

India in BRICS+: Power, Policy, and Multilateralism

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Abstract

This paper investigates the multifaceted strategic, institutional, and geoeconomic imperatives governing the Republic of India's participation in the BRICS coalition across its foundational and expanded **BRICS+** (*The BRICS+ bloc comprises founding nations Brazil (2006), Russia (2006), India (2006), and China (2006), which were joined by South Africa (2010), followed by the official expansion into BRICS+ that added Egypt (2024), Ethiopia (2024), Iran (2024), the United Arab Emirates (2024), and subsequently Indonesia (2025), alongside Saudi Arabia, which was invited to join in 2024 and participates actively across bloc meetings and working groups*) configurations. Operating at the confluence of an extensive domestic industrial modernisation mandate and systemic geopolitical transformations toward an authentically polycentric international architecture, New Delhi's multilateral diplomacy serves as an instrument for advancing its core doctrines of strategic autonomy and issue-based multi-alignment. At the heart of this inquiry is an evaluation of the structural divergence among member states: while some partners seek to instrumentalise the platform as an anti-Western counter-hegemonic vanguard intent on subverting established global regimes, India champions a reformist posture encapsulated in its diplomatic axiom of being non-Western rather than anti-Western. Institutionally, the paper examines how New Delhi secured strict voting parity and sovereign equality within the New Development Bank (NDB) to preempt asymmetric capital dominance, while contextualising the structural limitations of the Contingent Reserve Arrangement (CRA), notably its operational tether to International Monetary Fund (IMF) conditionalities. In the monetary domain, the paper applies Optimal Currency Area theory and the Mundell-Fleming Trilemma to demystify the rhetoric of collective de-dollarisation, demonstrating that structural macroeconomic divergences and capital account restrictions render a common BRICS synthetic currency unviable. Consequently, India prioritises bilateral local-currency invoicing mechanisms—such as the Special Rupee Vostro Account (SRVA) framework and cross-border digital payment interoperability—to hedge against extraterritorial sanction risks whilst resisting third-party currency dominance and preserving domestic monetary independence. Furthermore, the investigation examines intra-bloc tensions triggered by military confrontations along the disputed Line of Actual Control, detailing India's deployment of defensive economic statecraft, including foreign investment screenings and digital infrastructure firewalls, alongside institutional realism to check unilateral territorial revisionism without abandoning the multilateral forum. Extending to institutional widening, the article evaluates the accession of critical Middle Eastern and African states into BRICS+, revealing how Indian diplomacy established objective admission criteria to prevent bloc dilution whilst leveraging complementary initiatives—most notably the historic induction of the African Union into the G20 during New Delhi's presidency—to substantiate its leadership as an authentic Voice of the Global South. Synthesising India's continental diplomatic engagements across Eurasia with its maritime commitments inside the Quadrilateral Security Dialogue alongside democratic partners, the treatise concludes that New Delhi's dual-track external strategy does not represent an unsustainable contradiction, but rather a calculated grand strategy that balances continental security with maritime deterrence, positioning India as an indispensable, autonomous pole shaping the norms, rules, and institutions of a fragmented global order.

Keywords: India, BRICS+, Strategic Autonomy, Reformed Multilateralism, New Development Bank, Contingent Reserve Arrangement, De-Dollarisation, Special Rupee Vostro Account, Line of Actual Control.

1.0 Introduction

The emergence and institutional consolidation of the BRICS grouping—spanning its founding coalition of Brazil, Russia, India, China, and South Africa, alongside its expanded BRICS+ architecture—represents one of the most consequential structural realignments in contemporary international political economy. What began as a market-forecasting concept to identify high-growth developing economies has become a resilient intergovernmental caucus committed to rectifying the structural imbalances of the post-Second World War global order. For the Republic of India, BRICS is neither an ideological alliance nor an adversarial anti-Western bloc; instead, it serves as a primary multilateral vehicle through which New Delhi operationalises its grand strategy of strategic autonomy and issue-based multi-alignment. In navigating this forum, Indian diplomacy functions as an indispensable bridge and global balancer, deftly managing a dual-vector foreign policy. On one side lies the maritime Indo-Pacific vector, anchored by engagements in the Quad, partnerships with the Group of Seven, and minilateral commercial initiatives to uphold a free and open maritime commons, secure critical technology supply chains, and balance naval assertiveness across regional sea lanes. On the other lies the continental Eurasian and Global South vector, operationalised through BRICS+, the Shanghai Cooperation Organisation, and the integration of the African Union into the G20 to champion reformed multilateralism, mobilise sovereign development finance through the New Development Bank, and challenge historical governance deficits in the Bretton Woods institutions. Consequently, India's external engagement is propelled by two intertwined systemic imperatives: a developmental mandate

requiring sustained domestic economic growth, extensive infrastructure financing, secure hydrocarbon and fertiliser corridors, and technological sovereignty; and a geopolitical balancing mandate directed at preventing unipolar global hegemony whilst actively resisting the rise of an illiberal, unipolar regional hierarchy in Asia. While revisionist actors within the grouping frequently attempt to instrumentalise BRICS as a counter-hegemonic vanguard to confront Western frameworks and circumvent international regulatory systems, India advances a reformist agenda grounded in its foundational posture of being non-Western rather than anti-Western. Through this calculated positioning, New Delhi strives to democratise global decision-making, elevate emerging-market agency, and construct equitable multilateral architectures without rupturing its vital economic, strategic, and technological ties with advanced democratic nations.

1.1 Theoretical Frameworks: Strategic Autonomy, Non-Alignment 2.0, and Realist Institutionalism

The grand strategic calculus governing the Republic of India's participation in 21st-century multilateralism cannot be understood through traditional Western alliance paradigms, which presuppose binary commitments, mutual defence treaties, and rigid ideological conformity. Instead, India's dynamic diplomacy across contemporary global forums—most prominently exemplified by its sustained institutional engagement within the BRICS grouping—is thoroughly anchored in the evolutionary doctrine of strategic autonomy. In international relations discourse, strategic autonomy refers to a sovereign state's capacity to make independent foreign-policy choices based on its own vital national security interests, domestic developmental priorities, and sovereign geopolitical judgements, free from extraterritorial coercion, structural subordination, or binding collective-defence pacts. This foundational objective has defined India's worldview since independence, serving as a constant lodestar through distinct systemic transformations: from the ideological bifurcation of the Cold War to the brief unipolar moment dominated by the United States, and now into a turbulent, fragmented polycentric international architecture. To rigorously theorise India's contemporary external behaviour, one must contextualise the shift from classic, defensive non-alignment to a dynamic, forward-leaning framework that strategic scholars commonly conceptualise as Non-Alignment 2.0 or pragmatic multi-alignment (**Khilnani et al. 2012**). Where the twentieth-century iteration was largely characterised by equidistant detachment, systemic risk-aversion, and moral posturing designed to insulate a post-colonial economy, modern multi-alignment is an assertive, capability-driven grand strategy (**Hall, 2016**). It posits that a rising Asian power possessing continental scale, demographic pre-eminence, and expanding economic weight must actively engage multiple, competing systemic power centres simultaneously. This engagement is not driven by ideological ambivalence, but by a calculated effort to maximise diplomatic manoeuvrability, broaden strategic bargaining leverage, and aggregate external resources indispensable for domestic modernisation (**Mohan, 2023**). Crucially, this operational model interfaces directly with the conceptual tenets of realist institutionalism. Classical and neo-realist theories of international politics, such as the structural paradigms advanced by **Mearsheimer (2001)**, generally view international institutions with profound scepticism, treating them as ephemeral arenas subordinate to the raw distribution of military and economic power. In this orthodox realist view, states are locked in perpetual security dilemmas in which zero-sum competition and relative-gains calculations prevail. Realist institutionalism resolves this theoretical tension by demonstrating that sovereign actors do not merely enter multilateral bodies to secure cooperative absolute gains or build idealised collective orders. Rather, states engage in institutional architectures as an instrument of defensive hedging, regional balancing, voice opportunities, and systemic containment, a perspective systematically articulated by **Kahler (2016)**. For New Delhi, institutional forums are diplomatic arenas wherein rules of global governance are contested, codified, or prevented from degenerating into hegemonic instruments. By joining and shaping the institutional contours of bodies like BRICS, the Shanghai Cooperation Organisation, and the G20, India can help restructure the international order while checking revisionist ambitions from within the room (**Rauthan, 2024**).

From Non-Alignment to Pragmatic Multi-Alignment: The conceptual evolution of India's foreign policy from classical non-alignment to pragmatic multi-alignment represents a profound theoretical and operational modernisation of Indian statecraft. In the decades immediately following independence, the doctrine of non-alignment functioned primarily as a defensive posture designed to safeguard sovereign decision-making space amid zero-sum Cold War superpower rivalry, avoid catastrophic entanglement in external great-power conflicts, and protect a vulnerable post-colonial economy (**Hall, 2016**). In the 21st century, systemic shifts—including Asia's economic rise, the diffusion of Western hegemony, and India's accelerated domestic growth—made passive detachment obsolete and led to the formulation of Non-Alignment 2.0. Modern multi-alignment mandates energetic, simultaneous engagement across competing geopolitical poles. Under this paradigm, India's grand strategy operates through sovereign flexibility, issue-specific coalitions, and strategic hedging, refusing binding collective-defence alliances to retain full operational freedom to build varied partnerships based strictly on national interest in the maritime domain. New Delhi aligns with the United States, Japan, and Australia within the Quadrilateral Security Dialogue to uphold a rules-based commons, secure high-technology supply chains, and balance assertive behaviour across the Indo-Pacific (**Tellis, 2020**). Simultaneously, in the continental and economic spheres, India partners with China, Russia, Brazil, and South Africa within BRICS to reform international financial governance and deploy alternative development lending through the New Development Bank. Furthermore, India engages Middle Eastern partners through the I2U2 arrangement and champions cross-regional integration via the India-Middle East-Europe Economic Corridor (**Mohan, 2023**). Through this pragmatic multi-alignment, India transcends traditional alliances, maximising its strategic manoeuvrability to secure its ascent as an independent global power.

