

## STRATEGY AMID STRUCTURAL LIMITATIONS

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August 24, 2026

*(Views expressed in the brief are those of the author, and do not represent those of ISSI)*



### Introduction

Mutual and Holistic Advancement for Security and Growth Across Regions (MAHASAGAR) is the extended Indian maritime vision that builds upon the earlier Security and Growth for All in the Region (SAGAR) framework. It aims to reposition India as a central actor in the Asia-Pacific region. This region has emerged as a crucial energy and trade corridor for both regional and extra-regional economies. This vitality makes the security and stability of these waters exceptionally important for international commerce. Through MAHASAGAR, India touted its role as the region's "net security provider" by promoting "Active Security and Growth for All in the Region". Through this vision, New Delhi aims to enhance its naval capabilities, strengthen partnerships, and protect its maritime interests in the Indian Ocean Region (IOR).<sup>1</sup>

Despite much noise about the vision, critical gaps exist between the vision and its execution. India's pace of capacity-building is slower than the rapid expansion of maritime capacity. Its defense export dependency can emerge as a hurdle to the execution of MAHASAGAR. It limits the strategic autonomy and development of the indigenous defense industrial base. Moreover, budget limitations might also undermine the effectiveness of MAHASAGAR. These challenges raise critical questions: To what extent

<sup>1</sup> Rabia Mughal, "India's Maritime Strategy in the Indian Ocean: Liminal Power or Emerging Maritime Hegemon?," *ISSI*, January 26, 2026, [https://issi.org.pk/wp-content/uploads/2026/01/2\\_Rabia\\_Riaz\\_\\_Mughal\\_SS\\_No.\\_2\\_2025.pdf](https://issi.org.pk/wp-content/uploads/2026/01/2_Rabia_Riaz__Mughal_SS_No._2_2025.pdf).

can India sustain its current capacity-building efforts in the IOR? How will India's dependence on defense exports and budget constraints affect the operationalization of MAHASAGAR?

### MAHASAGAR Strategic Vision

India's MAHASAGAR initiative reflects a multi-dimensional strategy that has five key features: Strategic containment of Chinese influence; strengthening maritime security; expansion of the blue economy; increased diplomatic influence; and capacity building and sustainable development.<sup>2</sup> This doctrine aims to enhance India's naval capabilities through naval exercises, sustained development of marine arms and carriers, submarines, and long-range maritime surveillance systems. It aims to expand and enhance capacity-building projects, including ports, shipping corridors, and coastal industrial development. Moreover, it envisions diplomatic engagement with the Indian Ocean littoral states through initiatives like Africa India Key Maritime Engagement (AIKEYME) and Indian Ocean Shield Security and Growth for All in the Region (IOS SAGAR). These capabilities and cooperation ensure India's presence across critical sea lanes in the IOR, reinforcing India's role in regional maritime security.<sup>3</sup>

### MAHASAGAR's Budgetary Architecture

A separate budget has not been allocated to MAHASAGAR's initiative; instead, it is spread across various ministries. However, its financial footprints can be drawn through sectoral aggregation. The estimated MAHASAGAR-linked budget and its cumulative share in the national budget are illustrated in Tables 1 and 2, respectively.

| Sector                                | Allocation (₹ crore) | Share |
|---------------------------------------|----------------------|-------|
| Naval & Maritime Defence (MoD)        | 43,000               | 25%   |
| Ports, Shipping & Logistics           | 1,02,000             | 59%   |
| Maritime Diplomacy (MEA)              | 8,000                | 5%    |
| Island Development (A&N, Lakshadweep) | 12,000               | 7%    |
| Coastal Security (MHA/Coast Guard)    | 7,000                | 4%    |
| Total MAHASAGAR-linked expenditure    | 1,72,000             | 100%  |

*Table 1: Estimated MAHASAGAR-Linked Budget Composition (FY 2026–27)*

<sup>2</sup> Tanya Singh Yadav, "From SAGAR to MAHASAGAR: India's Strategic Evolution in the Indian Ocean Region," *Indo Pacific Study Center*, accessed June 23, 2026, <https://www.indo-pacificstudiescenter.org/commentaries/india-mahasagar-initiative>.

