, minerals, technology, education, finance and pharmaceuticals, the commercial logic is moving faster than the diplomacy.

Mr. Carney and Mr. Modi met at the G7 summit in Kananaskis, Alberta, in June 2025 and agreed to restart ministerial contacts. High commissioners returned that September. In November, at the G20 in Johannesburg, the leaders announced that CEPA negotiations would begin, and Energy Minister Tim Hodgson relaunched the bilateral energy dialogue in India in January.

Mr. Carney's visit, from Feb. 27 to March 2, was the payoff: the first by a Canadian prime minister in eight years, and built around deliverables rather than ceremony. In Mumbai and New Delhi, he and Mr. Modi signed the terms of reference for CEPA, launched a strategic energy partnership and welcomed memoranda on critical minerals, renewable energy and education. Cameco signed a $1.8 billion uranium contract, and Canadian officials counted more than 10 commercial agreements worth about $3.9 billion.

Momentum has held. In October, Trade Minister Mr. Maninder Sidhu led nearly 300 businesses to New Delhi, Bengaluru and Mumbai, producing 34 commercial agreements worth almost $210 million. Mr. Sidhu and his Indian counterpart, Mr. Piyush Goyal, have met 10 times since May 2025.

DEAL TRACKER

From memorandum to contract: what has actually been signed since March

Major Canada–India commercial deals announced in 2026. US$, converted from Canadian dollars at 70 cents where needed.

Date	Deal	Sector	Value	Status
Mar 2	**Cameco**: 22M lb of uranium to India's Department of Atomic Energy, 2027–2035	Energy	$1.8B	Binding contract

Canada and India are Rebuilding a Partnership, Sector by Sector

Date	Deal	Sector	Value	Status
Mar 2	**Elk Valley Resources**: 1.2M tonnes of metallurgical coal, four Indian steel and power firms	Minerals	~$200M	MoUs
Mar	**McCain Foods**: potato-processing expansion, Gujarat	Agri-food	$95M	Completed
Mar	**Jubilant Pharmova**: triple sterile-injectables capacity, Kirkland, Quebec	Pharma	$109M	Investment announced
Mar	**HCLTech**: AI and cybersecurity centres; Canadian workforce up 75% by 2030	Technology	Not disclosed	Expansion announced
Jun 17	**CPP Investments**: data-centre partnership with CtrlS (8.2% stake plus 48% of a joint venture)	Digital infrastructure	up to ~$710M	Committed
Aug 31	**CPP Investments**: NIIF Infrastructure Fund II	Infrastructure	up to $215M	Committed
Sep 2	**La Caisse**: 24% of Altius Telecom Infrastructure Trust, alongside Brookfield	Telecom towers	~$1.3B	Completed
Oct	**Jubilant**: radiopharmaceutical expansion, Quebec (includes $17M federal support)	Pharma	$66M	Investment announced
Oct	**Trade mission**: 34 agreements across aerospace, clean tech, IT, infrastructure and life sciences	Mixed	~$210M	Agreements

Only the Cameco contract is a binding, priced supply deal; the rest is mostly MoUs and investment commitments.

Source: Prime Minister’s Office (Mar. 2, 2026); Global Affairs Canada; Cameco; Elk Valley Resources via Mining Weekly and SteelOrbis (C$285M); CPP Investments (Jun. 17 and Aug. 31, 2026; US$ figures as reported by Indian and U.S. outlets); La Caisse and Brookfield (Sep. 2, 2026; INR 121B). Notes: The Prime Minister’s office said the March visit produced more than 10 commercial agreements worth over C$5.5B (about $3.9B), but named only three. Values are not additive: some are investments, some are trade contracts, and several overlap with earlier announcements. “Status” is the author’s classification based on the announcements.

Inside the CEPA

The agreement is broader than a conventional free-trade pact. Global Affairs Canada says it will span goods and services trade, investment, agriculture, digital trade, mobility and sustainable development. Officials are working through 16 policy areas, and Indian reporting says three services chapters are closed, with another round planned for December.

The pace is brisk. The terms of reference were signed March 2, and officials call a 2026 conclusion nearly record time for a deal of this scope. Investment protection is handled in a separate agreement that Canada's pension funds have long urged.