Institutional Realism: Defensive Hedging Within Multilateral Bodies: Evaluated exclusively through the prism of traditional structural realism, India's foundational and continued membership within the BRICS grouping presents a striking analytical anomaly (**Mearsheimer, 2001**). Structural realism posits that in an anarchic international system, rational states prioritise survival, interpret international politics through relative gains, and regard neighbouring regional competitors with enduring mistrust. Given that the People's Republic of China constitutes India's primary territorial competitor—a reality reinforced by persistent military standoffs along the disputed Line of Actual Control—orthodox realism would predict an outright Indian refusal to participate in any institutional architecture co-led by Beijing. However, institutional realism resolves this paradox by showing that sovereign states do not enter multilateral forums solely out of liberal impulses to pursue collective absolute gains. Rather, states routinely utilise

multilateral institutions as critical instruments for defensive hedging, strategic containment, and voice opportunities. From New Delhi's realist perspective, international institutions are critical arenas where global norms, legal frameworks, and financial channels are determined; therefore, voluntarily vacating such an arena merely cedes total, uncontested control of that platform to one's principal geopolitical adversary. By retaining a founding, active seat at the summit table of BRICS, India exercises structural consensus veto power over the bloc's collective agenda. If New Delhi were to withdraw, it would surrender the Global South's narrative, economic, and institutional leadership to Beijing, enabling China to turn the grouping into an unvarnished revisionist alliance operating under unilateral hegemony (**Rauthan, 2024**). Inside the conference room, Indian diplomacy sets the permissible boundaries of collective policy, tempering overly confrontational language in summit communiqués. It systematically blocks initiatives that undermine its core sovereign interests.

1.2 The Institutional Architecture: The New Development Bank and Contingent Reserve Arrangement

The BRICS caucus's substantive metamorphosis from a purely consultative diplomatic forum into an operational, treaty-based multilateral entity was decisively realised at the 2014 Fortaleza Summit in Brazil. Before this historic juncture, external sceptics routinely dismissed the grouping as a rhetorical talking shop whose disparate geographical distribution, divergent political systems, and macroeconomic asymmetries precluded durable institutional cohesion (**Cooper, 2016**). However, the formal establishment of two distinct financial pillars—the NDB and the CRA—marked an unprecedented structural innovation in South-South financial statecraft. These institutions collectively represented an empirical challenge to the post-war monetary and developmental architecture crafted at Bretton Woods (*The Bretton Woods Conference, officially known as the United Nations Monetary and Financial Conference, was a gathering of 730 delegates from 44 Allied nations held at the Mount Washington Hotel in Bretton Woods, New Hampshire, from July 1 to 22, 1944*), providing the coalition with physical balance sheets, subscribed capital pools, and legal charters designed to operationalise demands for reformed global governance (**Woods, 2006**). For the Republic of India, this institutional dual-track addressed fundamental domestic and systemic requirements. Facing an immense domestic infrastructure financing deficit projected to surpass one and a half trillion United States dollars, New Delhi required substantial volumes of patient, long-term development capital free from the protracted policy conditionalities historically mandated by Western-dominated multilateral creditors (**Mohan and Kapur, 2015**). Concurrently, the systemic vulnerabilities exposed by the 2013 United States Federal Reserve taper tantrum—which triggered severe capital outflows, acute exchange-rate depreciation, and imported inflation across emerging markets—highlighted India's urgent need for supplementary liquidity mechanisms to insulate its macroeconomy from external financial shocks (**Rajan, 2014**). Nevertheless, India's approach to these institutional frameworks was characterised by profound strategic circumspection. Whilst enthusiastic about establishing non-Western developmental channels, Indian policymakers were acutely aware that an unfettered, capital-weighted multilateral institution within the developing world could inadvertently become an instrument of Chinese financial hegemony (**Bhattacharya, 2016**). Consequently, the institutional design of both bodies reflects a calculated diplomatic compromise between mobilising collective economic weight and establishing rigid structural safeguards to preserve sovereign parity. The division of labour between the two institutions was conceptually distinct. The NDB was explicitly modelled to mirror and challenge the long-term investment functions of the World Bank and regional entities such as the ADB, endowed with an initial authorised capital base of one hundred billion US\$ to finance public infrastructure, clean energy grids, and sustainable transit networks across emerging market economies (**NDB, 2014**). Conversely, the CRA was conceived as a self-managed, precautionary financial stability net designed to mirror the IMF's short-term balance-of-payments crisis mitigation functions, endowed with a parallel committed pool of one hundred billion US\$ to supply short-term foreign currency liquidity through mutual central bank swap lines (**Reis, 2017**). Through these mechanisms, BRICS sought to establish an alternative operational logic in global finance, pledging respect for sovereign policy autonomy and reliance on domestic regulatory systems (**Humphrey, 2020**).

The New Development Bank (NDB): The NDB is the most concrete, institutionalised manifestation of South-South financial cooperation to emerge in the twenty-first century, designed to bypass the structural hierarchies of traditional multilateral development banks. Historically, established institutions such as the World Bank have distributed voting shares, board representation, and executive authority based on capital subscriptions, resulting in the systemic dominance of advanced Western economies (**Woods, 2006**). In contrast, the NDB's founding charter set a revolutionary institutional precedent by enshrining absolute sovereign equality among its founding members, ensuring that no single member state, regardless of its economic scale or gross domestic product, could unilaterally dictate the bank's operational policies or loan disbursements. At the core of the bank's developmental philosophy is the pioneering operationalisation of national sovereignty and the utilisation of domestic country systems (**Humphrey, 2020**). Whereas orthodox Western institutions historically conditioned infrastructural credit on intrusive structural adjustment programmes and mandatory market liberalisation—a dynamic famously critiqued by **Stiglitz (2002)**—the NDB evaluates proposed projects against the borrowing state's existing domestic legal, environmental, and procedural frameworks. For India, the NDB has proved to be an invaluable institutional asset, channelling billions of dollars into high-priority domestic infrastructure endeavours, including urban rapid transit corridors, rural road connectivity upgrades, and crucial counter-cyclical emergency budgetary support disbursed during the coronavirus pandemic (**GoI, 2020**). Moreover, the bank has pioneered local-currency bond issuances, including onshore rupee-denominated bonds, thereby shielding Indian municipal and national executing agencies from corrosive foreign-exchange mismatches (**NDB, 2022**).

The Fortaleza Compromise and Governance Parity: The NDB's governance framework represents a masterclass in defensive institutional negotiation by Indian statecraft. During the preparatory diplomatic deliberations leading to the 2014 Fortaleza Summit, the most contentious structural fault line centred on the distribution of subscribed share capital and subsequent voting power. The People's Republic of China, with foreign exchange reserves and a domestic gross domestic product that vastly eclipsed those of Brazil, Russia, India, and South Africa combined, proposed an asymmetric capital contribution model tied directly to member states' economic weight (**Bhattacharya, 2016**). Had this formula been adopted, Beijing would have acquired a near-monopolistic voting share, replicating within a Southern institution the exclusionary donor-driven dominance characteristic of the Bretton Woods bodies.

Indian negotiators, firmly backed by their Brazilian and South African counterparts, rejected the Chinese formulation, maintaining that the bank's founding ethos required unyielding adherence to sovereign equality and democratic governance. The resulting diplomatic compromise established an initial authorised capital base of one hundred billion US\$ and a subscribed capital of fifty billion US\$, divided strictly into equal tranches among the five founding constituents (NDB, 2014). Each founding state contributed an identical paid-in capital tranche of two billion US\$ and a callable capital tranche of eight billion US\$, securing an immutable twenty per cent voting share. To counterbalance China's physical hosting of the bank's headquarters in Shanghai, India secured the right to nominate the institution's inaugural president, leading to the appointment of eminent Indian commercial banker K. V. Kamath, who operationalised the bank's initial portfolio (Kamath, 2018). Furthermore, the charter stipulates that the combined voting equity of the five founding members can never fall below 55.0 per cent, permanently preserving founding parity.

Country Systems and De-Conditioning Loan Portfolios: The operational breakthrough distinguishing the NDB from historical multilateral development lenders lies in its explicit institutional departure from the orthodoxy of the Washington Consensus. For decades, established international financial institutions subjected emerging economies seeking infrastructure loans to intrusive, ex-ante policy conditionalities, compelling borrowing states to implement fiscal austerity measures, deregulate national markets, and privatise strategic state assets (Stiglitz, 2002). These protracted conditionalities routinely introduced extensive bureaucratic delays, significantly increased transaction costs, and infringed upon the sovereign economic policy space of developing nations. In contrast, the NDB operationalised a progressive lending philosophy rooted in strict respect for sovereign autonomy through the use of domestic country systems (Humphrey, 2020). Under this regime, the bank accepts the statutory, environmental, social, and public procurement frameworks established by the borrowing state's own sovereign parliament and regulatory agencies as sufficient for operational compliance, provided they meet baseline standards of transparency and fiduciary integrity. For the Republic of India, this institutional framework has facilitated the swift deployment of substantial financial resources across diverse sectors of national infrastructure without compromising domestic regulatory prerogatives. Sovereign financing has been channelled directly into major mass-transit undertakings, such as the Mumbai Metro Rail project and the Delhi-Meerut Regional Rapid Transit System, alongside regional road connectivity programmes in Madhya Pradesh and emergency budgetary assistance programmes totalling two billion US\$ mobilised to stabilise national healthcare capacities and rural employment schemes (GoI, 2020). By validating domestic statutory systems, the NDB provides India with patient infrastructural liquidity that respects the state's sovereign developmental choices.

The External Sanctions Shock and Russian Debt Suspension: The structural limitations of the NDB's pursuit of an autonomous, non-Western institutional identity were starkly exposed following the Russian Federation's military campaign in Ukraine in early 2022 and the subsequent imposition of sweeping financial sanctions by the United States and the European Union. Although the bank was conceived to provide emerging markets with institutional autonomy from Western hegemony, its financing model remained deeply entangled with, and structurally dependent on, the international financial architecture and Western-dominated capital markets (Humphrey, 2020). To finance its development portfolio, the NDB does not rely solely on member states' paid-in capital; instead, it accesses international institutional bond markets in Frankfurt, London, and New York to issue liquid, hard-currency benchmark debt instruments denominated in US\$ and euros. To secure competitive coupon rates and raise low-cost capital for on-lending to developing nations, the bank requires impeccable creditworthiness, historically reflected in its investment-grade credit ratings assigned by Western rating agencies. After Western sanctions against Moscow escalated—including the freezing of sovereign central bank assets and the expulsion of major Russian financial institutions from the SWIFT network—the NDB faced an existential balance-sheet crisis (Siddiqui, 2023). Continued operational engagement with Russian borrowers or efforts to service Russian-denominated commitments threatened severe credit rating downgrades and shuttered access to international bond clearing houses. It drastically increased the bank's global cost of borrowing. Consequently, in March 2022, the NDB Board of Directors took the pragmatic, unilateral decision to freeze all new financing activities and transactions within the Russian Federation (NDB, 2022). Indian representatives on the board supported full institutional compliance with global financial realities, recognising that protecting the bank's international solvency was essential to safeguarding its capacity to continue financing Indian developmental priorities.

