

Fettered future: India's struggle to modernise its armed forces

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An enduring resource crunch and increasingly complex acquisition procedures have curtailed India's long-delayed military modernisation as its armed forces face pressure in their immediate neighbourhood. *Rahul Bedi* reports

India's senior service officers say that acute platform, ordnance and munitions shortages are hurting the military's operational deployment on counter-insurgency (COIN) operations along the disputed borders with China and Pakistan, as well as hampering preparations for potential conflict with either or both of those nuclear rivals.

Contracts for urgently needed combat, transport, basic trainer, and tanker aircraft; helicopters; submarines; minesweepers; main battle tanks (MBTs); infantry combat vehicles (ICVs); various small arms; and other equipment are either pending or have been scrapped after extended evaluations, trials, and price negotiations. The Indian Ministry of Defence's (MoD's) continuing fiscal crisis is also leading to postponed payments to materiel vendors for previously obtained and under-acquisition equipment, according to industry sources, and in late December a parliamentary defence committee criticised the government for defaulting on payments.



A K9 Thunder SPH during a mobility demonstration at DX Korea 2018. The IA has commissioned 10 K9 Vajra SPHs, which are variants of the Thunder, having ordered 100 from local manufacturer Larsen & Toubro in mid-2016 for INR43.66 billion. (Jane's/Kelvin Wong)

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“Delayed procurement of warfighting equipment has weakened [India] operationally and compromised our strategic independence,” said military analyst Lieutenant General (retired) P R Shankar. Over the past five years India has prioritised indigenous development and manufacturing of military equipment by involving private manufacturers under its ‘Make in India’ initiative, aiming to reduce materiel imports. However, progress has been dismal, with imports still accounting for 60–65% of all Indian military acquisitions.

The MoD informed parliament in November 2019 that India had imported defence equipment and services worth INR1.62 trillion (USD23 billion) in 2014–19. Defence officials said these imports, primarily from France and the United States, included 22 Apache AH-64E(I) Guardian attack helicopters and 15 Chinook CH-47F heavylift helicopters from Boeing for USD3.12 billion and 36 Rafale fighters for EUR7.9 billion (USD8.8 billion) from Dassault for the Indian Air Force (IAF).

Other major imports included four Boeing P-8I Neptune long-range maritime multimission aircraft for USD1.1 billion for the Indian Navy (IN) and 145 BAE Systems M777 155 mm/39 cal lightweight howitzers costing USD737 million for the Indian Army (IA). Several deals were also being signed with Israel and Russia or were in advanced stages of negotiation, officials said.

However, senior defence planners contend that a large proportion of these purchases via the US Foreign Military Sales (FMS) process, along with an intergovernmental agreement with France, were “haphazard and ad hoc”. According to Amit Cowshish, a former MoD financial advisor for acquisitions, it was unclear whether the ministry had augmented the country’s defence capability by securing those purchases and guarded against default on future purchases and contractual payments.

Many programmes to design platforms and equipment under the government-run Defence Research and Development Organisation (DRDO) have been jeopardised by budget cuts, delays, technical challenges, and cost overruns. Private-sector involvement in expanding India’s defence-industrial base has also been limited, with the MoD continuing to favour the country’s nine defence public sector units (DPSUs) and 41 state-run Ordnance Factory Board (OFB) entities in awarding tenders.

The MoD also told parliament in late 2019 that between 2014 and September 2019 its Defence Acquisition Council (DAC) approved 218 acceptances of necessity (AoN) proposals worth more than INR4 trillion to promote domestic manufacturing, without providing further details. Industry officials told *Jane’s* that over the years almost all these AoN clearances lapsed, since no tenders had

been issued for any of them within 6 and 12 months of approval, as stipulated by successive editions of the Defence Procurement Procedure (DPP) manual.

“A large proportion of AoNs routinely fade into oblivion, with just a handful being subsequently revived,” said a two-star Indian Army (IA) officer, declining to be identified. Securing AoNs, he said, is no more than a “bureaucratic manoeuvre” by the MoD to show its intent.

Analysts said steadily declining defence budgets have compelled all three services to limit their equipment requirements, rationalise expenditure, and retain platforms such as the MiG-21 and MiG-27 variant fighters and Hindustan Aeronautics Limited (HAL) licence-built Chetak (Aerospatiale Alouette III) and Cheetah (Aerospatiale SA 315B) light utility helicopters (LUHs) in service well beyond their official lifespans.

The situation has also led to India’s Cabinet Committee on Security, which is headed by Prime Minister Narendra Modi, deferring final acquisition and financial authorisations for several MoD-approved procurements in recent months. Military sources said these included the INR135 billion acquisition of 24 Sikorsky MH-60R Seahawk multirole naval helicopters and 30 armed multimission General Atomics Aeronautical Systems Inc (GA-ASI) Guardian unmanned aerial vehicles (UAVs) for about USD2 billion through the FMS process.

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