ISSUE BRIEF

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INDIA'S INDO-PACIFIC STRATEGY IN 2025: ASSESSING HURDLES AND DEVELOPMENTS

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Edited by
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August 5, 2026

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

Introduction

The Indo-Pacific, which spans the Indian Ocean and the Pacific Ocean is increasingly becoming an area of growing strategic importance. The region is heavily influenced by the evolving regional competition and global trade.[1] India's approach in the region aims at redefining the regional order through concerted diplomatic, military, and economical measures. Initially, New Delhi had adopted a cautious policy in welcoming the role of Indo-Pacific in the Indian strategic outlook, but now it has a more proactive approach where India collaborates with regional alliances in countering Chinese influence in the wake of changing regional and global dynamics.[2] The Indo-Pacific has emerged as a key area of global geopolitics where critical maritime passages, leading economies and strategic interests intersect. Security, trade, and influence are strongly shaped by mechanisms such as the China's Belt and Road Initiative and the U.S.-led Quadrilateral Security Dialogue **(QUAD). However, disputes in the maritime corridors like the South China Sea and Strait of Malacca, make navigation complex.[3] In this**

1 Udayan Das, "What Is the Indo-Pacific?" The Diplomat, July 13, 2019, https://thediplomat.com/2019/07/what-is-the-indo-pacific/

2 Ladwig, Dr Walter, "The Indo-Pacific in Indian Foreign Policy." RUSI, April 30, 2024, https://www.rusi.orghttps://www.rusi.org.

3 Mukund V. Narvenkar, "Geopolitical Shifts in the Indo-Pacific: China's Ambitions and India's Security Concerns." Jadavpur Journal of International Relations 29(1), 2025, https://doi.org/10.1177/09735984251347797

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context, India emphasizes proactive measures in the Indo-Pacific corridor by boosting the economic collaboration, multilateral exercises and defense cooperation with regional as well as global actors.[4] Understanding New Delhi's Indo-Pacific strategy in 2025 requires taking into account India's partnerships, resource constraints and regional rivals.

Strategic Aims of India's Indo-Pacific Strategy

India's strategic objectives in the Indo-Pacific include strengthening maritime security, deepening strategic partnerships, enhancing resilience against emerging challenges and to maintain strategic autonomy. [5]These priorities are driven by changing dynamics of the region.

1. Strengthening Maritime Capabilities and Partnerships

The main strategic objective of India's Indo-Pacific strategy was to strengthen the maritime capacities and regional activities. Moreover, the combined operational efficiency is significantly promoted by the use of joint military exercises with Indonesia [6] and multilateral exercises (like Exercise Talisman Sabre 2025) with Australia, US, Japan, France and UK. [7]The first Quad Ports of the Future Conference was held in Mumbai in October 2025. The conference was attended by One hundred and twenty people from 24 Indo-Pacific countries to evaluate sound, secured, and new contemporary port facilities.[8] In the year 2025, India also participated in Exercise Malabar involving Australia, Japan and the U.S. which boosts maritime security, interoperability, skills development and Indo-Pacific stability.[9]

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4 "United States–India Joint Leaders' Statement." The White House, February 13, 2025. https://www.whitehouse.gov/briefings-statements/2025/02/united-states-india-joint-leaders-statement/.

5 Muzzammil Hasan Jafri and Naghma Farooqui, "India's Indo-Pacific Strategy: Balancing Partnerships, Power Challenges in a Shifting Geopolitical Order." Journal of Discourse Review, October 2025, https://share.google/0NmuGERRFhGqPNdq7

6 "Indian Navy Hosts Fifth Edition of Bilateral Exercise 'Samudra Shakti – 2025' with Indonesian Navy at Visakhapatnam." Press Information Bureau, Ministry of Defence, Government of India, 15 October 2025. https://www.pib.gov.in/PressReleasePage.aspx?PRID=2179326&reg=48&lang=2

7 "Chief of Integrated Defence Staff to Witness Multilateral Exercise TALISMAN SABRE 2025 in Australia." Press Information Bureau, Ministry of Defence, Government of India ,25 July 2025.https://www.pib.gov.in/PressReleasePage.aspx?PRID=2148441&reg=48&lang=2

8 "India Hosts Inaugural Quad Ports Conference, Showcases Vision for Future-Ready Maritime Hub." Maritime Gateway, October 31, 2025, https://www.maritimegateway.com/india-hosts-inaugural-quad-ports-conference-showcases-vision-for-future-ready-maritime-hub/.

