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Is India the Arms Exporter it Claims to Be?

By: Urvashi Sarkar

The government's desire to project India as a significant defence exporter are more apparent on paper than in the order books.

Eyebrows were raised when the defence ministry [informed Parliament in March 2022](#) that India's defence exports had increased six times in value since 2014. Minister of State for Defence Ajay Bhatt stated that defence exports rose to Rs 11,607 crore by March 2022 from Rs. 1,941 crore in 2014–15.

Reports about India's ability as an arms exporter are increasingly published in the media and the government goes the extra length to project grand perceptions of its success and release impressive-sounding figures. In a recent announcement, the Narendra Modi government stated that [defence exports have risen 334% in the last five years](#) with India exporting to more than 75 countries. The Press Information Bureau tweeted, “The Indian Defence sector, the second largest armed force is at the cusp of revolution.”

[India's entry last year](#) to the Stockholm International Peace Research Institute's (SIPRI) list of the world's top 25 arms exporters was celebrated by media commentators and strategic analysts alike. [Home Minister Rajnath Singh declared](#) that India had “transformed” from being one of the largest defence importers to “breaching” the list of the top 25 exporters in the world. SIPRI reports usually highlight India as a major arms importer. That the country featured on a top 25 arms exporters list was seen as a moment of victory. SIPRI recorded a 119% increase in the total volume of India's arms exports between 2012–2016 and 2017–2021.

Such statistics are taken at face value by the media and have been promoted by the government as evidence of India's imminent rise as an arms exporter. Yet, the picture becomes complicated when one actually scrutinises the numbers; the claims then appear to be embellished.

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Since coming to power in 2014, a key stated priority of the Modi government has been to increase self-reliance in defence production, including major arms and ammunition. India targets [Rs 35,000 crore worth of defence exports by 2025](#).

These figures and rankings seem impressive, but SIPRI's data shows that India ranked 23rd in the top 25 arms exporters with a share of just 0.2% of the total global arms exports between 2017 and 2021. The United States (39%), Russia (19%), and France (11%) were the top exporters during this period.

The data provided to Parliament in March 2022 showed that there are substantial hurdles in the way of India achieving its goal of Rs 35,000 crore worth of arms exports by 2025. Amit Cowshish, a former financial advisor to the defence ministry, [listed several of these](#) in February. He pointed to an over-reliance on exports of parts and components rather than major defence equipment, the very few indigenously built platforms and equipment on offer for export, and the reputational setbacks suffered by India's defence industry with nations such as Nepal and Ecuador finding fault with their imports. He also referred to the government's tendency to “pat oneself on the back” for its 'Make in India' rhetoric and pointed to the need for “an honest and objective assessment” of ground realities and the challenges to boosting exports.

India's Arms Exports

[A study by the Centre for Land Warfare Studies](#), a think tank of the Indian Army, noted that in 2017–2018 and 2018–2019 the value of “aircraft, spacecraft and parts thereof” imports was Rs 14,609 crore and Rs 9,215 crore respectively. The export of major arms and ammunition, including parts and accessories, pulled in just Rs 637 crore and Rs 580 crore in these two years.

“Exporting parts, components, and low-value, low-tech items is one thing; exporting high-value lethal equipment is altogether different,” [Laxman Kumar Behera wrote in the Journal of Defence & Security Analysis](#) in June 2022. “India's major exports are to countries with

low paying capacity, and with which it has strong political ties. Barring a few orders, most of the major items are through non-competitive arrangements.”

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Russia’s invasion of Ukraine earlier this year and the sanctions on Russia have also cast a shadow on India’s defence exports. In January 2022, India signed a deal worth \$375 million with the Philippines for the [sale of three batteries of the BrahMos supersonic cruise missile system](#) developed jointly with Russia. The missile can be launched from land, sea, and air. Its export marked a major landmark in India’s bid to position itself as an exporter of arms. However, according to an analysis by the [Economist Intelligence Unit in April 2022](#), “The fulfilment of this commitment will now be delayed, while planned pitches to Indonesia and Vietnam will also be deferred.”

