

SANKET

The Journal of India's Industrial Sovereignty

INDEPENDENT STRATEGIC INTELLIGENCE

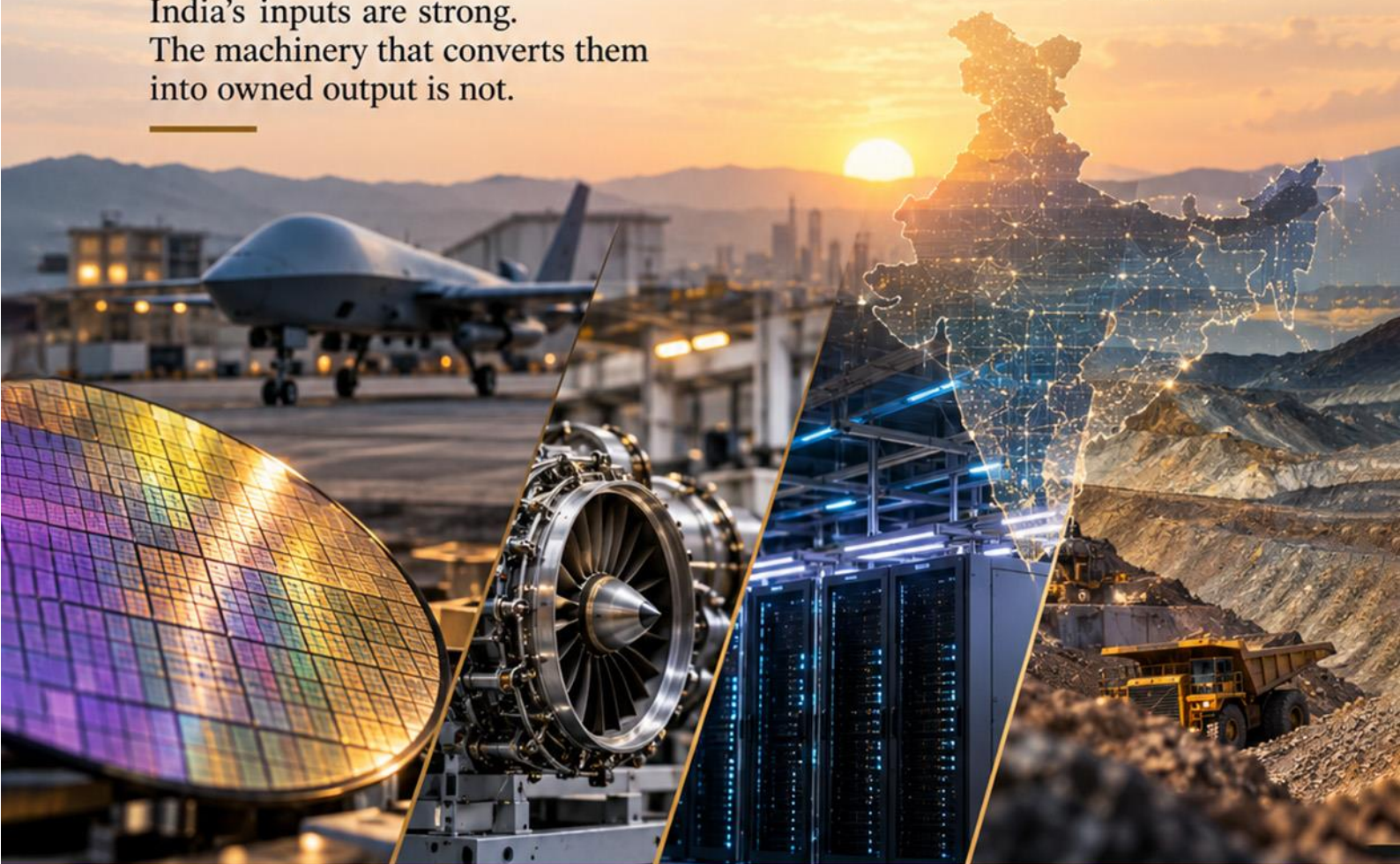
COVER STORY

The Conversion Problem

India's inputs are strong.
The machinery that converts them
into owned output is not.