9 "Guam Hosts Australia, India, Japan, US Forces in Exercise Malabar 2025." U.S. Pacific Fleet, November 20, 2025, https://www.cpf.navy.mil/Newsroom/News/Article/4339470/guam-hosts-australia-india-japan-us-forces-in-exercise-malabar-2025/.

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2. Maximization of Defense Budget

India had allotted the budget of ₹6,21940 crore (approx. Rs 6.22 lakh crore) for defense during the fiscal year 2024-2025.[10] In contrast, the Union Budget 2025–26 allocated ₹6.81 lakh crore to the Defense Ministry, a 9.5% increase over last year's estimate.[11] The Army received ₹2,07,520 crore for salaries, pensions, and operations, the Air Force ₹53,700 crore for operational and maintenance needs, and the Navy ₹38,150 crore.[12] While the Naval allocation during the fiscal year 2024-2025 was set at only $3.92 billion (INR 32,778.73 Crore), which is far less compared to the last year's budget.[13] This demonstrates that New Delhi is increasingly spending much on its defense to protect itself and also to secure the trade routes in the region.

3. Active Participation in Regional Security Frameworks

Regional frameworks serve as the most important platforms for India and it actively participates in these initiatives. As per the official sources, India underscores its strategic autonomy by leveraging regional security engagement, with ASEAN (Association of Southeast Asian Nations) Defence Ministers' Meeting Plus and partnerships with Vietnam, Indonesia, and the Philippines aimed at promoting stability.[14] According to the Defense Ministry, India and the U.S. strengthened ties at the 12th ASEAN Defense Ministers Meeting -Plus (ADMM Plus), by signing a 10-year defense framework to deepen cooperation in the Indo-Pacific.[15]

4. Economic Integration and Connectivity Initiatives

The ASEAN–India Action Plan 2026–2030 strengthens their Comprehensive Strategic Partnership in trade, education and technology. The year 2025 was regarded as the ASEAN–India Tourism Year as the region is highly connected.[16] Moreover, the partners also underscored the importance of strengthening cruise connectivity, maritime collaboration and cooperation in tourism across the

[10] "Rs 6.22 Lakh Crore Allocated for Defence Spending in Union Budget 2024-25." The Tribune, July 24, 2024, https://www.tribuneindia.com/news/india/rs-6-22-lakh-crore-allocated-for-defence-spending-in-union-budget-2024-25-642614.

[11] "Defence Gets 13% of Budget, Outlay up 10% to Rs 6.81 Lakh Crore". The Indian Express, February 2, 2025, https://indianexpress.com/article/india/union-budget-2025-defence-gets-13-per-cent-of-budget-outlay-up-10-per-cent-to-rs-6-81-lakh-crore-9812665/.

[12] "CDM Handbook on Union Budget 2025-26." CDM, 2025, https://cdm.gov.in/wp-content/uploads/2025/02/CDM_BUDGET_Analysis_2025-26.pdf?utm

[13] Maheen Shafeeq, "Indian Defence Budget FY 2024-25." Institute of Strategic Studies Islamabad, August 21, 2024, https://issi.org.pk/wp-content/uploads/2024/08/IB_Maheen_Aug_21_2024.pdf

[14] Amaresh, "India's Strategic Engagements in the Indo-Pacific: A 2025 Overview."

[15] "MINISTRY OF DEFENCE; YEAR END REVIEW - 2025." Ministry of Defence, December 31, 2025, https://www.pib.gov.in/www.pib.gov.in/Pressreleaseshare.aspx?PRID=2210154.

