

India's Air Defense Ambitions Face Funding Shortfall Amid Modernization Drive



The Indian Army's critical ambition to bolster its air defense capabilities has hit a significant financial roadblock, as a request for ₹1.12 lakh crore (approximately 13.4 billion USD) for the Quick Reaction Surface-to-Air Missile (QRSAM) system has been met with an allocation of only ₹36,000 crore (approximately 4.3 billion USD). This development, occurring amidst India's ambitious ₹3 lakh crore (approximately 36 billion USD) military modernization program by 2025, underscores ongoing budgetary constraints and prioritization challenges within the defense sector.

The Indian Army had sought 11 regiments of the indigenously developed QRSAM system, designed to protect moving armored columns from aerial threats like aircraft, helicopters, and drones. However, the Ministry of Defence has approved only three regiments, with the Indian Air Force also facing unmet demands for the system. Each QRSAM regiment is estimated to cost around ₹6,000 crore. The QRSAM is a "Made in India" system, developed by the Defence Research and Development Organisation (DRDO), Bharat Electronics Limited (BEL), and Bharat Dynamics Limited (BDL), emphasizing self-reliance in defense manufacturing. This missile system is designed for quick reaction and dense threat environment defense, providing 360-degree coverage and the ability to search and track targets while moving.

The shortfall in funding for QRSAM comes as India continues to invest heavily in modernizing its armed forces. The overall defense budget for fiscal year 2024-25 stands at over ₹6.21 lakh crore (approximately 75 billion USD), with a significant portion allocated to capital outlay for new

acquisitions. Despite this, the gap between the military's stated needs and approved funds highlights a persistent challenge in balancing urgent capability requirements with fiscal realities. The Ministry of Defence recently approved procurements worth over ₹1 lakh crore, including Mine Counter Measure Vessels and a portion of the QRSAM regiments.

While the Indian Air Force is reportedly favoring additional Rafale jets over stealthier options like the F-35 in upcoming large fighter procurements, the focus on layered air defense, including systems like QRSAM alongside S-400 and Akash missiles, remains crucial. The partial fulfillment of the QRSAM demand suggests that India's comprehensive air defense modernization remains an evolving process, vital for securing the nation's future defense posture against emerging threats, particularly from drone incursions. The government's emphasis on indigenous manufacturing, with a target of ₹3 lakh crore in defense production by 2029, continues to be a cornerstone of its strategy, but the financial realities of large-scale procurements persist.