The bargain is asymmetric. India's economy, at about $4.2 trillion, is well above Canada's roughly $2.5 trillion, and New Delhi argues its high tariffs reflect its developing status. Canadian goods face duties from 5% to 10% on many items to as much as 125% on automobiles, according to the Asia Pacific Foundation of Canada, while India's pacts with Australia, the UAE, the U.K. and others leave Canadian exporters at a disadvantage in some categories.

THE TARIFF WALL

Two-thirds of what Canada sells India sits in eight product lines; six of them already got tariff cuts for Europeans

Canada's top export lines to India, 2024, with India's tariff and what New Delhi granted EFTA countries in its 2025 trade pact. US$.

Product	2024 exports	Share of exports	India's tariff	Given to EFTA countries
Dried peas	$552M	15%	30%[1]	Excluded
Lentils	$426M	11%	10%[2]	Excluded
Bituminous coal	$421M	11%	2.75%	0%, immediately
Wood pulp	$287M	7%	5.5%	0%, immediately

Product	2024 exports	Share of exports	India's tariff	Given to EFTA countries
Potash	$283M	8%	8.25%	0% by 2032
Copper ore	$198M	5%	2.75%	0%, immediately
Newsprint	$195M	5%	11%	Phased: 0% now to 10 years
Crude oil	$111M	3%	~0%³	0% (not Iceland)

Peas and lentils: 26% of exports, no concessions to Europe. The other six lines: about 40% of exports, tariff cuts granted.

Source: Asia Pacific Foundation of Canada ("India's Trade Pivot to Europe Offers Lessons for Canada," Oct. 31, 2025; "Advancing Canada–India Trade," Mar. 2026), citing Statistics Canada, Trade Data Online and the EFTA Secretariat; Agriculture and Agri-Food Canada. Canadian dollars converted at US$0.70. The eight lines total about $2.5B, roughly two-thirds of Canada's 2024 merchandise exports to India. Notes: ¹ Global 30% duty on yellow peas since Nov. 1, 2025 (APF lists a 50% base rate). ² Sources differ on lentils (10% reported by The Logic; 22% to 30% cited by APF, which may include levies). ³ A nominal specific duty of Rs 1.1 a tonne. Newsprint: Iceland immediate; Norway in 5–10 years; Switzerland and Liechtenstein in 7 years. Wood pulp combines mechanical, chemical and dissolving grades. Shares may not sum due to rounding.

India's High Commissioner to Canada, Dinesh Patnaik, says New Delhi wants a package covering people, capital and trade, not only tariff cuts. India is weighing tariff-rate quotas that admit a set volume of Canadian farm goods at lower duties, and Indian firms are ready, he says, to move from offtake contracts toward equity stakes in mines.

Canadian direct investment in India stood at $8.0 billion in 2025, against $1.5 billion of Indian direct investment in Canada, leaving room for the second number to grow. A signing during Mr. Modi's visit, his first standalone bilateral trip to Canada in more than a decade, would give both governments a political victory to match the commercial one.

Energy: uranium leads, gas follows

Energy is the anchor of the relationship, and uranium is its first big contract. Cameco will ship nearly 22 million pounds of uranium concentrate to India from

2027 through 2035 in a deal worth about $1.8 billion, nearly 10 times the value of its five-year contract signed in 2015, Saskatchewan officials say. The timing suits India, which has about 8 gigawatts of nuclear capacity, aims for 100 gigawatts by mid-century and has limited domestic uranium.

Oil and gas are the next chapter. At India Energy Week in Goa in January, Hodgson and his counterpart, Hardeep Singh Puri, agreed to deepen trade in Canadian LNG, liquefied petroleum gas and crude, with refined products flowing back. India is the world's third-largest oil consumer, fourth-largest LNG importer and third-largest LPG consumer. Canada's energy exports to India were just $533 million in 2024, and $421 million of that was coal. But constraints are easing. The Trans Mountain Expansion pipeline gives Canadian crude a Pacific route, and Canada began shipping LNG to Asia in June 2025. India imported about 84,000 barrels a day of Canadian-origin crude in 2025, S&P Global reported, though much of it moved via the U.S. Gulf Coast.