[16] "ASEAN-India Partnership: Strengthening Cooperation and Connectivity." Maritime Fairtrade, December 29, 2025, https://maritimefairtrade.org/asean-india-partnership-strengthening-cooperation-and-connectivity/.

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Indo-Pacific region during the 2025 ASEAN-India Cruise Dialogue in Chennai.[17] In August 2025, India hosted the 10th ASEAN–India Trade in Goods Agreement (AITIGA) Joint Committee, with bilateral trade between India and the ASEAN region reaching $123 billion.[18] This reflects India's continued focus on strengthening economic cooperation while at the same time it expanded connectivity as an important goal.

5. Countering China's Influence in the Indo-Pacific

India's Mutual and Holistic Advancement for Security and Growth Across Regions (MAHASAGAR) policy expands the Indo-Pacific strategy, promoting development, trade, and technology partnerships, advancing Indo-Pacific Oceans Initiative (IPOI) and countering China's influence.[19] At the 8th Indian Ocean Conference in February 2025, External Affairs Minister S. Jaishankar highlighted India's strategic initiatives India–Middle East–Europe Economic Corridor (IMEC), India–Myanmar–Thailand Trilateral Highway(IMTT), and International North–South Transport Corridor (INSTC) as an alternatives to China's Maritime Silk Road.[20]

Obstacles to India's Role in the Indo-Pacific

1. Dependence on Sea Lanes for Security and Trade

Indian Naval Force (INF) gave much emphasis on the importance of security of the Indian Ocean region. This is because 95% of New Delhi's trade by volume passes through this region and faces a strong Chinese presence. The defense analyst Rahul Bedi claimed that the situation in the Indian Ocean is increasingly becoming more difficult with Chinese navy, India's principal rival.[21] This situation suggested that any disturbance in the sea lanes significantly threatens a large share of India's exports and shipping routes. Even distant conflicts directly impact India's economic security.

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17 "Union Minister Sarbananda Sonowal Inaugurates First Ever ASEAN-India Cruise Dialogue in Chennai." June 30, 2025 https://www.pib.gov.in/www.pib.gov.in/Pressreleaseshare.aspx?PRID=2140940

18 "India Hosts 10th Meeting of AITIGA Joint Committee to Review ASEAN–India Trade in Goods Agreement." Ministry of Commerce & Industry, August 15, 2025, https://www.pib.gov.in/www.pib.gov.in/Pressreleaseshare.aspx?PRID=2156828.

19 Rahul Mishra and Harshit Prajapati, "Modi's Holistic Plan for Breaking China's Indo-Pacific Hold." Asia Times, April 7, 2025, https://asiatimes.com/2025/04/modis-holistic-plan-for-breaking-chinas-indo-pacific-hold/

20 David Scott, "China-India Brief: China-India Competition in the Indian Ocean." Lee Kuan Yew School of Public Policy, June 30, 2025, https://lkyspp.nus.edu.sg/cag/publications/center-publications/publication-article/detail/china-india-competition-in-the-indian-ocean?utm_.

21 "India's Navy Launches Submarine, Warships to Guard against China's Presence in Indian Ocean." Asharq Al-Awsat, January 15, 2025, https://english.aawsat.com/world/5101473-india

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2. Alliance Friction

The second term of the U.S. President Donald J. Trump has increased uncertainties about the U.S. Indo-Pacific approach, raising significant vulnerabilities for India as New Delhi prioritizes the U.S. as a key strategic partner in the broader Indo-Pacific region. This forced India to hedge by increasing defense cooperation with countries such as Japan and Australia. [22]In late August, Japanese Prime Minister Shigeru Ishiba and Indian Prime Minister Narendra Modi formally signed an agreement "Japan-India Joint Vision for the Next Decade" for the next 10-years.[23] India also boosted its defense cooperation with Canberra by participating in Australia's largest-ever military exercise (Exercise Talisman Sabre 2025), involving over 35,000 military personnel from 18 countries.[24] The 2025 National Security Strategy of the U.S. emphasizes a Western Hemisphere focus, increasing the concerns that U.S. attention on the Indo-Pacific may diminish significantly. Moreover, the 2025 Quad Leaders' Summit, planned in New Delhi, failed to take place, giving critics more reasons to doubt the priorities of the alliance partners.[25]

