

India and the Middle East War: Growing Pressure, Limited Options

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Summary

While India could stay aloof from a conflict confined to Iran, it cannot ignore a broader war spilling across the Gulf. Yet even in such a scenario, its strategic options would remain severely constrained.

New Delhi was unlikely to involve itself in a conflict confined to Iran. However, the expansion of the war to other Gulf states has introduced intense economic and political pressures on India to act. Nevertheless, New Delhi has few avenues to intervene save to seek exceptions for itself.

It is a common misperception that India and Iran enjoy close ties. While the two countries made efforts to move closer in the early 2000s, New Delhi has deliberately [distanced itself](#) from Tehran in recent years under pressure from the United States (US). This drift was highlighted in 2025, when India chose to remain neutral during the US-Israeli attacks on Iranian nuclear facilities.

The current alignment of India's ideological, material and geopolitical interests disincentivises it from leaning towards Iran. The Iran war raises two issues of international norms which have historically prompted India to speak up – unprovoked aggression and American military adventurism. However, in the recent years, New Delhi has signalled its unwillingness to take a strong stance on these issues, as evidenced by its neutrality in the ongoing Russia-Ukraine War and its silence during the US' military operations in Venezuela last year.

Materially, New Delhi has little to lose in Iran as the two economies have dramatically decoupled in the last few years under Washington's sanctions. Since 2019, India's energy imports from Iran have been practically zero. India has also [pulled out](#) of the deal to develop and manage the Chabahar port. While Iran was once a preferred destination for Indian workers going abroad, today only [4,000 Indian nationals](#) live in the country.

India's geopolitical interests in the Middle East have become lopsided. It has moved closer to Israel as a technology and defence partner. In fact, Indian Prime Minister Narendra Modi visited Israel in late February 2026 to elevate the relationship to a [Special Strategic Partnership](#). New Delhi's ties with the Gulf states have also deepened with the growth of its [energy imports](#), export of migrant workers and [overall trade](#). India also has a strategic partnership with the US.

After Iranian leader Ayatollah Khamenei's assassination, India issued a [muted statement](#) urging "all sides" to use dialogue and diplomacy to de-escalate. India's reticence was effectively to the advantage of the US-Israel side and to the detriment of Iran.

However, as the war spreads to the Gulf states and has resulted in the closure of the Strait of Hormuz, India's political and economic stakes in the conflict have dramatically and unexpectedly risen.

The war has created [several economic risks](#) for India. Oil prices, insurance costs and shipping fees have shot up, jeopardising India's energy purchases which make up a third of its import bill. The conflict has also put at risk [nine million Indian nationals](#) living in the various Gulf countries and annually send home US\$125 billion (\$\$159.9 billion), an amount critical for India's balance of payments.

The war's expansion has also created political risks for the government at [home](#) and [abroad](#). In the past, India avoided taking strong public stances in many conflicts, without incurring much political cost, including Ukraine, Myanmar, Venezuela and Thailand-Cambodia and the 2025 bombing of Iran. However, the current Middle East conflict is different.

Domestically, public awareness of the war is high due to the large Indian diaspora in the Gulf, making the government's perceived inaction a [political issue](#). Unlike Russia or Southeast Asia, where the current government continues the policies of its predecessors, India's Middle East policy has been shaped by Modi. It was under him that India moved closer to Israel, divested itself from Iran and economically opened up to the Gulf states. This has provided the opposition with [more ammunition](#). The perception of close India-Iran historical ties has added to the government's troubles.

Internationally, this crisis undermines India's claims to be a rising power as well as a [naval power](#) in the Indian Ocean. The [sinking of an Iranian ship](#) on its way from back from a friendly visit to India has led some to [criticise the government](#) for its passivity as the war expands to India's own backyard. The war also comes on the heels of India-US trade deal after six months of stand-off which was [seen by many](#) as New Delhi capitulating to Washington.

While these political and economic pressures mean that India would prefer the war to end as soon as possible regardless of the outcome, New Delhi has limited options. So far, its response has been an equivocal call for de-escalation through dialogue and diplomacy and appeal to reform global institutions. India maintains permanent naval presence in the Gulf region for anti-piracy operations and to ensure safe transit of Indian shipping. It may use its naval assets to provide humanitarian assistance, search and rescue or to escort shipping.

India may consider a United Nations resolution calling for immediate ceasefire but it is unlikely to pursue that path. With most Western countries aligned with the US, India is likely to conclude such an initiative a futile gesture. Since most Asian economies are tied to Middle East energy supplies, India can conceivably take the lead in organising a regional coalition to pressure US-Israel. However, the wariness of working with China and fear of American backlash are likely to keep India off this path.

The most likely strategy India would pursue is to leverage its relationships with the belligerents to carve out exceptions for itself. It has already sought to do that by urging Iran to [let its ships pass](#) through the Strait of Hormuz and [securing a waiver](#) from the US to import Russian oil.

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