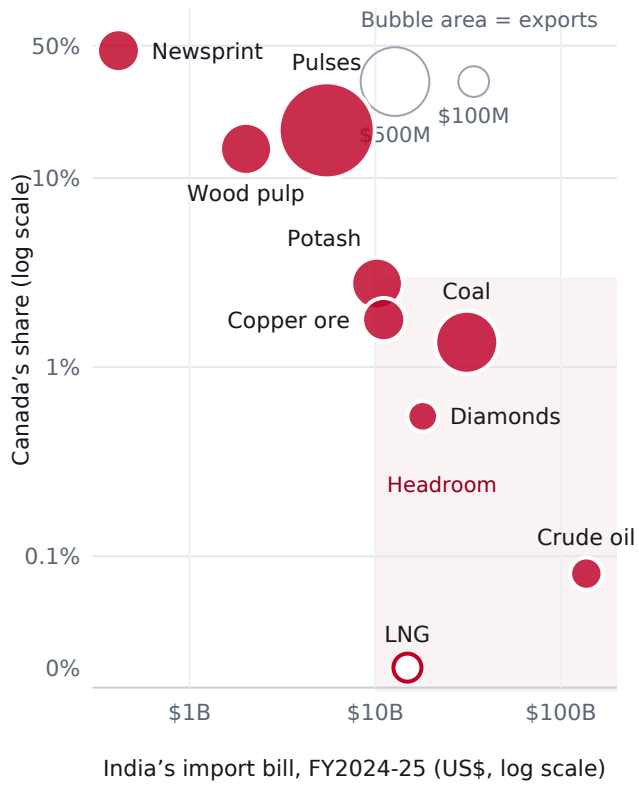
WHERE THE HEADROOM IS

Canada's biggest market shares sit in small pools; in India's big energy pools it holds under 1.5%

Canada's share of India's imports by product vs. the size of India's import bill. Bubble area = Canada's 2024 exports to India.

Canada sells today
No sales yet

Canada and India are Rebuilding a Partnership, Sector by Sector



So what: One extra point of share in India's $137 billion crude-oil bill would be worth about $1.4 billion a year, roughly 37% of everything Canada sold India in 2024. The same point is worth $0.3 billion in coal and $0.15 billion in LNG, where Canada has no sales yet. The energy partnership is aimed squarely at these pools.

View data table

Product	India import bill	Canada exports 2024	Canada share	+1 pt of share
Newsprint	$0.414B	$195M	47.1%	≈$4M
Pulses (peas and lentils)	$5.477B	$978M	17.9%	≈$55M
Wood pulp	$2.014B	$287M	14.3%	≈$20M
Potash (within fertilisers)	$10.226B	$283M	2.8%	≈$102M
Copper concentrate (within ores)	$11.1B	$198M	1.8%	≈$111M
Diamonds (within pearls and stones)	$18.014B	$99M	0.55%	≈$180M

Product	India import bill	Canada exports 2024	Canada share	+1 pt of share
Coal	$31.093B	$421M	1.4%	≈$311M
Crude oil	$137B	$111M	0.08%	≈$1.37B
LNG	$14.9B	none	0%	≈$149M

Source: India: DGCIS quick estimates (Department of Commerce, via PIB, May 2026), FY2024-25; crude oil from the Petroleum Planning and Analysis Cell ($137B, FY2025); LNG from official import data reported by the Financial Express ($14.9B, FY2025). Canada: Statistics Canada via Asia Pacific Foundation of Canada (Mar. 2026), calendar 2024, converted from C$ at US$0.70. Notes: Canada's figure is the matching product, so shares are approximate: potash within all fertilisers, copper concentrate within all ores and minerals, wood pulp within pulp and waste paper, diamonds within pearls and stones. Indian fiscal year runs April–March. Both axes are logarithmic. Canada's 2025 edible-vegetable exports to India fell to about $0.43B from $0.99B (UN Comtrade) as India tightened pulse import rules, including a 30% yellow-pea duty from Nov. 2025.