3. Regional Security & Maritime Obstacles

Anti-India sentiment has intensified across several key nations in the Indo-Pacific, most notably in Bangladesh and the Maldives driven by perceptions of political interference and "hegemonic" behavior. Moreover, India's maritime security landscape increasingly faced a wide range of threats such as piracy and armed robbery particularly in the regions like the Indian Ocean, Gulf of Aden and Malacca Strait, maritime territorial and border disputes, terrorism and smuggling, cybersecurity threats and Illegal, Unreported and Unregulated fishing etc.[26] At the three-day Indo-Pacific Regional Dialogue 2025, the India Navy Chief Admiral Dinesh K Tripathi called maritime security a "dynamic and complex challenge" in the times of changing geopolitics and disruptions.[27]

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22 Tourangbam, "India in 2025: Reckoning with Strategic Autonomy While Attempting Rebalancing."

23 Tomofumi Uchino, "Japan-India Defense in a Fragmenting Indo-Pacific." Institute of Geoeconomics (IOG), December 10, 2025, https://instituteofgeoeconomics.org/en/research/2025121002/

24 Bharat Shakti, "India Takes Part in Exercise Talisman Sabre in Australia." YouTube video, July 17, 2025, https://youtu.be/pxe-yEhvXpk

25 Monish Tourangbam, "India in 2025: Reckoning with Strategic Autonomy While Attempting Rebalancing." South Asian Voices, December 15, 2025, https://southasianvoices.org/geo-m-in-r-india-in-2025-12-22-2025/

26 Avilekh Goswami and Aparaajita Pandey, "Maritime Security in India: Issues, Challenges and Future Prospects." International Journal of Formal and Multidisciplinary Research, 2025, https://www.ijfmr.com/papers/2025/2/39968.pdf

27 "Maritime Security Is 'Dynaxic', Not Just Threat Control: Navy Chief." NDTV, October 28, 2025, https://www.ndtv.com/india-news/maritime-security-is-dynaxic-not-just-threat-control-navy-chief-9532379.

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4. Economic & Technological Hurdles

The strained India–US ties left India absent from the Pax Silica summit held in 2025. Domestic chip production began, but structural challenges and resource shortages limit its role in the development of advanced technologies. These technologies include critical minerals, semiconductors, advanced manufacturing, AI infrastructure and much more. Also, these technologies are central to strategic competition and the future innovation. [28] Moreover, India's external influence remains mostly regional and rhetorical, with expanding Global South outreach in Africa and Asia, though China's investment-driven diplomacy continues to dominate.[29] During the fiscal year 2024-25, India's trade deficit with China was recorded at $99.2 billion, driven by a surge in imports of electronics and consumer durables.[30]

Implications for South Asia Region

India's Indo-Pacific strategy affects the broader South Asian region by shaping security, economic, and diplomatic dynamics**.**

1. Shift to "Holistic" Regional Leadership

India's 2015 Security and Growth for All in the Region (SAGAR) framework significantly focused on Indian Ocean security, while MAHASAGAR in 2025 expanded globally, supporting its maritime vision and strategic influence in the Indian Ocean region.[31] Smaller regional states like Sri Lanka, the Maldives received significant aid, intelligence and other forms of assistance from India under the earlier regional security framework SAGAR. [32] However, Due to the shift in New Delhi's approach through the introduction of MAHASAGAR, these regional states are now being integrated into the broader Global South framework and are no longer the exclusive focus of New Delhi's maritime

[28] Dr Chietigj Bajpaee, "The Lines between India's Foreign Policy, Domestic Politics and Economy Will Become Increasingly Blurred in 2026" Chatham House, January 9, 2026, https://www.chathamhouse.org/2026/01/lines-between-indias-foreign-policy-domestic-politics-and-economy-will-become-increasingly.