<sup>3</sup> Pragya Pandey, "India reiterates its role in the Indian Ocean Region: Deepening Partnerships and Elevating Regional Cooperation," *Indian Council of World Affairs*, May 6 2025, [https://www.icwa.in/show\\_content.php?lang=1&level=3&ls\\_id=12852&lid=7850](https://www.icwa.in/show_content.php?lang=1&level=3&ls_id=12852&lid=7850).

| Indicator                       | Value            |
|---------------------------------|------------------|
| Total Union Budget (FY 2026–27) | ₹53.47 lac crore |
| MAHASAGAR-linked spending       | ₹1.72 lac crore  |
| Share of total budget           | Approx. 3.2%     |

*Table 2: MAHASAGAR Share in the National Budget*

*Source: Table 1,2: UNION BUDGET 2026-27<sup>4</sup>*

### MAHASAGAR's Implementation Progress

MAHASAGAR is operational in the IOR through several maritime initiatives, particularly in naval deployments, exercises, multilateral engagement, and surveillance. The implementation assessment of MAHASAGAR by 2026 is shown in Table 3. The table is a qualitative assessment that compares MAHASAGAR's strategic objectives with observable outputs. It is based on content analysis of the official Indian government reports, defense publications available with Press Information Bureau (PIB), and policy reports.

| Domain                                 | Status                        | Evidence-Based Indicators                                                                                                                                            |
|----------------------------------------|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Maritime Security Operations</b>    | Substantially operationalised | Continuous Mission-Based Deployments (MBDs) across key IOR chokepoints, anti-piracy patrols, and IOS-SAGAR deployments.                                              |
| <b>Maritime Domain Awareness (MDA)</b> | Largely operationalised       | Functional Information Fusion Centre–Indian Ocean Region (IFC-IOR) with partner country linkages, real-time white shipping data sharing, and IMAC integration.       |
| <b>Naval Modernisation</b>             | Partially operationalised     | Ongoing induction of indigenous warships (Projects 15B, 17A), delays in submarine programs (P-75, P-75I), and phased capability expansion.                           |
| <b>Maritime Diplomacy</b>              | Moderately operationalised    | Regular bilateral and multilateral exercises (e.g., MALABAR, MILAN), HADR missions, and Indo-Pacific outreach remain engagement-based rather than institutionalised. |
| <b>Blue Economy Integration</b>        | Limited operationalisation    | Continued implementation of Sagarmala and port-led development, with weak integration with the naval security strategy.                                              |

*Table 3: MAHASAGAR's Implementation Progress Assessment (2026)*

*Source: Author's analysis based on documents of Ministry of Ports, Shipping and Waterways, Press Information Bureau (Defense and Maritime Releases, 2025–26), IFC-IOR, and IOS-SAGAR.*

To conclude, MAHASAGAR has been moderately operationalized with a key focus on partnership-driven defense, security, and surveillance.

<sup>4</sup> "Analysis of Expenditure by Ministries," Institute for Policy Research Studies, March 2026, [https://prsindia.org/files/budget/budget\\_parliament/2026/Analysis\\_of\\_Expenditure\\_2026-27.pdf](https://prsindia.org/files/budget/budget_parliament/2026/Analysis_of_Expenditure_2026-27.pdf).

## Key Constraints

### 1. Capacity-Building Limitations

India's maritime industry remains structurally constrained by limited shipbuilding capacity, long production cycles, and insufficient integration of advanced naval technology. The production of warships, carriers, and submarines is facing continuous delays. Many factors are involved, including decision-making impasses, complex procurement bottlenecks, recurring cost escalations, a lack of skilled labor, and consistent political urgency.<sup>5</sup> While domestic production capability is improved under Atmanirbhar Bharat, advanced system integration still requires external inputs due to infrastructural limitations, technological gaps, and financial constraints.<sup>6</sup> The delays in naval modernization projects are illustrated in Table 4, which indicates that capacity-building constraints and institutional inefficiencies continue to hinder operationalization of India's maritime expansion under MAHASAGAR's framework.