The Contingent Reserve Arrangement (CRA): The Paper Shield: The Contingent Reserve Arrangement was engineered alongside the NDB at the 2014 Fortaleza Summit to give the BRICS coalition an autonomous, self-managed liquidity mechanism that could serve as a Southern counterpart to the IMF. Emerging economies have historically maintained a deeply fraught relationship with the IMF, rooted in memories of the punitive macroeconomic conditionalities, abrupt fiscal retrenchment, and structural adjustments imposed upon developing states during balance-of-payments emergencies, most acutely exemplified during the 1997 Asian Financial Crisis. The CRA was thus conceived to provide an alternative, multilateral safety net: a committed financial pool of one hundred billion US\$ designed to supply short-term balance-of-payments support, address sudden liquidity drains, and insulate member currencies from external speculative pressures (Reis, 2017). However, unlike the NDB, which translated its founding charter into vibrant physical operations, the CRA has functioned almost entirely as a paper shield—a symbolic political framework rather than a viable, responsive financial instrument. The fundamental impediment to the CRA's operationalisation resides in its foundational structural design and the insurmountable economic asymmetries dividing its participants. Whilst the mechanism represents a commendable conceptual exercise in central bank coordination, its operational modalities are so tightly tethered to the existing international financial architecture. Its quantitative liquidity ceilings are so modest when evaluated against the immense gross domestic product and reserve requirements of emerging powers that the facility has remained dormant throughout consecutive global crises (Eichengreen, 2021). For the Republic of India, the CRA carries minimal practical significance as a primary instrument of macroeconomic protection, functioning more as an institutional experiment in non-Western multilateralism than as an operational safety net that can shield the nation from genuine balance-of-payments turbulence.

Operational Mechanism and Swap-Line Quotas: The CRA's operational architecture differs fundamentally from the NDB's, eschewing an independent, centralised institutional balance sheet in favour of a decentralised network of bilateral central bank currency swap commitments. The arrangement does not maintain physical vaults, autonomous capital reserves, or an independent executive bureaucracy; instead, it constitutes a binding legal and regulatory framework governing currency repurchase agreements

between the central banks of the founding sovereign states (**Treaty for the Establishment of a BRICS Contingent Reserve Arrangement, 2014**). Under this regime, when a member state encounters acute short-term balance-of-payments pressures or currency volatility, it is legally entitled to request US\$ liquidity from partner central banks in exchange for its domestic fiat currency, with a contractual obligation to repurchase its currency at a specified maturity date. Furthermore, unlike the strict equality that defines NDB shareholding, capital commitments and voting power within the CRA reflect a realistic appraisal of member states' disparate foreign exchange reserve capacities. The initial one hundred billion US\$ committed reserve pool is divided asymmetrically across the founding coalition: the People's Republic of China committed forty-one billion United States dollars, securing 39.95 per cent of institutional voting rights; India, Brazil, and Russia committed eighteen billion US\$ each, corresponding to an 18.10 per cent voting share for each state; whilst South Africa committed five billion US\$, obtaining a 5.75 per cent voting share. Crucially, the treaty calibrated these obligations through differential borrowing access multipliers that reverse the distribution of committed capital to protect smaller economies. However, the arrangement has never been operationalised.

The IMF De-Link Dilemma and Structural Obsolescence: The critical structural flaw that renders the CRA functionally constrained—and conceptually contradictory to its stated goal of providing an autonomous Southern alternative to the Bretton Woods architecture—is the institutional insertion of the mandatory IMF linkage clause. Under statutory terms, only a modest thirty per cent of a member state's designated maximum borrowing quota can be accessed autonomously through the arrangement's de-linked tranche. If an applicant state requires access to the remaining seventy per cent of its emergency borrowing entitlement, it must enter into an active, comprehensive surveillance programme or formal financing arrangement with the IMF. This structural tether was inserted primarily at the insistence of larger creditor central banks to mitigate severe moral hazard, safeguard deployed sovereign liquidity, and guarantee external credit monitoring. However, the presence of this clause fundamentally eviscerates the claim that the CRA represents a sovereign alternative to the Washington Consensus: any emerging economy experiencing a systemic liquidity collapse would still find itself subjected to the structural adjustment conditionalities, fiscal interventions, and policy surveillance historically imposed by the IMF, completely neutralising the anti-hegemonic purpose of the arrangement. For the Republic of India, this institutional reality is compounded by the facility's quantitative insignificance relative to its contemporary macroeconomic scale. Throughout the mid-2020s, the RBI has systematically accumulated foreign exchange reserves hovering consistently between six hundred and seven hundred billion US\$. Within this macroeconomic reality, an emergency swap allocation capped at eighteen billion US\$ —of which a mere five point four billion could be accessed without submitting to IMF policy conditionality—represents a quantitatively marginal financial cushion that fails to move the needle during a systemic external liquidity crisis (**Eichengreen, 2021**).

1.3 The Geoeconomics of De-Dollarisation: Rupee Trade Settlement and Monetary Sovereignty

The contemporary international monetary architecture has entered a phase of profound structural contestation, catalysed by the weaponisation of global financial networks following the outbreak of the Ukraine conflict in 2022. The coordinated freezing of approximately three hundred billion United States dollars of sovereign foreign exchange reserves belonging to the Central Bank of the Russian Federation, alongside the systemic expulsion of prominent Russian banking institutions from the SWIFT messaging system, shattered the long-standing presumption that the dollar-clearing infrastructure constituted a neutral global public good, an epochal shift in coercive economic statecraft examined by **Farrell and Newman (2019)**. These measures underscored the perils of structural dependency on Western financial conduits, accelerating debates across the developing world about the urgent imperative of de-dollarisation and the protection of sovereign assets. Nevertheless, the Republic of India's operational posture diverges markedly from the revisionist, anti-hegemonic rhetoric championed by several of its coalition partners. Within the expanded BRICS framework, two fundamentally divergent monetary paradigms have emerged. The Sino-Russian axis actively pursues systemic de-dollarisation, seeking to undermine the greenback's exorbitant privilege, build alternative institutional clearing systems such as the Cross-Border Interbank Payment System, and promote the internationalisation of the Renminbi or a synthetic bloc unit to insulate their economies from Western sanctions (**Eichengreen, 2011**). Conversely, New Delhi rejects revanchist attempts to dismantle the prevailing international monetary order. Indian policymakers recognise that the nation's ongoing industrial modernisation, burgeoning software exports, and extensive capital requirements necessitate uninterrupted, deep integration with Western capital markets and dollar liquidity pools (**Prasad, 2014**). Consequently, India's grand strategy is anchored in strategic currency multiplicity rather than adversarial de-dollarisation. For New Delhi, currency multiplicity means cultivating a diversified, polycentric international monetary landscape in which national sovereign currencies can be used for bilateral commercial invoicing without enforcing structural decoupling from the US\$. By methodically establishing alternative bilateral settlement conduits, internationalising the Indian Rupee, and resisting the institutionalisation of Renminbi hegemony across Eurasia, India aims to shield its critical energy and defence supplies from secondary sanctions whilst vigorously defending its domestic monetary policy independence (**Rauthan, 2024**). This approach is further supported by the targeted deployment of domestic financial technology, specifically the cross-border integration of the UPI, which fosters resilient settlement rails without compromising national sovereignty or succumbing to speculative global capital volatility (**Reserve Bank of India, 2023**).

The Rejection of the "BRICS Common Currency": In the discourse surrounding the institutional evolution of the BRICS grouping, visionary proposals advanced by academic commentators and select member states have periodically advocated for the creation of an asset-backed or synthetic common supranational currency, often designated in conceptual literature as the "R5" project (**Stuenkel, 2020**). Proponents envision such initiatives as an emerging-market analogue to the Euro, capable of supplanting the US\$ across intra-bloc commerce and challenging the structural hegemony of Western clearing institutions. However, the Government of India, through the Ministry of External Affairs and the RBI, has explicitly and consistently dismissed the viability of a common BRICS monetary unit, as unequivocally articulated in high-level policy addresses by **Jaishankar (2023)**. New Delhi's steadfast refusal to entertain a common currency rests on two pillars: unyielding macroeconomic principles and vital geopolitical security imperatives. From a macroeconomic standpoint, the bloc's disparate economic architectures, non-convergent inflationary cycles, and asymmetric trade structures make any synthetic currency union inherently unstable and economically self-defeating. From a

strategic perspective, Indian planners recognise that within a multilateral coalition heavily skewed by China's immense manufacturing and export dominance, any collective currency basket would inevitably reflect Beijing's macroeconomic preferences and financial gravity, a structural peril highlighted by **Mohan (2023)**. Subordinating the Indian economy to a monetary unit effectively anchored to the Chinese central bank would constitute an unacceptable compromise of national sovereignty, particularly given ongoing territorial tensions along the disputed northern frontiers (**Rauthan, 2024**). Therefore, India has unswervingly restricted the collective monetary agenda within BRICS to the practical realm of bilateral national currency invoicing and settlement mechanisms.