Ottawa wants to produce 50 million tonnes of LNG a year by 2030 and up to 100 million later, with Asia as the target market. For India, the appeal is diversification from Middle Eastern and Russian supply. The partnership also extends to renewables, with memoranda covering solar, wind and storage, as India plans 500 gigawatts of renewable capacity by 2030.

Agriculture: pulses, potash and a protein pivot

Farm trade is where the relationship has been most productive and most fragile. Pulses dominated Canada's 2024 agricultural exports to India at about $980 million, including $552 million of dried peas and $423 million of lentils, according to Agriculture and Agri-Food Canada.

Then policy intervened. India, the largest yellow-pea importer, ended duty-free access on Nov. 1, 2025 and imposed a 30% duty on all origins after farmer pressure. Lentils carry 10%. With China also imposing a 100% tariff on Canadian peas in 2025, Prairie growers face barriers in both major markets.

The long-run demand picture is nonetheless compelling. India consumes about 30 million tonnes of pulses a year, which one trader told the Western Producer could reach 45 million by 2035, lifting imports from about six million tonnes to 10 million to 12 million. But India's envoy calls agriculture "politically highly sensitive," and a

tariff-rate quota looks like the likeliest compromise.

Both sides are moving up the value chain. They announced plans in March for a Pulse Protein Centre of Excellence, and McCain Foods completed a $95 million potato-processing expansion in Gujarat, with land set aside in Madhya Pradesh. The company says its network supports 2,500 farmers.

Potash is the quiet strategic card. India has no viable reserves, and Canadian producers supply nearly a quarter of its needs, according to India's fertilizer minister. Canpotex signed a three-year framework in 2023 for up to 1.5 million tonnes a year. Canada's potash exports to India fell from $676 million in 2022 to $281 million in 2024 as prices fell, but a deal that secures long-term supply would suit both sides, especially as the U.S., which buys about half of Canada's potash, presses for lower prices.

Critical minerals: Canadian ore, Indian refining

The mineral story is mostly ahead of the data, which is its appeal. About two dozen minerals appear on both countries' priority lists, including lithium, graphite, nickel, cobalt and rare earths. Yet Canada sends only about 2% of its critical-mineral exports to India, and India has virtually no presence among investors in Canada's critical-minerals sector, according to the Asia Pacific Foundation of Canada.

That is starting to change. The governments signed a critical-minerals memorandum in March, and India endorsed the G7's Critical Minerals Action Plan. India's envoy says Indian companies are eyeing graphite, nickel and zinc, and that New Delhi wants to become a low-cost processing hub for Canadian ore. Ottawa has designated projects such as Crawford Nickel and Nouveau Monde Graphite as nation-building priorities, plausible candidates for Indian offtake.

The nearer-term deals are in coal. Elk Valley Resources of British Columbia signed memoranda with four Indian steel and power companies for 1.2 million tonnes of metallurgical coal, worth about $200 million.

The constraint is investor comfort. Indian firms have been wary of equity stakes

because of environmental reviews, First Nations consultations and overlapping approvals. Faster permitting would unlock the obvious complementarity: Canada holds ore, and India has the manufacturing base to process it.

Technology and AI: scale meets research depth

If energy is the anchor, technology is the accelerant. Canada brings AI research strength, quantum and clean-tech expertise. India brings scale, a digital public infrastructure that serves hundreds of millions of people, and an IT-services industry already embedded in Canadian business.

That embedding is deepening. HCLTech employs about 3,000 people in Canada across five provinces and plans to grow that workforce 75% by 2030, with an AI centre in Calgary, a cybersecurity centre in Mississauga and expansion in Vancouver. Indian IT groups are not just sending work abroad; they are hiring locally and anchoring regional tech clusters.

Governments are building the scaffolding. Australia, Canada and India launched the ACITI technology partnership at the G20 in November 2025 and signed a memorandum on July 10 covering AI, hardware supply chains, critical minerals and commercialization of emerging technologies. Canada’s AI minister, Evan Solomon, led a delegation to the India AI Impact Summit in February. The Canadian Space Agency and ISRO also plan joint work on atmospheric science, space robotics and quantum communication.

Universities are filling the pipeline: a Jubilant Bhartia–McGill centre will train 200 AI graduates a year.