| Category                                            | Number of Projects                | Approximate Proportion | Interpretation                                          |
|-----------------------------------------------------|-----------------------------------|------------------------|---------------------------------------------------------|
| <b>Severely Delayed or Structurally Constrained</b> | <b>3</b><br>P-75, P-75I, NUH      | 43%                    | Indicates deep industrial and procurement bottlenecks   |
| <b>Moderately Delayed but Progressing</b>           | <b>3</b><br>P-15B, P-17A, Vikrant | 43%                    | Reflects improving but still constrained capacity       |
| <b>Largely On Track</b>                             | <b>1</b><br>MH-60R                | 14%                    | Import-driven efficiency bypassing domestic constraints |

*Table 4: Delay intensity across the modernization process*

*Methodology: the proportions are calculated from the seven representative flagship naval modernization programs*

*Source: Analytical classification derived from Press Information Bureau (2025-26) and publicly reported timelines*

### 2. External Import Dependency and Technological Reliance

India is largely dependent on imports for advanced naval technology. It hinders the effectiveness of procurement and production. It has import reliance for the high-end system, including advanced

<sup>5</sup> "India's Submarine Strategy in Crisis: Delays Sink Naval Ambitions as Pakistan-China Axis Surges Underwater," Defence Security Asia, June 26, 2025, <https://defencesecurityasia.com/en/indias-submarine-strategy-in-crisis-delays-sink-naval-ambitions-as-pakistan-china-axis-surges-underwater/>.

<sup>6</sup> Dr Navneet Shah, "Atmanirbhar Bharat Abhiyan: (a Deep Dive into Challenges and Questions)," *International Journal for Research in Applied Science and Engineering Technology* 13, no. 1 (January 10, 2025): 584–87, <https://doi.org/10.22214/ijraset.2025.66338>.

submarine technology, carrier aviation, and missile guidance systems. This exposes India to geopolitical constraints and supply chain disruption, as well as operational effectiveness due to external maintenance dependency. It can be illustrated by the delay of Project-751, India's objective to add six advanced diesel-electric submarines; the delay was caused by France's Naval Group announcing it would not bid for the project.<sup>7</sup>

### 3. Budget Fragmentation

As illustrated in Tables 1 and 2, no separate budget is allocated to MAHASAGAR. Although it comprises approximately 3.2% of the total union budget, its effectiveness will be hindered because of its dispersion across various ministries. It will ultimately limit the strategic cohesion and weaken the planning across the political, maritime, and diplomatic domains. New Delhi views projects like Sagarmala crucial in unlocking its dream to become a global maritime leader by 2047. However, it has been delayed and largely remains civilian - not fully integrated with the naval force's expansion objectives. The challenges that hinder its effectiveness include funding gaps, implementation delays, and a lack of integration between various ministries.<sup>8</sup>

### Strategic Assessment

MAHASAGAR reflects India's vision to transform its rising maritime capabilities into a dominant maritime power. However, this maritime doctrine is operating as a distributed framework rather than a unified maritime system. Overall, the initiative has been moderately operationalized by June 2026, while others remain inactive due to capacity building limitations, export dependency, technological reliance, and limited integration among institutions. From a realist perspective, MAHASAGAR demonstrates progressive capability-building rather than rapid maritime power transition.

### Conclusion

MAHASAGAR demonstrates India's maritime vision; despite receiving 3.2% of the budget, it remains significantly constrained because of capacity building limitations, dispersed governance, and foreign dependency. It can be translated as a partially operationalized maritime strategic framework under transition. While initiatives such as maritime surveillance, naval deployments, modernization, and partnerships are operationalized, the full integration is inactive due to structural constraints.

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<sup>7</sup> "Project 75(I) Delays Push Indian Navy's Submarine Modernisation into Crisis as Fleet Ages and Capability Gaps Widen" Indian Defense Research Wing, June 20, 2026, <https://idrw.org/project-75i-delays-push-indian-navys-submarine-modernisation-into-crisis-as-fleet-ages-and-capability-gaps-widen/>.

<sup>8</sup> "Sagarmala Project: Transport, Communication, and Critique," Dalvoy, December 6, 2025, <https://www.dalvoy.com/en/upsc/mains/previous-years/2025/geography-paper-ii/sagarmala-project-transport-communication-critique-india>.

Operationalization highlights the progress in Indo-Pacific maritime engagement; however, it remains more fragmented than a fully structurally unified governance framework. Overall, it enhances India's presence and diplomatic engagement but cannot be interpreted as a dominant Indo-Pacific maritime system.