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Volga to Ganga: Modi-Putin Summit Dec 2025 and Prospective Strategic Symbiotic Synergies

by
Vibhu Vaibhav

PREFACE

Dear Readers,

Seasons Greetings and Best Wishes for a wonderful 2026.

The rapidly evolving landscape of global geopolitics presents both challenges and opportunities for nations worldwide. As traditional power alignments shift due to conflicts, economic instability and changing alliances, India has emerged as a significant global leader. Leveraging its economic growth, vast democracy, and strategic geographic position, India is poised to champion a multipolar world and serve as a vital bridge among major powers through its multi-alignment strategy.

The Resource Paper "Volga to Ganga: Modi-Putin Summit December 2025 and Prospective Strategic Symbiotic Synergies," authored by Colonel Vibhu Vaibhav, provides a comprehensive examination of India's unique strategic relationship with Russia, ongoing since 1947. With his extensive experience in the Indian Army and corporate sectors, Colonel Vaibhav has become a recognized expert in defence procurement, supply chain management, and strategic planning.

I am confident that our readers will find this Resource Paper insightful and informative, contributing to a better understanding of India's pivotal role on the global stage.

December 2025

Suguna Ramamoorthy
Secretary General, IJCCI

Volga to Ganga:
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Prologue

On 04 Dec 2025, as President Putin landed at New Delhi, in a pleasant well-orchestrated surprise and a rare break from laid down protocol, he was received at the tarmac itself by the Indian Prime Minister Mr. Modi and later travelled together in the same official vehicle which is unprecedented for any Head of State visiting India in recent times. The "Limousine Diplomacy" observed first time earlier at Beijing between the two leaders and now repeated again at New Delhi has sent clear cut signals to the world regarding the proximity, mutual admiration and the special relationship between New Delhi and Moscow. Year 2025 also marks the 25th anniversary of the Declaration on Strategic Partnership between India and Russia, which was announced during the first state visit of Putin to India in October 2000.The Indo-Russian relations have stood the test of time. Ever since 09 Aug 1971, when the Indo Soviet Union Treaty of Peace, Friendship and Cooperation was signed, the two Nations and Russia thereafter since the dissolution of the Soviet Union, have shared close relations despite quite a few ups and downs and not surprisingly, has remained special for last 54 years. Russia, is currently isolated due to its ongoing conflict with Ukraine. The unabashed support of the West in favour of Ukraine in terms of war fighting resources, funds and sanctions is extracting a heavy price from

Russia in terms of lives, attrition, economy and allies. With an economy driven and dependent heavily by the two verticals of energy resources of oil and gas and defence, Russia is in dire need of strong economic ties and all-weather allies and it is here that its special relations with India is an automatic fit in.

Key Points of Modi-Putin Summit Dec 2025

It was decided beforehand by both the nations that there will be no announcements related to defence during the summit. However, a plethora of other aspects were discussed and certain salient those of significance amongst the others are as enumerated below (www.pib.gov.in, 2025).

- **Economic Cooperation Programme:** The proposed programme for the Development of Strategic Areas of India - Russia Economic Cooperation till the year 2030 has been adopted in which both countries are looking to expand their bilateral trade to USD 100 Bn by 2030. This endeavour will help to diversify, balance, and make trade and investment sustainable, and further expand export, co-production, and co-innovation opportunities.
- **Proposed Free Trade Agreement (FTA):** India and Eurasian Economic Union. Both countries resolved to intensify their efforts to evolve an FTA between India and the Eurasian Economic Union which will be designed for mutual benefit as well as promotion and protection of investments.
- **Labour Mobility Agreement:** This agreement opens the avenues for skilled Indian workers to work in Russia, which is grappling with changing demographic challenges resulting with reducing population which will lead to acute shortage of skilled manpower. India's young talent duly adept in technology, engineering, healthcare, construction, and logistics has the capacity to meet these requirements.
- **Fertilizers:** India is a major importer of fertilizers and being an agriculture dependent socialist economy, long term security of steady

supply of fertilizers at an optimum cost remains a politically sensitive point for India. Both countries agreed to take steps towards ensuring long-term supply of fertilizers to India as well as to look into feasibility of potential establishment of joint ventures. Russian and Indian fertilizer companies also signed an MoU to build a urea plant in Russia.