In 2020–2021, the [main recipients of Indian arms imports](#) were Myanmar (50%), Sri Lanka (25%), and Armenia (11%). African countries were also on the client list with Mauritius accounting for 6.6% of India’s arms exports between 2017 and 2021, followed by Mozambique (5%) and Seychelles (2.3%), according to a [working paper by the Export-Import Bank of India](#) in October 2022. India has the capacity to “fulfil Africa’s maritime, aerospace and defence requirements,” the paper said, mentioning the possibility of exporting indigenously developed maritime technologies, including unmanned underwater systems, unmanned aerial systems, and drones, to African countries.

The [main defence equipment exported by India](#) in the five years before 2021 included weapon simulators, tear gas launchers, torpedo loading mechanisms, alarm monitoring and control, night vision monoculars and binoculars, light weight torpedoes and fire control systems, armoured protection vehicles, weapons locating radar, high frequency radios, and coastal surveillance radars. India is also trying to get buyers for major defence platforms such as the BrahMos missile system, the Pinaka multi-barrel rocket launch system, the Akash air defence system, Tejas aircraft, various artillery guns, and radar and anti-tank missiles.

Geopolitical objectives are an important part of India’s defence deals. “The geopolitical intent of arms export was on full display when India decided to gift one of its submarines to Myanmar,” Behera wrote. The submarine, inducted into Myanmar’s navy in October 2020, was supposedly India’s response to China’s forays into Myanmar. India also [entered into an agreement with Armenia](#) on October 2020 for the supply of rockets, missiles, and ammunition to be used in its border conflict with Azerbaijan.

The import-export divide

Defence Secretary Ajay Singh recently made [a tall claim at Defexpo](#), India’s flagship defence exhibition held in October 2022. According to him, India is witnessing a “transformational journey from being the largest defence importer to a net exporter.” A cursory look at India’s import figures put this claim to rest.

Consider these well-known figures. According to SIPRI [data](#), India was the biggest importer of arms in the world in 2021 with its purchases constituting 11% of global arms imports. Its main suppliers were Russia, France, and the US. SIPRI identified 164 states as importers of major arms between 2016 and 2020. The [five](#) largest arms importers were Saudi Arabia, India, Egypt, Australia, and China, which together accounted for 36% of total global arms imports.

Between 2012–16 and 2017–21, Indian arms imports decreased by 21%. “Despite this, India was the world’s largest importer of major arms in 2017–21,” the SIPRI report said, describing the drop in India’s arms imports as “temporary” and attributing it to the country’s slow and complex procurement process and a shift in suppliers.

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India will have to scale up arms imports because of growing threats from China and significant delays in the production of its own major arms. It is widely acknowledged that Prime Minister Modi’s pressure to indigenise India’s defence production and a ban on certain defence imports is [leading to shortages of helicopters and fighter jets](#), compelling the armed forces to continue using obsolete equipment. Critical weapons systems needed by India to replace old ones, and [equipment such as diesel electric submarines and twin-engine fighters](#) are yet to be manufactured in the country. Even though there are projects in the pipeline, these will take years to

develop.

Defence analyst Rahul Bedi told the *Business Standard* newspaper in September 2022 that the Modi government’s import substitution plans fail to factor in the billions of dollars and many years of research required to build world-class weapon systems. “Make in India for defence isn’t thought through properly,” he said. “It is a good slogan, beyond that there isn’t much to show as yet.”

SIPRI’s assessment of [arms production capabilities in the Indo-Pacific region](#) does not support the image of India as a behemoth arms exporter that the Modi government is trying to project. According to its report published in October 2022, India is highly dependent on imports of major arms, including those produced under licence or as components for its domestic production. Of India’s total volume of procurement between 2016 and 2020, 84% was of foreign origin.

Some products such as land-attack missiles and Arihant, a nuclear-powered ballistic missile submarine, have Indian designs, as do some surface ships. But these domestic designs are dependent on key components that are imported such as engines and radars. There are “serious doubts about whether India will be able to significantly reduce its dependence on imports in the short or medium terms”, says the SIPRI report.

It is time we look into the government’s claims about burgeoning defence exports in a more critical manner than taking them at face value.

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