THE FOUR PILLARS

- I The Record**
Last Month, Graded
- II The Argument**
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Signals, Mailbag & October Tracking



DEFENCE &
DUAL-USE

Propulsion,
Subsystems & IP

ENTERPRISE
SOFTWARE

Sovereign Cloud
Alternatives

SEMICONDUCTORS

Materials, Substrates
and the Sensor Layer

AI
INFRASTRUCTURE

The Cooling
Economy

CRITICAL
MINERALS

From Resource
to Refining

SANKET

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COVER STORY

The Conversion Problem

June named the problem. July priced the opportunity. August priced the gap. September turns to the layer in between: the machinery that converts money, research and capability into owned output.

The month's five reports — aerospace, cloud, technology transfer, the lunar economy, and the cooling layer beneath AI — keep finding the same gap. India's inputs are strong; the mechanism that converts them is not.

IN THIS ISSUE — THE FOUR PILLARS

Pillar I — The Record	Last Month, Graded; the Executive Board; the Sanket Index and its compounding trend.
Pillar II — The Argument	The Editor's Note; the September thesis; the Contrarian View.
Pillar III — The Ledger	What moved in September; what shipped on the platform; From the Lab.
Pillar IV — The Desk	The Mailbag; the Exclusive Signal; what October is tracking.
Sources & Methodology	Citable, every number — load-bearing figures and their sources.

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The Issue in One Page

The September issue, compressed: the Index, the forecast, the Board and the month in one line each.

THE SANKET INDEX

35 / 100

BUILDING • **HOLDS 0**

Composite of the Board: 33 → 34 → 35 → 35 (Jun–Sep).
September’s capital was inbound, not converted, so the Index holds; appended to board-history.json.

FORECAST SNAPSHOT — CONVERSION BY 2035

Base 45% • Bull **30%** • Bear **25%**

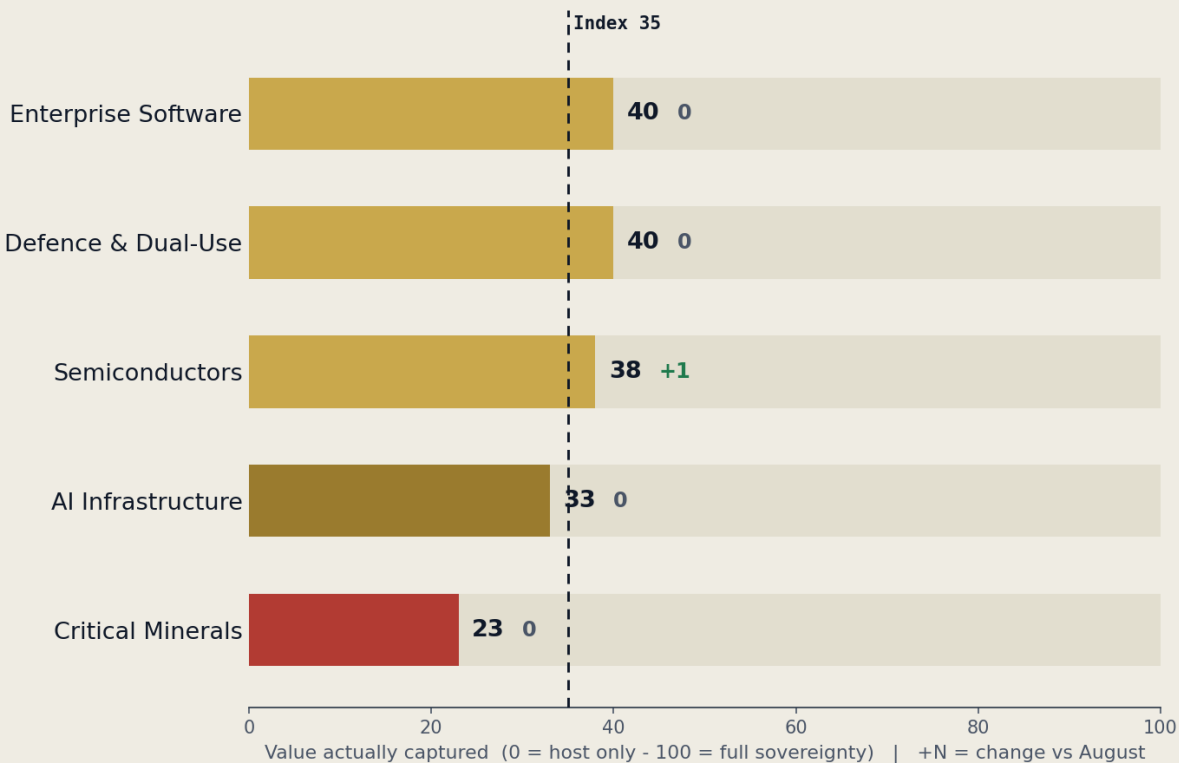
The Base case sees one or two corridors convert capability into owned output by 2035; the Bull case, a genuine chokepoint owned; the Bear case, the indices themselves becoming the deliverable.