- **MoUs and Agreements:** The two countries also signed agreements on maritime cooperation, ports and customs, energy, agriculture, training of specialists for ships operating in polar waters and pharmaceuticals. Discussions have been encouraged on potential collaboration on trade through the proposed Chennai-Vladivostok Eastern Maritime Corridor and International North South Transport Corridor and the Northern Sea Route.

- **Civil Nuclear Cooperation:** India has plans for nuclear energy to contribute 100 GW of power by 2047 which by the current low capacity is a tall order indeed to achieve and for that it is actively seeking collaborations. Russia has assured support for expansion of Kudankulam nuclear power plant as well as joint production and localisation of components being used for nuclear power plants.

- **Automobile Sector:** Both the countries agreed to explore avenues for collaboration in EV manufacturing, automotive components, and shared mobility which will go a long way to meet both the respective domestic markets as well as open opportunities for exploring other prospective markets too.

- **Promoting Tourism Industry:** Two new Indian consulates have been opened recently in Russia and plans are afloat for a new 30-day visa scheme for Russian tourists in India soon. These endeavours will help in promoting tourism, create new business opportunities for tour operators and open new avenues for employment

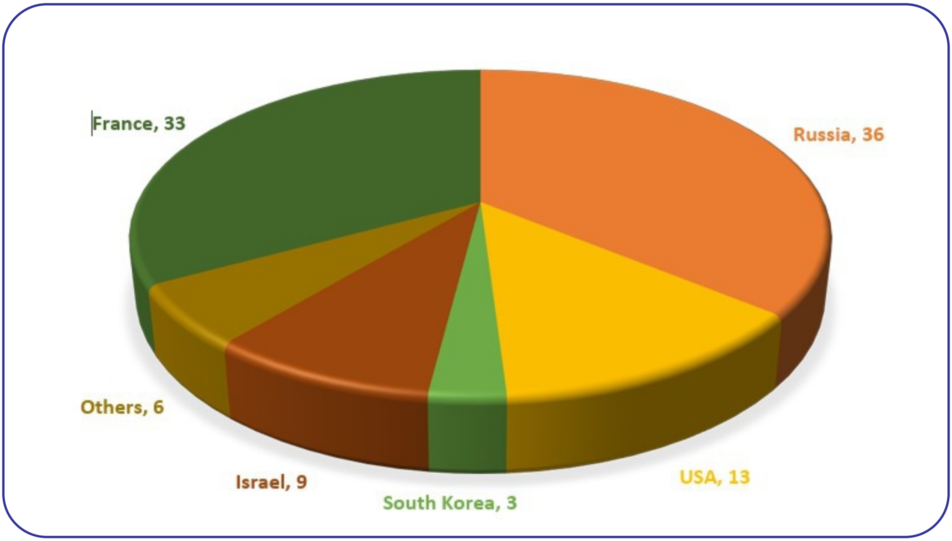
- **Marine Products:** The Indian marine products and the shrimp export industry has been severely impacted due to enhanced US sanctions recently in vogue. Russia has stepped up and has recently expanded the list of Indian companies eligible to export dairy and marine products, creating new opportunities for Indian exporters.

- **Mutual Synergy in Sectors:** There is ample scope in various sectors like textiles, fertilizers, ceramics, cement manufacturing, electronics, exploration, processing and recycling technologies of critical minerals and rare earths. which can aid in building a resilient value chain.
- **BRICS and SCO:** Mutual cooperation to continue as hither-to-fore.

India-Russia Relations Pertinent to DASH (Defence, Aerospace, Space and Homeland).

- **Indian Defence Imports and Russia:** In recent times, India has been the second largest arms importer in the world behind only Ukraine which is embroiled in a longdrawn conflict. With a staggering eight percent of overall worldwide arms import in year 2024 and 9.8% consolidated for 2019-2023, (www.sipri.org, 2024) India stares today at a huge outflow towards meeting its defence related requirements. Russia has been a steady supplier of defence equipment for the Indian Armed Forces and time to time has been the source to bridge both the technology and quantitative gaps for India. For the duration of 2019-2024, Russia has been the top importer for India with a share of 36% overall, matched closely only by France at 33% which has mainly been due to the Rafale fighter aircraft deal. Defence deals with Israel is on the ascent, yet by far, Russia has maintained its role as the lead supplier to India. India, today is on a quest towards self-reliance. India has also in recent times have procured equipment from the USA mainly on G2G deals to bridge the technological gaps. Russia's ongoing conflict with Ukraine has stretched its production lines to meet the burgeoning war time requirements leaving little for exports. India too is very clear in its objective to bring in more domestic manufacturing within the country for the defence equipment. For this, it is encouraging both the domestic capability generation as well as looking at foreign partners to set up manufacturing bases in India.