What is missing is a rulebook. The Asia Pacific Foundation notes that the two countries have no digital-trade framework, and data privacy and governance models differ. CEPA’s digital-trade chapter is therefore a rare chance to set shared standards early in a field where rules are still being written.

Education and talent: from volume to value

No sector shows the relationship's strengths and fragilities more clearly. Education-related travel has been the largest part of Canada's $10.6 billion in service exports to India, the category that drove most bilateral growth over the past decade. Then Ottawa capped study permits to ease pressure on housing and public services. Permits issued to Indian nationals fell from 277,965 in 2023 to 188,715 in 2024 and 94,605 in 2025, according to government figures reported in the press. India's share of Canada's incoming international students dropped from nearly 52% in 2023 to about 8% in 2025, The Logic reported, and services exports stalled.

Both governments are now steering toward quality over quantity. The Canada-India Talent and Innovation Strategy, launched in February by Universities Canada and Colleges and Institutes Canada, came with 13 new university partnerships. Many are built around India itself: Dalhousie, IIT Tirupati and IISER Tirupati will build an innovation campus, UBC is opening a South Asia hub, and Canadian colleges are planning training centres in India that teach to Canadian standards in aviation, AI and nuclear energy.

On research, a Mitacs-AICTE agreement will place 300 Indian students a year in funded Canadian internships for three years from 2027, and the University of Toronto has put up as much as $17.5 million for more than 220 scholarships.

The model changes who benefits. Canada exports expertise to a market that needs skilled workers and keeps its research pipeline open while immigration policy recovers its footing. CEPA's mobility provisions will determine how far that pipeline widens.

Capital: the pension funds lead

Canada's most mature economic presence in India is financial, and it is far bigger than trade statistics suggest. Ottawa puts total Canadian investment in India, direct and indirect, above $77 billion in 2024. Executives from Canada's nine largest pension funds travelled with Mr. Carney in March.

CPP Investments is the standard-bearer. Its India portfolio exceeded $21 billion in net assets in 2025, roughly triple its 2020 level. In June it committed up to about $1 billion to a data-centre partnership with India's CtrlS, and in September about $215 million to a National Investment and Infrastructure Fund vehicle. La Caisse, Quebec's pension manager, agreed in September to invest about $1.3 billion in Altius Telecom Infrastructure Trust, a Brookfield-backed tower operator.

The pattern is consistent: Canadian retirement savings are funding the roads, towers and data centres of a fast-growing economy, and India gets patient long-term capital for vast infrastructure needs.

The missing piece is legal protection. Pension funds have lobbied for years for a bilateral investment-protection treaty, a negotiation dating to 2004 that has repeatedly stalled and is now moving in parallel with CEPA. Concluding it would reduce risk premiums on the capital already committed and encourage more.

The flow is beginning to run both ways. Indian companies from HCLTech to Jubilant are building operations in Canada, and Indian buyers are negotiating offtake in its mines.

Pharmaceuticals and manufacturing: Indian capital, Canadian jobs

India is increasingly a pharmacy for Canada. UN Comtrade data show Canada imported about $681 million of pharmaceutical products from India in 2025, one of its largest import categories from the country.

More interesting, Indian drug makers are now manufacturing in Canada. Jubilant Pharmova committed $109 million in March to triple capacity at its sterile-injectables plant in Kirkland, Quebec, building on more than $595 million already invested, and in October announced a $66 million expansion of its radiopharmaceutical operation there, with $17 million in federal support. India's OCT Therapies plans a roughly $7 million facility in Moncton, New Brunswick. Such projects strengthen Canadian drug supply and give Indian firms a North American

base.

Manufacturers are following. October's trade mission produced 34 agreements across aerospace, clean technology, information technology, infrastructure and life sciences. Metal7 reported about $21 million in confirmed Indian orders, and Montreal's Ovivo is supplying wastewater equipment to the city of Indore.

CEPA could widen the opening. Indian tariffs on Canadian automobiles run as high as 125%, and the mix of aerospace and cleantech deals suggests where Canadian suppliers see demand.