Structural Invalidation via Optimal Currency Area (OCA) Theory: The theoretical impossibility of establishing a functional, enduring common currency across the BRICS coalition is definitively demonstrated through the classic analytical framework of OCA theory, originally formulated by **Mundell (1961)**. According to this foundational economic doctrine, the successful establishment and operational sustainability of a unified monetary zone require the fulfilment of four indispensable structural preconditions: robust cross-border labour mobility across participating jurisdictions; comprehensive capital mobility alongside flexible real wage mechanisms; systemic synchronisation of business cycles and symmetry of macroeconomic shocks; and the presence of a centralised, supranational fiscal risk-sharing or fiscal-transfer architecture capable of mitigating regional asymmetric distress. When evaluated against these rigorous criteria, the expanded BRICS+ coalition fails comprehensively across every individual benchmark. Internal labour mobility between member states is virtually non-existent, tightly circumscribed by rigid sovereign visa regimes, geographical distance, and domestic labour market regulations. Similarly, free capital mobility is absent, given that key constituent states, including India and China, enforce extensive capital account restrictions and exchange-control mechanisms to manage domestic monetary stability. Furthermore, the macroeconomic profiles of the member states diverge sharply, resulting in fundamentally asymmetric responses to global commodity shocks: whilst the Russian Federation, Brazil, and the UAE are primary net exporters of crude oil, gas, and mineral commodities, the Republic of India is a massive net importer of hydrocarbons, meaning that an inflationary surge in global energy prices impacts their balance-of-payments positions in fundamentally opposite directions. Finally, the total absence of supranational political cohesion precludes establishing a collective fiscal authority; no sovereign member state has the domestic political appetite to surrender budgetary authority or execute cross-border fiscal transfers to support fellow members during economic crises. Without these essential structural prerequisites, the theoretical proposition of a collective BRICS currency remains an unworkable abstraction that would inevitably culminate in severe financial instability.

The Renminbi Hegemony Trap: Beyond theoretical economic impediments, India's unyielding resistance to creating a supranational BRICS monetary unit stems from an acute recognition of the coalition's underlying geopolitical power imbalance. As **Mohan (2023)** notes, the staggering asymmetry in economic weight between the People's Republic of China and the remaining member states ensures that Beijing would dominate any collective monetary construct. China's gross domestic product, extensive industrial output, and massive share of total intra-bloc exports vastly overshadow the economic scale of all other constituent states combined. Consequently, any synthetic currency basket or settlement unit formulated on weighted economic parameters would inevitably derive the overwhelming majority of its valuation and liquidity from the Chinese Renminbi. For Indian grand strategy, falling into this monetary trap would represent an intolerable national security hazard. As cogently argued by **Rauthan (2024)**, trading systemic reliance on the US\$—a distant power with whom New Delhi shares expanding strategic, democratic, and technological alignments—in exchange for structural dependence on the currency of an immediate, revanchist military adversary along the disputed Line of Actual Control would fundamentally compromise India's strategic autonomy. Such an arrangement would grant the People's Bank of China considerable indirect leverage over India's external trade valuations and settlement pipelines. Under such conditions, an acute bilateral border confrontation could easily be mirrored by asymmetric economic coercion or liquidity restrictions orchestrated through Chinese-dominated clearing networks. Consequently, New Delhi has systematically neutralised multilateral deliberations on synthetic bloc currencies, channelling intra-BRICS discussions exclusively toward sovereign national currency settlement protocols that preserve institutional autonomy and preclude Beijing from establishing regional monetary hegemony under the guise of South-South solidarity.

The Mechanics of Rupee Internationalisation: The Vostro Mode: Rather than pursuing speculative supranational monetary innovations, the Republic of India has pioneered a pragmatic, bilateral alternative designed to expand the international footprint of its own legal tender: the progressive internationalisation of the Indian Rupee through designated commercial clearing channels. On 11 July 2022, the **RBI (2022)** promulgated a landmark regulatory framework governing the invoicing, payment, and settlement of external trade in domestic currency. The primary objective of this regulatory innovation was to facilitate the seamless expansion of global merchandise and services trade whilst systematically diminishing structural exposure to third-party currency volatility and extraterritorial geopolitical sanctions. The SRVA framework underpins this policy. Under this operational architecture, an authorised dealer commercial bank in India may open and maintain a dedicated Rupee account for a partner country's correspondent bank. When Indian commercial entities procure imported commodities, they discharge their payment obligations by depositing the requisite amount of Indian Rupees directly into the designated SRVA of the overseas seller's correspondent banking institution. Conversely, when foreign buyers purchase goods and services exported from India, their domestic banks debit the equivalent funds from the accumulated Rupee balances held within the SRVA in India to remit payment to the Indian exporter. Furthermore, the regulatory regime permits surplus Rupee balances in these accounts to be prudently reinvested in approved domestic sovereign instruments, primarily GoI Treasury Bills and sovereign securities, generating a secure yield for foreign holders while providing non-inflationary domestic budgetary support.

The Russian Hydrocarbon Impasse: Trade Deficit Constraints: The real-world viability and inherent structural constraints of bilateral local-currency invoicing regimes were starkly demonstrated during India's massive procurement of discounted seaborne Russian crude oil between 2022 and 2024. After Western price caps and embargoes on Russian hydrocarbons, Indian public and private refiners stepped in to secure national energy supplies, importing unprecedented volumes of petroleum that insulated the domestic economy from imported inflationary shocks. However, this commercial realignment quickly created an immense,

unsustainable bilateral trade imbalance, a structural friction **Goyal (2023)** examines in detail. Whilst aggregate Indian annual imports from the Russian Federation escalated beyond sixty billion United States dollars, heavily concentrated in crude oil, fertilisers, and metallurgical coal, Indian commercial exports to Russia remained severely restricted, hovering between four and five billion dollars due to Western sanctions compliance concerns and limited Russian consumer demand for Indian manufactured goods. This massive structural deficit led to the rapid, involuntary accumulation of an estimated tens of billions of dollars' worth of Indian Rupees inside SPVA held by Russian banking entities in India. Because the Indian Rupee lacks full capital account convertibility, and because Russian entities could neither repatriate these funds in convertible hard currencies nor find sufficient Indian goods of equivalent value to purchase, these assets became effectively stranded within the Indian financial system. Russian leadership, including Foreign Minister Sergey Lavrov, publicly lamented the severity of this liquidity trap, openly acknowledging the operational paralysis of accumulating vast balances of inconvertible rupees (**Lavrov, 2023**). To circumvent this systemic bottleneck and preserve crude oil flows, Indian refiners ultimately had to shift significant payment tranches to alternative intermediary currencies, most notably the UAE Dirham (**Verma, 2023**). This episode decisively demonstrated that bilateral national-currency settlement cannot operate sustainably without approximate trade reciprocity, export diversification, or deep, liberalised capital markets.

Capital Account Convertibility and the Policy Trilemma: The overarching structural barrier constraining the rapid internationalisation of the Indian Rupee and precluding its elevation to a primary global reserve currency resides in New Delhi's calculated refusal to dismantle domestic capital controls. Grounded in the rigorous macroeconomic benchmarks set by the landmark Committee on Capital Account Convertibility, popularly known as the Tarapore Committees of 1997 and 2006, the RBI has maintained an exceptionally prudent, gradual approach to opening the capital account (**Tarapore, 2006**). The committee's recommendations set strict preconditions for removing capital restrictions, including sustained fiscal consolidation, a low and stable domestic inflation trajectory, resilient commercial banking balance sheets with low non-performing asset ratios, and foreign exchange reserves adequate to cover multiple quarters of sovereign import obligations. This conservative regulatory doctrine is fundamentally governed by the indelible macroeconomic law of the Mundell-Fleming Trilemma, or the Impossible Trinity, an empirical dynamic rigorously assessed in the Indian context by Patnaik and **Sengupta (2018)**. The trilemma dictates that a sovereign nation cannot simultaneously maintain three desirable policy objectives: full and unconstrained capital mobility, an independent domestic monetary policy, and a stable, managed foreign exchange rate. A true global reserve currency, such as the US\$, necessitates unfettered capital mobility, deep and liquid secondary sovereign bond markets, and the complete absence of bureaucratic controls over cross-border capital inflows and outflows. The Republic of India has deliberately chosen to preserve domestic monetary policy independence—enabling the RBI to calibrate interest rates to suit domestic economic growth and price stability requirements—alongside a managed, interventionist exchange rate designed to prevent disruptive macroeconomic volatility. To retain these two sovereign policy prerogatives, India must structurally enforce capital controls. Consequently, the Indian Rupee cannot instantly emerge as a global transaction and reserve asset. Recognising these unalterable macroeconomic realities, India's alternative financial statecraft focuses pragmatically on digital payment interoperability: linking the UPI with foreign retail switches, such as the UAE AANI and Singapore's PayNow platforms, to facilitate real-time, low-cost bilateral remittances and retail settlements, an organic, technology-driven internationalisation strategy outlined in official assessments by the **RBI (2023)**.

1.4 The Dragon in the Room: The Sino-Indian Boundary Dispute and Intra-Bloc Asymmetry

The defining operational paradox of the BRICS grouping resides in the protracted, militarised geopolitical contestation between its two demographic and economic titans: the Republic of India and the People's Republic of China. Whereas traditional Western multilateral configurations such as the Group of Seven are underpinned by common liberal democratic values, coordinated regulatory standards, and binding collective defence obligations, BRICS encompasses an unresolved, militarised territorial frontier spanning 3,488 kilometres of inhospitable terrain known as the Line of Actual Control (LAC). This contested borderland has repeatedly witnessed intense operational confrontations, massive troop deployments, and lethal clashes, fundamentally distinguishing BRICS from any other major international institution, a systemic anomaly meticulously analysed by **Tellis (2020)**. A profound divergence in grand strategic orientations underpins this acute bilateral friction. The Chinese political leadership in Beijing approaches BRICS through the prism of establishing a unipolar Asia embedded within a multipolar global order. Under this strategic doctrine, Beijing seeks to utilise the collective weight of BRICS to challenge United States global pre-eminence, weaken Western regulatory dominance, and assemble an expansive diplomatic coalition across the developing world, whilst simultaneously asserting undisputed strategic primacy over the Asian landmass and critical Indian Ocean maritime arteries. Conversely, New Delhi's strategic vision demands a multipolar Asia as the indispensable foundation for a genuine multipolar world. Indian diplomacy engages BRICS not to facilitate the replacement of Western hegemony with a Sino-centric regional hierarchy, but to democratise international decision-making bodies, defend national sovereign autonomy along the LAC, and prevent the emergence of an illiberal Asian hegemon, an enduring strategic objective documented by **Rauthan (2024)**. This structural dissonance generates persistent institutional tension across every summit, working group, and negotiated communiqué. The boundary crisis is reinforced by a stark macroeconomic asymmetry: a structural, multi-billion-dollar trade imbalance and an acute Indian supply-chain dependence on Chinese industrial inputs, which New Delhi regards as an intolerable vulnerability (**Dhar, 2021**). To neutralise these strategic risks, India has instituted a robust apparatus of defensive economic statecraft, deploying foreign investment screenings, digital sovereignty prohibitions, and domestic manufacturing subsidies to insulate its market from predatory practices (**GoI, 2020**). Concurrently, Indian negotiators wage a relentless diplomatic battle within BRICS working sessions, systematically vetoing Beijing's unilateral revisionist initiatives—such as the Belt and Road Initiative—while confronting Chinese obstructionism on United Nations Security Council (UNSC) reform and transnational counter-terrorism designations, an institutional tug-of-war detailed by **Mohan (2023)**. Consequently, India's continued presence inside the grouping is not driven by ideological convergence with Beijing. Still, by calculated institutional realism: by retaining its seat and consensus veto power, New Delhi actively constrains Chinese dominance from within, denying Beijing an uncontested platform across the Global South.