Top importers in defence for India 2019-2024 in percentage



Major Defence Initiatives and Proposals

- **S400 AD System:** India has bolstered its AD systems with the formidable Russian S400 system which has more than proved its mettle in the recent OP SINDOOR where it ensured complete denial of operational air space to Pakistan while bringing down its quality assets. While the complete delivery of the contracted quantity is much delayed, yet, its success story may lead India to procure more Regiments while it has agreed to replenish the consumed inventory.

- **SU 30 MKI Upgrade:** The Indian Air Force (IAF) is grappling with a severe shortage of fighter aircraft squadrons and this widening capability gap is a cause of major concern and will take a considerable time to bridge. India has announced a mega upgrade plan to modernise a part of its existing SU 30 MKI fleet partially with the Russian help while also majorly incorporating indigenous technologies. Russia is keen to offer new engines for this programme but no decision on that has yet been taken.

- **SU 57 Stealth Aircraft:** With China rapidly inducting a huge number of various stealth aircraft in its inventory and offering the same to Pakistan, the IAF with its dwindling strength is aware about the seriousness of the challenge it is going to face in near future. While India's own AMCA stealth aircraft is still on drawing board and may not start getting inducted by 2035 and hardly any other option is available in the market with only viable option being the US F 35 which will come with its own strings attached if made available to India and thus the IAF faces an uncomfortable uncertainty. Russia has made overtures to market its SU 57 aircraft to India, however, there are quite a few gaps in terms of actual stealth, engines, production rate and claims about the ToT. But with hardly any options being available, India will soon need to take a call or else risk lose its current both numerical and qualitative edge over Pakistan.

- **Encouraging India -Russia JVs:** Of late, there has been a considerable success for a couple of India-Russia JVs notable amongst them being the BRAHMOS hypersonic missile system. This JV between India and Russia has proved to be a stellar success and its fearsome precision strikes in OP SINDOOR has won both admiration and concern the world over. India is going ahead to develop the next generation of these hypersonic missiles and the JV looks to have a bright future ahead. The second JV is the manufacturing of AK 203 assault rifle by IRRPL (Indo-Russian Rifles Pvt Ltd) the production of which has now picked up pace and looks promising in times to come. The success of these JVs inculcates much confidence in this model and has the promising potential to pave way for future such JVs.

- **Leasing of Nuclear Submarine:** Both India and Russia are close to finalise a leasing agreement for Akula class Nuclear Attack Submarine (SSN) for a duration of 10 years at an approximate cost of USD 2 Bn.
- **Advance Marine Engines from Russia:** India has mainly been importing marine engines for the Naval platforms from Ukraine and USA. With the current uncertainty due to war and sanctions respectively India has been on the lookout for suitable alternatives including indigenous production. Russia has offered new generation of advance marine engines though it still is very early stages.
- **Shrinking Russian Defence Export Markets:** Of late, due to numerous sanctions and geopolitical conditions, the Russian defence export market has shrunk in a major way. Almost all of its market share in Latin America and South America is wiped out and currently in African market, it is grappling with a stronger and increasing Chinese presence. With defence exports being a key economy driver along with Oil and Gas for Russia, it will need to soon find out alternatives and India will retain its charm though with increasing focus on self-reliance, the emphasis will shift to manufacturing in India through JVs or local subsidiaries. While this works well for India, for Russia, it will mean being more competitive and cost effective while enhancing its quality parameters.
- **Reciprocal Logistics Support Agreement (RELOS):** The signing of RELOS which is designed to enable facilitation of replenishment of essential supplies, berthing facilities for warships, aircrafts and troops (five warships, 10 aircrafts and 3000 troops simultaneously) and is an enabler for mutual military logistics support for joint operations and long-distance missions while optimally utilising the host nation's logistics network thus enhancing the efficacy to respond swiftly to any crisis or rapidly developing situation mutually. It also gives Russia the warm water access in the IOR (Indian Ocean Region) where currently it has almost no presence especially when compared with USA and China.