THE BOARD

CORRIDOR	AUG 2026 (LAST)	SEPT 2026	DELTA	WHAT MOVED, AND WHY
Defence & Dual-Use	40	40	0	Aerospace priced propulsion, subsystems and IP; assembly still runs ahead of owned layers. No capacity added — holds.
Enterprise Software	40	40	0	The Cloud Question framed hyperscaler dependence as a strategic choice, not a procurement one. Diagnostic, not capacity — holds.
Semiconductors	37	38	+1	SEMICON India drew real equipment capital — AMAT ₹3,600 cr, Lam ₹10,000 cr, Karnataka >₹15,000 cr. Inputs, not output: +1.
AI Infrastructure	33	33	0	The Cooling report mapped the physical layer under compute; the build-out is still imported inputs — holds.
Critical Minerals	23	23	0	No processing output reported in September; the standing zero holds.

The Board - September 2026 (Issue 05)

Capital was inbound, not converted — semis +1 on equipment, the rest hold. Index 35.



SOURCE Sanket Board, September 2026 - Dependency Capture Framework; persisted in board-history.json

The five corridors, September 2026 – semiconductors +1 on equipment capital; the rest hold. The Index stays at 35.

Last Month, Graded

The anchor: the same shape every issue, so Sanket is a record you can hold us to. It opens by grading August's call against what September actually delivered.

AUGUST'S CALL — BASE CASE (50%)

"India converts two or three of August's scored gaps into real capacity ... but stays import-dependent in silicon, cells and magnets. The index moves in single digits."

GRADE: ON TRACK

September delivered on the capacity motion, not the ownership one. Real capital arrived at the layer August scored — Applied Materials committed ₹3,600 cr and Lam ₹10,000 cr for India's first silicon-component plant, and Karnataka lined up over ₹15,000 cr across 20-plus firms at SEMICON India. But it is inputs, not output: no domestic silicon, cell or magnet line began, so import-dependence holds and the Index moved zero points (35 → 35), squarely inside the "single digits" call.

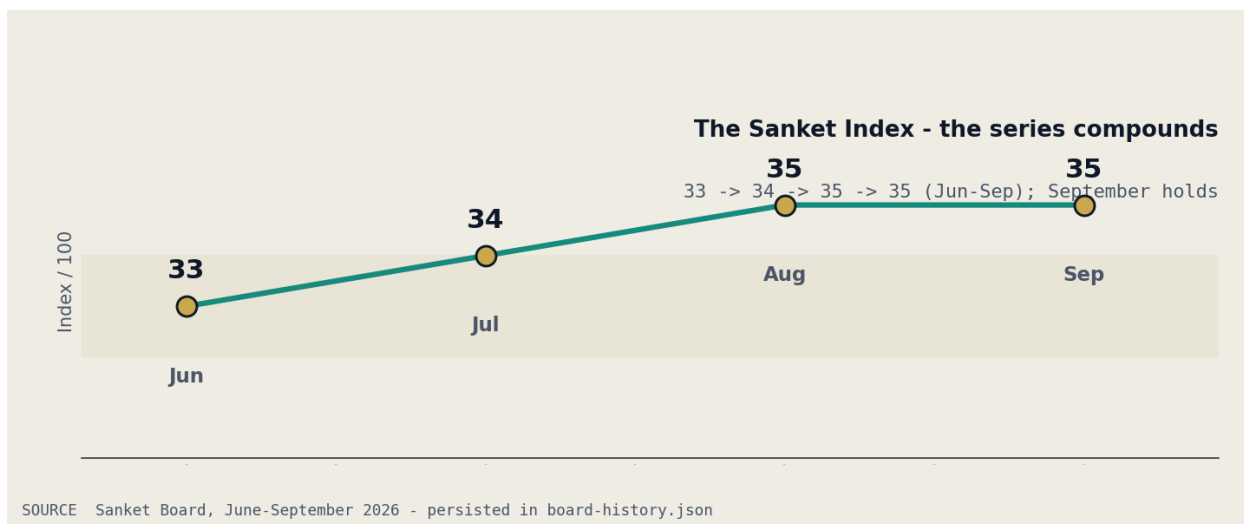
Track record: this is the first forecast graded against outcome; it lands On Track. From here, every issue grades the last — the record you can hold us to.

