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'In two years, we have a field gun ready; it costs \$2 million'

Bharat Forge on the challenges it faced building an indigenous field gun

RASHEEDA BHAGAT

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During the Kargil War, "a senior Defence Ministry official barged into my office in Pune asking us to immediately produce ammunition for Bofors guns. We made over 100,000 shells. There was no tender, no RFQ, no nothing," Bharat Forge Group Chairman Baba Kalyani recalled in an interview to *Business Line*.

Now, the \$2.5-billion group is ready with a home-built field gun costing \$2 million and wants to prove that the "Made in India" label is the best. Excerpts:

You have built an indigenous field gun. What's the cost and what opportunities do you see in de-

fence manufacture?

Two years ago, we decided to be in land systems, including artillery, infantry, armoured vehicles, ammunition, rockets and allied stuff, and a little electronics, now integral to defence systems. We passionately set up a programme that we call the Indian gun programme. I challenged Colonel Bhatia, who heads our defence business, that let's build an Indian gun. There's a belief that Indian companies aren't capable of this and we want to prove them wrong, as we did in components. In two years, we have a gun ready; it costs \$2 million.

How competitive is this compared to imported guns?

This gun has the advantage of much more mobility and can be mounted on a small truck, or lifted in a helicopter and put at the front on the mountains.

BABA KALYANI
Chairman, Bharat Forge

It would be much more expensive if we import. We are far more competitive.

Have you got any orders from the defence establishment?

Not yet. We did this due to our automotive background where people keep designing new product components, unveil them and then develop a market.

What kind of gun have you made?

We've made two products; one is a 155 mm 52-calibre gun, with self-propelling and towing capability. This is a



field gun, the mainstay of the Indian army like the Bofors guns. Our gun is similar but of a longer range. That was 39 calibre, this is 52; the calibre denotes the length of the barrel and the range.

We've also built an ultra-light howitzer gun, weighing around 900 kg; normal guns weigh around three tonnes. The technology of soft recall is from the US but we've built the whole gun in Pune, right from the special steel, forging in our plants and so on.

This gun has the advantage of much more mobility and

can be mounted on a small truck, or lifted in a helicopter and put at the front on the mountains. The government is importing from the US 150 ultra-light Howitzers at a cost of \$600 to \$700 million. Ours has a smaller calibre, but by next year, we'll also have a 155 mm gun at a substantially lower cost.

Who are your competitors?

Nobody, except for the Ordnance Factory. But the competition will be from outside — France, Israel. This wasn't against a tender, but to show an Indian capability. There is a feeling within our system that defence equipment can't be made here and should be imported. I wanted to break this myth, so we spent our money and made a product to prove we have capability in this country, so don't just brush us aside.

What kind of business

potential do you see for this?

From quotations we know the Indian army now needs about 1,500 to 2,000 guns. Their existing weapons platform — the Bofors guns bought in 1984 — is obsolete and needs replacement. India is the second biggest defence procurer in the world after the US. The European market is shrinking. With our current fiscal situation and the weaker rupee, if a home grown quality product is available at a competitive price, why would you import?

But some Indian businesses do tend to cut corners and compromise on quality.

Not everybody, or else our company wouldn't be supplying to Mercedes Benz, Audi and BMW. But the media doesn't write about manufacturing because it's not glamorous!