[29] Richard M. Rossow, "India's Future Strategic Choices: Complications of Mass." Center for Strategic and International Studies, December 2, 2025, https://www.csis.org/analysis/indias-future-strategic-choices-complications-mass.

[30] Manoj Kumar, "India Trade Deficit with China Widens to Record $99.2 bln amid Dumping Concerns." Reuters, April 16, 2025, https://www.reuters.com/markets/asia/india-trade-deficit-with-china-widens-record-992-bln-amid-dumping-concerns-2025-04-16/.

[31] Sanchari Ghosh, "India's Ocean: A New Report Charts Delhi's Maritime Direction." Lowy Institute, September 24, 2025, https://www.lowyinstitute.org/the-interpreter/india-s-ocean-new-report-charts-delhi-s-maritime-direction.

[32] Reema Shaukat, "SAGAR to MAHASAGAR." South Asia, February 2026, https://southasia.com.pk/2026/02/01/sagar-to-mahasagar/

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architecture.[33] New Delhi has taken over the chair of the Indian Ocean Rim Association (IORA) for 2025-2027, expanding its regional influence and strategic goals significantly.[34] It provided India with an opportunity to further improve regional maritime domain awareness, managing fishing and also protect undersea cables.

2. Security & Smart Deterrence in the Neighborhood

Prime Minister Modi's Thailand and Sri Lanka visits in April 2025 aimed at advancing India's MAHASAGAR vision, enhancing defense exports, maritime awareness, and regional cooperation through The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), IORA, and multilateral partnerships.[35] India's naval modernization and Indian Ocean presence, supported by U.S. ties aimed to expand its regional influence. However, the 2025 conflict between India and Pakistan significantly exposed India's maritime vulnerabilities, increasing South Asian instability and prompting countermeasures. [36]

3. Economic Integration & Bypassing SAARC

The regional cooperation framework such as BIMSTEC on one hand enhances economic connectivity, and maritime cooperation among most of the South Asian states, excluding Pakistan. It operates under the leadership of India in alignment with the Bangkok Vision 2030. While on the other hand, South Asian Association for Regional Cooperation (SAARC) stalls due to India–Pakistan tensions and weak policy implementation.[37] It is clear that until and unless India does not engage with all of the South Asian states including Pakistan, the region would remain volatile and unstable. Moreover, India's digital infrastructure is reshaping domestic governance and being exported across Asia and

[33] Astha Chadha, "MAHASAGAR's reach: India's New Maritime Doctrine and South China Sea Security." Pacific Forum, May 28, 2025, https://pacforum.org/publications/yl-blog-117-mahasagars-reach-indias-new-maritime-doctrine-and-south-china-sea-security/

[34] Pareek Vanshika, "Indian Ocean Rim Association (IORA): India's Upcoming Chairship and Strategic Role in 2025." Prepp, March 27, 2025, https://prepp.in/news/e-492-indian-ocean-rim-association-iora-indias-upcoming-chairship-and-strategic-role-in-2025-upsc-current-affairs

[35] Dr. Cchavi Vasisht, "India's Maritime Vision for the Global South: From SAGAR to MAHASAGAR". CRF India, April 16, 2025, https://www.crfindia.org/publications/opinion-column/indias-maritime-vision-for-the-global-south.

[36] Musavir Hameed Barech, "India's Naval Modernisation and Security Dynamics of South Asia." Strategic Forecast, October 15, 2025, https://strategicforecast.cissajk.org.pk/?p=22751.

[37] Soumya Bhowmick, "BIMSTEC Seeks to Succeed Where SAARC Failed." South Asian Voice, May 13, 2025, https://southasianvoices.org/geo-m-in-n-bimstec-seeks-saarc-failed-05-13-2025/.

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Africa, including Sri Lanka and the Philippines.[38] The initiative is expected to have far- reaching implications for South Asia's digital transformation.