THE EXECUTIVE BOARD

Five Corridors, Standing

India's industrial sovereignty, corridor by corridor, on the Dependency Capture Framework™. Each reading is how much of the value India **captures** — not how much it hosts. The August read stands below; September movements are set from the month's evidence at close and appended to board-history.json.

CORRIDOR	AUG 2026 (LAST)	SEPT 2026	DELTA	WHAT MOVED, AND WHY
Defence & Dual-Use	40	40	0	Aerospace priced propulsion, subsystems and IP; assembly still ahead of owned layers.
Enterprise Software	40	40	0	Cloud: sovereign capability versus continued hyperscaler dependence — a strategic call.
Semiconductors	37	38	+1	SEMICON equipment capital (AMAT, Lam, Karnataka >₹15,000 cr) — inputs forming, not yet output.
AI Infrastructure	33	33	0	Cooling and rack density priced — the physical layer under the compute build-out.
Critical Minerals	23	23	0	No processing output reported in September to date.



THE SANKET INDEX, JUNE → SEPTEMBER – the series compounds; September is set at close and persisted in board-history.json.

THE TECHADYANT SIGNAL SCORE™

Every signal is scored 0–100 on four weighted dimensions — the same model, every issue, so the number means something over time.

Strategic Impact 40% · India Relevance 30% · Time Horizon 15% · Confidence 15%

Editor's Note

Techadyant Labs · Research Desk

We spent three issues finding the gap. This month we admit the harder part: naming the gap is the easy tenth of the work. Every report that crossed the desk in September — aerospace, cloud, technology transfer, lunar, cooling — arrived at the same wall from a different corridor, and it is not a gap of ambition or even of money. September's money was real. What surprised us was how cleanly the reports agreed that the missing piece is a mechanism: the thing that turns a funded project into a shipped product, a hosted workload into an owned platform, a landing into a supply chain. The technology-transfer number — 1.1% — is the one we cannot stop thinking about, because it is the rare sovereignty statistic that is fully falsifiable. If there is one thing we got right this year, it is refusing to treat capital as capture. If there is one thing we keep testing, it is our own conversion word — see the Contrarian View, where we argue against ourselves.