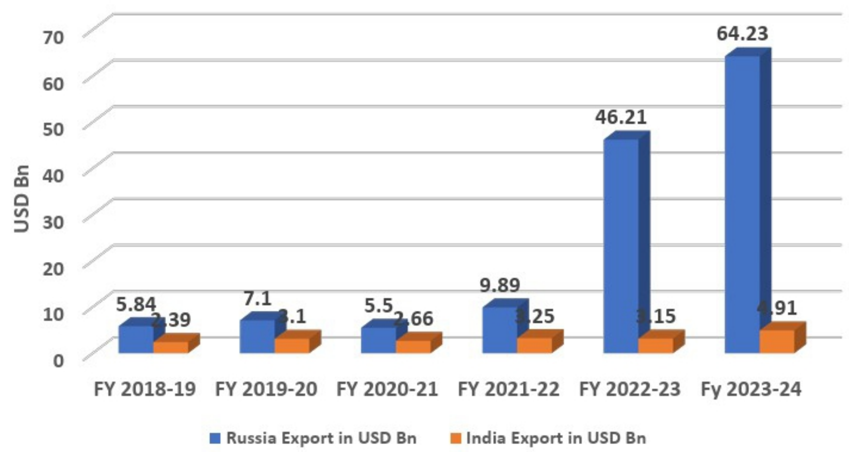
For India, it is a statement of intent for strategic geopolitical leverage with Russia and for Russia it is an acknowledgement of the India's hegemony as the net security provider in the IOR.

Space: There is a growing cooperation between the ISRO (Indian Space Research Organisation) and the Russian State Space Corporation "Roscosmos". Russia has offered its semi-cryogenic RD-191M rocket engines to India with complete ToT which will give India a big boost in its quest for heavy launch capability. Apart from these, prospects like advance metallurgy, crewed missions are also being explored.

Peculiarities of India-Russia Trade

The Rupee-Rouble Conundrum: India-Russia trade has undergone a major shift ballooning from a modest USD 10 Bn in Fy 2021-22 to a staggering USD 69 Bn in Fy 2023-24. The main primer for this huge jump is the discounted oil prices being offered by Russia to India coupled with the lucrative Rupee-Rouble trade. (https://indianembassy-moscow.gov.in/statistics.php, 2025). However, these have not come without its own peculiarities namely the vast trade imbalance in favour of Russia since the Indian exports form a paltry part of the entire trade gambit. With Russia facing sanctions over war with Ukraine, the lucrative Indian market duly helped with the understanding between the two countries has come to its aid. However, it is not without its downside with Russia now holding a huge quantum of Rupee in lieu of dollars for which it has no buyers but India which in turn is exporting much lesser to Russia thus saddling it with currency with which it is finding lesser deployment avenues. Currently, the primary Indian exports are largely pharmaceuticals and machinery standing at about USD 5 Bn resulting in a huge trade deficit of about USD 64 Bn. (sberbank.co.in, 2025). With the IndiaRussia trade being set up a target of USD 100 Bn by 2030, the challenge will remain as to how to reduce this deficit to the mutual advantage of both the countries. The issue also remains that vast majority of trade is due to the oil imports from Russia to India. Any further sanctions on Russia will be a cause of worry.