The Breakdown of the 1988 Border Management Modus Vivendi: The contemporary breakdown in Sino-Indian relations marks the systemic collapse of a decades-long diplomatic consensus that governed bilateral engagement following Prime Minister Rajiv Gandhi's historic voyage to Beijing in 1988. Under that foundational modus vivendi, both sovereign states formally agreed to compartmentalise their bilateral relationship, as **Ganguly (2020)** comprehensively evaluates. Recognising the complexity of the disputed border, both capitals agreed to set the boundary dispute aside and manage it through bilateral mechanisms, while vigorously pursuing normalisation across trade, investment, high-level diplomatic visits, and multilateral cooperation in forums such as the Russia-India-China dialogue, the G20, and BRICS. To operationalise this compartmentalisation, both states established a sophisticated scaffolding of bilateral confidence-building measures codified in landmark bilateral accords signed in 1993, 1996, 2005, and 2013. These treaties prohibited the use of firearms within designated frontier zones, mandated prior notification of military movements, established hotlines, and set rigorous patrolling protocols to prevent tactical frictions from escalating into strategic conflicts. However, this fragile architecture unravelled dramatically during the 2017 Doklam standoff, before collapsing entirely in the spring of 2020. In May 2020, amidst global turbulence, China's People's Liberation Army executed coordinated, pre-planned multi-point incursions across the Line of Actual Control into Indian-patrolled territory across Eastern Ladakh, encompassing the Galwan Valley, Pangong Tso, Gogra-Hot Springs, and the Depsang Plains, an operational escalation documented by **Tellis (2020)**. The crisis reached a catastrophic threshold on the night of 15 June 2020 in the Galwan Valley, where lethal hand-to-hand combat resulted in the deaths of twenty Indian soldiers and an unconfirmed number of Chinese personnel, representing the first fatal military encounter along the Himalayan frontier in forty-five years. This watershed event decisively destroyed the compartmentalisation paradigm. External Affairs Minister S. Jaishankar unequivocally articulated New Delhi's revised doctrine: border peace and tranquillity constitute the non-negotiable prerequisite for bilateral normalisation across all other fields, affirming that bilateral ties cannot proceed normally whilst the border remains unstable and militarised (**Jaishankar, 2021**). Yet, despite this militarised confrontation, India resolutely maintained its institutional membership within BRICS. Indian policymakers recognised that an outright withdrawal would unilaterally surrender the multilateral grouping to China, eliminating New Delhi's consensus veto and voice across the developing world, an imperative corroborated by **Rauthan (2024)**.

Economic Asymmetry and Defensive Regulatory Firewalls: Geopolitical friction along the Himalayan frontier is mirrored and intensified by an acute structural asymmetry in bilateral economic relations between India and China. While aggregate two-way merchandise trade expanded rapidly over the preceding two decades, reaching volumes between one hundred and fifteen billion and 100 and 35 billion US\$ annually, the composition and balance of this trade became profoundly distorted. Annual Indian imports of Chinese manufactured goods consistently surpassed 100 billion dollars. In contrast, Indian exports to China remained severely constrained between 15 billion and 16 billion dollars, resulting in a persistent, unsustainable annual trade deficit of 85 billion to 100 billion dollars, according to official data from the **GoI (2020)**. This massive imbalance generated severe strategic exposure for the Indian economy. Critical domestic manufacturing and public health sectors exhibited alarming levels of structural dependency on Chinese supply chains, with domestic industries relying on Chinese imports for approximately seventy per cent of their Active Pharmaceutical Ingredients, over eighty per cent of solar photovoltaic cells, and substantial volumes of telecommunications hardware and electronic components, a vulnerability scrutinised by **Dhar (2021)**. After the 2020 frontier clashes, New Delhi concluded that unfettered commercial exposure to an adversarial neighbour contesting its sovereign borders posed an immediate threat to national security. In direct response, the GoI deployed a comprehensive apparatus of defensive economic statecraft and regulatory firewalls designed to derisk the national economy. In April 2020, the government enacted Press Note 3, mandating strict prior government scrutiny and approval for all foreign direct investments originating from countries sharing a land border with India, effectively halting predatory acquisitions of Indian commercial assets and tech startups by Chinese state-backed entities (**GoI, 2020**). Furthermore, invoking Section 69A of the Information Technology Act, the **GoI (2020)** imposed sweeping bans on hundreds of prominent Chinese mobile applications, citing sovereign security and personal data protection. Simultaneously, India introduced expansive Production-Linked Incentive schemes across fourteen strategic manufacturing sectors to cultivate indigenous manufacturing capabilities, onshore critical industrial nodes, and systematically reduce import reliance on Chinese industrial inputs.

Diplomatic Friction Points: BRI, UNSC, and Counter-Terrorism: In BRICS multilateral conference rooms and negotiating sessions, the strategic confrontation between New Delhi and Beijing manifests as ongoing diplomatic friction over core geopolitical issues, turning joint communiqué drafting into an arduous institutional contest. Indian diplomats consistently exercise their consensus prerogative to resist Beijing's attempts to incorporate its revisionist global programmes into the grouping's collective doctrine. Chief among these points of contention is India's persistent refusal to endorse the Chinese Communist Party's flagship Belt and Road Initiative, a principled institutional objection reviewed by **Saran (2017)**. India's opposition to the Belt and Road Initiative is anchored in the inviolable defence of national sovereignty and territorial integrity. The flagship operational corridor of the initiative—the China-Pakistan Economic Corridor—transits directly through Pakistan-occupied Kashmir, territory internationally recognised by New Delhi as sovereign Indian land under illegal foreign occupation. While Beijing regularly secures glowing multilateral endorsements of the project within the Shanghai Cooperation Organisation from other participants, India has consistently blocked any consensus language legitimising the initiative within BRICS declarations, ensuring the bloc is never used to validate territorial transgressions. A parallel institutional battleground concerns the long-delayed reform of the UNSC. Whereas the Russian Federation, France, the United Kingdom, and the United States have formally articulated explicit bilateral support for India's accession to permanent membership on the Council, the People's Republic of China remains the sole permanent member that actively obstructs Indian entry, an exclusionary posture deconstructed by **Mohan (2023)**. Within BRICS summit declarations, Chinese negotiators systematically resist specific, unambiguous language endorsing permanent seats for India, Brazil, and South Africa, insisting on diluted phrasing that merely acknowledges their aspirations to play a greater international role. Furthermore, India has persistently confronted China over Beijing's practice of placing technical holds on UNSC 1267 counter-terrorism sanctions, which shielded Pakistan-based extremist entities responsible for cross-border terror attacks against India. Through rigorous institutional pressure, New Delhi forced direct condemnations of specific terrorist groups into BRICS declarations, imposing high reputational costs on Beijing's regional clientelism (**Pant, 2021**).

1.5 BRICS+ Expansion: Middle Eastern and African Accessions

The institutional enlargement agreed upon at the fifteenth BRICS Summit in Johannesburg in 2023. It was subsequently operationalised through the formal accession of the Arab Republic of Egypt, the Federal Democratic Republic of Ethiopia, the Islamic Republic of Iran, and the UAE, marking a watershed moment in the restructuring of contemporary international relations. By expanding its geographic, demographic, and geoeconomic footprint, the grouping ceased to be an exclusive five-member transcontinental caucus and became a trans-regional collective known as BRICS+. This transformation substantially enhanced the grouping's material weight in global affairs, extending its influence across critical maritime choke points in the Middle East, major global petroleum reserves, and dynamic emerging demographic zones across Sub-Saharan Africa and North Africa, as recorded by the **Konrad-Adenauer-Stiftung (2024)**. For the Republic of India, this quantitative expansion presented profound systemic opportunities accompanied by acute institutional risks. New Delhi's foremost concern was institutional dilution and subsequent geopolitical capture. An unmanaged, hasty admission of sovereign states heavily dependent upon Chinese infrastructure loans or deeply indebted through the Belt and Road Initiative threatened to reduce the grouping to a pliant, anti-Western echo chamber operating under Beijing's strategic tutelage. Conversely, an equitable, criteria-governed expansion offered an extraordinary opportunity to incorporate vital regional partners from West Asia and Africa with whom India maintains deep historical, commercial, and security alignments (**Al-Sudairi, 2023**). Through calculated diplomatic engagement, Indian statecraft averted the former danger while consolidating the latter advantage, ensuring that enlargement reinforced multipolarity rather than entrenching Chinese hegemony, an institutional balance analysed by **Rauthan (2024)**. The material weight of this enlarged configuration fundamentally alters global economic balances. The collective demographic presence of BRICS+ encompasses nearly half of the world's population. At the same time, its aggregate gross domestic product, measured in purchasing power parity, represents between thirty-six and forty per cent of global economic output, eclipsing that of the G7. Crucially, the accession of major hydrocarbon exporters increased the bloc's share of global crude oil production to over forty per cent, turning the caucus into an energy powerhouse. Furthermore, the geographic distribution of its new constituents bridges four of the planet's most critical maritime arteries: the Strait of Hormuz, the Bab-el-Mandeb, the Suez Canal, and the maritime passage around the Cape of Good Hope. Through this strategic convergence, BRICS+ commands vital transit routes linking Europe, Asia, and Africa, providing its membership with immense geo-economic leverage across global supply chains. Within this recalibrated architecture, India's grand strategy has centred on translating systemic weight into reformed global governance whilst preserving the non-aligned ethos of the founding members. By shepherding trusted partners into the fold and establishing the formal Partner Country category, New Delhi ensured that institutional widening did not dismantle internal cohesion or dilute sovereign decision-making prerogatives. Furthermore, India utilised this expanded platform to champion the vital developmental imperatives of the developing world, integrating its domestic digital public infrastructure innovations and climate frameworks into broader South-South cooperation. Consequently, the expansion of BRICS has not subordinated Indian foreign policy to external hegemony; rather, it has given New Delhi an expanded diplomatic arena to project autonomous global leadership, balance great-power rivalry, and build an authentically polycentric global governance architecture.