THIS MONTH'S THESIS

The Conversion Problem

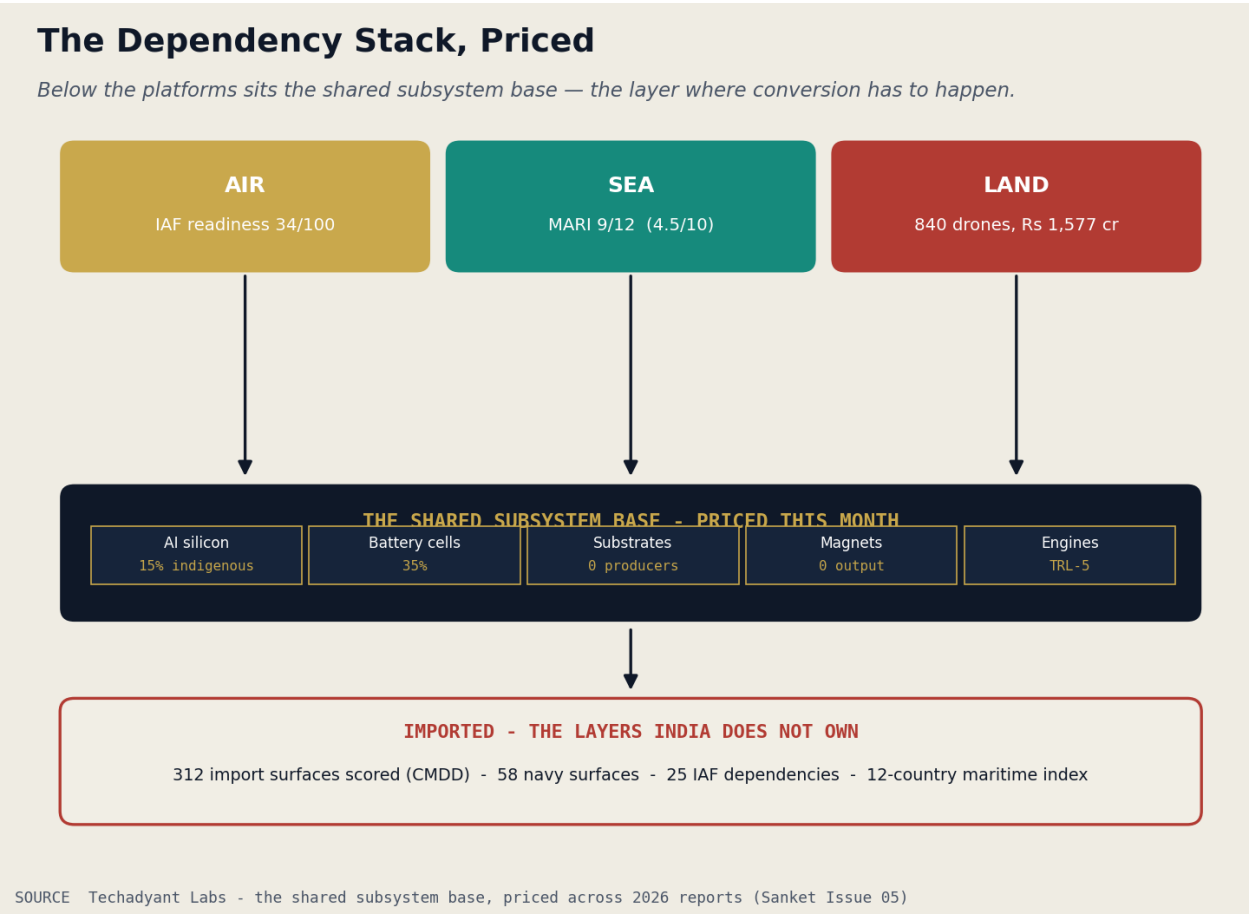
June named the problem — India assembles, but the value lives upstream. July priced the opportunity; August priced the gap, and put a number on what India does not make. September answers the question the scores left open, and it is a harder one: what actually converts inputs into owned output? Five reports this month — aerospace, cloud, technology transfer, the lunar economy, and the cooling layer beneath AI infrastructure — keep circling the same finding from different directions. India's inputs are strong. The mechanism that converts them is not.

Take the two most different reports first. The Military Aerospace Manufacturing Ecosystem follows the value from aircraft assembly down through propulsion, subsystems and IP — and finds the same asymmetry the defence corridor has shown all year: the platform is built at home, the enabling layers are not. The Cloud Question finds the mirror image in software: India's enterprises run on foreign hyperscalers, and the sovereign-cloud alternative is a strategic question, not a procurement one. Air and cloud, hardware and software, one pattern: ownership stops short of the conversion layer.

The technology-transfer report gives the mechanism a name. Across 52 DRDO labs, 37 CSIR labs, 23 IITs, IISc and nine defence PSUs, India converts only about 1.1% of public R&D projects into products. The report's five-pillar reform agenda is the attempt to move India from roughly 5% to 12% of global deep-tech output — a conversion-rate target, not a spending target. The lunar-economy report extends the logic past Earth: India has a narrow 2026–2032 window, and the report is explicit that the dominant prize is terrestrial industrial spillover, not lunar commerce.