Outlook: complementarity at scale

Strip away the diplomacy and the case is simple arithmetic. Canada wants customers beyond the U.S. and has the energy, food, minerals and capital that a fast-growing economy of 1.4 billion people will need for decades. India wants secure, rules-based supply chains and a destination for its engineers, companies and savings that does not hinge on one great power's goodwill. For Canada, success would mean a second major Asian customer base; for India, a dependable western supplier of fuel, uranium and minerals.

The tests come soon. Mr. Modi's Dec. 11–12 visit offers a natural stage for a CEPA signing and visible progress on the separate investment-protection pact. Next year, watch for the first LNG and LPG offtake contracts, a tariff-rate quota that gives Prairie pulse growers durable access, and the first Indian equity stakes in Canadian mines.

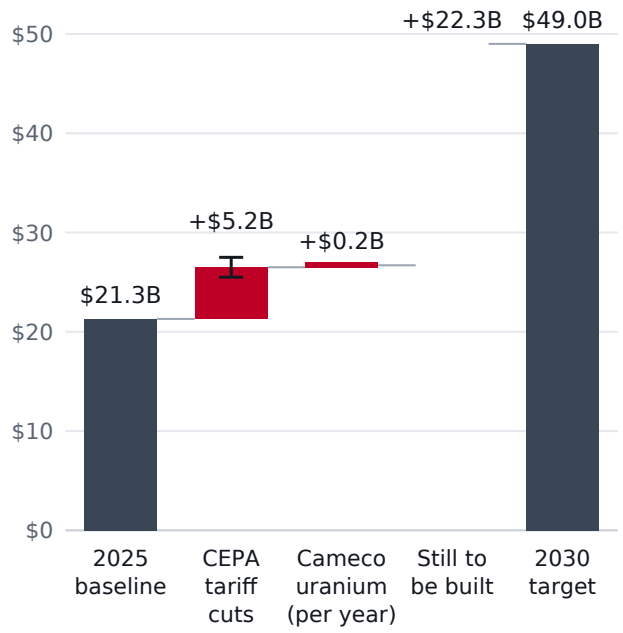
Doubling trade to $49 billion by 2030 would require annual growth of about 18% from 2025's $21.3 billion, a steep climb, though from a base that is small relative to both economies, and with uranium, LNG and processed minerals as new lines of business. Cameco's contract alone implies uranium shipments worth about $200 million a year from 2027 through 2035.

THE 2030 TARGET

Tariff cuts and the uranium contract cover about a fifth of the gap to $49 billion; the rest has to be built

Canada–India two-way trade in goods and services, 2025 to 2030 target, US$ billions.

Actual / target
Estimated from sources
Derived: still to be built



So what: Reaching $49 billion means growing about 18% a year for five years. A conventional tariff deal and the signed uranium contract supply roughly $5.4 billion of the $27.7 billion needed. The remainder must come from new lines of business: LNG and LPG, critical-mineral offtake, digital and AI services, a recovery in education, and pharma and manufacturing.

View data table

Step	Value (US$ billions)	Basis
2025 baseline	$21.3	Actual (GAC)
CEPA tariff cuts (model estimate)	+$5.2	Model estimate; range 4.2–6.2
Cameco uranium (annualised)	+$0.2	Contract value / 9 years

Step	Value (US$ billions)	Basis
Still to be built	+$22.3	Residual (derived)
2030 target	$49.0	Government target

Source: Global Affairs Canada (2025 trade, $30.4B Canadian; 2030 target, $70B Canadian); Business Council of Canada / Ciuriak (2022) study of a Canada–India CEPA, estimating C$6.0–8.8B a year in added bilateral trade; Cameco (C$2.6B contract, 2027–2035) via the Prime Minister's Office. Canadian dollars converted at US$0.70. Notes: The CEPA bar uses the midpoint of the study's range ($4.2–6.2B at US$0.70; whisker shows the range) and is an order-of-magnitude illustration from a 2022 model, not a forecast. Uranium is the contract value spread evenly over nine years (about $0.2B a year). "Still to be built" is the arithmetic residual. Figures may not sum due to rounding.

Two years ago the question was whether the relationship could be repaired. Today it is whether two complementary economies can build quickly enough to meet the ambitions their leaders have set. On the evidence of 2026, there is every reason to think they can.