The Diplomatic Struggle: Criteria vs Dilution: The diplomatic deliberations preceding the expansion at the Johannesburg Summit in 2023 revealed a severe strategic divergence between New Delhi and Beijing concerning the speed, scope, and ultimate objective of institutional enlargement. The Chinese government, energetically supported by the Russian Federation, campaigned vigorously for an immediate, accelerated open-door accession policy. Facing intensifying structural competition with the United States and comprehensive Western sanctions, Beijing sought to assemble a vast, heterogeneous coalition of developing nations to project overwhelming numerical strength and construct an overt anti-Western diplomatic front to confront the G7. This ambitious enlargement drive targeted numerous sovereign states that were economically beholden to Chinese capital or diplomatically aligned with Beijing's revisionist international agenda, an institutional contest scrutinised by **Mohan (2023)**. Recognising that an unconstrained influx of compliant client states would dissolve the coalition's founding character, eliminate consensus decision-making, and reduce India to a marginalised participant within a Chinese-dominated sphere of influence, New Delhi mounted a sophisticated diplomatic holding action. Supported by Brazil, Indian negotiators imposed strict structural constraints on any future enlargement. As articulated in official proceedings by the **Johannesburg II Declaration (2023)**, India established three non-negotiable principles: the preservation of the absolute consensus mandate, requiring the unanimous concurrence of all five founding members for any prospective entrant; the formulation of transparent, objective admission criteria before issuing formal invitations; and the demonstrable non-aligned orientation of applicant states, ensuring that new constituents maintain genuine sovereign foreign-policy independence. To operationalise these stringent requirements, Indian diplomacy insisted upon clear benchmarks assessing an applicant's macroeconomic resilience, commitment to reformed multilateralism, and absence of unilateral coercive alignments (**Rauthan, 2024**). Furthermore, to accommodate the dozens of sovereign states expressing interest in formal alignment without paralysing the core executive apparatus, India pioneered the tiered Partner Country framework. This structured mechanism permits prospective partners to participate in sectoral working groups, trade networks, and cultural exchanges without acquiring voting parity or the capacity to disrupt the unanimous consensus required for ministerial communiqués. Through these procedural firewalls, India successfully neutralised Beijing's attempt to orchestrate an unvetted institutional expansion, safeguarding the caucus's operational autonomy and ensuring that subsequent accessions reflected genuine strategic consensus.

Middle Eastern Accessions: Capital, Energy, and Connectivity: The formal integration of prominent Middle Eastern powers—encompassing the UAE, the Arab Republic of Egypt, and the Islamic Republic of Iran, alongside strategic institutional engagement with the Kingdom of Saudi Arabia—has profoundly realigned the geopolitical core of BRICS+. For the Republic of India, this regional widening directly interfaces with its extended maritime neighbourhood and critical economic lifelines. The Persian Gulf and the broader West Asian theatre represent the primary sources of India's crude petroleum and liquefied natural gas imports, the host region for millions of Indian expatriate workers whose remittances substantially cushion the national balance of payments, and indispensable maritime transit corridors connecting Indian ports to European markets—strategic dependencies evaluated by **Al-Sudairi (2023)**. The UAE's accession and prospective alignment with Saudi Arabia bring the world's most capital-abundant

sovereign wealth funds—such as the Abu Dhabi Investment Authority and the Public Investment Fund—into direct institutional engagement within the grouping. This capital pool provides India with valuable opportunities to attract long-term, patient foreign investment into domestic transport corridors, renewable energy installations, and digital logistics infrastructure. Furthermore, as detailed in bilateral agreements, formalising local-currency settlement mechanisms between New Delhi and Abu Dhabi allows bilateral merchandise trade to settle directly in Indian Rupees and UAE Dirhams, operationalising alternative transaction rails without relying on intermediary Western clearing networks. Concurrently, Egypt's accession secures vital institutional alignments along the Suez Canal, through which over US\$ 200 billion of Indian commercial trade with Europe and North America transits annually. Egypt's admission into the NDB expands Cairo's access to non-conditional infrastructure financing whilst reinforcing India's strategic partnership with an indispensable North African state (**NDB, 2023**). Simultaneously, Iran's inclusion strengthens the multimodal transit architecture of the International North-South Transport Corridor and facilitates strategic Indian investments in Chabahar Port, specifically the Shahid Beheshti terminal. As confirmed in operational reviews by the **GoI (2024)**, this overland and maritime transit network enables Indian commercial goods to access Central Asian and Eurasian markets whilst entirely bypassing hostile transit barriers imposed by Pakistan.

African Integration and the Voice of the Global South: India's proactive endorsement of African representation within the enlarged BRICS+ framework directly applies its overarching grand strategy to champion the collective interests of the Global South. For decades, African states have been marginalised within international financial and political architectures, frequently treated merely as peripheral recipients of donor-driven conditional aid or as arenas for great-power resource extraction (**Beri, 2021**). By actively championing the accession of the Federal Democratic Republic of Ethiopia—the historic seat of the African Union—alongside Egypt, New Delhi ensured that the continent's demographic dynamism and developmental requirements were permanently embedded within the core decision-making councils of BRICS+. This institutional milestone was systematically synchronised with India's historic achievement during its 2023 G20 Presidency: the successful permanent induction of the fifty-five member states of the African Union into the G20, an institutional breakthrough codified in the **G20 New Delhi Leaders' Declaration (2023)**. By securing the African Union's permanent seat at the high table of global economic governance whilst concurrently supporting African integration within BRICS+, India consolidated its standing as an indispensable normative bridge between the developed North and the developing South. This diplomacy provides an appealing developmental alternative to Chinese bilateral lending practices across the continent, which have routinely generated sovereign debt distress and asset loss, as analysed in **Mohan (2023)**. To substantiate this diplomatic leadership, India operationalises its engagement through non-coercive, capability-building partnerships across three primary developmental pillars. In the technological domain, India actively promotes the democratisation of open-source Digital Public Infrastructure—specifically the India Stack, comprising sovereign digital identity, real-time retail payment switches, and verifiable document lockers—enabling African nations to achieve rapid financial inclusion without surrendering digital sovereignty to proprietary foreign software conglomerates or authoritarian surveillance frameworks (**Rauthan, 2024**). In environmental governance, India advances the foundational principle of Common But Differentiated Responsibilities through multilateral coalitions such as the International Solar Alliance and the Coalition for Disaster Resilient Infrastructure, securing climate finance and affordable solar grids for developing economies. Finally, in public health and food security, India leverages its pharmaceutical manufacturing depth to support regional vaccine research centres and establish resilient grain supply channels, ensuring that South-South cooperation delivers tangible socio-economic benefits.

1.6 The Grand Strategic Straddle: Quad, BRICS+, and the Polycentric System

The defining characteristic of contemporary Indian foreign policy in the twenty-first century is its sophisticated, simultaneous engagement across two distinct and apparently contradictory diplomatic architectures: the maritime, democratic Quadrilateral Security Dialogue comprising India, the United States of America, Japan, and the Commonwealth of Australia; and the continental, post-Western BRICS+ coalition encompassing India, China, the Russian Federation, and prominent emerging economies. To traditional alliance theorists and orthodox balance-of-power realists, this simultaneous alignment appears as an unsustainable strategic paradox—an indecisive hedging strategy that risks alienating Western democratic partners whilst generating deep mistrust amongst Eurasian authoritarian states, a critique articulated by **Tellis (2020)**. However, within the conceptual corpus of Indian grand strategy, this dual-vector alignment represents a coherent, purposeful application of strategic autonomy designed specifically to navigate a fragmented, polycentric international system. India's strategic geographic location at the fulcrum of the Asian landmass and the Indian Ocean imposes a fundamental structural reality: the state must simultaneously confront acute continental security dilemmas whilst securing expansive maritime opportunities, an enduring geopolitical condition evaluated by **Menon (2021)**. On the continental landmass, India shares heavily militarised, contested Himalayan frontiers with two collusive, nuclear-armed adversaries—China and Pakistan. In this continental theatre, formal Western military alliances provide limited practical utility; external ground armies will not deploy to the Karakoram heights or the Dapsang Plains to defend Indian territorial integrity. Consequently, India must utilise continental groupings like BRICS+ and the Shanghai Cooperation Organisation to manage border frictions, maintain functional diplomatic channels with Beijing, and secure critical energy, fertiliser, and military spare-parts conduits from the Russian Federation, strategic imperatives detailed by **Kumar (2022)**. Conversely, in the maritime domain of the Indo-Pacific, India is the dominant resident power and an indispensable provider of net security across the Indian Ocean Region. Here, the strategic convergence between New Delhi and fellow democratic maritime powers is exceptionally strong. The Quad serves as an agile, multilateral platform to uphold the rules-based international maritime order, enhance joint maritime domain awareness, secure critical sea lines of communication against coercive naval interdiction, and build resilient, trusted high-technology supply chains through initiatives such as the Initiative on Critical and Emerging Technology, as documented by **Hall (2016)**. By functionally segregating these two theatres, India avoids the catastrophic error of treating international diplomacy as a zero-sum binary choice. The Quad provides the security deterrence and technological access necessary to balance Chinese power across the maritime commons, whilst BRICS+ supplies the institutional leverage required to reform global financial institutions and lead the Global South. Through this grand strategic straddle, India preserves its complete sovereign independence, ensuring it remains an autonomous, self-determined pole capable of mediating systemic fractures in a turbulent global order.