So the month's through-line is not another gap. It is the set of mechanisms that close one — the lab-to-line transfer, the sovereign-cloud migration, the subsystem base beneath the platform, the cooling and power layer beneath the AI build-out, the spillover from a space programme. Conversion is where August's measured dependencies either shrink or become a permanent

feature. The decade’s question is no longer where the gap is. It is what turns a scored import surface into a made one.

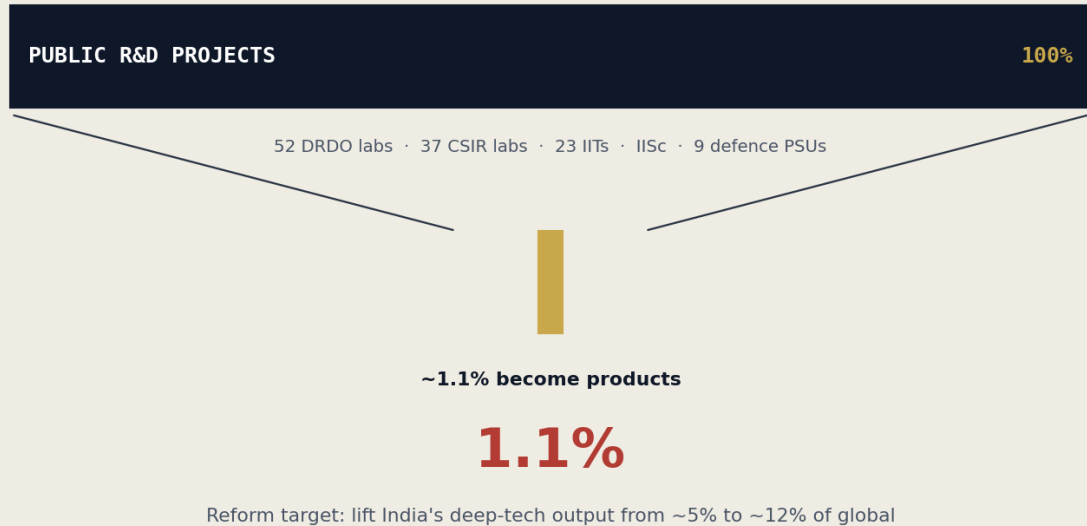


ONE CHART

1.1% — India’s R&D Conversion Rate

1.1% — India's R&D Conversion Rate

Across India's public research base, roughly one project in a hundred becomes a product.



SOURCE Techadyant Labs, India's Industrial Technology Transfer Ecosystem (7 Sep 2026)

THE TAKEAWAY Of every hundred projects across India's public research base, roughly one becomes a product. It is the most falsifiable sovereignty number of the year — and the sharpest measure of the conversion problem. The reform target is to lift India's share of global deep-tech output from ~5% to ~12%.

CONTRARIAN VIEW

Conversion Is a Slogan Too

"Conversion" risks becoming the new comfort word — invoked precisely so nothing has to be measured. The disciplined reading is narrower: a conversion rate is an output, and outputs are countable. The 1.1% figure is powerful because it is falsifiable. Any conversion agenda that does not publish its own rate should be read with the same scepticism we applied to the indices last month.

What Actually Moved in September

The month's hard moves — capital, policy, contracts, capacity and research — tagged by corridor and sourced. The record you can file and check back against.

THE MOVE	CORRIDOR	SOURCE
The Cloud Question published Techadyant's report on India's dependence on foreign hyperscalers and the sovereign-cloud challenge; 119 pp, Report + Data tier.	ENTERPRISE SW	Techadyant Labs (12 Sep)
Military Aerospace Manufacturing Ecosystem published Propulsion, subsystems, IP and exports — from aircraft assembly to industrial sovereignty; 158 pp.	DEFENCE	Techadyant Labs (16 Sep)
Industrial Technology Transfer Ecosystem published 52 DRDO labs, 37 CSIR labs, 23 IITs and nine defence PSUs; ~1.1% project-to-product conversion; the 5%→12% agenda.	R&D TRANSFER	Techadyant Labs (7 Sep)
India and the Emerging Lunar Economy published A narrow 2026–2032 window; the dominant prize is terrestrial industrial spillover, not lunar commerce.	SPACE	Techadyant Labs (2 Sep)
India AI Data Centre Cooling published The physical layer beneath the AI build-out — liquid cooling, chillers and the rack-density transition; 59 pp.	AI INFRA	Techadyant Labs (27 Sep)
SEMICON India draws real equipment capital Applied Materials commits ₹3,600 cr (Karnataka, ~1,000 jobs); Lam Research ₹10,000 cr for India's first silicon-component plant (Adinarayanahosahalli, 73 acres). Inputs to the fabs, not fabs.	SEMICONDUCTORS	SEMICON India / Digitimes (Sep)
Semicon 2.0 Machines & Materials pillar live Implementation guidelines for the Machines & Materials, Fabs and ATMP/OSAT pillars issued 16 Sep; the ₹1,27,500 cr scheme now funds the equipment and materials layer directly.	SEMICONDUCTORS	PIB / ISM (16–18 Sep)
Karnataka lines up >₹15,000 cr of chip investment Over 20 firms in talks at SEMICON India, ~2,000 jobs; alongside INOX Air Products' ₹500 cr specialty-gas plant at Dholera to feed the Tata fab.	SEMICONDUCTORS	Karnataka Govt / gasworld (Sep)