Policy Options for Pakistan

1. Maritime Strategy and Capability Optimization

Pakistan has significantly underscored 'sea denial' capabilities in its maritime doctrine. Also, it has employed frigates, missiles, fast attack craft, and submarines to minimize the fleet risks and maintain deterrence in the Arabian Sea. [39]. Islamabad's vision for a maritime safety, resilient blue economy and cooperation was detailed at the Maritime Policy Workshop 2025.[40] Despite these strides, more significant efforts are still required to bridge the capability gap with India. Islamabad must ensure substantial budgetary allocations, shift to a more proactive maritime doctrine, acquire nuclear-powered submarines for second strike capability and capital ships for high- intensity warfare.

2. Strategic Diversification & Pivot Diplomacy

Pakistan should bolster regional integration with China, West Asia, ASEAN, and Russia. Moreover, the country needs to employ its strategic partnerships to safeguard autonomy and to assert its strategic standing as a pivot in the case of U.S.-China competition.[41] The 2025-2029 Pakistan-China Maritime Action Plan has emphasized the development of Gwadar as a regional trade hub, incorporating industrial projects, blue economy training, smart technologies, integrated ports, and green initiatives.[42]

3. Pakistan's Alternative South Asian Bloc Proposal

Islamabad should expand its China-Bangladesh trilateral collaboration into a broader South Asian bloc, excluding India. The exclusion of India is proposed because of its dominant influence in the

[38] Anuradha Sajjanhar, "India's Digital Infrastructure Is Going Global. What Kind of Power Is It Building?" Tech Policy Press, July 16, 2025, https://www.techpolicy.press/indias-digital-infrastructure-is-going-global-what-kind-of-power-is-it-building/.

[39] Dr Rabia Akhtar, "Pakistan Navy's Deterrence: Neutralizing India's Signaling." Tribune, August 10, 2025, https://tribune.com.pk/story/2560610/pakistan-navys-deterrence-neutralising-indias-signaling.

[40] "National Maritime Policy Workshop 2025 Sets Strategic Vision for Pakistan's Blue Economy, Marine Conservation, and Global Maritime Leadership Islamabad" Press Information Department, February 28, 2025, https://pid.gov.pk/site/press_detail/28195.

[41] Dr. M. A. Gul, "Strategic Implications of 4-Day Military Escalation of May 2025". ISSRA, July 28, 2025, https://issra.pk/insight/2025/strategic-implications-of-4-day-military-escalation-of-may-2025/insight.html.

[42] Noor ul Huda, "Pakistan, China Launch 2025–2029 Maritime Action Plan". Pakistan Single Window, September 18, 2025, https://www.pcs.gov.pk/news-detail/pakistan-china-launch-20252029-maritime-action-plan.

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regional decision-making and its selective and exclusionary approach to regional cooperation. This limits the prospects of inclusive regional development and stagnation of regional initiatives such as SAARC. By prioritizing this approach, Pakistan will promote development-focused regional cooperation amid SAARC stagnation and ongoing India–Pakistan tensions.[43] This initiative would also significantly help Pakistan and other South Asian states to move toward progress.

Conclusion

India's Indo-Pacific strategy demonstrates a holistic drive to strengthen its security, multilateral cooperation, and economic connectivity. New Delhi is aimed at bolstering its partnerships with Washington, Tokyo, ASEAN, and other regional actors while countering Beijing's growing influence. Moreover, India increases its leverage significantly through initiatives like the India–Middle East–Europe Economic Corridor (IMEC), MAHASAGAR, and digital infrastructure. India's proactive measures and strategies influence the regional order in spite of problems such as maritime vulnerabilities, regional instability and troubled relations with the U.S. Due to this, sea denial strategies, pivot diplomacy and maritime approaches are being adopted by neighboring states, particularly Pakistan.

[43] "Pakistan Pushes New South Asian Bloc without India. Can It Succeed?" BDnews24, December 06, 2025, https://bdnews24.com/bangladesh/817b7a7accd7.

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