1.7 Strategic Trajectories: Scenarios for India in BRICS (2025–2035)

As the international system undergoes accelerating structural transformation characterised by intense great-power rivalry, unilateral protectionism, and the fragmentation of global clearing networks, the institutional character of the expanded BRICS+ will evolve profoundly. For the Republic of India, remaining anchored in this expanding coalition over the forthcoming decade will require continuous strategic calibration to safeguard its national interests against systemic disruption. To evaluate the prospective challenges and opportunities confronting Indian statecraft within the grouping between 2025 and 2035, three distinct evolutionary scenarios can be systematically conceptualised, each carrying specific implications for New Delhi's sovereign policy space and global standing. The baseline and most favourable trajectory is Scenario 1: Multi-Aligned Equidistance and Reformist Balancing. In this prospective environment, India successfully preserves its strategic equilibrium. By vigilantly defending the consensus rule and actively collaborating with moderate, non-aligned constituents—most notably Brazil, South Africa, and the UAE—India prevents the bloc from degenerating into an overt anti-Western instrument of revisionist foreign policy (**Pant, 2021**). The NDB scales its operations sustainably, mobilising equity capital and floating local-currency bonds within domestic debt markets without sacrificing its international investment-grade credit ratings (**NDB, 2022**). Bilateral national-currency invoicing regimes expand pragmatically, insulating against unilateral extraterritorial sanctions while avoiding the macroeconomic folly of an artificial, Renminbi-dominated common currency (**Goyal, 2023**). Under this trajectory, BRICS+ functions precisely as New Delhi intends: an effective, reformist platform that amplifies the agency of the Global South, democratises international financial quotas, and reinforces a polycentric world order without rupturing India's vital technological, economic, and security ties with Western democracies (**Rauthan, 2024**). Conversely, Scenario 2 outlines Hegemonic Subordination and Indian Marginalisation. In this adverse setting, the gravitational pull of China's immense gross domestic product and export dominance overwhelms institutional checks. Accelerated, unchecked waves of expansion introduce an array of heavily indebted, pliant client states that routinely vote in lockstep with Beijing. De-dollarisation initiatives increasingly bypass national currencies in favour of China's centralised clearing mechanisms, such as the Cross-Border Interbank Payment System, and digital yuan networks. When its consensus veto is compromised through qualified-majority procedures, or it faces complete diplomatic isolation within summit proceedings, India's practical leverage within the forum atrophies. Under such circumstances, while New Delhi avoids a formal, humiliating exit to prevent ceding the mantle of Global South leadership entirely to Beijing, its operational engagement with the caucus withers into nominal participation, forcing India to reallocate its primary diplomatic and economic capital toward alternative minilateral arrangements such as the Quad, the I2U2 grouping, and bilateral free trade partnerships with Western and Southeast Asian economies. Finally, Scenario 3 envisages Bipolar Rupture and Institutional Exit. In this catastrophic contingency, an acute systemic crisis—such as a major militarised escalation along the disputed Line of Actual Control or an open naval confrontation in the Taiwan Strait—triggers sweeping Western secondary sanctions and export controls against the People's Republic of China. Under severe structural distress, Beijing and Moscow push to formally transform BRICS+ into an explicit, binding economic and quasi-security mutual-assistance alliance dedicated to total economic warfare against Western democracies (**Stuenkel, 2023**). Faced with an ultimatum that would require endorsing an adversarial military-political bloc and permanently severing its vital security and economic ties with the United States and its allies, India's strategic straddle collapses. Under these conditions, Indian statecraft would execute a decisive institutional break, freezing its participation or withdrawing from the grouping entirely to preserve its foundational security architecture and anchor its future within formal coalitions of democratic maritime powers (**Tellis, 2022**). To prevent the emergence of these detrimental scenarios and ensure that the baseline trajectory of reformist balance prevails, Indian foreign policy must adhere to five indispensable strategic imperatives:

Defend the Consensus Mandate: Indian diplomats must unequivocally resist any procedural attempts to replace the requirement of unanimous consensus with qualified-majority or proportional voting mechanisms, preserving New Delhi's absolute institutional veto over collective communiqués and future admissions (**Johannesburg II Declaration, 2023**).

Prioritise Bilateral Currency Arrangements: Monetary authorities must systematically reject speculative proposals for a supranational bloc currency, channelling intra-bloc financial cooperation exclusively into bilateral local-currency invoicing agreements and the integration of open-source digital payment systems (**RBI, 2022**).

Consolidate Moderate Coalitions: New Delhi must maintain continuous, proactive diplomatic coordination with non-aligned, democratic partners—chiefly Brazil, South Africa, and the United Arab Emirates—to present unified negotiating stances that constrain Sino-Russian revisionism (**Al-Sudairi, 2023**).

Maximise NDB Developmental Lending: India must proactively leverage the New Development Bank's capital base to secure low-cost, patient financing for national transit, urban infrastructure, and renewable energy corridors, expanding local-currency bond programmes to eliminate foreign exchange risk (**Kamath, 2018**).

Maintain Transparent Strategic Communications: Indian statecraft must articulate its multi-alignment doctrine clearly to both Western capitals and developing nations, showing that its presence within BRICS+ serves broader systemic stability by preventing the total capture of the world's largest emerging-market coalition by an adversarial, illiberal axis (**Jaishankar, 2020**).

1.8 The BRICS+ New Delhi Declaration

The eighteenth BRICS Summit, convened in New Delhi under the overarching thematic presidency of the Republic of India, culminated in the unanimous adoption of the landmark New Delhi Declaration. Bringing together the expanded eleven-member sovereign coalition alongside an array of invited prospective partner states, the summit marked an institutional milestone in consolidating the expanded BRICS+ as an indispensable institutional anchor for the emerging economies of the Global South. Organised around the operational banner of "Building for Resilience, Innovation, Cooperation and Sustainability", the comprehensive ministerial declaration established actionable collective roadmaps spanning global political reform, international security, alternative financial clearing architectures, climate justice, and frontier digital technology governance, as formally

promulgated by the **GoI (2026)**. The strategic significance of the New Delhi Summit lies in its empirical proof that, despite profound macroeconomic asymmetries, differing domestic governance models, and acute bilateral geopolitical contestations, the expanded grouping retains the institutional capacity to build durable diplomatic consensus. Under India's decisive host leadership, the summit negotiations were methodically directed toward practical, developmental solutions to systemic vulnerabilities, successfully filtering out overt, anti-Western revanchist posturing. By anchoring collective declarations in the principles of reformed multilateralism, open digital public goods, and sovereign equality, New Delhi demonstrated that the coalition can actively advocate for the rights of developing nations without devolving into an adversarial geopolitical bloc, an institutional achievement reviewed by **Rauthan (2024)**.

Furthermore, the declaration provided concrete momentum for restructuring international trade and financial pipelines. To address disruptions from unilateral sanctions and currency volatility, member states advanced practical mechanisms to facilitate local-currency commercial billing and agreed to explore linking national digital payment rails. In the technological domain, the summit codified progressive global norms regarding ethical artificial intelligence governance. It validated India's pioneering model of open-source Digital Public Infrastructure as a sustainable paradigm for socio-economic empowerment across the Global South. Through these substantive agreements, the New Delhi Declaration solidified the expanded BRICS+ as a primary catalyst for an authentically multipolar, equitable international order.

Reformed Multilateralism and Global Governance Architecture: The New Delhi Declaration's paramount political imperative is the urgent, non-negotiable need to democratise the international governance architecture to reflect contemporary polycentric realities. Member states expressed deep dissatisfaction with the persistent structural paralysis of historical international institutions, noting that post-war multilateral bodies have failed to adapt to the redistribution of global economic and demographic power, leaving the developing world marginalised in crucial decision-making bodies (**GoI, 2026**). At the core of this institutional demand is the comprehensive reform of the United Nations system, particularly the UNSC. The declaration articulated an unequivocal call to enlarge both the permanent and non-permanent membership categories of the Council to enhance its democratic legitimacy, representative character, and operational efficacy in responding to global peace and security crises. Crucially, the Russian Federation and the People's Republic of China explicitly reaffirmed their diplomatic support for the legitimate aspirations of emerging economies to play an enlarged, permanent role within the Security Council, specifically acknowledging the sovereign credentials and leadership of the Republic of India and the Federative Republic of Brazil, a diplomatic convergence documented by **Kumar (2022)**. Beyond the United Nations, the leaders forcefully condemned unilateral attempts to undermine or fragment global governance, including the coercive practice of withholding assessed financial contributions to international bodies. The declaration demanded an immediate overhaul of the Bretton Woods institutions—specifically calling for a comprehensive realignment of International Monetary Fund quota shares and World Bank voting equity to accurately reflect the real economic weight of Emerging Markets and Developing Countries, an institutional reform historically advocated by **Woods (2006)**. Drawing historical inspiration from the Bandung Conference of 1955, the declaration affirmed that BRICS+ will serve as an unyielding institutional vanguard to amplify the collective agency of African, Asian, and Latin American states across all international rule-making bodies.

Trade, Local Currencies and Cross-Border Payment Systems: The geoeconomic negotiations at the New Delhi Summit were heavily dominated by the collective imperative to construct resilient, uninterrupted international trade and financial clearing rails capable of withstanding supply-chain shocks, unilateral protectionist measures, and the weaponisation of global clearing networks. Member states voiced profound concern over the escalating proliferation of unilateral tariff hikes, non-tariff barriers, and extraterritorial secondary sanctions implemented in direct contravention of international law, which distort global markets and disproportionately harm vulnerable populations across the developing world, an economic reality analysed by **Farrell and Newman (2019)**. In response, the declaration reaffirmed an unyielding commitment to an open, transparent, rules-based multilateral trading system centred upon the World Trade Organisation (WTO), demanding the immediate and full restoration of the WTO's dispute-settlement mechanism. To reduce exposure to the extraterritorial reach of foreign clearing houses and the corrosive transaction costs of currency conversions, the leaders moved beyond abstract debates on de-dollarisation to endorse actionable frameworks for local-currency commercial settlement. The New Delhi Declaration formally approved the progressive expansion of bilateral trade invoicing and debt servicing in national currencies across the member states, encouraging commercial banks to open reciprocal corresponding accounts and expand local-currency liquidity facilities, a financial strategy codified by the **RBI (2022)**.

The summit also achieved a technical breakthrough by endorsing the interoperability of national payment switches, real-time retail messaging platforms, and digital clearing networks. Leaders agreed to advance the integration of fast-payment systems, specifically noting the potential for cross-border linkages between platforms such as India's Unified Payments Interface and counterpart architectures in partner states, as evaluated in **RBI institutional studies (2023)**. Concurrently, the declaration commended the NDB for its operational agility as an independent developmental financier, encouraging the institution to scale its portfolio of sovereign loans denominated in domestic currencies and welcoming the continued expansion of its subscribed capital base.

