

Bharat Forge gets ₹1.2K-cr order to export artillery

Order value over 1/10th of India's defence exports in each of last 2 years

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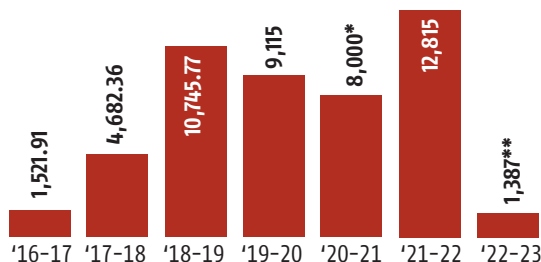
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In a breakthrough in indigenous weapons systems exports, Pune-based Bharat Forge announced on Wednesday that Kalyani Strategic Systems — a wholly owned subsidiary — “has been awarded an export order for a 155-millimetre (mm) artillery gun platform to be executed over a three-year time frame”.

“The total value of the order is \$155.5 million,” stated a company media release. That amounts to approximately ₹1,265 crore — more than one-tenth the value of India's annual defence exports in each of the last two years. Bharat Forge has neither announced the name of the buyer nor the type of gun being exported. However, Ministry of Defence (MoD) sources have confirmed that the buyer

STEADY GROWTH

India's total defence exports (₹ cr)



Note: *approximate value; **as on June 30, 2022

Source: Analysis based on Budget figures

country is Armenia and the order consists of 155 mm, 39-calibre howitzers mounted on trucks for mobility. Sources in the MoD say the order has been made public only to conform to the Securities and Exchange Board of India regulations that demand the publication of information likely to affect stock prices. Bharat Forge had its board meeting on Wednesday. At the price that Bharat Forge has divulged,

the Armenian order will involve the purchase of four to five regiments of 155 mm mounted gun systems (MGS). Each regiment consists of 18-20 guns.

“This order, to a non-conflict zone, is a great testament to the Government of India's Aatmanirbhar Bharat agenda and its sustained push to promote exports of indigenously designed, developed, and manufactured advanced defence plat-

forms from India,” stated the Bharat Forge press release. Bharat Forge is becoming a big player in artillery gun systems, along with Tata Advanced Systems. Both companies are working with the Defence Research and Development Organisation in developing the indigenous Advanced Towed Artillery Gun System, a 155 mm, 52-calibre howitzer that is significantly heavier, more powerful, and has a longer range than the MGS. This order will have a significant impact on the growth of overall defence exports. The government had stated in the Rajya Sabha on February 10, 2020, that India's defence exports had grown sevenfold in two years - from ₹1,522 crore in 2016-17 to ₹10,746 crore in 2018-19.

According to a target set by MoD in the Defence Production Policy of 2018, the annual defence exports are to grow to \$5 billion by 2023.