Sources are listed as published; load-bearing policy figures trace to PIB / government primaries where they exist.

WHAT SHIPPED ON THE PLATFORM

The September Changelog

The intelligence platform compounds, and this is where subscribers see it. Each item below shipped in September, with what it does for you and where to use it.

WHAT SHIPPED	WHAT IT DOES FOR YOU	SURFACE
Defence Entity Dossiers	Deep, individually sourced dossiers added to the defence vertical — the Matangi USV and Sagar Defence Engineering — each with evidence, open questions and machine-readable markup.	/research/pillars/defence

WHAT SHIPPED	WHAT IT DOES FOR YOU	SURFACE
Semiconductor Equipment layer, mapped	39 equipment and materials suppliers added to the Atlas (Applied Materials, Lam, MTAR, Forbes Marshall and more); the Atlas now tracks 805 players.	/research
Report + Data on every September flagship	Aerospace, Cloud, Technology Transfer and Lunar each ship a Report + Data tier — the PDF plus the underlying Excel model.	/reports
Corridor data reconciled to primaries	The 11-corridor map re-checked against DPIIT / NICDC: Hisar to construction, Nangal Chaudhary IMLH to operational, and the AKIC Jharkhand node confirmed as Bokaro.	/corridors

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FROM THE LAB THIS MONTH

Five Published This Month

September's research, each in a line and a number. Together they are the conversion lens behind this month's thesis.

- **India's Military Aerospace Manufacturing Ecosystem** [PAID] From aircraft assembly to industrial sovereignty — propulsion, subsystems, IP and exports, and the choice that decides 2035. **158 pp** • ₹6,999 / ₹11,999
- **The Cloud Question** [PAID] India's dependence on foreign hyperscalers and the sovereign-cloud challenge. **119 pp** • ₹6,999 / ₹11,999
- **India's Industrial Technology Transfer Ecosystem** [PAID] 52 DRDO labs, 37 CSIR labs, 23 IITs and nine defence PSUs — why public R&D converts ~1.1% of projects, and the 5%→12% agenda. **129 pp** • ₹6,999 / ₹10,999
- **India and the Emerging Lunar Economy** [PAID] A narrow 2026–2032 window to convert precision-landing capability into a position in the lunar value chain — the dominant prize being terrestrial spillover. **127 pp** • ₹11,900 / ₹16,900
- **India AI Data Centre Cooling 2026–2035** [PAID] The physical layer beneath the AI build-out — liquid cooling, chillers and the rack-density transition that decides how much compute a megawatt actually delivers. **59 pp** • ₹4,900

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The Mailbag

THE QUESTION WE HEAR MOST *If India already assembles at scale — phones, solar, drones, soon chips — why does “capture” matter? Isn’t assembly how every industrial power began?*

ANSWER Because assembly that never moves upstream is a destination, not a stage. Korea and Taiwan assembled first too — and used the assembly decade to buy, build and own the layers beneath. The test is not whether you assemble; it is whether value-add per unit rises. When it stalls, “Make in India” books the revenue while the margin and the dependency stay offshore. That is exactly what this month’s 1.1% conversion figure measures. — The Editor

Send yours via Shape — the sharpest question runs in next month’s Mailbag.