Artificial Intelligence, Digital Sovereignty and Cyber Security: Addressing the transformative disruptions unfolding along the frontier of technological innovation, the New Delhi Summit formulated a pioneering collective regulatory framework designed to ensure that emerging technologies serve inclusive socio-economic development rather than entrenching digital monopolies. Recognising that artificial intelligence has immense potential to accelerate economic productivity while also creating unprecedented ethical, legal, and security challenges, the Declaration called for an equitable, transparent global governance architecture under the auspices of the United Nations (**GoI, 2026**). A central priority codified in the declaration is the ethical development of artificial intelligence models, with explicit emphasis on protecting intellectual property rights, data sovereignty, and copyright licensing. The leaders underscored that training generative AI systems must strictly respect the intellectual property of original authors, artists, and creators, mandating the exploration of equitable legal frameworks to ensure transparent attribution and fair financial remuneration. Furthermore, the summit underscored the urgent need to eliminate systemic algorithmic bias, promote digital capacity-building across developing economies, and ensure that advanced artificial intelligence technologies are not concentrated in a handful of

multinational corporate monopolies. Simultaneously, the declaration celebrated the revolutionary paradigm of Digital Public Infrastructure pioneered by India, recognising open-source architectures—spanning digital identity, sovereign real-time payments, and verifiable data exchanges—as an essential public good for advancing citizen-centric governance and financial inclusion across the Global South, an operational transfer examined by **Rauthan (2024)**. In cyberspace, the summit condemned the weaponisation of information networks and expressed deep concern over the proliferation of transnational cybercrime and malicious ransomware syndicates. Calling for universal adherence to the United Nations Convention against Cybercrime, member states committed to establishing coordinated institutional protocols for cross-border technical assistance, mutual legal evidence sharing, and the collective defence of critical national infrastructure.

Climate Finance, Energy Transition and Sustainable Development: The environmental and developmental negotiations at the summit decisively rejected the punitive, homogeneous decarbonisation mandates historically imposed upon emerging economies by advanced industrialised nations. The New Delhi Declaration anchored all collective environmental initiatives in the foundational principles of equity and Common But Differentiated Responsibilities and Respective Capabilities, reminding the international community that developing economies bear negligible historical responsibility for aggregate greenhouse gas emissions yet bear the brunt of catastrophic climate disasters, an equitable standard analysed by **Stiglitz (2002)**. The declaration vigorously condemned unilateral trade-restrictive measures disguised as environmental regulations, explicitly criticising protectionist carbon border adjustment mechanisms that penalise developing-nation exports and distort international trade. Member states forcefully called upon developed countries to honour their unfulfilled climate finance commitments, demanding the predictable, grant-based delivery of trillions of dollars in public climate financing alongside the unconstrained transfer of advanced, low-emission technologies to developing nations, as outlined in official releases by the **GoI (2026)**. Simultaneously, the leaders outlined a pragmatic strategy for national energy transitions that balances decarbonisation commitments with the overriding imperatives of domestic poverty alleviation and energy security. The declaration emphasised that clean energy transitions must be flexible, acknowledging the continued indispensability of diverse energy sources—including natural gas, nuclear energy, and traditional hydrocarbons—as critical baseload fuels during intermediate developmental phases. The member states pledged to deepen institutional cooperation across distributed solar and wind grids, sustainable bio-energy, smart electrical distribution networks, and the creation of resilient, diversified supply chains for the critical minerals and rare earth elements indispensable to the global clean energy economy.

International Security, Counter-Terrorism and Regional Conflicts: Navigating profound geopolitical fault lines and active international conflicts, the New Delhi Summit achieved a remarkable degree of diplomatic consensus, formulating principled collective positions on contentious regional crises. On the paramount issue of transnational security, the Declaration adopted an uncompromising, zero-tolerance posture against terrorism in all its forms and manifestations, categorising it as a persistent scourge that cannot be justified under any ideological, political, religious, or ethnic pretext, an unyielding security doctrine documented by **Pant (2021)**. Member states unequivocally condemned all cross-border terrorist incursions, demanding that all sovereign states dismantle terrorist financing networks, eliminate safe havens, and suppress recruitment pipelines within their jurisdictions. Crucially, the declaration called for the comprehensive, depoliticised implementation of the UNSC 1267 counter-terrorism sanctions regime, explicitly rejecting the misuse of procedural holds to shield designated terrorists from international accountability. The leaders also warned against the increasing exploitation of emerging technologies—including commercial drones, encrypted messaging platforms, and virtual assets—by extremist syndicates, calling for robust multilateral intelligence sharing and law-enforcement cooperation, as affirmed by the **GoI (2026)**. Turning to regional security flashpoints, the leaders held intensive diplomatic deliberations on the catastrophic humanitarian crisis unfolding in the Middle East. The Declaration called for an immediate, durable, and unconditional ceasefire in the Gaza Strip and Lebanon, the unhindered provision of life-saving humanitarian assistance, and the absolute protection of civilian populations and humanitarian personnel under international humanitarian law. Reaffirming that lasting peace in West Asia can only be realised through a comprehensive political resolution, the summit reiterated unwavering support for the two-state solution, demanding the establishment of an independent, viable, and sovereign State of Palestine living peacefully alongside Israel within mutually recognised international borders. Through this balanced, consensus-driven declaration, India demonstrated that BRICS+ can address volatile global conflicts with diplomatic maturity, advancing peace, sovereignty, and international law in an increasingly fragmented world.

Strategic Significance of the Summit: The triumphant conclusion of the eighteenth BRICS Summit and the unanimous adoption of the New Delhi Declaration strongly confirm the institutional resilience and operational vitality of the expanded BRICS+ coalition. Despite dire external predictions that admitting heterogeneous regional actors would inevitably plunge the grouping into institutional paralysis or internal acrimony, the summit showed that the caucus remains a remarkably effective platform for sovereign consensus-building across the developing world, an institutional continuity highlighted by **Stuenkel (2023)**. For the Republic of India, the successful stewardship of the summit was a grand strategic achievement in multi-alignment statecraft. By directing the collective negotiations toward pragmatic, tangible developmental priorities—such as the interoperability of digital payment switches, the expansion of local-currency trade settlement, and the equitable reform of multilateral financial institutions—India successfully neutralised attempts by revisionist actors to turn the summit into an ideological crusade against the West, a diplomatic balancing act assessed by **Kumar (2022)**. New Delhi's leadership showed that an emerging power can engage with continental partners across Eurasia while maintaining deep strategic, technological, and security partnerships with the maritime democracies of the West. In doing so, India reinforced its position as an indispensable global bridge and an autonomous pole in international affairs, guiding the expanded BRICS+ toward the shared pursuit of reformed multilateralism, economic resilience, and a genuinely democratic, polycentric global order.

1.9 Conclusion

The evolution of the Republic of India's engagement with the BRICS grouping illustrates a fundamental transformation in contemporary Indian grand strategy: a decisive shift from the defensive, post-colonial non-alignment of the 20th Century to the proactive, interest-driven multi-alignment of an ascending global pole. Far from being an ideological alliance, BRICS functions in Indian statecraft as a dynamic, functional instrument designed to maximise sovereign policy space, correct institutional imbalances in global governance, and secure the vital material prerequisites for domestic economic modernisation. Throughout its institutional lifecycle, India's participation in BRICS has been defined by an unyielding commitment to reformed multilateralism rather than revanchist counter-hegemony. While systemic shocks—such as escalating geopolitical competition and the weaponisation of global clearing networks—prompted certain partners to conceptualise the bloc as a vanguard to overthrow the established international order, New Delhi has systematically served as the grouping's primary institutional anchor and moderating force. India's diplomatic posture, encapsulated in its doctrine of being non-Western rather than anti-Western, recognises an essential structural reality: the sustainable economic advancement of over 1.4 billion citizens requires ongoing technological partnerships, capital inflows, and trade integration with advanced Western economies, even as India seeks to reform the anachronistic representation structures of the Bretton Woods institutions and the UNSC. This nuanced diplomatic calibration mirrors the financial and monetary architectures analysed in this treatise. In co-founding the NDB, Indian negotiators established absolute sovereign parity, securing an immutable twenty per cent founding voting share that permanently prevented the bank from degenerating into a capital-weighted instrument of external financial statecraft. Similarly, in the contentious realm of de-dollarisation, India's rejection of a common BRICS currency reflects rigorous economic realism and strategic foresight. Grounded in the constraints of OCA theory and the Mundell-Fleming Trilemma, Indian policymakers recognised that an artificial single currency would inevitably serve as a vehicle for third-party dominance. Instead, India pioneered a decentralised framework of strategic currency multiplicity, utilising bilateral Special Rupee Vostro Accounts and digital public infrastructure—most notably the cross-border integration of the UPI—to reduce transaction frictions, insulate critical energy imports from extraterritorial sanctions, and defend national monetary sovereignty without compromising its domestic capital-account safeguards. Furthermore, India's sustained engagement within BRICS despite the acute crisis along the LAC demonstrates the operational maturity of institutional realism. By retaining its seat at the summit table, India wields consensus veto power, actively denying regional competitors an uncontested sphere of influence across the Global South. Rather than abandoning the field, India utilised institutional expansion to set stringent entry criteria and shepherd trusted strategic partners into the fold, balancing intra-bloc power dynamics whilst championing the permanent accession of the African Union into the G20. Ultimately, India's simultaneous commitments to the maritime Quadrilateral Security Dialogue and the continental BRICS+ framework do not constitute an unsustainable contradiction; rather, they reflect a coherent grand strategy designed for a fractured, polycentric world order. The Quad secures India's vital maritime approaches and technological frontiers across the Indo-Pacific, deterring coercion along sea lines of communication, whilst BRICS+ provides continental stability, alternative developmental finance, and institutional solidarity with emerging economies. In an era characterised by great-power polarisation, India asserts that the twenty-first-century international system must not succumb to a rigid, zero-sum bipolarity. By acting as an autonomous bridge between the Global North and Global South, and between the East and the West, India establishes itself not as a peripheral swing state, but as an indispensable, self-determined pole shaping the norms, security, and financial governance of a truly democratic, multilateral order.

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