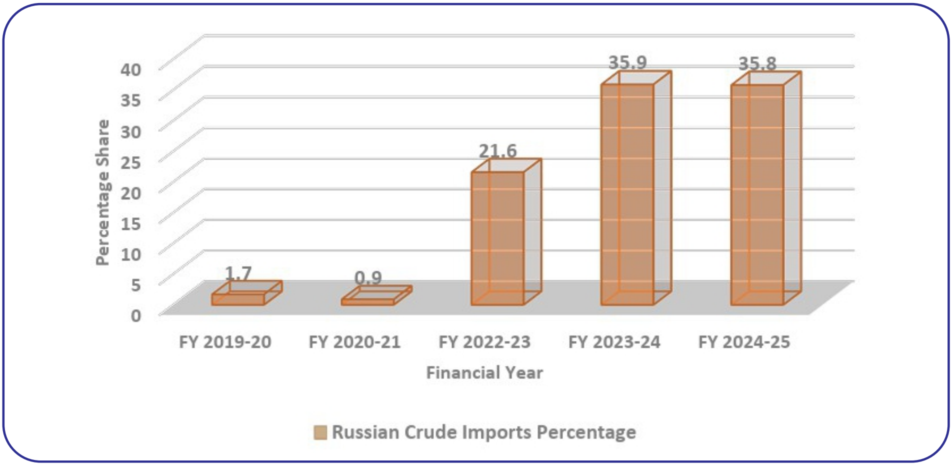
Mutual Indian and Russian Exports



Bridging the Rupee-Rouble Divide: Realising the above problem statement, plans are afoot to give a major fillip to the Indian exports. With the US sanctions impacting majorly the Indian industries like pharmaceuticals, marine products, chemicals, gems etc, Russia has stepped up by agreeing to import more of pharmaceuticals and marine products especially the shrimps from India. It is also helping India by agreeing to provide fertilisers at a competitive rate thus saving precious USD by shifting it to Rupee trade. India has also allowed the Russian Sberbank to import gold in India as well as allowing Russian investors through Sberbank itself to access the Indian stock market benchmarked to the Nifty50 Index. These two actions will allow an avenue for considerable Rupee deployment by Russia back in India. This is a winwin situation with the potential to inject liquidity in Indian markets.

India-Russia Energy Partnership: During the summit, both India and Russia have discussed in detail about the cooperation in the Energy Sector as a significant pillar of the Special and Privileged Strategic Partnership to include crude oil and oil products, oil refining and petrochemical technologies, oilfield services and upstream technologies and related infrastructure, LNG and LPG related infrastructure, underground coal gasification (UCG) technology, nuclear projects, etc. Russia has assured of uninterrupted crude oil supplies to India as a mark of a signature statement to the West. India currently is the third largest consumer of crude oil in the world sitting behind USA and China with a 4.8% share. Correspondingly, since the domestic production of crude oil in India is abysmally low, the import share of India in the world stands at 12.5% approximately translating to a value of USD 132.4 Bn in FY 2023-24 with about 82% of net requirement being imported. At the same time, Inida has a huge refining capacity through which a huge quantum of refined petro products are exported worldwide. Russia was a minor player in India's energy scenario with a paltry share of only 1.7% in Fy 2019-20 to 35.8% in FY 2024-25. (DGCI&S, 2025).

Russian Crude Imports share for India



BRICS Sensitivity: With the focussed targeting of BRICS by the Trump administration, there is a growing concern amongst the BRICS countries with both India and Russia in particular, to evolve methods to strengthen the partnerships and promote cooperation in the expanded BRICS under the three pillars of political and security, economic and financial, cultural and people-to-people cooperation. During the Summit, Russia has assured its full support for India's upcoming BRICS Chairmanship in 2026.

Uncertainty of US Sanctions: There is a growing concern as to how the US sanctions will play out for both the countries. While Russia is reeling under multiple sanctions namely due to its ongoing conflict with Ukraine, India too faces uncertainty over the biased US sanctions being imposed and their impact over the local economy. As the largest democracy in the world, India has made its stance very clear that it will not be arm twisted and will continue to have its own say in matters pertinent to its interests. How this situation will evolve needs to be closely watched for.

Synthesis

The relationship between India and Russia has held sway despite the changing geopolitical dynamics and the resultant geostrategic compulsions and has maintained its essence due to mutual respect and faith which has remained unfazed despite changing domestic political dynamics in both the Nations during these last five decades plus of time. That by itself, lends a different flavour to it. In a growing multipolar world, with both US and China exerting their influences, it will always be a tightrope for both India and Russia to hold on to their respective geostrategic relevance. With the US pressure of spate of sanctions, both India and Russia have been adversely impacted. India too has learnt post OP SINDOOR that you stand alone when it matters and for that you do need a few good time-tested friends. Russia has been an all-weather friend of India. However, in the post socialist era, it is more of mutual economic support which becomes a guiding factor dictating terms of relations between the two. Russia too is facing the brunt on western front with the attritional war with Ukraine. On the eastern side, the growing strength of China too is not so comforting especially with the clear interest exhibited in the Russian far east by China. This is an era of strong personalities influencing the geopolitical arena. Trump, Putin, Modi, Netanyahu etc are all such personalities who are convinced of putting their respective nations before anything else. How best can both India and Russia can mutually benefit and emerge stronger from the current geopolitical churning is a wait and watch game. Their strategic symbiotic synergies are both a compulsion and a statement of intent.

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About the Authour

Vibhu Vaibhav is a Veteran technocrat (Colonel) with a demonstrated leadership in the Indian Army and in the Corporate. He specialises in the Defence procurement, SCM, Infrastructure and Strategy. A geostrategic expert, an analytical thinker and a problem solver, he has been instrumental in handling complex Procurement Projects of Indian Army through project planning and process improvement strategies for Make in India vision.