EXCLUSIVE SIGNAL — FIRST HERE, NOWHERE ELSE

DSIC

SEP 2026
EXCLUSIVE

A Twelfth National Industrial Corridor Is Quietly Being Planned

India’s National Industrial Corridor programme has run on eleven corridors for years. A NICDC procurement this half — tender 187, for a consultant to prepare the Perspective Plan for a Dankuni–Surat Industrial Corridor (DSIC) — is the first documentary sign of a twelfth. It has not been announced, named in the official NICDP list, or reported anywhere. If it holds, DSIC would run east–west from West Bengal to Gujarat, stitching the two ends of India’s manufacturing base into one corridor.

The tell to watch: whether DPIIT names DSIC in the official NICDP corridor list, and whether a state SPV or a funding line follows the Perspective Plan tender. Until then we file it as an early signal, not a fact.

SOURCE NICDC tenders (procurement 187, 2026) • Sanket desk analysis

NEXT ISSUE, PREVIEWED

What October Is Tracking

October tracks whether September’s conversion mechanisms start to move — whether the equipment capital that arrived turns into a domestic line, whether the technology-transfer agenda publishes its own rate, and where the first owned subsystem actually ships. No number yet; a genuine hook.

SHAPE SANKET → send a question, request a corridor, flag a gap for next month’s Mailbag.
labs.techadyant.com/shape

Citable, Every Number

Every load-bearing figure in this issue traces to a source. The Board is an analyst-set reading on the Dependency Capture Framework™ (0–100 = value captured, not hosted); the Sanket Index is the rounded mean of the five corridors. Signals are scored 0–100 on Strategic Impact 40 / India Relevance 30 / Time Horizon 15 / Confidence 15. Narrative figures introduced in the final edit are added below with their sources.

LOAD-BEARING FIGURE	SOURCE
~1.1% project-to-product conversion; 52 DRDO labs, 37 CSIR labs, 23 IITs, nine defence PSUs; 5%→12% deep-tech agenda	Techadyant Labs, India’s Industrial Technology Transfer Ecosystem (7 Sep 2026)
India’s dependence on foreign hyperscalers; sovereign-cloud challenge; 119 pp	Techadyant Labs, The Cloud Question (12 Sep 2026)
Aerospace ecosystem: propulsion, subsystems, IP and exports; 158 pp	Techadyant Labs, India’s Military Aerospace Manufacturing Ecosystem (16 Sep 2026)
Lunar economy: 2026–2032 window; terrestrial-spillover thesis; 127 pp	Techadyant Labs, India and the Emerging Lunar Economy (2 Sep 2026)
Cooling: the physical layer beneath AI compute; 59 pp	Techadyant Labs, India AI Data Centre Cooling 2026–2035 (27 Sep 2026)
Semicon 2.0 outlay ₹1,27,500 cr; Machines & Materials / Fabs / ATMP guidelines issued 16 Sep 2026	PIB / India Semiconductor Mission (Sep 2026)
Board move (Semiconductors +1): SEMICON India equipment capital — AMAT ₹3,600 cr, Lam ₹10,000 cr, Karnataka >₹15,000 cr	SEMICON India 2026; Digitimes; Karnataka Govt (Sep 2026)

BOARD METHOD • TWO LINES

Each corridor is scored 0–100 for how much of the value India captures — not hosts — on the six-layer Dependency Capture Framework™, judged monthly against capital, policy, capacity and import data. The Sanket Index is the rounded mean of the five corridor readings; movements require real events, and the series is persisted in board-history.json.

Independence: no sponsored coverage; no positions in what we analyse. Corrections to labs.techadyant.com/corrections.

THE SANKET STANDARD

Every report adds evidence.
Every signal updates the record.
Every Atlas page expands India’s Industrial Knowledge Graph.

ABOUT TECHADYANT LABS

Techadyant Labs is India's independent strategic-intelligence platform for industrial systems — semiconductors, AI infrastructure, critical minerals, defence and enterprise technology. **Sanket** is its monthly journal of record, compiled from a live signal engine and the month's research. We map dependencies, constraints and beneficiaries. No sponsored coverage; no positions in what we analyse.

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